



Annual Finance Seminar

www.coloradoleague.org

OCTOBER 29, 2024

League 101 & CSP Updates

School Services Team





Dawna Taylor
Chief of Staff
VP of School
Services



Bill Knous
Senior Director
of School Quality
and Growth



Karolina Villagrana
Director of
School Quality



Bright Homawoo
Grant and
Technical Manager



Tanesha Bell
Grant and
Technical Manager



Prateek Dutta
VP of Policy



Patti Glock
Director of Business and
Operations Services



COLORADO LEAGUE *of*
CHARTER SCHOOLS

SCHOOL SERVICES OVERVIEW

2024-2025

CLCS School Services Division



Dawna Taylor
Chief of Staff / VP
of School Services



Bill Knous
Senior
Director of
Quality and
Growth



Tanesha Bell
CSP Project
Director



Patti Glock
Director of
Business &
Operations
Services



**Karolina
Villagrana**
Director of
School Quality



**Bright
Homawoo**
Grant Manager
+ Technician



Kaci Coats*
Exceptional
Student
Services



Kia Murray*
Governance
+ Academics



**Rainey
Wikstrom***
Wellness

“What do you value most about the league?”

“The annual conference and the contact with people who can answer questions.”

“Networking, advocacy and governance”

“The advocacy work and how you keep us informed. Also, the collective knowledge and dedication of your staff.”

“Support is only a phone call away.”

“The Cohorts”

“The staff and learning communities”

“Board Training was key!”

MEMBERSHIP HAS ITS PRIVILEGES

ADVOCACY

RESOURCES,
SUPPORT,
GUIDANCE

CONVENINGS

DISCOUNTED FEE-
BASED SERVICES

Leveraging Your Membership

School Services

- The reality of our board...
- Our Authorizer just told us.....
- Do you know the answer to....
- We just found out about Renewal....
- We have an urgent HR situation....
- Our strategic plan is up in 2025...

Mission

The mission of the Colorado League of Charter Schools is to improve student achievement by supporting Colorado's charter schools, positively reshaping the public school landscape, and advancing opportunities for innovation and expanded high-quality public school choice.

SCHOOL SERVICE OFFERINGS

MEMBER
LEARNING
COMMUNITIES

ACADEMIC
SERVICES

FOCUSED
WORKSHOPS

TRAININGS

SCHOOL
QUALITY
REVIEWS

STRATEGIC
PLANNING

COACHING

DOCUMENT
REVIEWS

PROFESSIONAL
DEVELOPMENT

MEMBER LEARNING COMMUNITIES

SCHOOL LEADERS

EXECUTIVE DIRECTOR
COHORT

PRESCHOOL DIRECTOR
COHORT

RURAL SCHOOL LEADER
COHORT

OPERATIONS AND FINANCE

OPERATIONS AND FINANCE
COHORT

BUSINESS & OPERATIONS
NETWORKING COHORT

MEMBER LEARNING COMMUNITIES

BOARD & GOVERNANCE

BOARD CHAIR COHORT

HUMAN RESOURCES

HUMAN RESOURCES COHORT

MEMBER LEARNING COMMUNITIES

SCHOOL GROWTH

BOARD CHAIR COHORT

NEW SCHOOL LAUNCH
COHORT

CONNECT COHORT

SPECIAL EDUCATION

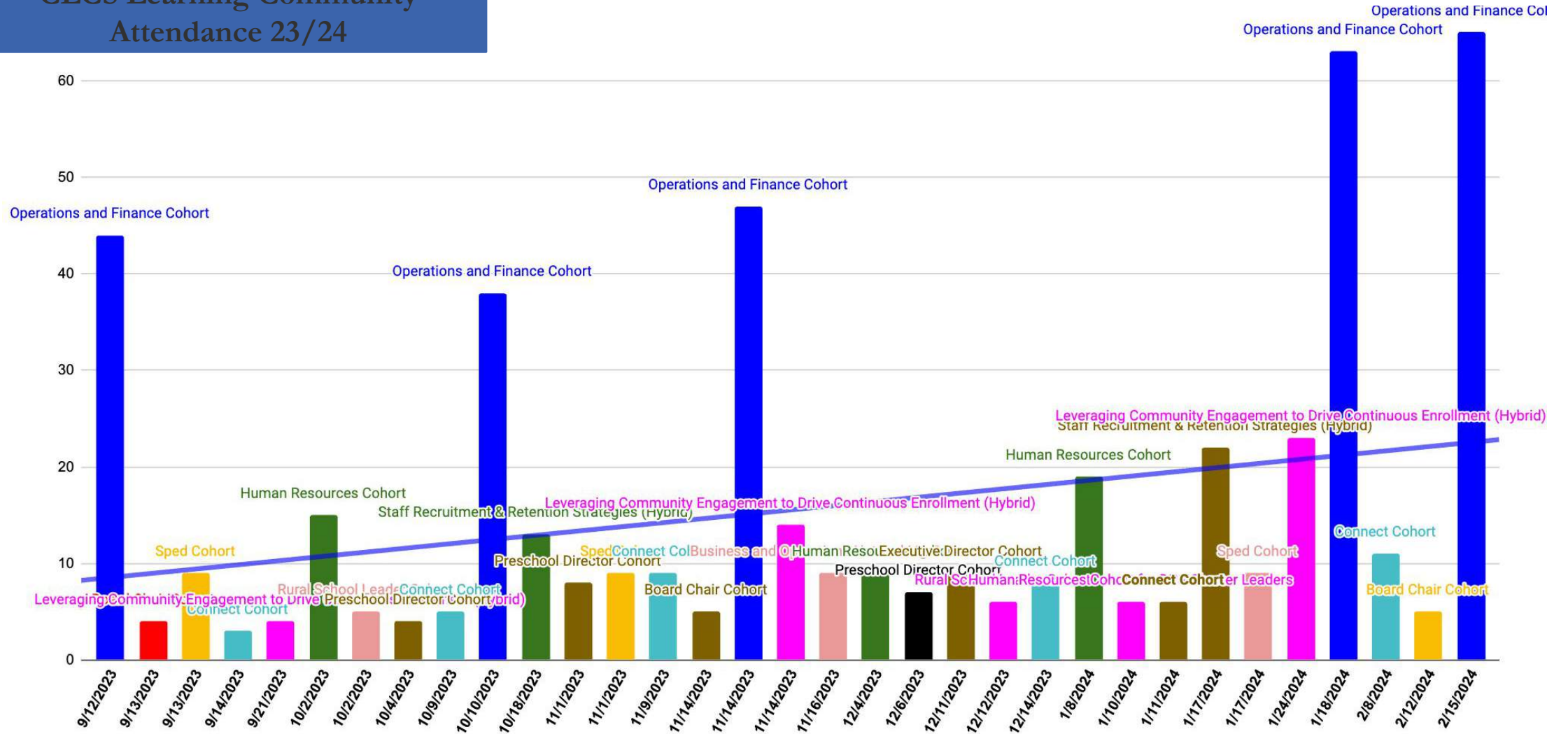
SPEL LEADER COHORT

the
FACTS

Don't Lie.

THE
NUMBERS
ARE IN...

CLCS Learning Community Attendance 23/24



TRAINING & COACHING FOR BOARDS AND SCHOOL LEADERS



BOARD AND
GOVERNANCE
TRAINING



TITLE IX
INVESTIGATOR
TRAINING



TITLE IX
COORDINATOR
TRAINING



TITLE IX DECISION-
MAKER TRAINING



TITLE IX & EQUITY
COMPLIANCE FOR
BOARDS & SCHOOL
LEADERS



BOARD COACHING



STRATEGIC
PLANNING

OPERATIONS & FINANCE SERVICES & SUPPORT

CUSTOMIZED
FINANCIAL
TRAINING &
SUPPORT

BOARD & LEADER
FACILITIES &
FINANCE
SUPPORT

STRATEGIC
DEVELOPMENT –
CAPITAL
PROJECTS

HUMAN
RESOURCES
PROFESSIONAL
DEVELOPMENT

STAFF RECRUITMENT & RETENTION
STRATEGIES

EMPLOYEE HANDBOOK REVIEW

HR POLICY & PRACTICES AUDIT

LEADER SEARCH COACHING

CUSTOMIZED HR TRAINING &
COACHING



NEW SCHOOL,
REPLICATION, AND
EXPANSION SUPPORT



CHARTER APPLICATION
REVIEW AND MOCK
INTERVIEW
PREPARATION



BARRIERS TO OPENING
MITIGATION SUPPORT



FOUNDING BOARD
SUPPORT

SCHOOL GROWTH SERVICES AND SUPPORTS

SPECIAL EDUCATION SERVICES



TRAINING



ENROLLMENT
REVIEWS



COMPLIANCE
SUPPORT

FOCUSED WORKSHOPS

LEADING

- LEADING SCHOOL CULTURE POST-PANDEMIC

LEVERAGING

- LEVERAGING COMMUNITY ENGAGEMENT TO DRIVE CONTINUOUS ENROLLMENT

MANAGING

- MANAGING UP FOR YOUR BOARD OF DIRECTORS

BUILDING

- BUILDING A SPECIAL EDUCATION VISION



Learning Communities

Our Learning Communities are specialized cohorts led by League staff and open to staff at all member schools who seek support in areas critical for sustaining high-quality charter schools. Members network around key areas and meet regularly with both peers and thought leaders in the larger community.

Join one today and begin diving into current topics and critical themes within a community of support and extended knowledge. Each learning community includes a discussion board for sharing valuable information and posing questions to the larger group, as well as an archive of helpful resources.

If you have any questions regarding Learning Communities, please reach out to SchoolServices@coloradoleague.org.

League members. Please log in.

[View and join all Learning Communities](#)



Board and Governance Cohort



In this section

Careers

Learning Communities

News Summary

Research & Reports

Town Halls

Trainings: Online & Free



Next Steps

Getting the Most from CSP Funding



Stephanie VanDyk

Junior Partner
Lumen Impact Group



Gina Schlieman

Founding Consultant
GPS Strategies Group

Getting the Most for CSP Funding:

Feedback and ideas for the League as it
kicks off its new CSP grant

With Stephanie VanDyk and Gina Schlieman



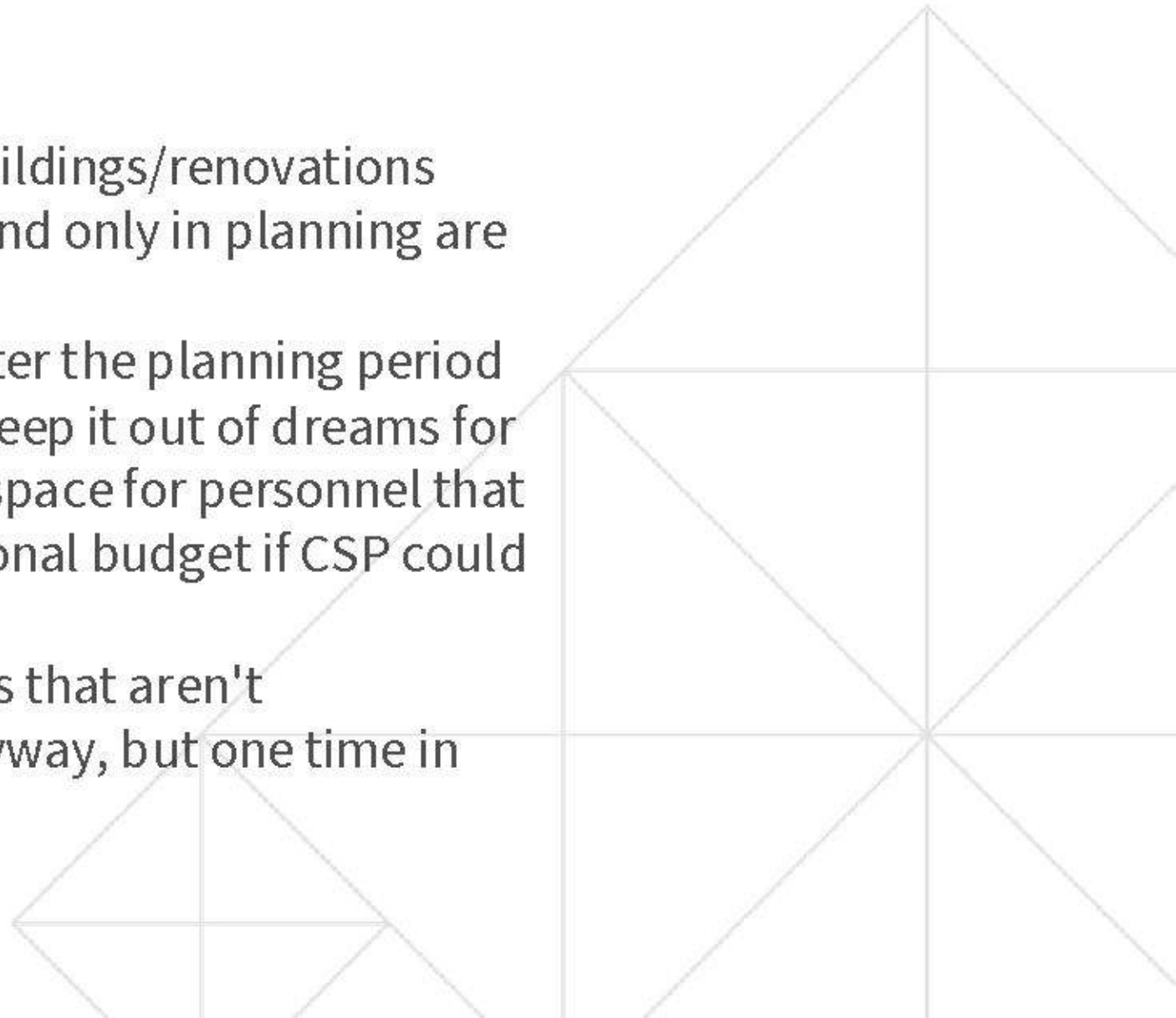
Ground Rules

- Keep feedback forward-looking and productive
- Get Creative! Don't let the reasons you think it won't work get in the way!
- Be conscious of airtime-- time is short today

A Couple of Guidelines

We want to stay away from:

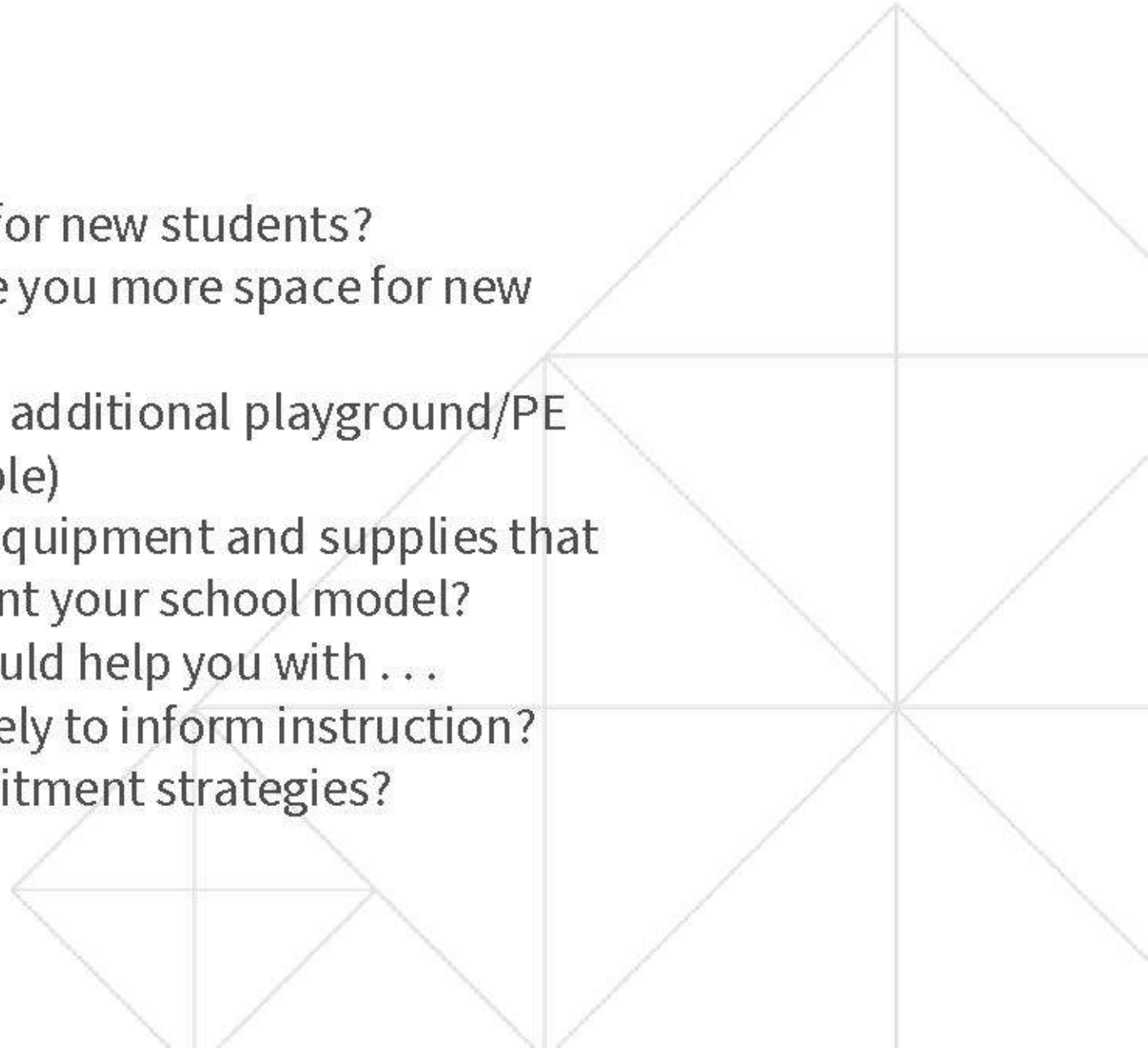
- Building Costs- new rooms/buildings/renovations (only to bring things to code and only in planning are any renovations allowable)
- Personnel costs- Personnel after the planning period is very rarely allowable, let's keep it out of dreams for now—but what could free up space for personnel that currently lives in your operational budget if CSP could pay for it?
- Overall, we're looking for costs that aren't sustained—not ongoing in anyway, but one time in nature.



Let's Dream!

Some ideas to get you thinking

- Will you need transportation for new students?
- Could a modular building give you more space for new students?
- Do more kids mean, you need additional playground/PE equipment? (must be moveable)
- How do new seats effect the equipment and supplies that you need effectively implement your school model?
- What professional services could help you with ...
 - Using data more effectively to inform instruction?
 - Student and family recruitment strategies?
 - Teacher recruitment?
 - School operations?
 - Student culture?



In your Groups, use the Google Doc to capture notes on your dreams.

Without getting hung up on why it may not work, if you had a magic wand and could make funding appear that would really make a difference in your school, what would it be for?

Consider: As your school looks to open, expand, replicate, where do you see the unmet funding needs? What kinds of ideas do school leaders or teachers come to you with, that you have to say no to because there's no way to fund them? (These questions will be on the Google Doc)

In your groups, use the Google Doc to capture notes on your thoughts.

Thinking about how your school operates, what would be some of the elements of the ideal process and support for you in a reimbursement style grant?

Consider: How you request reimbursement and provide information— is it Google? Another App? What kind of support exists? How do budget revisions work? For those that have had a past subgrant, what supports or processes worked well for you and helped you get the funds to reach your goals? On the flip side, what obstacles have there been to spending down subgrant funds? What flexible dollars exist in your school budget that could be shifted to cover expenses that might be unallowable for CSP? What support do you need to be able to think through this?

Thank You

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How to Successfully use CSCC Funds & Plan for a BEST Grant



Brandon LaChance

Regional Program Manager — Capital Construction,
CO Department of Education



COLORADO
Department of Education

How to Successfully
Use *Charter School Capital
Construction (CSCC)* Funds &
Overview of *Building Excellent Schools Today (BEST)*
Grant Application

Brandon LaChance
Regional Program Manager

AGENDA

Charter School Capital Construction (CSCC) Program

- Overview, funding, allowable uses, strong practices

Building Excellence Schools Today (BEST) Program

- Eligibility, priority ranking of projects
- Process and annual timeline
- Master Planning (different for charters)
- Match Percentage Activity



- **Building Excellent Schools Today (BEST) Grants**
 - **Cash funds** are typically used to fund smaller projects, such as roofs, boiler replacements, and fire alarms.
 - **Lease-Purchase or COP funds** are typically used to fund larger projects, such as new schools, major renovations, and additions. These grants are financed through Certificates of Participation and repaid with Assistance Fund revenues.
- **Emergency Grants:** available for unanticipated events that threaten health or safety or render all or a significant portion of a public school facility unusable for educational purposes.
- **Other Grants as Assigned:** FY20 Full Day Kindergarten Grants, FY22 Air Quality Improvement Grants
- **Charter School Capital Construction (CSCC) Program:** used for “construction, demolition, remodeling, maintaining, financing, purchasing, or leasing of land, buildings, or facilities...”
 - Funded with a percentage of marijuana excise tax revenue and State Education Fund dollars
- **Facility Assessments:** focus on establishing an industry-based standard to compare the cost of replacing significant systems against replacing an entire facility.
- **Professional Resources:** for facility needs (master planning, design, maintenance, construction, procurement, etc.)

CSCC Program Overview

Established in C.R.S. 22-54-124 for the purpose of promoting safe and healthy learning environments.

ONLY Colorado Charter Schools has access to these annual funds!

ELIGIBILITY

- Publicly funded K-12 charter school – *based on CDE October pupil count*
- District-owned and non-district owned facilities
- Leasing a property listed on the state inventory of real property
- Must have capital construction needs
- Complete required annual reports
- Eligible in the first year of operation
- Online schools are **not eligible**:
 - Technically, per statute, “... certified charter school pupil enrollment’ means the total number of pupils who are not online pupils...”

DISTRIBUTION

- Funding is distributed on a monthly basis to the authorizer (sent on to you) of all eligible schools that submit an Eligibility Questionnaire (October-Google Form)
- Annual grant distribution= October Count x Final per pupil \$
 - Schools in a **district-owned facility** receive one-half the amount per pupil
 - Schools in a **leased or school-owned facility** receive full funding per pupil





FUNDING

Provides an appropriation from the State Education Fund and a percentage of marijuana excise tax (MJET) proceeds to fund capital construction in Charter Schools and Institute Charter Schools

How much money does your school receive each month, and how do you use it for your school?

Funding per FTE

FY20 = \$275; FY21 = \$301; FY22 = \$297; FY23 = \$358; FY24 = \$389

ON OUR WEBSITE-Updated Monthly

Distribution

The distribution schedule below will outline your school's monthly payment and projected annual budget. If you are a new school, you will begin receiving funding in January. The monthly payment will change throughout the fiscal year; please check periodically.

• [CSCC Distribution FY24-25 \(Excel\) \(Updated 10/24/24\)](#)

- Funding decreased this year to a total of \$42,892,701.96, which brings the per-pupil dollar amount to roughly \$389.62.
- In the January 2025 payment distribution, new charter schools begin receiving funding; this will change payment values to existing charter schools that receive funding.

• [Historic Distribution Schedule](#)



What can we use CSCC funds for?

- **ALLOWABLE USES**
 - School Construction
 - Maintaining Facilities (*Guide of eligible expenditures on the [web](#)*)
 - Purchasing Facilities
 - Renovations
 - Financing
 - Leasing Facilities
- Funds **CAN NOT** be used for ongoing operational expenses
- Funds can be carried over year to year to save for future projects
 - Capital Renewal Fund



What is considered a *maintaining facilities* expense?

Eligible “maintaining” expenses

- Routine interior/exterior painting
- General building repairs
- Roof patching, broken windows
- HVAC repair or replacement
- Replace door hardware

Ineligible “maintaining” expenses

- Custodial services and supplies
- Pest control services
- Tree trimming, mowing
- Care of trees, shrubbery
- Snow removal
- Other


CSCC Annual Timeline



What do I need to do to receive funds?

Complete annual CSCC-01 Expenditures and Eligibility Report

- Due annually on **October 31st**
- Must be completed to remain in good standing and continue to receive funding without pause
- Online Google Form posted on CDE/Capital Construction website
- Keep an eye out on the Scoop, Schools of Choice, and CSI newsletters for reminders!



COLORADO
Department of Education

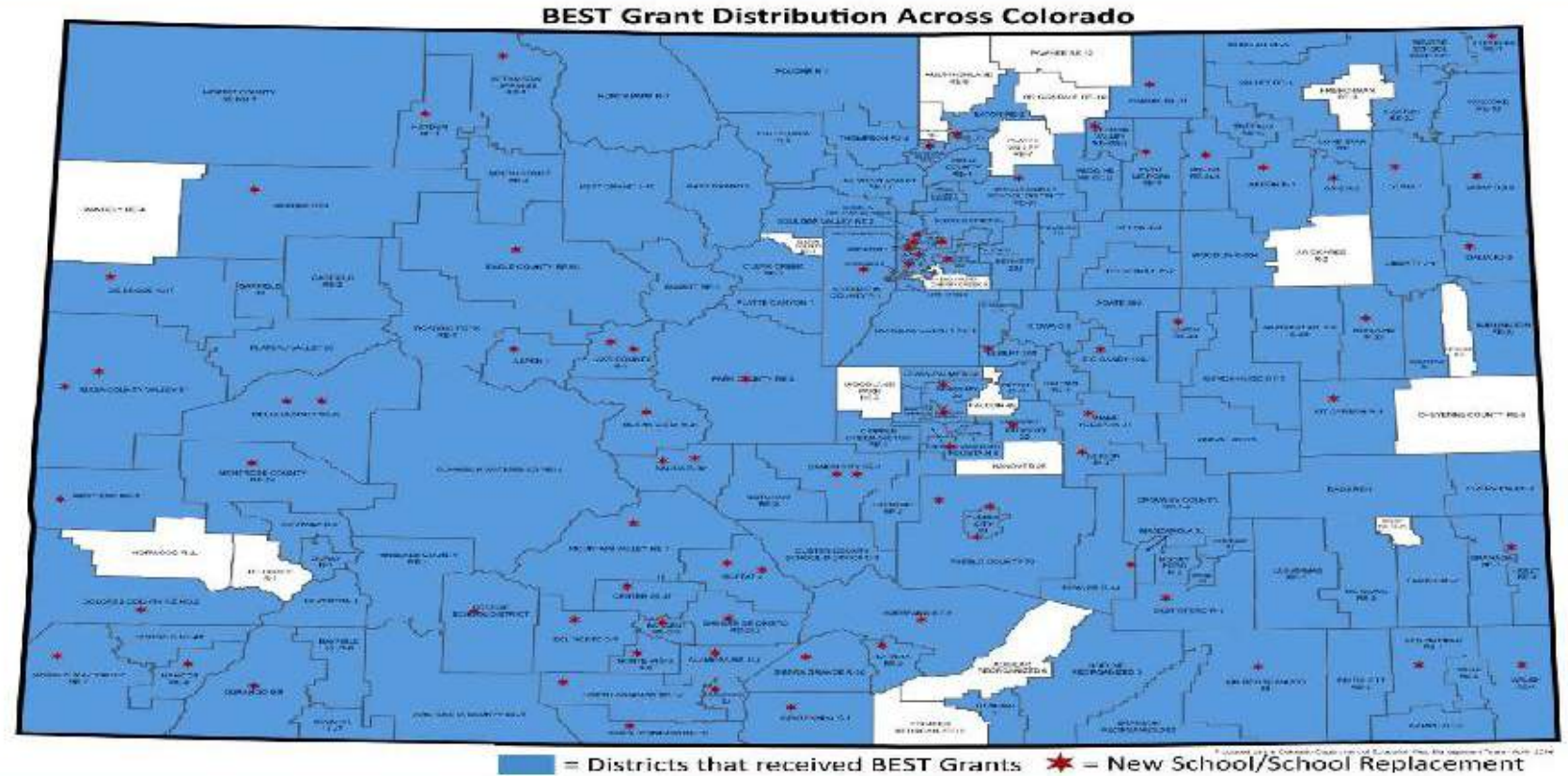
CSCC-01 Expenditures and Eligibility

Expenditures and Project Description and Eligibility - **Due October 31st**
This is required annually from all charter schools who wish to receive Charter School Capital Construction funds. Please read each question carefully and provide accurate responses as your funding levels will be determined by information provided.

Building Excellent Schools Today (BEST) Grant Program

History of BEST

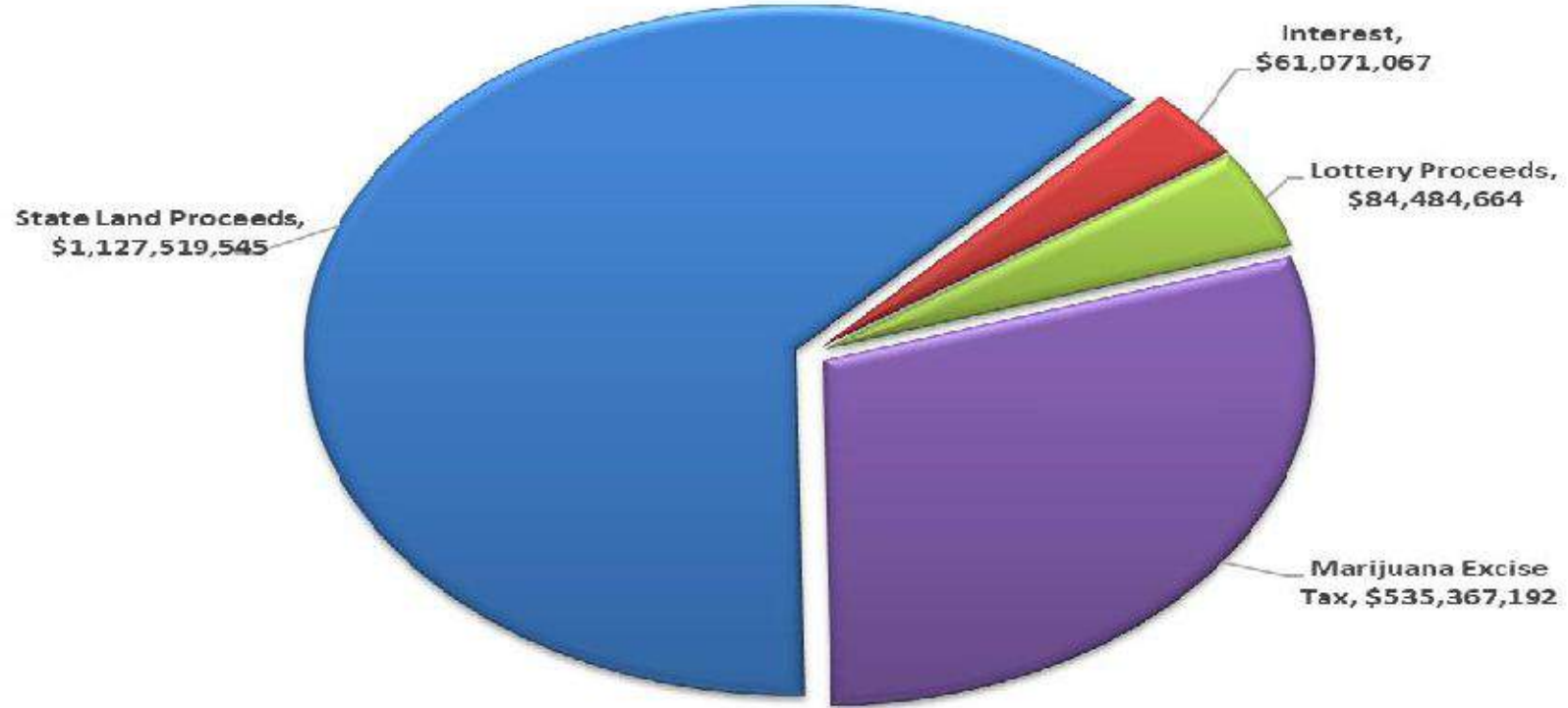
BEST has awarded health and safety grants, additions, and replacement schools in nearly every Colorado school district.



Capital Construction Assistance Fund Revenue Sources Life of Program

\$1.8 Billion in Total Revenue

- 62% State Land Proceeds
- 30% Marijuana Excise Tax
- 5% Colorado Lottery
- 3% Interest



What is Capital Construction?



Per C.R.S 22-43.7-103, “Capital construction” has the same meaning as set forth in section 24-30-1301 (2); except that the term also includes technology, as defined in section 22-43.7-109 (5)(a)(I)(B), and career and technical education capital construction.

Per C.R.S 24-30-1301 (2), “Capital construction” means:

- (a) **Acquisition** of a capital asset or disposition of real property;
- (b) **Construction, demolition, remodeling, or renovation** of real property necessitated by changes in the program, to meet standards required by applicable codes, to correct other conditions hazardous to the health and safety of persons which are not covered by codes, to effect conservation of energy resources, to effect cost savings for staffing, operations, or maintenance of the facility, or to improve appearance;
- (c) **Site improvement or development** of real property;
- (d) **Installation of the fixed or movable equipment** necessary for the operation of new, remodeled, or renovated real property, if the fixed or movable equipment is initially housed in or on the real property upon completion of the new construction, remodeling, or renovation;
- (e) Installation of the fixed or movable equipment necessary for the conduct of programs in or on real property upon completion of the new construction, remodeling, or renovation;
- (f) **Contracting for the services** of architects, engineers, and other consultants to prepare plans, program documents, life-cycle cost studies, energy analyses, and other studies associated with capital construction and to supervise the construction or execution of such capital construction; or
- (g) (Deleted by amendment, L. 2014.)



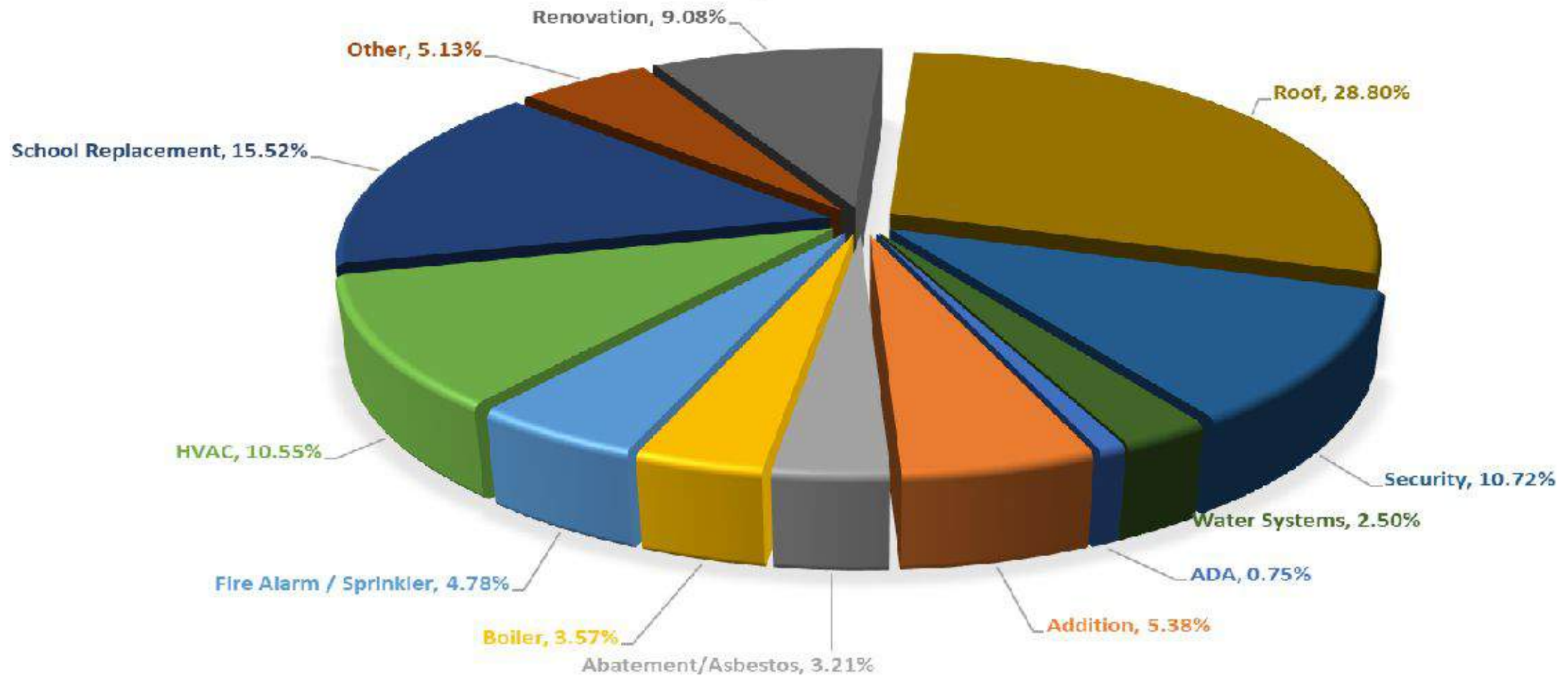
Building Excellent Schools Today – Overview

- Available to all public school districts, charter schools, institute charter schools, boards of cooperative educational services (BOCES), and the Colorado School for the Deaf and Blind
- Nine member-appointed Capital Construction Assistance Board (CCAB) determines the funding allocation for the annual BEST grants
- Per statute, BEST grants award allocation priorities are based on the following:
 1. **Health, Safety, Security** and Technology
 2. Overcrowding
 3. CTE Programs (HB19-1008)
 4. American Indian Mascots
 5. All other projects
- All applicants are required to provide matching funds based on the district/school determining factors





BEST Projects Funded by Project Type through FY2021-2022



Are you eligible to apply?

ELIGIBILITY

- Operate in a school district facility, OR
- Operate in a non-school district facility with a path toward ownership or control of your facility, AND
- Must have been in existence for at **least three years** prior (*after 4th year of October count*) to the date of submission of the BEST grant application.

GOVERNING DOCUMENTS

- Bylaws and Articles of Incorporation for both the school and the building corporation, as applicable
- Reviewed by CDE staff to ensure eligibility requirements are met



How are match percentages determined?

Matching Funds



MATCHING FUNDS- Range from 15% to 76%

Start with authorizing district's match- there are three starting points:

- District authorized occupying a district facility: match will equal district match
- District authorized not in a district facility: 75% of authorizing district match
- CSI Authorized School: 50% of the average of all districts, currently equals 25%

Additional factors:

- Attempts (failed or successful) at other funding opportunities
- Enrollment as % of district
- Free and Reduced Lunch %

CDE calculates annually in December if applying for a BEST grant the following cycle

If the minimum CDE match cannot be met, a waiver to reduce the match can be submitted

What would be your match percentage for your school?

Step 1- Start with your authorizer's match percentage.

District Authorizers- <https://acrobat.adobe.com/id/urn:aaid:sc:VA6C2:35566748-9767-4ef9-9ea5-1e811f70d911>

CSI- Average of all districts= **50%**

Step 2-

DISTRICT CHARTER SCHOOL that is occupying a district facility and paying only the direct costs of occupancy	Equals Authorizing District Match
DISTRICT CHARTER SCHOOL not included in subsection (9)(c)(I)(A)	75% of Authorizing District Match
CSI SCHOOL	50% of the average of all districts (25%)

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Find Your Match Continued...

Step 3-

Does your authorizing district have 10% or less bonding capacity remaining?	5% decrease if YES No change if No (or CSI)
Over the last ten years, how many times has the charter school attempted or obtained funding for capital construction projects? This can include, but not limited to, the following: grant funding from a source other than the assistance fund or state aid, financing, bond proceeds, mill levy for capital needs, etc.	2% reduction in match for each occurrence up to 10% reduction

Current match following step 3: _____

Step 4-

Charter school enrollment as a percent of district enrollment	Adjustment between 0% and -4% based on relative difference
---	--

Enrollment as % of District	
Scale (% of charter students)	Match Adjustment
>15%	0%
15-7.5%	-2%
7.4-0%	-4%

Current match % _____

Last Step:

Free/reduced lunch percentage in relation to the statewide average of charter school free/reduced lunch percentage

Adjustment between -4% and 4% based on relative difference

Free/Reduced Lunch

Scale (%)	Match Adjustment
>60%	-4%
60-45%	-2%
45-30%	0%
30-15%	2%
15<=0	4%

Your BEST Grant match: _____

Considering applying for a BEST grant?

PLANNING – start now!

1st- Reach out to your *Regional Program Manager* – Brandon LaChance

- **Review or schedule your CDE Facility Assessment**, if available
- **Identify resources necessary**
 - Time
 - Personnel
 - Funding – *how much can you afford?*
 - School Finance and Building Committees
 - Meet and plan with your Authorizer for potential support
- **Hire Professionals**
 - Master Planner (for major projects),
 - Owner's Representative,
 - Mechanical contractors,
 - Roofing Consultants, etc.



Where do I start?

MASTER PLANNING

A master plan is a tool for administration/staff/communities to make educated decisions regarding facilities, whether you have one or multiples.

Master Plans are comprised of two major components:

- **Assessment:** A thorough assessment of a school district, charter school, BOCES, or Colorado School for the Deaf and Blind (CSDB) facility inventory including but not limited to:
 - An assessment of all facilities
 - Demographic Information
 - Summary of performance of public school
 - Geographic Area
 - Operations Costs
- **Analysis:** Look at results to identify strengths, weakness and deficiencies that can be improved. Should include a plan to address deficiencies over the next 5 years including but not limited to:
 - Options for solutions to address deficiencies (ie. replacement, renovation, new)
 - Ability to implement the options (ie. funding, resources, etc.)
 - Impact of implementing or not



What makes a successful Charter BEST Grant project?

- Appropriate planning is CRITICAL
- Keep in mind the first priority of BEST – health, safety, and security
 - Roof replacement, HVAC upgrades, secure vestibules, and security cameras are usually strong grants!
- Addressing overcrowding and growth is not a number one priority of BEST
- Identify financial means and opportunities
 - Meeting the CDE minimum match
- Engage with your CDE Regional Program Manager and hire professionals to support you along the way!



BEST Timeline-Next Grant Cycle



Important Dates & Deadlines:

- **Now until November 2024**
 - RPM-Outreach, school assessment, draft match %, review of your intended project
 - Planning and Professionals- Create your school team, identify what professional supports you need
 - Collaborate with fellow school leaders who have gone through the process
- **December 15th, 2024** – Notice of Intent to Apply Deadline
 - CDE must collect data from the charter school in order to generate the matching percentage for the school
 - CDE will also schedule a facility assessment, if not complete
- **December 2024** – Updated Match Calculations Available
- **January-February 2025** – Application Open
 - If your charter school submits an application, it must notify its authorizer.
- **May 2025** – CCAB meeting to recommend project applications for award
- **July 2025**– Award and Contract with successful grant recipients

<https://www.cde.state.co.us/cdefinance/CapConstCharterScIs>



Contact Info:

Director

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BEST Regional Program Managers

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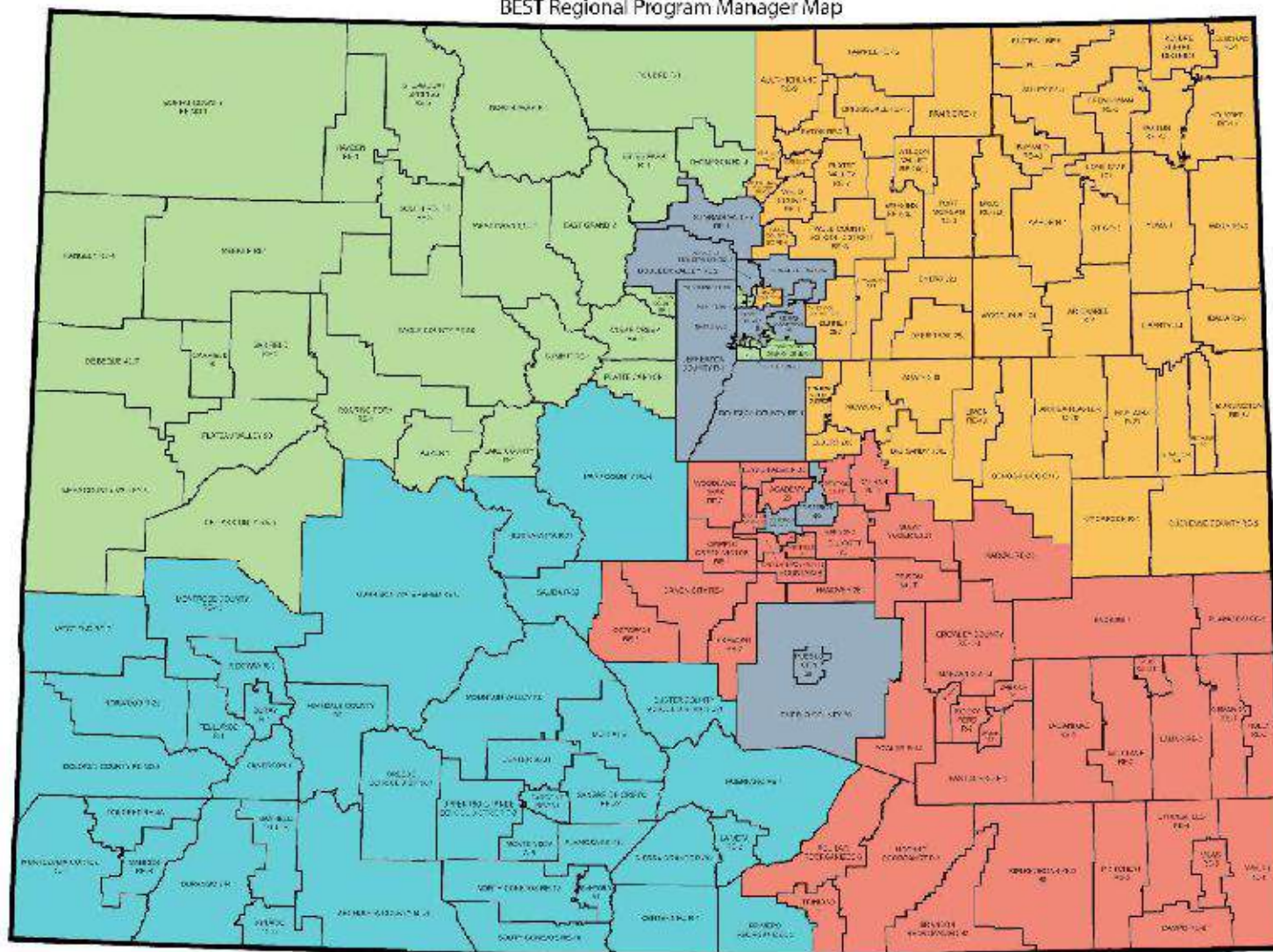
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BEST Regional Program Manager Map



Sean Donahue

Meg Donaldson

Katie Van Kooten

Jay Hoskinson

Brandon LaChance

Questions?

Introducing and Explaining the State Facility Incentive Grant (SFIG)



Bill Kottenstette
Executive Director
Schools of Choice, CDE



Paola Paga
Director of Charter
Schools, CDE



COLORADO
Department of Education

Charter School State of the State

Bill Kottenstette & Paola Paga
Schools of Choice Unit
10/29/2024



State of the State

- Our schools and students
- Organizational change
- Recent school finance activities
- US Dept of Ed - State Facilities Grant (SFIG)!





Our Schools and Students

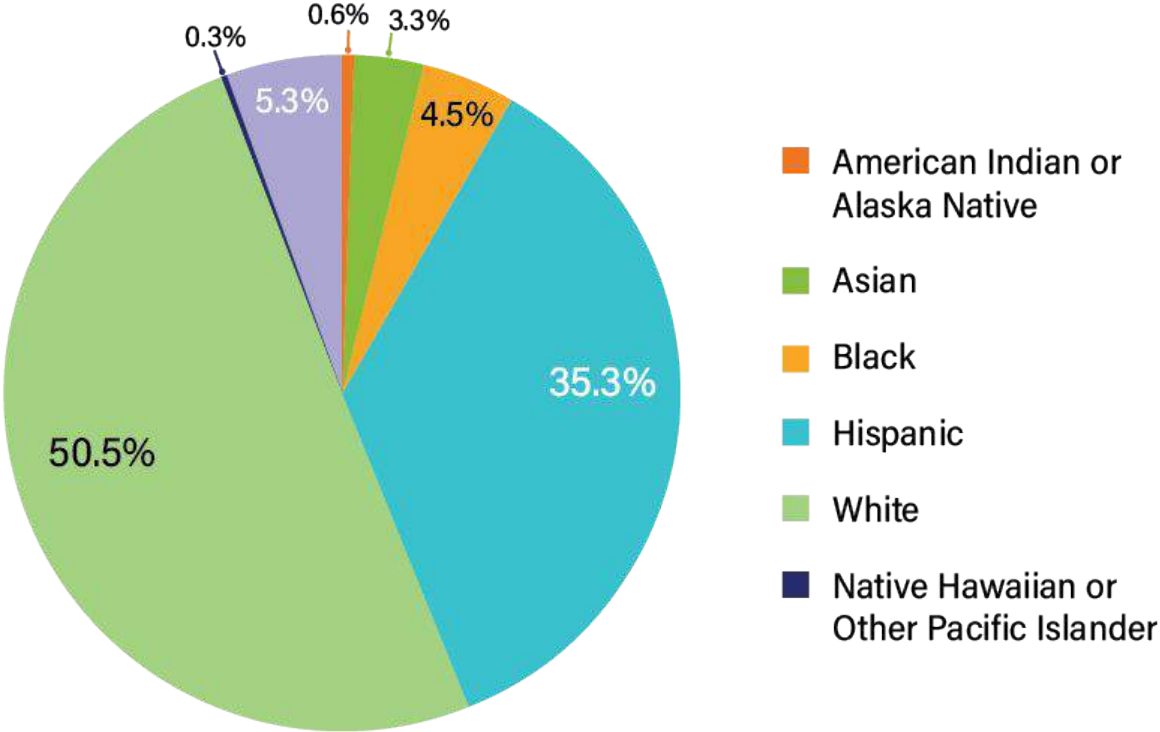
Our schools, students, and educators

178
SCHOOL
DISTRICTS

1,927
SCHOOL

881,464
PUBLIC
SCHOOL
STUDENTS

Student Demographics



Eligible for Free/Reduced Lunch:

403,231 (~46%)

Students with Individualized Education Programs:

113,992 (~13%)

Multilingual Learners*:

95,734 (~11%)

McKinney Vento:

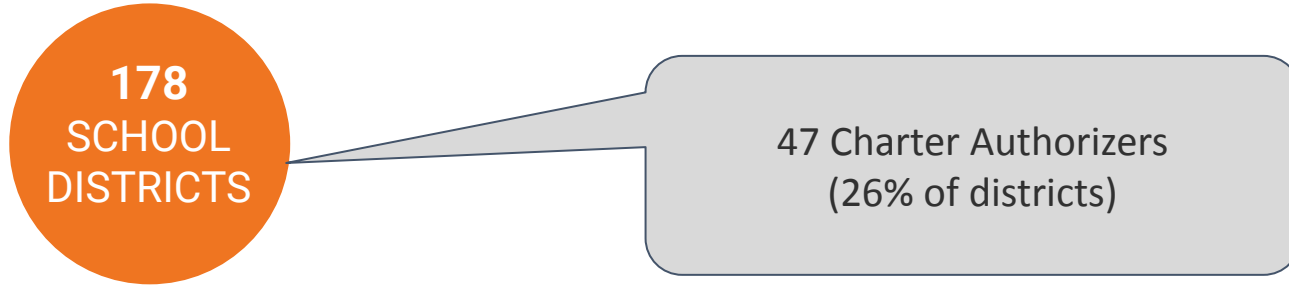
16,540 (~2%)

**Includes both Non-English Proficient and Limited English Proficient students*

*October 2023 Data



Our schools, students, and educators



Our schools, students, and educators

178
SCHOOL
DISTRICTS

1,927
SCHOOL

261 Charter Schools
(13.5% of schools)

Our schools, students, and educators

178
SCHOOL
DISTRICTS

1,927
SCHOOL

881,464
PUBLIC
SCHOOL
STUDENTS

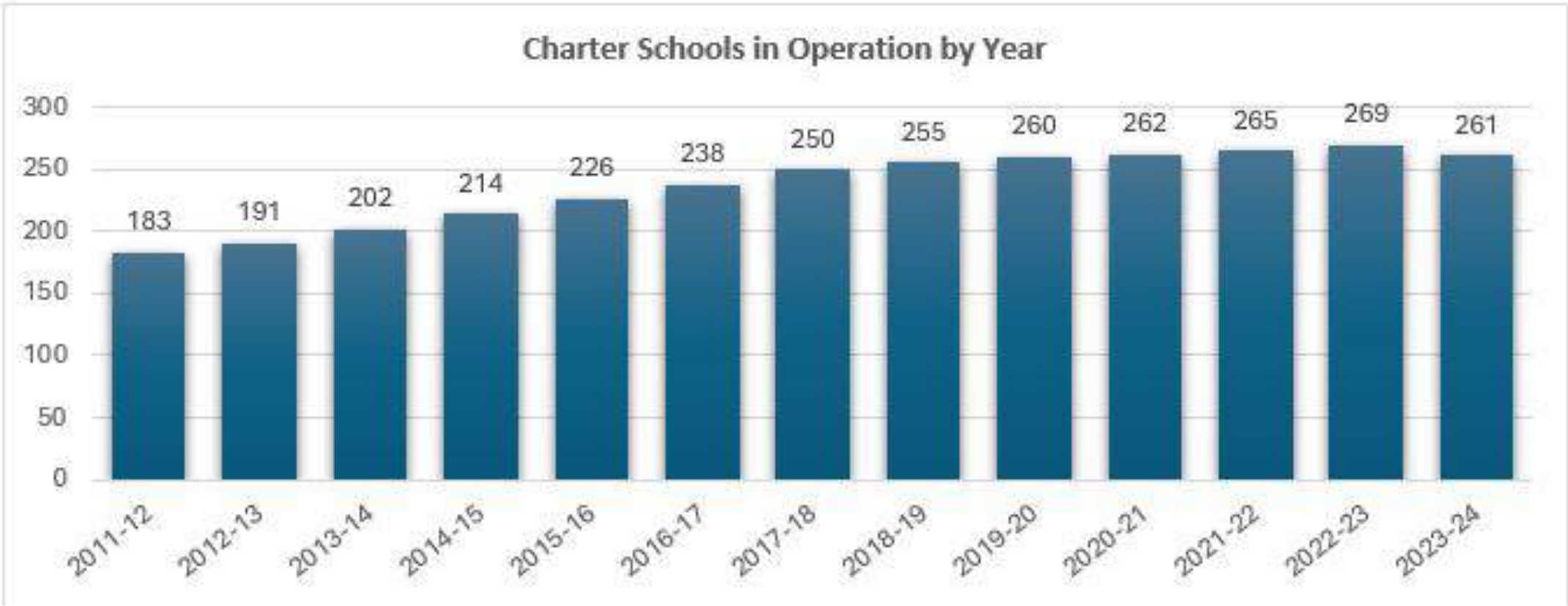
135,223 Charter School Students
(15.3% of students)

Our schools, students, and educators

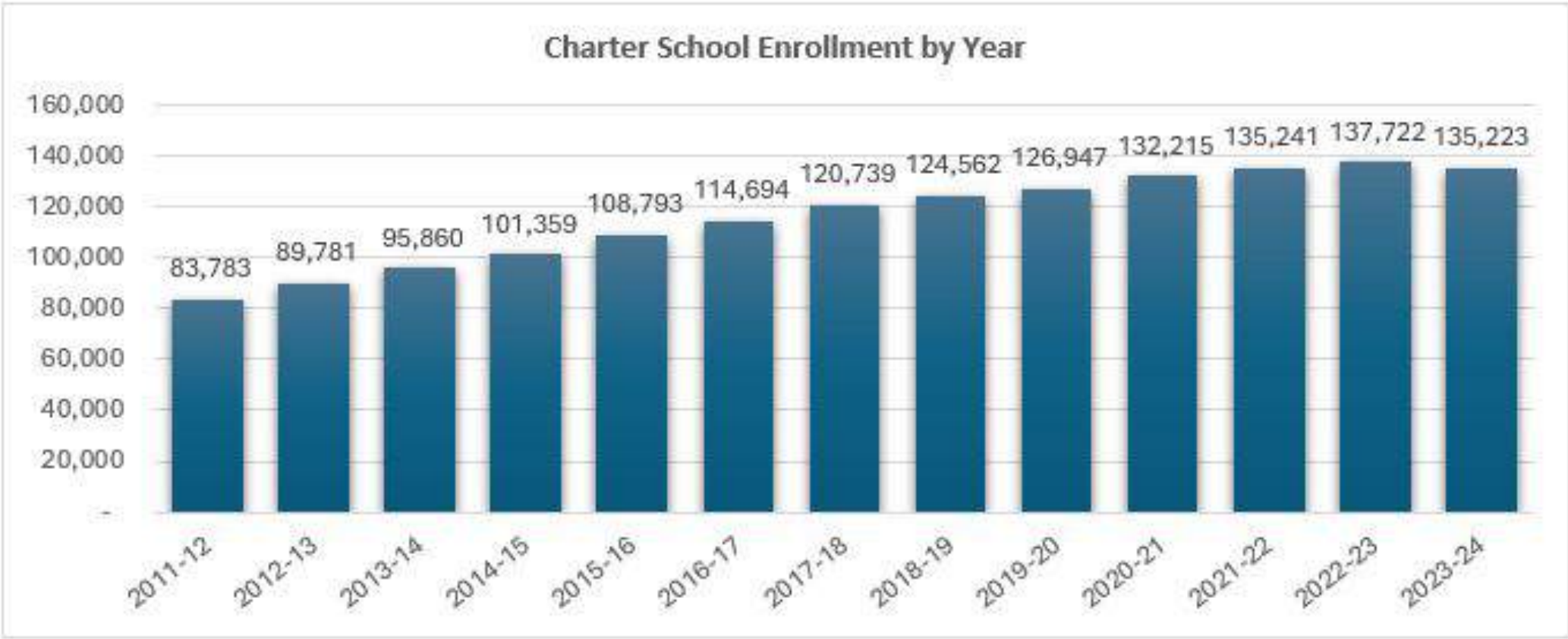
Student Demographics

SY2023-24 Enrollment	Charter Schools	Non Charter Schools
Multilingual Learners	19,011 (14.1% of charter population)	95,498 (12.8% of non-charter population)
Free/Reduced Lunch Eligible	55,521 (41.1% of charter population)	347,710 (46.6% of non-charter population)
Students of Color	68,375 (50.6% of charter population)	368,102 (49.3% of non-charter population)
Students with Disabilities	11,888 (8.8% of charter population)	102,103 (13.7% of non-charter population)

Charter School Growth Over Time



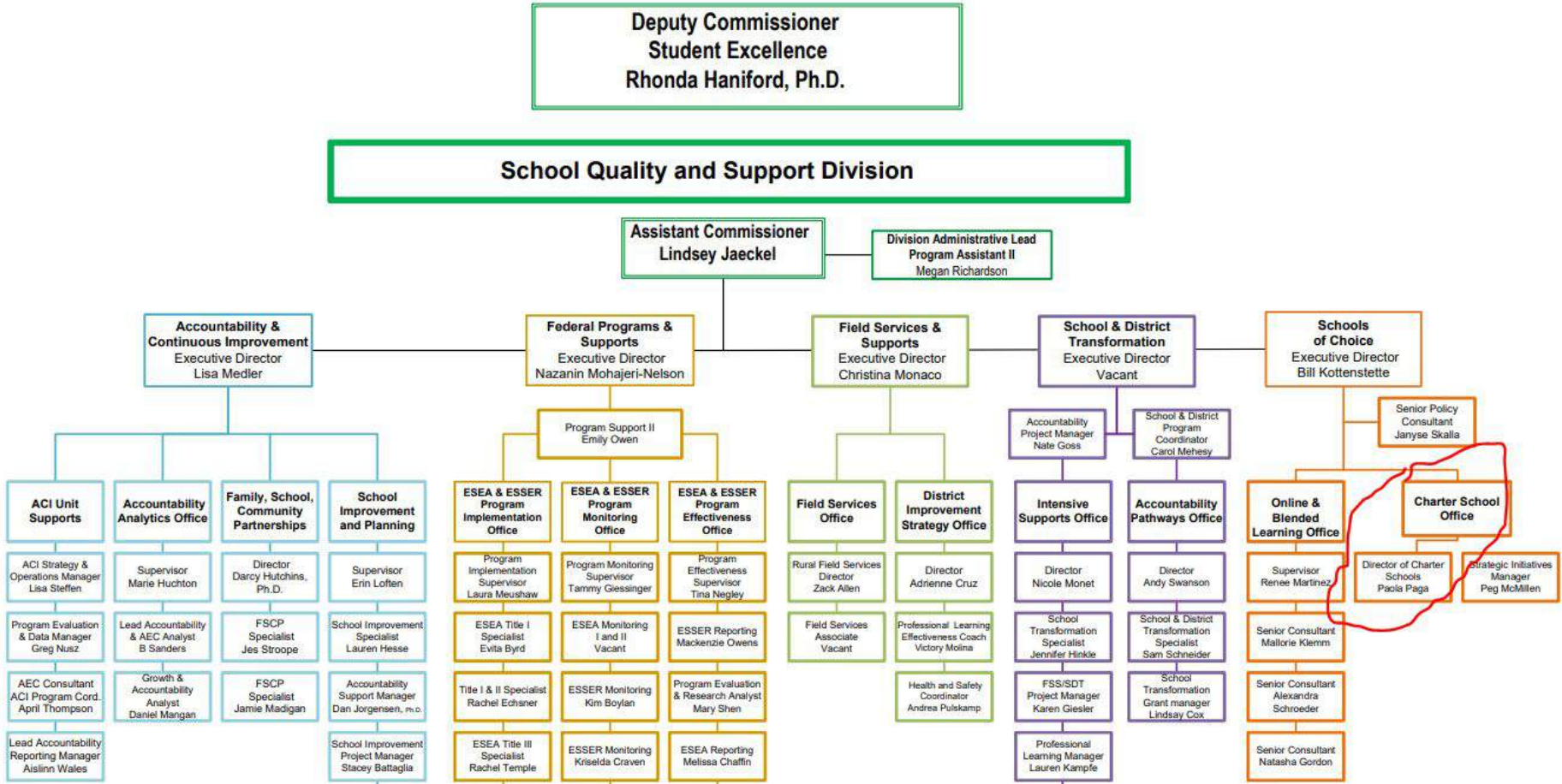
Charter School Growth Over Time





Organizational Change

CDE and the Schools of Choice Unit, a Time of Change



Promotional Congratulations!

-Dr. Rhonda Haniford!

-Lindsey Jaeckel!

-Paola Paga!



Theory of Change

Our Vision

To create an equitable educational environment where *all* students and staff in Colorado thrive

Our Role

To improve student outcomes and ensure students and families across Colorado have access to high-quality schools, we will:

> **SERVE**
Provide actionable support to local educational agencies

> **GUIDE**
Implement policy and legislation in an effective way

> **ELEVATE**
Share the experiences of local educational agencies and students

Our Core Values: INTEGRITY | EQUITY | ACCOUNTABILITY | TRUST | SERVICE

Our Priorities:

Increase Student Engagement Accelerate Student Outcomes Strengthen the Educator Workforce Provide Operational Excellence



Director of Charter Schools

Key Activities:

- Strategic leadership
- Operational oversight for the charter office (with focus on SFIG)
- Facilitate cross-office collaboration
- Public representation





Recent School Finance Activities

HB24-1448 - New Public School Finance Formula

- New calculation for determining PPR levels for schools and districts
- Greater emphasis on student demographics (additional amounts for at-risk, multilingual learner, and special education statuses)
- Greater support for small/rural districts
- Phase-in period for districts and/or CSI schools when historic calculations are more favorable
- Targeted funding for Charter School Capital Assistance Program

Did overall charter capital assistance increase?

Year	A. State Fund	+ B. Excise Tax Revenue to Charters	+C. "One-time" or HB24-1448 Funding	= D. Total Funding
FY22-23	\$ 23,939,893.00	\$ 14,669,783.00		\$ 38,609,676.00
FY23-24	\$ 24,379,016.00	\$ 8,855,662.60	\$ 10,000,000.00	\$ 43,234,678.60
FY24-25	\$ 23,935,468.00	\$ 7,457,233.96	\$ 11,500,000.00	\$ 42,892,701.96
FY25-26	\$ 24,287,686.51	\$ 7,643,864.37	\$ 12,000,000.00	\$ 43,931,550.88
FY26-27	\$ 24,641,675.07	\$ 8,491,264.33	\$ 13,000,000.00	\$ 46,132,939.40
FY27-28	\$ 24,995,663.64	\$ 9,063,803.42	\$ 14,000,000.00	\$ 48,059,467.06
FY28-29	\$ 25,349,652.21	\$ 9,666,187.54	\$ 15,000,000.00	\$ 50,015,839.75

“1215 Task Force”

- Task Force charge: “develop and recommend policies, laws and rules to support the equitable and sustainable expansion and alignment of programs that integrate secondary, postsecondary, and work-based learning opportunities in every region of the state” (report found [here](#))
- [House Bill 24-1364](#) (re: Education-Based Workforce Readiness), was heavily informed by the 1215 Task Force, and **included a postsecondary workforce readiness cost study.**
- The final cost study report is due December 1, 2024, and will be posted to [this webpage](#) when it is available.

School Finance Rulemaking

- Allowance for “Alternative Teacher-Pupil Instruction” for Grades 6-12
 - Requires use of published “Alternative Course Catalog”
 - Does not count parent-led instruction
 - More flexible definition of independent study. Will count one such class for seat time
- Eliminates requirements related to synchronous instruction and number of supplemental online/hybrid courses
- Clarifies that a teacher can be unlicensed when a school has a licensure waiver
- [Extensive guidance/videos](#) provided by audit team

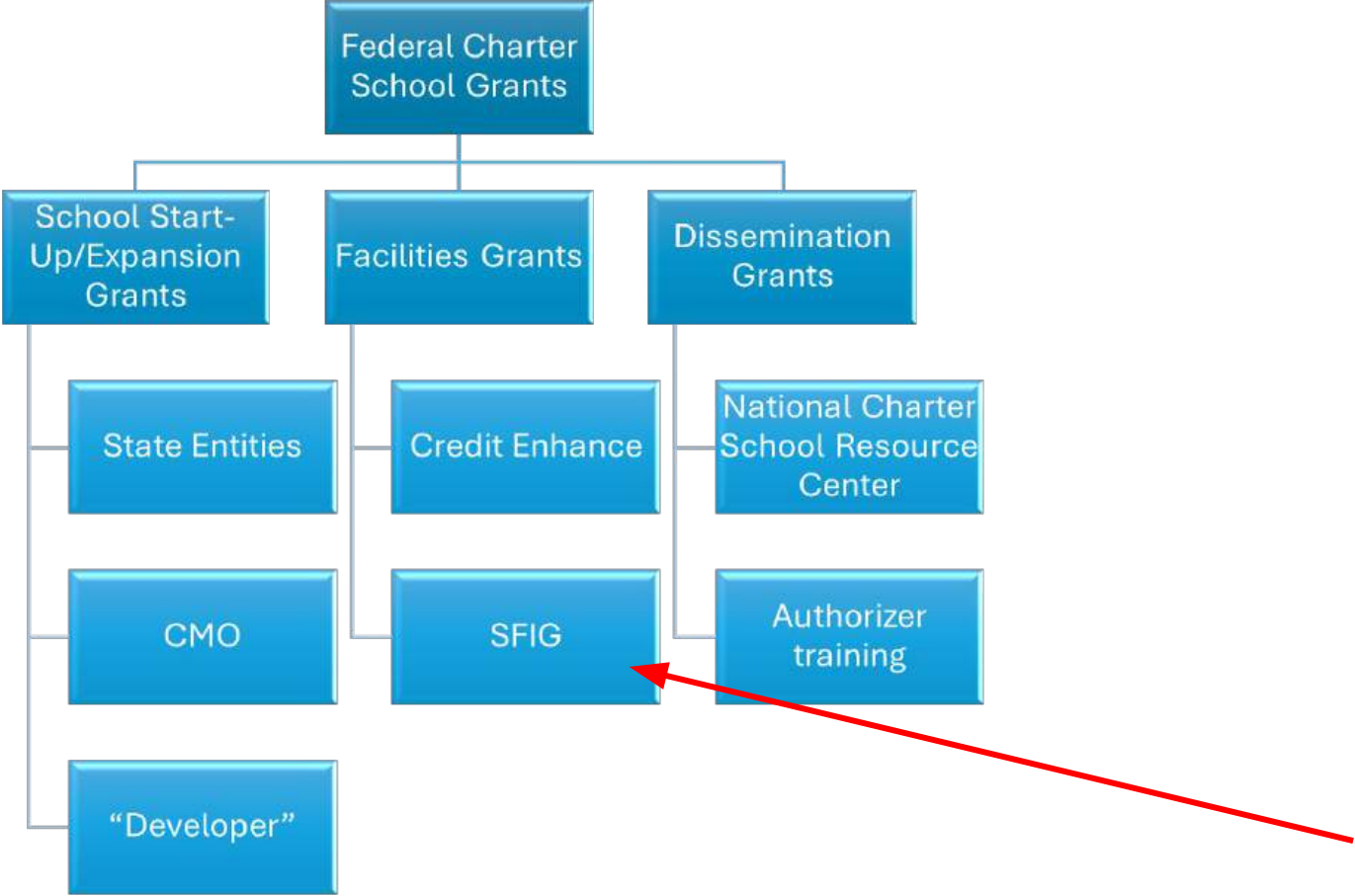


U.S. Dept of Ed - State Facilities Incentive Grant



State Facilities Incentive Grant

- What is it?



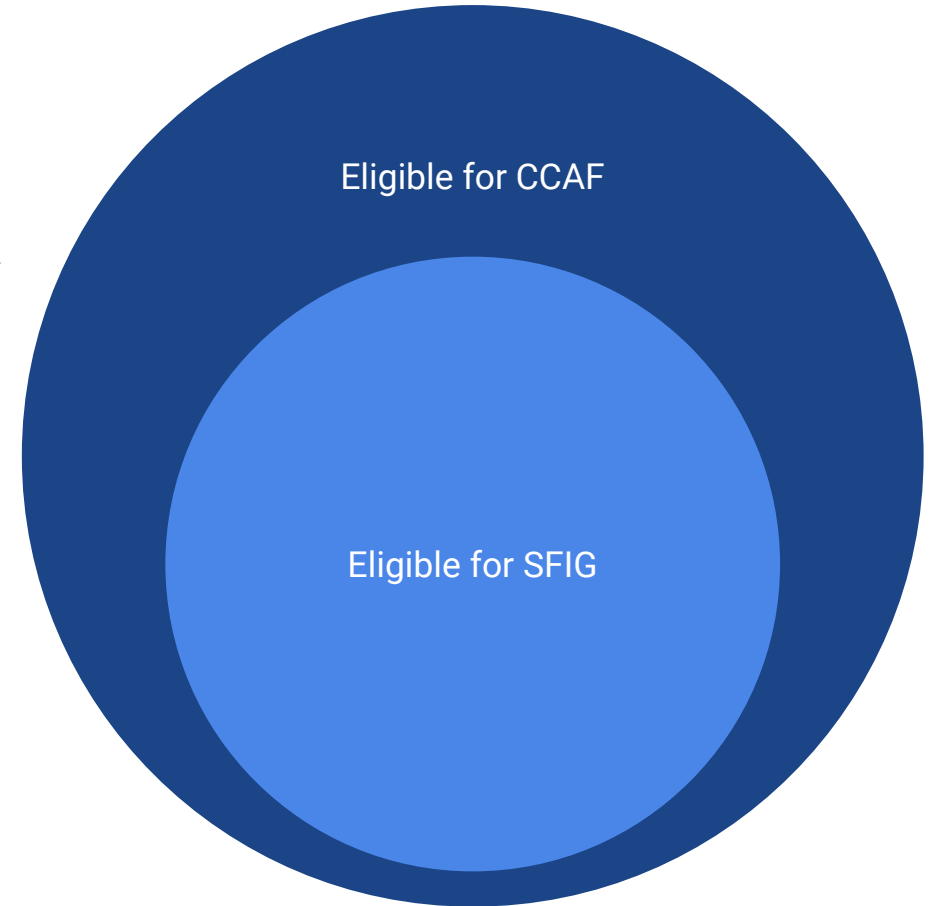
SFIG - Three Parts

1. Subgrants to schools (95%)
2. Training Program - Charter Facilities
Finance Certification
3. Evaluation – How are Colorado Charter Schools Doing with Facilities?



SFIG Subgrants to Schools

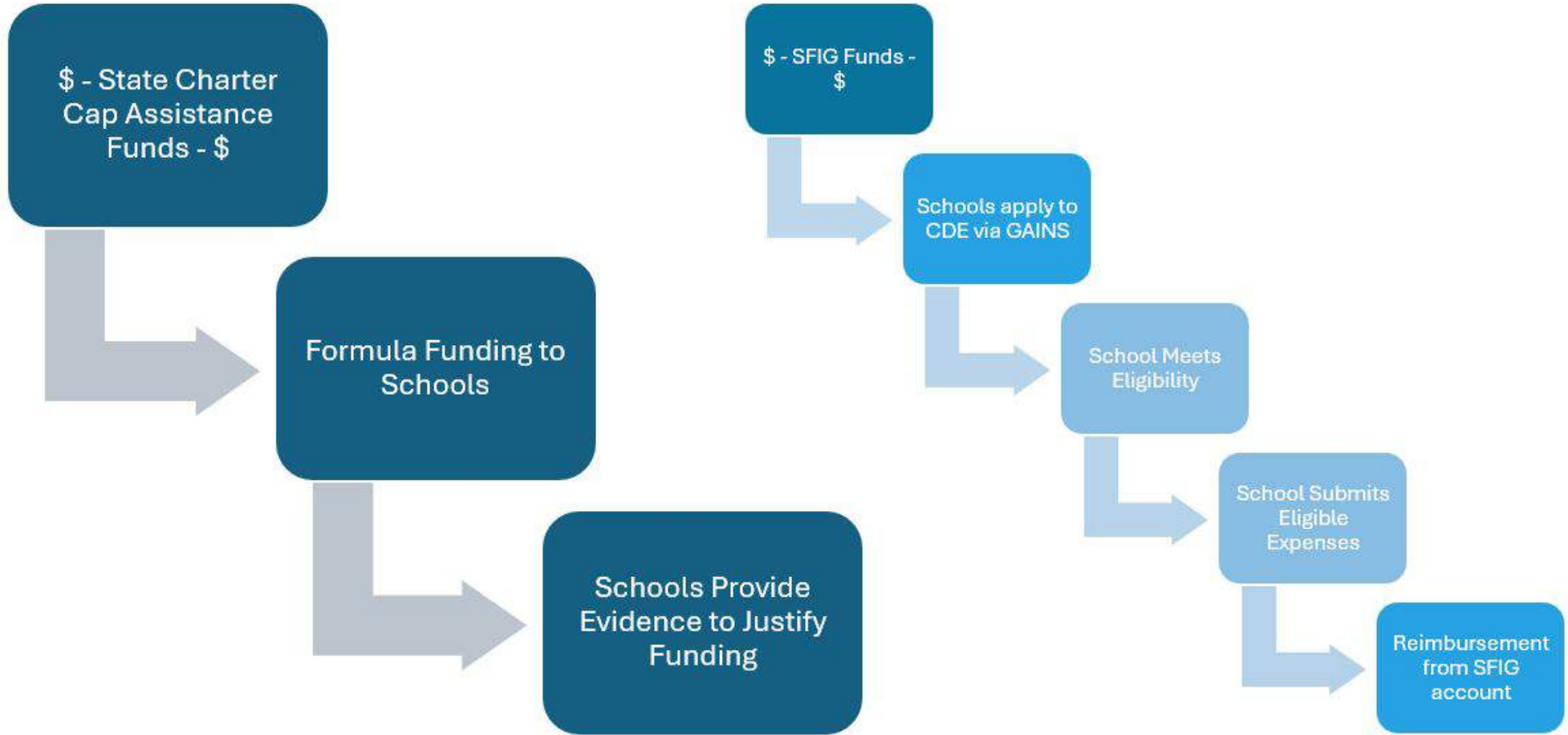
- A subgrant that complements the state Charter Capital Assistance Fund (CCAF)
- Functions similar to CCAF but managed separately
- Must meet Federal requirements
 - Definition of Charter School
 - Eligible Expenses
 - Supplement not Supplant
- Schools must apply for funding
- A reimbursement grant



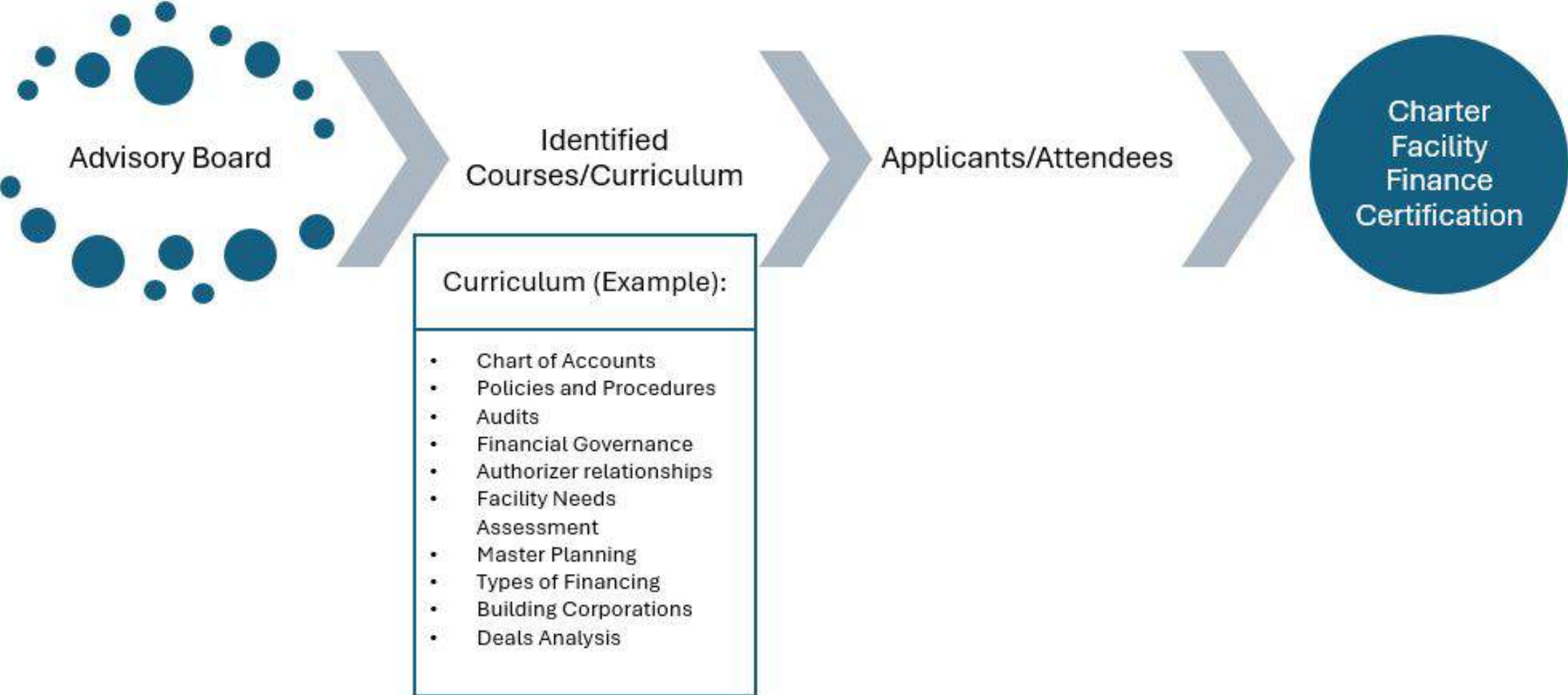
State

Vs.

Federal



Training Program



Evaluation

Questions to explore:

1. What is the facility funding gap for charter schools?
2. What are we learning from state facility assessments?
3. Are charter schools able to effectively access SFIG funding?
4. What leadership needs exist to support effective facilities planning for charter schools?



Thank you!

The Strategic CFO



Glenn Gustafson
School Finance Program Manager
CDE

Strategic School Finance CLCS Finance Seminar

October 29, 2024



COLORADO
Department of Education



What do we mean by Strategic School Finance?

- Historically, the district CFO has often had a compliance, deadline-driven, accounting-focused role
 - The typical CFO is focused on "keeping the trains running on time" and controlling costs
- Today, school districts face challenges that demand a more strategic approach
 - The strategic CFO is focused on leveraging the district's resources to meet the district's strategic goals

What do we mean by Strategic School Finance?

- GFOA's "Smarter School Spending" suggests the strategic CFO:
 - Fosters collaboration between the academic and finance staff in the budget process;
 - Sets expectations for the budget process and analyze the district's current state; and
 - Effectively communicates the process and corresponding decisions to stakeholders.

The budget needs to be rooted in the priorities of the district. Intentionally created instructional priorities provide a strong basis for developing a district's budget and strategic financial plan.



What do we mean by Strategic School Finance?

Strategic CFOs lead the financial management work...while also ensuring implementation of the district's strategic plan.



Mindsets of the Strategic CFO



Mindsets of the Strategic CFO



Mindset #1: Look Forward

Look not just backward at historical spending patterns to identify problems or inefficiencies...

...But also **look forward** to anticipate major cost and revenue shifts, proactively solve challenges and ensure that the district can sustain investment in strategic priorities over time.

- How can you become better at predicting revenue and expenditure trends?
- How can you evaluate what your key investments require and make sure they are funded long-term?

Revenue Optimization

- **Revenue optimization is the process of analyzing individual revenue streams and accounts in order to maximize revenue realization for your organization.**
- **What is the plan?**
 - Centralized vs Decentralized
- **What are the efficiencies that can improve?**
- **What are the inefficiencies that can improve? Which should be eliminated?**
- **Optimized or efficient COA doesn't mean Cost allocating shared invoices.**

What is Expenditure Optimization?

- **Expenditure optimization is the process of analyzing individual expenditure categories and accounts in order to get the most benefit for your District.**
- **What is the plan?**
 - Centralized vs Decentralized
- **What are the efficiencies that can improve?**
- **What are the inefficiencies that can improve? Which should be eliminated?**
- **Optimized or efficient COA doesn't mean Cost allocating shared invoices.**

Mindsets of the Strategic CFO



Mindset #2: Reach Outward

Reach not just inward to lead the finance team toward efficient financial management...

...But also **reach outward** to colleagues in other departments and community stakeholders to provide actionable data, build broader ownership over district resources, and ensure budgets reflect both district and community priorities.

- How are stakeholders and staff involved in key financial planning and decisions?
- How can you improve input mechanisms and feedback loops?



Mindset #3: Focus on “How Well”

Reach not just on “how much” money is spent overall and on which major investments...

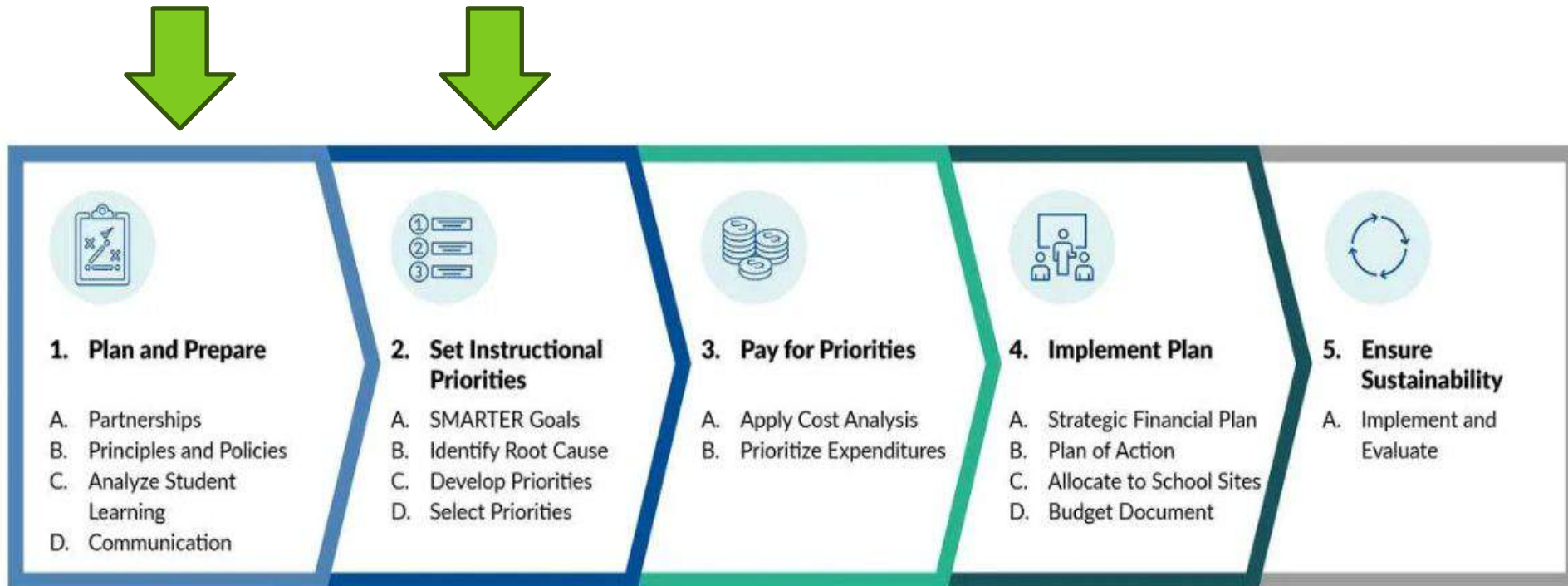
...But also **focus on “how well”** those resources are used to meet students’ diverse needs, address longstanding inequities, and ultimately improve student learning.

- What are some easy ways to evaluate the effectiveness of investments?
- How can you begin to stop doing things that aren't working?
- Who determines what isn't working?

Strategic Planning & School Finance



Strategic Planning & School Finance



Strategic Planning & School Finance

- The district's strategic plan (or strategic goals, or instructional priorities) should guide the financial plan—not the other way around
- Don't get too hung up on having a perfect strategic plan
 - The plan has to be dynamic and responsive
- If you don't have a strategic plan: Start by at least identifying 2-4 strategic goals (what) and associated action steps (how) so you know what has to happen to achieve the goal

Strategic Planning & School Finance

"Strategic plans are necessary to focus district and school efforts on meaningful priorities, achievable goals, and proven/promising initiatives that will benefit the school community. " - Hanover Research

"The district-level responsibilities positive correlated with student achievement include:

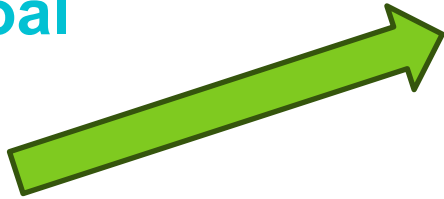


Strategic Planning & School Finance

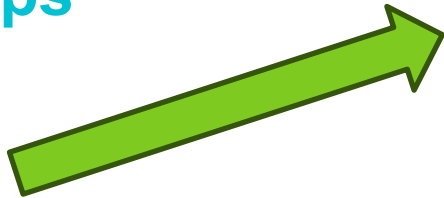
- You may be spending on things that are not aligned to your strategic plan
- Remember that it is MUCH easier to *not start* something than it is to stop doing something
- Test every new expenditure against your strategic priorities

Strategic Planning & School Finance

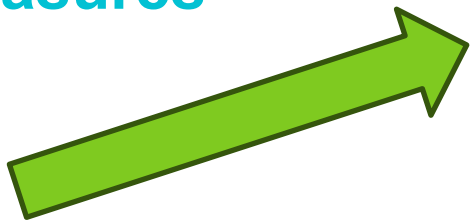
Goal



Action Steps



Measures



District of Choice

PILLAR 4
Operational
Effectiveness

OUR PRIORITY

Make Los Angeles Unified the district of choice for families

WHY THIS MATTERS

All students deserve a world-class education close to their homes, with the programs and opportunities that can build trust and pride in schools in their local communities

STRATEGIES

- Establish and refine systems to recruit students to Los Angeles Unified schools through targeted, community-based initiatives
- Develop toolkits and resources for schools and District offices to support effective student recruitment efforts
- Improve data-informed decisions to expand learning options such as magnet, dual language, specialized career pathway programs, Schools for Advanced Studies, and virtual and independent learning options, based on student needs
- Update processes and policies to ensure that strengthening student enrollment and academic success is factored into all District work, including facilities and school choice
- Expand and streamline transportation opportunities to promote equitable access of District resources

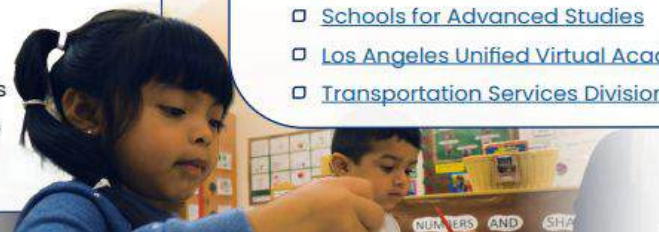
MEASURES OF SUCCESS

By 2026, we will:

- ✓ Increase the annual percentage of students enrolled who are new to the District to at least 16%
- ✓ Increase enrollment in thematic and choice learning options to at least 65% of all students
- ✓ Increase student ridership access for transportation services

RESOURCES

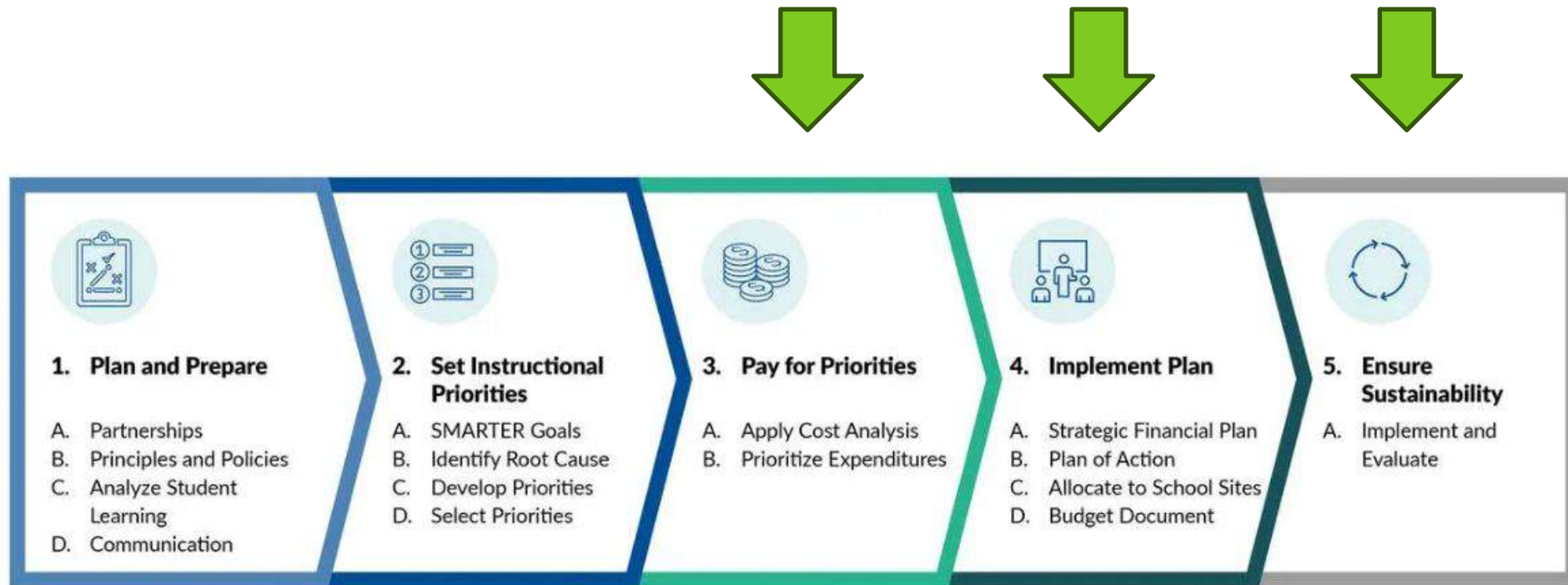
- [Los Angeles Unified Choices](#)
- [Equitable Enrollment Task Force](#)
- [Student Integration Services](#)
- [Schools for Advanced Studies](#)
- [Los Angeles Unified Virtual Academy](#)
- [Transportation Services Division](#)



Long-term Financial Planning



Long-Term Financial Planning



Long-Term Financial Planning

- The purpose of the long-term financial plan is to anticipate coming changes to revenue and/or expenses in time to plan for and adjust to those changes while keeping focus on your strategic priorities
- Colorado requires districts to do a five-year budget forecast by statute
- This doesn't need to be complicated right away
 - The first step is to identify the basic trends you anticipate (up, down, stable)
 - You can work to quantify them over time—you don't have to eat the elephant all at once

Long-Term Financial Planning

- ❑ **Instead of a 5-Yr Budget with a lot of inflation adjustments:**

- ❑ **Why not focus on long-term replacement plans?**
 - ❑ Transportation
 - ❑ Yellow Fleet (School Buses)
 - ❑ White Fleet (Service Trucks)
 - ❑ Facilities
 - ❑ Categorized by area and ranked based on a rubric
 - ❑ Technology
 - ❑ District, Staff & Student
 - ❑ Curriculum
 - ❑ Curriculum Replacement Cycles

- ❑ **Don't forget enrollment impacts on planning**

Annual Budgeting



- Agree on Guiding Principles with your Board of Education

Guiding Principles

Should:

- Provide a broad **philosophy** that encompass the core values & vision of the organization as reflected in the district strategic plan
- Guides organization throughout its life in all circumstances, irrespective of changes in its goals, strategies, type of work or the top management
- Influence decision-making
 - Process to decide the going to do vs NOT going to do.
- 5-6 principles at the most



Annual Budgeting

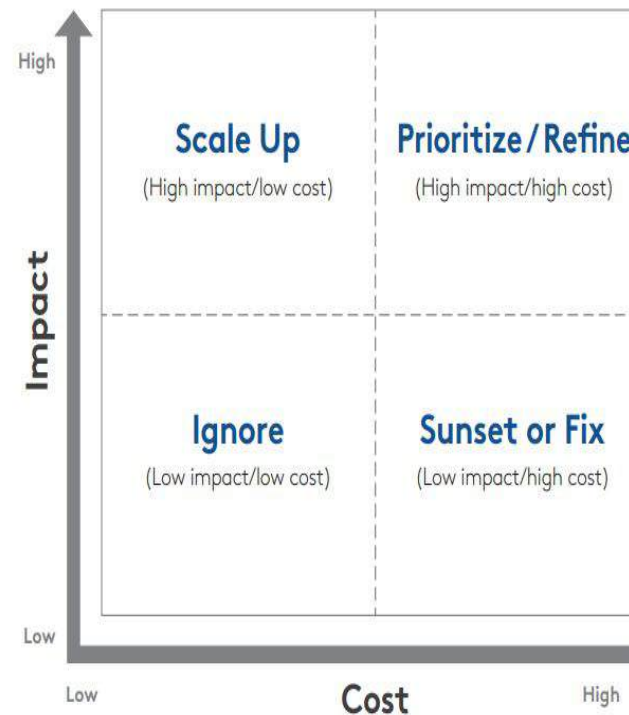
- In addition to spending on your priorities, evaluate effectiveness of your investments to decide which ones to keep / sunset
- A model to evaluate the effectiveness of investments is [Plan-Do-Study-Act \(PDSA\)](#)
- In applying PDSA, ask yourself three questions:
 - What are we trying to accomplish?
 - How will we know that a change is an improvement?
 - What changes can we make that will result in an improvement?



Annual Budgeting

- Once you know the impact of each investment, use a model like A-ROI to decide which ones to prioritize for continuation

Exhibit 4 ASSESSING INITIATIVES WITH A-ROI



A-ROI analysis
can help determine
what to prioritize,
scale up, or sunset

Source: DMGroup.

Annual Budgeting

“

The process you use to make decisions and build budgets unavoidably shapes the types of outcomes that are produced. Following the same old process is likely to produce the same old results.

- Pop Quiz: Does your budget cycle start with opening the current year's budget document and selecting "Save As...?" You are not alone.

Fund Balance & Revenue/ Expenditure Optimization



What is Fund Balance?

Technical Accounting Terms

- Fund Balance is your cumulative net income since the beginning of time. Annually, revenue less is “closed” to Fund Balance.
- $\text{Assets} = \text{Liabilities} + \text{Fund Balance}$
- Categories of Fund Balance
 - Restricted - Other Entity Mandates
 - Committed - BOE resolution
 - Assigned - Supt./BM decide with BOE notice
 - Unassigned - Flexible, the “Reserve”
- Audit [Sample](#)

Fund Balance Philosophy

- **Which students deserve these resources?**
 - Does the BOE value having Fund Balance Growth?
 - Are you maximizing annual resources on current students?
 - Are District's audited budget to actual variances usually favorable in both Revenue and Expense, thus growing Fund Balance?
- **How “Urgent” is your District’s Mission?**
 - Does the BOE value Fund Balance Growth more than expending resources on today’s students?
- **Spending Down Fund Balance can be a key Strategic decision to release some stored up resources to improve current conditions.**

Recurring Expense funded from Fund Balance

Non-Accounting & Accounting Terms

- Fund Balance is non-recurring, once spent it is gone!

	Year 1	Year 2	Year 3	Year 4
Unassigned Begin	3,000	2,000	1,000	0
Revenue	10,000	10,000	10,000	10,000
Expense	11,000	11,000	11,000	10,000
Surplus/ (Deficit)	(1,000)	(1,000)	(1,000)	0
Unassigned End	2,000	1,000	0	0

What is the Correct amount of Reserves?

Non-Accounting Terms

- Statute only requires 3% TABOR.
- Good Rule of Thumb is Unassigned FB should be 3 months, or 25%, of General Fund Expenses. Gives District plenty of Operating Flexibility
- OR what is needed for Cash Flow purposes to fund operations without outside funding.
- You may have a Fund Balance policy. Review it, adjust if necessary.

Fund Balance Characteristics

- Fund Balance either increases or decreases each year based on the difference between revenues and expenditures.
 - Surplus ($Rev > Exp$) adds to fund balance.
 - Deficit ($Rev < Exp$) reduces from fund balance.
- Fund Balance is **Non-Recurring**
 - *Best Practice-Don't spend non-recurring money on recurring expenses. OR* have a multi-year plan on how it the expense will be funded with recurring revenue.

Budgeting Fund Balance Categories

Appropriated Reserve Expense Accounts

- Communicate all District's available resources in the Budget, not what it is planning on being spent.
- Ensures that the District's Appropriation is statutorily correct.
 - *It's not an option to under appropriate the "Available" resources*
- No Expenses are ever booked to these accounts. Expense is booked to the proper Expenditure account.
- If Appropriated Reserve(i.e. Ending Funding Balance) is less than Beginning Fund Balance,
 - Expenses are Higher than Revenue
 - *Beginning Fund Balance Resolution is needed.*

Questions to ask when considering fund balance

- What is Student Count doing? (Growing/Declining/Steady)
- What is my budget to actual variance for Revenues?
- What is my budget to actual variance for Salaries & Benefits?
- What is my budget to actual variance for other Expenses?
- Are we saving up for major expenses (BEST/Construction)
- What is my budgeted recurring/non-recurring mismatch?
 - Do you know?
 - If spending FB items; Is there a plan for how deficit spending will end?
 - Do I have unusual non-recurring items included in my budget?

Strategies to Deploy Fund Balance

- If thinking about spending Fund Balance and have a High Reserve
 - Use more aggressive budgeting. Actual Revenues less than Actual Expenses will lower Fund Balance. **Stop Growing it!**
 - Need to understand historical actual to budget variances.
 - How up to date are the following replacement plan items:
 - Vehicle Fleet (yellow and white fleet)
 - Curriculum
 - Technology
 - Deferred Facility Maintenance
 - Other non-recurring items:
 - Staff Bonuses (with or without PERA)
 - Professional Development
 - Facilities always has needs (carpet, paint, mowers, plows, small equip, building improvements, etc)
 - Special projects or events
 - **What is the plan to not have ongoing deficits if spending on recurring expenses?**

Strategies to Increase Fund Balance

If Fund Balance is less than 15%, including TABOR

- If trying to increase Fund Balance
 - Revenues > Expenses will grow Fund Balance
- Budget pupil count conservatively
- Budget revenues conservatively
- Make sure staffing budgets are accurate
- Build cushion into expenditure budgets in order to mitigate surprises
- Capture the savings from staffing vacancies

Revenue & Expenditure Optimization



Revenue Optimization

What is Revenue Optimization?

Revenue optimization is the process of analyzing individual revenue streams and accounts in order to maximize revenue realization for your organization.

Revenue Optimization

Categories of Revenue Optimization:

- State Revenues - Total Program Funding
- State Revenues - Categoricals
- Federal Revenue - Grants
- Local Revenues
 - Specific Ownership Tax
 - Mill Levy Overrides
 - Other

Revenue Optimization

State Revenues:

- What about categoricals
 - Are you coding Special Education costs correctly to 3130?
 - High Cost Pool.
 - Are you getting your fair share of all categoricals?
 - Career Technical Education
 - ELPA
 - Transportation
 - Gifted & Talented

Revenue Optimization

Federal Revenues:

- Grants philosophy
- Cost of administration
- Indirect cost revenue for Grants
Fund or General Fund
- Avoiding fiscal “cliffs”
 - Recurring v Non-Recurring

Revenue Optimization

Local Revenues:

- Mill Levy Overrides (inflation adjusted)
- Investment Income (LGIPs?)
- Rental/Facility use revenue
 - Athletic Fields
 - Schools and buildings
- Fines, fees & charges (Do you meet FAPE guidelines)

Expenditure Optimization

What is Expenditure Optimization?

Expenditure optimization is the process of analyzing individual expenditure categories and accounts in order to get the most benefit for your District.

Wal-Mart Price Rollback:

- Wal-Mart is looking to save pennies every single day!
- What are your inefficiencies that you can improve on?

Expenditure Optimization

Categories of Expenditure Optimization:

- Compensation - Salaries
- Compensation - Benefits
- Purchased Services
- Supplies & Materials
- Capital Outlay
- Indirect Costs

Expenditure Optimization

Salaries:

- How accurately do you forecast salaries?
- How good is your position control?
- Do you examine your books for budget to actual variances
- Substitute Costs
- Substitute Policy for “classified” staff
- What about class “coverage” payments/stipends instead of hiring an additional staff member?
- Stipend Policies?
- Overtime rules?
- Scheduling classified staff
- What are your leave policies
 - Do you pay out unused leave?

Expenditure Optimization

Benefits:

- Always weigh Savings v. Employee Morale.
- Does District have a benefits broker?
- What does your District (ER vs EE) for Health, Dental, Vision, LTD, etc?
- How accurately do you forecast benefits?
- Have you considered alternative plan designs?
- What about HSA/HRA accounts?
 - HSA requires a high deductible plan
- Are there lower cost providers in your communities, like clinics?
- What about your Pharmacy benefit?
 - What's in your formulary?
 - What do you cover?
 - What are your co-pays?
 - Are you getting any pharmacy rebates?
- Benefits are non-taxable compensation

Expenditure Optimization

Purchased Services:

- What are your contract terms and conditions?
- How closely do you examine invoices for “hidden charges”?
- How often do you bid out services?
 - Have you tried to “piggyback” on other state and district contracts?
- Do you have annual renewal provisions?
- Do you have automatic inflation increases?
- Have you examined in-house vs outsourced services?
- How do you control contract usage?
 - Do you have rules for contacting legal counsel?
- Are your utilities optimized?

Expenditure Optimization

Supplies & Materials:

- Do you have preferred vendors?
- Do you RFP for certain vendors?
 - IDIQ (Indefinite Delivery/Indefinite Quantity) Purchase Orders
- Do you always get your sales tax exemption?
- What about vehicle parts and materials?
- How much “leakage” do you have?
 - Office Supplies
 - Technology
 - Building Materials

Charter School Admin Fees





- **Administrative Fees**
 - 5%, subject to reconciliation
 - Reconciliation required by 9/30
- **Mandatory Buybacks**
 - Usually in reference to buildings, bonds, COPs
 - Student Information Systems (SIS)/Pupil Count Svcs
- **Voluntary Buybacks**
 - Can include all kinds of things
 - Security
 - Finance
 - Legal
 - Audit
 - etc



Charter School Admin Fees

22-30.5-111.5 5 II (b) In negotiating the charter school's funding, the charter school and the authorizing school district may, by negotiation, allow the school district to retain the actual amount of the charter school's per pupil share of the central administrative overhead costs for services actually provided to the charter school, **up to five percent** of the amount specified in subparagraph (I) of paragraph (a) of this subsection (5).

22-30.5-111.7 (3)(b) **If the state board receives a request for a determination of whether the authorizing school district has improperly withheld any portion of the amount due to a charter school, the state board must direct the department to review the terms of the charter contract and the financial information of the charter school and the authorizing school district and report to the state board its findings regarding whether the authorizing school district improperly withheld any portion of the amount due to the charter school.** The department shall request from the authorizing school district and the charter school all information necessary to make the findings, including but not limited to audited financial data. The authorizing school district and the charter school must provide the requested information as soon as possible following the request, but in no event later than thirty days after the annual financial audit is completed. The department must forward its report to the state board within sixty days after receiving all of the requested information from the authorizing school district and the charter school.



22-30.5-112 (a.4)(I) **Within ninety days after the end of each budget year, each school district shall provide to each charter school of the school district an itemized accounting of all of the charter school's central administrative overhead costs for the applicable budget year.** The actual central administrative overhead costs must be the amount charged to the charter school. The school district and the charter school shall reconcile any difference, within the limitations specified in section 22-30.5-111.5 (4) (b), (5) (b), or (6), between the amount the school district initially charged to the charter school and the actual cost, and the owed party shall receive appropriate reimbursement.

22-30.5-112 (III) If either party disputes an itemized accounting provided pursuant to subparagraphs (I) and (II) of this paragraph (a.4), any charges included in an accounting, or charges to either party, that party is entitled to request a third-party review at the requesting party's expense. The review shall be conducted by the department, and the department's determination shall be final.

Charter School Admin Fees



(a.5) As used in this subsection (2):

(I) "Central administrative overhead costs" means indirect costs incurred in providing:

(A) Services listed under the heading of support services - general administration in the school district chart of accounts as specified by rule of the state board; and

(B) Salaries and benefits for administrative job classifications listed under the headings of support services - business and support services - central in the school district chart of accounts as specified by rule of the state board.



[Return to the Table of Contents](#)

Appendix K-2: Charter School Allocations

§ 22-30.5-112, C.R.S.

This appendix is not designed to interpret the requirements of the charter contract or the statute for allocations to charters. The intent of this appendix is to provide a general account coding example based on simple assumptions.

Allocations to Charter Schools must be recorded as described below so that CDE can identify these transactions in the Data Pipeline data collection. This recording requirement is not intended to dictate treatment of charter school allocations on the district financial statements. Proper treatment of charter school allocations on financial statements is the responsibility of the district, often with input from the independent auditor.

Central Administrative Overhead Costs

Centralized administrative overhead costs means indirect costs incurred in providing

- (A) general administration support services, Programs 23xx, and
- (B) business and central support services, Programs 25xx and 28xx, limited to administration salaries and benefits, Objects 01xx and 02xx, Job class 1xx.

Note the programs, objects and job classes used in the allocation calculations may include all or a portion of the codes within each series, regardless of whether the code is bolded or not.



Charter School Admin Fees



A district with an enrollment of more than 500 students, may choose to withhold the charter school's per pupil share of central administrative overhead costs for services actually provided to the charter school, up to five percent (5%) of the charter school's per pupil revenue allocation.

A district with an enrollment of 500 or fewer students, may choose to withhold the actual amount of the charter school's per pupil share of central administrative overhead costs incurred by the school district, based on audited figures, or 15% of the charter school's per pupil revenue allocation.

Allocation example assumptions

- | | | |
|----|----------------|----------------------------------|
| 1. | 10,000 | District Pupil FTE |
| 2. | \$8,400 | District per pupil revenue (PPR) |
| 3. | 500 | Charter School Pupil FTE |

Central administrative overhead costs for services actually provided to the charter school

- (A) **\$2,500,000** for general administration support services, Program 23xx, all object codes, and
- (B) **\$1,500,000** for business, Program 25xx, and central, Program 28xx, support services limited to salaries (Object 01xx) and benefits (Object 02xx) for administrative job classes (1xx).

**Questions?
Thank you!**

**Glenn Gustafson, School Finance
Program Manager
gustafson_g@cde.state.co.us**

Help us to Improve.

Your feedback is appreciated.
Please use the QR code at right
to tell us how we did.



www.coloradoleague.org



www.surveymonkey.com/r/AFS-2024