SB13-213
House Education Committee
April 15, 2013

Falcon School District 49
Testimony Talking Points

Problem: SB13-213 provides exhorbitant funding for At-Risk and ELL demographics

Why: While 33% of all new funding is targeted specifically to At-Risk and ELL demographics, some districts receive less than half of that increase.

		tot. cost
Solution(s):	(1) Remove concentration factors for At-Risk and ELL program line items	97,139
	(2) Remove phantom students counted in At-Risk and ELL formula	10,000
	(3) Eliminate the opportunity to 'double-dip' students as both At-Risk and ELL	42,451
	(4) Apply the savings toward increasing the base rate by $155 to increase equity	149,590

Problem: SB13-213 separates funding sources into 'Total Program' and 'Additional State Funding'

Why:
(1) As we can see with the SFA of 1994, the program formula will have great stability.
(2) Annual appropriations, such as Part 3 - Additional State Funding, are much more fungible to annual priorities
(3) Because of the inequities in the Program Formula, many districts are being asked to rely solely on the Additional State Funding to be satisfied with what this bill would do for them.
(4) Items not in the formula are not as reliable, and some are intended to be preferential

Solution(s):
(1) Everything that is meaningful should be in the program formula.
(2) Floor funding adjustments should not be punitive

Problem: This bill has no sunset clause.

Why: Without a sunset, this bill has the potential to constrain future legislative sessions, voters, education leaders and then ultimately students if it funding measures do not pass the ballot. The sponsors should recognize that a ballot failure in November has implications to the propriety and integrity of this measure.

Solution: Introduce an amendment that indicates a ballot measure failure actually eliminates this bill rather than simply allowing it to sit and wait for the next ballot measure.

Attachment E

Problem: The sixth level of the size factor portion of the program formula has an escalator base that is nearly eight times the next lowest level. We believe this is simply a missing zero on this number in line 18 on page 40 of the bill.

Solution: Fix it

Problem: The Innovation Fund is not true innovation because 75% of those dollars are limited to Priority Improvement and Turn-Around schools with a desired focus on extended contact time.

Why: We believe the business community in Colorado, among other constituent groups, wants to see real innovation in schools - i.e. educating in new ways, with new methods. Extended contact time can help schools in trouble, but it is in no way innovative.

Solution: Either let it be true innovation, or call it what it is - an Improvement and Turn-Around School Fund

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General Concern: The balance between State and Local Share in K12 education is a recognized issue that needs to be solved for real long term solutions in the state budget. This bill does not effectively address the problem and, in fact, it fails to recognize any need to increase efficiency of spending or truly change the state/local mix because funds to backfill deficiencies in the state/local mix are available in perpetuity.

Any business, any industry needs to increase efficiencies and economies of scale in order to improve. Improvements in the application of technology will, and always should, impact the delivery of education; and impact the effectiveness of educational delivery, impacting the quality of the results. Also, any successful pursuit must recognize truths in its business model and adjust accordingly.

This bill has repeatedly been sold as 21st century funding model for 21st century education. With the issues identified herein, it appears that this bill comes up short in its stated goal. In reality, only about 10% of this new money is for new ideas; new ideas that are 21st century. Simply increasing funding for the same priorities identified 20 years ago, is 20th century. This funding model is truly 'old school' and given the hype of its presentation, and the promises of collaboration, of bipartisan work and support, we are sad to see this bill fall short.

SUMMARY OF SB13-213

Estimated Costs of Proposed School Finance Act (SB13-213), Assuming Implementation in FY 2013-14

Base per pupil funding $5,954.28

2013-14 Proforma from SB13-213

	Districts	CSI	Total
Funded Pupil Count Excluding Online/ASCENT	822,876.1	8,735.0	831,611.1
Online/ASCENT Pupil Count	12,223.1	3,053.0	15,276.1
Total Funded Pupil Count	**835,099.2**	**11,788.0**	**846,887.2**
Total Program Funding			
Formula Funding (without at-risk & ELL)	$5,014,309,855	$52,095,823	$5,066,405,678
At-Risk Student Funding	$482,273,336	$8,068,360	$490,341,697
ELL Student Funding	$166,173,814	$3,631,405	$169,805,219
Online/ASCENT	$72,779,812	$18,178,485	$90,958,297
Mill levy equalization	$0	$11,236,309	$11,236,309
Negative Factor			
Total Program before TLI	**$5,735,536,817**	**$93,210,383**	**$5,828,747,200**
Statewide Average Per Pupil Funding - Total Program	**$ 6,868.09**	**$ 7,907.20**	**$ 6,882.55**
Other Funding Streams			
Teaching and Learning Investment @ $441 Per Pupil	$362,888,351	$3,852,148	$366,740,499
Hold Harmless Funding - State Funding	$36,542,283	$0	$36,542,283
Hold Harmless Funding - Total Program	$852,394	$0	$852,394
Per Pupil Supplemental Payment	$95,398,233	$0	$95,398,233
Total with All Funding	**$6,231,218,079**	**$97,062,531**	**$6,328,280,609**
Statewide Average Per Pupil Funding - All Sources	**$ 7,461.65**	**$ 8,233.98**	**$ 7,472.40**

Reconciliation with Legislative Council Table - 3B

Total Program with TLI - assumes no additional local supp	$6,020,456,757	$97,062,531	$6,117,519,287
Hold Harmless Funding - State Funding	$36,542,283	$0	$36,542,283
Per Pupil Supplemental Payment	$95,398,233	$0	$95,398,233
Total with All Funding	$6,152,397,272	$97,062,531	$6,249,459,803
Legislative Council - Table 3B - column h[1]	$6,152,401,517	$97,065,053	$6,249,466,570
Variance due to rounding	-$4,245	-$2,522	-$6,767

[1]Legislative Council does not include the Hold Harmless Funding - Total Program of $852,394 in Table 3B since these are funds generated by districts due to the Excess Total Program Mill Levy which is illustrated on Table 4B.

This illustration is with amendments passed by the Senate Education Committee on March 21 and Senate Second Reading Amendments adopted on April 1.

The following pages apply additional detail and information to CDE's presented format shown here

Estimated Costs of Proposed School Finance Act (SB13-213), Assuming Implementation in FY 2013-14

Base per pupil funding

It is helpful to have a data set to measure the impacts. This is a comparison to 2012-13

	2013-14 Proforma from SB13-213 Total	2012-13 Total	Variance Total		
Funded Pupil Count Excluding Online/ASCENT	831,611.1				
Online/ASCENT Pupil Count	15,276.1				
Total Funded Pupil Count	**846,887.2**	**817,659.7**	**29,227.5**		
Total Program Funding					
Formula Funding (without at-risk & ELL)	$5,066,405,678	5,882,802,839	(816,397,160)		
At-Risk Student Funding	$490,341,697	306,359,400	183,982,297	18%	33%
ELL Student Funding	$169,805,219	12,396,353	157,408,866	15%	
Online/ASCENT	$90,958,297	107,923,582	(16,965,285)		
Mill levy equalization	$11,236,309		11,236,309		
Negative Factor		(1,024,772,670)	1,024,772,670		
Total Program before TLI	**$5,828,747,200**	**5,284,709,504**	**544,037,696**	52%	
Statewide Average Per Pupil Funding - Total Program	**$ 6,882.55**	**$ 6,463.21**	**$ 419.34**		
Other Funding Streams					
Teaching and Learning Investment @ $441 Per Pupil	$366,740,499		366,740,499	35%	
Hold Harmless Funding - State Funding	$36,542,283		36,542,283	4%	
Hold Harmless Funding - Total Program	$852,394		852,394	0%	
Per Pupil Supplemental Payment	$95,398,233		95,398,233	9%	
Total with All Funding	**$6,328,280,609**	**$5,284,709,504**	**$1,043,571,106**		
Statewide Average Per Pupil Funding - All Sources	**$ 7,472.40**	**$ 6,463.21**	**$ 1,009.19**		

Note the exhorbitant increase in At-Risk and ELL funding. 1/3 of all new money

Assessed Value per Pupil	107,140
Median Family Income	57,685

Also introduce a couple 'favorite' statistics that are relevant

Estimated Costs of Proposed School Finance Act (SB13-213), Assuming Implementation in FY 2013-14

Base per pupil funding

Comparing two specific school districts helps identify the positive and negative impacts associated with this bill

	2013-14 Proforma from SB13-213		2012-13		Variance	
	Falcon	**Denver**	**Falcon**	**Denver**	**Falcon**	**Denver**
Funded Pupil Count Excluding Online/ASCENT	14,661.7	83,215.3				
Online/ASCENT Pupil Count	444.8	225.2				
Total Funded Pupil Count	**15,106.5**	**83,440.5**	14,572.9	77,251.5	**533.6**	**6,189.0**
% of State Total	1.8%	9.9%	1.8%	9.4%	0.0%	0.4%
Total Program Funding						
Formula Funding (without at-risk & ELL)	$87,299,866	$495,487,159	101,608,312	563,056,255	(14,308,446)	(67,569,096)
At-Risk Student Funding	$4,068,083	$92,108,340	2,052,128	64,450,934	2,015,956	27,657,405
ELL Student Funding	$505,876	$52,835,120	58,421	2,845,999	447,455	49,989,121
Online/ASCENT	$2,648,224	$1,340,725	2,909,998	1,078,038	(261,774)	262,687
Mill levy equalization	$0	$0			-	-
Negative Factor			(17,386,145)	(102,956,696)	17,386,145	102,956,696
Total Program before TLI	**$94,522,048**	**$641,771,344**	89,242,713	528,474,530	**5,279,335**	**113,296,814**
Per Pupil Funding - Total Program	**$ 6,257.06**	**$ 7,691.37**	**$ 6,123.88**	**$ 6,840.96**	**$ 133.18**	**$ 850.41**
	(1,434.31)		(717.08)		(717.23)	
Other Funding Streams						
Teaching and Learning Investment @ $441 Per Pupil	$6,465,810	$36,697,945				
Hold Harmless Funding - State Funding	$0	$0				
Hold Harmless Funding - Total Program	$0	$0				
Per Pupil Supplemental Payment	$4,615,968	$0				
Total with All Funding	**$105,603,826**	**$678,469,289**	**$89,242,713**	**$528,474,530**	**$16,361,112**	**$149,994,758**
Per Pupil Funding - All Sources	**$ 6,990.64**	**$ 8,131.18**	**$ 6,123.88**	**$ 6,840.96**	**$ 866.76**	**$ 1,290.22**
Current Projected Difference	(1,140.54)		$ (717.08)		$ (423.46)	
TLI Amendment 46 Correction	(159.00)					
Intended Disparity	(1,299.54)					

pro-rata share	18,614,833	102,818,951
difference to pro-rata share	(2,253,721)	47,175,807
Intended difference to pro-rata	(2,253,721)	60,407,039

	State Avg		
Assessed Value per Pupil	107,140	45,545	129,541
variance to State Average		(61,595)	22,401
Median Family Income	57,685	53,747	47,499
variance to State Average		(3,938)	(10,186)

Estimated Costs of Proposed School Finance Act (SB13-213), Assuming Implementation in FY 2013-14

Base per pupil funding

This comparison shows that not all is well with this bill

	2013-14 Proforma from SB13-213		2012-13		Variance	
	Falcon	**Denver**	**Falcon**	**Denver**	**Falcon**	**Denver**
Funded Pupil Count Excluding Online/ASCENT	14,661.7	83,215.3				
Online/ASCENT Pupil Count	444.8	225.2				
Total Funded Pupil Count	**15,106.5**	**83,440.5**	14,572.9	77,251.5	**533.6**	**6,189.0**
% of State Total	1.8%	9.9%	1.8%	9.4%	0.0%	0.4%
Total Program Funding						
Formula Funding (without at-risk & ELL)	$87,299,866	$495,487,159	101,608,312	563,056,255	(14,308,446)	(67,569,096)
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Online/ASCENT	$2,648,224	$1,340,725	2,909,998	1,078,038	(261,774)	262,687
Mill levy equalization	$0	$0			-	-
Negative Factor			(17,386,145)	(102,956,696)	17,386,145	102,956,696
Total Program before TLI	**$94,522,048**	**$641,771,344**	89,242,713	528,474,530	**5,279,335**	**113,296,814**
Per Pupil Funding - Total Program	**$ 6,257.06**	**$ 7,691.37**	**$ 6,123.88**	**$ 6,840.96**	**$ 133.18**	**$ 850.41**
	(1,434.31)		(717.08)		(717.23)	
Other Funding Streams						
Teaching and Learning Investment @ $441 Per Pupil	$6,465,810	$36,697,945				
Hold Harmless Funding - State Funding	$0	$0				
Hold Harmless Funding - Total Program	$0	$0				
Per Pupil Supplemental Payment	$4,615,968	$0				
Total with All Funding	**$105,603,826**	**$678,469,289**	**$89,242,713**	**$528,474,530**	**$16,361,112**	**$149,994,758**
Per Pupil Funding - All Sources	**$ 6,990.64**	**$ 8,131.18**	**$ 6,123.88**	**$ 6,840.96**	**$ 866.76**	**$ 1,290.22**
Current Projected Difference	(1,140.54)		$ (717.08)		$ (423.46)	
TLI Amendment 46 Correction	(159.00)					
Intended Disparity	(1,299.54)					

pro-rata share	18,614,833	102,818,951
difference to pro-rata share	(2,253,721)	47,175,807
Intended difference to pro-rata	(2,253,721)	60,407,039

	State Avg		
Assessed Value per Pupil	107,140	45,545	129,541
variance to State Average		(61,595)	22,401
Median Family Income	57,685	53,747	47,499
variance to State Average		(3,938)	(10,186)

> Falcon currently ranks 177th in PPR and yet we increase only marginally
> Falcon currently ranks 160th in Assessed Value / Pupil
> Falcon's Median Family Income is below State average
This is not a 'rich' district. Why not help?
> This bill instead makes disparities worse