

# The State of School Finance in Colorado

## Colorado school district funding is based on:

- Student Enrollment
- Characteristics of factors identified in the School Finance Act
  - School district size
  - Personnel costs
  - Students identified as “at-risk,” as determined by free lunch

## Colorado’s student enrollment is growing<sup>1</sup>:

Students	2002-3	2005-6	Growth
Overall	751,862	780,333	+ 28,471
At-risk <sup>2</sup>	164,916	258,316	+ 93,400
Special Education	75,585	79,631	+ 4,046
Non-English Speaking <sup>3</sup>	86,129	114,857	+ 28,728
Gifted and Talented	47,094	49,767	+ 2,673

## School Finance Act covers only part of the funding for these students:

Students	State coverage of what districts spend
At-Risk	26%
Special Education	11%
Non-English Speaking	20%

## School Finance Act includes other program funding:

Program	State coverage of what districts spend
Transportation	26%
Small Attendance Centers	35%

## School Finance Act doesn’t cover costs growing faster than inflation:

Inflationary increases of .1% in 2005-6 and 2.1% in 2006-07 doesn’t begin to cover market-driven costs increasing at double-digit rates for items like:

- Gasoline for school buses
- Utilities for heat, electricity and water
- Employee health insurance and liability insurance

## School Finance Act per pupil funding is low:

Per pupil, Colorado’s investment in education is low<sup>4</sup>:

- National average expenditure: \$8,549
- Colorado expenditure: \$7,178 - \$1,371 behind national average

## School Finance Act funding levels put us at comparative disadvantage:

Colorado’s level of public school funding lags behind most other states<sup>5</sup>, ranking:

- 49<sup>th</sup> in overall per pupil revenue, per \$1000 in personal income
- 41<sup>st</sup> in state per pupil revenue, per \$1000 in personal income
- 45<sup>th</sup> in taxable resources dedicated to public education (average 3.8%, Colorado 3.2%)

<sup>1</sup> All Colorado student data from Colorado Department of Education, unless otherwise noted.

<sup>2</sup> Colorado uses only free lunch. Most states use free and reduced lunch, or a poverty level or an achievement/performance level.

<sup>3</sup> Colorado allocates only two years for funding. Most states allow three years for funding.

<sup>4</sup> Augenblick Palich and Associates analysis for CSFP, fall 2005, based on 2003-04 data.

<sup>5</sup> Colorado School Finance Task Force Report, September 2005.