



**COLORADO**  
Department of Education

Colorado State Board of Education

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TRANSCRIPT OF PROCEEDINGS  
BEFORE THE  
COLORADO DEPARTMENT OF EDUCATION COMMISSION  
DENVER, COLORADO  
April 9, 2014, Part 2

BE IT REMEMBERED THAT on April 9, 2014, the  
above-entitled meeting was conducted at the Colorado  
Department of Education, before the following Board  
Members:

Paul Lundeen (R), Chairman  
Marcia Neal (R), Vice Chairman  
Elaine Gantz Berman (D)  
Jane Goff (D)  
Pam Mazanec (R)  
Debora Scheffel (R)  
Angelika Schroeder (D)



1 CHAIRMAN LUNDEEN: State Board come back  
2 to order. Next item on the agenda is the Commissioner's  
3 Report. I believe legislation and legislative report is  
4 high on the list.

5 MR. HAMMOND: Ms. Mello, please take it  
6 away.

7 MS. MELLO: So the legislative session  
8 will constitutionally have to end four weeks from today.  
9 They may end earlier; I think that's a possibility, so  
10 something to keep in mind.

11 UNIDENTIFIED VOICE: Did you say four  
12 weeks? Four more weeks?

13 MS. MELLO: That's better than four and a  
14 half weeks, which is where we were on Monday. For those  
15 of us who are counting, it's 21 days. We had -- I was at  
16 a meeting earlier this week, and there were some female  
17 lobbyists, and some male lobbyists, and it was very  
18 interesting because all of the female lobbyists were  
19 counting the working days, and all of the male lobbyists  
20 were counting the total days. Like, including the  
21 weekends. And I thought that was an interesting -- some  
22 -- some smart person can come up with a great  
23 psychological explanation for that, but -- I'm not that  
24 person.

25 So there is a lot going on over there, and



1 -- and I'm going to do my best to not be a little frantic  
2 this morning, but just so you know, I'm a little frantic.  
3 So hopefully you'll forgive some of that on my part.

4 UNIDENTIFIED VOICE: (indiscernible)

5 MS. MELLO: We have two new bills that  
6 your alleged contacts have asked us to put before you.  
7 New in the sense that we have not discussed them here, or  
8 in any of our board meetings. The first one is Senate  
9 Bill 165. This is a bill by Senators Johnson and Kerr in  
10 the Senate; by Representatives Murray and Penniston in  
11 the House. What this does, is -- it's perhaps more  
12 helpful to start by saying what this does not do. This  
13 does not delay implementation of Senate Bill 191. This  
14 does not -- in most people's opinion, undermine Senate  
15 Bill 191. What it does is gives districts one more year  
16 of flexibility about how much they wait; the portion of  
17 the teacher's performance rating that is based on the  
18 statewide assessments. Did I get that right, Jill?

19 MS. PITNER: Student (indiscernible)  
20 measures overall, because it's (indiscernible) statewide  
21 assessments.

22 MS. MELLO: Okay, and -- and -- and Jill,  
23 please, do you mind speaking into the mic? Because I  
24 want -- the -- the -- this is a very technical one, and I  
25 struggle to continue to get the words right. So please,



1 Jill, why don't you put it in your words?

2 MS. PITNER: Sure, sure. So really what  
3 it -- the intent of the legislation is, is to respond to  
4 district requests to have another year to practice with  
5 the growth side of 191. And the flexibility is only in  
6 the final rating, how much they weight growth. Districts  
7 still have to evaluate teachers on professional practice,  
8 and growth. So teachers would still see what the growth  
9 side would look like for them. When those two -- where  
10 the flexibility comes, is how much weight you put to this  
11 side, to get your final rating. So they could weight it  
12 30 percent, 10 percent, 50 percent, if they're ready to  
13 do so.

14 MS. MELLO: Or zero.

15 MS. PITNER: Or zero, if they chose not to  
16 wait that portion, but teachers --

17 (Overlapping)

18 MS. MELLO: But just for the one year.

19 MS. PITNER: A teacher still gets a rating  
20 for that standard, because that standard is considered  
21 Standard 6 for -- Standard 6 is the growth standard.  
22 They'd still get an individual rating for that standard,  
23 they just wouldn't get that weighted for their final  
24 evaluation. So it allows for some of that flexibility as  
25 districts are figuring out how to address -- how to



1 combine multiple measures, how to make sure the multiple  
2 measures work well together, and for those districts that  
3 want to use current year results for assessments in their  
4 evaluation, it gives that year where we won't have  
5 current year results, because next year with the new  
6 assessment, we wouldn't have it. It allows them to have  
7 some time to incorporate those for the following year.

8 MS. NEAL: But it's only for those who  
9 choose (indiscernible) --

10 (Overlapping)

11 MS. MELLO: Absolutely yes, it's -- it's  
12 not mandatory on districts, it's completely  
13 discretionary. It gives those who want some more time to  
14 practice, the time. If they are ready to go, they can  
15 go.

16 UNIDENTIFIED VOICE: Is the choice at the  
17 district level? At the school level? At the teacher  
18 level?

19 MS. MELLO: At the district level.

20 UNIDENTIFIED VOICE: So for all -- should  
21 they decide that the growth portion should be 20 percent,  
22 30 percent -- it's for everyone in that school district?

23 MS. MELLO: That's actually a good  
24 question: Does the legislation specify that they have to  
25 use the same measure for all of their professionals?



1 MS. PITNER: So Mr. Chair, no it doesn't  
2 have that level of specificity. I think the guidance  
3 that Department would give to -- but it's local school  
4 board, so they get to decide -- our guidance would say  
5 that -- we would guide districts and encourage them to  
6 choose one waiting for -- it would just get incredibly  
7 complex if they were to do it for different groups of  
8 teachers.

9 UNIDENTIFIED VOICE: So the reason I'm  
10 asking this is that if you read the national literature,  
11 there certainly are those who acknowledge that student  
12 learning growth should be a critical part of a teacher,  
13 and school's evaluation. But that such and such  
14 percentage isn't the right one. That it should be a  
15 different percentage. And in fact, states have -- I  
16 believe states have put different percentages in their  
17 individual educator effectiveness laws. So there are  
18 states where it's only 30 percent, as opposed to 50  
19 percent, et cetera.

20 And I'm curious if there's a way that we  
21 can learn something about that particular question --  
22 what really should be the amount through this one year.  
23 But right now I can't figure out how we can collect  
24 effectively, feedback, that this really seem to be the  
25 better percentage as opposed to what we've -- what's been



1 chosen. Probably fairly arbitrarily, as it has been  
2 everywhere else. I'm just curious what you think about  
3 that, Jill.

4 MS. PITNER: Yeah, Mr. Chair? So a lot of  
5 the research in other states is looking at how much those  
6 states are specifically weighting state assessments. The  
7 state assessment data.

8 UNIDENTIFIED VOICE: The state assessment?

9 MS. PITNER: Correct. And so Colorado has  
10 50 percent that's multiple measures, and we have never  
11 tried to pinpoint what particular weighting needs to be  
12 on, just the state assessment. And in fact, encourage  
13 use of local measures, and encourage use of teachers  
14 coming together to develop shared measures. So it's  
15 closest to their classroom; closest to really what they  
16 see they have the impact on, in a combination with the  
17 state measures.

18 So it's a little bit different, because we  
19 do have those multiple measures that comprise growth.  
20 And it's that piece, it's that flexibility that's in our  
21 model, that is what districts are really practicing with  
22 this year. And I believe that the legislation was an  
23 attempt to respond to districts saying: We need another  
24 year to kind of get that better, and cleaner.

25 UNIDENTIFIED VOICE: Thank you.



1 CHAIRMAN LUNDEEN: Other questions in this  
2 area? Please?

3 UNIDENTIFIED VOICE: Okay. Oh, wait a  
4 minute.

5 CHAIRMAN LUNDEEN: You're just trying to  
6 get me completely off-balanced here, aren't you?

7 UNIDENTIFIED VOICE: No, no, I -- I --

8 CHAIRMAN LUNDEEN: Well, let's see if I  
9 (indiscernible) and I will disclose some more  
10 confidential information.

11 UNIDENTIFIED VOICE: When we had our  
12 legislative meeting, Marcia and I talked about bringing  
13 this to the Board for consideration in terms of taking a  
14 position. My understanding in the impetus for this bill  
15 is that -- that some districts are ready and ready to go  
16 -- but other districts need a little bit more time. And  
17 that we all think, and the Department thinks that this is  
18 a reasonable -- a -- a bill in terms of allowing them  
19 flexibility. So I guess I'd like to put out that this --  
20 since we're such strong supports of 191, and this still  
21 honors 191, but gives them a little bit more flexibility  
22 to do it right, that we support the bill.

23 CHAIRMAN LUNDEEN: Okay. So my  
24 perspective on this --

25 UNIDENTIFIED VOICE: And I think it's a





1 bipartisan support. Is that correct? Or every time I  
2 say that, it's not.

3 (Overlapping)

4 MS. PITNER: It's a bipartisan  
5 sponsorship, but it is not --

6 MS. MELLO: There have been people who  
7 voted against it going forward. When it was in the  
8 Senate. So it's not been like everybody has supported  
9 the bill.

10 UNIDENTIFIED VOICE: Who are the sponsors?

11 MS. MELLO: The sponsors are --

12 CHAIRMAN LUNDEEN: Johnson and Kerr.

13 UNIDENTIFIED VOICE: Johnson and Kerr.

14 MS. MELLO: Johnson and Kerr in the  
15 Senate, and Murray and Penniston in the House.

16 CHAIRMAN LUNDEEN: So as I engage the  
17 conversation, I -- I -- I don't want to oppose, and I  
18 don't completely disagree with your characterization. I  
19 think it does do the best we can do, or potentially. It  
20 makes an effort -- let me say it that way. It makes an  
21 effort to not lose ground on 191, as we're dealing with  
22 something I of course am uncomfortable with, and that's  
23 the burden of PARCC. Everything -- all of this complexity  
24 that we've now introduced into our lives over these last  
25 several years, by virtue of kind of rolling things up to



1 a higher level outside the state of Colorado. It creates  
2 this complexity that requires that we make adjustments  
3 for things of this nature.

4 So point is, I'm not -- I'm not objecting  
5 to what you're saying, I'm simply saying --

6 MS. NEAL: If you understand what he said.

7 CHAIRMAN LUNDEEN: Yeah.

8 UNIDENTIFIED VOICE: I understood it.

9 CHAIRMAN LUNDEEN: Okay. Fair enough. So  
10 I'm not objecting to what you're saying; supportive of  
11 this, or supportive of the Board taking a position on  
12 this. But it's -- it's the type of complexity that we're  
13 creating in our lives by virtue of so many of these top  
14 down, over reaching things that are coming at us from  
15 outside the state. So that's my summary comment.

16 MS. NEAL: With that said, and I tend -- I  
17 tend to agree, I was just teasing you a little bit. I  
18 would have no problem with taking a position of support,  
19 because it does give those districts a flexibility, and  
20 there's so much angst out there about carrying this  
21 forward. And -- and we're saying to them: Yes, if  
22 you're ready, go. But if you're not, you can have  
23 another year. I think that's very reasonable. I have no  
24 problem with taking a position. Do you want me to make a  
25 motion?



1 MS. MARKEL: Yeah, sure.

2 MS. NEAL: I would move that we support  
3 the bill.

4 CHAIRMAN LUNDEEN: Second?

5 UNIDENTIFIED VOICE: I second it.

6 CHAIRMAN LUNDEEN: Okay. Is there further  
7 discussion? Do we want to roll call, or -- we have near  
8 consensus on this?

9 MS. NEAL: We've got Senator Mark Scheffel  
10 in case you want that.

11 CHAIRMAN LUNDEEN: Yeah, well -- okay,  
12 without objection, we'll -- we'll take a support  
13 position. Next item.

14 MS. MELLO: Thank you, Mr. Chair. So the  
15 next bill that the legislative contacts have asked me to  
16 bring forward -- again, they -- they want to ask you to  
17 take a position on this potentially, but it has to do  
18 with supporting innovation --

19 CHAIRMAN LUNDEEN: I'm sorry, say the bill  
20 number again?

21 MS. MELLO: It's Senate Bill 167.

22 CHAIRMAN LUNDEEN: Thank you.

23 MS. MELLO: It has to do with supporting  
24 innovation amongst alternative education campuses. So as  
25 you all know, I'm sure, far better than I, these are



1 schools and campuses that serve some of -- some of our  
2 kids who have a lot of challenges; who are really  
3 struggling for a variety of reasons. This bill creates a  
4 pilot project -- there's a -- so there's an Advisory  
5 Board that gets named by the Department, and then that  
6 Advisory Board works with Department folks, to make  
7 recommendations to you all about how the program should  
8 be run in terms of it's rules. About who the grant  
9 recipients should be.

10 So it does, I think, show a great deal of  
11 deference to the -- the role of the State Board of  
12 Education in all of this, which is not something we  
13 always see in legislation, so I like to point it out when  
14 we do see it. Essentially, it sets up this Advisory  
15 Committee, it sets up this pilot program where there will  
16 be -- part of it is they will give more money to -- on a  
17 per pupil basis to the kids in these schools to see if,  
18 with some additional resources, can we do a better job  
19 helping these kids get to where they need to be?

20 It's a one-time appropriation -- excuse  
21 me, it's \$1.2 million a year for the next several years,  
22 out of the State Education Fund, as the funding  
23 mechanism. It makes it clear that those opportunity  
24 schools are still subject to accountability requirements.  
25 Right, so it's not -- we're not giving anybody a pass.



1       What we're saying is we're going to provide some extra  
2       resources, some extra support, through a grant making  
3       process, to see if we can find ways to do this better,  
4       essentially. And can we -- how can we learn from this  
5       experience about what we -- what we do in this program,  
6       and then apply that to other AEC's and other schools, or  
7       campuses, or whoever they may be that are serving some of  
8       these really high risk populations.

9                        So that's in essence what the bill does.  
10       It has been heard in the Senate Education Committee. It  
11       has not been voted on yet, but that vote is happening,  
12       perhaps as we speak. There's all kinds of things  
13       happening over at the capital as we speak. It's  
14       scheduled for this morning, and I don't know if they're  
15       meeting yet or not.

16                      UNIDENTIFIED VOICE: I think Debora has a  
17       question.

18                      CHAIRMAN LUNDEEN: Debora Scheffel?

19                      MS. SCHEFFEL: Is the goal just to get --  
20       it's a grant program that's fairly non-prescriptive, just  
21       to get more money for student -- to students in this  
22       category? Or is it -- what is it designed to do? Except  
23       provide more money?

24                      MS. MELLO: Mr. Chair, Dr. Scheffel, I  
25       wouldn't categorize it that way. I think it is actually



1 fairly descriptive -- I'll use that word, maybe that's a  
2 neutral word, I don't know -- of what schools in this --  
3 who would be participating in this pilot program, the  
4 kinds of things we're looking for. It's really designed  
5 to be a research tool. I mean that's, I think, the way  
6 to think about it; is we're going to do some research  
7 around how to work best with these schools, and we're  
8 going to do that research via a grant.

9           So I think you all have the bill in your -  
10 - in your packet, but I mean, it talks about -- I'm just  
11 trying to find some of the language here. In  
12 recommending applicants to the State Board, for example -  
13 - I'm on page nine of the bill -- the Department and the  
14 Advisory Committee shall give priority to applicants that  
15 design a program to serve specific segments of the  
16 student population, demonstrate a record of achieving  
17 academic growth if they've been in operation, present  
18 programs that are based on clear design principles; that  
19 includes student-centered focus in which educational  
20 services are designed specifically to meet the needs of  
21 individual students, including flexible programming.

22           I'm kind of skimming around here. A  
23 college and career readiness focus, a focus on providing  
24 wrap-around support services. So there are some, I  
25 think, specifics included in the legislation that target



1 this particular program to schools that are doing some of  
2 this stuff now, or that want to do this kind of stuff, so  
3 that we can learn about the effectiveness of those  
4 specific activities like a wrap-around focus. Does wrap-  
5 around work? Is it necessary? I mean, I know nothing  
6 about this stuff. It seems to me like if you're dealing  
7 with high risk populations, that's probably a good idea.  
8 This is designed to figure out if that actually makes a  
9 difference or not.

10 CHAIRMAN LUNDEEN: Pam and then Elaine.

11 MS. MAZANEC: It seems to me that -- I'm  
12 not sure what the impetus is of the sponsors, you know,  
13 what their motivation is, but from where I sit, I'm  
14 wondering, what do we know -- what do I know, at least,  
15 about the status of our alternative education campuses?  
16 What kind of innovation is already going on, and what  
17 their -- what their success rate is. This seems like,  
18 from my perspective, an awful lot to add right now. And  
19 I'm a little bit concerned that the focus is on wrap-  
20 around services, including drug and alcohol testing,  
21 mental health -- health care. That -- that seems like an  
22 awful lot to add to trying to educate students who are in  
23 an alternative education campus. That's not a question,  
24 by the way.

25 MS. MELLO: Oh, okay, great.



1 MS. MAZANEC: Well, unless you have --  
2 unless you have some more information about the  
3 motivation behind this bill. Is there some -- some  
4 concern about the alternative education campuses that  
5 came to their attention?

6 MS. MELLO: Mr. Chair. Yes. I mean, I  
7 think that there is -- within the community, there is a  
8 concern that we aren't doing a good enough job as a  
9 state, of figuring out, are these schools effective? Are  
10 they doing the right job? What do they need to do the  
11 right job? That we haven't had a focus, kind of in  
12 particular in these schools. They are a part of our  
13 accountability system, so I mean, it's not as if they've  
14 been ignored and completely out of the system, but I  
15 think it's about -- (indiscernible) we are going to take  
16 a structured approach. That's how I've heard the  
17 legislatures describe it.

18 Now, at the capital, one of the things  
19 that gets you in the biggest trouble is ascribing intent  
20 to a legislature. They have big fights about this on the  
21 floor. "Are you saying that's my intent? You are not  
22 allowed to say what my intent is!" So I always say,  
23 that's how I've heard it described. And -- and Rebecca  
24 is here. I mean, I don't -- I can't speak to the  
25 question of what we know already about these schools and





1 how they're operating, and I don't really want to put her  
2 on the spot.

3 (Overlapping)

4 MS. NEAL: Could I ask a question before  
5 that, to kind of just tack on to what Pam has said. And  
6 -- and the -- ask the commissioner, because you know, we  
7 have an alternative school in Mesa County, and we went  
8 through a thing with it last year. I mean, do you feel  
9 that -- are we -- I -- I tend to feel we're doing a good  
10 job there already. You've identified them -- do you see  
11 any -- quite frankly, do you see an advantage to this  
12 bill? Or do you think we're already there?

13 CHAIRMAN HAMMOND: I'm -- I'm not --

14 (Overlapping)

15 MS. NEAL: Sorry to put you on the spot,  
16 but --

17 (Overlapping)

18 UNIDENTIFIED VOICE: Make sure you don't  
19 sign any intent (indiscernible).

20 MS. NEAL: That was my question: Do we  
21 really need this, or are we already doing a good job with  
22 these alternative schools?

23 MR. HAMMOND: No, we're not. Quite  
24 frankly.

25 MS. NEAL: So we could use extra --



1 MR. HAMMOND: Well, I don't know if this  
2 bill addresses that, but I -- because you've all studied  
3 it more, but I have not. You know, there are issues  
4 either way.

5 UNIDENTIFIED VOICE: I've called my  
6 lifeline.

7 MS. MAZANEC: Phone a friend?

8 MS. MELLO: Mr. Chair? So without  
9 deferring this to Keith, around -- around accountability,  
10 I think it is directionally true to say that prior to  
11 AECs having their own accountability framework, they were  
12 consistently at the bottom of the general accountability  
13 framework. That these are traditionally secondary  
14 schools; they are not entirely, who take in students who  
15 are very far behind, who qualify as having 95 percent of  
16 their students as at-risk or highly at-risk, in a number  
17 of risk factors. Anecdotally, those schools would say  
18 they are already trying to provide a great number of  
19 wrap-around services, but they are serving tough to serve  
20 kids on the same PPR, and for a long time have argued  
21 that that is a pretty fundamental challenge for them.

22 The issue here -- and I'm not sure this  
23 bill 100 percent solves this issue, but AEC support  
24 doesn't actually live anywhere in the Department. Keith  
25 has a -- I think one FTE that thinks just about the --



1 where -- the new accountability framework for AECs, and  
2 inside our division we have the dropout prevention  
3 office, which does administer a number of grants, which  
4 just by accident or chance, are often, but not by design,  
5 granted to AECs. Because for example, they serve  
6 expelled and at-risk students, or they serve schools who  
7 have historically low graduation rates. But AECs don't  
8 really live in a support place in the Department. This  
9 grant program doesn't solve that necessarily, but it does  
10 give a start toward having a group, and a task force who  
11 would be taking that issue on over the next three years.

12 MS. NEAL: And there is a financial part  
13 to it. They will pay for it.

14 MS. MELLO: It would assign out of the  
15 general fund, 30 percent more PPR per student, for the  
16 schools who are chosen into the grant program, in the  
17 pilot year, per year, for three years. The -- the grant  
18 program does not institute a cap on the number of schools  
19 that can be in the grant program, but it does institute a  
20 total number of students. So it's 600 students. So 600  
21 students receiving 30 percent more PPR, is where you get  
22 to about 1.2 million a year in additional funding to  
23 these schools.

24 CHAIRMAN LUNDEEN: Dr. Schroeder? Or I'm  
25 sorry, Dr. Scheffel.



1 MS. SCHEFFEL: Do you have a window on why  
2 it says it shall not be an online school? Does that mean  
3 they are not using any online delivery models at all, or  
4 -- do you have a sense of that?

5 MS. MELLO: Mr. Chair, Dr. Scheffel -- I -  
6 - I don't actually know the answer to that question. I -  
7 - there's supposedly legislating coming on online  
8 schools. Remember how I started and said we have four  
9 weeks? So I mean, there -- I -- and -- and I don't mean  
10 to say -- there is a very sincere effort, I think, to  
11 bring forth some legislation around online schools, and  
12 it may have simply been like -- we're going to try to  
13 keep this conversation separate. But I don't -- I can't  
14 tell you for sure.

15 CHAIRMAN LUNDEEN: Dr. Schroeder?

16 MS. SCHROEDER: I'm just a little  
17 flummoxed about this, simply because we know there are  
18 models like -- what's it called? The Harlem --

19 UNIDENTIFIED VOICE: Children's Center?

20 MS. MELLO: Harlem Children's Center.

21 MS. SCHROEDER: Children's Center. We  
22 know that spending more money per kid to provide wrap-  
23 around services, does make a difference. So we're going  
24 to prove this again. It doesn't address -- I mean, how  
25 does this in any way change that reality that we're



1 already aware of?

2 MS. MELLO: Mr. Chair, Dr. Schroeder, and  
3 I'm -- I would like Rebecca to weigh in, but I want to  
4 make it clear that the -- providing wrap-around services  
5 is one of like, 12 things that -- that is listed in terms  
6 of things -- factors were looking at. So I -- I perhaps  
7 misled you when I read through this the way that I did.  
8 That's one of many things, I think, they are trying to  
9 evaluate the effectiveness of, within the context of  
10 AECs.

11 UNIDENTIFIED VOICE: Yeah, I would add to  
12 that -- sorry, Mr. Chair?

13 CHAIRMAN LUNDEEN: Please go ahead.

14 UNIDENTIFIED VOICE: Thank you. That --  
15 included in that list are work-based educational  
16 environments. So the idea of bringing in career and  
17 technical education in a more focused way -- blended  
18 learning. So schools chosen into the pilot would be  
19 piloting in a more intentional way, a number of  
20 practices, that just being one of them.

21 (Overlapping)

22 CHAIRMAN LUNDEEN: I would like to get --  
23 personally, I would just like to spend a little bit more  
24 time. I'd like to spin up on this. I feel like I'm  
25 behind the curve, understanding what it's all about. So



1 I'm not in a position to support it, just so people know  
2 where I'm at, personally.

3 MS. NEAL: And I was just on the point of  
4 making a monitor motion, because I think there are so  
5 many questions. I would move that we monitor --

6 UNIDENTIFIED VOICE: Jane -- Jane, you had  
7 your hand up for a long time.

8 MS. NEAL: Oh, I'm sorry.

9 CHAIRMAN LUNDEEN: I'm sorry.

10 MS. GOFF: It really -- if I -- it's fine.  
11 I would probably just repeat what everybody said. I did  
12 listen to the hearing on this, in the committee, and it  
13 was -- it came across to me as -- as -- an attempt -- an  
14 intent to address what we are realizing, again, is -- is  
15 high school centric problems. And high school age and  
16 older.

17 So yeah, the idea of wrap-around including  
18 workforce development tie-ins and things like that, I  
19 mean, I'd want to talk to them more about at some point  
20 would be -- it really will fall back here if it passes,  
21 is the grant application, and what kinds of literal wrap-  
22 around services and connections these schools, wherever  
23 they are, may have already in place. Or can get.  
24 Because depending on how -- what that situation is, it  
25 makes a lot of difference in how much time they'd have to



1 set back -- be set back in order to get things ready to  
2 have this.

3 CHAIRMAN LUNDEEN: So we have a motion.  
4 Is there a second? There is a second to monitor from  
5 Elaine. So I'm sensing that is the consensus of the  
6 Board. If there is an opposition to take a monitor  
7 position? Next item?

8 MS. MELLO: Okay. So we are now moving on  
9 to bills that we have discussed in some form or another  
10 previously. These are kind of some of the significant  
11 pieces of legislation at the capital, and I'm just going  
12 to provide you an update, and answer any questions.

13 We'll start with House Bill 1268. This is  
14 the bill -- I mean, the shorthand title for this was,  
15 this was the Mutual Consent Bill, right? This bill was  
16 killed on Monday. The sponsor gave his opening remarks,  
17 and then asked that the committee kill his bill. I think  
18 he did that because he knew he didn't have the votes, and  
19 instead of going through two hours of testimony, and  
20 gnashing of teeth, and all such things, he chose just to  
21 get it over with. So the bill is dead.

22 MS. NEAL: Dead. Dead. Dead, dead.

23 CHAIRMAN LUNDEEN: Next item.

24 MS. NEAL: Next item.

25 MS. MELLO: The next one is House Bill



1 1294; this is the Student Data Collection Privacy  
2 Protections Bill that we've talked about before. You all  
3 do have a support position on this bill, just to remind  
4 you. This has been one of those ones that's kind of been  
5 sitting around waiting for the budget to finish, so that  
6 it could get through it's appropriations committee  
7 hearing. Scheduled to be in committee on Friday.

8 It actually doesn't have any -- there's a  
9 fiscal note in the sense that a piece of paper exists  
10 that says there's no fiscal impact. So it's a little bit  
11 odd that we ended up having to go to appropriations on  
12 this bill, but none the less, we are going. I sense  
13 there isn't a fiscal impact, I anticipate a positive vote  
14 out of the Appropriations Committee on Friday, and then  
15 we'll go to the House floor, and obviously it still has  
16 to work it's way through the Senate.

17 This is one of those pieces of  
18 legislation, I've worked on a couple of things like this  
19 this session, where it gets introduced and then lots of  
20 people come out of the woodwork with lots of little kind  
21 of -- when I say "little", I don't mean to suggest that  
22 they are not important, but kind of just things you  
23 didn't think about. Right? It's like, oh, hmmm, that's  
24 an interesting point. So I do anticipate there will be  
25 some additional amendments to this bill to kind of





1 address different concerns that have been raised.

2 I want to reiterate that when the bill was  
3 first heard in committee, they did that same thing as  
4 they had done procedurally on the bill. We just  
5 discussed where they heard the bill, and then they didn't  
6 take the vote that day. They took a vote a later day.  
7 And so when there was that gap period of time, there was  
8 several amendments prepared in -- that attempted to  
9 address some of the concerns raised by the public that  
10 testified at the hearing.

11 So for example, one of the things that  
12 came up was the Department of Education should not be  
13 able to sell student data, or allow a commercial entity  
14 to use it for commercial purposes. What I'm told is that  
15 we would never do such a thing anyway, so that language  
16 was added to the bill to make it very clear that we  
17 cannot do that. So -- and I'm not trying to say that we  
18 have done -- that the bill has been changed and now  
19 everyone loves it, and there is this big Kumbaya, and  
20 everyone thinks its perfect. I think there are still a  
21 number of parents who have, you know, concerns about data  
22 privacy issues.

23 But I'm telling you that so you  
24 understand. I think there's an intent to certain address  
25 the concerns to the extent that we can. So it's a good



1 faith effort. Any questions about that?

2 CHAIRMAN LUNDEEN: Comment. My feedback  
3 is, the amendments have been improving the bill, and a  
4 number of the things that have come to the bill, have  
5 been things we've discussed from this panel previously.  
6 So I -- I think that in fact we are moving in an  
7 improving direction, on a bill that we're already  
8 supporting. So thanks for the report on that. Next.

9 MS. MELLO: The next bill is House Bill  
10 1292, also known as the Student Success Act, and I'm  
11 giggling because they literally are debating this right  
12 now over at the capital.

13 There's been a whole bunch of changes to  
14 this since the last time we spoke. Essentially the bill  
15 at this point in time, the bill that they are debating on  
16 the House floor, contains \$110 million towards reducing  
17 the negative factor. It contains some language around  
18 fiscal transparency, and it contains funding for charter  
19 school capital construction. And that's it. Everything  
20 else has been stripped out of the bill at this point. We  
21 will see if they keep the fiscal transparency language in  
22 there, that will be a big fight this morning on the  
23 floor, and I -- I -- I -- it's close enough that I can't  
24 tell you -- I don't know which way that will go.

25 Now, some of the parts that were stripped



1 out of here were intentionally done so they could put  
2 them over in the School Finance Act. So you remember  
3 that there's a big focus on English Language Learners in  
4 the introduced version. That is not in this bill  
5 anymore, but it's been amended onto the School Finance  
6 Act, so it's not that that concept is completely gone.

7 The other portion of this bill I should  
8 mention that is gone, is the average daily membership  
9 requirement, the transition to -- the requirement to  
10 transition to that system. It was replaced with some  
11 language requiring us to do a study. The language they  
12 put in that requires the Department to do a study, I  
13 think was much more -- I'm trying to think of the right  
14 word -- would require a great deal more work and more  
15 attention to detail than they were intending that it do.

16 So when we came back and said: Okay, if  
17 you want us to do what you are telling us to do here it's  
18 -- it's kind of a big deal, and it takes a lot of time.  
19 And they said: Oh, oh, oh, that's not what we meant. So  
20 we're in the process of working through some language  
21 that -- I mean, it's -- it's like saying to them: Okay,  
22 tell us what it is you want and let's find the language  
23 that accomplishes that. Because the language you've  
24 given us doesn't seem to match what you way your intent  
25 is. And that's not because anyone is trying to be tricky



1 or foolish, or anything like that, it's because these  
2 things get written and voted on within like -- in the  
3 course of two hours. And mistakes get made.

4 CHAIRMAN LUNDEEN: Angelika?

5 MS. SCHROEDER: So didn't we already have  
6 a summer study group that was about exactly this topic?  
7 A couple of years ago?

8 UNIDENTIFIED VOICE: (indiscernible)

9 UNIDENTIFIED VOICE: It's been longer than  
10 that.

11 MS. SCHROEDER: Yeah, time flies, but --

12 UNIDENTIFIED VOICE: It's been longer than  
13 that. I think -- it was 2009, if I remember right. It  
14 was an interim -- legislative interim committee study.  
15 And I was -- I would ask the commissioner and all of you,  
16 and maybe Leanne, if you have a read on how this -- the  
17 bill language proposed is -- how is it different? Is it  
18 in an enhanced list of things that were addressed in that  
19 original report? So you know, it is five years, which is  
20 considerable length of time, but I'm curious when -- when  
21 I saw that they proposed this study, I thought -- well,  
22 maybe we've already accomplished some of that.

23 MS. MELLO: Mr. Chair? And I want Leanne  
24 to weigh in, but to be clear, it's not -- it didn't say:  
25 Go study ADM, it said, go study attendance systems,



1 right? So that's bigger than ADM, right? ADM is -- you  
2 go from one count date to this average daily membership  
3 concept. That's a little different than talking about an  
4 attendance system. You're tracking attendance,  
5 essentially, at the state level, or -- and I mean, we  
6 would obviously work with districts on that, because we  
7 would have to. But just to be clear about that. And I  
8 will let Leanne weigh in.

9 MS. EMM: Thank you, yes. This -- this  
10 study is written in the language right now, is very  
11 different than the average daily membership study. And  
12 they would like us to -- under this current concept,  
13 study the feasibility, design and cost of creating a  
14 statewide system for collecting counts. And then also  
15 compare to that to not only a statewide enrollment  
16 system, but also how it's currently being collected, and  
17 what it could -- what it could be looked at, instead of a  
18 -- them pushing data to us. But a poll system. So a  
19 couple of different ways to look at that, versus just  
20 looking at average daily membership.

21 MR. HAMMOND: Mr. Chair?

22 CHAIRMAN LUNDEEN: Please.

23 MR. HAMMOND: It also brings up the issue  
24 of the statewide student information system that many  
25 superintendents talked about now. Because we have --



1 every district has their own student information system.  
2 I mean, I understand the privacy issues and all of that,  
3 that it raises, but the discussion around that, if that  
4 state ever did that -- and some states have that -- that  
5 there's really not a need for student information systems  
6 at a district level; most particularly want to keep their  
7 own. Because everything would be housed at the state,  
8 and then they don't have to submit reports like they used  
9 to, it would be automatically pulled. You know, you have  
10 to work through other issues; I understand the privacy,  
11 but there is some of that discussion now, because some of  
12 the superintendents aren't really talking about that as -  
13 - really, a burden. That would be a significant burden  
14 relief for them, if the state were able to do such a  
15 system.

16 UNIDENTIFIED VOICE: So are you suggesting  
17 that this would be part of --

18 MR. HAMMOND: I don't know. I mean, there  
19 is still -- the devil is in the detail, but I mean, that  
20 could lead to something from the study. I don't know.  
21 Because it's -- it's getting very close to that, when  
22 you're starting to get in that domain of other  
23 information. Okay? So.

24 UNIDENTIFIED VOICE: That would be  
25 fantastic.



1 MS. MELLO: Well, if I may --

2 CHAIRMAN LUNDEEN: Go ahead.

3 MS. MELLO: I mean, I would argue that the  
4 existing language that we're looking at right now that's  
5 in the bill, probably does lead to that. Again, what  
6 they are telling me they meant to write, is not that. So  
7 it's a -- it's a work in progress. We will report back  
8 when we have additional information. It's a lot of  
9 "hurry up, we need that right now". Oh, never mind.  
10 Right Leanne?

11 MS. EMM: Yes.

12 MS. MELLO: Leanne and I had quite --  
13 quite a few fire drills yesterday afternoon.

14 CHAIRMAN LUNDEEN: Other thoughts? Or  
15 should we move on?

16 UNIDENTIFIED VOICE: Anything else on the  
17 student's success or school --

18 MS. MELLO: No, I mean, it's --

19 UNIDENTIFIED VOICE: Early childhood?

20 MS. MELLO: There are some early  
21 childhood. There's an additional ECARE slots in the  
22 School Finance Act.

23 UNIDENTIFIED VOICE: Do you know  
24 (indiscernible)?

25 MS. MELLO: I believe it's 5,000.



1 UNIDENTIFIED VOICE: How much are we  
2 short?

3 MS. MELLO: Excuse me?

4 UNIDENTIFIED VOICE: How much are we  
5 short?

6 MS. MELLO: Short what?

7 UNIDENTIFIED VOICE: How many slots are we  
8 short for free and reduced lunch kids?

9 MS. MELLO: Mr. Chair, Dr. Chair; I can't  
10 answer that question. I'm not sure I understand.

11 MS. EMM: I'm not sure off the top of my  
12 head either.

13 UNIDENTIFIED VOICE: It would help to know  
14 what it is that we seek.

15 MS. EMM: We can certainly look back. I  
16 think we've provided some of that information to the  
17 Joint Budget Committee in the past as to what -- what the  
18 --

19 UNIDENTIFIED VOICE: (indiscernible)

20 MS. EMM: What the total eligible --

21 UNIDENTIFIED VOICE: Population is.

22 MS. EMM: Population for free -- for  
23 students with at-risk factors would look like.

24 UNIDENTIFIED VOICE: Right. Right. It  
25 would help to look at that, and share that again.





1 MS. MELLO: Thank you. Sounds like my  
2 lifelines will follow-up.

3 CHAIRMAN LUNDEEN: Okay, is that it?

4 MS. MELLO: Okay. That's it.

5 CHAIRMAN LUNDEEN: Thank you very much.

6 (Overlapping)

7 MS. MELLO: Enjoy the rest of your day.

8 CHAIRMAN LUNDEEN: I think we are going to  
9 finance -- Commish --?

10 (Overlapping)

11 UNIDENTIFIED VOICE: Enjoy the rest of  
12 your day.

13 MS. MELLO: Doesn't really happen this  
14 time of year.

15 UNIDENTIFIED VOICE: Thank you.

16 MR. HAMMOND: Thank you, Mr. Chair.

17 Leanne, are you ready?

18 MS. EMM: Yes.

19 MR. HAMMOND: I will turn it to Leanne and  
20 give you an update on the recent revenue forecast, and  
21 what's also happening.

22 MS. EMM: Sure. So -- so I'm not going to  
23 spend a lot of time on the revenue forecast, I'd rather go  
24 into what total program might look like if 1298 and 1292  
25 passed. So you had received some information from the --



1 regarding a (indiscernible) that looked like this -- it was  
2 a spreadsheet that had blue on it.

3 MS. NEAL: Which I still couldn't read,  
4 even with my magnifying ruler.

5 MS. EMM: I apologize. I know it's little  
6 print. And I believe that you also received a fact sheet  
7 on Total Program, and hopefully this helped boil down some  
8 of the large brochure of Understanding School Finance, and  
9 I'd like to open it -- if anybody had any questions first  
10 of all, on the fact sheet and how that was derived.

11 UNIDENTIFIED VOICE: I do not.

12 CHAIRMAN LUNDEEN: I'm good.

13 UNIDENTIFIED VOICE: This was very  
14 helpful, thank you very much.

15 MS. EMM: Good.

16 UNIDENTIFIED VOICE: The -- the formula  
17 per pupil funding though -- it says: Amount determined by  
18 adjusting base per pupil funding, by factors that  
19 differentiate a district's demographic characteristics.  
20 Can you tell me what that "factors that differentiate", is  
21 that different than the free and reduced lunch, English  
22 language?

23 MS. EMM: Those -- when you take all of  
24 those factors together, those really differentiate and help  
25 -- help the per pupil funding in that district. So -- so



1 you look at the cost of living in the district, you look at  
2 their free and reduced lunches, and all of that. But let  
3 me -- let me back up. Free and reduced lunch do not affect  
4 that base per pupil funding adjustment. That per pupil.  
5 It's really the cost of living, the personnel and non-  
6 personnel, and the size of the districts that -- that  
7 attempt to capture the demographic information within that  
8 particular district.

9                   And so once those factors are applied to  
10 the base per pupil, that gives you your formula per pupil  
11 funding.

12                   UNIDENTIFIED VOICE: So the formula per  
13 pupil funding actually encompasses the cost of living --

14                   MS. EMM: Yes.

15                   UNIDENTIFIED VOICE: Okay. So it's not  
16 necessarily a separate part of the formula. It encompasses  
17 --

18                   MS. EMM: Well, it is in that if you  
19 looked on the second part of the page, on the back of the  
20 page, and in the second section here at this gray -- with  
21 these gray bars here, you -- that's really where you take  
22 your base, and you apply those factors. So you apply cost  
23 of living, personnel and size. And that formula there  
24 gives you a specific formula per pupil funding for every  
25 district within the state.



1 UNIDENTIFIED VOICE: I think we're saying  
2 the same thing, different ways.

3 MS. EMM: Okay.

4 UNIDENTIFIED VOICE: So the formula per  
5 people funding -- that's what that is, is those. Okay.

6 MS. EMM: Yes.

7 UNIDENTIFIED VOICE: Got it.

8 MS. EMM: And then once that's determined,  
9 then you go through the next -- the next level of  
10 adjustments.

11 UNIDENTIFIED VOICE: Yeah, so I don't get  
12 the personnel and non-personnel costs. I don't -- is it a  
13 ratio?

14 MS. EMM: That one -- that one is. It's  
15 an attempt to -- it's an attempt to measure, or recognize,  
16 I should rather say "recognize" that the personnel costs  
17 within a particular district, is going to eat up much more  
18 of their budget than another district. So normally what  
19 happens is when you get into larger districts -- Jeffco,  
20 Denver, places like that, their per pupil funding is much  
21 closer to the statewide average, so therefore their  
22 personnel costs are going to eat up a larger percentage of  
23 that -- of that per pupil funding, then say a smaller  
24 district that has a large per pupil funding. And so their  
25 personnel costs are not as high of percentage --



1 UNIDENTIFIED VOICE: Relative, right.

2 MS. EMM: Relative to another district.

3 So that attempts to recognize that difference there.

4 UNIDENTIFIED VOICE: By reducing what they  
5 get?

6 MS. EMM: Well --

7 UNIDENTIFIED VOICE: I mean, I just -- I'm  
8 -- I'm trying to understand the rationale. It seems to me  
9 that it's a local decision whether they have a high level  
10 of personnel -- overall personnel (indiscernible) or do  
11 not.

12 MR. HAMMOND: But it's in-house  
13 calculating the formula.

14 UNIDENTIFIED VOICE: But why?

15 MS. NEAL: But cost of living --

16 (Overlapping)

17 UNIDENTIFIED VOICE: I'm not talking about  
18 cost of living, I'm talking about the cost of --

19 MS. NEAL: If you have to pay more to  
20 teachers because in your district they won't work for you  
21 unless they make so much money -- on the other hand, if  
22 they're in another district where, you know, the cost of  
23 living is less -- because correct me if I'm wrong -- are we  
24 talking about the famous J-curve here?

25 MS. EMM: The J-curve --



1 MS. NEAL: I know the J-curve has changed  
2 a little bit, but that's what we always referred to, when I  
3 was on the local Board, was the J-curve, which has a great  
4 -- it has all of those elements in it, but size was the  
5 overwhelm -- seems to be the overwhelming -- the biggest  
6 districts and the -- the smaller districts get the most  
7 money, the middle districts get, you know, the lowest  
8 average, and then the -- the big districts again, go back  
9 up because of their -- it's not as efficient to have that  
10 big a district.

11 UNIDENTIFIED VOICE: (indiscernible) Ms.  
12 Neal. I thought that's the cost of living piece?

13 MS. NEAL: Well it is. Thank you.

14 UNIDENTIFIED VOICE: And I'm talking about  
15 something that she has here --

16 (Overlapping)

17 CHAIRMAN LUNDEEN: The personnel cost.

18 UNIDENTIFIED VOICE: Is the personnel and  
19 non-personnel costs, which reduces the amount of district -  
20 -

21 MS. NEAL: You mean the difference between  
22 -- what is personnel and what is non-personnel costs?

23 UNIDENTIFIED VOICE: Yeah, yeah, a  
24 decision that a district makes as to whatever money they  
25 get, including the cost of living adjustment, how they



1 allocate that money. And I don't get why there is an  
2 adjustment to the formula for that.

3 MS. EMM: Thank you. You know, and I  
4 apologize -- I do not know the actual rationale behind why  
5 they put that factor into the formula. However, it was an  
6 attempt -- I do know that it was an attempt to say; those  
7 with smaller --

8 UNIDENTIFIED VOICE: Payrolls.

9 MS. EMM: Smaller -- no, not -- not  
10 payrolls, but smaller per pupil fundings. Their personnel  
11 eats up more of that per pupil funding than a district with  
12 a large -- with a larger per pupil funding. And their  
13 personnel costs eat up less than that. So it was an  
14 attempt to measure between non-personnel and personnel, to  
15 somewhat equalize those across the districts. And you now,  
16 in the -- in the parenthesis, that's where -- that's where  
17 they are applying those factors.

18 And then one other clarification for  
19 Marcia: You're -- you're right that the size was the J-  
20 curve, and it's no longer a J-curve it's an L.

21 MS. NEAL: No, now it's an L.

22 MS. EMM: Yeah, now -- now it's the L.

23 MS. NEAL: When they changed it. Of  
24 course, see I come from one of those districts who was very  
25 fond of saying: We're on the bottom of the J-curve. And



1 we use to argue with Pueblo, because we got a dollar more,  
2 or they got a dollar, or something. You know, it's like,  
3 no, we're the lowest.

4 MS. SCHROEDER: So going -- going back to  
5 this personnel thing -- have any -- has anybody looked at  
6 it to determine whether in fact the scenario you described,  
7 that small districts -- it's a large percentage -- is in  
8 fact the reality? In the spending of the districts?  
9 Because it seems to me that there is an incentive here to  
10 spend as much on personnel as possible, in order to get  
11 more PPOR.

12 MS. EMM: Okay, thank you. And actually  
13 there is no correlation between what the districts actually  
14 spend on personnel, versus what the formula gives you.

15 MS. SCHROEDER: Oh, holy cow. Now I'm  
16 totally confused.

17 MS. EMM: Yeah, there is no looking at --  
18 there is no looking at actual expenditures on personnel  
19 comparative -- compared to what the formula would say  
20 you're spending.

21 MR. HAMMOND: It's much like the cost of  
22 living factor in here. They are very complex internally.  
23 They have been with the (indiscernible) if I'm right --  
24 this has been there since 1988.

25 MS. NEAL: That right. And they've





1 fiddled with it, but they haven't really changed it that  
2 much.

3 UNIDENTIFIED VOICE: So Leanne, I know  
4 that right now is no time to be asking for anything, but at  
5 some point I would like to understand this. Because it --  
6 some -- the rationale is not -- is not going into my brain  
7 at all.

8 MR. HAMMOND: Because there is a  
9 methodology and formula beneath the --

10 MS. SCHROEDER: Yeah, I get formulas, but  
11 formulas should have some reasonable assumptions and  
12 expectations and objectives, and I don't -- I don't get  
13 what this objective is, because it actually -- if your  
14 example is correct, it reduces the amount you get, all  
15 right? At least in your example, it's -- it's personnel  
16 cost, 90.50 percent. So I just want to figure this out.

17 MS. EMM: Sure.

18 MS. SCHROEDER: And this is not the time  
19 to ask you, I know that.

20 MS. EMM: Okay.

21 MR. HAMMOND: Suffice it to say, Angelika,  
22 that you are not the only person who is confused, I'm not  
23 sure that anybody completely understands. This is -- the  
24 word picture that I have is: You build a house, and then  
25 because you need to -- your family expands, you add up the



1 house -- or -- a lean-to on the side, and then you build  
2 another room on the side of the lean-to, and over the years  
3 we've created this incredible labyrinth that is so  
4 complicated that it may or may not be serving the purposes  
5 we seek well, that's -- but that's an entire different  
6 conversation.

7 (Overlapping)

8 MS. NEAL: But if you set out to fix it --  
9 it makes something worse.

10 (Overlapping)

11 MS. EMM: I think it would be appropriate  
12 for us to study it.

13 MS. NEAL: I don't. I'm sorry.

14 UNIDENTIFIED VOICE: Yeah, but you're an  
15 accountant.

16 MS. EMM: Because -- well, I know, but  
17 we're the ones that distribute the money.

18 MR. HAMMOND: It is key. I -- I --

19 (Overlapping)

20 MS. NEAL: It is key, I agree with you.

21 MR. HAMMOND: I agree it's important, and  
22 we should be looking into it more carefully.

23 (Overlapping)

24 MS. EMM: I think it's important, at some  
25 point, that we make sure that what we're doing is what we



1 want to me doing.

2 MS. NEAL: But what -- I'm sorry,  
3 Angelika, but if we decided that we didn't like that, what  
4 do you think they'd do about it?

5 MS. EMM: Well we could make a good case,  
6 and if we can understand it enough to be able to explain it  
7 them -- because I would predict that not all of them get it  
8 either. I'm sorry for being a numbers person, but it's  
9 money for kids. We shouldn't just blow it off.

10 MR. HAMMOND: You're absolutely correct.  
11 I agree. Show me the money.

12 (Overlapping)

13 MS. NEAL: You're absolutely right.

14 MR. HAMMOND: Jane had a question or  
15 comment. And I have a gavel.

16 MS. GOFF: Well, question and asking for  
17 confirmation, probably. Within the personnel bucket, is --  
18 is para in there? Now the state requirement -- the  
19 requirement on districts is -- I'm not sure what the  
20 percentage is, and I know it's gone up by a little less  
21 than one percent or something this year -- the district  
22 contribution to para, is that all taken into account in the  
23 total pot of personnel costs? The percent -- again it's  
24 the -- the percent is state requirement percent of  
25 district's contribution is the same across the state, but



1 when we're talking about the varying numbers of personnel  
2 that follow under para, it -- it -- that -- I don't know, I  
3 -- I district -- I mean, isn't that typically considered in  
4 the big pot of personnel costs for school districts?

5 MS. EMM: Thank you. Again, there is  
6 really no correlation between what's actually paid out in  
7 districts for personnel with para salaries and all of that,  
8 and how the formula distributes the money.

9 MS. GOFF: Right. Right, right, right.

10 MS. EMM: So one would assume that when  
11 the formula was built -- and this piece of the formula has  
12 not changed since -- as far as I can remember, back to  
13 1995. I -- it hasn't changed. But you would assume that  
14 it would have been factored in, at that point in time that  
15 it was written. That -- that the -- the full cost, fully  
16 loaded cost, of salaries and (indiscernible) were  
17 considered in developing that portion of the formula.

18 MS. GOFF: Okay.

19 MS. EMM: We would think.

20 CHAIRMAN LUNDEEN: Other questions at this  
21 -- at this juncture? No? Leanne?

22 MS. EMM: Okay, thank you. So anyway, I'm  
23 glad you found this helpful.

24 (Overlapping)

25 MS. NEAL: Well, I did until Angelika



1 (indiscernible) --

2 MS. EMM: We'll doing a little more  
3 studying on personnel.

4 MS. SCHROEDER: I thought I understood it  
5 until --

6 MS. EMM: The other thing that I wanted to  
7 hand out is an updated version of the spreadsheet that you  
8 all had -- and I apologize for the small print. But some  
9 people will be very happy to see this out in the districts.  
10 And what this is, is it's updated version that incorporates  
11 both 1292, and 1298. So in House Bill 1292, there's a buy  
12 down of the negative factor of \$110 million, over what is  
13 currently in the School Finance Act of 1298. So what this  
14 -- what this spreadsheet illustrates, and we'll be posting  
15 this up later today, are the House appropriation amendments  
16 that took place yesterday.

17 So if we just -- I will -- I'm going to  
18 start on page four, and what this illustrates is the 2013-  
19 14 total program funding. So your first column here is the  
20 actual funded pupil counts. Your next column over is the  
21 total program if it was fully funded without the negative  
22 factor. The next column over is with the supplemental  
23 appropriation that was funded. Column F is the negative  
24 factor -- it's a little over a billion dollars -- a billion  
25 four. Then you have the split between property taxes, S.O.



1 and then the state share with supplemental. And then you  
2 can see your per pupil funding with supplemental. So  
3 that's the blue -- that's '13-'14.

4 If you go over to the orange color, and  
5 flip back to page eight, you'll see the same thing. You  
6 have your estimated funded pupil counts -- this does  
7 include the additional five thousand ECARE slots.

8 UNIDENTIFIED VOICE: What's that?

9 MS. EMM: The preschool.

10 UNIDENTIFIED VOICE: (indiscernible),  
11 okay, thank you.

12 (Overlapping)

13 MS. EMM: Yeah, preschool. Then your  
14 total -- your funded total program. If it was fully  
15 funded, then you'll see over there the estimated negative  
16 factor, which goes down to \$894 million. So there's that  
17 buy-down of 110 million between this year and next year.  
18 Okay? So that's a pretty significant increase.

19 Then the next column over is "O", and that  
20 would be your total program after the negative factor, so  
21 you take your fully funded total program minus negative  
22 factor, and you get what they would -- what districts would  
23 actually receive if everything stayed the same through the  
24 end of the session. Then you have your split between  
25 property taxes, specific ownership and state share, and



1 your new per pupil funding.

2                               Then on the very last page, on the gray --  
3 on the gray page, this illustrates by district, those  
4 changes. So you can see there's 14,000 additional funded  
5 students. The change in total program, fully funded, to  
6 cover inflation and growth, would be 296 million. Then  
7 that -- again, there is that change in the negative factor  
8 of 110 million. So you can see that those two together,  
9 that funding growth and inflation, and buying down the  
10 negative factor, increases funding for schools by a little  
11 over \$400 million.

12                              And then you can see that split --  
13 property taxes would go -- are projected to go up by about  
14 36 million, as so specific ownership taxes of about four.  
15 So the state share would increase by 365 million, and the  
16 change in per pupil funding would go up on a statewide  
17 average by \$368. And that's under the current scenario of  
18 1292 passing, and 1298 passing.

19                              CHAIRMAN LUNDEEN: Angelika?

20                              MS. SCHROEDER: So since we -- our  
21 properties were not reassessed recently, how -- how do we  
22 get the higher revenues from property taxes?

23                              MS. EMM: Thank you. There's --  
24 legislative council estimates the changes in property  
25 values. There could be new construction, there could be



1 new wells that are drilled; things like that, which could  
2 impact your property values in any given county, and it --  
3 it's -- it's an estimate.

4 MS. SCHROEDER: Oh, is this the -- is this  
5 the year that we get reassessed?

6 MS. EMM: 2015 will be a reassessment  
7 year.

8 MS. SCHROEDER: So those -- any increases  
9 then won't come in until 2016, right?

10 MS. EMM: Correct.

11 MS. SCHROEDER: So how do we get it into  
12 2014-15? How do we get the increase? Oh, you're just  
13 saying new --

14 (Overlapping)

15 MS. EMM: New construction.

16 MS. SCHROEDER: -- just the new stuff.

17 MS. EMM: Correct.

18 MS. SCHROEDER: So you can reassess a  
19 property as a result of wells?

20 MS. EMM: As far as I am aware, yes, you  
21 can.

22 MS. SCHROEDER: Thank you.

23 CHAIRMAN LUNDEEN: Okay. Clear  
24 understanding? Other questions?

25 MS. NEAL: (indiscernible)





1 MS. EMM: Yes, and I apologize.

2 MS. NEAL: No, it's not your fault, those  
3 weeds are there.

4 UNIDENTIFIED VOICE: The weeds are there,  
5 and they explain the -- (indiscernible) sometimes.

6 UNIDENTIFIED VOICE: Leanne, I think you  
7 should do a webinar that is permanently on the CDE side,  
8 explaining how the funding is done, because I would  
9 probably go back to it, over and over and over again, and  
10 it would be really good for parents too.

11 MS. EMM: That's a good idea, okay.

12 UNIDENTIFIED VOICE: I make a motion --

13 MS. EMM: I'll see what I can do. That  
14 sounded a little shaky, didn't it?

15 UNIDENTIFIED VOICE: Well, first she has  
16 to answer my question, to make that one understandable.

17 MS. EMM: Oh, yes, okay.

18 MR. HAMMOND: We need to get an animated  
19 chalkboard, that would help too.

20 UNIDENTIFIED VOICE: Yeah.

21 MR. HAMMOND: Seriously.

22 UNIDENTIFIED VOICE: Like, (indiscernible)  
23 Robinson.

24 CHAIRMAN LUNDEEN: Was that the end of the  
25 report?



1 MS. EMM: Unless there's any other  
2 questions.

3 MS. NEAL: We'll see if we can think of  
4 one. I'm bad today.

5 MS. EMM: Thank you.

6 MS. NEAL: Thank you.

7 CHAIRMAN LUNDEEN: Thank you very much,  
8 Leanne. All right. I think we'll just take a brief break,  
9 because we have a timed item, and we actually have time  
10 before the timed item.

11 MS. NEAL: We actually have time. That's  
12 very good.

13 (Overlapping)

14 CHAIRMAN LUNDEEN: So. We'll take a ten  
15 minute break.

16 (Meeting adjourned)

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C E R T I F I C A T E

I, Kimberly C. McCright, Certified Vendor and Notary, do hereby certify that the above-mentioned matter occurred as hereinbefore set out.

I FURTHER CERTIFY THAT the proceedings of such were reported by me or under my supervision, later reduced to typewritten form under my supervision and control and that the foregoing pages are a full, true and correct transcription of the original notes.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 25th day of February, 2019.

/s/ Kimberly C. McCright

Kimberly C. McCright

Certified Vendor and Notary Public

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