



## Public School Finance Task Force Meeting Minutes

November 14th, 2023 9:00 AM - 1:00 PM

[Link to Live Stream Meeting](#) | [SB23-287](#)

**Task Force Members Present:** Alex Magaña, Brenda Dickhoner, Carrie Zimmerman, Chuck Carpenter, Dan Snowberger, Deborah Hendrix, Kathy Gebhardt, Jennifer Okes, Kermit Snyder, Leslie Nichols, Lisa Weil, Marc Carey, Marty Gutierrez, Riley Kitts, Sarah Siegel, Sarah Swanson, Steven Bartholomew, Terry Croy Lewis, Nick Plantan, Anna Gerstle (in place of Craig Harper)

**Task Force Members Absent:**

**Facilitator & Support:** Nick Stellitano – Dillinger Research & Applied Data, Patrick Gibson - CT School State Finance Project, Ashley Robles - CT School State Finance Project, Amy Carman - Executive Director of School Finance & Grants, Shelbie Konkel - Senior Legislative Advisor, Tim Kahle - School Finance Program Director, Melissa Bloom - Principal Policy Advisor, Yolanda Lucero - Fiscal Data Coordinator

### Welcome and Norms Review

- The Task Force Facilitator, Nick Stellitano, commenced the meeting at 9:05 AM MST and welcomed task force members and guests. Nick provided a brief overview of today's agenda, reviewed technical etiquette, including the use of emojis, reviewed the guidelines for interaction, deliberation and collaboration, and provided an update on the project plan.

### Adequacy Process Update

- Amy Carman from CDE provided an update on the adequacy study process and the RFI. The RFI is currently public, and there are 17 days left (from 11/14) for vendors to apply. There were some questions made regarding the RFI, and those have been answered and are publicly available.
- Chuck Carpenter, the Task Force Chair, had a question about the process after the RFI and when the cost estimates will be provided. Amy Carman mentioned that the RFI would help determine the level of interest and determine the issue of cost for each study. Currently, CDE is unsure of when the estimates for cost will be available, but that this would most likely have to be resolved through a recommendation from the Task Force.

### Status & Vision for an Updated Formula

- Chuck Carpenter thanked Task Force members for their time and all their work, and introduced the next section of the meeting about summarizing discussions and proposals thus far.
- Chuck Carpenter gave a quick review of the current formula and provided a few takeaways from discussions thus far. Chuck also introduced a poll to see if the takeaways are an accurate reflection of the discussions and takeaways from the past 5 meetings. There were some comments from Task Force members, summarized below:
  - Comments regarding the mill levy equalization and charter schools, including applying the mill levy equalization to all public schools.
  - Some Task Force members decided to not vote due to unclear implementation of each takeaway, and noted that the details matter.

- Chat comment from Alex Magaña: I agree with the list, but we need to align to the overall criteria set forth by the legislature. Simplicity, Transparency, Equity, ...
- Poll Results: Is this an accurate reflection of our discussions and takeaways from the past 5 meetings? (Strongly Agree, Agree, Disagree, Strongly Disagree)
  - 31% Strongly Agree, 50% Agree, 19% Disagree, 0% Strongly Disagree
- Nick Stellitano then reviewed the current draft proposals in regards to each charge of the Task Force, and a graphic with the transformed school funding formula. Following Nick's review, he opened this section for comments. These comments are summarized below:
  - Task Force members generally found the visual helpful for understanding their recommended changes, and seeing how all the recommendations come together.
  - There were various questions about implementation of student and district factors, language included in the visual, and the inclusion of the Budget Stabilization Factor (BSF).
    - Questions about putting district adjustments at the end and the cost
    - Questions about the student allocation component of the formula
    - Comments about online/extended high school funding
    - Questions about the multiplicative nature of district adjustments
    - Comments about not having a conversation regarding the BSF
  - Some Task Force members also brought up increasing the base funding for students, and hope that this base could be increased in an equitable manner.
  - Task Force members also recommended sharing/reviewing the Superintendent's Bill from last session, and asked to possibly incorporate those changes into their recommendations, such as the size component.

### **Informational Analysis of Size Factor**

- Nick introduced the next section, covered the progress to date, and reviewed the Task Force responsibilities.
- Patrick Gibson reviewed the size factor survey, completed by Task Force members, and shared some key takeaways from the survey. This includes adding considerations for sparsity and remoteness, and noting that district size is not sufficient to account for district needs.
- Patrick gave an overview of the current formula and size factor, factors to account for district need such as sparsity and remoteness, and how the current size factor relates to district size, student sparsity, and remoteness.
- Patrick also provided some examples of how other states account for size, sparsity, and remoteness.
- Task Force members had various clarifying questions throughout this section of the presentation, including:
  - Whether district enrollment includes online students
  - How districts are categorized between very small, small, medium, or large
  - If data is available to view sparsity at the district level
  - How NCES defines distance (driving versus on map) – driving distance and travel time is not accounted for under NCES

### **Size & Additional Factor Proposal Development**

- Following the informational section of the presentation, Nick Stellitano introduced the discussion topics for Task Force members including thoughts or ideas for developing a proposal for revising the size factor, and input for moving the size factor into the "District Adjustments" portion of the formula to help make the formula more simple. The feedback from Task Force members is summarized below:

2

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- Task Force members discussed the intended effect of the size factor in the current Colorado funding formula. They mentioned that size factor currently accounts for economies of scale, but still allocates funding towards larger districts.
- Task Force members also discussed the need of accounting for other district characteristics, such as sparsity and remoteness, and how only using size may not be accounting for all the unique experiences in Colorado's districts.
- Some Task Force members highlighted the unique nature of some districts. For example, small districts that are located in an urban center, and small districts that are neighboring larger districts and how that affects cost.
- Other Task Force members also highlighted the cost of doing business, travel time, and geographies that affects the cost of educating students.
- Lastly, Task Force members also mentioned the worry of only using size due to fluctuations in enrollment, and how sparsity may account better for rural and small rural districts.
- To help develop proposals, Nick asked Patrick Gibson to provide some possible models. Patrick then asked Task Force members to consider whether they should account for different district needs together or separately. Below is the feedback from Task Force members summarized:
  - Some Task Force members pointed out that size and sparsity appear to be correlated, so maybe the recommendation should only account for a few district characteristics rather than all of them.
  - Other Task Force members highlighted the importance of simplifying the formula.
  - Task Force members also mentioned that districts should receive additional funding if they fit a certain criteria for all district characteristics (size, sparsity, and remoteness).
  - Some Task Force members said that accounting for these district characteristics separately would be complex, and it may be simpler to either combine all factors into one or be more inclusive for all district characteristics.
- Following Task Force members' input, Patrick summarized their feedback – develop proposals with additional resources for size, sparsity, and remoteness, such that if a district is eligible for one or more, they get the funding for those characteristics. This is not an everyone gets everything weight

### **Cost of Living Proposal Development**

- Nick Stellitano reviewed the work completed to date on the Cost of Living factor and the goals for today's discussion.
- Patrick Gibson provided a brief review of the location of the Cost of Living factor and the relationship between the preliminary per-pupil funding generated by base amount, cost of living factor and size factor for each school district and the at-risk student percentage for each district.
- Leslie Nichols had a question as to why the group was looking at this chart because the variables measure different things.
- Ashley Robles synthesized the COL proposals to date and key questions for Task Force members. Ashley then provided some key considerations for eliminating or changing the Personnel Factor, rebasing the COL Factor, and incorporating an alternative measure.
- Patrick covered one alternative measure, the Comparable Wage Index for Teachers (CWIFT) from NCES. Patrick also provided some analysis of the CWIFT data and Colorado. There were some comments and questions regarding the use of the CWIFT in other states, and there was concern that the index was still experimental and only used for research purposes.
- Patrick then provided some Key considerations for the CWIFT measurement, such as pros and cons.

- Nick then brought up some discussion topics for the Task Force members, including if the personnel factor be removed, if the COL Factor be rebased each year, and if part of the proposal should include adding the Comparable Wage Index for Teachers (CWIFT) from NCES. The following summarizes the comments from Task Force members:
  - There were no comments for including the Personnel Factor moving forward. Going forward any models provided to the Task Force will not include the Personnel Factor.
  - Ashley Robles and Marc Carey made a few comments regarding rebasing the COL Factor, and Marc concluded that it would be possible.
  - One Task Force member made a comment about the possible fluctuations of rebasing the COL Factor each year, and if it would be possible to incorporate a smoothing element, such as an average over a set number of years.
  - Comments were made that the COL Factor does not need to be rebased every year.
  - There was confusion around the language of a recurring study in the Task Force charge and how that could apply to rebasing the COL Factor and replacing the COL with CWIFT.
  - Questions were made regarding the CWIFT measure/calculation and how experimental it is, and adjustments that would be needed based on salary and salary bargaining.
  - Task Force members liked incorporating the CWIFT into the school funding formula, but would like to continue using the COL Factor, as well – since these factors get at different things. However, some Task Force members expressed concern, including how these factors relate and how these factors might be getting at the same thing.
  - There were concerns over using a factor reliant on survey data, especially for small districts.
  - Carrie Zimmerman shared a resource: <https://www.census.gov/content/dam/Census/newsroom/press-kits/2023/paa/2023-paa-resentation-application-comparable-wage-teachers.pdf>.
  - There were comments regarding the cost of doing business, and if other states incorporating a measure for this. Ashley shared a resource: <https://www.wyoleg.gov/InterimCommittee/2015/SSRRpt1001AppendixC-1.pdf>.
  - There were comments made about possibly modeling the CWIFT in lieu of the COL Factor, since Colorado is only one of two states that use a COL index in their school funding formula.

### **Revisiting Charter Institute Development**

- Nick Stelitano introduced the new section of the meeting revisiting the Task Force charge of securing equalization in mill levy overrides for Institute Charter Schools. Nick had key discussion topics for Task Force members, such as:
  - Should the mill levy equalization for CSI schools be fully funded? Why or why not?
  - Is there a better or more simple way to address mill levy equalization for CSI schools?
  - What additional information do you need on mill levy equalization?
- Below is the summarized discussion by Task Force members:
  - Task Force members mentioned how the CSI mill levy equalization is already fully funded, and how they support existing legislation. Task Force members wanted to remain neutral.
  - Task Force members also mentioned how they would like to expand the discussion around mill levy equalization for all Colorado school districts.
  - Other Task Force members worried that engaging in the conversation around mill levy equalization due to its political nature, and recommended that the legislature handle this moving forward.

- Some Task Force members shared the difficulty for some CSI schools and ultimately having to make difficult decisions. Additionally, some shared how charters are not looking for more funding, but are looking for parity. Task Force members voiced that although this is a small piece of the pie, it is still an important component for students and schools.
- Disagreement emerged among Task Force members regarding whether or not charter schools follow state standards and if charters should receive funding regardless. Task Force members did not find this conversation to be conducive, and recommended that we move on.
- Riley Kitts shared the following resource for Task Force members - SB22-202 State Match For Mill Levy Override Revenue. <https://leg.colorado.gov/bills/sb22-202>
- Some Task Force members had questions regarding the mill levy equalization that is available to local school districts and how that is determined.
- Some Task Force members also were concerned about the language in the Task Force charge surrounding multi-district online programs.

### **Planning for December**

- Nick Stellitano introduced the next section of the presentation, and asked Task Force members to consider what is important and other guidelines or considerations for modeling. Chuck Carpenter reiterated that this conversation will assist with modeling and will ensure that all Task Force members' priorities are addressed. Below is a summary of the comments made by Task Force members:
  - Task Force members were concerned about the base amount used in modeling, and stressed the importance of addressing the issue and raising the base.
  - One Task Force member mentioned that not every need of every student will be met in the funding formula, but the focus should be on having a simpler formula.
  - Another Task Force member mentioned that the Task Force should be aspirational in what the recommended changes could mean for equitable funding.
  - Nick asked Task Force members if it would be helpful to send a tiered set of models, such as no increase in funding, small increases, and a moonshot recommendation. Task Force members appreciated this approach and wanted to see multiple years of funding at different levels.
  - Task Force members also mentioned the Superintendent's model from last session, and suggested reviewing it, as it would be helpful.
  - There were also questions regarding funding for online schools in Colorado.
  - Task Force members also mentioned the current legislation regarding mill levy overrides and possible modeling that has already been conducted.
- Nick also discussed some process considerations, such as December meeting lengths, model review process, and best ways to review and analyze data.
- Some Task Force members had questions, such as the process of including minority opinions in the recommendations, and adding maps and visuals to the analysis of the modeling.

### **Next Steps & Closing**

- Nick Stellitano covered the next steps for the task force including completing the size factor pre-read survey and compiling/modeling the concepts discussed during the multiplicative index and mill levy equalization reviews.
- Chuck Carpenter thanked the facilitators for their help with visuals and analysis, and thanked task force members for completing surveys and pre-reads, and participating in the discussion.
- Nick adjourned the meeting at 12:57 PM MST.