March 5, 2025

2025-2026 Funding Considerations
For 18 to 21-Year-Old Transition Students
CDE School Auditing Office

Purpose

The goals of today's webinar are to:

- Provide a high-level overview of the funding and audit documentation requirements related to the Student October Count data submission/Funded Pupil Count

- Review information that may be especially relevant to Transition students & programs

- Highlight important changes to the Rules for the Administration of the Public School Finance Act that changed in Spring 2024

- Highlight important statutory changes to Concurrent Enrollment eligibility for Transition students

Introduction

The School Finance Unit and the School Auditing Office

The School Finance Unit at CDE calculates the total "Total Program" funding based on district-reported data from the yearly Student October Count data submission.

The School Auditing Office:
- Conducts compliance audits as required by the Public School Finance Act of 1994 and the accompanying State Board of Education rules
  - These audits verify that the funding data fields reported during the data submission were accurate when determining funding eligibility
- Provides technical guidance and support to districts related to funding eligibility and audit documentation

# The Exceptional Student Services Unit and the Office of Special Education

There are three offices within the Exceptional Student Services Unit: the Office of Gifted Education, the Office of Facility Schools and the Office of Special Education.

The Office of Special Education:
- This office administers both the state's Exceptional Children's Educational Act (ECEA) and the federal Individuals with Disabilities Education Act (IDEA) for children with disabilities.

Counts From Student October Data Collection Determine Total Program Funding

- School districts in Colorado are funded by a variety of sources

- The biggest source of funding comes from the School Finance Act

- The amount a district receives according to the School Finance Act is called **Total Program Funding**

- Counts from the Student October Count Data Collection are used to calculate Total Program Funding

English Language Learner Count

Funded Pupil Count

At-Risk Count

Total Program Funding
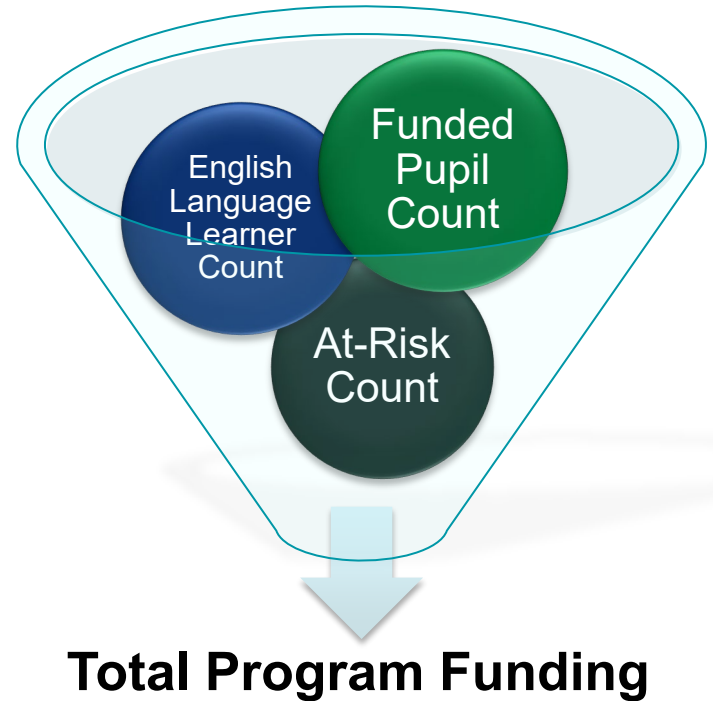
Student October Count Data Submission

- When reporting data in the Student October Count data submission, districts and schools must have processes in place to ensure accurate reporting of all data fields, especially those used for determining funding.

- Under- or over-reporting of these counts may result in:
  - <u>Significant</u> audit findings for the district
    - (i.e., the district owing money back to CDE or not receiving all eligible funds)
  - Impacts to funding for districts across the state of Colorado
  - Impacts continuing from the current year to future years
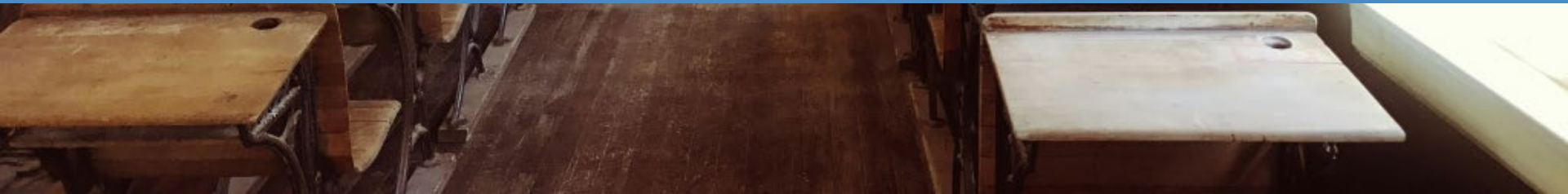
Student October Count Data Submission Tips

- Transition program staff should identify their Student October Count data respondent and audit contacts.
- Work collaboratively to ensure accurate reporting and compliance.

General Funding Requirements

Funding Requirements:

All funding requirements are based on the pupil enrollment count date (10/1/25).

General funding requirements:
1. Membership
   a. Enrollment
   b. Attendance
2. Scheduled Instructional Hours

Students Receiving 18 to 21-Year-Old Transition Services

For funding purposes
There are a few unique considerations for students receiving 18 to 21-Year-Old Transition services, including enrollment eligibility and Concurrent Enrollment eligibility.
Transition students must otherwise meet the same general attendance and schedule requirements as all other students.
Attendance and schedule documentation for Transition students may look different than other students; for audit purposes, the important thing is that the documentation for each individual student is accurate.

Funding Requirements:
Enrollment

To be eligible for funding, as of the pupil enrollment count date, students must:

- Be enrolled with the district

- Be younger than 21 years old

  * Exception: Students receiving services outlined in an Individualized Education Program (IEP) may turn 21 before the count date in Fall semester and still be eligible for funding

- Not have met the district's minimum graduation requirements

  * Exception: Students receiving services outlined in an IEP who have met the district's minimum graduation requirements are eligible for funding through age 21

  - **Exception:** Students are eligible for funding for a minimum of 4 years of high school. If the student meets the district's minimum graduation requirements before the 4th year of high school, the student may still be eligible for funding

  - **Exception:** Students who are being retained to participate in a 5th or 6th year extended high school postsecondary program (ASCENT, P-TECH, TREP)

Funding Requirements: Attendance

- Students must be present for all, or any portion of, the pupil enrollment count date (in any scheduled class)

OR

- If the student is absent for any reason on the count date:
  - Must establish attendance (in any scheduled class) prior to the pupil enrollment count date during the current school year AND
  - Must resume attendance (in any scheduled class) within 30 days following the pupil enrollment count date
    - This assumes the student does not break their enrollment with the district

Note: Students who are <u>only</u> scheduled into postsecondary courses off-site at the college do not need attendance documentation.

Funding Requirements: Scheduled Instructional Hours

- For most student/course types, funding level eligibility is based on scheduled instructional time (direct or alternative) during Fall semester:
    - Part-time funding: 90, but less than 360, hours
    - Full-time funding: 360+ hours

- Districts and schools must provide individual student schedules for all secondary (grades 6-12) students.
    - Should reflect what was true as of the pupil enrollment count date
    - Should encompass the entire Fall semester

- Additional considerations apply to:
    - Postsecondary courses
    - Alternative Instruction courses for brick-and-mortar students
    - Students enrolled in Colorado Public Online Schools & Programs

Funding Requirements: Schedules That Include Qualifying Post-Secondary Courses (i.e., Concurrent Enrollment)

- Qualifying post-secondary courses are evaluated for funding based on **college semester credit hours**, rather than total direct and/or alternative instructional time. The funding thresholds for qualifying post-secondary courses (except Dropout Recovery) are:
  - Part-time funding: 3-11 college semester credit hours
  - Full-time funding: 12 or more college semester credit hours

- A student who is taking both high school courses and qualifying post-secondary courses may be considered full time if the student's schedule (in the semester of the pupil enrollment count date) meets the requirements for part-time funding in both environments:
  - 90 hours of instructional time in secondary (high school) courses
  AND
  - 3 or more college semester credit hours in qualifying post-secondary courses

General Funding Requirements - Takeaways

- General funding requirements:
  1. Enrollment
  2. Attendance
  3. Scheduled Instructional Hours

- The district must have documentation of all three.

- Transition students have a few unique eligibility criteria, but otherwise must meet the same requirements as all other students.

- When in doubt, review the Student October Count Audit Resource Guide!

Transition Student-Specific Considerations

Student Schedule Considerations

- Student schedules must clearly show all courses, instructional sessions, and/or special education services into which the student is scheduled during the entire Fall semester.
    - Schedules should reflect what is true as of the pupil enrollment count date (10/1/25).
    - Students should be aware of the courses, or the days and times into which they are scheduled, during the entire semester of the pupil enrollment count date.
    - If the IEP is the primary schedule document, it must be detailed enough that the scheduled days and times can be aligned to the attendance.
- Each student's schedule should be developed to meet the student's individual needs.
    - Red flags that may require further investigation include: a generic placeholder SIS schedule for all Transition students, or identical boilerplate language in every IEP's Service Delivery Statement, etc.

Transition Student Schedules

- Depending on the program design, some Transition programs may not be set up to follow a "traditional" bell schedule.
  - "Traditional" meaning, a student is provided a semester schedule showing the courses into which they are scheduled, and instruction is delivered on set days at certain times.
- Programs providing students individualized schedule options must still have student schedules that clearly state the days and times when the specific student is scheduled to attend **for all of Fall semester**, **as of the pupil enrollment count date**.

Student Schedules: Contractual Education Considerations

- Transition programs often contract with a community agency for transition services (e.g., Goodwill, Our House, etc.).
  - To include contractual education in the determination for funding, all documents in the Contractual Education section of the [Student October Count Audit Resource Guide](#) must be available.
    - This includes calendar, bell schedules or detailed individual student schedule, contract/invoice showing tuition payment, etc.
  - Schedule documentation must come directly from the contractor (along with other required documents) – summaries from district staff are not sufficient.
  - If an IEP service delivery section and the district's actual contracted services disagree, for funding purposes the actual contracted time will be used.
- To include a service in the determination for funding, the district must pay the cost.
  - Example: If the student receives free services from a local non-profit, that time CANNOT be included in the student schedule.

Transition Student Attendance Considerations

Depending on how the Transition services are structured, daily attendance documentation for funding purposes may vary.

Examples:
1. Transition program using a standard bell schedule; students are scheduled into **direct instruction** sessions/courses that meet for a set period all semester.
   - Daily attendance captured in the student information system (SIS) is likely possible.
   - Red flag that may require further investigation: no recorded absences for any Transition student
2. Transition program scheduling individual students to attend only some of the available days and times for the semester, based on their individual services.
   - Because these combinations amongst all students may be complex, additional documentation (beyond the standard attendance out of the SIS) may be needed.

Transition Student Attendance Considerations, continued

More examples:

3. Transition program using alternative instruction courses (e.g., work-based learning courses).

   ○ The program must keep appropriate attendance documentation specific to the type of alternative instruction course/s on each student's schedule .

   ○ For work-based learning courses, this would be documentation from employer with specific dates student worked.

4. Transition program contracting with a community agency for transition services (e.g., Goodwill, Trent's Team, etc.).

   ○ Attendance documentation must come directly from the contractor (along with other required documents) .

   ○ Summaries or data entry from district staff are not sufficient.

Facility Schools

- Specific schools are designated as approved Facility Schools; facility program types include residential, day treatment, hospitals, and specialized day schools.

- **In general, Facility School students are NOT eligible for Total Program funding.** Facility schools are funded separately, outside of Student October.

- On average there are approximately 6,000 placements made per year in facility schools.

- The Facility Schools Directory is updated regularly by the CDE Office of Facility Schools. Check the list before finalizing your Student October data!

Audit Documentation Requirements - Takeaways

- During an audit, Transition programs must provide schedules and attendance for each Transition student.

- The documents may or may not be regular SIS reports.

- The documents MUST be accurate to the student's actual programming.

- If the instruction is being provided by a contractor/community agency, the audit documents must come directly from the contractor (not a district summary).

- When in doubt, review the [Student October Count Audit Resource Guide](#)!

Concurrent Enrollment (CE) for Transition Students

CE Statutory Changes for Transition Students

- 22-35-103 and 22-35-104 have expanded the definition of a student qualified to participate in Concurrent Enrollment to include a student who receives transition services:
  - A Transition student must have "an academic plan of study that describes all courses that the qualified student intends to complete to satisfy the qualified student's remaining postsecondary goals outlined in the qualified student's Individual Education Program (IEP)."
- In 2024, the Colorado School Finance Act (SB24-188) clarified requirements for Transition students:
  - Beginning in 2024-2025, transition students are not limited in the number of Concurrent Enrollment courses they can take while receiving 18 to 21-Year-Old Transition services (provided the courses earn credit toward the completion of the student's remaining post-secondary goals, as outlined in their IEP).

CE Considerations for Transition Students

- CE courses have other funding and documentation requirements that also apply to Transition students, including:
  - The district must pay the full cost of tuition for the course
  - The college must be located in Colorado
  - Only courses taken in Fall semester are included in the determination for funding

- Communicate with other CE/postsecondary staff in your district.

- In addition to the normal CE funding documentation, a Transition student's IEP must include specific additional information for the courses to be counted as CE in the determination for funding (described on the next few slides).

Note: Accelerating Students through Concurrent Enrollment (ASCENT) / Teacher Recruitment Education and Preparation (TREP) also fall under the CE umbrella, but these programs have additional eligibility requirements and limited slots.

Required IEP Criteria for Funding Eligibility –
Postsecondary Transition Plan

The Transition student's **Postsecondary Transition Plan** sections in the IEP must include the following ECEA 4.03(6)(d)

- **Measurable Post-School Goals:** ECEA 4.03(6)(d)(ii)
  - Identify the pursued postsecondary education pathway as the Education/Training postsecondary goal.

- **Planned Course of Study**: ECEA 4.03(6)(d)(iii)
  - Identify the courses the student will take during the IEP timeframe; and
  - Identify requirements to begin and/or complete the pursued pathway.

- **Transition Services and Activities:** ECEA Rule 4.03(6)(d)(iii); ECEA Rule 2.51 (1)(a)
  - Services written within Education/Instruction and Related Services, Career/Employment and other Post-School Adult Living Objectives, and/or Community Experiences
  - Services and/or activities that promote access and progress towards the identified postsecondary education pathway/concurrent enrollment courses.

Required IEP Criteria for Funding Eligibility –
Service Delivery Statement

The Transition student's **Service Delivery Statement** section in the IEP must include IDEA 300.320(a)(4) and (7)

- Special education and/or related services that enable the student to advance appropriately toward attaining postsecondary annual goals.

Note: This means that to include CE courses in their schedule for funding purposes, Transition students must **also** be receiving related special education services at the district as of the count date (10/1/2025).

Non-CE Postsecondary Courses

- If the district pays for a Transition student to take a postsecondary course that does **not** qualify as CE, the course will be considered Contractual Education for funding purposes (if it meets all contractual education requirements in the Audit Resource Guide).

- The actual days and times of these classes can be included in the schedule "hour for hour" as direct instruction time.

- Examples:
  - a college elective that is not listed in the required sequence in the IEP
  - a non-credit bearing remedial course
 - a course at a college located in another state
  - etc.

Concurrent Enrollment - Takeaways

- Transition students can take as many CE courses as are covered in their IEP.

- Qualifying courses taken in Fall semester will be included in the determination for funding.

- For audit, the district must have all of the normal CE documentation, plus an IEP containing ALL of the required IEP information.

- Communicate with CE staff in your district.

- When in doubt, review the Student October Count Audit Resource Guide!

Courses Using Alternative Instruction
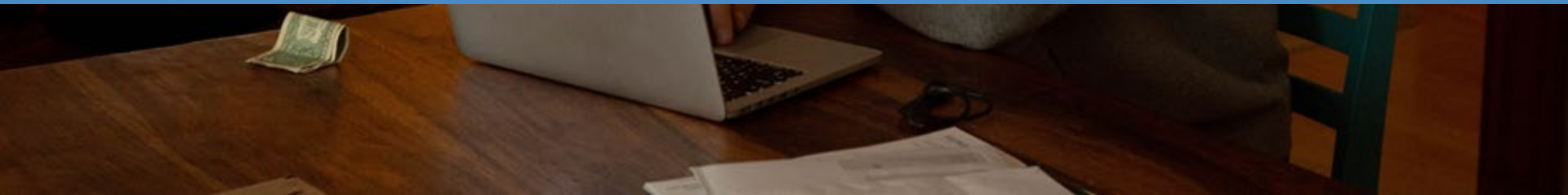
2024 Update to School Finance Rules Rules

- In March 2024, the State Board of Education approved changes to [the Rules for the Administration of the Public School Finance Act](#) of 1994 (1 CCR 301-39).
- These rules apply to **all** schools and programs, including Transition programs.
  - Exception: Section 2.05 does not apply to **online schools and programs,** which are governed by 22-30.7-105(2)(a) and 1 CCR 301-71, Rule 8.
- The key school finance rule update we will discuss today is the distinction between **direct** teacher-pupil instruction and **alternative** teacher-pupil instruction.

Instruction Types In the Updated Rules

"Direct teacher-pupil instruction"

[T]he organized delivery of educational content (aligned to state standards where applicable) for pupils enrolled in brick-and-mortar public schools under the supervision of a licensed educator that **takes place synchronously**, when the licensed educator and the pupil are in the **same physical location or** when the licensed educator and the pupil are in the **same virtual classroom**.

Direct instruction also includes engagement with educational content in courses, such as **study hall or advisory or credit recovery lab or independent study**, **that are on-site at a scheduled time during regular school hours and for a set amount of time and where attendance is mandatory**.

"Alternative teacher-pupil instruction"

[T]he organized delivery of educational content (aligned to state standards where applicable) for pupils enrolled in a brick-and-mortar public school under the supervision of a licensed educator that **may take place asynchronously**.

Courses Using Alternative Teacher-Pupil Instruction In the Updated Rules

Alternative instruction courses are only available to students in grades 6-12, and students receiving home-bound services (in any grade).

The 4 types of Alternative instruction courses are:
- Blended Learning
- Independent Study
- Supplemental Online
- *** Work-Based Learning Experience**

Work-Based Learning for Transition Students

- Work-based learning **when the student is always accompanied by district staff** is considered direct instruction, not an alternative instruction course.

- Asynchronous work-based learning, **outside the direct supervision of district staff**, is alternative teacher-pupil instruction.

  - If a work-based learning experience uses any alternative instruction, it is evaluated like any other alternative instruction **course.**

- "District staff" in this case can include a district employee or a contractor paid by the district.

What do Alternative Instruction Courses have in common?

- All alternative instruction courses are delivered under the supervision of a licensed teacher.
    - (Also true of direct instruction courses.)
- All alternative instruction courses are **credit-bearing**.
    - Credit-bearing means that "a passing grade and credits are given for satisfactory completion of course requirements within the parameters of the academic calendar."
    - This is true for all students, even if they are not in a credit-seeking program (ex: HSED, Transition, and homebound elementary students).
- **Instructional time** used to calculate a student's funding level is based on an **equivalency** for each alternative instruction course.
- The course must appear in **a catalog of courses** using alternative instruction, published to the school, district, or BOCES website.

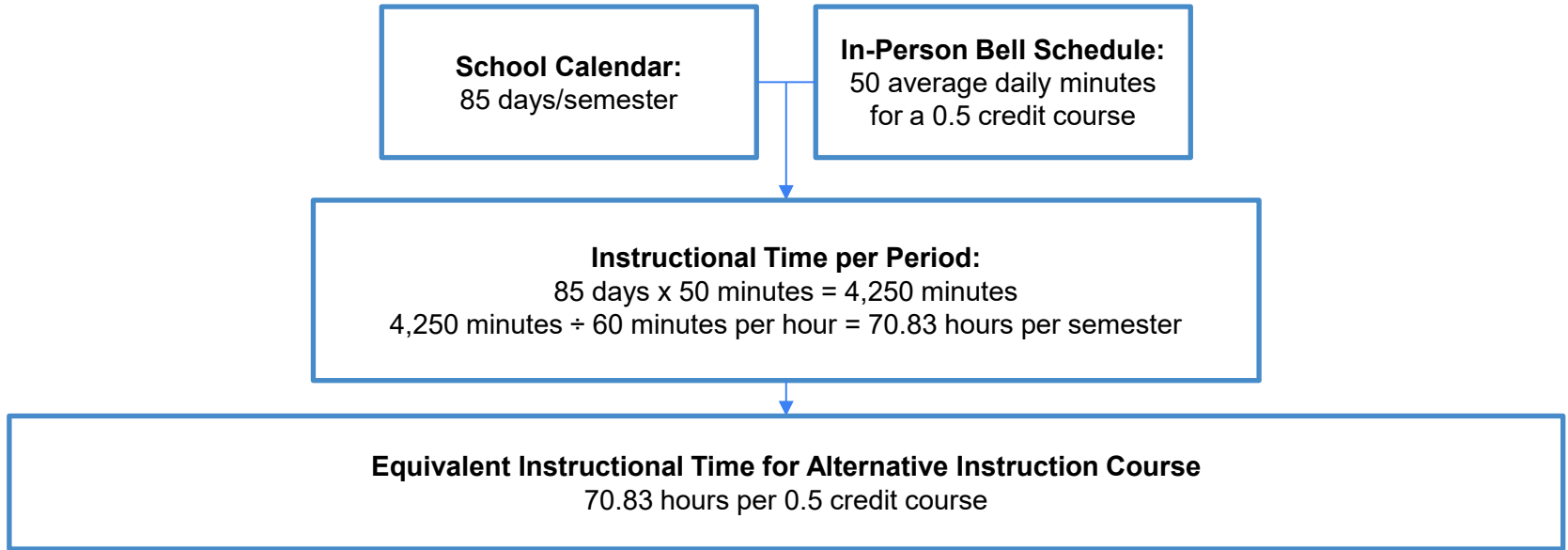# Transition Students & Alternative Instruction Courses

- Unless a Transition student is enrolled in a Colorado public Online School or Online Program, **Transition programs must follow the same guidance regarding Alternative Instruction courses as any other brick-and-mortar school**.

- Transition programs should consider carefully whether alternative instruction is a good fit for their students, especially those who have met graduation requirements – again, alternative instruction courses **must be credit-bearing**!

- Coordinate these course offerings with your district's data respondents & registrars.

Instructional Time Equivalency for
Alternative Instruction **Courses**

- All alternative teacher-pupil instruction is evaluated **at the course level.**
    - Alternative instructional time cannot be associated with a "session" or "program", it must be associated with a specific course.
- The instructional time that may be included in calculating a student's funding level is based on the amount of instructional time a student would receive:
    - if taking a similar credit-bearing course (i.e., offering the same number of credits)
    - in a 100% direct instruction course
    - offered **at the school where the student is reported**.

Simplified Example of Instructional Time Equivalency Calculation

School Calendar:
85 days/semester

In-Person Bell Schedule:
50 average daily minutes
for a 0.5 credit course

Instructional Time per Period:
85 days x 50 minutes = 4,250 minutes
4,250 minutes ÷ 60 minutes per hour = 70.83 hours per semester

Equivalent Instructional Time for Alternative Instruction Course
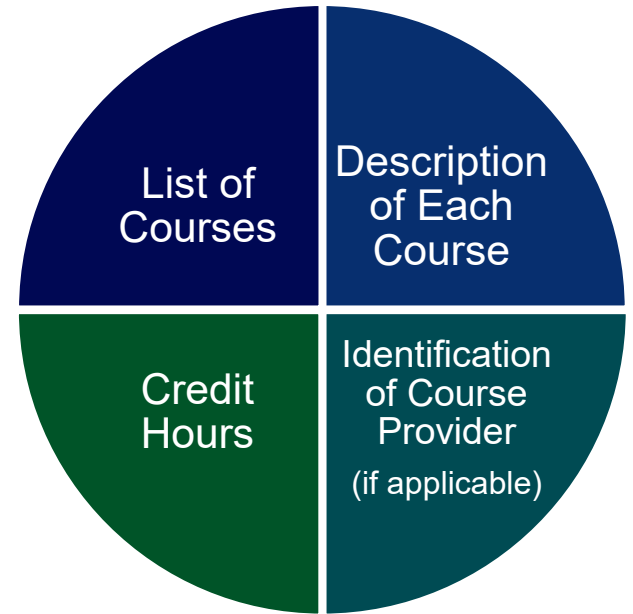70.83 hours per 0.5 credit course

Therefore, students reported at different schools may have a different equivalency for the same alternative instruction course.
For full details, review Appendix A of the Student October Count Audit Resource Guide.

Alternative Teacher-Pupil Instruction Course Catalog

- To include courses utilizing alternative teacher-pupil instruction in the determination for funding, the school/district/BOCES must have a course catalog that includes the 4 requirements.

- This catalog must be posted on the school/district/BOCES website by the applicable count date.

- Reminder: work-based learning courses must be in the alternative instruction course catalog.

List of Courses

Description of Each Course

Credit Hours

Identification of Course Provider (if applicable)

Work-Based Learning Course Documentation - ICAP

- Individual Career and Academic Plan (ICAP) for Work-Based Learning
  - Per statute, ICAPs are required for all students enrolled in public schools in the state (including Transition students).
  - For funding purposes, work-based learning documentation in the ICAP Portfolio should include, at minimum:
    1. the student's name
    2. the term for which it applies (i.e., Fall 2025)
    3. the date the documentation was created/updated
    4. the work-based learning the student pursues; and
    5. a description of how the work-based learning course connects to the student's postsecondary workforce or education goals
- Look for specific guidance in the 2025 Student October Count Audit Resource Guide in July.

Alternative Instruction Courses - Takeaways

- Work-based learning courses are alternative instruction courses & must have appropriate alternative instruction course documents.

- Work-based learning guidance is shifting rapidly due to recent changes to both the School Finance Rules and the ICAP Rules.

- Communicate with your district's data respondents & registrars.

- When in doubt, review the Student October Count Audit Resource Guide!

Resources
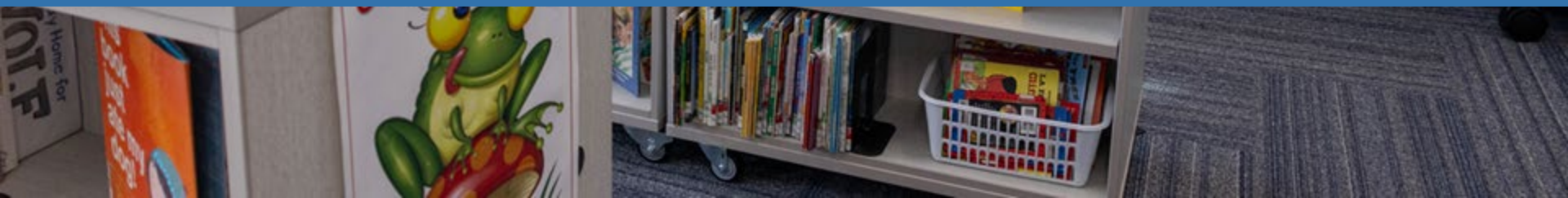
Transition Instructional Hours Resources

- Technical Assistance for **School Finance Act funding eligibility**:
  - Reach out to the data respondent for your district/BOCES!
  - audit@cde.state.co.us
- The School Auditing Office Pupil Count website
  - Find the annual Student October Count Audit Resource Guide here

- Technical Assistance for **Secondary Transition Special Education**:
  - little_owl_k@cde.state.co.us
- The Office of Special Education website

- Open Office Hours will take place: **Wednesday 4/2/25 from 3-3:30pm**
  - (No new material – just a time to answer questions)