Total Program Funding
Understanding the school district funding formula

Colorado public schools receive funding from a variety of sources. However, most revenues to Colorado's 178 school districts are provided through the Public School Finance Act of 1994. The total amount of money each school district receives under the School Finance Act is referred to as "total program." Total program includes both the state share and local share. The local share is generated through property taxes and specific ownership taxes (vehicle ownership taxes).

Total Program Funding

Total program funding equals:

- (funded pupil count x formula per pupil funding) + at-risk funding + online & ASCENT funding

After total program is calculated, the negative factor is applied. The negative factor was put in place in 2010-11 by the legislature as a way to reduce funding to districts in order to balance the state budget. Once total program is calculated per the school finance act, the negative factor is applied to each district's total program funding.

Base per Pupil Funding and Factors

2013-14 Base per Pupil Funding: $5,954.28

Factors that adjust base per pupil funding:
- Cost of living: Determined by a legislative study every two years. Districts with higher costs of living have a higher factor. For example, Aspen has a higher cost of living factor than Center.
- Personnel and non-personnel costs: The personnel costs factor varies by school district based on enrollment. For all districts, employee salaries and benefits represent the largest single expense. As such, the formula directs funding based on these costs.
- Size of district: Similar to the personnel costs factor, the size factor is unique to each district and is determined using enrollment. Small districts have larger size factors than districts with higher enrollment.

Important Terms

- **At-risk funding:** Additional funding for districts based upon students participating in the federal free lunch program.

- **Base per pupil funding:** The base amount of funding each year per student which is adjusted by inflation per Amendment 23.

- **Funded pupil count:** The number of students for which a district receives funding.

- **Formula per pupil funding:** Amount determined by adjusting base per pupil funding by factors that differentiate a district's demographic characteristics.

- **Online and accelerating students through concurrent enrollment (ASCENT):** Students in these programs receive funding based on a flat rate.

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District Example: Total Program Funding

Below is a brief example of how total program is calculated. There are many additional calculations. Each district will have different calculations based upon their individual demographics and characteristics. Each element of the formula has its own formula behind it. For example, the size factor is determined by a formula for each district. The at-risk funding has its own formula, etc.

	District X
Total Funded Pupil Count (includes online)	44,137.7
Online Pupil Count	4,414.0
Base Funding (BF)	$5,954.28
Cost of Living (CL)	1.222
Personnel Costs (PL)	90.50%
Size (SZ)	1.0297
Total Formula Per Pupil Funding [SZ*[(BF*CL*PL)+(BF*(1-PL))]]	$7,362.93
Total Formula Funding (Formula Per Pupil Funding * (Total Funded Pupils – On-Line – ASCENT))	$292,482,658
Total At-Risk Funding	+$13,329,252
Total Online/ASCENT Funding	+$31,692,520
Total Program Funding (Pre-Negative Factor)	= $337,504,430
Per Pupil = Total Program Funding / Total Funded Pupil Count (Pre-Negative Factor)	$7,646.62
Negative Factor at 15.49% * Total Program Funding (prior to supplemental funding request for 2013-14)	(52,271,801)
Total Program Funding (Post-Negative Factor)	$285,232,629
Total Program Per Pupil Funding (Post-Negative Factor)	$6,462.34

Where can I learn more?

- **CDE's Understanding School Finance and Categorical Program Funding**
  http://www.cde.state.co.us/sites/default/files/FY2013-14%20Brochure.pdf
- **Legislative Council's School Finance in Colorado**
  http://1.usa.gov/1kRjCix