



FPP: ESSA Per-Pupil Expenditure Reporting Requirement Discussion Item:

1. Question or Issue:

The ESSA legislation includes a requirement for per-pupil expenditure reporting. Federal regulations were adopted outlining detailed requirements for this reporting. The process of withdrawing regulations was initiated in January 2016, has passed both houses and the president the joint resolution officially rescinding the regulations on March 27th. New regulations cannot be enacted that are substantially similar to the rescinded regulations. It is unknown if new regulations will be developed.

A) Any Prior FPP Action:

Volunteers to participate in an FPP subcommittee were identified at the March 3, 2017 meeting. The subcommittee members included: Jennifer Macho-Seekins (Durango), Karen Agner (Harrison), Kristine Githara (Cherry Creek), Tracy John (Academy 20), Jonathan Levesque (Littleton), Meghan Powell (Adams 12), Ron Whitling (APS), Sean Conner and Stephanie Corbo (JeffCo). On March 24th, the subcommittee met and discussed decision points related to various approaches for complying with the ESSA per-pupil expenditure reporting requirement in Colorado.

B) Discussion Points/Department Recommendation or Observations (if any)::

The subcommittee made the following recommendations:

- Source of Data: Use Finance December Data Pipeline data.
- Timing: The deadline pursuant to the regulations was June 2018 for FY2016-17. Without updated regulations for report cards, the deadline is December 2017 for FY2016-17. The recommendation is to submit final data when available, but prior to June 2018.
- General Approach: The recommendation is to comply with most regulations as written despite not having the force of law, with individual adjustments as outlined in the recommendations.
- Source of Funds: The regulations combine state and local funds, but exclude private sources. The recommendation is to report state and local funds together and include impact aid funds as local funds as outlined in the regulations. Additionally, the recommendation is to report private sources separately, but "below the line". This will allow all current operating expenditures to be reported, but will also facilitate national comparison with other states which are consistent with the reporting as outlined in the regulations.
- Types of Expenditures: The regulations include current operating expenditures and exclude, community services, adult education, and debt service. The recommendation is to report consistently with the regulations as this is consistent with the reporting on the Financial Transparency website and current federal reporting. Additionally the recommendation is to eliminate flow-through coding consistently with reporting for the Financial Transparency website and current federal reporting.



- Uniform Procedure: The regulations require the development of a single statewide procedure to calculate LEA current expenditures per pupil and a single statewide procedure to calculate school-level current expenditures per pupil a uniform procedures. The recommendation is for districts determine which expenditures to report centrally vs. at the school-level. Central expenditures will be allocated to the school-level proportionally based upon student membership. This is consistent with reporting for the Financial Transparency website.
- School-level Expenditure: School-level expenditure reporting to CDE is optional. CDE will report available information of the state and LEA report cards. Based upon the FY15-16 Financial December Data Pipeline data, most districts which are not small rural reported school level expenditures to CDE.

C) FPP Action, Decision Made:

D) Further Action/Research Needed/Table for Future Meeting:

E) Effective Date: