

Welcome Task Force Members & Guests

A few notes prior to the meeting starting:

Task Force Members, if possible, please change your screen name to be TF_Your_Name, please have your camera on and relevant documents available at the beginning of the meeting.

- Welcome to the public who are watching the meeting via Live Streaming. If we have a breakout session in today's meeting, individual breakout rooms will not be streamed. These discussions will not involve any decision making and a readout from each breakout will be provided when the full meeting resumes.
- If the public has any questions or comments, these can be sent via email to Amy Carman at carman_a@cde.state.co.us

SB 23-287 School Finance Task Force



December 5th, 2023

Virtual Meeting



SCHOOL + STATE
FINANCE PROJECT

Overview of Today's Agenda

1. Welcome & Norms Review (10 mins) (Info & Awareness)
2. Adequacy process update (5 mins) (Info & Awareness)
3. Recommendation Development Review (10 mins) (Info & Awareness)
4. Scenarios Review & Discussion (45 mins) (Discussion)
5. Break (5 mins)
6. Recommendations Review/Refinement/Finalization (160 mins)
(Discussion/Decision)
7. Process Plan & Review (20 mins) (Discussion)

Technical Etiquette

Zoom Etiquette:

- Task Force Members, if possible, please have your screen name as **TF_Your_Name**. All other Participants please have your screen name as **Your_Name_Role**.
- Please do not utilize the chat function
- If you wish you to comment, please use the raise hand function within Zoom and wait to be called on by the facilitator
- Please do not interrupt someone as they are speaking
- Breakout Rooms & Straw Polls

Guidelines for Interaction, Deliberation and Collaboration

- Appreciate that a variety of perspectives are represented throughout this Task Force
- Task Force Members should assume good intentions from other Task Force members
- All Task Force Members should strive to understand the intent of what has gone before and what didn't work
- When introducing or discussing new topics, please endeavour to provide a clear, concise breakdown of factors, what policies drive them and the funding that goes into each one
- Task Force Members are responsible to set aside sufficient time between meetings to accomplish all readings and work
- Please appreciate that Task Force Members are performing different roles than their day to day positions

Project Plan

Sep

Tuesday, 12th

- Vision Setting
- Project Plan Buildout
- Adequacy Study Parameters Design

Friday, 29th

- Adequacy Study Parameters Vote
- Revisit At-Risk Task Force Decisions & No Decisions
- Unpack student need & additional costs associated
- Discuss & Review current and alternative ways to fund based on need (i.e. categorical funding)
- Develop 2 proposals to model

Oct

Tuesday, 17th

- Proposal Review/Refinement
- Review and discuss current history and purpose of Cost of Living
- Revisit At-Risk Task Force Decisions & No Decisions
- Develop 2 Proposals to model

Tuesday, 31st

- Proposal Review/Refinement
- Review and discuss current indexes utilized in formula understanding history, affect, and intended purpose
- Discuss and review alternative options to address concerns
- Develop 2 proposals to model
- Review basics and funding for Institutional Charter Schools and how they differ from other Charter Schools

Nov

Tuesday, 14th

- Proposal Review/Refinement
- Review current challenges & effects of mill levy overrides
- Develop 2 proposals to model
- Review and discuss current size factor
- Discuss alternative methods to adjust for size & geography
- Develop 2 proposals to model

Model Development & Buildout

Dec

Tuesday, 5th

- Review & discuss models and the interplay between proposals-
- Refine & align on proposals (identify additional modeling requirements)
- **Vote on Recommendations for**
 - **Prioritizing Student Need**
 - **Cost of Living Factor**
 - **Multiplicative Indexes**

Tuesday, 12th

- Review & discuss models
- **Vote on Recommendations for**
 - **ICs**
 - **Size Factor**
 - **Undecided AT RISK proposals**

Jan

Friday, 12th

- Discuss and provide feedback (In person) for the Final Report

Note: Task Force Members will be able to provide feedback outside of the optional Jan meeting

Tentative Plan for Remaining Meetings

December

Goal: To review, discuss and finalize recommendations for all 5 remaining areas

Meetings:

- 5th: Review Initial Scenarios, finalize any recommendations we have broad agreement on, identify and revise remaining proposals (for modeling)
- 12th: Review Final Scenarios, finalize remaining recommendations, review final report outline

Jan

Goal: To review and finalize final report to the legislature

Meetings:

- 12th: Provide explicit feedback around wording, language, and format of final report

Outstanding Questions

1. **Interpretation** of “(D) SECURING EQUALIZATION IN MILL LEVY OVERRIDES FOR INSTITUTE CHARTER SCHOOLS BASED UPON THE SCHOOL DISTRICT WHERE THE INSTITUTE CHARTER SCHOOL IS GEOGRAPHICALLY LOCATED, INCLUDING CONSIDERATIONS FOR STUDENTS WHO DO NOT RESIDE IN THE SCHOOL DISTRICT WHERE THE INSTITUTE CHARTER SCHOOL IS GEOGRAPHICALLY LOCATED, MULTI-DISTRICT ONLINE PROGRAMS, AND TOTAL PROGRAM FUNDING”
2. HB18-1232 **Review**

HB 18-1232 Highlights

Funded Pupil Count. Under the bill, the number of pupils funded will continue to be based on a single pupil enrollment count date. Districts with declining enrollment will be allowed to use the greater of the district's pupil count or an average enrollment count over a period of up to five years. Full-day and retained kindergarten students are funded as full time students, while part-time kindergarten students are funded as half-time. All preschool students are funded as half-day students, and the bill anticipates conforming changes to the Colorado Preschool Program (CPP) removing limits on the number of children eligible to attend state-funded preschool.

Floor Funding. Districts are guaranteed a minimum funding level, based on 95 percent of the statewide per pupil average.

Hold Harmless Provision. The bill also includes a hold harmless provision if a district's total funding level under the new formula is less than it was for the previous year under the current formula before application of the budget stabilization factor.

Categorical Programs. The bill moves funding for most ELL, gifted and special education students inside the formula by creating ELL, gifted child, and special education factors. The bill anticipates using ELL categorical funding only for ELL students with no English proficiency and special education categorical funding only for high-cost disability reimbursement grants.

HB 18-1232 Highlights cont...

Funding Formula. The new funding allocation formula calculates a school district's funding formula by starting with the statewide base per pupil amount, which would be determined annually by the General Assembly. It then calculates a preliminary total program amount for each district, which includes additional funding for certain student and district characteristics, including:

- poverty factor funding for each additional student that qualifies for free- and reduced-price lunch;
- English language learner (ELL) funding, adjusted for district size, for each additional ELL student for up to 7 years;
- gifted child factor funding, adjusted for district size, for each additional gifted student; and
- special education factor funding, adjusted for district size and type of disability, for each additional special education student.

The formula then calculates a total program amount, which includes additional funding from:

- online funding at 95 percent of base per pupil;
- extended high school funding at base per pupil; and
- cost-of-living factor funding, which is allocated proportionately and limited to 5 percent of statewide aggregate cost-of-living funding calculated using the cost-of-living and personnel cost factors as specified in current law; and
- size factor funding, based on district enrollment.

HB 18-1232 Highlights cont...

Table 2
Comparison of School Finance Act Funding Elements, Current Law vs HB 18-1232
(Assumes \$822.4 Million Budget Stabilization Factor)

School Finance Elements	Current Law*	HB 18-1232	Change
Total Program	\$6,929,517,083	\$8,278,589,980	\$1,349,072,897
Supplemental Floor Funding	\$0	\$125,924,868	\$125,924,868
State Share Hold Harmless Funding	\$0	\$3,553,748	\$3,553,748
Total School Finance Funding	\$6,929,517,083	\$8,408,068,596	\$1,478,551,513
Funded Pupil Count	870,641	959,312	88,671
Per Pupil Funding (with floor and hold-harmless)	\$7,959	\$8,765	\$806
Local Share	\$2,542,655,348	\$2,542,655,348	\$0
State Share (with floor and hold harmless)	\$4,386,861,735	\$5,865,413,248	\$1,478,551,513
State Share (with floor and hold-harmless) increased by inflation and pupil growth (3.5 percent in FY 2019-20)			\$1,530,300,816

* Appendix A contains a table estimating the change in total program and state share resulting from the bill for each school district.

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(Discussion/Decision)
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Adequacy Study Process Update



What have we done:

1. On Sep 29th the Task Force developed and approved 2 sets of parameters for 2 separate Adequacy Studies
2. On Oct 27th CDE published the [RFI](#)
3. On Oct 31st CDE republished the [RFI](#)
4. On Nov 9th CDE published responses to inquiries on the [RFI](#)

Current actions & next steps

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Process for Decision Making

Process for Decision Making

1. Review the content through pre-reads, presentations, and discussion
2. Identify, develop, and align on 2 proposals to model
3. Model & review data discussing impact, unintended effects, and potential outcomes
4. Revise and finalize a draft recommendation
5. Utilizing aspects of Robert's Rules a member of the Task Force makes a motion to accept the proposed recommendation
6. Another Task Force member must 2nd it
7. The Task Force is given the opportunity to discuss
8. Once points of discussion have been raised the facilitator will move to take a vote on whether to accept or reject the proposed recommendation
9. If a majority vote to accept the proposal, it will be incorporated into the final report, if not, the proposal must be revised and finalized again (Step 4)

Robert's Rules - The basics

Principal Motions

When a motion has been made, seconded and stated by the chair, the assembly is not at liberty to consider any other business until this motion has been disposed of. All motions should be seconded, which may be done without rising or addressing the Chair. ***The mover cannot withdraw his motion or the second after it has been stated by the Chair.***

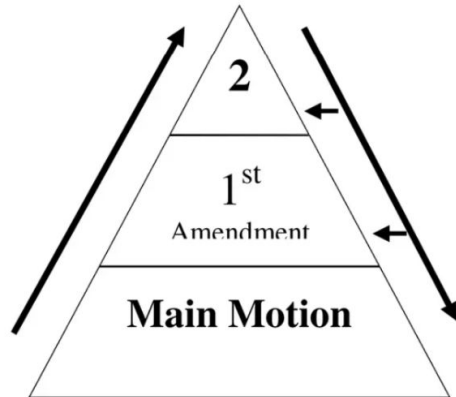
- Procedure:
1. Motion is made
 2. Seconded
 3. Chair states the motion
 4. Members debate the motion (unless no member claims the floor).
 5. The Chair *puts the question* (that is, puts it to a vote) to the Assembly.
 6. The Chair *announces the results* of the vote.

Robert's Rules - The basics

Subsidiary (Secondary) Motions

To Amend: This motion is “to change, add, or omit *words*” in the ***original MAIN MOTION***, must be seconded and is debatable and amendable.

To Amend the Amendment: This is a motion to change, add, or omit *words* in the ***FIRST AMENDMENT***, must be seconded and is debatable.



Procedure:

1. The first vote is to agree “to change, add, or omit words in the ***Second Amendment***”
2. The second vote is “to change, add, or omit words” in the ***First Amendment***, as amended, if at all.
3. The third vote is on adopting the main motion, as amended, by the first or second amendment.

Note: No more than 2 amendments may be considered by the Assembly at any one time. 1st and 2nd amendments are always in order but must be made before voting on Main Motion.

Potential Recommendation Types

The One:

- **Definition:** One recommendation per focus that contains multiple adjustments/changes to the formula
- **Example:** The Task Force Recommends the Size Factor be moved to the end of the Formula AND is adjusted so the minimum size factor is 1

The Many:

- **Definition:** For each focus, multiple recommendations are made but contain only 1 specific change to the formula
- **Example:**
 - The Task Force Recommends the Size Factor be moved to the end of the Formula
 - The Task Force Recommends that the Size Factor is adjusted so the minimum size factor is 1

The None:

- **Definition:** For each focus, a recommendation may be made that recommends not changing anything.
- **Example:** The Task Force Recommends to not change how the Cost of Living Factor is utilized within the formula

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Mindset



Calculating District Adjustments

Each of the district adjustments take into account different characteristics. Each of the characteristics are then weighted equally within each adjustment.

The table below provides an example of how district adjustment funding is calculated under Scenario 1, using a hypothetical district.

Type of District Adjustment	Detail	Factor Value	Total Funding (Funded Pupil Count = 703, Per Pupil Funding = \$8,472.15)	Weighted Funding (One-half for Regional Cost Adjustments, One-third for size/remoteness/sparsity adjustments)	Final Total Funding
Regional Cost Adjustments	COL Factor	0.061	\$360,759	\$180,379	\$427,550
	CWIFT Factor	0.083	\$494,341	\$247,171	
Size/Remoteness/ Sparsity Adjustments	Size	0.383	\$2,280,225	\$760,075	\$2,192,452
	Remoteness	0.221	\$1,319,169	\$439,723	
	Sparsity	0.500	\$2,977,961	\$992,654	

Scenario Review Workbook

Purpose of the Review: To collect feedback and input around Initial Scenarios

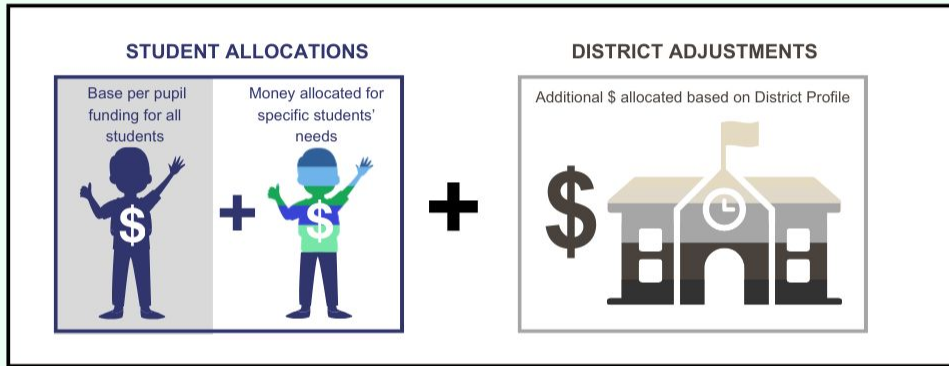
Participation: 12 out of 17 Task Force Members

Takeaways ([Workbook Results](#))

1. Small Rural Districts are losing the most
2. District Adjustments are confusing
3. Scenario 3 represents the best starting point but more work needs to be done around supporting small districts

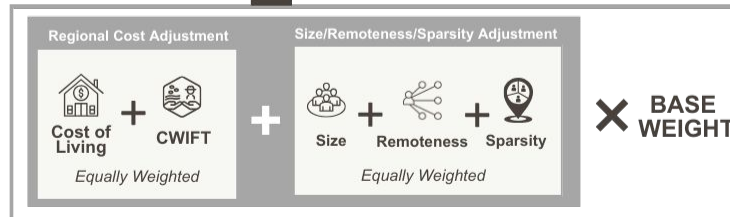
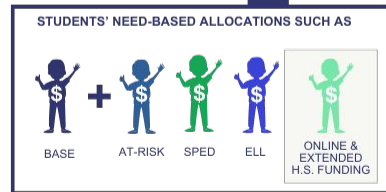
Potential Revised Formula: Scenario 1

TOTAL PROGRAM FUNDING

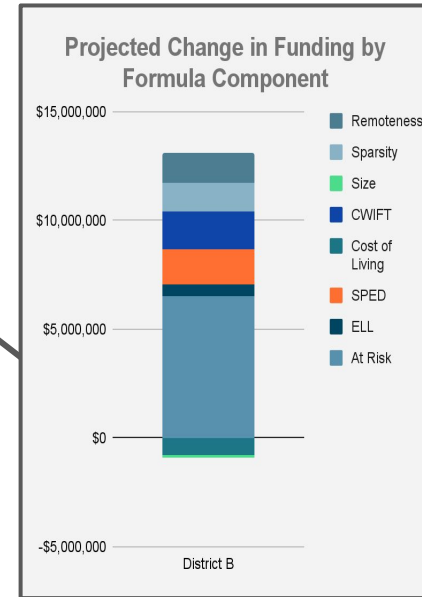
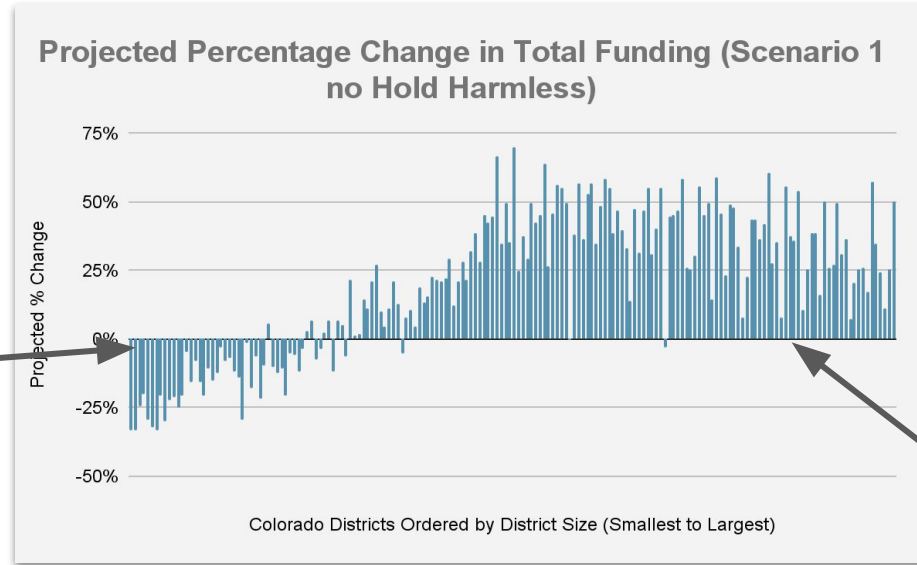
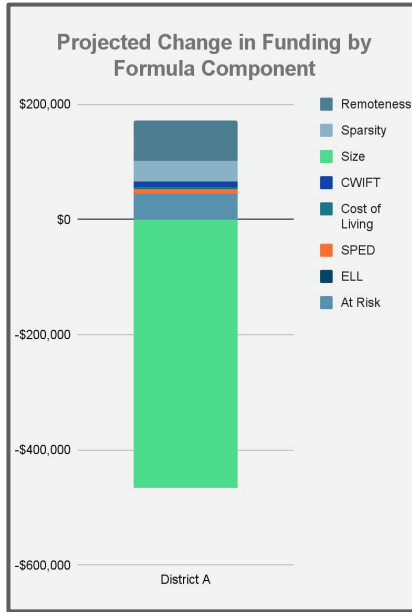


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ADJUSTED PROGRAM FUNDING
+
OTHER FUNDING SOURCES
i.e. Categorical Funding, State Grants, Federal Grants

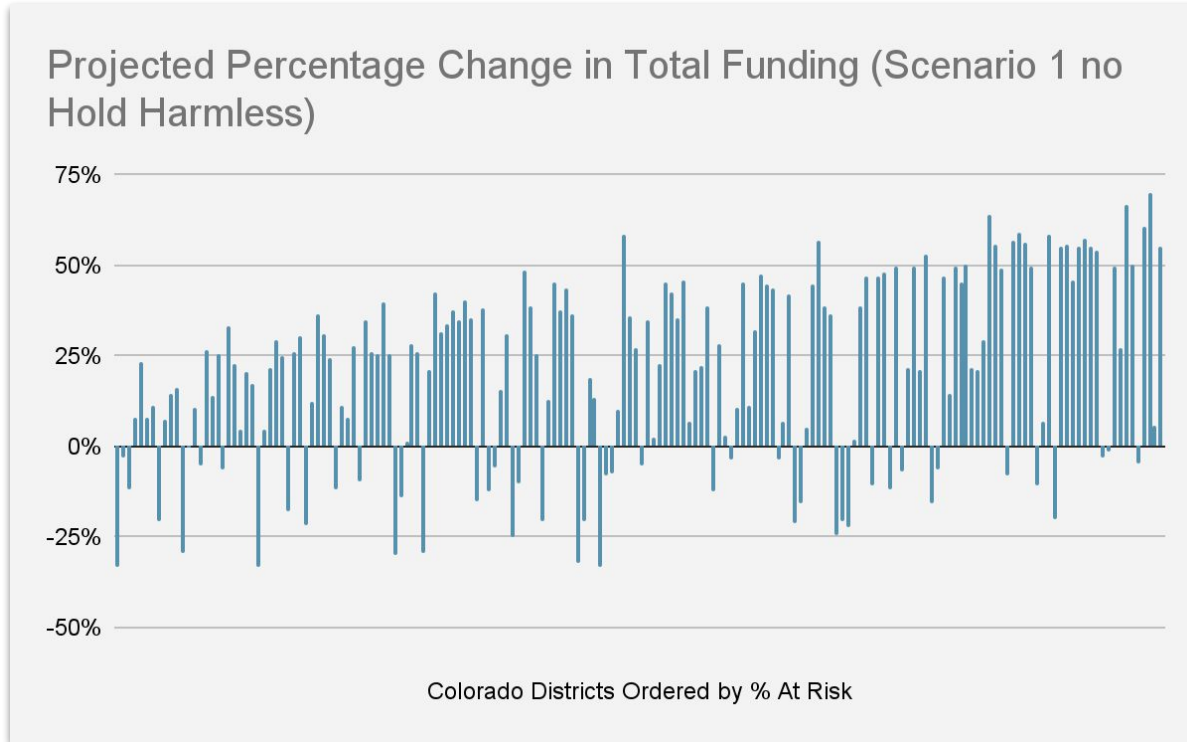


Change in Funding Formula: Scenario 1



"Note: Numbers may not sum to total program funding due to additional formula components not contemplated in this model, such as minimum formula funding or size factor smoothing."

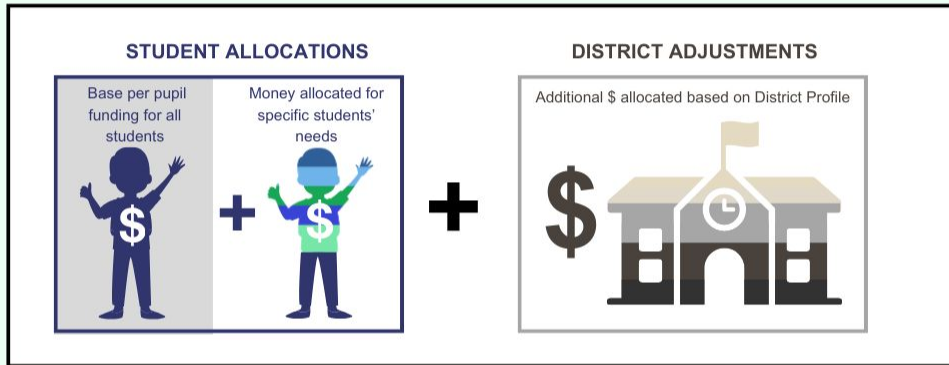
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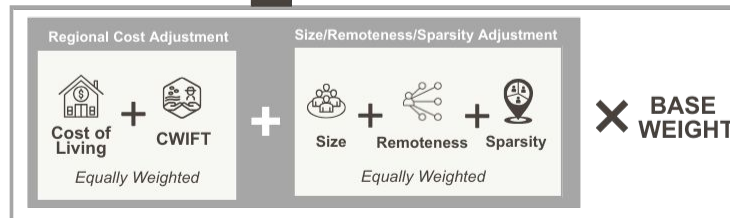
Potential Revised Formula: Scenario 2

TOTAL PROGRAM FUNDING

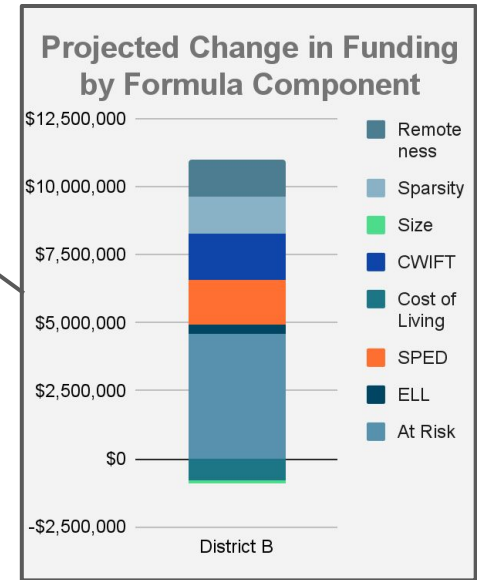
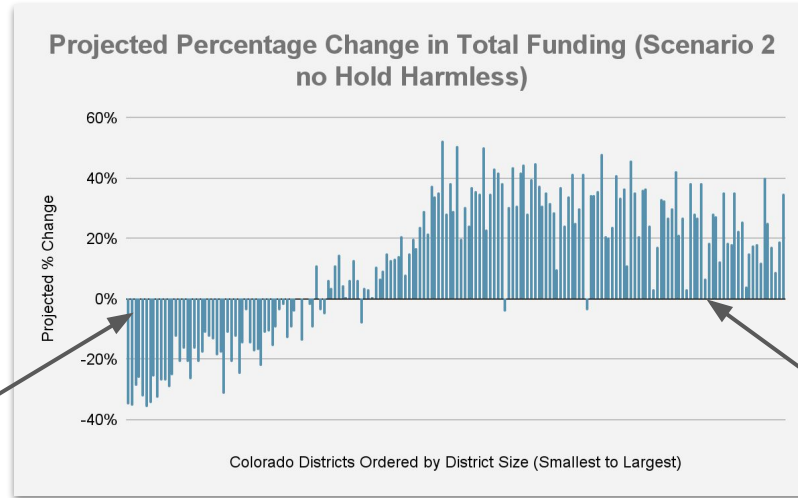
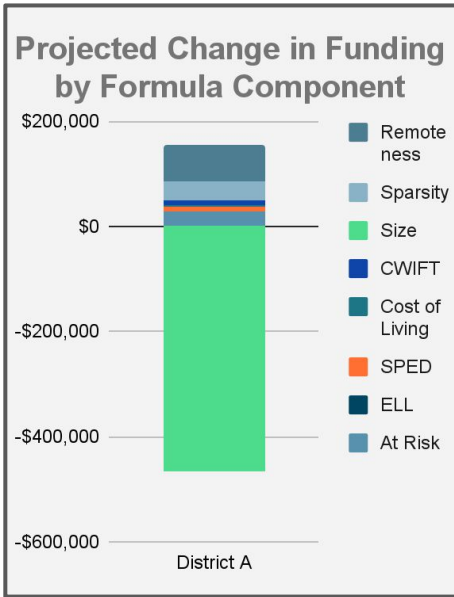


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ADJUSTED PROGRAM FUNDING
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OTHER FUNDING SOURCES
i.e. Categorical Funding, State Grants, Federal Grants



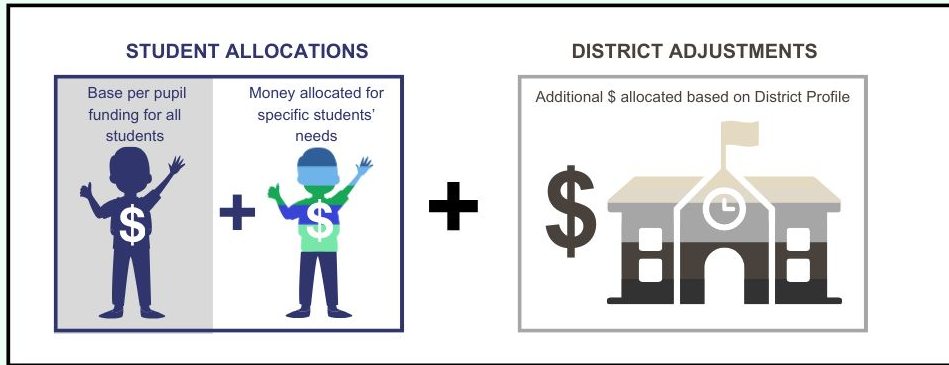
Change in Funding Formula: Scenario 2



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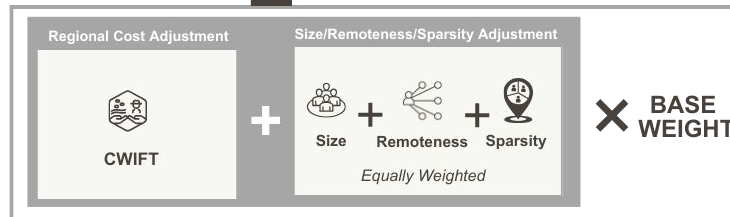
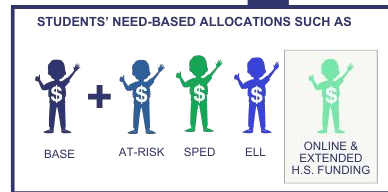
Potential Revised Formula: Scenario 3

TOTAL PROGRAM FUNDING

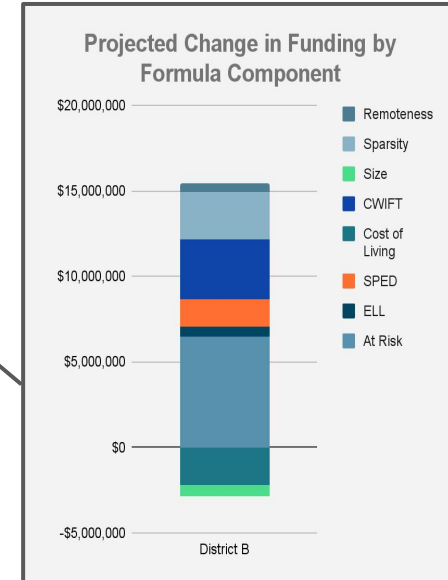
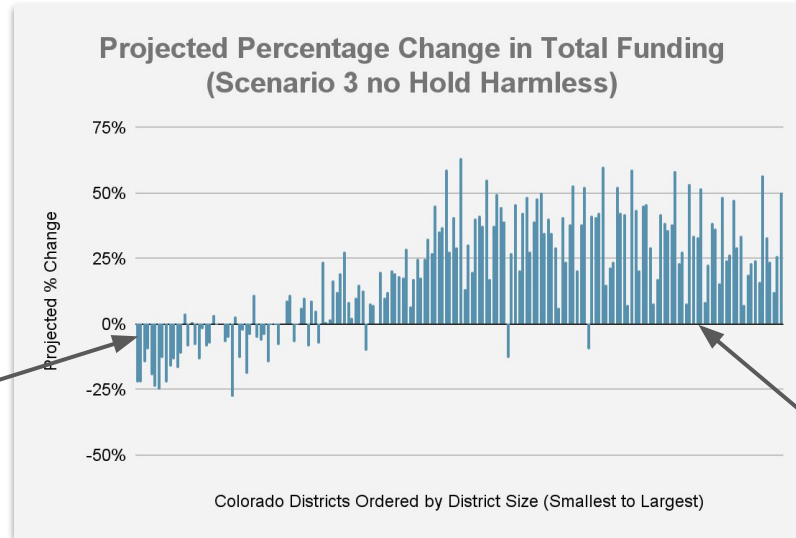
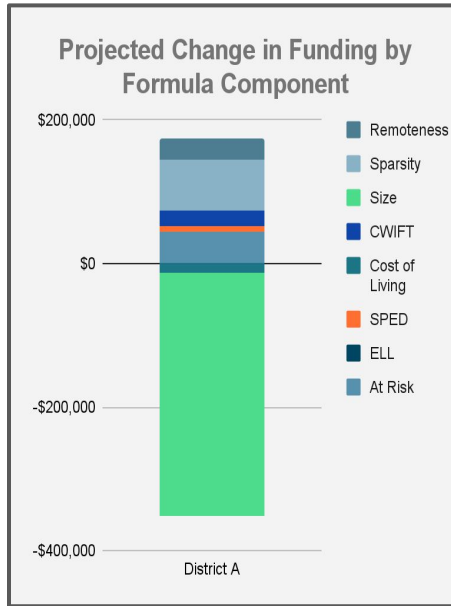


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ADJUSTED PROGRAM FUNDING
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OTHER FUNDING SOURCES
i.e. Categorical Funding, State Grants, Federal Grants

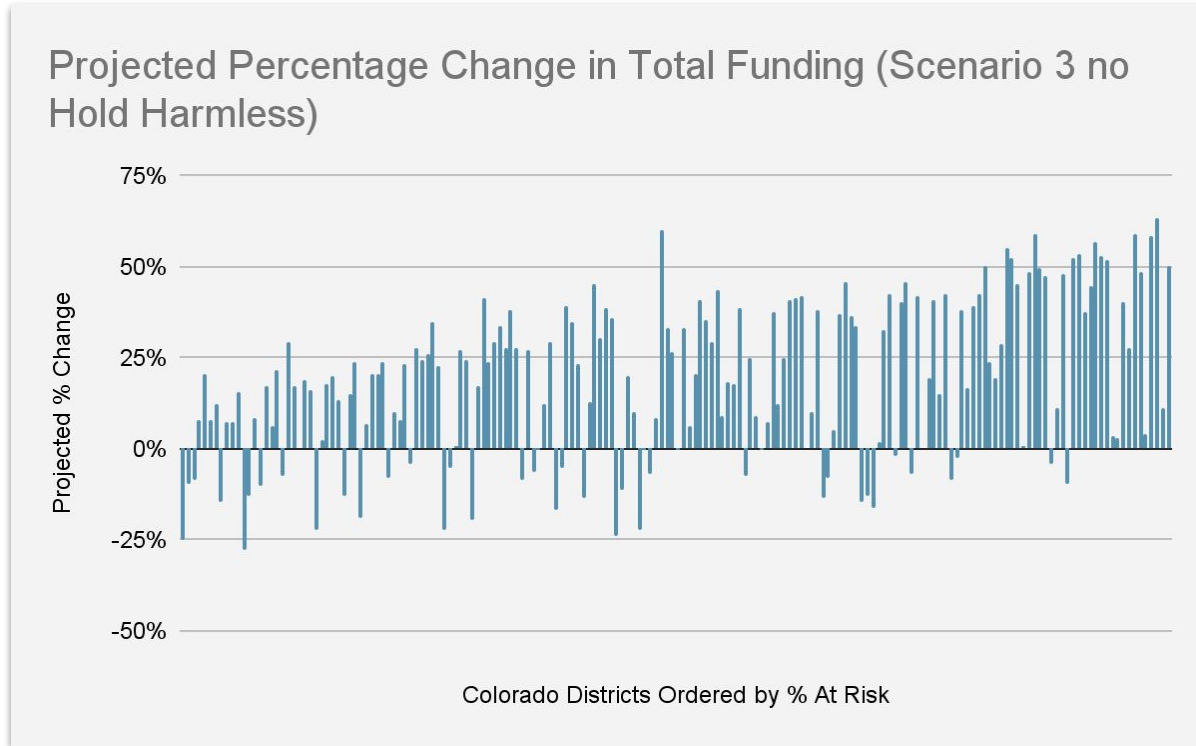


Change in Funding Formula: Scenario 3



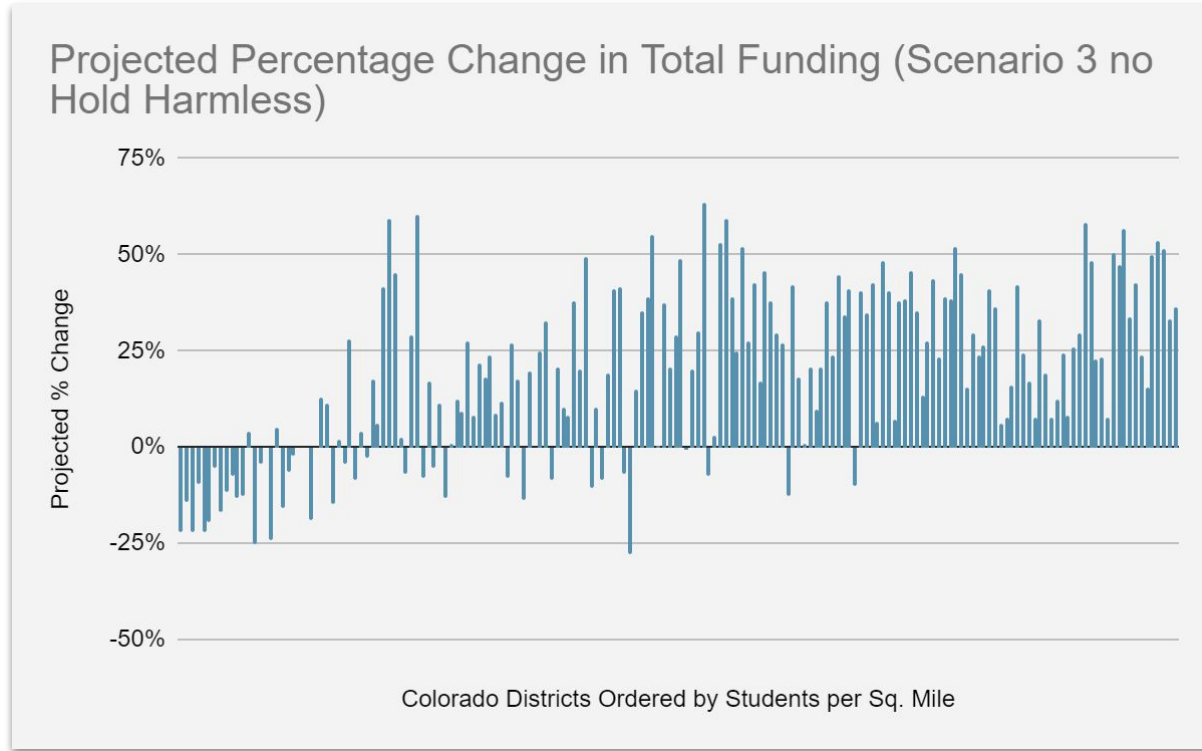
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Change in Funding Formula: Scenario 3



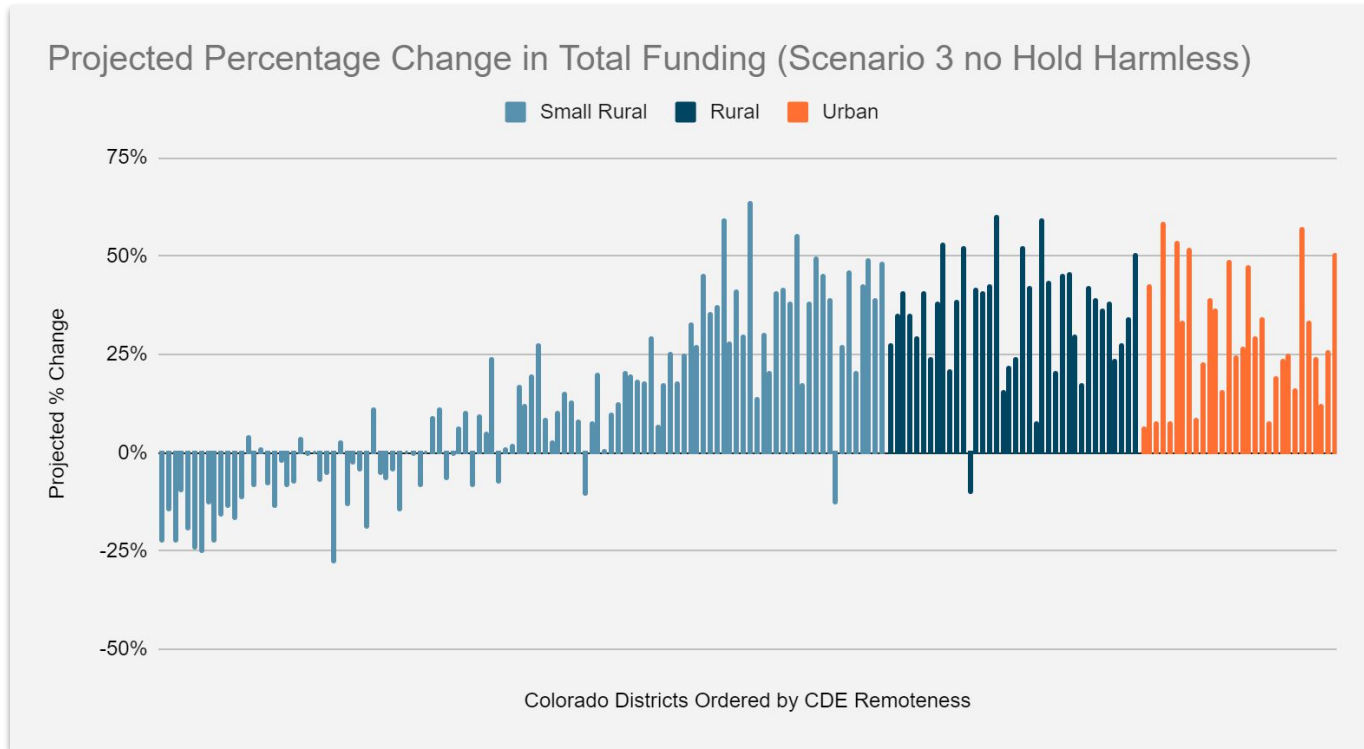
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Change in Funding Formula: Scenario 3



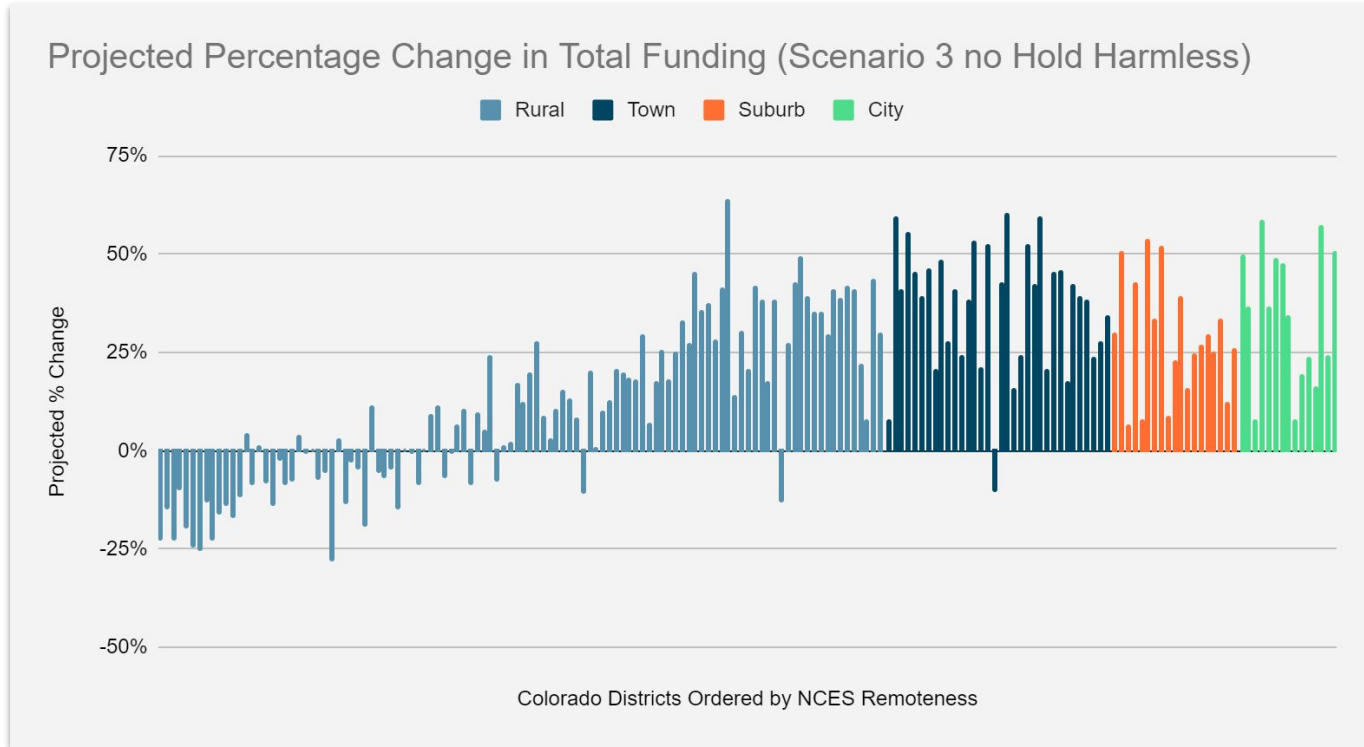
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Change in Funding Formula: Scenario 3



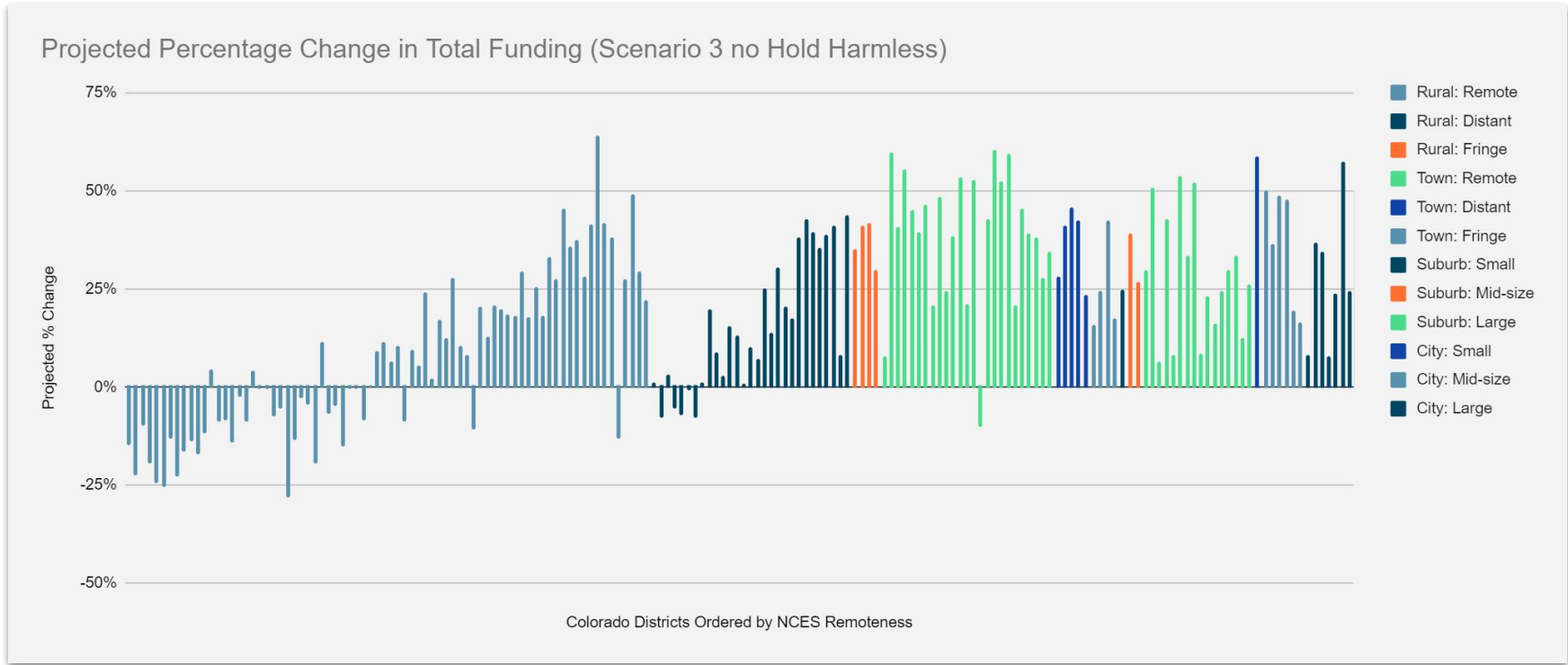
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Change in Funding Formula: Scenario 3



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Change in Funding Formula: Scenario 3



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Large Group Discussion

Step 1: Individually take 10 mins to review the [Workbook Results](#)

Step 2: As a group discuss the following questions:

- What aspects of each scenario did or did not align with the stated objectives of the task force?
- What aspects of the scenarios are generally supported by the task force?
- What aspects of the scenarios are generally not supported by the task force? What revisions could be made to the recommendation?

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5 Minute Break



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Final Recommendations: Progress to Date

What have we done?

- Reviewed the components of school funding formulas.
- Task Force members provided perspectives on how the formula should prioritize student need along with other priorities
- Multiple proposals for each area were developed, discussed, revised, and modeled
- Initial scenarios combining various proposals have been modeled and district runs have been developed and shared with the Task Force
- Those scenarios and district runs have been discussed by the Task Force

Task Force Responsibility:

EXAMINE AND MAKE RECOMMENDATIONS CONCERNING MAKING THE SCHOOL FINANCE FORMULA SIMPLER, LESS REGRESSIVE, AND MORE ADEQUATE, UNDERSTANDABLE, TRANSPARENT, EQUITABLE, AND STUDENT-CENTERED

Process for Decision Making

Process for Decision Making

1. Review the content through pre-reads, presentations, and discussion
2. Identify, develop, and align on 2 proposals to model
3. Model & review data discussing impact, unintended effects, and potential outcomes
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5. Utilizing aspects of Robert's Rules a member of the Task Force makes a motion to accept the proposed recommendation
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7. The Task Force is given the opportunity to discuss
8. Once points of discussion have been raised the facilitator will move to take a vote on whether to accept or reject the proposed recommendation
9. If a majority vote to accept the proposal, it will be incorporated into the final report, if not, the proposal must be revised and finalized again (Step 4)

Our goals for today

Review, discuss and finalize recommendations for all 5 remaining areas

Specifically we will:

- **Finalize and vote** on any recommendation where there is broad consensus
- **Identify** areas for refinement
- **Develop specific updates** to the proposals for modeling

Order of Operations

1. **Securing Equalization in Mill Levy**
2. **Prioritizing Student Need**
3. **Eliminating Multiplicative Indexes**
4. **Revising the Cost of Living Factor**
5. **Revising the Size Factor**
6. *****Additional Recommendations*****
 - a. E.g. Hold Harmless, Phase in Approach, etc...

Securing Equalization in MIL Levy

Draft Proposals:

Recommend the General Assembly continues to fully fund the existing MILL Levy Equalization Fund (as established in CRS 22-30.5-513.1.)

-

Recommend that the legislature continues to address Mill Levy Override Equalization for all students in Colorado.

Task Force Responsibility:

“(D) **SECURING EQUALIZATION IN MILL LEVY OVERRIDES FOR INSTITUTE CHARTER SCHOOLS BASED UPON THE SCHOOL DISTRICT WHERE THE INSTITUTE CHARTER SCHOOL IS GEOGRAPHICALLY LOCATED, INCLUDING CONSIDERATIONS FOR STUDENTS WHO DO NOT RESIDE IN THE SCHOOL DISTRICT WHERE THE INSTITUTE CHARTER SCHOOL IS GEOGRAPHICALLY LOCATED, MULTI-DISTRICT ONLINE PROGRAMS, AND TOTAL PROGRAM FUNDING**”

Prioritizing Student Need

Draft Proposals:

At Risk	
Proposal 1	Proposal 3
Increase At-Risk weight to at least 1.0 , in line with research recommendations.	Increase At-Risk weight to 0.75 , as determined by Task Force Members.
Remove cap (0.3) on total possible At-Risk weight.	Remove cap (0.3) on total possible At-Risk weight.

ELL	
Proposal 1	Proposal 2
Increase current ELL weight to 0.5. No eligibility cap for students.	Increase current ELL weight to 0.5. 5 year eligibility cap for students.

Task Force Responsibility:

“(C) **PRIORITIZING STUDENT NEEDS** IN THE FORMULA, INCLUDING MEASURES, TO THE EXTENT POSSIBLE, THAT ALIGN THE AT-RISK FACTOR, ENGLISH LANGUAGE LEARNER FACTOR, AND SPECIAL EDUCATION CATEGORICAL FUNDING BASED UPON AVAILABLE EVIDENCE-BASED RESEARCH ON STUDENT-CENTERED FUNDING THAT HAS A DIRECT IMPACT ON STUDENT OUTCOMES;”

Students with Disabilities
Proposal
SPED Categorical dollars remain the same. Include additional Tier A and B student weights in the formula. Tier A: 0.5 Tier B: 0.85

Eliminating Multiplicative Indexes

Draft Proposals:

1. Remove personnel factor
2. Move COL & Size Factor to the end of the formula in a “District Adjustment”

Task Force Responsibility:

“(A) ELIMINATING THE USE OF MULTIPLICATIVE INDEXES FOR COST OF LIVING, PERSONNEL AND NON-PERSONNEL COSTS, AND DISTRICT SIZE;”

A Revised Cost of Living Factor

Draft Proposals:

1. Move COL & Size Factor to the end of the formula in a “District Adjustment”
2. Remove Personnel Factor
3. Rebase COL Factor
4. Add an additional (new) index (cost of doing business) in addition to current COL and equally weight factors

Task Force Responsibility:

*“RECALIBRATING THE COST OF LIVING FACTOR, CAPPING THE COST OF LIVING FACTOR, OR ALTERNATIVE METHODS TO ACCOUNT FOR THE COST OF LIVING, INCLUDING THROUGH CATEGORICAL FUNDING. A **RECOMMENDATION CONCERNING A REVISED COST OF LIVING FACTOR MUST BE ABLE TO REGULARLY CHANGE AS A RESULT OF THE BIENNIAL COST OF LIVING STUDY.**”*

Revising the Size Factor

Draft Proposals:

1. Move COL & Size Factor to the end of the formula in a “District Adjustment”
2. Equally Weight:
 - a. **Size Factor:** Current size factor calculation, but remove the size factor benefit for districts educating 5,000 students or more.
 - b. **Sparsity:** Districts receive scaled weights* based on student sparsity:
 - c. **Remoteness:** Districts classified as Towns using NCES classification receive a weight of .1. Districts classified as Rural using NCES classification receive a weight of .2

Task Force Responsibility:

“Revising the size factor to incorporate considerations other than or in addition to student enrollment, including the remoteness of a school district;”

*Sparsity Scaled Weights:

- Fewer than 1 student/sq. mile = 0.5
- Between 1 and 2.5 student/sq. mile = 0.4
- Between 2.5 and 5 student/sq. mile = 0.3
- Between 5 and 7.5 student/sq. mile = 0.2
- Between 7.5 and 10 student/sq. mile = 0.1
- Over 10 student/sq. mile = no weight.

Options for Small Rural District Funding

Under each of the Scenarios, small rural districts have net losses in Total Program Funding – approximately a third of all CO districts.

The losses are mostly attributed to the multiplicative nature of the Size Factor in the current school funding formula.

Below are some options to combat the losses for these districts:

1. Use Average Per Pupil Funding rather than Base Funding
2. Increase the Size Factor

	Scenario 1	Scenario 2	Scenario 3
Total Loss in Funding	(17,099,310)	(24,846,870)	(14,150,742)
Number of Districts Impacted	47	55	42
% of Total Districts	26%	31%	24%

Option 1: Average Per Pupil Funding

Option 1 is to use the average per pupil funding (total funding including At-Risk, ELL, and SPED divided by total funded pupil).

Districts characteristics would be multiplied by the average per pupil funding, rather than the current base (\$8,472).

Pros	Cons
<ul style="list-style-type: none">• Not reliant on an arbitrary base figure• District characteristics would take into account the need of students• Provides additional support to all districts	<ul style="list-style-type: none">• Adds between \$650 and \$850 million to Total Program Funding• Could still result in losses for some small rural districts

Option 1: Average Per Pupil Funding

Under Option 1, the loss in Total Program Funding and the number of districts impacted decreases. However, it ultimately is dependent on the student need weights applied.

Implementing Option 1	Scenario 1	Scenario 2	Scenario 3
Total Loss in Funding	(6,872,052)	(12,405,383)	(5,757,042)
Number of Districts Impacted	27	42	16
% of Total Districts	15%	24%	9%

Option 2: Increase Size Factor

Option 2 is to increase the Size Factor. Under each of the proposals, only one-third of the Size Factor is applied. The Size Factor could be fully applied, while half of Sparsity and Remoteness is applied.

Pros	Cons
<ul style="list-style-type: none">• Less costly than Option 1 – adds between \$200 and \$250 million to Total Program Funding	<ul style="list-style-type: none">• Alters the balance of size, sparsity, and remoteness as district characteristics to be included in funding formula.• Could still result in losses for some small rural districts depending on implementation<ul style="list-style-type: none">○ Under Scenario 3, increasing the Size Factor would only result in 2 districts having losses.

Option 2: Increase Size Factor

Under Option 2, the loss in Total Program Funding and the number of districts impacted decreases. However, it ultimately is dependent on which Size Factor is used.

Implementing Option 2	Scenario 1	Scenario 2	Scenario 3
Total Loss in Funding	(2,492,189)	(3,991,793)	(701,184)
Number of Districts Impacted	17	22	2
% of Total Districts	10%	12%	1%

Additional Recommendations

Additional Proposals:

1. Utilizing a hold harmless?
2. Phase in approach?
3. Base Funding w/ Adequacy?
4. GT Weight?

Task Force Responsibility:

**EXAMINE AND MAKE
RECOMMENDATIONS CONCERNING
MAKING THE SCHOOL FINANCE
FORMULA SIMPLER, LESS REGRESSIVE,
AND MORE ADEQUATE,
UNDERSTANDABLE, TRANSPARENT,
EQUITABLE, AND STUDENT-CENTERED**

Phasing-in the formula can spread the additional investment over multiple years.

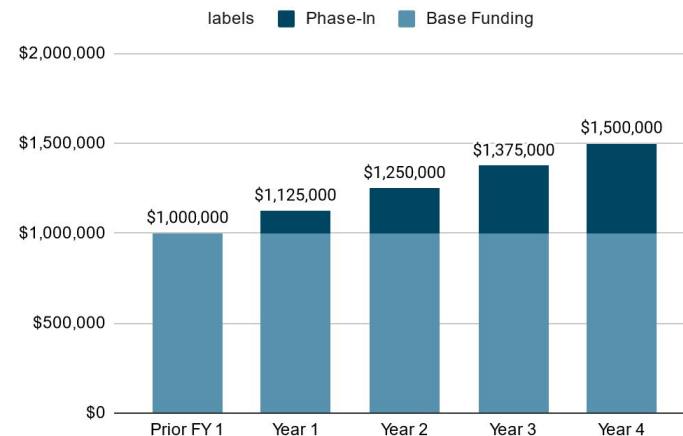
- Phase-ins generally provide an increasing **increment** of the additional state funding each FY following a formula change, until they are **“fully funded”**.
- Phase-ins **gradually increase/decrease district grants over multiple fiscal years** until the grants equal what is produced by the funding formula.

Example Formula Phase-In

- In the example below, a funding formula provides a district a fully funded grant of \$1.5 million, or a \$500,000 increase over the prior FY grant of \$1 million.
- In this example, the funding formula is being phased-in **25% per year over 4 years**, with the district receiving **“full funding”** in year 4.

	District Grant	Phase-In %	Phase-In Amount
Prior to Formula Change	\$1,000,000		
Year 1 of Phase-In	\$1,125,000	25%	\$125,000
Year 2 of Phase-In	\$1,250,000	50%	\$250,000
Year 3 of Phase-In	\$1,375,000	75%	\$375,000
Year 4 of Phase-In	\$1,500,000	100%	\$500,000

Impact of 4-Year Phase-In on District Grants



Key questions when considering a funding formula phase-in

When considering a funding formula phase-in, there are several key questions to consider.

1. **How much money (additional state cost) should be invested each year?**
 - a. Phase-ins are less expensive than fully funding a formula change, but what amounts should be expected each year?
2. **Should the additional state investment be equal in each year of the phase-in, or unequal?**
3. **How long should the phase-in take?**
 - a. Longer phase-ins can be less expensive, but result in a longer wait until “full funding”.
4. **Should all districts be phased-in at an equal rate?**
 - a. If not, which types of districts should receive a faster or slower phase-in rate?

Overview of Today's Agenda

1. Welcome & Norms Review (10 mins) (Info & Awareness)
2. Adequacy process update (5 mins) (Info & Awareness)
3. Recommendation Development Review (10 mins) (Info & Awareness)
4. Scenarios Review & Discussion (45 mins) (Discussion)
5. Break (5 mins)
6. Recommendations Review/Refinement/Finalization (160 mins)
(Discussion/Decision)
7. **Process Plan & Review (20 mins) (Discussion)**

Next Steps

Where did we land?

What do we need to do to finalize recommendations?

Closing

Recap of today's discussions



Our next meeting is Dec 12th, 2023, **9 am- 1 pm**