Goals, Priorities, Budgets, and Equity: How do they fit together?

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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.

Today's Goals
Equity and Budgeting
What is: Equity? Adequacy? Equality?
Tax-payer equity, student need, and equity of opportunity
Equality and Adequacy defined in terms of school finance

**Equality** – to ensure that every district begins with the same “base” amount of funding and is not harmed for the wealth of its community.

**Adequacy** – the amount of revenue for a student to meet the expectations the state holds them accountable for.

School Finance

- Horizontal Equity: Examines if like districts treated similarly
- Vertical Equity: Examines how differences are treated within the system
- Fiscal Neutrality: Measures the relationship between the wealth of a district and the resources available to serve students

School Finance Formula

- State funding formulas can help address equity by adjusting for student and district characteristics that are beyond district control
- Student needs
- District size
- Regional cost differences
What does Adequate and Equitable School funding look like?

Based upon research, analysis and Colorado's academic requirements
Student need has changed
Requires more services-this costs more $

Students of poverty are 43.3% of population
- Approximately $30 of every $1.00 is state funded

Students learning English are 14.8% of population
- Approximately $30 of every $1.00 is state funded

Students with special needs are 11.2% of population
- Approximately $30 of every $1.00 is state funded

Gifted students are 7.7% of population
- Approximately $15 of every $1.00 is state funded

Adequate funding for public schools in Colorado

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.

Funding for Every Student

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.*

![Graph showing ELL funding](image)

**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.*

![Graph showing Rural funding](image)

**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%.*

![Graph showing Special Education funding](image)
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.

The goal of the 1988 and 1994 school finance act was for districts to levy 40 mills – unless total program could be generated with a lesser amount

This worked in conjunction with Gallagher – as mills could adjust up or down as property values fluctuated

This balance addressed equity and equality (acknowledged different amounts at same rate)

In 2018-19, statewide average Total Program Mills (without CSI students) is 19.6

Average amount raised per student for 1 Mill: $300.29

Range per mill: $21-$5,424

Median: $147.99
State & Local Share Varies (by design)

**Local Share**
- Local District Taxes:
  - Property Taxes
  - Ownership Tax

**State Share**
- State Taxes:
  - General Fund
  - Education Fund

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Example of how mill levies impact varies

- Actual Value of Home = $200,000
- Residential Assessment Rate = 7.15%
- Non-Residential Assessment Rate = 29%
- Total Assessed Value = $14,300

- Residential Tax Payer Impact with Home valued at $200,000
  - Assessed value x mill:
    - District A: $386.10
    - District B: $357.50

- Mill Levies
  - Dollars raised locally by property taxes
  - Local property taxes are first dollars for school finance
  - Mill levies may be for additional dollars called ”override” – outside the formula-voter approved
  - Mill levies may be for ”bonds” to build or repair schools - voter approved
Do students have access to similar opportunities and programs?

Do students have access to technology? Are there barriers?

Issues of economies of scale and school funding

QUESTIONS: NOW OR LATER

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