

## **COLORADO**

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### **I. GENERAL BACKGROUND**

#### **State**

Colorado's current school funding formula was created with the passage of the Public School Finance Act of 1994, which differs radically from prior power equalization approaches (1981–1988), and the foundation plan that grouped districts in one of eight setting categories (1989–1994). It took effect in July 1994.

In 1998–99, the state share of school finance spending is projected to rise to 57%. For any given school district, the state share of the equalized total program varies from 93% to 1%, depending on local revenues. State share financing to districts is projected to range from \$91.73 per pupil to \$8,985.11 per pupil.

State support for schools comes from the General Fund (predominantly income and sales taxes) and School Lands and Mineral Lease revenues, which are dedicated to school support.

There are 59 charter schools operating throughout the state pursuant to enabling legislation passed during 1993.

#### **Local**

There are 699,135 K–12 students in 176 independent school districts in October 1998. All districts are responsible for grades K–12. In addition, there are 21 Boards of Cooperative Educational Services (BOCES), which afford school districts a mechanism for joint service provision. These are most commonly used for special education among smaller and rural school districts, but are authorized to engage in a broad range of services among cooperating districts, including purchasing, administration and media services.

The local share of funding comes from the property tax, and collections of an ad valorem tax on vehicles.

Local voters may override the formula-determined equalized foundation spending level up to the greater of 20% of the total program funding level or \$200,000. This leeway was increased from 15% under the 1988 Act to 20% under the 1994 Act.

### **Funding Summary 1998–99**

Total State School Aid (All Programs)		\$ 1,966.4 million
Grants in Aid	1,966.4 million	
Teacher Retirement Contributions	0 million	
FICA	0 million	
Total Local School Revenue		\$ 1,570.4 million
Property Tax	1,431.4 million	
Other local source tax revenue	139.0 million	
Local source non-tax revenue	0 million	
Total Combined State and Local School Revenue		\$ 3,536.8 million
State Financed Property Tax Credits		
Attributable to School Taxes		\$ 3.1 Million

### **II. LOCAL SCHOOL REVENUE**

Mill levy toward finance act	\$1,279.7 million
Optional local mill levies (override)	151.7 million
School district share of specific ownership tax	<u>139.0 million</u>
Total local tax revenues	\$1,570.4 million

The property tax is the major tax local districts are allowed to use. In 1998–99, it is expected to raise \$1,279.7 million. In addition, local districts may, with voter approval, supplement their formula funding with an additional local levy not to exceed the greater of 20% of their formula funding or \$200,000. Fifty-seven school districts impose such voter approved override mill levies, raising \$151.7 million statewide.

If a district's local property tax revenues and specific ownership tax revenues are sufficient to fully fund its formula entitlement, then it also must "buy out" state funding of a variety of categorical programs via an increased mill levy when possible. In fiscal year 1998–99, two districts will generate roughly \$0.5 million of local funding pursuant to this provision (included in the \$1,279.7 million amount above).

In addition to the property tax, each county collects an annual ad valorem tax (Specific Ownership Tax) on all registered vehicles. These revenues are distributed pro-rata to counties, cities and school districts in each county; these funds to school districts are equalized and counted as part of local effort. In fiscal year 1998–99 these funds amount to \$139.0 million statewide.

Commercial and industrial property is assessed at 29% of its value. Non-residential property is assessed at 29% of its value. Residential property is assessed at a floating rate (currently 9.74% of market value) adjusted biennially to ensure that residential property makes up the same percentage of total assessed value that it did in 1985 (Colorado Constitution, Article X, § 3).

County assessors determine the value of property in each of the 63 counties, except that utilities and certain large industrial and commercial properties are centrally assessed by the Division of Property Taxation in the state Department of Local Affairs. All property is required to be reassessed every other year. Property assessments are based on actual value in the year prior to assessment, and taxes are payable in the year following assessment. County assessment totals are reviewed by the State Board of Equalization each year; the board may require assessors to revise or amend them, or may even reinstate the prior year's assessed levels pending a reappraisal of the entire county.

### **III. TAX AND SPENDING LIMITS**

As described above, local option mill levies are limited to 20% of formula or \$200,000 whichever is greater, and must be voter approved. Total bonded indebtedness is limited to 20% of assessed valuation or 6% of actual valuation, except that for rapidly growing districts, the 20% threshold is increased to 25%.

All bonded indebtedness must be voter approved, but levies to provide principal and interest repayment are outside of the above limitation on optional local levies and separate from the mill levy applied to the equalization program.

A state constitutional tax and spending growth limitation measure, “Taxpayer’s Bill of Rights,” (TABOR), was adopted on the November 1992, ballot. Colorado voters had rejected tax limitation measures in each of the preceding two general elections. The effects of TABOR on districts are discussed in Section II.

#### **IV. STATE/PROVINCIAL EARMARKED TAX REVENUE**

All investment revenues from funds derived from the sale or lease of state school lands and the school district share of annual federal mineral lease revenues are collected centrally by the state and dedicated to school finance. In 1998–99, this amounts to \$75.8 million. This amount is appropriated annually as part of the state equalization program, with general fund revenues providing the balance of the state aid.

#### **V. BASIC SUPPORT PROGRAM**

**Funding in 1998–99:** \$1,846.9 million.

**Percentage of Total State Aid:** 93.9%.

**Nature of Program:** Foundation program created by the Public School Finance Act of 1994 (COLO. REV. STAT. § 22–54).

**Allocation Units:** Pupils. The October 1 enrollment count within the budget year is used for purposes of determining school district funding (COLO. REV. STAT. § 22-54). Enrollment is defined as pupil count on the school day nearest to October 1. The Funded Pupil Count is either that enrollment total or the average of up to four years’ actual enrollment totals including the current October 1 count.

**Local Fiscal Capacity:** Assessed property valuation, and specific ownership tax (vehicle ad valorem).

**How Formula Operates:** Funding is calculated as follows:

A district's total program is defined to be the sum of its At-Risk funding and its Per Pupil Funding level times the Funded Pupil Count as follows:

$$\text{District Total Program} = (\text{Per Pupil Funding} \times \text{Funded Pupil Count}) + \text{At-Risk Funding.}$$

The Per Pupil Funding is the statewide base as modified by the district's personnel costs factor, its cost of living factor, and its size factor:

$$\text{Per Pupil Funding} = [(\text{Base} \times \text{Personnel Costs Factor} \times \text{Cost of Living Factor}) + (\text{Base} \times \text{Nonpersonnel Costs Factor})] \times \text{Size Factor}.$$

The Cost of Living Factor affects only the portion of the Base that reflects the district's personnel costs.

As indicated in the first formula, a district's Total Program also reflects the presence of At-Risk pupils:

$$\text{At-Risk Funding} = \text{Number of At-Risk Pupils} \times \text{At-Risk Factor} \times \text{Per Pupil Funding}.$$

The funding formula allocates all revenue on a per-pupil basis. Each district's per-pupil funding level is determined individually with adjustments to the statewide base to account for size, cost of living, and the proportion of at-risk pupils.

A statewide base per-pupil funding amount is set forth in law to be provided for every student in the state. This amount is modified in each district to take into account the district's cost-of-living factor, size adjustment, and personnel costs percentage (COLO. REV. STAT. § 22-54-104). The statewide base per pupil funding amount is \$3,783.00 (COLO. REV. STAT. § 22 - 54 -104(5)(a)) and the minimum per-pupil funding is set at \$4,305.00.

**State Share:** The state share is the difference between formula level of funding and the amount of local property tax revenue and the specific ownership taxes. All investment revenues from funds derived from the sale or lease of state school lands and the school district share of annual federal mineral lease revenues are collected centrally by the state and dedicated to school finance. In 1998-99, this amounts to \$75.8 million. The remainder of the \$1,846.9 million in school finance comes from the general fund.

Districts are guaranteed a minimum amount of state aid (\$91.73 per pupil in 1998-99). This floor level of funding is based on the amount of school lands and mineral lease moneys received by the state. A district receiving only the minimum state aid levies a mill rate to generate local revenue, which when combined with the district's specific ownership tax revenues fully funds the local share.

**Local Share:** Each district is required to impose a property tax levy in conformance with the state constitutional amendment that limits the growth of each district's property tax to the rate of inflation and enrollment growth. In addition, a portion of vehicle ad valorem tax (known as "specific ownership tax") collections is counted as part of local revenue.

**Weighting Procedures:** Kindergarten and pre-K students are weighted at 0.5 Full Time Equivalent (FTE). Three and four-year-old special education students and at-risk pre-school students are also weighted at 0.5 FTE.

**Adjustments for Special Factors:**

Personnel and Non-Personnel Costs. The personnel costs factor varies by school district based on enrollment. This factor, expressed as a percentage, reflects historical district data and increases (at a decreasing rate) as enrollment increases, from a low of 79.60% in a hypothetical district with zero pupils to 90.5% in a district with 30,000 pupils or more. The district personnel costs factor is multiplied by the statewide base per pupil funding amount to determine the portion of the statewide base to which the cost-of-living factor is applied (COLO. REV. STAT. § 22 – 54 – 104 (5)(d)). Each district's non-personnel cost factor is the difference between 100% and its personnel cost factor.

Cost-of-Living. The cost-of-living factor reflects the differences in the costs of housing, goods, and services among regions in which districts are located. The Legislative Council staff certifies a cost-of-living factor for each district to the department of education based on a cost-of-living analysis conducted every two years. This factor is applied to the percentage of the statewide base that is allocated for personnel costs. This factor is index-based with a range from 1.007 to 1.630 in budget year 1998–99.

Size. Like the above personnel costs factor, the size factor is determined using an enrollment-based calculation and is unique to each school district. This factor is included to recognize purchasing power differences among districts and to reflect the expression of funding on a per-pupil basis.

“Smaller” districts (fewer than 5,650 pupils) and “larger” districts (at least 32,193 pupils) receive greater size factors and thus increased funding over “medium-sized” districts, which receive more moderate size factor adjustments. An additional compensating adjustment is made for any district with fewer than 500 pupils and in which a charter school operates. The further increased size factor is

designed to help mitigate the impact of such an agreement in such a small district. Size factors are projected to range from 1.0081 to 2.3935 in budget year 1998–99.

At-Risk. An at-risk pupil is defined as a student who is eligible for the federal free lunch program (COLO. REV. STAT. § 22 – 54 – 103).

Eligibility for participation in the federal free lunch program is used as a proxy of each school district's at-risk pupil population. Increased funding is provided to recognize that expenses among districts vary as pupil populations vary, especially at-risk populations. For each at-risk pupil, a district receives funding equal to at least 11.5%, but no more than 30%, of its Per-Pupil Funding. As a district's percentage of at-risk population increases above the statewide average (roughly 25%), an increased amount of funding is provided.

The number of at-risk pupils in a district is calculated by determining the percentage of the pupil enrollment in grades one through eight eligible for the federal free lunch program and applying that percentage to the total student enrollment.

Categorical buy out. The categorical buy out provisions of the School Finance Act requires that certain districts offset or "buy out" state categorical aid with local property tax revenue. Any district that has funded its program cost, less minimum state aid and specific ownership taxes, with a levy less than the prior year's levy or a property tax change less than the sum of inflation plus the percentage change in enrollment must levy additional mills to offset all or part of state categorical support. The categorical programs that are subject to the local buy out provisions include special education, the English Language Proficiency Act, transportation, and vocational education. The additional levy for the categorical buy out cannot result in a levy that is greater than the prior years or in property tax revenue that exceeds the constitutional property tax revenue limit. In 1998–99, two districts will raise a total of \$836,000 in categorical buy out funds.

Revenue Growth. A state constitutional provision limits revenue growth for each district to the rate of inflation plus the rate of pupil enrollment growth, unless otherwise authorized by the local electorate.

Earmarked Revenue. Districts must allocate a minimum of \$138 per pupil for instructional supplies and materials and \$223 per pupil, not to exceed \$800 per pupil for capital reserves, insurance reserves, or risk management (see Section IV).

Each school district must allocate 75% of its at-risk funding to school or district-wide instructional programs for at-risk pupils or to staff development associated with teaching at-risk pupils in the district.

**Aid Distribution Schedule:** Not reported.

**Districts Off Formula:** None.

## VI. TRANSPORTATION

**Funding in 1998–99:** \$36.1 million.

**Percentage of Total State Aid:** 1.9%.

**Description:** Approved transportation costs are funded at 37.87 cents per mile, plus 33.87% of the amount by which those costs exceed this mileage reimbursement. Approved costs exclude purchase or lease of vehicles or other capital outlay. Approved costs include fuel and oil; maintenance and repair of vehicles, equipment, and facilities; costs of employment for drivers, supervisors, and support services; insurance; contract services; reimbursements to students who use public transportation; and transportation for special education and vocational programs (COLO. REV. STAT. § 22 – 52 – 102).

In budget year 1998–99, school districts will provide transportation for an estimated 285,000 students. Daily about 42% of the total Colorado public school student enrollment uses district-provided transportation. School districts employ a fleet of over 5,400 buses and small vehicles traveling approximately 56 million miles each year.

**State and Local Shares:** State reimbursement may not exceed 90% of a district's operating expenditures for transportation, regardless of the formula. Local share is whatever remains after state reimbursement. A district may impose an additional mill levy, subject to voter approval, to raise its share of transportation costs, and only two districts impose such a mill. If the state appropriation is insufficient to fund the total amount required by formula, districts receive a pro rata share of their funding. In 1998–99, districts will receive approximately 75% of their total reimbursement claims.

**Extent of Participation:** 175 districts.

## VII. SPECIAL EDUCATION

**Funding in 1998–99:** \$69.4 million.

**Percentage of Total State Aid:** 3.5%.

**Description:** The method for allocating funding for special education (Exceptional Children's Educational Act) was significantly revamped in 1994. Prior to FY 1994–95, an administrative unit was entitled to reimbursement of up to 80% of approved costs such as salaries, consultation and evaluation services, in-service training, specific equipment, certain tuition fees, and mileage expenses incurred by consultants. Beginning with FY 1994–95, an administrative unit which may be a school district, a board of cooperative services, or a combination of school districts, is entitled to a base amount of state funding equal to the amount of state funding received in the preceding budget year. Once the base amount of funding is determined for all districts, any remaining portion of the appropriation is distributed to school districts based on their proportion of the total number of children in the state being provided with special education services.

In budget year 1998–99, it appears likely that total special education costs will equal roughly \$350 million, or about 7% of the annual total educational expenditures. State funding covers roughly 20% to 25% of the costs, federal funding covers an additional 10% of the costs, while other local sources of funding cover the remaining 65% to 70% of total costs.

**State and Local Shares:** State funding alone has never covered nor is it designed to cover the full cost of educating eligible students. As the state allocation is not adequate, districts must budget money from other funds received, including those from the Public School Finance Act of 1994.

**Extent of Participation:** All 176 school districts receive some special education funding, either directly or via their participation in a Board of Cooperative Education Services, BOCES.

### **Colorado School for the Deaf and Blind [CSDB]**

This school is responsible to the Colorado Department of Education and receives funding through the department. If a student is enrolled in CSDB (as either a day student or a residential student), the resident school district counts that student as part of its enrollment for funding purposes. It then forwards to CSDB its per-pupil

operating revenues for that student. The state appropriates directly to the school the difference between the amounts paid by the districts and the total budget needed for the school. In 1998–99, this amount is \$6.4 million, which is in addition to the \$69.4 indicated above.

### **VIII. COMPENSATORY EDUCATION**

No state aid provided.

### **IX. GIFTED AND TALENTED EDUCATION**

**Funding in 1998–99:** \$5.5 million.

**Percentage of Total State Aid:** less than 1%.

**Description:** This state funding may be used for salaries of licensed, certified, or endorsed teachers who work with gifted and talented students; staff development and training needed by personnel to address the educational needs of gifted and talented students; and activities, materials, and equipment associated with the education of gifted and talented students (COLO. REV. STAT. § 22 – 20). The Colorado Department of Education provides technical assistance and consultation in curriculum development.

The distribution of state funds is as follows: 21% in equal shares to each qualified district (\$6,500 per district); 74% in a per-student amount for 7% (a conservative estimate of districts' gifted and talented student population) of qualifying districts' total student enrollments; and 5% in special purpose grants, program facilitation, and technical assistance.

School districts have identified approximately 80,000 gifted and talented students, representing about 12% of the total Colorado student population. The state Exceptional Children's Educational Act (ECEA) defines gifted students as those "whose abilities, talents, and potential for accomplishments are so outstanding that they require special provisions to meet their educational needs."

**State and Local Shares:** State funding is supplemental; district budgetary commitment to gifted and talented student education must be equal to or greater than the amount of state funding. It is estimated that in budget year 1998–99 districts will combine state funding with an additional \$17 million from local sources to provide educational programs for their gifted and talented students.

This act allows districts the flexibility to develop and implement district and school unique plans for addressing the needs of such students. To that end, districts use over 70 different approaches for gifted and talented student education and for the assessment of student learning.

**Extent of Participation:** 150 districts.

## **X. BILINGUAL EDUCATION**

**Funding in 1998–99:** \$2.6 million.

**Percentage of Total State Aid:** less than 1%.

**Description:** The English Language Proficiency Act (COLO. REV. STAT. § 22–24–101). Pays for up to 2 years of additional service to children whose dominant language is not English, amounting to the greater of \$400 or 20% of the statewide average per-pupil operating revenues for the prior year.

Seventy-five percent of the appropriation is to be used for this purpose (these are known as "A/B" students in a reference to the sections of the act). The remainder of the appropriation is to be used for bilingual or multilingual students whose dominant language is difficult to determine. These students are to be funded at the greater of \$200 or 10% of the statewide average per-pupil operating revenues for the prior year (these are known as "C" students).

State funding is not sufficient to meet formula costs; therefore payments to districts are prorated. The current appropriation funds actual payments of \$107 per "A/B" student and \$120 per "C" student.

**State and Local Shares:** State funding alone has never covered nor is it designed to cover the full cost of educating eligible students. As the state allocation is not adequate, districts must budget money from other funds received, including those under the Public School Finance Act of 1994.

**Extent of Participation:** 101 districts serving 18,226 "A" & "B" students and 5,405 "C" students.

## **XI. EARLY CHILDHOOD EDUCATION**

**Funding in 1998–99:** \$22.1 million.

**Percentage of Total State Aid:** included in the Total Program costs.

**Description:** Funding for two programs, serving disabled and at-risk preschoolers, is provided within the Public School Finance Act of 1994. Three and four year-old children with disabilities and 4- and 5-year-old children at-risk of school failure. Children with disabilities are included without limitation, while enrollment in the at-risk program is capped at 8,850 for FY 1998-99. These preschool programs may be provided directly by a district, or the district may contract with public (such as Head Start) or private providers. Specific state requirements regarding class size, parental involvement, and teacher training, and planning must be met to participate in the program.

**State and Local Shares:** Preschool children are weighted at 0.5 FTE. State share varies, since these pupils are in all other respects funded the same as all other students in the basic program.

**Extent of Participation:** 146 districts serve 4,864 children with disabilities, and 123 districts serve 8,850 at-risk children.

## **XII. OTHER CATEGORICAL PROGRAMS**

### **Special Contingency Reserve**

**Funding in 1998–99:** \$1.9 million.

**Percentage of Total State Aid:** less than 1%.

**Description:** Part of Public School Finance Act of 1994 (COLO. REV. STAT. § 22 – 54 – 117). The State Board of Education is authorized to order payments from the state contingency reserve for the following circumstances: (1) financial emergencies; (2) insufficient levies for abatements and refunds; (3) unforeseen contingencies; or (4) financial burdens caused by court ordered or agency placement of children in the district or by pupils enrolling after the official October 1 count date. In determining which districts receive payments and the amounts of payments, the state board considers the amount of assistance requested as a percentage of each district's total program.

**State and Local Shares:** Entirely state funded. In 1998–99, the appropriation is sufficient to pay 100% of estimated claims.

**Extent of Participation:** Varies, generally fewer than 10-12 districts.

### **Expelled Students Program**

**Funding in 1998–99:** \$4.0 million.

**Percentage of Total State Aid:** less than 1%.

**Description:** Since FY 1997–98, school districts in Colorado have been required to provide educational services to expelled students if requested by a student or parent. The educational services provided by the expelling school district must be designed to enable the expelled student to return to school or to successfully complete the GED.

Districts that expel more than 50 students in the preceding year must provide educational services directly to expelled students; others may contract for such services directly with other districts, boards of cooperative educational services (BOCES), pilot schools, local governments, non-profit organizations, or higher education institutions.

**State and Local Shares:** Districts that contract with other districts, pilot schools, or BOCES must transfer 80% of their per pupil operating revenue (PPOR) to the entity providing services, prorated to reflect the amount of time the expelled student will receive services. Any district may provide the educational services through agreements with local governments, non-profit organizations, or higher education institutions.

The expelled student services grant program operates under the direction of the State Board of Education to assist in funding programs for expelled students. Pilot schools and school districts providing educational services to expelled students may apply for grant moneys. In awarding grants, the state board must consider, among other issues, the number of expelled students expected to receive services from the pilot school that is requesting grant funds, the estimated number of students in a district who are at risk of suspension or expulsion, and the quality and cost-effectiveness of the service to be provided.

**Extent of Participation:** 34 districts.

### **XIII. TEACHER RETIREMENT AND BENEFITS**

Teacher retirement is funded as part of local budgets. All districts except Denver are members of the Public Employees' Retirement Association (PERA) which also covers state employees and many county, municipal and special district employees. Teachers contribute 8% of salary, while districts pay the remaining 11.4%. Denver school district operates its own, independent retirement plan.

### **XIV. TECHNOLOGY**

No state aid provided.

### **XV. CAPITAL OUTLAY AND DEBT SERVICE**

School districts are required to budget at least \$223 (up to \$800) per pupil out of their equalized formula funding for capital outlay, insurance, and risk management. The state does not provide any additional funding for capital outlay. Most capital needs are met through the sale of voter approved bonds; the levy to pay principal and interest on such bonds is in addition to the equalization program levy and local overrides.

Alternatively and to avoid debt, districts may seek voter approval to levy up to 10 mills for not longer than three years to generate cash to fund the purchase of land, construction or purchase of facilities, and purchase of installation of instructional or informational technology.

### **XVI. STANDARDS/ACCOUNTABILITY MEASURES**

In 1993, the Colorado General Assembly enacted legislation aimed at bringing about coordinated improvement in the performance and accountability of the state's K-12 education system. House Bill 93-1313 requires school districts to redesign curriculum, instruction, testing and teacher development around academic standards that spell out what students should know and be able to do, at various stages in their schooling, in 11 areas: math, science, reading, writing, history, geography, civics, art, music, physical education and foreign language. The new system is to be fully in place statewide by 1999.

Readers interested in the accountability or testing component of standards based reform should refer to the web-site of the Colorado State Department of Education: [www.cde.state.co.us](http://www.cde.state.co.us). Test results for selective grades are available for 1997, 1998, and 1999.

## **XVII. REWARDS/SANCTIONS**

**Rewards:** The John Irwin Colorado Schools of Excellence Program recognizes Colorado public schools for improving graduation rates, attendance rates, and student achievement levels, or for sustaining high levels of student performance in these areas. Participation in this program is voluntary and is based on Colorado State Board of Education goals which may then be tailored to reflect the uniquenesses of individual communities. Recognition is based on demonstration of outstanding student academic performance in the areas noted above, community satisfaction with schools, and effective school educational practices.

Initially, an individual school applies for designation as a Commissioner's Challenge School. Following a two-year record of outstanding performance as a Challenge School, the school is recognized as a John Irwin Colorado School of Excellence. Schools of Excellence are honored during a ceremony presided over by the Commissioner of Education and attended by members of the State Board of Education, the General Assembly and the Governor. At this occasion, each school is presented with a School of Excellence flag and plaque and a \$1,000 cash award (funded via private sector contributions).

**Sanctions:** Current law provides for the accreditation of public school districts via an accreditation contract that binds the school district to manage the accreditation of its schools. Such accreditation is based on established indicators such as but not limited to student results on and percentage of students participating in statewide assessment instruments, dropout rates, attendance rates, graduation rates, and percentage of students taking advanced placement courses.

The contract defines the requirements of accreditation and the standards and goals to be met by the district over the term of the contract. Failure to meet these requirements and achieve these standards and goals may result in the loss of accreditation of the district. Removal of accreditation may result in state-initiated reorganization of the district.

## **XVIII. FUNDING FOR NONTADITIONAL PUBLIC SCHOOLS**

### **Charter Schools**

The Charter Schools Act which was enacted in 1993 (COLO. REV. STAT. § 22 – 30.5 – 109) currently enables local boards to charter as many as 60 schools statewide. Priority is given to schools that increase opportunities for low achieving and at-

risk pupils. A school cannot be sectarian, home-based, or a conversion of a private school.

The statute enables schools to obtain releases from local and state regulations; the local board approves the proposal and releases from state policies are approved by the State Board. The district Funded Pupil Count includes charter school students. The charter school's base budget is at least 95% of the per pupil revenues received by the district via the state school finance formula. The remaining 5% is a negotiable amount to purchase services from the district or outside vendors.

### **XIX. AID TO PRIVATE SCHOOLS**

In 1998, there was an initiative on the general election ballot proposing a tax credit for families with students in private or parochial schools. It was not approved, but the proposal would have given tax credits of as much as \$2,500 to families who enroll their children in private or parochial schools.

Voters also turned down a similar voucher ballot initiative in 1990 by a 2 to 1 margin.

### **XX. RECENT/PENDING LITIGATION**

One current lawsuit is pending, *Giardino v. Colorado*, filed January 1998. Following the Roosevelt case in Arizona, this suit also focuses squarely on the condition of school buildings, challenging the state's funding for school facilities.

### **XXI. SPECIAL TOPICS**

**Miscellaneous fees:** Districts have the discretion to assess fees for textbooks or expendable supplies, participation in an interscholastic activity, summer school, or continuing or community education programs. These fees must be spent for the purposes for which they are collected (COLO. REV. STAT. §§ 22 – 32 – 117, 22-33-104.5).

#### **Children Placed in Special Facilities**

The State Board of Education has the authority to approve special facilities including: residential child care facilities, community centers, regional centers, the Colorado School for the Deaf and the Blind (CSDB), and other group care facilities or homes. CDE withholds an amount equal to per pupil operating

revenues of the district, to be forwarded to the facility delivering the service (COLO. REV. STAT. § 22 – 54 – 109).

### **Comprehensive Health Education**

Funding for 1999 is \$300,000. Allocated for health education programs, the purpose of these programs is to reduce high-risk behaviors for children and youth. Funding for this program has been in effect since 1990.