

K-12 Education

School Finance, Financial Policies, and Procedures

HB 14-1120 (Postponed Indefinitely)
Tax Increase Approval by 2014 for
School Finance

HB 14-1139 (Postponed Indefinitely)
Average Daily Membership For School
Finance

HB 14-1190 (Enacted)
School District Financial Capacity
Capital Construction Grants

HB 14-1250 (Enacted)
School District Payments For Floods
and Total Program

HB 14-1251 (Enacted)
School Finance FY 2013-14
Adjustments

HB 14-1292 (Enacted)
The Student Success Act

HB 14-1298 (Enacted)
Financing of Public Schools

HB 14-1314 (Enacted)
School District and Charter School Mill
Levy Overrides

Wellness and Safety

HB 14-1156 (Enacted)
Eligibility Age School Lunch Protection
Program

HB 14-1276 (Enacted)
Grant Program to Train High School
Students in CPR

Early Childhood Learning

SB 14-185 (Postponed Indefinitely)
Pay For Success Contracts For Early
Childhood Education

HB 14-1076 (Postponed Indefinitely)
Early Childhood Quality Incentive
Program

Academic Acceleration, School Completion, and Instruction

SB 14-058 (Enacted)
GED or High School Equivalency

SB 14-167 (Postponed Indefinitely)
Opportunity Schools Pilot Initiative

HB 14-1102 (Enacted)
Gifted Education Programs

HB 14-1118 (Enacted)
Advanced Placement Incentives Pilot
Program

HB 14-1376 (Enacted)
Analysis of Student Opportunity Gaps

Educators and School Boards

SB 14-124 (Enacted)
School Turnaround Leaders
Development

SB 14-150 (Enacted)
School Counselor Corps Grant
Program

SB 14-165 (Enacted)
K-12 Academic Growth Performance
Eval 2014-15

SB 14-182 (Enacted)
School Boards Meeting in Executive
Session

HB 14-1175 (Enacted)
Minority K-12 Teachers Study Strategy
Report

Accreditation, Accountability Requirements, and Student Data

SB 14-204 (Postponed Indefinitely)
Education Data Privacy and Security
Act

HB 14-1078 (Enacted)
Changes to Resolve Education Rule
Conflicts

HB 14-1182 (Enacted)
Public Education Accountability
2015-16 School Year

HB 14-1204 (Enacted)
Flexibility For Rural School Districts

HB 14-1294 (Enacted)
Student Data Privacy Act

HB 14-1382 (Enacted)
K-12 On-line Education

Student Assessments

SB 14-136 (Postponed Indefinitely)
Delay Statewide Testing Study
Academic Standards

SB 14-221 (Postponed Indefinitely)
Statewide Social Studies Test
Administration

HB 14-1202 (Enacted)
Local Accountability Requirements
For School Districts

The General Assembly considered a variety of K-12 education-related legislation during the 2014 session. Major topics addressed include: school finance, financial policies, and procedures; wellness and safety; early childhood learning; academic acceleration, school completion, and instruction; educators and school boards; accreditation, accountability requirements, and student data; and student assessments.

School Finance, Financial Policies, and Procedures

School finance. Two bills concerning the financing of Colorado's K-12 public education system were passed during the 2014 legislative session. **House Bill 14-1292**, called The Student Success Act, changes how school districts are funded for school finance purposes and provides additional funding for specific educational programs. In particular, the bill reduces the value of the negative factor in the school finance formula by \$152 million in FY 2014-15, and provides ongoing funding for early literacy programs and charter school capital construction. The bill also adds additional reporting requirements for school districts, and specifies that 12.5 percent of the first \$40 million in excise taxes imposed on recreational marijuana be transferred to the charter schools facility assistance account within the Public School Capital Construction Assistance Fund.

House Bill 14-1298, the annual School Finance Act, changes the Public School Finance Act of 1994 by modifying the funding for K-12 public schools in FY 2014-15. The bill increases the base per pupil funding from \$5,954 to \$6,121 to reflect a 2.8 percent inflation rate. The bill also makes changes to the calculation of total program funding by:

- limiting the amount of the negative factor in FY 2015-16 to be less than or equal to the level of the negative factor in FY 2014-15;
- clarifying the method used to calculate the cost of living factor in years when average teacher salaries either decline or increase by less than 1 percent;
- increasing the number of slots in the Colorado Preschool Program (CPP) by 5,000 and adjusting the calculation of the negative factor for the cost of these increased slots;
- for FY 2014-15 and thereafter, increasing the full-day kindergarten factor from 0.58 to 0.60; and
- applying statutory minimum per pupil funding to all charter schools.

The bill also modifies the funding for other public school programs in the following ways:

- increasing by \$2 million the appropriation to Boards of Cooperative Educational Services (BOCES);
- allowing school districts to operate with a higher limit on bonded indebtedness if the district's average annual increase in pupil enrollment for three or five years is at least 2.5 percent; and
- annually transferring \$24,800 from the State Education Fund to the Colorado Teacher of the Year Fund; and
- requiring the Colorado Department of Education (CDE) to allocate state money to local education providers for each student receiving services as an English language learner on a per pupil basis.

In addition, two bills concerning school finance were considered but postponed indefinitely. In 2013, the General Assembly passed Senate Bill 13-213, which provided a new funding formula for school districts in Colorado and changed how pupils are counted for funding purposes, subject to voters approving a tax increase sufficient to pay for the act. Under current law, the tax increase must be approved in a statewide election held no later than November 2017. **House Bill 14-1120** would have moved the election deadline up from November 2017 to November 2014.

House Bill 14-1139 would have directed the CDE to calculate funding for schools based on average daily membership (ADM). ADM is calculated using the school district's or institute charter school's funded student membership combined with preschool, at-risk, on-line, and Accelerating Students through Concurrent Enrollment (ASCENT) student membership (collectively referred to as "membership") for the funding averaging period. The funding averaging period is the four quarters of the preceding budget year plus the first quarter of the current budget year. Under current law, funding for public schools is based on the number of pupils enrolled on a specified count date each year.

Building Excellent Schools Today. The Building Excellent Schools Today (BEST) program was established to provide grants to public schools to rebuild, repair, or replace the worst of the state's K-12 facilities. **House Bill 14-1190** adds two factors to current law that must be considered when determining how much matching money a school district or BOCES is required to provide when applying for financial assistance under the BEST program. These factors are: a school district's available bond capacity or the average available bond capacity of participating members of a BOCES; and a school district's unreserved fund balance as a percentage of its annual budget or the average unreserved fund balance of the annual budgets of the participating members of a BOCES.

Funding adjustments. Two bills making mid-year adjustments to school funding were passed during the 2014 session. The initial annual appropriations for school funding contained in the Long Bill and the school finance bill are based on estimates. Updated, actual numbers that are later used to determine school funding levels may affect a district's local share and thus the state aid that it receives. When this happens, a mid-year adjustment is required in order to provide the appropriate amount of funding to a district. **House Bill 14-1251** makes mid-year adjustments to the 2013 School Finance Act based on the October 2013 student count and the 2013 certified property values. **House Bill 14-1250** appropriates money for FY 2013-14 from the General Fund to the Contingency Reserve Fund and directs the State Board of Education (SBE) to provide supplemental assistance to school districts based on:

- enrollment reductions caused by pupil displacement from the September 2013 floods;
- flood-related transportation costs;
- significant decreases in total program funding due to unexpected decreases in assessed valuation and a decrease of more than \$500 in per pupil revenue; or
- significant decreases in per pupil revenue resulting from unexpected increases in funded pupil count.

Charter school funding. Under current law, a school district may seek voter approval to impose a mill levy override to pay for operating expenses. **House Bill 14-1314** creates a process for school districts to include district-authorized charter schools in their requests for mill levy overrides. The bill requires school districts to allow charter school representation when considering whether to seek additional operating revenue through a mill levy override. A charter school that needs additional operating revenue may request that the local board of education of its chartering school district:

- include the charter school's revenue needs as part of the ballot question to authorize a mill levy override; or
- submit a ballot question to authorize a mill levy override exclusively for the charter school.

If the local board of education chooses to include a charter school's operating revenue needs in a ballot question, the board and the charter school must agree to the process by which the district will distribute the additional local revenue.

Wellness and Safety

Wellness. Recognizing the need to ensure that every student in Colorado has access to a healthy school lunch, the General Assembly passed **House Bill 14-1156**. Under current law, only students in kindergarten through second grade are eligible for subsidies through the National School Lunch Program. The bill expands the eligible grade levels for the state-level Child Nutrition School Lunch Protection Program, which is administered by the CDE, from second grade to fifth grade. The bill also provides funding to public and nonprofit elementary schools to eliminate the reduced price paid by students enrolled in state-subsidized early childhood education centers, and by kindergarten through fifth grade students participating in the school lunch program under the federal National School Lunch Act.

Safety. The 2014 General Assembly passed **House Bill 14-1276**, which creates a cardiopulmonary resuscitation (CPR) grant program in the CDE. The program provides grant funding to public high schools that provide hands-on training for students in CPR and the use of an automated external defibrillator (AED).

Early Childhood Learning

Early childhood learning. The General Assembly considered two bills related to early childhood learning, both of which were postponed indefinitely. **Senate Bill 14-185** would have created the Pay for Success Contracts for Early Childhood Education Services Program in the Office of State Planning and Budgeting (OSPB). The program would have permitted both the OSPB and one or more school districts to enter into a "pay for success" contract for the provision of early learning and development services.

House Bill 14-1076 would have created the Early Childhood Quality Incentive grant program at the CDE. School districts with a CPP-authorized preschool program would have been eligible to participate in the program by applying for an initial grant to pay for the cost of obtaining a school-readiness quality rating. Based on the quality rating the preschool program achieved, the district would then have been able to receive a quality improvement grant to be used to enhance the program's service quality.

Academic Acceleration, School Completion, and Instruction

Academic acceleration. Academic acceleration refers to allowing a student to progress through an education program more rapidly, or at a younger age, than the student's peers, based on readiness and motivation. The General Assembly enacted two bills related to academic acceleration. **House Bill 14-1102** concerns the education of gifted students and the requirements for gifted education programs in public K-12 schools. This bill encourages administrative units, which include school districts, BOCES, and the state Charter School Institute (CSI), to adopt a gifted education program that can be implemented within local, state, and federal moneys or resources currently available.

A district's program plan must be submitted to the CDE ensuring:

- procedures for assessing and identifying gifted students using a team;
- preparation of academic plans;
- collecting, maintaining and reporting data; and
- providing appropriate opportunities for concurrent enrollment.

In addition, each administrative unit is required to make a good faith effort to hire and retain at least one qualified person in gifted education to administer the program plan, and is strongly encouraged to conduct a screening of all enrolled students no later than second grade to identify gifted children.

The second bill concerning academic acceleration that was passed by the General Assembly is **House Bill 14-1118**. The bill creates the Advanced Placement Incentives Pilot Program in the CDE to provide supplemental funding to rural school districts or rural schools that offer advanced placement (AP) courses, especially among low income student populations. Total participation in the pilot program is capped at 950 students, and participating schools or districts will receive \$500 for each student who completes an AP course and subsequently takes the AP exam, regardless of the outcome on the exam.

School completion. The term "general equivalency diploma", or GED, refers to an examination that measures the major academic skills and concepts associated with four years of regular high school instruction in five subject areas: language arts-writing, social studies, science, language arts-reading, and mathematics. The exam provides an opportunity for those who have not graduated from high school to earn a high school equivalency diploma. **Senate Bill 14-058**, which passed, changes the term "general equivalency diploma" or "GED" to "high school equivalency examination" throughout state statute.

Instruction. The General Assembly considered two bills related to instruction. **House Bill 14-1376**, which was adopted, requires the CDE to create a core course-level participation performance report. Core courses are English, mathematics, science, and social science, and level indicates the degree of difficulty or complexity of the course. Beginning with the 2016-17 school year, public schools and school districts must use the data in the performance report when preparing the school or district performance or improvement plans under state accountability laws. If the performance report indicates that there are significant disparities in student performance by course level, or that a disproportionate number of students from specific student groups are enrolled in courses that achieve lower student proficiency levels, the school or district must identify strategies to address these disparities in its performance or improvement plans.

Senate Bill 14-167, which was postponed indefinitely, would have created the Opportunity Schools Pilot Initiative in the CDE. The initiative was intended to identify and support the creation of innovative school models that serve high-risk students in an effort to prepare them for postsecondary and career success.

Educators and School Boards

Grant programs. Two bills concerning grant programs to enhance educator development were passed during the 2014 session. **Senate Bill 14-124** creates the School Turnaround Leaders Development Program, which will contract with providers of high-quality turnaround leadership development programs and award grants to school districts so they can develop school leaders capable of turning around low-performing schools. Grant recipients are required to use the funding to:

- identify and recruit practicing and aspiring school turnaround leaders; and
- subsidize the cost of school turnaround leaders and other support staff to participate in turnaround leadership development programs.

Senate Bill 14-150 expands and makes changes to the School Counselor Corps Grant Program in the CDE, which was created in 2008 to improve and increase counseling services to students in secondary schools. It is anticipated that because of the bill's passage, the grant program will award 50 additional counselor corps grants annually.

Teacher performance evaluation and retention. The General Assembly adopted two bills related to teacher performance evaluation and retention. Under current law, local school district boards of education are required to establish a teacher evaluation system that bases at least 50 percent of a teacher's annual effectiveness evaluation on student academic growth. **Senate Bill 14-165** allows a local school board to determine what percentage, if any, of the teacher evaluation system is based on student academic growth for the 2014-15 academic year. **House Bill 14-1175** requires CDE to study and develop strategies to increase and improve recruitment, preparation, development, and retention of minority teachers in K-12 education.

School boards. Under current law, when a local governing body conducts a meeting in executive session, the minutes of the executive session must identify the topics that were discussed. With the passage of **Senate Bill 14-182**, executive session minutes must also reflect the amount of time each topic was discussed. Those minutes, along with the time log of the topics discussed, must be posted on the school board's website within ten business days.

Accreditation, Accountability Requirements, and Student Data

Accreditation. The school accountability process results in accreditation, or certification, by the SBE that a district and the individual schools within the district meet the requirements established in the Education Accountability Act and all related rules adopted by the SBE. The SBE annually reviews the performance of schools and districts in the state, and based on the levels of attainment on four performance indicators, enters into accreditation contracts with the districts based on the five following categories:

- *Accredited with distinction* means the district met or exceeded state expectations;
- *Accredited* means the district met expectations and is required to implement a performance plan;
- *Accredited with improvement plan* means the district has not met expectations and is required to implement an improvement plan;
- *Accredited with priority improvement plan* means the district has not met expectations and is required to implement a priority improvement plan; and
- *Accredited with turnaround plan* means the district has not met expectations and is required to implement a turnaround plan.

The General Assembly debated and passed two bills related to public school accreditation. **House Bill 14-1078** clarifies that, for the purposes of state accreditation, an online program housed in a public school is not considered an online school because an online school has an assigned school code and operates with its own administrator, a separate budget, and a complete instructional program.

Another bill that was considered is **House Bill 14-1182**. Under current law, if a public school is required to implement a priority improvement plan or turnaround plan for five consecutive school years, the SBE must recommend that the public school, the school district, or the CSI take one of several actions specified in statute with regard to the public school. For the 2015-16 school year, the bill authorizes the SBE to recommend an action that is not specified in statute but that has comparable significance and effect. In addition, for the 2015-16 school year, the bill authorizes the

CDE to assign accreditation ratings and recommend performance plan types based on the school district's, CSI's, or public school's:

- accreditation rating or type of performance plan for the preceding school year;
- compliance with the accreditation contract for a school district or the institute;
- participation in statewide testing; and
- performance in meeting the Colorado academic standards and local performance targets.

Accountability Requirements. **House Bill 14-1204** modifies certain accountability and reporting requirements in order to provide greater flexibility to school districts that are determined to be small and rural by the CDE. **House Bill 14-1382** makes changes to current law pertaining to online education programs and online schools. The bill updates definitions; clarifies and adds requirements for documenting student attendance and participation; removes the authority for a group of school districts that have not formed a BOCES to authorize online programs or schools; and creates an authorizer certification program.

Student Data. The General Assembly debated two bills pertaining to the privacy and security of student data. **Senate Bill 14-204**, which was postponed indefinitely, would have created the Student and Teacher Data Privacy and Security Act. The bill would have established requirements for student and teacher data collection, processing, and storage that would have applied to all state institutions of education, K-12 public schools, institutions of higher education, and state education agencies.

House Bill 14-1294, which was enacted, requires the SBE to publish an index of the student data that is collected by the CDE, and requires the CDE to develop a privacy policy regarding accessibility to student data and a data security template for use by school districts. Such data includes assessment results, academic transcripts and completion records, attendance and mobility information, and special education data.

Student Assessments

Each year, the state evaluates students in grades 3 through 10 in order to measure student proficiency on the Colorado Academic Standards, which define the knowledge and skills that the state expects students to learn and be able to demonstrate for postsecondary success. The Colorado Student Assessment Program (CSAP) served as the principal statewide assessment starting in 1997. Legislation adopted in 2008 required the development of new assessments capable of measuring new standards. To allow districts time to transition between old and new standards, the CDE designed the Transitional Colorado Assessment Program (TCAP) to temporarily replace the CSAP while new assessments were developed. The TCAP is capable of measuring both the old and new standards. During the 2013-14 school year, the TCAP was administered in reading, writing, and mathematics, along with newly developed assessments for science and social studies. Beginning with the 2014-15 school year, new assessments measuring only the new content standards will be used.

In 2014, the General Assembly considered three bills related to student assessments. **Senate Bill 14-136**, which was postponed indefinitely, would have delayed the implementation by one year of Colorado's new statewide assessments scheduled to begin in the 2014-15 school year and instead require schools to continue administering the TCAP. In addition, the bill would have created a task force to study the adoption and implementation of the Colorado Academic Standards.

Senate Bill 14-221, which was also postponed indefinitely, would have delayed the administration of the statewide student assessment in social studies for high school students until the 2015-16 school year. Under current law, the CDE is required to administer an annual statewide assessment in social studies to students enrolled in a single elementary grade, middle school grade, and high school grade.

Lastly, **House Bill 14-1202** creates the Standards and Assessments Task Force to study how the statewide student assessment system is administered, how data are used, and the impact of statewide student assessments on local testing systems, instructional time, and administrative workload for school districts and public schools. The task force must examine:

- the interaction of statewide assessments with the educator performance evaluation system and with the statewide accountability system for school districts and the CSI;
- the interaction between local and statewide assessment systems and the impact the combined systems have on instructional time and test preparation in schools; and
- the feasibility of waving certain assessment requirements.