

# Welcome Task Force Members & Guests

## A few notes prior to the meeting starting:

Task Force Members please have your camera on, audio muted, and relevant documents available at the beginning of the meeting.

- Welcome to the public who are watching the meeting via Live Streaming.
- If the public has any questions or comments regarding *transportation operations*, these can be sent via email to Susan Miller at [miller\\_s@cde.state.co.us](mailto:miller_s@cde.state.co.us)
- If the public has any questions or comments they can be sent via email to Jennifer Oakes at [Okes\\_J@cde.state.co.us](mailto:Okes_J@cde.state.co.us)

# SB 23-094 School Transportation Task Force



**September 5, 2024**

**Virtual Meeting**

# Overview of Today's Agenda

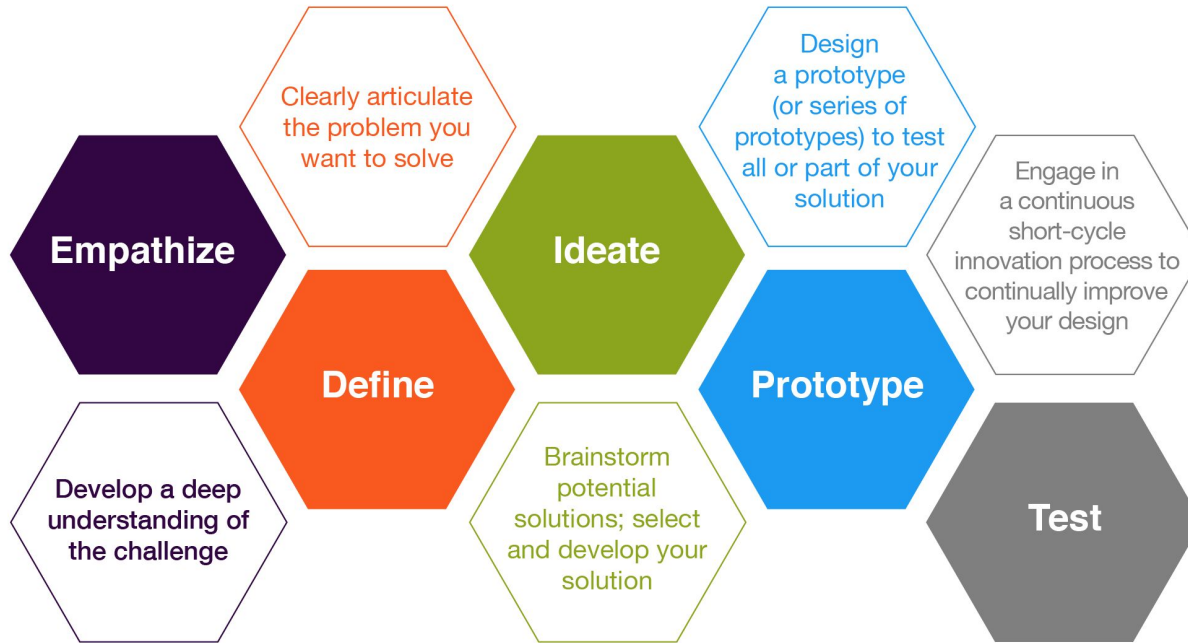
1. Agenda Item #1- Categorical Funding
2. Agenda Item #2- FFP Subcommittee Recommendations
3. Agenda Item #3- Vote on Funding Recommendations
4. Agenda Item #4- Changes to statute
5. Agenda Item #5- Access to School Choice

# Guidelines for Interaction, Deliberation and Collaboration

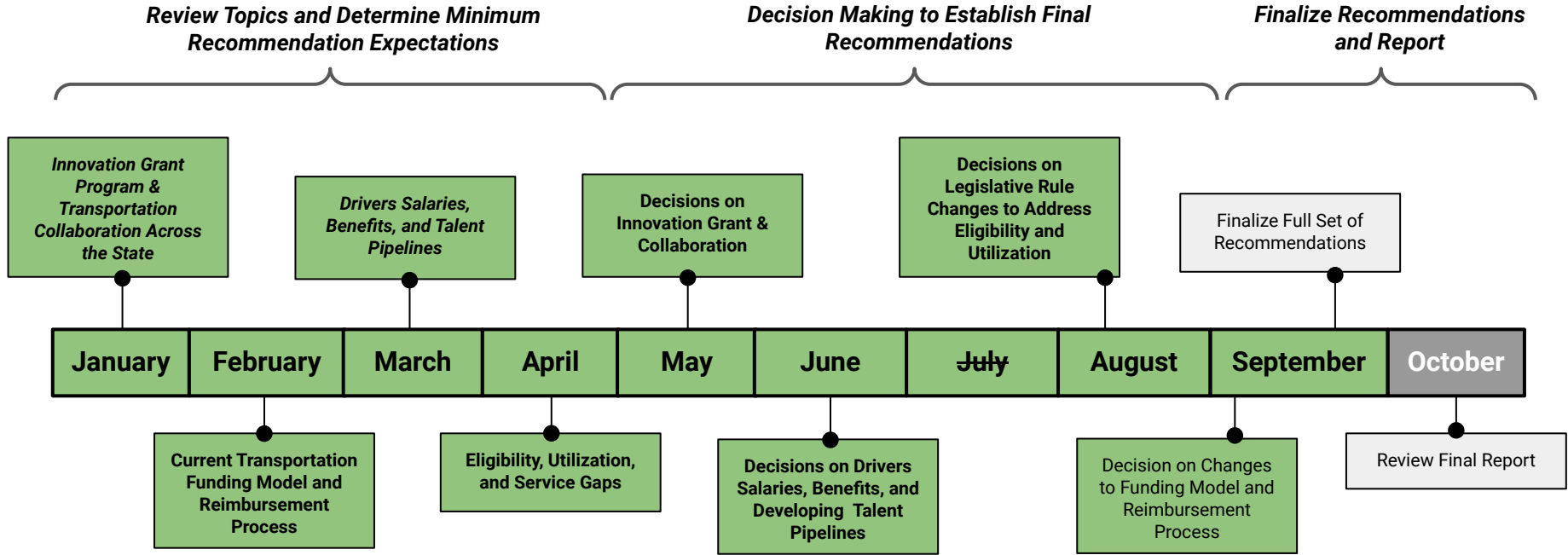
- Respect others
- Cameras on whenever possible
- High engagement from all members
- High level of trust with each other
- Assume positive intent
- Collaborate as a team to benefit our students
- Encourage open dialogue
- Respectful dialogue
- Enable every member to have a voice
- Consider other member's experience and knowledge
- Consider other member's viewpoints
- Avoid assumptions
- Avoid personal or professional motives
- Provide and review topics in advance
- Establish clear agendas and desired outcomes for each meeting
- Develop clear goals and objectives
- Keep the work task and outcome oriented
- Keep the interests of the task force and the needs of the students at the forefront of the work.
- Keep students at the center of the conversation

Key Norm Areas:  
*Decision Making Norm*  
*Equality of Process*  
*Conflict Resolution*

# Design Thinking



# Project Plan



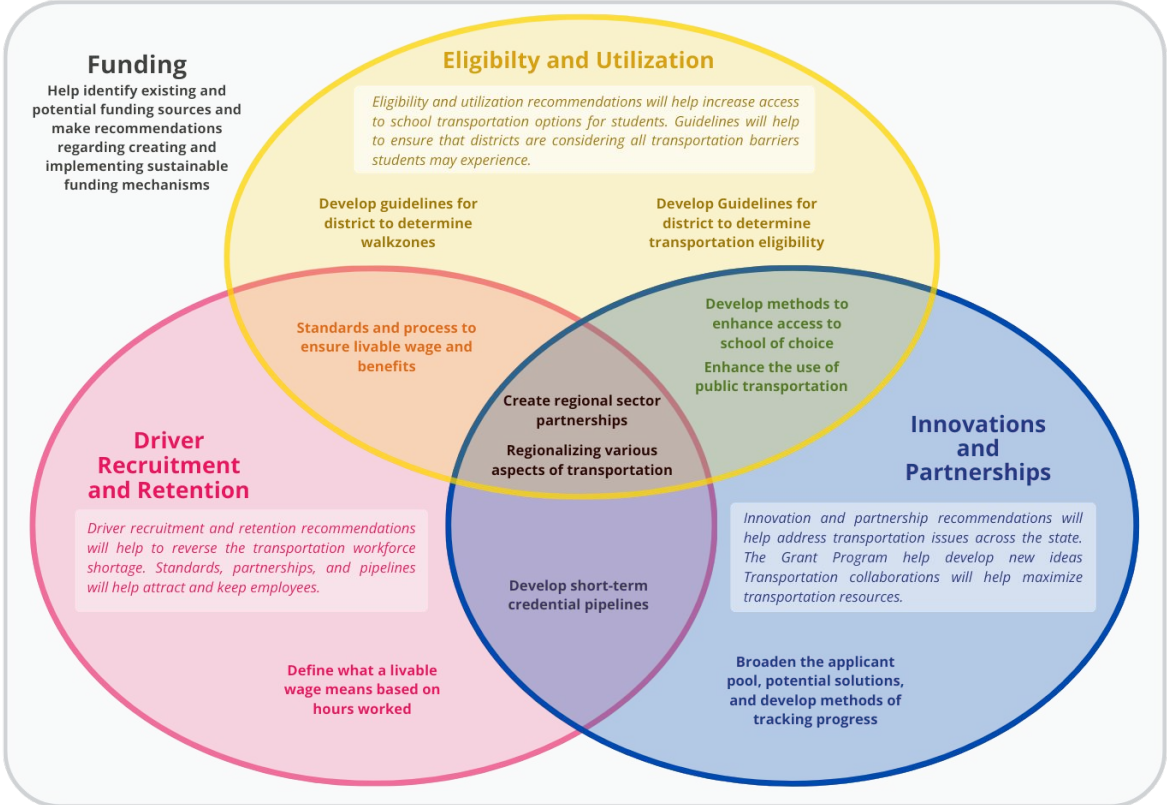
22-107-101 (2) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT IT IS IN THE BEST INTERESTS OF THE STATE TO DIRECT THE COMMISSIONER OF EDUCATION TO CONVENE THE COLORADO SCHOOL TRANSPORTATION MODERNIZATION TASK FORCE TO STUDY THE ISSUES FACING SCHOOL TRANSPORTATION SYSTEMS AND USE THE STUDY'S FINDINGS TO ***DEVELOP AND RECOMMEND POLICIES, LAWS, AND RULES TO IMPROVE PUBLIC SCHOOL TRANSPORTATION ACROSS THE STATE IN ORDER TO BETTER MEET STUDENT NEEDS AND ALLEVIATE BURDENS ON SCHOOL DISTRICTS.***

# Minimum Requirements Model



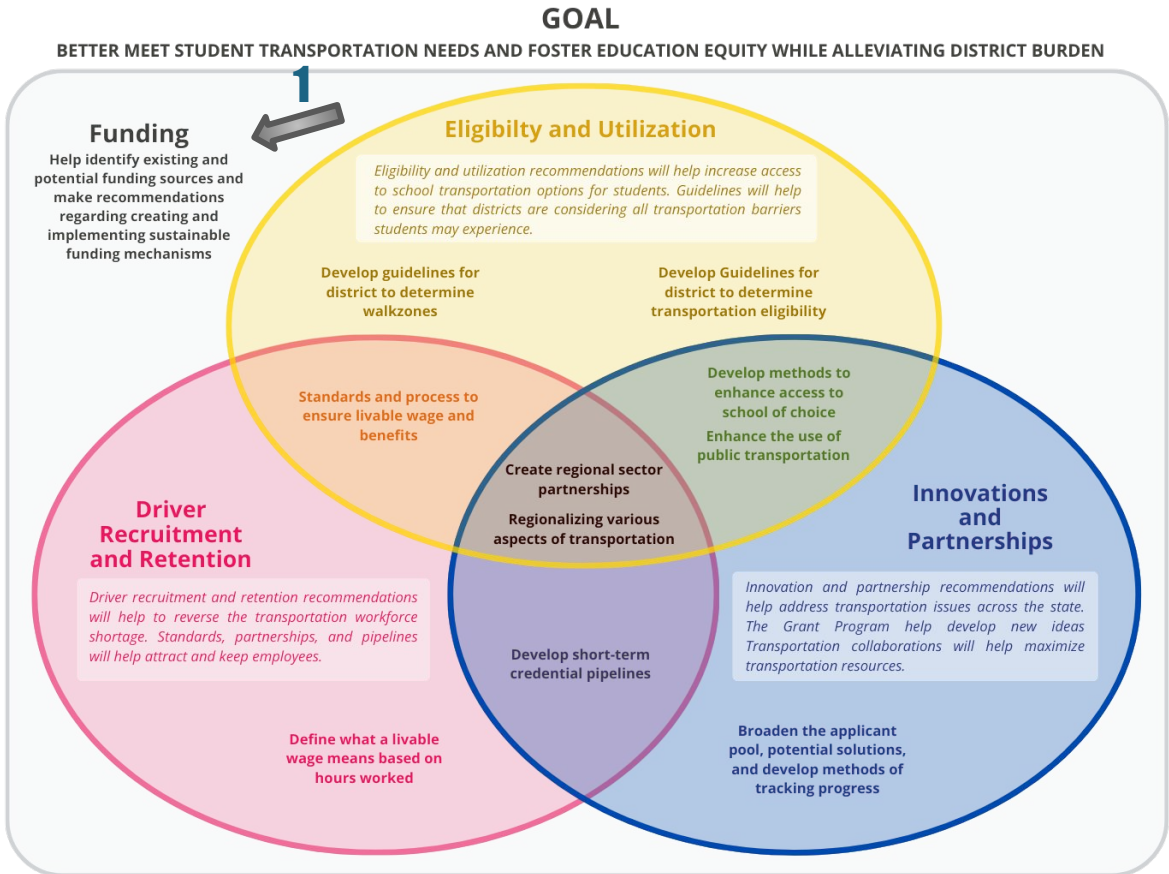
## GOAL

BETTER MEET STUDENT TRANSPORTATION NEEDS AND FOSTER EDUCATION EQUITY WHILE ALLEVIATING DISTRICT BURDEN





# Minimum Requirements Model



# Consensus Minimum Requirements

Define

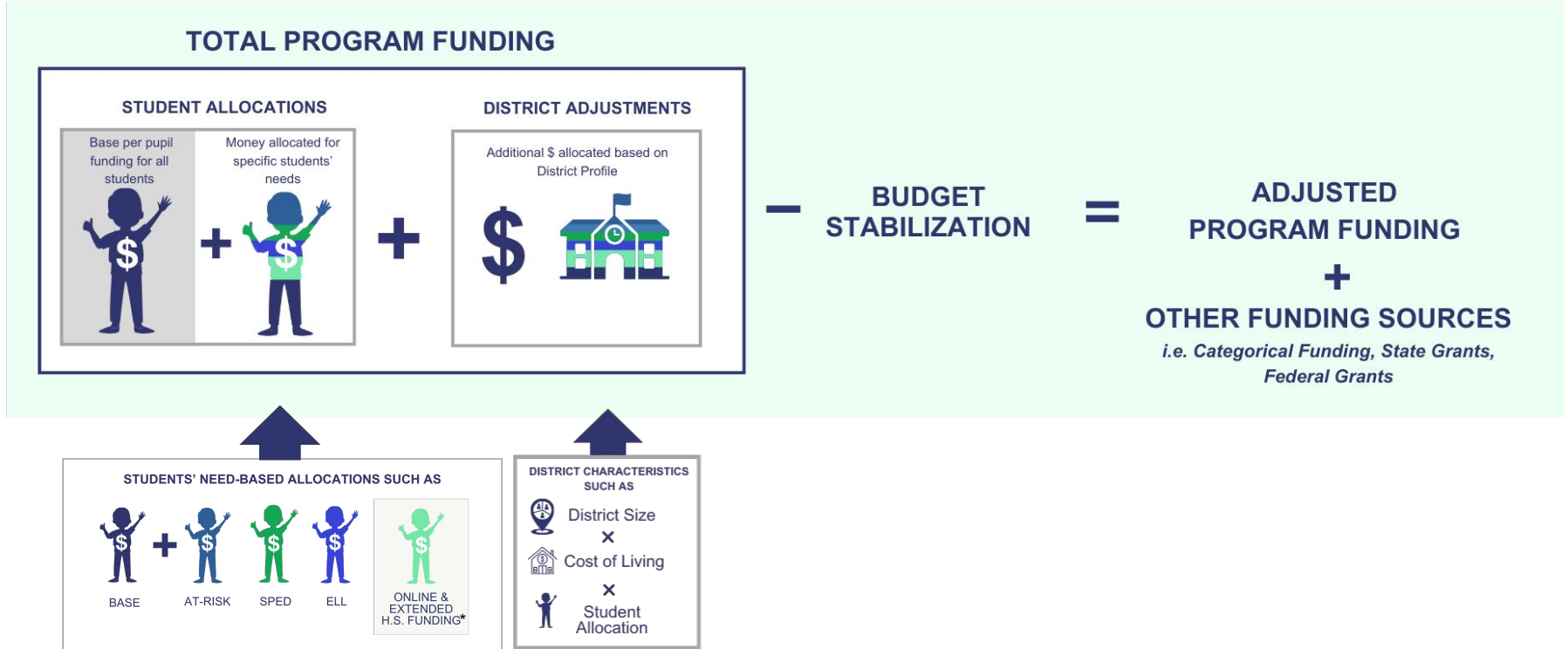
During the February Task Force Meeting, the Task Force came to consensus around the following

- ***Funding***
  - *Recommend increases to the overall transportation budget*
  - *Recommend one reimbursement scenarios from FPP subcommittee*
  - *Recommend changes to the current state transportation statute*

22-107-104 (2d) RECOMMENDATIONS FOR CREATING AND IMPLEMENTING SUSTAINABLE FUNDING MECHANISMS TO MEET SCHOOL TRANSPORTATION NEEDS;

# Education Funding Structure

Define



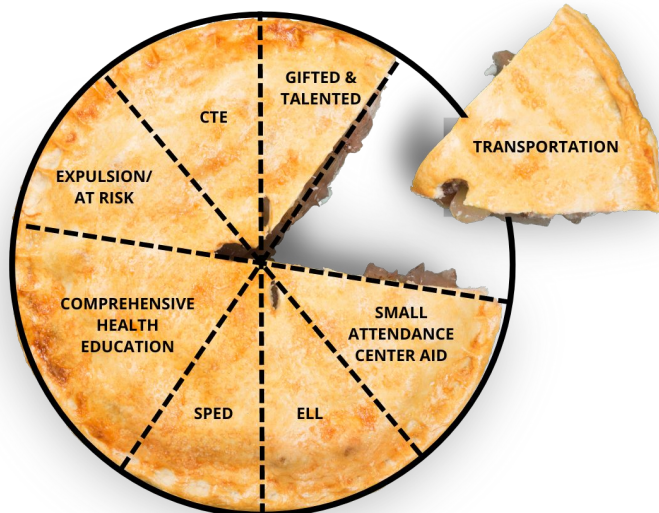
\*Utilizes a different base \$pp

# Categorical Funding

Define

Inflationary increases are made to categorical funding annually. One lump sum is allocated to all areas under categorical, then funding is distributed among them. If one area is allocated a bigger portion of the available funds, then other areas will be allocated less.

Categorical Funding Example : One pie, different sized servings



*for illustrative purposes only*

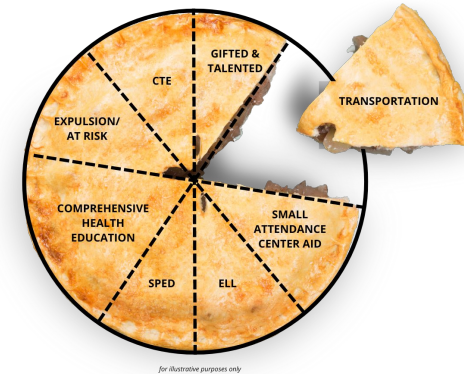
## What is included in Categorical Funding?

- SPED Programming
- ELL Programming
- Expulsion/At-Risk Programming
- CTE
- Gifted and Talented Programming
- Small Attendance Center Aid
- Comprehensive Health Education
- Transportation

# How can Transportation funding be increased?

What is the approximate baseline that we would be working with regarding potential increases in funding?

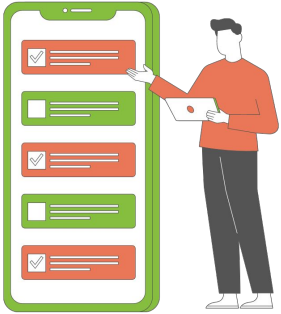
The SY2024-25 starting amount for categoricals was ~\$498 million and inflation added ~\$26 million to the “pie”. So for this year ~\$524 million was divided amongst the categoricals.



Next year base funding would start at ~\$524 million. If inflation is 3% there would be an increase of ~\$16 million. This would mean that the total allotment would be ~\$540 million.

***In FY24-25, the inflation increase in funding for Public School Transportation was \$2,977,604. Total transportation budget for FY24-25 is \$71,356,841.***

# How can Transportation funding be increased?



## Scenario 1:

Provide specific language regarding the amount of the inflation increase that would go to transportation relative to everything else.

### Example:

*If \$16 million was being added for inflation, the Task Force could recommend \$12 million of that go to transportation. Remaining \$4 million would be divided between everything else. This scenario would not change the overall categorical allotment for the year.*

*Typically, inflationary allocations are based upon a “funding gap” calculation. At times, adjustments to single line items has been requested to reallocated the inflationary increase differently than the typical methodology. (In FY18-19 an additional \$2M was allocated to EARSS and an additional \$126K was allocated to Comp Health.)*

# How can Transportation funding be increased?



**Scenario 2:** Provide specific language regarding a dollar amount above and beyond the inflation increase that would specifically go to transportation.

**Example:**

*If \$16 million was being added for inflation, the Task Force could recommend an additional \$12 million be added to transportation and then the \$16 million would be divided across all categoricals. This would increase the overall categorical allotment to \$552 million.*

*In FY22-23 an additional allocation was provided to SPED above and beyond the baseline inflationary increase, and in FY23-24 additional allocations were provided to SPED and GT.*



# How do the scenarios compare?

	<b>Scenario 1 (Inflation)</b>	<b>Scenario 2 (Additional Amount)</b>
<b>Additional Funding</b>	<i>No additional funding is required beyond cost of inflation</i>	<i>Additional funding would be required beyond the cost of inflation</i>
<b>Impact to other categorical programs</b>	<i>Other categorical programs would receive less funding for the year</i>	<i>Other categorical programs would not be impacted by the increase in transportation</i>
<b>Amount of increase</b>	<i>The amount of the increase would be dependent on the rate of inflation which would not be known when recommendations are made</i>	<i>The amount of the increase would be specified and would not be dependent on the rate of inflation for the coming year.</i>

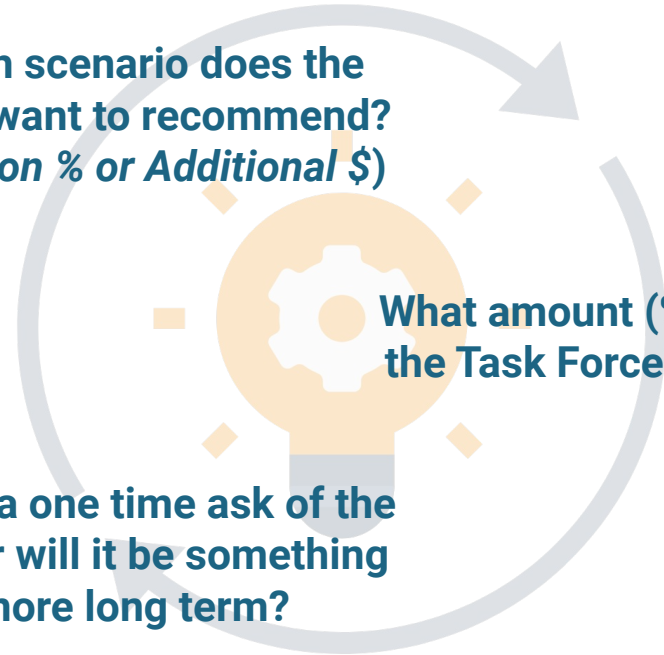


## Clarifying Questions

Which scenario does the group want to recommend?  
(*Inflation % or Additional \$*)

What amount (% or \$) is the Task Force ask for?

Is this a one time ask of the JBC or will it be something more long term?



# Transportation Reimbursement Process

Define

22-107-104 (2b) RECOMMENDATIONS FOR IMPLEMENTING A SIMPLIFIED REIMBURSEMENT PROCESS FOR SCHOOL DISTRICTS BASED ON THE FINDINGS OR RECOMMENDATIONS FROM THE TRANSPORTATION SUBCOMMITTEE OF THE FINANCIAL POLICIES AND PROCEDURES ADVISORY COMMITTEE OF THE DEPARTMENT OF EDUCATION;

# Current Reimbursement Process

Define

## The CDE 40 Process May Be Excessively Complex, Cumbersome & Time-Consuming when Compared to Benefits Received

### • Inputs

- Current CDE 40 Requires 8 Data Points
  - Current Operating Expenses - Adjusted
  - Pupil Counts
  - Mileage Counts
  - Day Counts
  - Upload of Supporting Docs, etc.
- Transportation Fund Administration Rules - 7 pages
- General Instructions and Guidelines - 6 pages
- Audit Resource Guide (internal) - 32 pages
- Training - 7 Training Videos each under 15 minutes and 1 webinar each year.

### • Outputs

- Each Year, a Significant Number of CDE 40 Submissions are Flagged for Corrections or Require Some Form of Follow-up
- Audits Often Result in Changes in District Reimbursement Amounts
- Average Transportation Funding is Only 2.0% of State Share Funding
- Average Allowable Operating Expenditures Reimbursed < 24%

Historically reimbursement rates have been ~22% of the cost of expenditures to and from school.

*However,*

**FY21-22**= ~22.2%

**FY22-23**= ~21.5%



# Heavy Burden on Both Sides

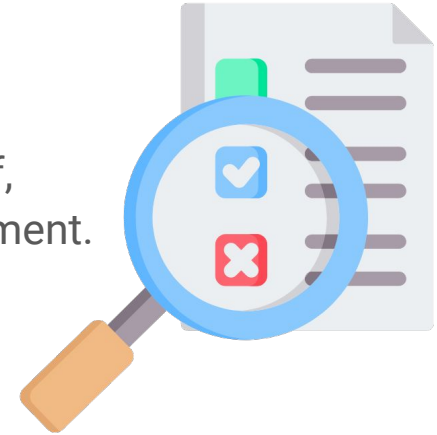
## Number of Fiscal Year 2023 CDE 40 Submissions that were Flagged for Corrections or Require Some Form of Follow-up

179 Total Districts

- 11 No Changed
- 7 Opt-Out

Reasons for districts opt out are: 100% local funded, change in staff, unable to provide documentation, process not worth the reimbursement.

- 161 Required Changes (89.9%)
- on average a review will take 1 hour 45 minutes
- a larger Districts can take up to 3 hours



### Types of Errors:

- Current Operating Expenditures
- Mileage Scheduled (Count Day)
- Days School in Session
- Actual Trip Miles
- Total Miles any Purpose

## The Committee Considered 11 Different Allocation Scenario Models, as well as 8 Different Variations of Each of the 2 Models Selected

- Each Model Included One, Two, or Three Variables
- Each Model Provided the Following:
  - *The Individual Impact of Every District*
  - *A Base Allocation Amount (Equity Component Benefiting Small Districts)*
  - *Calculated the Amount of “Hold Harmless” Funding Needed to Implement the Model*



**The Committee Selected Two Allocation Scenario Models to Recommend Moving Forward**

## Subcommittee Recommendation:



**Carry Forward Scenarios**

6 (*Single-Factor Scenario*)

and

8 (*Dual-Factor Scenario*)

Serving as Potential Models for How Transportation Funding Reimbursements/Allocations Could Work in the Near Future

## Total Data Pipeline Expenditures

- Per District Base Amount of \$20,000 (*Equity*)
- Based on Prior Year Actual Data (*No Audit Required*)
- No Additional Data Required from District (*Eliminates Administrative Burden*)
- Hold-Harmless (*Ensures No Reductions in Funding*)



**The Single-Factor Scenario could be rolled out as is or it could include an additional funding allocation of \$10 Million above the calculated allocation.**



## Based on FY2023 Expenditure/Pipeline Data

*Total Expenditure with no additional allocation-*

- *20 Districts with a Hold-Harmless of \$1,574,776*

*Total Expenditure with \$10 Million additional total allocation-*

- *1 District with a Hold-Harmless of \$149,216*



## Data Pipeline Expenditures (60%) & Reimbursable Miles (40%)

- Per District Base Amount of \$10,000 (*Equity*)
- Reimbursed per mile (*Addresses Rural Districts*)
- Based on Prior Year Actual Data (*No Audit Required*)
- Requires Submission of Additional Data from District (*Reduces Administrative Burden, Audit Still Required*)
- Hold-Harmless (*Ensures No Reductions in Funding*)



**The Dual-Factor Scenario could be rolled out as is or it could include an additional funding allocation of \$20 Million above the calculated allocation.**

## Based on FY2023 Expenditure/Pipeline Data and Mileage Data

Total Expenditure with no additional allocation-

- *14 Districts with a Hold-Harmless of \$3,176,253*

Total Expenditure with \$20 Million additional allocation-

- *4 Districts with a Hold-Harmless of \$182,686*



# How do the scenarios compare?

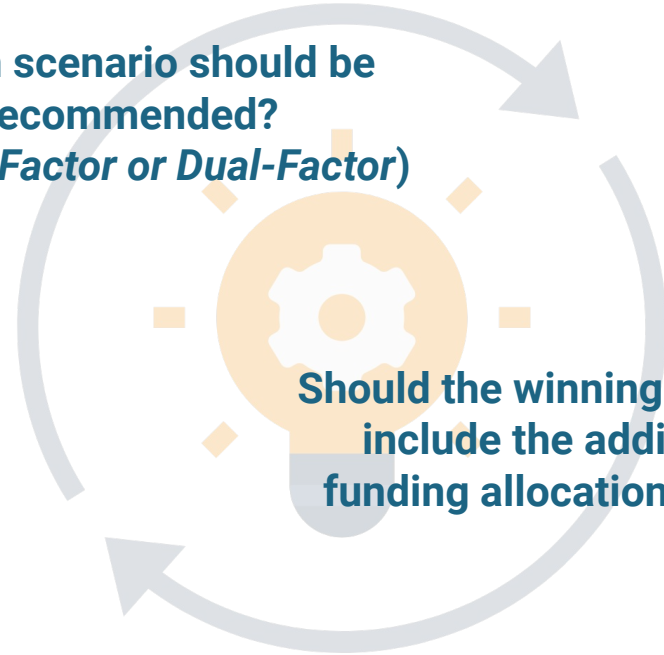
	<b>Current Process</b>	<b>Single Factor</b>	<b>Dual Factor</b>
<b>Base Funding</b>	<i>No base funding is currently provided</i>	<i>Base funding of \$20,000</i>	<i>Base funding of \$10,000 + mileage as available</i>
<b>Audit Process</b>	<i>Extensive audit process is currently required</i>	<i>No audit required</i>	<i>Audit required for mileage</i>
<b>Admin Burden</b>	<i>Extensive administrative burden is currently required</i>	<i>Administrative burden eliminated</i>	<i>Administrative burden significantly reduced</i>
<b>Hold Harmless</b>	<i>Not currently part of the process</i>	<i>Included- Base Model- 20 Districts \$1,5M Addition- 1 District \$150K</i>	<i>Included- Base Model- 14 Districts \$3M Addition- 4 Districts \$182K</i>



## Clarifying Questions

Which scenario should be recommended?  
(*Single-Factor or Dual-Factor*)

Should the winning scenario include the additional funding allocation or not?



## Increase Funding

	<b>Scenario 1 (Inflation)</b>	<b>Scenario 2 (Additional Amount)</b>
<b>Additional Funding</b>	<i>No additional funding</i>	<i>Additional funding</i>
<b>Impact to other categorical programs</b>	<i>Other categorical less funding</i>	<i>Other categorical programs not impacted</i>
<b>Amount of increase</b>	<i>Increase dependent on the rate of inflation</i>	<i>Increase would be specified</i>

## Reimbursement Process

	<b>Current Process</b>	<b>Single Factor</b>	<b>Dual Factor</b>
<b>Base Funding</b>	<i>No base funding</i>	<i>\$20,000</i>	<i>\$10,000 + mileage</i>
<b>Audit Process</b>	<i>Extensive audit process</i>	<i>No audit</i>	<i>Audit required</i>
<b>Admin Burden</b>	<i>Extensive administrative burden</i>	<i>Burden eliminated</i>	<i>Burden reduced</i>
<b>Hold Harmless</b>	<i>None currently</i>	<i>Included- 20 Districts \$1,5M 1 District \$150K</i>	<i>Included- 14 Districts \$3M 4 Districts \$182K</i>

# Proposed Language for Recommendation

Prototype

- ***Revised Reimbursement Process-***

Should the Transportation Task Force put forth a recommendation for a Revised Reimbursement Process as stated above?

## Decision Needed

1. Recommendation Stated
2. Fist to Five Vote
3. Articulate Concerns\*
4. Discussion of Concerns\*
5. Restate Decision & Record Vote



No way. I don't support this decision and I am vetoing.



I have strong reservations but will support the decision and will not veto.



I am uncomfortable with the decision but can live with it.



This decision is okay with me.



I support this decision.



I strongly support this decision.



# Proposed Language for Recommendation

Prototype

- ***Categorical funding-***

Should the Transportation Task Force put forth a recommendation for Categorical Funding as stated above?

## Decision Needed

1. Recommendation Stated
2. Fist to Five Vote
3. Articulate Concerns\*
4. Discussion of Concerns\*
5. Restate Decision & Record Vote



No way. I don't support this decision and I am vetoing.



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I support this decision.

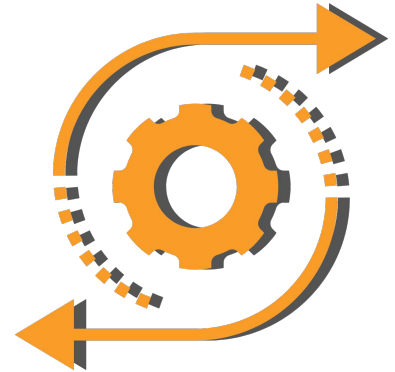


I strongly support this decision.

# Order of Change

Define

- **Colorado Revised Statutes** (*Section 22.51.101-109, C.R.S.*)
  - Current Law
  - Provides “Statutory Intent”
  - Can be Specific or Provide General Guiding Principles
  - Requires a Special Bill and Legislative Process to make Changes
    - Bill Sponsor, Committee Review, Floor Debate/Amendments
- **Rule** - *Developed by CDE*
  - Provides Specific Guidelines
  - Approved by the Board of Education
- **Instructions** - *Developed by CDE*
  - Specific Instruction and Guidelines Based on Statute and Rule
  - Training - Manual, Meetings, Videos
- **Auditing**
  - Audit Resource Guide Used to Determine Compliance with Statute and Rule



# Order of Change

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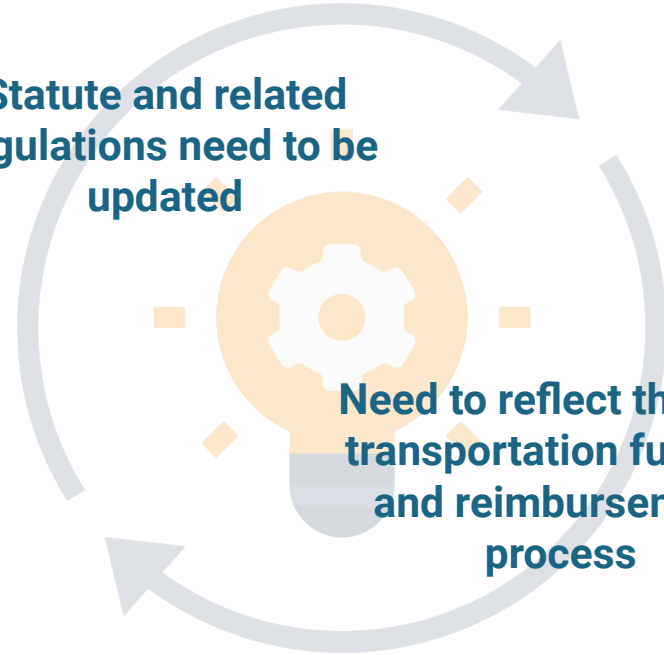
The group simply needs to recommend that statute and regulations be changed to align with other recommended changes. No specific wording is required.



**Clarifying  
Questions**

**Statute and related  
regulations need to be  
updated**

**Need to reflect the new  
transportation funding  
and reimbursement  
process**



# Proposed Language for Recommendation

- ***Statute Change for Funding-*** Update statute and related regulations to reflect the new transportation funding and reimbursement process

Should the Transportation Task Force put forth a recommendation for a Transportation Funding Statute change as stated above?

## Decision Needed

1. Recommendation Stated
2. Fist to Five Vote
3. Articulate Concerns\*
4. Discussion of Concerns\*
5. Restate Decision & Record Vote



No way. I don't support this decision and I am vetoing.

I have strong reservations but will support the decision and will not veto.

I am uncomfortable with the decision but can live with it.

This decision is okay with me.

I support this decision.

I strongly support this decision.

# Finish up from last time

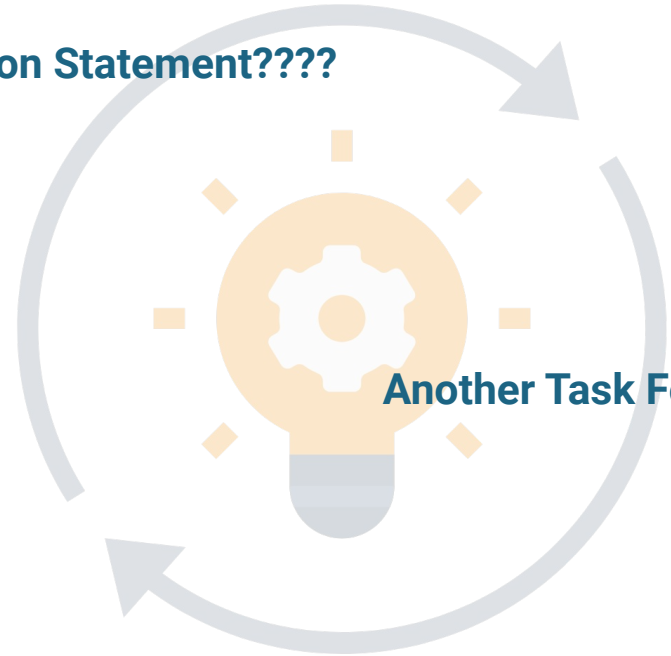
Access to school of choice





**Clarifying  
Questions**

**Vision Statement????**



**Another Task Force**

# Proposed Language for Recommendation

- **Access to school choice-**
  - Value statement *students should have ability and district partial responsible- t*
  - *o access school of choice, needs to be refined by another taskforce to look at expanding access through investigating promising practices happening in and out of state to access school of choice*
  - *Think outside the box*

Should the Transportation Task Force put forth a recommendation for Access to School Choice as stated above?

## Decision Needed

1. Recommendation Stated
2. Fist to Five Vote
3. Articulate Concerns\*
4. Discussion of Concerns\*
5. Restate Decision & Record Vote



No way. I don't support this decision and I am vetoing.

I have strong reservations but will support the decision and will not veto.

I am uncomfortable with the decision but can live with it.

This decision is okay with me.

I support this decision.

I strongly support this decision.

# Next Steps

## Next Meeting:

MONDAY September 23rd @ 10AM

## Next Topic:

### Review and Finalize List of Recommendations

- ***AHEAD OF THE NEXT MEETING***
  - *Review proposed language*
  - *Email proposed changes to Kate and Susan*
- ***DURING THE NEXT MEETING***
  - *Proposals will be reviewed*
  - *Edits will be made*
  - *Full set of recommendations must be voted on by the group*

Closing

**Thank You!!**

**See you on September 25th**