School Finance in Colorado

Bagels with the Board:
University of Colorado

November 20, 2019

Tracie Rainey, Executive Director
Colorado School Finance Project
Colorado School Finance Project (CSFP)

Who are we? What do we do?

• Non-profit, non-partisan
• Supported by school district contributions
• School finance analysis for local and state policy makers since 1995.

Mission: To compile, collect and distribute research-based, non-partisan information and data on topics related to school finance for state and local policymakers.
Who are our students?

2018-19: Over 910,000 students

- 1997 – 2015: average yearly increase about 10,000 students
- 2016 – 2017: average increase about 5,000 students annually
- Demographers predict recent trend to continue

What are students’ characteristics?

What services might they need?

Where do they live?
### National (National Center of Education Statistics)

- About 13% of public-school students receive Special Education services

---

### Colorado (CDE)

- 2018-19: More than 100,000 students
- Historically: About 11% of Colorado’s students receive special education services
Between 2003-04 and 2018-19:
- Colorado added 152,000 students total
- Students qualifying for Free/Reduced Lunch increased about 150,000 students.

2003-04: 30% of students qualified for Free or Reduced Lunch

2018-19: 41% of students qualified for Free or Reduced Lunch
Students Learning English: Eligible / Ineligible for ELPA Funding

Districts serve all students learning English.

Colorado funds students learning English for a maximum of 5 years.

Data: Colorado Department of Education
Chart: Colorado School Finance Project
Statehood – education clause:

1. Local control
2. Curriculum
3. Hiring and salary schedules
4. Graduation requirements
5. District organization of schools
6. Local taxing authority
State board is elected, they hire state’s education commissioner

178 districts currently – reduced over time

District size range from less than 50 to over 90,000 students

Large state with vast differences in demographics, wealth, and need
What are the Elements in School Finance?

- Base Funding – what does the base represent?
- What are adjustments or weights for students?
- What are adjustments or weights for school districts?
- What isn’t included in the formula currently?
- What might be included in a formula?
Snapshot of school finance litigation in Colorado

- Lujan – have large inequities, taxpayer and student
- Giradino – BEST
- Lobato – Adequate school funding
- Mesa County – addressed part of the lack of local tax base
- Dwyer – enabled the legislature to cut funding – budget stabilization factor
What does Adequate School funding look like in Colorado?

Based upon researched based analysis
Every Child: Basic funding

- Colorado’s base funding would have to increase by almost $3,000 to meet the needs of a student with no special needs in a district with no special characteristics.
Adequate funding for public schools in Colorado

*Every Child: At-risk funding*

• The study found that an additional 35% is needed to ensure students eligible for free lunch (at-risk proxy) meet standards.

• Currently, *Colorado provides 12% per at-risk pupil on a lower base.*
Adequate funding for public schools in Colorado

**Every Child: ELL funding**

• The study found that an additional 47% is necessary to ensure students who are learning English can meet standards.

• Colorado provides less than $200 per ELL pupil on top of a lower base.
Adequate funding for public schools in Colorado

*Every Child: Rural funding*

- The study found that an additional **140%** is needed to ensure that students without special needs in small rural districts (200-500 students) can meet standards.

- *Colorado’s school finance formula doesn’t come close.*
Adequate funding for public schools in Colorado

Every Child: Special Education funding

• The study found that an additional 73% - 700% is necessary to meet the needs of special ed students, depending on severity of disabilities.

• Colorado caps total special ed funding. In 2015, the average per student was $1,800 or about 30%.
Adequate funding for public schools in Colorado

Every Child: Gifted and Talented funding

• The study found that meeting the needs of students identified as Gifted and Talented require an additional 25% in funding.

• Colorado provides about $176 per identified pupil on top of the inadequate base.

11/20/2019
What has happened at our ballot box?

- Amendment 23
- REF C
- Prop 103
- Amendment 66
- Marijuana Tax
- Amendment 73
- Prop CC

11/20/2019
What has happened legislatively?

3 Interim Committees on School Finance
- Met for last 3 years
- Currently discussing legislation

- BEST - facilities
- Budget Stabilization Factor – cut funding
- Interim committee on Gallagher
- Interim committee on General Fund pressures
- HB 18-1232 – superintendent’s formula and basis for A73
- Prop CC
Decade of Cuts to K-12 Education

Links to Additional Information on www.cosfp.org

Over $8.1B: 2009-10 to 2019-20

Decade of Cuts to K-12 Education spreadsheet
Budget Stabilization Factor (Negative Factor)
District Budget Cut Discussions
CSFP School Finance & Education Reform Timeline

11/20/2019
Decade of Cuts to PK-12 Education
Budget Stabilization Factor
Proportionately reduces total funding to each school district - ongoing

11/20/2019
Guiding Questions:

1. What does “base” funding represent?
2. What does it cost to educate a student?
3. What does it cost to educate students of need?
4. What does it cost to be rural?
5. What are the “opportunity costs” not recognized?

11/20/2019
Looking Ahead

Budget Forecast – 12/20/2019
Interim Committee on School Finance
Uniform Mill Levy - legislation
Gallagher - legislation
2020 ballot-revenue + ?
<table>
<thead>
<tr>
<th>Questions: Now &amp; Later</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tracie Rainey</td>
</tr>
<tr>
<td>• <a href="mailto:T.Rainey@cosfp.org">T.Rainey@cosfp.org</a></td>
</tr>
<tr>
<td>• 303-860-9136</td>
</tr>
<tr>
<td>Stay connected:</td>
</tr>
<tr>
<td>• <a href="http://www.cosfp.org">www.cosfp.org</a></td>
</tr>
<tr>
<td>• @COSFP</td>
</tr>
<tr>
<td>• Colorado School</td>
</tr>
<tr>
<td>Finance Project -</td>
</tr>
<tr>
<td>Facebook</td>
</tr>
</tbody>
</table>