



**State Revenue**

The bill allows the CDE to seek and accept gifts, grants, and donations to fund the Office of Dropout Prevention and Student Re-engagement and its grant program. At this time, no specific revenue source has been identified. The bill encourages the CDE to use federal funds for this purpose, if available. However, it is unclear if federal funds can be used to support a state-mandated program. The fiscal note estimates that \$175,539 is required to implement the office in its first year, and \$169,067 per year thereafter.

**State Expenditures**

The bill increases cash funds expenditures in the CDE by \$157,772 and 2.0 FTE in FY 2009-10 and \$150,172 and 2.0 FTE in FY 2010-11, conditional upon the receipt of gifts, grants, and donations. Table 1 provides a summary of costs incurred by the CDE.

The CDE requires \$139,926 and 2.0 FTE in FY 2009-10 for staff costs, including a director and administrative assistant for the Office of Dropout Prevention and Student Re-engagement. Duties of the director include providing technical assistance, analyzing data, writing reports, and evaluating policies. The administrative assistant will assist in these duties, and manage office travel, meeting planning, grant agreements, and other tasks.

Operating expenses and capital outlay are expected to be \$17,846 in FY 2009-10. This includes standard costs for office supplies, furniture and communications, as well as about \$2,500 for travel costs.

The fiscal note assumes that no grants will be awarded during FY 2009-10. If any money is received from gifts, grants, and donations, funding to award grants can be appropriated through the supplemental or annual budget process.

<b>Cost Components</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>
Personal Services	\$139,926	\$139,926
FTE	2.0	2.0
Operating Expenses and Capital Outlay	17,846	10,246
<b>TOTAL</b>	<b>\$157,772</b>	<b>\$150,172</b>

**Expenditures Not Included**

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are summarized in Table 2.

<b>Table 2. Expenditures Not Included Under HB09-1243*</b>		
<b>Cost Components</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$13,692	\$13,692
Supplemental Employee Retirement Payments	4,075	5,203
<b>TOTAL</b>	<b>\$17,767</b>	<b>\$18,895</b>

*\*More information is available at: [http://www.state.co.us/gov\\_dir/leg\\_dir/lcsstaff/2009/comsched/CommonPolicies2009.pdf](http://www.state.co.us/gov_dir/leg_dir/lcsstaff/2009/comsched/CommonPolicies2009.pdf)*

**Local Government Impact**

The bill has an impact on some school districts that show low graduation and high drop-out rates. The bill requires these school districts to conduct a practices assessment and a student graduation and completion plan. It is estimated that about 50 school districts will use about 300 hours of staff time per year to complete these reports. The timing of when school districts incur these costs depends on what priority level the school district is classified. If the office is implemented in FY 2009-10, high priority education providers will begin incurring costs in FY 2009-10, and priority education providers in FY 2010-11.

**State Appropriations**

The fiscal note indicates that the Colorado Department of Education requires an appropriation of \$157,772 from the Student Re-engagement Grant Program Fund and 2.0 FTE in FY 2009-10. Moneys in this cash fund are to come from gifts, grants, and donations. The bill includes an appropriation for this amount.

**Departments Contacted**

Education	Higher Education	Law
Corrections	Judicial	Governor