

CASB BRIEF - February 25 Vol. 27



Advocacy Newsletter

State K-12 Grants Under Scrutiny

CASB members are already nervous about possible elimination of enrollment averaging in calculation of district funding, proposed 2025-26 cuts to the Building Excellent Schools Today program and uncertainty about whether there's enough money to launch the [new school finance formula](#).

But those aren't the only possible threats to K-12 funding in this legislative session.

Funding levels and sources for the ASCENT program, healthy school meals, universal preschool and mill levy equalization for [Charter School Institute](#) (CSI) schools all are under discussion. That's because the [Joint Budget Committee](#) (JBC) is grappling with how to handle a revenue-versus-expenses gap of more than \$700 million. Adding to the problem is how to pay for the [\\$350 million in law-enforcement funding](#) that voters approved last November.

And then there's the more than \$80 million in competitive grants given out by the [Colorado Department of Education](#) (CDE).

Dozens of grant programs have built up over many years. They were particularly popular during the long years when the Budget Stabilization Factor was used to control the growth of Total Program Funding. Creation of grant programs was a relatively inexpensive way for legislators to show their commitment to education.

In 2024 CDE used some pandemic relief funds and commissioned a study of 31 competitive grant programs by [Dillinger Research and Applied Data](#). Those programs distribute about \$85 million a year. Released in September 2024, the study concluded, "Over time, the incremental approach has created a patchwork approach with the department that is responsible for administering more than \$80 million in state funding."

Here are key findings from the study:

- Local leaders find the grants valuable and demand by districts remains substantial.
- "From the sheer number of grants to each one's unique design, the result is a system that lacks coherence and creates undue complexity for grantees."
- "A lack of system-wide coordination across grants has contributed to potential gaps in funding or misalignment of resources."
- Local district leaders "perceive grant application and reporting requirements to be burdensome and sometimes prohibitive, representing a barrier to entry for many small and rural organizations. CDE's use of multiple systems of reporting creates frustration among many grantees."
- "The current systems that are in place to identify, collect, and analyze grant data does not work in a comprehensive manner, rendering it impossible to evaluate the full landscape of grants."

The consultants made a long list of recommendations, which boil down to suggesting the [State Board of Education](#) develop a unified strategy for grants and develop a phased-in plan to consolidate grants. The recommendations as call for streamlined application procedures, make it easier for all local education providers to access grants and improve data reporting, among other measures.

The caught the attention of the Joint Budget Committee and its staff late last year as the panel started its review of 2025-26 agency budget requests – and its hunt for spending that could be cut.

In a briefing paper presented to JBC last Dec. 3, veteran budget analyst Amanda Bickel including CDE grants in her section on "additional options" for budget cuts. She summarized the department study but didn't recommend specific cuts.

But some JBC members picked up the ball and ran with it at the meeting.

Committee vice chair [Rep. Shannon Bird](#), said grants are an inequitable way to distribute money to districts. "I don't know if keeping a bunch of money dedicated to grants" is a good idea. "Do the districts find them helpful ... have they achieved the policy goals?" The money "would be better directed to Total Program Funding."

[Rep. Emily Sirota](#) added, "I wholeheartedly ditto Madame Vice Chair." [Rep. Rick Taggart](#) said, "I would prefer the send the entire" amount" to Total Program and wondered if the staff that administers grants could then be cut. Bickel said, "I think it's worth considering" but reminded members that the legislature and the state board do have policy goals that can be fostered by grants.

The issue came up again on Dec. 16, when [Education Commissioner Susana Cordova](#) met with the committee.

She suggested any changes to grant programs be "incremental," sayin CDE has discussed reducing competitive grants and shifting more to formula grants. Commissioner Cordova continued her remarks saying post-secondary readiness and workforce readiness grants are probably the ones most ripe for reform.

[Sen. Barb Kirkmeyer](#) countered saying "I just don't know why we don't just stop them all right now."

"There seems to be broad agreement that the JBC needs to be the group to act on this," concluded [Sen. Jeff Bridges](#) who served as the JBC chair.

"Ending it immediately would be quite challenging for our districts," Cordova said. "I'm willing to pick this fight," Bridges said, noting that he was a sponsor of several grant program bills.

The budget committee hasn't returned to the matter since then – it's had lots of other department budgets to comb through. But members showed interest in sweeping or freezing grant programs on Feb. 19, when they discussed the budget for the Department of Local Affairs, another agency with lots of grant programs.

Education grants could be in the crosshairs again on Feb. 27, when JBC is scheduled to do figure setting for CDE's 2025-26 budget. Figure setting for 2025-26 Total Program Funding is scheduled for March 11.

Final JBC tinkering with the 2025-26 budget won't coming until after March 17, when the quarterly state revenue forecasts will be issued, setting the mark for JBC to hit in order to balance the budget.

State Competitive Grants Included in Analysis	
1. Accelerated College Opportunity Exam Fee	17. Expelled and At Risk Students Grant
2. Adult Education Grant (includes Credential Attainment SB22-192)	18. Facility Schools Operational Shared Services Grant
3. Adult High School Program	19. Gifted Educational Universal Screening And Qualified Personnel
4. Automatic Enrollment in Advanced Course Grant Program	20. K-5 Social and Emotional Health Act
5. Bullying Prevention And Education Grant	21. Local Accountability Systems
6. Career Development Incentive Program	22. Local School Food Purchasing Programs
7. Colorado Academic Accelerator Grant Program	23. Menstrual Hygiene Products Accessibility Grant
8. Colorado Career Advisor Training Program	24. Ninth Grade Success Grant Program
9. Colorado High-Impact Tutoring	25. Physical Education Instruction Pilot Program
10. Colorado Student Re-Engagement Grant	26. FAFSA/CASFA Completion Grant
11. Comprehensive Health: Education Grant + Student Wellness	27. Quality Teacher Recruitment Grant
12. Computer Science Education Grant / Grant for Teachers	28. School Counselor Corps Grant
13. Concurrent Enrollment Expansion And Innovation Grant Program	29. School Health Professionals Grant
14. Dyslexia Pilot Program	30. School Transformation Grant (part of the EASI comprehensive application)
15. Early Literacy Grant ¹	31. Special Education Fiscal Advisory Committee: High Cost
16. Education Stability Grant	

This table represents the grant programs from the Colorado Department of Education has discussed with the Joint Budget Committee.