

Budget Cut Talking Points

# **Colorado’s K-12 education budget is facing a 5-10 percent cut in funding for the 2020-2021 school year.**

* The state budget is anticipated to experience a $3.3B shortfall next year.
* The K-12 education budget is based primarily on revenue from state taxes, vehicle registration taxes, and local property taxes.
* Due to business closures related to COVID-19, state revenue is expected to come in significantly below previous expectations.
* K-12 Education represents ~36% of the State Budget
* Cuts were made to every state agency, including K-12 education, to balance the state budget.

# **What cuts were made to the state’s K-12 education budget?**

* Some of the most significant cuts include:
  + Grants: TBD
  + Per Pupil Revenue (PPR, or per student funding): average reduction of $690 per pupil, or 8% cut
  + CSI Mill Levy Override Equalization Fund: reduction of $1.4M, or 21% cut

# **Can federal aid help?**

* The CARES Act was passed by Congress and signed into law on March 27th, 2020 and seeks to provide short-term economic assistance for American workers, families, and small businesses.
* Colorado has received over $1.6B in federal funding to date, with almost $700M being allocated to K-12 education ($510M CARES, $120M ESSER, $44M GEER)
  + The CARES Act allocation is dependent on the demographics of each charter school
  + The ESSER allocation is roughly $75 per pupil
  + Schools and districts can use this funding for additional expenses related to implementing COVID-19 related orders

# **What does all of this (state budget cuts, federal aid) mean for our school?**

* CARES Act funding will provide important assistance to schools in responding to COVID-19 in the short term.
* Federal stimulus funding cannot be used to backfill the reduction in state funding that schools receive.
* *Consider including a positive message here.*
  + *Ex: Our school prides itself on its [lean/fiscally conservative, etc.] approach. Fortunately, we have operated/saved X over the years for unanticipated obstacles such as this.*
* Despite these efforts, [School] is anticipating a X% cut to its budget for the upcoming school year.

***Additional questions schools might want to consider in developing talking points:***

**How is our school determining where to cut funding?**

* *Factors to reiterate and expand on might include:*
  + *School Values / Priorities*
  + *Stakeholder feedback (parent surveys, etc.)*
  + *Least impact to children*

**How will the cuts impact staff?**

**How will the cuts impact my children?**