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LEGISLATIVE INTERIM COMMITTEE ON SCHOOL FINANCE

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REQUEST FOR PROPOSALS

June 23, 2017

TO: Interested Persons

FROM: Representative Alec Garnett, Chair
Senator Owen Hill, Vice-Chair
Legislative Interim Committee to Study School Finance Issues

SUBJECT: Request for Proposals to Facilitate a Legislative Committee Studying School Finance in Colorado

The Interim Committee to Study School Finance Issues (interim committee) requests qualified individuals or firms to submit proposals for facilitating a study of public school finance for Colorado's K-12 school districts and charter schools pursuant to the provisions of Section 2-2-1902 (1) (2), and (3), C.R.S. This request for proposals (RFP) presents the scope, standards, objectives, and various requirements pertaining to the study in order to assist respondents in the preparation of proposals.

PROCEDURAL SUMMARY

Issuing Office — Schedule for Submittal — Deadline

All proposals to conduct the study shall be submitted no later than **4:00 p.m. on Monday, July 17**, to:

The Legislative Interim Committee to Study School Finance
c/o Mike Mauer
Director of Research
Colorado Legislative Council
200 East Colfax Avenue
State Capitol Building, Room 029
Denver, CO 80203-1784

Each proposal must contain a cover sheet signed by the respondent. Respondents mailing proposals must allow sufficient time to ensure delivery within the submittal deadline. Late or faxed responses will not be accepted. Respondents are requested to submit fifteen (15) copies of their proposal in a sealed package clearly marked with the respondent's name and the words: "RFP — INTERIM SCHOOL FINANCE STUDY." An electronic file may also be sent to SchoolFinance.ga@state.co.us. Technical questions related to this RFP may be directed to Josh Abram at SchoolFinance.ga@state.co.us, or by calling (303) 866-3561.

The tentative overall schedule is as follows:

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| 1. RFP release | (No later than) Friday, June 30, 2017 |
| 2. Proposals due | Monday, July 17, 2017 |
| 3. Committee consideration of written bids | Monday, July 24 |
| 4. Committee interviews | July 31 or August 1, 2017 (tentative) |
| 5. Selection of successful respondent | (No Later Than) Friday, September 1, 2017 |

Revisions or Clarifications

In the event that it becomes necessary to revise or clarify any part of this RFP, addenda will be provided to each potential respondent who received the original RFP and any other individual who expresses interest in responding to the RFP. Each respondent must acknowledge all issued addenda in their submittal.

Ownership of Proposals Received

All material submitted in response to this RFP is the property of the Colorado General Assembly. The Colorado General Assembly reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Any restrictions on the use of information contained within a response must be clearly stated in the response, and any such restrictions must be approved by the chair and vice chair of the interim committee. Submission of a proposal indicates acceptance by the respondent of the conditions contained in this RFP.

Respondents that plan to use proprietary methods, material or information must clearly identify the portions of the study that will be conducted using the proprietary method or materials. The chair and vice chair of the interim committee shall make the final determination in advance of letting the contract as to whether any part of the study may be completed using proprietary methods, materials, or information, or whether any information shall be considered proprietary. All respondents, including those using proprietary material, must describe in detail their proposed plan for conducting the study and the processes involved.

Respondent's Costs

The Colorado General Assembly is not liable for any costs incurred by respondents as a result of submission of a proposal pursuant to this RFP.

Award of Contract

Proposals will be reviewed by the interim committee in accordance with sections 3 through 7 of this RFP. The interim committee reserves the right to reject proposals. The contract will be awarded to the respondent whose proposal is most advantageous to the State of Colorado. Selection of a successful contractor is expected to be made in early August. The final contract must be entered into no later than Friday, September 1, 2017.

Contract

In addition to standard state contract provisions, the contract negotiated with a successful respondent must incorporate this RFP, the successful proposal, and any additional methodological information that may be required. The contract must also include an indemnification clause to hold the state harmless against any and all claims, damages, liability, and court awards as a result of any act by the contractor or any subcontractors. Additional liability insurance shall also be obtained by the contractor for personnel involved in the work included in the scope of the contract in accordance with the amounts set forth in this RFP.

The schedule and method of payment shall be determined pursuant to negotiations between the interim legislative committee and the selected respondent and shall be included in the contract. If the respondent intends to subcontract any part of its responsibilities to another individual or firm, the respondent must also identify the subcontracting individual or firm and their qualifications.

Insurance

The contractor will be required to submit certificates showing the following minimum coverages prior to start of work:

Standard Workers' Compensation and Employer's Liability, including occupational disease, covering all employees in the amount required by state statutes.

Comprehensive General Liability Insurance, with minimum limits of \$1 million per occurrence and in aggregate.

Comprehensive Auto Liability Insurance with a minimum limit of \$1 million per accident.

The certificates must name the State of Colorado as additional insured and must be furnished within 10 working days after receipt of a contract award. All insurance must include provisions preventing cancellation without 30 days prior notice by certified mail to the Legislative Council's Director of Research. Insurance specified in this section must include coverage for acts or omissions of any subcontractors.

1.0 BACKGROUND

- 1.1 The 71st General Assembly of the State of Colorado passed House Bill 17-1340, creating a two-year interim legislative committee to study school finance issues. The Governor signed the bill into law and it took effect on June 2, 2017.
- 1.2 Pursuant to Section 2-2-1902 (3), C.R.S., the interim committee is required to issue a request for proposals for a private entity to assist the committee in gathering information and analyzing legislatively specified school finance issues.
- 1.3 The interim committee may not contract with a private entity that has ever previously contracted with the state of Colorado, or an agency or political subdivision of the state, for a study or analysis of school finance in Colorado.
- 1.4 Section 2-2-1902 (1) (a) through (k), C.R.S., outlines the minimum topical issues that must be researched, studied, and analyzed by the interim committee with assistance from the contracted private entity. These issues are detailed in the Scope of Work section of this request.

2.0 Solicitation Overview

- 2.1 **Contract term:** It is anticipated that this RFP will result in a single award to a single respondent. The initial term of the contract shall be one (1) year with the option to renew and/or renegotiate the terms of the contract for one (1) additional year.
- 2.2 **Requirements.** This RFP is designed to provide interested respondents with sufficient information to submit proposals meeting minimum requirements, but is not intended to limit a proposal's content or exclude any relevant or essential data. Respondents are encouraged to expand upon the specifications to add service and value consistent with legislative requirements.
- 2.3 **Pricing.** The interim committee has an estimated budget for this project that may not exceed \$350,000.00 USD per Fiscal Year. Proposals received in excess of this annual amount will be rejected.
- 2.4 **Methodology and schedule.** The response to this RFP must contain a plan detailing the respondent's proposed methodology and schedule for assisting the interim committee with addressing the issues for investigation outlined in section 3 of this RFP. Respondents must clearly identify the areas of expertise, facilitation services, and research topics that can be reasonably accomplished within the scope of this RFP, and those areas of study or services that are not included in a respondent's proposal. Any additional information regarding methodology required by the interim committee must be provided prior to the signing of the contract and will be incorporated into the contract.
- 2.5 **Progress reports.** The contractor shall provide regular progress reports to the interim committee and respond promptly to questions from the chair and vice chair regarding the accuracy of the data or the methodology for collecting data. Following completion of the study, the contractor must be available to make at least one presentation regarding school finance issues as requested by the interim committee.

3.0 SCOPE OF WORK

- 3.1 Subject to available appropriations, the interim committee is required to issue this RFP for a private entity to assist the committee in gathering information and analyzing the issue outlined below in sections 3.2 through 3.12.
- 3.2 **Cost benefit analysis.** The interim committee is expected to study the costs and benefits of the requirements imposed on Colorado school districts and public schools by state and federal laws, and the relative value of and return on resource investment across the time frame of a student's education career.
- 3.3 **Available resources.** The interim committee shall take into account all existing federal, state, and local resources used to fund elementary and secondary education, the total amount available to fund public education in each school district in the state, in aggregate, and per pupil.
- 3.4 **Identification of At-Risk students.** The interim committee shall develop an appropriate, accurate method for identifying students who, because of their life circumstances, are in greater need of services and supports to give them opportunities equal to those of their peers in order to achieve their academic potential.
- 3.5 **Per-pupil student based allocation of school funding.** The interim committee shall determine a formula for the allocation of funding for each public school student on a per-pupil basis that consists of a base amount, plus additional funding allocations

associated with particular attributes of each student, to be used to provide educational programs to address students' particular attributes, and based on the particular attributes of students as follows:

1. Allocations based on the following grade levels: preschool; kindergarten; grades one through five; grades six through eight; and grades nine through twelve.
2. Allocations based on a student's eligibility for free or reduced-price meals under federal law, taking into account the varying eligibility levels specified in federal law. In considering this allocation, the contractor must assist the interim committee to consider the extent to which a school district or charter school uses the additional state allocation and federal money, including money received pursuant to Title I of the federal "Elementary and Secondary Education Act of 1965", 20 U.S.C. sec. 6301 et seq., as amended, to provide services for at-risk pupils as defined in section 22-54-103, C.R.S., as demonstrated by the school's level of performance on state assessments and the school performance plan.
3. Allocations based on a student's identification as an English language learner, as defined in Section 22-24-103, C.R.S., and taking into account a student's exit from an English language proficiency program.
4. Allocations based on a student's identification as having a significant reading deficiency and requiring reading interventions pursuant to Section 22-7-1205, C.R.S.
5. Allocations based on a student's status as being a child with a disability as defined in Section 22-20-103, C.R.S. The contractor may assist the interim committee to consider different allocation amounts within this category based on a student's specific disability.
6. Allocations based on a student's participation in career and technical education programs or concurrent enrollment pursuant to Article 35 of Title 22, C.R.S.

3.6 **Allocations based on school district attributes.** In addition to student-based allocations, the interim committee is required to study and evaluate allocation methods for school finance that account for differing attributes of school districts as follows:

1. the number of students enrolled in the school district;
2. whether the school district is rural as defined by rule of the Colorado State Board of Education;
3. whether the school district is increasing or decreasing in enrollment; and
4. the cost of living and personnel costs within the school district.

3.7 **Categorical program funding.** The interim committee shall study the elimination of direct funding for categorical programs and evaluate the efficacy of distributing categorical program funding on a per-pupil basis throughout the state, using allocations added to the statewide per pupil base funding amount for each eligible student, and ensuring that categorical allocations are used to provide educational programs related to the categorical program, including high-quality educator professional development.

3.8 **Transportation funding.** The interim committee is required to identify strategies for funding transportation for students enrolled in all public schools in a manner that can be included within the school finance funding formula, including consideration of total mileage traveled on a per-pupil basis.

- 3.9 **Determining enrollment.** The interim committee is required to examine alternative methods for counting enrolled students for purposes of per pupil funding.
- 3.10 **School district organization.** The interim committee is required to consider issues of school district organization, including school district size based on pupil enrollment, and the geographic location of school districts.
- 3.11 **Local sources of school funding.** The interim committee is required to evaluate the level of funding for education that is available from local resources available to each school district, charter school, and institute charter school, and the amount of local resources that each receives, including consideration of:
1. the amount of property tax revenue each school district annually collects from the total program mill levy and additional authorized mill levies for operating purposes, disaggregated by residential property tax revenues, business property tax revenues, and revenues from taxes on mineral resource extraction;
 2. strategies for equalizing mill levies in school districts and public schools across the state;
 3. the methods and timing for calculating assessed property valuation related to mineral extraction; and
 4. other sources of funding for public education available to each institute charter school and each school district, or available to schools of a school district, including district charter schools, individually or by campus, and the amount received from each source.
- 3.12 **Capital construction needs.** The interim committee is required to study the capital construction needs of each school district, district charter school, and institute charter school, including school districts' capacity to issue bonds and the relationship of bonding capacity to the ability to obtain authorization for other mill levies, and whether there are areas of student enrollment growth or decline within the state public education system.

4.0 PROJECT TIME LINE AND CONTRACTOR QUALIFICATIONS

- 4.1 The Legislative Interim Committee to Study School Finance will meet up to ten times between July 1, 2017, and June 30, 2019. Additional meetings may be approved by legislative leadership. The chair and vice-chair of the interim committee may appoint subcommittees as necessary to provide technical assistance to the interim committee.
- 4.2 Firms considered for this contract must meet the minimum qualifications described below. Respondents should provide sufficient information related to these requirements to enable evaluation of their performance.
- 4.3 The contractor must be available and committed to completing an interim report no later than June 30, 2018, and a final report to the interim committee no later than June 30, 2019.
- 4.4 The contractor, and individuals assigned to assist the interim committee, must not have any bias or conflict of interest that would affect the outcome of the contractor's report. The assigned individuals and their immediate family members must not be members of the Colorado General Assembly, employees of schools or school districts, or members of school boards.

- 4.5 Respondents must accept the conditions of this RFP, including but not limited to the conditions set forth in the Procedural Summary section of this RFP.
- 4.6 The interim committee shall enter into a contract with the private entity by September 1, 2017. The committee may not contract with a private entity that has ever previously contracted with the state of Colorado, or an agency or political subdivision thereof, for a study or analysis of school finance in Colorado.

5.0 PROPOSAL FORMAT

- 5.1 Proposals must be written and need not be limited to the points listed in this request, but may include and cover any matter the respondent believes is relevant to the consideration of the proposal. Proposals must include, at a minimum, the following sections, presented in the order listed. All information included in the proposals may be used to evaluate any component of the proposal.
- 5.2 **Basic Proposal Information.** This section must include the name and address of the respondent, a brief description of the respondent (such as the date it was formed and how long it has engaged in this type of service), contact name, position of the contact person, telephone number and fax number for the contact person, e-mail address for the contact person, and a list of recent similar projects. This section must also include the names, titles, addresses, and phone numbers of any person or persons retained by the respondent to lobby the Colorado General Assembly. This section must also include any research conducted by the firm that was ultimately presented to the General Assembly.
- 5.3 **Description of the Project and the Respondent's Approach.** This section must describe in detail the respondent's understanding of the work to be performed and the method by which the respondent proposes to complete the project. The description must be presented in an overview format and also detailed by anticipated phases of work. The proposal should describe the anticipated involvement of legislative staff, if any, in the vendor's scope of work.
- 5.4 **Personnel.** The proposal must identify the individuals who will be assigned to complete this project. The qualifications, specific expertise, and experience in related economic studies must be provided. If the respondent intends to subcontract any part of its responsibilities to another individual or firm, the proposal must identify all subcontracting individuals or firms and their qualifications.
- 5.5 **Itemized Project Budget.** This section of the proposal must include the total project cost and an itemized cost for individual components of the contracted work. The itemized costs shall specifically and separately address the requirements of sections 3.2 thru 3.12.
- 5.6 **References.** The proposal must include a list of references of clients for whom this type of service has been provided in the past. The references provided will be considered in the evaluation of responses. The name of the client, contact name, address, telephone number, and type of organization must be provided for each client in addition to a brief description of the service provided. Please expect these references to be contacted.

6.0 SELECTION PROCESS

- 6.1 Respondents failing to meet the minimum required qualifications will not receive further consideration. The most qualified respondents will be asked to interview with the interim committee.
- 6.2 Respondents selected for an interview must appear with at least one principal who will have responsibility for the project. Up to three representatives from the responding firm may be present for the interview.
- 6.3 The Director of Research on behalf of the chair and vice chair of the interim committee will negotiate with the firm chosen as most qualified. In the event an agreement cannot be reached, the Director of Research will negotiate with the next ranked firm on the committee's prioritized list. The Director of Research will continue this approach until such time as an agreement is reached.

7.0 EVALUATION CRITERIA

- 7.1 Proposals will only be considered from qualified respondents demonstrating the ability to meet the requirements of this RFP. Respondents and their respective proposals will be evaluated in accordance with specific criteria, including but not limited to the following:
 - 1) quality and clarity of the proposed methodology for conducting the requested services and research;
 - 2) breadth and depth of experience in conducting and facilitating similar research projects;
 - 3) qualifications and availability of proposed staff;
 - 4) project budget; and
 - 5) succinctness of proposal.
- 7.2 Sample work provided by the respondent will be an added factor in the final evaluation of a firm's qualifications.

8.0 ADDITIONAL INFORMATION

- 8.1 Respondents may find additional information concerning school finance in Colorado at the Legislative Council website using the following link:
<http://leg.colorado.gov/agencies/legislative-council-staff/school-finance>

9.0 REPORTS AND DOCUMENTS PROPERTY OF THE COLORADO GENERAL ASSEMBLY

- 9.1 All information collected by the contractor shall be the property of the Colorado General Assembly. The Colorado General Assembly retains the exclusive right to release any and all parts of the report. The reports prepared by the contractor, electronic files, and any other materials or analysis shall also be the property of the Colorado General Assembly. The Colorado General Assembly reserves the right to reproduce and distribute any and all materials collected or prepared by the contractor.

10.0 SCHEDULE OF PAYMENTS

10.1 Payment for services will be provided according to the terms of the contract.

