

**DEPARTMENT OF EDUCATION  
FY 2012-13 JOINT BUDGET COMMITTEE HEARING AGENDA**

**Friday, December 16, 2011  
9:00 am – Noon**

***STATE BOARD OF EDUCATION / DEPARTMENT OF EDUCATION***

**9:00-9:15      INTRODUCTIONS AND OPENING COMMENTS**

**9:15-9:35      PERFORMANCE-BASED GOALS AND BUDGET REQUEST**

1. Please describe the process the department used to develop its strategic plan.
2. Please provide a copy of the Department's (draft) revised strategic plan with the hearing responses, at least two days prior to the hearing.
3. The Department's strategic plan includes only three years of data for each performance measure, which does not provide enough data to analyze trends. In addition, the "benchmarks" included in the document appear to be outdated. Please explain: (a) why the Department only included three years of data; (b) how you selected the measures used; and (c) the origin of the chosen benchmarks. In addition, please provide additional data showing trends.
4. The achievement gap measures compare the gap between students in two groups (based on either income or minority status) with a goal of narrowing the gap between groups. The goal is to narrow the gap by improving the performance of the lower performing group. However, the gap would also narrow if the performance of the higher achieving group declined. Do the Department's measures include a focus on the former strategy?
5. Do the various achievement gap measures aggregate data from multiple grade levels or are the measures using data from a specific grade level?
6. The Department's strategic plan includes statewide graduation and dropout rates as performance measures but time lags in the acquisition of data mean that performance data is not available quickly at the end of the school year. Is the Department working to improve the timeliness of those data to better track the Department's success at meeting goals?

7. Please explain why the Department's strategic plan was not updated prior to the November 1 budget request to include goals and measures for the Colorado School for the Deaf and the Blind and the State Charter School Institute.

**9:35-10:15 STATE BOARD OF EDUCATION REQUEST FOR FUNDING FOR NEW ASSESSMENTS**

8. Please discuss the State Board's request for \$25.9 million General Fund to support the development of new assessments in light of the request not being included in the Governor's FY 2012-13 Budget Request for the Department of Education.
9. Please provide a transcript of the State Board's discussions of whether to send the request for assessment funding to the Joint Budget Committee separately from the Governor's FY 2012-13 Budget Request.
10. Does the State Board intend for the requested General Fund moneys to come off-the-top of total program funding for school districts?
11. The Joint Budget Committee Staff Budget Briefing dated December 1, 2011, discusses the need for new assessments to align with statewide academic standards adopted by the State Board in 2009 pursuant to S.B. 08-212. Please discuss the need for the new assessments to align with the new standards and the impact of a potential lack of alignment on the Department's ability to assess performance and on statewide reform efforts enacted through recent legislation.
12. Please discuss the likely impacts of reauthorization of the federal Elementary and Secondary Education Act on Colorado's assessment system. Would reauthorization be likely to cause problems for the proposed assessment system?
13. The State Board's proposed plan would allow for two years to transition from the old standards and assessments to the new standards and assessments. Is two years enough time for transition?
14. Some of the new standards will require material to be taught in earlier grades (in grade 3 rather than 5, for example). How does the Department's plan account for students already in the earlier grades that are not receiving the new instruction (for example, those in grade 3 in the scenario above) but which will not receive the instruction in grade 5. How does the Department intend to assess such students based on the new standards?

15. Will the implementation of new assessments require recalibration of the longitudinal growth model? How would participation in the national consortia impact the longitudinal growth model?
16. Senate Bill 10-191 requires multiple measures of student growth for the evaluation of educator effectiveness. How does the Department's request relate to the requirement for multiple assessments?
17. The Department proposes a transition to on-line administration of assessments over a period of several years. Has the Department spoken to school districts about the feasibility of implementing on-line assessments?
18. With respect to on-line testing, how does the Department propose to proctor on-line assessments to avoid cheating?
19. Please discuss the reports assessing the overall cost of implementation of S.B. 08-212 (CAP4K). How much is implementation going to cost?
20. According to the Joint Budget Committee Staff Budget Briefing dated December 1, 2011, the Department is planning to request legislation eliminating the requirement for Spanish literacy assessments. Please explain why.

**10:15-10:30 EDUCATOR EFFECTIVENESS IMPLEMENTATION**

21. The Governor's FY 2012-13 Budget Request includes two decision items associated with the implementation of S.B. 10-191. Decision Item #4 requests a transfer of \$424,390 cash funds from the Contingency Reserve Fund to the Great Teachers and Leaders Fund for continued implementation of S.B. 10-191. Decision Item #7 requests \$7.7 million General Fund for additional efforts to implement the bill. Please discuss the Governor's/Department's requested decision items to implement S.B. 10-191.
22. Please describe the components of the \$7.7 million General Fund request related to educator effectiveness.
23. Does the State Board support the Governor's request for Decision Item #7, given that the request was not included in the State Board's request as displayed in the "side-by-side" comparison of requests?

24. During the debate on S.B. 10-191, school districts indicated that implementation of the bill would not cost anything. The Department is now providing avoidance of district costs as justification for the request for \$7.7 million General Fund. Has the Department spoken to the districts who indicated that the bill would not cost anything?
25. Senate Bill 10-191 provided for \$250,000 per year to implement the bill in FY 2010-11 and FY 2011-12 but the Department has been spending more than that. What is the origin of the \$250,000 estimate? Did the Department underestimate the cost of implementation?

**10:30-10:45 BREAK**

**10:45-10:55 LIMITING BUILDING EXCELLENT SCHOOLS TODAY (BEST) PROGRAM FUNDING FROM STATE LAND BOARD REVENUES**

26. The Joint Budget Committee Staff Budget Briefing dated December 1, 2011, recommends that the Committee sponsor legislation limiting annual transfers of State Land Board revenues to the BEST Program. Please discuss the BEST Program's long-term expectations for the state share of C.O.P. payments in relation to anticipated revenues from the State Land Board.

**10:55-11:10 PUBLIC SCHOOL FINANCE**

Statutory School Finance Formula

27. Please provide data to describe the cost of each component of the school finance formula (i.e., the data that underlies the pie charts on page 6 of the FY 2012-13 JBC Staff Budget Briefing dated November 16, 2011).
28. Please provide data concerning pupil enrollment trends, by school district. Further, please describe the resulting changes to the size factors for those districts that have experienced declining enrollment, along with the associated increases in total program funding.
29. Please provide a chronological narrative that describes the growth in the gap between "full" formula total program funding and the funding that has actually been made available (i.e., the amounts rescinded in FY 2008-09 and FY 2009-10, and the amounts associated with the negative factor in FY 2010-11, FY 2011-12, and FY 2012-13). Please include a table that provides the associated data.

FY 2012-13 Budget Request (R-1)

30. The Department's proposal for total program funding for FY 2012-13 identifies a \$261.4 million increase in total program funding based on projected enrollment and inflation, before

application of the negative factor. Please break down this figure to indicate what portion relates to a projected enrollment increase, and what portion relates to inflation.

31. Please clarify the legal basis for the Department's request to add \$676,815 General Fund to ensure that per pupil funding for multi-district on-line charter schools does not fall below the base per pupil funding amount.

**11:10-11:30 ON-LINE EDUCATION PROGRAMS AND RELATED ISSUES**

32. Please describe any Department plans to study the funding and/or oversight of full-time on-line programs. Specifically:
  - a. What new or additional data does the Department plan to collect?
  - b. What is the anticipated timing and cost of these planned activities?
33. What data or information does the Department have concerning the actual per pupil costs of online schools in Colorado (in terms of both the overall costs as well as the cost components), compared to the per pupil costs of "brick and mortar" schools in Colorado?
34. The Department's "Summary Report of the Operations and Activities of Online Programs in Colorado", dated June 1, 2011, includes information comparing student achievement data for students in online programs to students in non-online programs (see pages 22 through 24 of the Summary Report).
  - a. Please describe the approach used to analyze student achievement data, including any attempts to control for differences in student demographics or other relevant characteristics.
  - b. Has the Department compared achievement growth rates for students in online programs and students in non-online programs?
35. Please describe the current statutory framework for funding pupils who participate in a single-district program that is authorized by a group of school districts or board of cooperative services. Specifically:
  - a. Under current law, how does the Department determine which school district's per pupil funding amount is applicable to each student (e.g., the San Juan BOCES' SW CO e-School)?
  - b. Does the Department collect data to determine the district of residence for each student, regardless of which school district has counted the student for purposes of funding?
  - c. Does the Department recommend any statutory changes related to funding for these types of online programs?

36. Please discuss the availability and relevance of data concerning mobility or attrition rates for individual school districts, and for students participating in on-line programs. Specifically:
- a. Describe the Department's recent analysis of student mobility data for online schools compared to non-online schools.
  - b. The Legislative Council Staff prepared an analysis comparing October FTE levels to Spring assessment counts for FY 2006-07 through FY 2010-11, indicating a certain level of "attrition" through the school year [see the FY 2012-13 Staff Budget Briefing dated November 16, 2011, Appendix F]. Can the Department provide information to explain what might have occurred in those school districts with a relatively large "attrition" rate (e.g., small districts like Hanover and Edison in El Paso county, or larger districts like Arapahoe-Englewood and the State Charter School Institute)?
  - c. If available, please provide data that would identify the mobility or attrition rate for individual on-line schools/programs. Further, please discuss any practices that are utilized by certain on-line schools/programs that result in lower rates of attrition.
  - d. Does the Department have any data that would indicate that the attrition rate is higher for schools or programs (online or non-online) that are focused on credit recovery?
  - e. Does the Department have any information indicating whether data access challenges in certain areas of the State may affect student attrition rates for on-line programs?

37. Please summarize the findings and recommendations resulting from the average daily membership study authorized by S.B. 10-008.

**ADDENDUM: OTHER QUESTIONS FOR WHICH SOLELY WRITTEN RESPONSES ARE REQUESTED**

Question Common to All Departments

38. How does the Department define FTE? Is the Department using more FTE than are appropriated to the Department in the Long Bill and Special Bills? How many vacant FTE does the Department have for FY 2009-10 and FY 2010-11?

School Finance

39. The State does not currently regulate the compensation paid by school districts, but compensation decisions have a significant impact on state funding requirements, and on whether the distribution of funds provides for a thorough and uniform public school system. Should the State exert more regulation over school district compensation? Why or why not? As part of the response, please provide comparative data about school district compensation.

40. Does the Department recommend any statutory changes that would reduce the administrative burden on schools or school districts?
41. Please describe the minimum number of hours of instruction that school districts are required to provide annually pursuant to Section 22-32-109, C.R.S. Further:
- a. Please provide data concerning the actual number of hours of instruction provided annually by each school district in relation to this statutory requirement.
  - b. Please provide any available trend information concerning districts that have extended the school day or school year, as well as districts that have reduced the school week from five to four days.
  - c. Please provide any available information concerning the impact of the above types of changes on student achievement.
42. Please describe the methodology of the biennial cost-of-living study that is conducted through Legislative Council Staff. Specifically, how is the cost of housing measured as part of the “market basket of goods”?
43. Please describe the formula that is used to allocate state funding to school districts for public school transportation expenses. Further, are there any other sources of state or federal funding that are allocated in a manner that recognizes variability in transportation costs in relation to the geographic size of the district?

Information Technology

44. What is the Department’s entire Information Technology (IT) budget for FY 2011-12 and FY 2012-13? Does the Office of Information Technology (OIT) manage the Department’s entire IT budget? If not, what IT activities is the Department managing separate from OIT and what percentage is that of the entire IT budget for the Department for FY 2011-12 and FY 2012-13? Of the IT activities the Department still manages outside of OIT, what could be moved to OIT?
45. What hardware/software systems, if any, is the Department purchasing independently of the Office of Information Technology (OIT)? If the Department is making such purchases, explain why these purchases are being made outside of OIT?

Funding for Preschool and Full-day Kindergarten

46. Please detail the allocation of funding for “hold-harmless full-day kindergarten funding”, by school district, for FY 2011-12. Further, please detail the allocation that would occur in FY 2012-13 based on the proposed budget, and the resulting annual change in funding.
  47. Are school districts required to allocate any funding for full-day kindergarten, including both “supplemental kindergarten enrollment” funding that is provided as part of total program funding and “hold-harmless full-day kindergarten funding”, to charter schools? Further, to the extent that this decision is left to a district’s discretion, does the Department have information indicating whether districts are allocating these funds to charter schools?
  48. Provide a comparison of the number of children currently authorized to be served through the Colorado Preschool Program, and the number of children who are eligible to be served.
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**11:30-11:45 *COLORADO SCHOOL FOR THE DEAF AND THE BLIND (CSDB)***

**INTRODUCTIONS AND COMMENTS FROM THE SUPERINTENDANT AND BOARD MEMBERS**

1. The Joint Budget Committee Staff presentation of CSDB’s performance measures focused on the CSDB section of the Department’s strategic plan but also discussed a separate strategic plan specific to CSDB. The CSDB portion of the Department’s strategic plan appears to have been outdated and did not include measures for some of the objectives. Please explain the CSDB’s strategic planning process and provide copies of your most recent strategic plan with the hearing responses, at least two days prior to the hearing. In addition, please discuss the CSDB’s specific goals and objectives as they relate to the Department’s strategic plan.
  2. Does CSDB work with the Departments of Human Services and Public Health and Environment to advance collective goals and objectives for young children served by CSDB?
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**11:45-12:00 *COLORADO STATE CHARTER SCHOOL INSTITUTE***

**INTRODUCTIONS AND COMMENTS FROM THE EXECUTIVE DIRECTOR AND BOARD MEMBERS**

1. The Joint Budget Committee Staff presentation of CSI’s performance measures focused on the CSI section of the Department’s strategic plan. The CSI section of the Department’s plan did not include measures associated with some objectives and did not include data for the measures that were in the plan. Please explain whether CSI has a separate strategic planning process. If so, please describe that process and how CSI’s goals relate to the objectives presented in the Department’s strategic plan. If CSI has a separate strategic plan, then please provide copies with the Department’s hearing responses, at least two days prior to the hearing.

