

School District Reporting Statutes Related to Public School Finance

Attachment D

Statute	Title	Description	Statutory Language Recommended for Repeal or Modification	Reason for Recommending Repeal or Modification
---------	-------	-------------	---	--

CRS 22-54-106(8)	Taxpayer Incentive Agreement	<p>Allows any school district that has entered into a taxpayer incentive agreement to receive state share funding in an amount equal to the amount of the incentive payment or credit to such taxpayer pursuant to such agreement. This isn't additional funding, it is in lieu of property taxes that were not collected by the district.</p>	<p>(8) (a) (i) Subject to the limitations in subparagraph (ii) of this paragraph (a), for any school district that has entered into an agreement with a taxpayer pursuant to section 22-32-110 (1) (ff) or (1) (gg) before May 22, 2003, the state's share of the district's total program shall be the amount by which the district's total program exceeds the amount of specific ownership tax revenue paid to the district and the amount of property tax revenue that the district would have been entitled to receive if the valuation for assessment of the district did not include the portion of the valuation for assessment of the personal property of such taxpayer that, when levied upon by the district, would result in property tax revenue equal to the amount of incentive payment or credit to such taxpayer pursuant to such agreement.</p>	<p>School districts were prohibited from entering into incentive agreements after May 22, 2003. Beginning in FY 2009-10, only two school districts will still have incentive agreements in place. Funding for incentive agreements has not been appropriated since FY 2006-07. All existing incentive agreements expire in FY 2010-11.</p>
			<p><i>(ii) For the 1995-96 budget year and budget years thereafter until the earlier of the 2012-13 budget year or ten years after the creation of an agreement entered into pursuant to section 22-32-110 (1) (ff) or (1) (gg) before May 22, 2003, the department of education shall ensure that the amount of the state's share of the district's total program, as calculated pursuant to subparagraph (i) of this paragraph (a), does not exceed the amount of the state's share of the district's total program that would otherwise have resulted if the taxpayer had not established the new business facility or expanded the existing facility. The state board shall prescribe, by rule and regulation, guidelines for the department to use in making the determination concerning the state's share pursuant to this subparagraph (ii).</i></p>	

**School District Reporting Statutes Related to Public School Finance**

Statute	Title	Description	Statutory Language Recommended for Repeal or Modification	Reason for Recommending Repeal or Modification
CRS 22-54-108(3)(b)(II)	Authorization of Additional Local Revenues	Allows any school district to seek voter approval to increase property tax revenues up to 25% of total program funding plus the amount of the Cost of Living Override. This legislation also requires districts seeking to utilize the 25% limit to notify the State Board of Education of their intention to increase the limit and the proposed use of the additional 5% beyond the initial 20% limit.	<p>(III) On or after the effective date of this subparagraph (III), <i>for any district that meets the requirements of subsection(4) of this section</i>, the total additional local property tax revenues that may be received pursuant to an election held pursuant to this section shall not exceed under any circumstances twenty-five percent of the district's total program, as determined pursuant to section 22-54-104 (2), or two hundred thousand dollars, whichever is greater, plus an amount equal to the maximum dollar amount of property tax revenue that the district could have generated for the 2001-02 budget year if, in accordance with the provisions of section 22-54-107.5, the district submitted a question to and received approval of the eligible electors of the district at an election held in November 2001.</p> <p><i>(4) (a) On and after the effective date of this subsection (4), any district that intends to seek voter approval to retain and spend additional property tax revenues pursuant to subparagraph (III) of paragraph (b) of subsection (3) of this section shall notify the state board, in a manner to be determined by the state board, prior to holding an election pursuant to this section. (b) Any district that submits notice to the state board pursuant to paragraph (a) of this subsection (4) shall also submit to the state board a proposal regarding the district's proposed use of the additional property tax revenues, which may include capital construction costs.</i></p>	Eliminate the requirement for districts to report to the State Board of Education their intention to utilize the 25% limit and the proposed usage of the funds. Increasing the limit to 25% across all districts allows districts greater flexibility with voter approved override revenues. The department receives all election questions and certification of mill levies from school districts, which should be sufficient notification of such an election. The State Board is not required to do anything with the information once it is received.

**School District Reporting Statutes Related to Public School Finance**

Statute	Title	Description	Statutory Language Recommended for Repeal or Modification	Reason for Recommending Repeal or Modification
CRS 22-54-123	State Matching Funds - National School Lunch Act	<p>Requires the General Assembly to appropriate an amount to comply with the requirements for state matching funds under the "National School Lunch Act", 42 U.S.C. sec. 751 et seq.</p> <p>This section also requires that any participating school district that, prior to the enactment of this section (FY2001-02), subsidized school lunch service with moneys from such school district pursuant to this section shall be applied in addition to, and not in lieu of, the amount of the school district's subsidy.</p>	<p>For the 2001-02 budget year and budget years thereafter, the general assembly shall appropriate by separate line item an amount to comply with the requirements for state matching funds under the "National School Lunch Act", 42 U.S.C. sec. 1751 et seq. The department of education shall develop procedures to allocate and disburse the funds among participating school districts and institute charter schools each year in an equitable manner as to comply with the requirements of said act. <i>In any participating school district that, prior to the enactment of this section, subsidized school lunch service with moneys from the school district's general fund, moneys received by such school district pursuant to this section shall be applied in addition to, and not in lieu of, the amount of the school district's subsidy. Any moneys received pursuant to this section shall be used only for the provision of the school district's or institute charter school's school lunch program.</i></p>	<p>This funding has been in place long enough that there is low potential for supplanting local district contributions. The amount on an individual district basis is minimal. Most school districts have modified their food service operations at some level since FY2001-02, by either raising lunch ticket prices, changing staffing levels, commodities usage, or other changes. The department has continued to monitor compliance with the statute and believe this requirement has outlived its usefulness.</p>
CRS 22-54-126	Declining Enrollment Districts with New Charter Schools	<p>In any budget year in which a new district charter school is opened in a declining enrollment district, the declining enrollment district shall receive additional aid as specified in this section to help mitigate the impact of the enrollment of pupils in the new district charter school who might otherwise have attended a traditional school in the declining enrollment district.</p>	<p><i>(2) Beginning in the 2006-07 budget year, in any budget year in which a new district charter school is opened in a declining enrollment district, the declining enrollment district shall receive additional aid as specified in this section to help mitigate the impact of the enrollment of pupils in the new district charter school who might otherwise have attended a traditional school in the declining enrollment district. The additional aid shall be available only for the first year of operation of a new district charter school in a declining enrollment district.</i></p> <p><i>(3) For the 2006-07 budget year and each budget year thereafter, the general assembly shall annually appropriate moneys from the general fund or any other source for additional aid to a declining enrollment district in which a new charter school is opened. The additional aid shall be distributed to all declining enrollment districts in which new charter schools are opened in the budget year for which the aid is appropriated.</i></p>	<p>Funding has not been appropriated for declining enrollment districts with new charter schools with the exception of the first year of the program (FY2006-07).</p>

School District Reporting Statutes Related to Public School Finance

Statute	Title	Description	Statutory Language Recommended for Repeal or Modification	Reason for Recommending Repeal or Modification
---------	-------	-------------	---	--

*The additional aid shall be distributed among the declining enrollment districts in which new charter schools are opened in the proportion that the declining enrollment district's new charter school enrollment bears to the total new charter school enrollment in all declining enrollment districts statewide in which new charter schools are opened in the budget year for which the additional aid is appropriated; except that for the 2007-08 budget year and budget years thereafter, a declining enrollment district shall not receive more than three hundred thousand dollars of additional aid pursuant to this section.*

CRS 22-54-128 Military Dependent Supplemental Pupil Enrollment Aid For FY 2007-08 through FY 2010-11, any school district may apply for military dependent supplemental pupil enrollment for the applicable budget year to the department of education. To be eligible for this funding school districts must submit a "supplemental" pupil count by February 15th of the current year.

*(4) On or before January 15, 2008, and on or before January 15 each year thereafter through January 15, 2011, any school district may apply for military dependent supplemental pupil enrollment pursuant to this section by submitting to the department of education an estimate of the district's military dependent supplemental pupil enrollment for the applicable budget year.*

This was intended to be a four year program and funding has only been provided for the first year. School districts are still required to voluntarily submit a pupil count to be eligible for this funding. Additionally, the department must make a system available to accommodate this count and must also submit a supplemental funding request to the General Assembly. We are in the third year of the program, with funding reductions looming.

*(5) To receive military dependent supplemental pupil enrollment aid pursuant to this section, a district that submitted an estimate to the department of education pursuant to subsection (4) of this section shall submit to the department the district's military dependent pupil supplemental enrollment within fifteen days of February 1 of the applicable budget year or within fifteen days of the school day nearest said date.*

School District Reporting Statutes Related to Public School Finance

Statute	Title	Description	Statutory Language Recommended for Repeal or Modification	Reason for Recommending Repeal or Modification
---------	-------	-------------	---	--

(6) Notwithstanding the provisions of section 24-37-304 (1) (b.5), C.R.S., on or before March 1, 2008, and on or before March 1 each year thereafter through March 1, 2011, the department of education shall submit a request to the general assembly for a supplemental appropriation in an amount that will fully fund the aggregate amount of the military dependent supplemental pupil enrollment aid allowed for the budget year pursuant to subsection (3) of this section. The department shall calculate the amount of the request by applying the total military dependent supplemental pupil enrollment submitted to the department by all eligible districts pursuant to subsection (5) of this section to the formula specified in subsection (3) of this section. The department shall make the request to the general assembly during the fiscal year in which the school districts apply for the military dependent supplemental pupil enrollment aid.

(7) In each applicable fiscal year, the general assembly shall appropriate, subject to available appropriations, the amount authorized for military dependent supplemental pupil enrollment aid pursuant to subsection (3) of this section to the department of education to be distributed by the department to eligible districts. In the event that the amount appropriated by the general assembly is less than the amount of aid authorized for each eligible district pursuant to subsection (3) of this section, the department shall distribute an amount to each eligible district that is in the same proportion that the eligible district's military dependent supplemental pupil enrollment bears to the total military dependent supplemental pupil enrollment in all eligible districts.

(8) This section is repealed, effective July 1, 2011.

School District Reporting Statutes Related to Public School Finance

Statute	Title	Description	Statutory Language Recommended for Repeal or Modification	Reason for Recommending Repeal or Modification
---------	-------	-------------	---	--

CRS 22-54-133 Charter School for the Deaf and the Blind  
 The department is required to distribute money under this section to the authorizer of a charter school for the deaf or the blind.

*(3) The department of education shall distribute moneys under this section to the authorizer of a charter school for the deaf or the blind, and the authorizer shall distribute all moneys received under this section to the charter schools for the deaf or the blind and may not retain any of such moneys to defray administrative expenses or for any other purpose. A charter school for the deaf or the blind shall use moneys it receives pursuant to this section solely for operating costs that are not defrayed by other funding sources. Moneys received pursuant to this section and section 22-54-124 shall not be considered in the calculation of excess costs pursuant to section 22-20-109.*

This legislation was enacted to provide supplemental funding to a specific school chartered by Jefferson County School District. Specific funding was provided to the charter school in FY2008-09 in the amount of \$135,000 from the funding appropriated as State aid for charter schools, pursuant to 22-54-123, C.R.S. It was intended that funding only be provided for the charter school if the appropriation was in excess of \$5 million. The original appropriation was set at \$10 million, the money was distributed and then the appropriation was reduced to \$5 million including the amount for this charter school.

*(4) No later than February 1, 2009, the department of education shall report to the education committees of the senate and the house of representatives, or any successor committees, and the joint budget committee of the expected change, if any, in need for funding under this section.*

CRS 22-44-111(3) Budget - filing  
 This section requires all school districts to submit their adopted budget to the department of education on or before January 31 of each budget year.

*(3) Each board of education shall submit its adopted annual budget to the department of education on or before January 31, 2009, and on or before January 31 each year thereafter. The budget shall include data available to the board of education as of December 31 of the immediately preceding calendar year.*

In addition to filing a copy of the adopted district budget with the department, a copy of the adopted budget must be made available to the public at the principal district offices. Requiring districts to also file a copy with the department is redundant and time consuming for both the district and the department, and the information is not utilized by the department. There were only two requests for the information following the collection of the information. One was from the Colorado Education Association (CEA) and the other from a former CEA employee.

School District Reporting Statutes Related to Public School Finance

Statute	Title	Description	Statutory Language Recommended for Repeal or Modification	Reason for Recommending Repeal or Modification
---------	-------	-------------	---	--

CRS 22-54-124(4)(b)	Capital Construction - State Aid for Charter Schools	Establishes funding for charter school capital construction and the formula to be used to calculate individual school payments. Requires the department to distribute funding to charter schools in twelve approximately equal payments.	<p>(a) <i>Prior to the 2009-10 budget year</i>, from the moneys appropriated for a given budget year pursuant to this section, the department shall make lump sum payments of all moneys to the distributed to each eligible school district and eligible institute charter school during the budget year as soon as possible. <i>(b) For the 2009-10 budget year and each budget year thereafter, the department shall distribute the total amount to be distributed pursuant to this section to each eligible charter school district and eligible institute harter school in twelve approximately equal monthly payments during the applicable budget year in conjunction with the distribution of the state's share of district total program pursuant to section 22-54-115.</i></p>	<p>The requirement for the department to distribute capital construction funding to charter schools in twelve equal payments is burdensome to the department. An estimated pupil count must be obtained from each charter school and estimated payments are then sent monthly. It would be much cleaner to return to funding capital construction for charter schools to a one lump sum payment.</p>
---------------------	--	--	--	--

If the prior year's charter school enrollment were used, the payments to charter schools could be provided at the beginning of the school year. Since the funding is calculated on an in-year enrollment, the funding is not available until January. Monthly distributions based on estimated counts, recalculation of the annual amount in December, triuing up of the funding (adjusting for over or under payments in December to bring charter schools to 50% of the annual amount) and continuing to distribute on a monthly basis for the remainder of the year is more difficult than it needs to be. It is one thing to manage this type of process when dealing with the State's Share of

Total Program of \$3.5 billion dollars, but to use this type of process for \$5 million is burdensome.

School District Reporting Statutes Related to Public School Finance

Statute	Title	Description	Statutory Language Recommended for Repeal or Modification	Reason for Recommending Repeal or Modification
CRS 22-43.7-201	Full-day Kindergarten Facility Capital Construction Fund	Establishes funding for any school district, charter school or institute charter school to renovate a facility, rent a facility, or provide a temporary auxiliary facility that will be used in conjunction with providing a full-day kindergarten program.	<p>(2) The public school capital construction assistance board shall use the moneys in the fund to provide grants or matching grants to any school district or institute charter school that is undertaking a capital construction project to renovate a facility, rent a facility, or provide a temporary auxiliary facility that will be used in conjunction with providing a full-day kindergarten program. The board shall award a grant or matching grant pursuant to this part 2 to a school district or institute charter school only if, without the grant or matching grant, the school district or institute charter school would be unable to provide a facility in which to offer a full day of kindergarten to more students than were offered a full day of kindergarten in the 2007-08 budget year. For purposes of this part 2, "temporary auxiliary facility" means a temporary building that will be placed on the same campus as a main educational facility.</p> <p>(3) Each budget year, the board shall use fifty percent of the moneys in the fund to provide grants pursuant to this part 2 and fifty percent of the moneys in the fund to provide matching grants pursuant to this part 2.</p> <p>(2) The board shall submit to the state board the prioritized list of capital construction projects prepared pursuant to subsection (1) of this section. The prioritized list shall include the board's recommendations as to the amount of financial assistance to be provided to applicants and whether the assistance should be in the form of a grant or a matching grant. The state board may approve, disapprove, or modify the provision of financial assistance to any applicant recommended by the board if the state board finds that the board incorrectly prioritized the capital construction projects pursuant to this part 2.</p>	No funding has been made available for this program and is not likely in the near future.
			<p>The state board shall specifically explain in writing its reasons for finding that the board incorrectly prioritized any capital construction project pursuant to this part 2.</p>	



School District Reporting Statutes Related to Public School Finance

Statute	Title	Description	Statutory Language Recommended for Repeal or Modification	Reason for Recommending Repeal or Modification
CRS 22-54-115(1)(a) and 30-25-302(5)(b)	Distribution from State Public School Fund and Eligibility determination of impact	Requires the department to reduce a district's state share funding by an amount equal to the Impact Assistance Grant money reported by the Division of Wildlife (DOW). Requires school districts to certify to the department the amount received from the Division of Wildlife.	(1) (a) Such payments shall be adjusted following the certification of pupil enrollments, the certification of valuations for assessment to the state board pursuant to section 22-54-112 (1) and (2), and the certification of the amount of any impact assistance grants on behalf of school districts pursuant to section 30-25-302, C.R.S.	Approximately 85 districts receive DOW money each year as impact assistance in lieu of taxes. The total annual amount averages \$100,000. Districts certify to the department the amount received as well as report it as part of the Automated Data Exchange December financial reporting. Frequently changes are made and districts are required to adjust amounts across multiple years due to the timing of the payments. The department is required to adjust each district's state share payment by the amount of the payment they receive from DOW.