



- P application procedures and responsibilities of both the Colorado Department of Education (CDE) and the BOCES that apply;
- P eligibility requirements, including that the BOCES must maintain food-service facilities and serve foods and beverages that meet the required nutritional standards; and
- P reporting requirements for the CDE to indicate program composition and effectiveness.

The program is administered by the CDE, provided that sufficient funds are received and credited to the newly created BOCES Healthy Food Grant Program Cash Fund. The CDE is authorized to use up to 10 percent of funds for administrative purposes. Grant recipients are announced June 1, 2011 and each June thereafter. The grant program is repealed on July 1, 2015.

### State Revenue

The bill allows the CDE to seek, accept, and spend gifts, grants, and donations to implement the grant program. Based on the expenditures described in this fiscal note, the CDE will need to obtain at least **\$250,000 in FY 2010-11 and FY 2011-12** to establish an effective grant program. Actual collections may vary greatly from the amounts indicated here. To date, no specific revenue source has been identified.

### State Expenditures

A grant program meeting the requirements of the bill is expected to increase state expenditures by approximately **\$246,430 and 0.3 FTE in FY 2010-11 and \$246,430 and 0.3 FTE in FY 2011-12**. These costs are *conditional*, contingent upon the CDE receiving sufficient gifts, grants, and donations. Actual costs could vary from the amount identified here, depending on how much outside funding CDE receives. Costs are detailed in Table 1 and the discussion that follows.

<b>Table 1. Expenditures Under HB10-1335</b>		
<b>Cost Components</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>
Personal Services	\$22,430	\$22,430
<i>FTE</i>	0.3	0.3
Grants	224,000	224,000
<b>TOTAL</b>	<b>\$246,430</b>	<b>\$246,430</b>

This analysis assumes that the CDE will establish the program, distribute the grants to participating BOCES, and compile the required report. The CDE will not provide technical assistance to the BOCES. *The CDE has discretion over whether or not sufficient funding is available to begin the program.*

**Personal Services (\$22,430 and 0.3 FTE)** – A senior consultant will establish the program rules, develop an application form, develop selection criteria, and recommend grant recipients to the Commissioner of Education.

**Grants (\$224,000)** – The CDE will distribute grants to the BOCES that participate in the program. Grant funding can be used to offset costs of locally grown and produced foods, healthy food choices, and operating costs. Although 1 or 2 grants may be awarded, they may not be awarded in FY 2010-11 since BOCES will be just beginning to be SFAs.

### **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 HB10-1335*</b>		
<b>Cost Components</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$2,130	\$2,130
Supplemental Employee Retirement Payments	834	1,023
<b>TOTAL</b>	<b>\$2,964</b>	<b>\$3,153</b>

\*More information is available at: <http://www.colorado.gov/cs/Satellite/CGA-LegislativeCouncil/CLC/1200536133924>

### **School District Impact**

Under the bill, BOCES are eligible to become SFAs. Food-service costs may be reduced for districts as a result of a BOCES consolidating operations. Additionally, BOCES that become SFAs are eligible to participate in the bill's grant program that encourages healthy food selections.

### **State Appropriations**

This bill does not require an appropriations clause. If sufficient money is provided for the program, the CDE may be required to seek spending authority via the annual appropriations process, including spending authority to use cash funds for expenses identified in the Expenditures Not Included section of this fiscal note.

### **Departments Contacted**

Education

Law