DEPARTMENT OF EDUCATION

Colorado State Board of Education

RULES FOR THE ADMINISTRATION OF POSTSECONDARY AND WORKFORCE READINESS SUSTAIN FUNDING

1 CCR 301-117

1.0 Statement and Basis of Purpose

These rules are adopted pursuant to the authority in section 22-54-205, C.R.S., as established by SB 25-315. The purpose of these rules is to increase the number of students participating in postsecondary and workforce readiness programs by providing funds to local education providers based on their student outcomes in the areas of postsecondary credit attainment, industry-recognized credentials, and work-based learning. To that end, these rules establish the amount of funding assigned to these different outcome areas and the process for receiving funding and verifying postsecondary workforce readiness outcomes.

2.0 Definitions

2.0 "Department" means the Department of Education, created in section 24-1-115, C.R.S.

2.1 “Highly mobile students” means children or youth who at any time during the academic year were homeless, as defined in section 22-1-102.5, C.R.S.; were in noncertified kinship care, as defined in section 19-1-103, C.R.S.; were students in out-of-home placement, as defined in section 22-32-138, C.R.S.; or were migrant children, as defined in section 22-23-103, C.R.S.

2.2 "Industry-recognized credential" means an industry certification or a nondegree credential, as both are defined in section 23-5-145.8, C.R.S., that satisfy the requirements developed pursuant to section 23-5-145.6(2), C.R.S., and identified in the most recent annual Colorado talent pipeline report prepared pursuant to section 24-46.3-103(3), C.R.S.

2.3 "Local Education Provider (LEP)" means a school district, a charter school authorized by a school district pursuant to part 1 of article 30.5 of title 22, a charter school authorized by the state charter school institute pursuant to part 5 of article 30.5 of title 22, or a board of cooperative services created and operating pursuant to article 5 of title 22 that operates one or more public schools.

2.4 "Postsecondary And Workforce Readiness Sustain Funding" or "Sustain Funding" means funding pursuant to section 22-54-205, C.R.S.

2.5 "Postsecondary Credit Attainment" means transferrable college credit(s) that may be attained while a student is in high school, in alignment with the Colorado Commission On Higher Education Admissions Standards set forth in section 23-1-113, C.R.S., which may include the successful completion of a Concurrent Enrollment course as described in sections 22-35-103(6) and 22-35-104(5)(b), C.R.S., a sufficient score on an end-of-

course Advanced Placement exam, or a sufficient score in an International Baccalaureate course as outlined in section 4.1 of these rules.

2.6 "Work-Based Learning" means demonstrating learning through work or at work, consistent with the work-based learning quality expectations established pursuant to section 8-83-602(5), C.R.S. "Work-Based Learning" includes the same meaning as set forth in section 8-83-601(15), C.R.S.

3.0 Sustain Funding Eligibility Requirements

3.1 Student-Level Criteria

LEPs are eligible to receive Sustain Funding based on student outcomes if the students for whom Sustain Funding is requested meet the following criteria:

3.1(1) The student has successfully satisfied the requirements in rule 4.0 for attaining postsecondary credit, attaining an industry-recognized credential, or participating in a work-based learning opportunity.

3.1(2) The student is enrolled in the LEP when the outcome is achieved.

3.1(3) The student is enrolled in grades 9 and up.

3.1(4) The student may be enrolled in a Pathways in Technology Early College High School (P-TECH).

3.1(5) The student may be participating in the Teacher Recruitment Education and Preparation (TREP) program.

3.1(6) The student may be receiving transition services pursuant to the Exceptional Children's Education Act and its implementing regulations.

3.1(7) The student is identified for full-time funding only in the annual Student October Count data collection in the same budget year the outcome is achieved.

3.1(8) Outcomes earned by students that are summer graduates will be counted for the Sustain Fund in the following budget year.

4.0 Outcomes Eligible for Postsecondary and Workforce Readiness Sustain Funding

Reimbursement for outcomes under the Postsecondary and Workforce Readiness Sustain Funding must fall in one of the three categories below (postsecondary credit attainment, industry-recognized credentials, work-based learning) and meet the following requirements identified in the relevant category.

4.1 Postsecondary Credit Attainment Requirements

4.1(1) An LEP may receive funding for students who have successfully earned 12 postsecondary credits. Postsecondary credit must be one of the following:

4.1(1)(a) Transferrable college credit earned at an institution of higher education as defined by 23-18-102(10)(a), C.R.S.; local district college, as defined in section

23-71-102, C.R.S.; or area technical college, as defined in section 23-60-103, C.R.S., and meets the following:

4.1(1)(a)(i) Transferrable college credit that aligns with the Colorado Commission On Higher Education Admissions Standards set forth in section 23-1-113, C.R.S.; or

4.1(1)(a)(ii) Transferrable college credit earned through concurrent enrollment as described in sections 22-35-103(6), C.R.S. and 22-35-104(5)(b), C.R.S. that:

4.1(1)(a)(ii)(A) Applies toward completion of developmental courses;

4.1(1)(a)(ii)(B) Applies toward earning a certificate or degree through an approved postsecondary career and technical education program;

4.1(1)(a)(ii)(C) Is approved by the Department of Higher Education for transfer from a two-year institution to a four-year institution in satisfaction of prerequisite courses for a specific major;

4.1(1)(a)(ii)(D) Is approved for statewide transfer pursuant to section 23-1-125, C.R.S.; or

4.1(1)(a)(ii)(E) Is approved as part of a statewide degree transfer agreement pursuant to section 23-1-108(7)(a), C.R.S.

4.1(1)(b) Transferrable college credit earned through a Pathways in Technology Early College High School program pursuant to sections 22-35.3-101, et seq., C.R.S.

4.1(1)(c) Earning the minimum score or higher on an end-of-course Advanced Placement (AP) exam as listed on the Colorado Department of Higher Education's statewide transfer credit online platform set forth in section 23-1-125.5, C.R.S. Guaranteed Transfer Pathways shall qualify for the awarding of three credit hours of postsecondary credit attainment, unless the student has earned a minimum score or higher on a GT-SC1 AP Exam, which may qualify for the awarding of four credit hours of postsecondary credit attainment. Minimum scores and credit equivalencies are established by the Colorado Department of Higher Education pursuant to section 23-1-125.5(4)(d), C.R.S.

4.1(1)(c)(i) In the case of AP science exams, if there is a verified laboratory experience that is discipline-specific to the AP exam or advanced high school course taken, then at least four credit hours shall apply to the GT-SC1 category.

or

4.1(1)(d) Earning the minimum score or higher on an end-of-course International Baccalaureate (IB) exam as listed on the Colorado Department of Higher Education's statewide transfer credit online platform set forth in section 23-1-125.5, C.R.S. Guaranteed Transfer Pathways shall qualify for the awarding of

three credit hours of postsecondary credit attainment, unless the student has earned a minimum score or higher on a GT-SC1 IB Exam, which may qualify for the awarding of four credit hours of postsecondary credit attainment. Minimum scores and credit equivalencies are established by the Colorado Department of Higher Education pursuant to section 23-1-125.5(4)(e), C.R.S.

4.1(2) The Department will identify students who may have completed qualifying postsecondary credits with data from the Colorado Department of Higher Education, College Board, and International Baccalaureate.

4.1(2)(a) The Department will establish a method by which an LEP can view this postsecondary credit data.

4.2 Industry-Recognized Credential Requirements

4.2(1) In order to receive funding for students earning industry-recognized credentials, the credential must meet the following criteria:

4.2(1)(a) The credential is included on the List of Qualified Credentials (LoQC) published in the Annual Colorado Talent Pipeline Report prepared pursuant to section 24-46.3-103(3), C.R.S.

4.2(1)(b) Industry-recognized credentials not currently listed on the LoQC will require LEPs to request industry-recognized credential(s) to be eligible for Sustain Funding with the Department and the Colorado Workforce Development Council. This process will include the LEP submitting data demonstrating the industry-recognized credential aligns with local industry and economic demand and meets or exceeds the Quality and In-demand Non-degree Credentials rubric developed pursuant to section 23-5-145.6(2), C.R.S. The Department and the Colorado Workforce Development Council will review the submitted information to determine if the credential will be added to the list in the following program year.

4.2(2) For students earning industry-recognized credentials, the LEP shall retain an electronic copy of each credential or certificate or other supporting documentation from the issuing authority. The supporting documentation must include, at a minimum, the student's name, the name of the credential, and the date the credential was issued.

4.3 Work-based Learning Requirements

4.3(1) An LEP may receive funding for a student's successful completion of 60 cumulative hours, in a single academic year (July 1 - June 30), of work-based learning experiences in the following categories:

4.3(1)(a) Clinical Experience

4.3(1)(a)(i) One of the more critical experiences for healthcare science students is exposure to patients in a clinical setting. This type of experience will allow you to ensure that you enjoy working with patients and that you are well suited for a career in medicine.

4.3(1)(b) Internship

4.3(1)(b)(i) An opportunity in real world environments for exposure to the requirements of a particular occupation or industry, the work environment and the behavioral expectations for success on the job. Such work experiences are not expected to provide formal training for occupational skills, although some skills may be learned.

4.3(1)(c) Pre-Apprenticeship

4.3(1)(c)(i) Services and programs, often including classroom instruction, designed to prepare individuals to enter and succeed in Registered Apprenticeship programs operating under article 15.7 of title 8, C.R.S. These programs should have a documented partnership with at least one Registered Apprenticeship program sponsor and together, they expand the participant's career pathway opportunities with industry-based training coupled with classroom instruction.

4.3(1)(d) Industry-sponsored Project

4.3(1)(d)(i) The objective of an industry-sponsored project is to create a unique, high-quality educational opportunity for participants, where the educational content will enhance educational objectives of the program and class to which it is assigned.

4.3(1)(e) School-Based Enterprise

4.3(1)(e)(i) A school-based enterprise is a simulated or actual business conducted within a school. It is designed to replicate a specific business or segment of an industry and assist students in acquiring work experience related to their chosen career cluster. The management and leadership of the business enterprise should be provided by student positions identified in the business

4.3(1)(f) Supervised Entrepreneurship Experience

4.3(1)(f)(i) An entrepreneurial student business is student-developed and -led, usually with a school staff or community mentor. Outside sources may provide facilities, inputs, resources, and equipment in the business operation, which develops skills and competencies necessary to succeed in business.

4.3(1)(g) Registered Apprenticeship

4.3(1)(g)(i) Registered Apprenticeship under article 15.7 of title 8, C.R.S., is an industry-driven, high-quality career pathway where employers can develop and prepare their future workforce, and individuals can obtain paid work experience, receive progressive wage increases, classroom instruction, and a portable, nationally-recognized credential. Registered Apprenticeships are industry-vetted and approved and validated by the U.S. Department of Labor or a State Apprenticeship Agency as shown by the U.S. Department of Labor Apprenticeship Number.

4.3(1)(h) On-the-Job Training

4.3(1)(h)(i) Training in the public or private sector that is given to a paid employee while he or she is engaged in productive work and provides knowledge and skills essential to the full and adequate performance on the job.

4.3(2) An LEP shall retain documentation of all necessary criteria identified in section 4.3 of these rules to show that a student satisfied the minimum Work-Based Learning requirements for funding.

5.0 Postsecondary and Workforce Readiness Sustain Funding Calculations

5.1 Percentages of the total amount of Sustain Funding for each category

5.1(1) For the 2026-27 budget year, the Department shall divide the total amount of Sustain Funding into the following categories:

5.1(1)(a) Twenty percent of the total amount of Sustain Funding for postsecondary credit attainment;

5.1(1)(b) Forty percent of the total amount of Sustain Funding for industry-recognized credentials earned;

5.1(1)(c) Thirty-five percent of the total amount of Sustain Funding for work-based learning; and

5.1(1)(d) Five percent of the total amount of Sustain Funding allocated to the Department to offset the direct and indirect costs incurred in administering the Sustain Funding.

5.1(1)(e) If money that is allocated to a category is not expended because of insufficient demand, the Department may reallocate the money to another category to satisfy that category's demand.

5.1(2) Beginning in the 2027-28 budget year, the State Board shall annually review, and adjust as necessary, the percentages of the total amount of Sustain Funding assigned to the postsecondary credit attainment, industry-recognized credentials, and work-based learning categories, except that five percent of the total amount of Sustain Funding shall be reserved to offset the direct and indirect costs incurred in administering the Sustain Funding. In determining the percentages, the State Board shall consider:

5.1(2)(a) The availability of postsecondary and workforce readiness opportunities offered by LEPs;

5.1(2)(b) Student participation in postsecondary and workforce readiness opportunities;

5.1(2)(c) Evidence of student outcomes in postsecondary and workforce readiness opportunities;

5.1(2)(d) Student matriculation into postsecondary education and training;

5.1(2)(e) If money that is allocated to a category is not expended because of insufficient demand, the Department may reallocate the money to another category to satisfy that category's demand.

5.2 Funding amounts

5.2(1) The Department shall distribute funding to LEPs for outcomes for eligible students that meet the requirements under section 4.0 of these rules. The state board shall annually review and set funding levels for each of the three outcome categories:

5.2(1)(a) Post-secondary credit attainment funding levels

5.2(1)(b) Industry-recognized credentials funding levels

5.2(1)(c) Work-based learning funding levels

5.2(2) LEPs that are identified as the following National Center for Education Statistics (NECS) locale classification types and subtypes pursuant to section 22-54-103.5(12)(d), C.R.S. pursuant to section 22-7-1211(4), C.R.S., will receive an additional 10 percent weight for student outcomes earned:

5.2(2)(a) Rural: Remote,

5.2(2)(b) Rural: Distant,

5.2(2)(c) Rural: Fringe,

5.2(2)(d) Town: Remote,

5.2(2)(e) Town: Distant, and

5.2(2)(f) Town: Fringe.

5.2(3) Outcomes earned by students identified as free and reduced-price lunch (FRL) in the annual Student October Count data collection will receive an additional 10 percent weight.

5.2(4) Outcomes earned by students identified as special education in the annual Student October Count data collection will receive an additional 10 percent weight.

5.2(5) Outcomes earned by students identified as multilingual learners in the annual Student October Count data collection will receive an additional 10 percent weight.

5.2(6) Outcomes earned by students identified as highly mobile students in the annual Student October Count data collection will receive an additional 10 percent weight.

5.2(7) No one LEP may receive a distribution of more than 10 percent of the total funding available in each of the three outcome categories in a single budget year.

5.2(7)(a) For purposes of this 10 percent funding limit, a school district's calculation shall exclude any district-authorized charter school that is recognized as a separate LEP under these rules.

5.2(8) LEPs are encouraged to cover the costs associated with students earning outcomes in the three outcome categories.

5.2(9) The per-student outcome funding amount in each category is determined by taking the total number of students achieving that outcome in the preceding budget year, applying the weights listed above in this section, and dividing the total amount of funding available in the category.

5.2(10) Regardless of actual costs, an LEP's total Sustain Fund distribution shall not exceed the amount calculated for that LEP under section five of these rules.

5.3 Funding for Students Satisfying Multiple Outcomes

5.3(1) Postsecondary credits

5.3(1)(a) An LEP is only eligible to receive funding for a student who earns postsecondary credits across multiple budget years once that student has successfully earned at least twelve credits that qualify under section 4.1 of these rules. The Sustain Funding distribution for that student shall occur in the budget year following the budget year in which the twelfth qualifying postsecondary credit was earned.

5.3(1)(b) An LEP may receive only one Sustain Fund distribution per student for each budget year. An LEP may receive an additional Sustain Fund distribution for the same student in subsequent budget years if that student earns twelve additional credits beyond the twelve for which the LEP has already received a distribution.

5.3(2) Industry-recognized credentials and work-based learning

5.3(2)(a) In a single budget year, an LEP may receive one funding distribution in the industry-recognized credentials funding category for each student that has earned an industry-recognized credential that meets the requirements in section 4.2 of these rules.

5.3(2)(b) In a single budget year, an LEP may receive one funding distribution in the work-based learning funding category for each student that has successfully completed the work-based learning requirements in section 4.3 of these rules.

5.3(3) In a single budget year, an LEP may receive multiple funding distributions for a single student if that student has achieved outcomes in multiple outcome categories based on the requirements in section 4.0 of these rules.

5.4 Funding for Students Enrolled in Multiple LEPs

For students who are enrolled in more than one LEP during a given budget year, outcomes for such students shall be counted and funded as follows:

5.4(1) For postsecondary credit, the LEP that facilitated the student earning the twelfth credit shall receive the Sustain funding.

5.4(2) For industry-recognized credential outcomes, the LEP that submitted the outcome for funding and it is confirmed that the student is enrolled in that LEP at the time the credential is issued shall receive funding.

5.4(3) For work-based learning outcomes, the LEP that submitted the outcome for funding and it is confirmed that the student is enrolled in that LEP at the time of completion of the work-based learning outcome shall receive funding.

5.4(4) The Department will establish a process to determine which LEP receives funding if more than one LEP reports the same single student outcome in a given budget year.

5.5 Funding to Charter Schools

5.5(1) A charter school authorizer must include in its data submission all eligible student outcomes earned by eligible students enrolled in all of the charter school LEPs they authorize.

5.5(2) A school district that authorizes a charter school shall forward to the district charter school an amount equal to one hundred percent of the Sustain Funding amount that the school district receives for a student who is enrolled in the district charter school and who meets the requirements for outcomes as identified in section 4.0 of these rules.

5.5(3) The state charter school institute shall forward to an institute charter school an amount equal to one hundred percent of the Sustain Funding amount that the state charter school institute receives for a student who is enrolled in the institute charter school and who meets the requirements for outcomes as identified in section 4.0 of these rules.

5.5(4) The Department shall provide charter school authorizers with the information necessary to identify the amount of funding that must be distributed to each charter school.

6.0 Eligible Expenses

6.1 Eligible Expense Categories

An LEP shall use Postsecondary and Workforce Readiness Sustain Funding for expenses that are associated with maintaining and expanding its postsecondary and workforce readiness program that aligns with the state's workforce demands or priorities. The following are considered categories of eligible expenses for Sustain Funding:

6.1(1) Program planning and design. Eligible expenses in this category may include, but are not necessarily limited to, paying school staff for additional time to write curriculum and develop new Career and Technical Education programs.

6.1(2) Course materials, technology, and equipment. Eligible expenses in this category may include, but are not necessarily limited to curriculum, books, software and software subscriptions, machines, supplies, industry-aligned tools and equipment, equipment upkeep and repair, industry certification fees, and Advanced Placement and International Baccalaureate exam fees.

6.1(3) Professional development, certification, authorization, or licensure. Eligible expenses in this category may include, but are not necessarily limited to, initial or professional Career

and Technical Education authorization and endorsement; staff tuition reimbursement; costs associated with creating and implementing staff training related to quality in-demand non-degree credentials, earned postsecondary credits, or high-quality work-based learning opportunities.

6.1(4) Contracting with an entity or hiring school staff to support the development and implementation of a postsecondary and workforce readiness program. Eligible expenses in this category may include, but are not necessarily limited to, school and district staff salaries to develop partnerships and write curriculum; contracting with BOCES, multi-district collaboratives and intermediary partners to analyze local workforce needs and develop partnerships; contracting for technical assistance to help design and establish postsecondary workforce readiness programs.

6.1(5) Individual career and academic plan resources and supports, as described in section 22-2-136, C.R.S., including academic and career advising and exploration. Eligible expenses in this category may include, but are not necessarily limited to, student support staff salaries, such as school counselors, and online platforms to manage individual career and academic plan processes.

6.1(6) Costs associated with concurrent enrollment and P-TECH. Eligible expenses in this category may include, but are not necessarily limited to, covering expenses for teachers to become qualified concurrent enrollment and P-TECH teachers, student fees, transportation costs, and stipends for concurrent enrollment and P-TECH teachers. However, student tuition for concurrent enrollment is not an eligible expense.

6.1(7) Wages for employed apprentices participating in Registered Apprenticeships.

6.1(8) Costs associated with work-based learning. Eligible expenses in this category may include, but are not necessarily limited to, student stipends, background check fees for employees working with students, costs associated with labor market analysis, and insurance costs.

6.1(9) Transportation costs. Eligible expenses in this category may include, but are not necessarily limited to, district-owned transportation, public transportation and transportation alternatives such as rideshares.

6.1(10) Outreach, awareness and marketing costs to help students, families and businesses learn about available postsecondary workforce readiness opportunities. Eligible expenses in this category may include, but are not necessarily limited to, graphic design, advertising fees and printing fees.

6.2 Economies of scale

LEPs are encouraged to collaborate with each other, as well as board of cooperative services (BOCES) to maximize economies of scale and expand student access to a postsecondary and workforce readiness program.

7.0 Department Monitoring and Support of Local Education Providers

LEPs must follow the requirements outlined in the Department's Sustain Fund Eligibility and Compliance Guidebook for Sustain Funding. If an LEP has received payment of funds greater

than the amount to which the LEP is entitled, the LEP shall be responsible for repayment to the Department. Department staff will manage the monitoring process and provide simultaneous support to LEPs to improve future Sustain funding eligibility and compliance.

7.1 Student Eligibility Monitoring

7.1(1) The Department is authorized to verify the eligibly of students submitted for Sustain Funding.

7.1(1)(a) The Department may verify student eligibility by reviewing data reported to the Department and any supporting documentation that an LEP must retain for each funding category.

7.1(1)(b) The Department may recover funds paid to an LEP based on ineligible students, including by withholding future Sustain funding payments to that LEP.

7.2 Student Outcomes Monitoring

7.2(1) The Department is authorized to verify the student outcomes submitted for Sustain Funding.

7.2(1)(a) The Department may verify student outcomes for eligibility by reviewing supporting documentation that an LEP must retain as outlined in section 4.0 of these rules.

7.2(1)(b) The Department may recover funds paid to an LEP based on student outcomes for which the LEP has failed to maintain the necessary supporting documentation, including by withholding future Sustain funding payments to that LEP.

7.3 Expenses Monitoring

7.3(1) The Department is authorized to verify that LEPs are properly expending funds in compliance with section 6.1 of these rules.

7.3(1)(a) The Department may verify expenditure eligibility by reviewing supporting documentation that an LEP must retain for expenses.

7.3(1)(b) The Department may recover funds paid to an LEP that were used for ineligible expenses or for which the LEP has failed to maintain the necessary supporting documentation, including by withholding future Sustain funding payments to that LEP.