



## **Public School Finance Task Force Meeting Minutes**

October 17th, 2023 9:00 AM - 1:00 PM

[Link to Live Stream Meeting](#) | [SB23-287](#)

**Task Force Members Present:** Alex Magaña, Brenda Dickhoner, Carrie Zimmerman, Andrea Uhl (alternate for Craig Harper, JBC), Chuck Carpenter, Dan Snowberger, Deborah Hendrix, Jennifer Okes, Kathy Gebhardt, Kermit Snyder, Leslie Nichols, Lisa Weil, Marc Carey, Marty Gutierrez, Riley Kitts, Sarah Siegel, Sarah Swanson, Steven Bartholomew, Terry Croy Lewis, Nick Plantan

**Task Force Members Absent/Late:** Sarah Swanson

**Facilitator & Support:** Nick Stellitano – Dillinger Research & Applied Data, Patrick Gibson - CT School State Finance Project, Ashley Robles - CT School State Finance Project, Amy Carman - Executive Director of School Finance & Grants, Shelbie Konkell - Senior Legislative Advisor, Melissa Bloom - Principal Policy Advisor, Rich Hull - School Finance Analyst, Tim Kahle - School Finance Program Director, Gene Fornecker - School Finance Senior Analyst, Annette Severson - Manager of Data Services

### **Welcome and Norms Review**

- The Task Force Chair, Chuck Carpenter, commenced the meeting at 9:07 am MST and welcomed task force members and guests. Nick provided an overview of today's agenda.
- The Task Force Chair reviewed technical etiquette, including breakout room and straw polls. Chuck Carpenter also reviewed the guidelines for interaction, deliberation, and collaboration.
- Chuck Carpenter reviewed the project plan, and the task force's purpose and scope. He also provided a quick update on today's agenda.

### **Adequacy Process Update**

- Jennifer Okes provided an update on the Adequacy Study process. She discussed the procurement process. CDE will be issuing a Request for Information (RFI) this week (10/16-10/20). Jennifer mentioned that the RFI needs to be published for enough time for people to be aware and review the RFI. After about 30 days, CDE will be reviewing the responses and will aggregate the feedback and share with the Task Force.
- Additionally, Jennifer Okes shared that the RFI will include additional questions for the bidders. Questions will cover items regarding the cost of the study, the current budget, and what other items should be considered in the study.

### **Administrative Survey Review**

- Nick Stellitano reviewed the results of the administrative survey that was administered after the third Task Force meeting. Main takeaways from the survey are more breaks, utilize breakout rooms, modeling and data, and more facilitation from the Task Force Chair.
- Leslie Nichols made a request for a COL spreadsheet, but that will be shared by CDE (Jennifer Okes) following the Task Force meeting.

### **At-Risk Working Group Review**

- Jennifer Okes provided a review of the 2022 At-Risk Working Group. She also provided an update of CDE's responsibility including having PILOT districts pull data for students, and comparing that data to what was prepared by the Urban Institute.

- Additionally, she discussed the priorities for CDE in terms of data collection. CDE is focused on getting districts paid with the mid-year true up, then submitting the mid-year student counts to the Colorado General Assembly, and then collecting the new At-Risk measure data from districts.
- Following Jennifer's review, Task Force members had a few clarifying questions. Task Force members asked about ISP counts, the forms that districts collect, the hold harmless, and missing medicaid data.
- After the questions were answered, Nick Stelitano, the Task Force Facilitator, asked the members to consider how to handle future modeling regarding the At-Risk factor. Some options were presented, such as using the current data to model or making key assumptions that may require recommendations from the Task Force. Task Force members had some feedback, outlined below:
  - Build upon the work already done by the At-Risk Working Group.
  - May not be helpful to change what the At-Risk working group did.
  - Use the current data, as it would be a better comparison point for the modeling and it would not include the complication of the new At-Risk measure.
  - Unintended consequences may occur without the new At-Risk measure data, difficult to answer without data.
  - It is not the responsibility of this Task Force to weigh in on the new At-Risk measure and its possible scenarios - the legislature can make this decision once all the data is available.

### **Student Need Proposal Data Review & Refinement**

- Nick Stelitano reviewed the progress to date for student need. The Task Force Facilitator welcomed Task Force members to review the student need survey, and reviewed the main takeaways. These include: proposals are generally on the right track, proposals should include increased weights for student need, and Task Force members want to look at outputs.
- The Task Force Facilitator quickly reviewed the process for decision making, and reiterated that the proposals are for discussion and not for finalizing and making recommendations.
- Patrick Gibson gave a preview of how the Task Force will be reviewing the modeling for each proposal, and detailed key modeling assumptions.
- Before diving into the data, Task Force members had clarifying questions and comments. Some examples are detailed below:
  - When recommendations are made, Task Force members should be aware of the possibly inadequate base.
  - May be better/different ways to address sparsity and remoteness, such as highway access.
  - Confusion over the hypothetical table and synthesis of Task Force feedback
  - Clarification of FY 2024-25 modeling and data used to make projections of each proposal
- Following the questions and comments from Task Force members, Patrick Gibson started reviewing each student need proposal by group. The following sections were covered and the comments from Task Force members are detailed below.
  - At-Risk Proposals
    - Three proposals regarding At-Risk were reviewed with the Task Force members. After, they were given 5 minutes to review the proposals and the data provided in the presentation.
    - Task Force members were surprised by the large investment needed for each proposal, but some noted how other factors may be reduced and that reduction could cover the increases under each proposal.
    - Task Force members also discussed the At-Risk cap and how that is impacted under each proposal, and why the cap is removed as a result.

- Task Force members discussed the At-Risk concentration, and members agreed that a concentration weight may not be needed if the new At-risk weight was sufficient.
- Task Force members also provided feedback on the data provided and requested looking at the percent At-Risk in each quartile, and looking at other measures of wealth, such as mill levy overrides.
- After reviewing the data and addressing comments from Task Force members, a poll was then given to ask members which proposal they prefer the **least**.
  - 94% of the members voted for Proposal 2
  - 6% of the members voted for Proposal 3
- At-Risk Concentration
  - Task Force members discussed that the recommendation does not include generous weights, then a concentration weight should be utilized to account for schools/districts that serve more at-risk students.
  - Other Task Force members want to revisit the concentration discussion after we get more clarity around At-Risk proposals while it was acknowledged that the utilization of concentration factors typically favor larger districts which would be a rationale for eliminating concentration factor
- ELL
  - Four proposals regarding ELL were reviewed with the Task Force members. After, they were given 5 minutes to review the proposals and the data provided in the presentation.
  - Initial discussions centered around questions regarding “Why was Hawaii chosen [as a comparison]?”, clarification around the 5 year component within the proposals, and whether the proposals are only regarding the formula funding form and not the categorical, and clarification of NEP and LEP.
  - Additional tables including quartiles for ELL counts would be helpful.
  - Task Force members highlighted:
    - Size consideration - smaller schools/districts are impacted more by additional ELL students
    - the number of languages could be a significant driver of cost
    - the cost of educating ELL students could differ based on age
  - An unofficial straw poll indicated that proposal 3 was the least supported ( proposal 3: 53%, proposal 4: 35%, proposal 1&2: 6%)
- ELL Concentration
  - Overall consensus was to not include an ELL Concentration weight if ELL weights are increased.
- SPED
  - Three proposals regarding ELL were reviewed with the Task Force members. After, they were given 5 minutes to review the proposals and the data provided in the presentation.
  - Task Force members initially looked for clarification of proposal 3, around Tier B funding, acknowledgement that the Special Education counts we have does not include high cost students and whether we could include those factors into a proposal, and whether we can asterisk this upon adequacy study?
  - Leslie - I appreciate that, high cost that Kathy refers to (there is something to think about there) it is a competitive grant for high cost kids
  - Alex - students need these additional supports and resources, IEPs

- An unofficial straw poll indicated that proposal 3 was the least supported ( proposal 2: 47%, proposal 3: 29%, proposal 1: 24%)
- Two Additional straw polls were conducted:
  - The financial modeling was helpful in my preparation for this section of the Task Force Meeting: strongly agree 41%, agree 47%, strongly disagree 12%
  - Overall, with my preexisting knowledge and the materials provided, I felt prepared for this portion of the discussion: strongly agree 29%, agree 65%, disagree 6%

### **Cost of Living Proposal Development**

- Nick Stelitano reviewed the progress to date for the Cost of Living factor. The Task Force Facilitator welcomed Task Force members to review the survey, and reviewed the main takeaways.
- Task Force members discussed the relationship between COL and teachers salaries, smaller districts are not able to keep up, and COL is not providing the intended outcome, it has a greater impact on larger districts
- Nick Stelitano asked whether money was needed to leave the formula, but whether there was a more student centric way to allocate it. This prompted Task Force members to discuss what is the problem we are trying to solve, what is the financial impact of the formula, and how much is it upfront? It was acknowledged that we need teachers to be able to afford to live where they teach, this is very much student centered given we want to keep teachers attracted to the high cost of living areas.
- Another Task Force member highlights the significant impact COL has on our formula and saw value in looking at what other states are doing, so few states include it
- Lisa - agree with Riley, we need to determine the purpose of COL and how do we update it, cost of doing business, remoteness has a cost, in addition to where we send the money, we need to discuss how the money is being revenue
- Many Task Force members express interest in a recalculation of COL, for example cost of business is not being considered, healthcare cost, etc...
- Closing - one of more important tasks, order operations, info to be kicked off in a survey (end at 3:00PM EST)

### **Next Steps & Closing**

- Nick Stelitano covered the next steps for the task force including completing the multiplicative indexes pre-read survey and compiling/modeling cost of living changes. Nick concluded the meeting at 1:00 PM MST.