



COLORADO
Department of Education

School Finance Update

League of Charter Schools Annual Finance Seminar

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September 2016

Agenda

- **Total Program Funding**
- **2016 Legislative Session**
- **Financial Reporting & Transparency**
- **School Transportation**



Total Program Funding

**The vast majority of money for schools comes through the
Public School Finance Act of 1994**

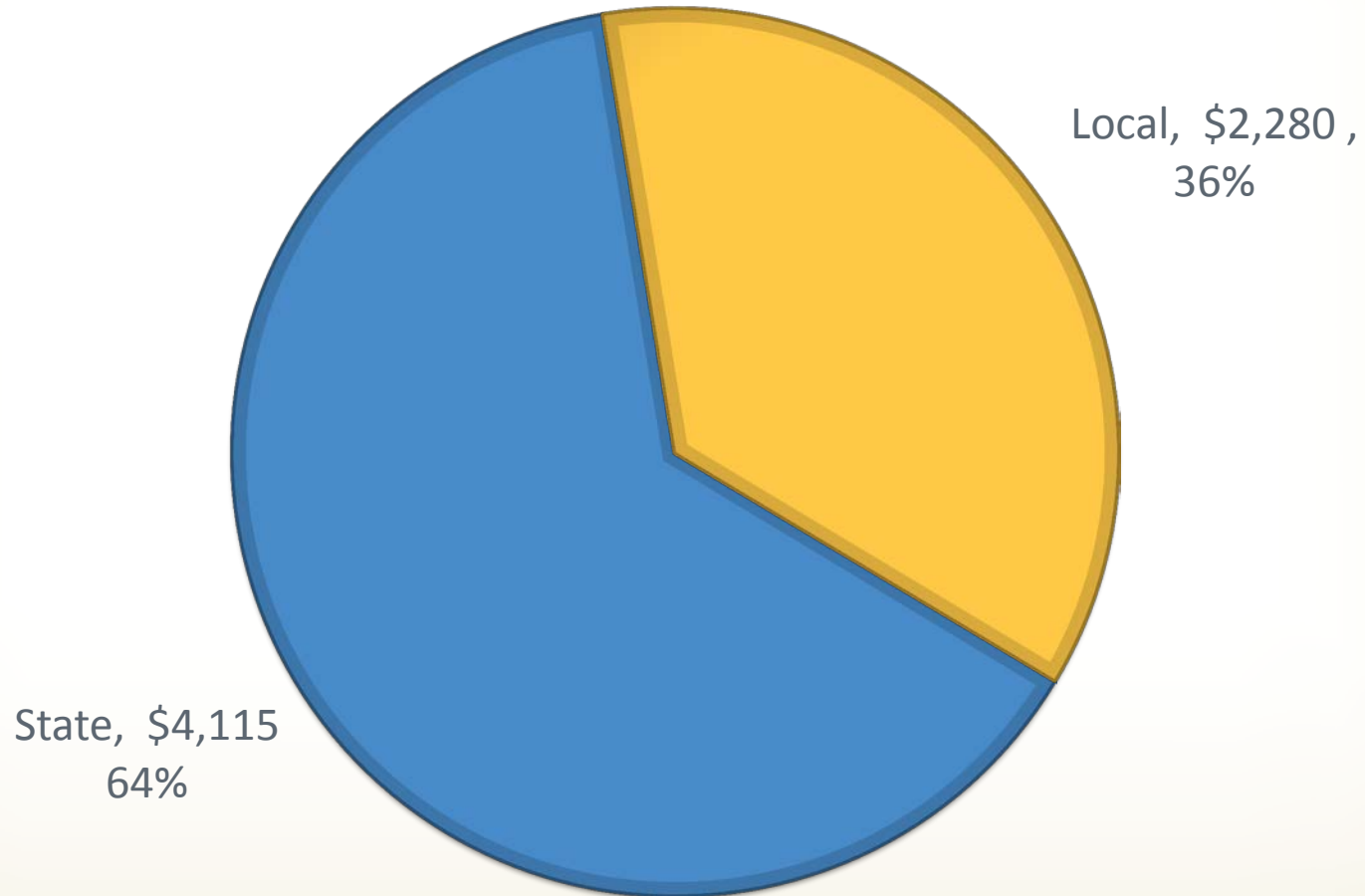
Total Program Funding = Local Funding + State Funding

**This formula attempts to equalize funding to districts
across the state.**

Local Funding always applied first.



2016-17
Total Program Funding - School Finance Act
\$6.396 Billion



in millions

Local Share Funding Sources

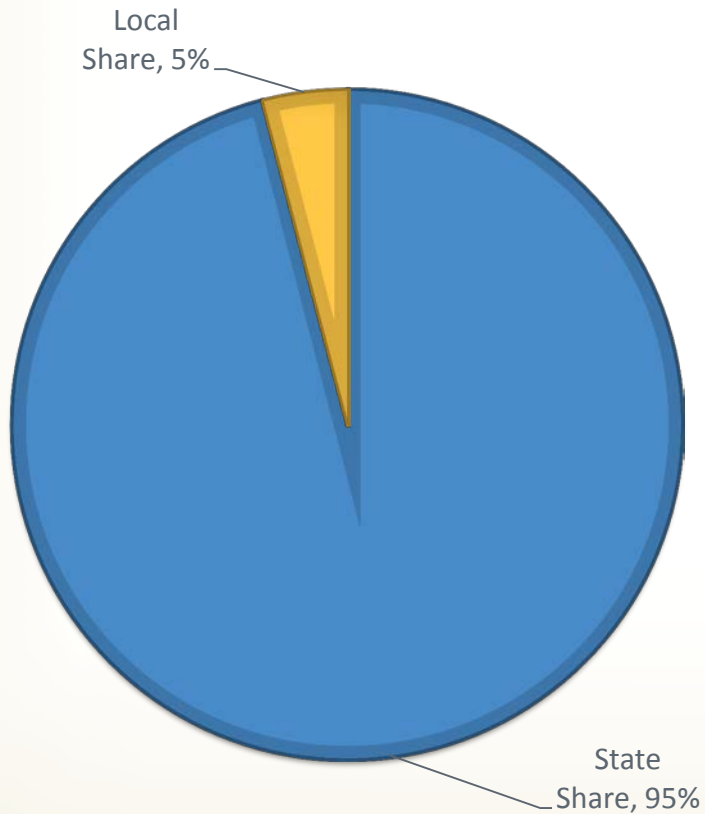
■ Local Funding

- Property Taxes – mill levies
- Specific Ownership Taxes – vehicle registration fees
- This funding provides approximately 36% of total program funding statewide
- The percentage split in specific districts varies

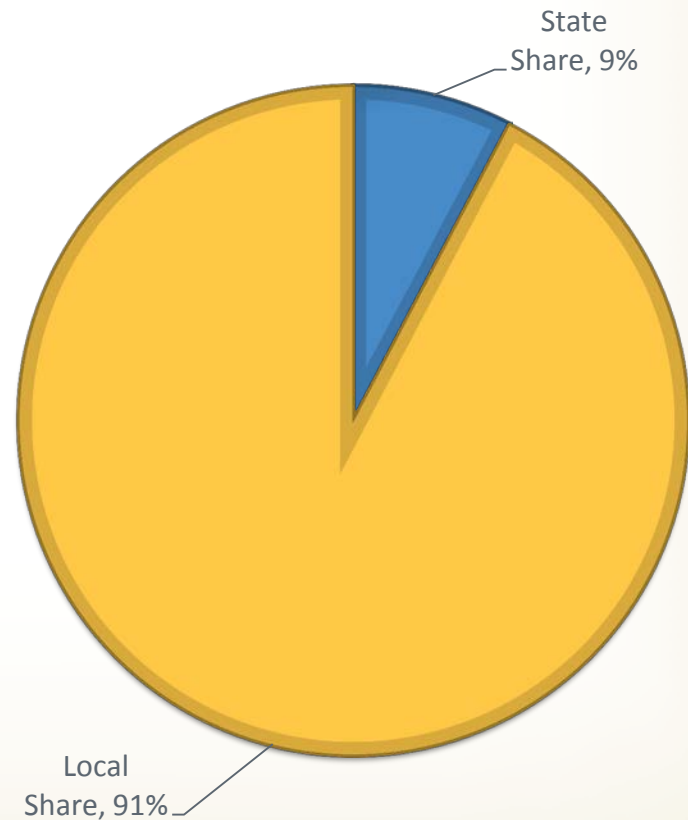


Illustration of Two Districts

District A



District B



Total Program Funding Formula

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



Base Per Pupil Funding

■ 2015-16

- Base Funding - \$6,292.39
 - Increase of \$171.39
 - Inflation of 2.8%

■ 2016-17

- Base Funding - \$6,367.90
 - Increase of \$75.51
 - Inflation of 1.2%

Formula Per Pupil Funding - Factors

- Base per pupil funding is adjusted by factors
 - Cost of Living
 - Personnel & non-personnel costs
 - Size of district
- Determine At-Risk Funding, On-line and ASCENT Funding
- Once Total Program is determined, the negative factor is applied
 - 2016-17 – 11.51%

2016 Legislative Session

HB16-1422 – School Finance Act

Every year, the School Finance Act is a piece of legislation that is brought forward to fund schools in the next budget year

- Fund growth and inflation
- Keep negative factor same as 2015-16 - \$830 million
 - Also requires this to remain the same in 2017-18
- Adjusts the size factor
 - 2,293 – 3,500 (Was 4,023)
 - 3,500 – 5,000 (New category)
 - Over 5,000 (Was 4,023)



2016 Legislative Session

HB16-1422 – School Finance Act

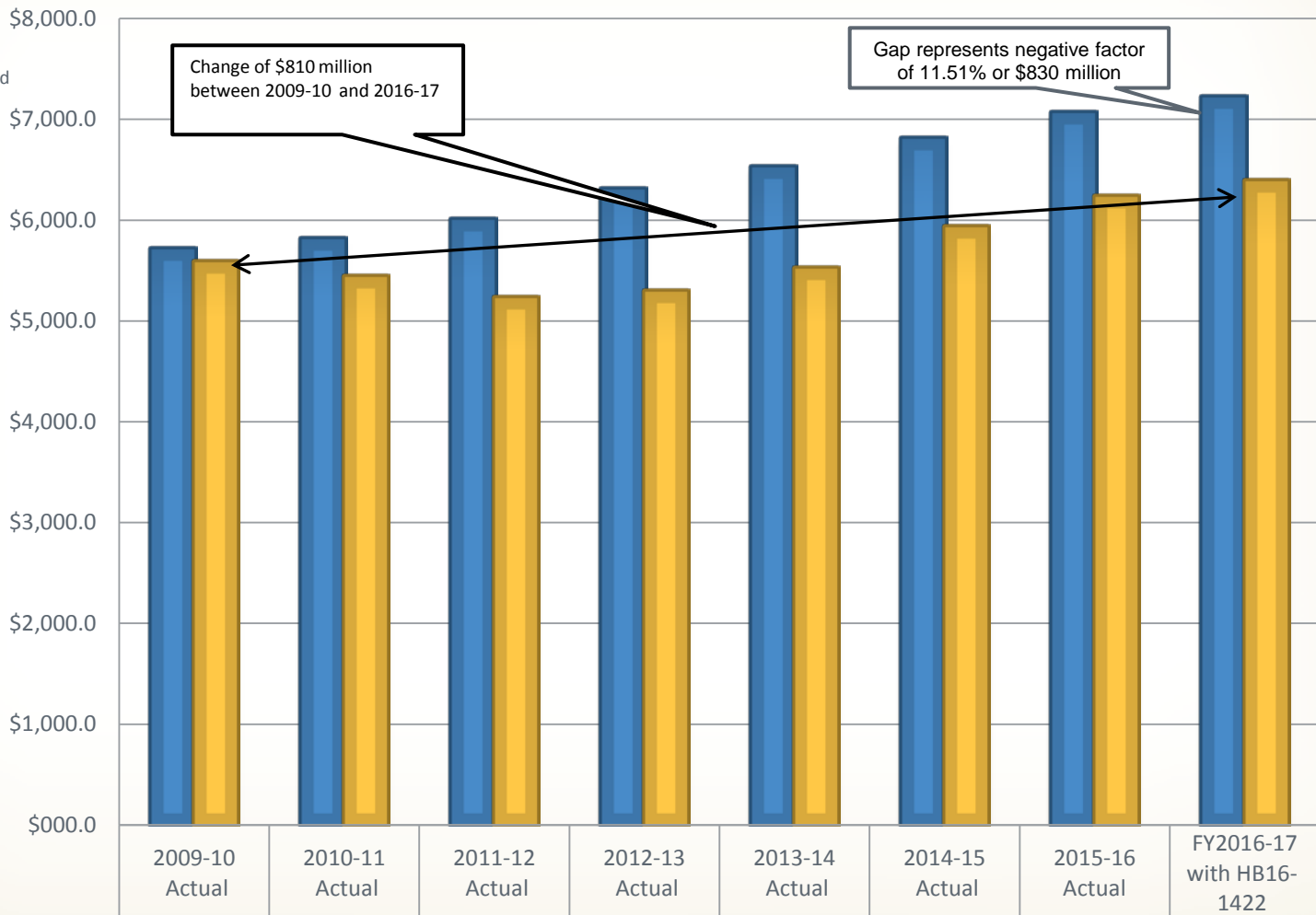
Other Provisions specific to Financing of Charter Schools

- Requires charter school networks to comply with audit requirements
- Requires districts to provide a list of vacant or underused buildings or lands to charter schools upon request
- Charter school itemized accounting to include list of positions and services
- Requires distribution of per pupil revenues received on such basis
- Added “maintaining” to definition of capital construction under state aid for charter schools
- Excludes automatic charter waivers for annual school calendar and teacher-pupil contact hours



2016 Legislative Session

HB16-1422 – School Finance Act



■ Total Program Prior to Legislative Actions	\$5,717.3	\$5,822.3	\$6,006.5	\$6,309.4	\$6,531.2	\$6,813.6	\$7,070.3	\$7,226.6
■ Total Program Less Rescissions / Legislative Actions	\$5,586.1	\$5,439.7	\$5,232.4	\$5,298.0	\$5,526.9	\$5,933.4	\$6,239.6	\$6,399.0

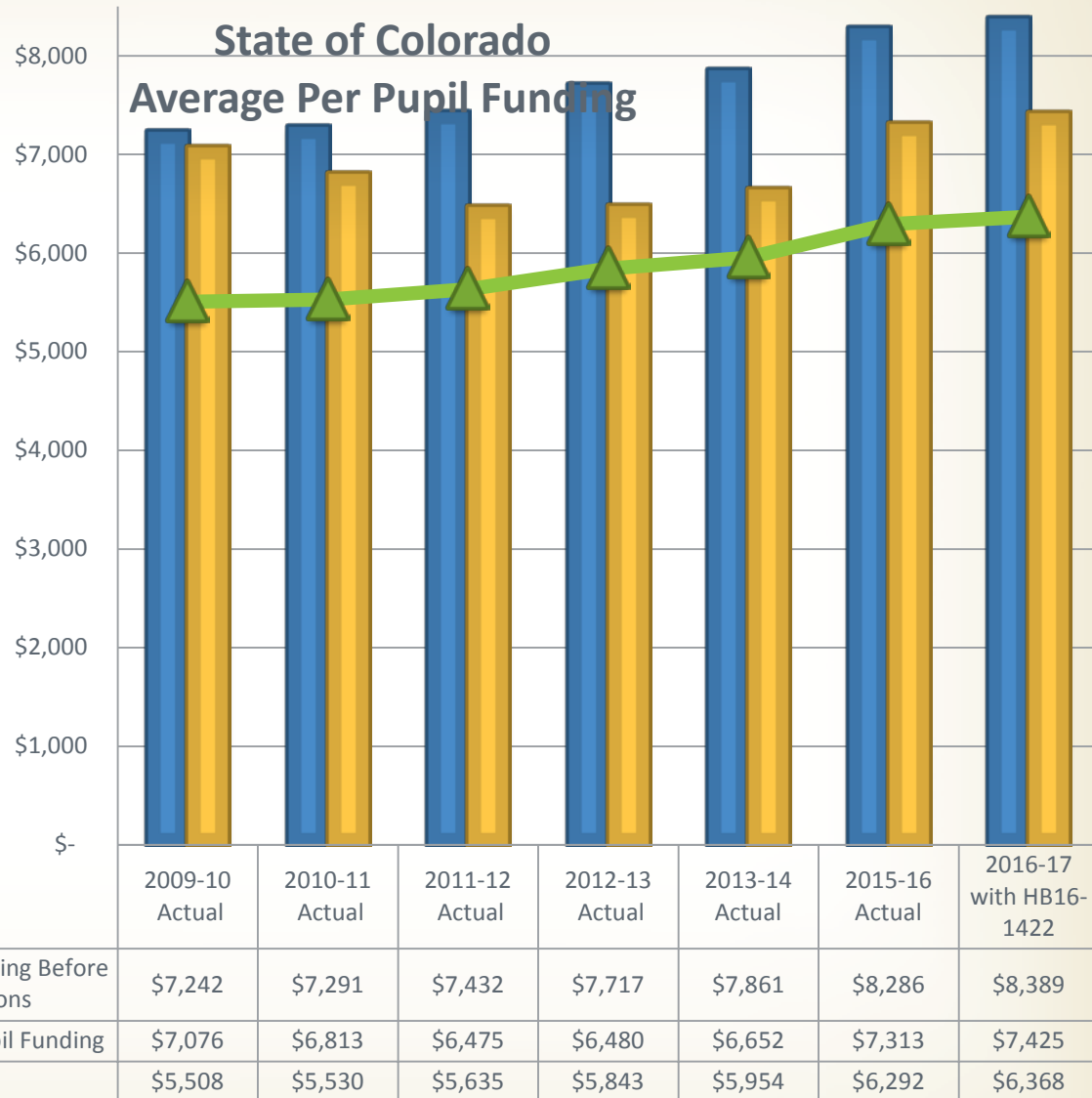


State of Colorado Average Per Pupil Funding

Similar to Total Program, the gaps in the bars represents the effect of the negative factor.

For 2016-17, the effect is \$964 in the statewide average per pupil funding.

Gaps represent rescissions and legislative actions.



2017 Legislative Session

November 2016	Governor Submits Budget Request for 2017-18 THIS IS ONLY A PROPOSAL!
Late November/December 2016	Joint Budget Committee Hearings with Department The JBC hears about the 2017-18 Budget Request from the Department and seeks additional information
January 2017	Governor Submits <i>Supplemental</i> Budget Request for 2016-17 Adjusts the Current Year Budget for actual Pupil Counts, AVs, etc. Governor Submits <i>Budget Amendments</i> for 2017-18 Revised estimates for next year's students, AVs, etc. based on current year actuals
Spring 2017	JBC Develops State Budget Through Figure Setting and Long Bill Passed by General Assembly – HB16-1422 sets starting point
Spring 2017	School Finance Bill Introduced and Passed Adjusts the Long Bill figures



Mill Levy Overrides Report

- Required beginning in FY14-15 by CRS 22-2-113.8
- Report shows additional local property tax revenues each district is authorized to collect, actually collected, distributed to charter schools, distributed to non-charter schools and retained by district
- Addendums show capital construction and facilities funding, technology funding, and any other funding that the school districts distributes to charter schools of the district
 - Requested for 17 districts
- <http://www.cde.state.co.us/cdefinance/milllevyoverriderevenuereport>

Financial Transparency

Web Resources

The Financial Transparency Icon, the required website templates and other Financial Transparency information is on the CDE website:

<http://www.cde.state.co.us/cdefinance/sfFinancialTransparency>

Financial Transparency Basic Considerations Guide

<http://www.cde.state.co.us/cdefinance/financialtransparencyguide>



School Transportation Unit

- Regulations:
 - Minimum standards
 - Operation, maintenance and annual inspections for school transportation vehicles
- School Transportation Advisory Reviews (STAR) are performed on a two year rotating cycle:
 - Fleet/Maintenance
 - Operations/Training
- Technical assistance reviews can be performed upon request.
- Additional Information:
<http://www.cde.state.co.us/transportation>

Primary Contacts

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