This document is made available electronically by the Minnesota Legislative Reference Library as part of an ongoing digital archiving project. http://www.leg.state.mn.us/lrl/lrl.asp

Table of Contents

2016-17 Governor's Budget - Education, Department of

Agency Profile – Education, Department of....1
Expenditures Overview....3
Financing by Fund....5
Change Item: General Education Investment....9
Change Item: Statewide Prekindergarten Program....11
Change Item: Eliminate the Current Head Start Wait List....14
Change Item: Minnesota Reading Corps....16
Change Item: Help Me Grow....18
Change Item: Regional Centers of Excellence....20
Change Item: School Free Breakfast Program....23
Change Item: English Learner (EL) Program....24
Change Item: Success for the Future....26
Change Item: Positive Behavioral Interventions and Supports (PBIS)....28
Change Item: Operating Adjustment....30
Change Item: Northside Achievement Zone and St. Paul Promise Neighborhood Programs....31
Change Item: Maintenance of Service....32
Change Item: Operating Adjustment....33
Education Leadership and Support....34
Expenditures Overview....36
Financing by Fund....37
Discontinued-Nonrecurring Programs....40
Expenditures Overview....41
Financing by Fund....42
General Education....43
Expenditures Overview....46
Financing by Fund....47
Enrollment Options Transport....48
Expenditures Overview....50
Financing by Fund....51
Abatement Revenue....52
Expenditures Overview....53
Financing by Fund....54
Consolidation Transition....55
Expenditures Overview....56
Financing by Fund....57
Nonpublic Pupil....58
Expenditures Overview....59
Financing by Fund....60
Nonpublic Transportation....61
Expenditures Overview....62
Financing by Fund....63
Career and Technical Education Revenue....64
Expenditures Overview....65

Financing by Fund....66
Compensatory Pilot Grants....67
Expenditures Overview....69
Financing by Fund....70
Special Provions For Select Districts....71
Expenditures Overview....72
Financing by Fund....73
Charter School Lease Aid....74
Expenditures Overview....76
Financing by Fund....77
Achievement and Integration Revenue....78
Expenditures Overview....79
Financing by Fund....80
Interdistrict Desegregation Transportation....81
Expenditures Overview....82
Financing by Fund....83
Recovery Program Grants....84
Expenditures Overview....85
Financing by Fund....86
Success for the Future....87
Expenditures Overview....89
Financing by Fund....90
Indian Teacher Preparation....91
Expenditures Overview....92
Financing by Fund....93
Tribal Contract Schools....94
Expenditures Overview....95
Financing by Fund....96
Tribal Early Childhood Program....97
Expenditures Overview....98
Financing by Fund....99
Assessments....100
Expenditures Overview....102
Financing by Fund....103
Alternative Compensation (Q Comp)....104
Expenditures Overview....105
Financing by Fund....106
Teacher Development and Evaluation....107
Expenditures Overview....108
Financing by Fund....109
Advanced Placement - International Baccalaureate....110
Expenditures Overview....111
Financing by Fund....112
Concurrent Enrollment....113
Expenditures Overview....114
Financing by Fund....115
Collaborative Urban Educator....116
Expenditures Overview....117
Financing by Fund....118
Literacy Incentive Aid....119

Expenditures Overview....120
Financing by Fund....121
Youthworks....122
Expenditures Overview....123
Financing by Fund....124
Student Organizations....125
Expenditures Overview....126
Financing by Fund....127
Starbase Minnesota....128
Expenditures Overview....129
Financing by Fund....130
Civic Education Grant Program....131
Expenditures Overview....132
Financing by Fund....133
E372D47 (B)....133
Early Childhood Literacy....134
Expenditures Overview....135
Financing by Fund....136
Minnesota Math Corps Program....137
Expenditures Overview....138
Financing by Fund....139
Elementary and Secondary Education Act Programs....140
Expenditures Overview....142
Financing by Fund....143
Miscellaneous Federal Grants....144
Expenditures Overview....145
Financing by Fund....146
Special Education....147
Expenditures Overview....151
Financing by Fund....152
Special Education Child With Disability....153
Expenditures Overview....154
Financing by Fund....155
Special Education - Home Based Services....156
Expenditures Overview....157
Financing by Fund....158
Special Education Court Placed....159
Expenditures Overview....160
Financing by Fund....161
Special Education Out of State Tuition....162
Expenditures Overview....163
Financing by Fund....164
Other Federal Special Education Programs....165
Expenditures Overview....166
Financing by Fund....167
Health and Safety Revenue....168
Expenditures Overview....169
Financing by Fund....170
Debt Service Equalization....171
Expenditures Overview....173

Financing by Fund....174
Alternative Facilities....175
Expenditures Overview....176
Financing by Fund....177
Deferred Maintenance....178
Expenditures Overview....179
Financing by Fund....180
Telecommunications Access....181
Expenditures Overview....182
Financing by Fund....183
School Lunch....184
Expenditures Overview....186
Financing by Fund....187
School Breakfast....188
Expenditures Overview....189
Financing by Fund....190
Summer Food....191
Expenditures Overview....192
Financing by Fund....193
Commodities....194
Expenditures Overview....195
Financing by Fund....196
Child and Adult Food Care....197
Expenditures Overview....198
Financing by Fund....199
Kindergarten Milk....200
Expenditures Overview....201
Financing by Fund....202
Basic Support and Federal Grants....203
Expenditures Overview....204
Financing by Fund....205
Multicounty Multitype....206
Expenditures Overview....207
Financing by Fund....208
Electronic Library for Minnesota....209
Expenditures Overview....210
Financing by Fund....211
Regular Library Telecommunication....212
Expenditures Overview....213
Financing by Fund....214
Early Child Family Education....215
Expenditures Overview....217
Financing by Fund....218
School Readiness....220
Expenditures Overview....221
Financing by Fund....222
Kindergarten Readiness....223
Expenditures Overview....224
Financing by Fund....225
Access to Quality Early Learning....226

Expenditures Overview....227
Financing by Fund....228
Health and Developmental Screen....229
Expenditures Overview....230
Financing by Fund....231
Head Start....232
Expenditures Overview....233
Financing by Fund....234
Infant and Toddler Intervention....235
Expenditures Overview....237
Financing by Fund....238
Preschool Special Education....239
Expenditures Overview....240
Financing by Fund....241
Special Family Opportunities....242
Expenditures Overview....243
Financing by Fund....244
Community Education....245
Expenditures Overview....246
Financing by Fund....247
Adults With Disabilities....248
Expenditures Overview....249
Financing by Fund....250
Hearing Impaired Adults....251
Expenditures Overview....252
Financing by Fund....253
School Age Care....254
Expenditures Overview....255
Financing by Fund....256
Adult Basic Education....257
Expenditures Overview....258
Financing by Fund....259
General Education Development (GED) Tests....260
Expenditures Overview....261
Financing by Fund....262
E-12 Education Shifts (info only)....263
Miscellaneous Federal Grants (info only)....264
Miscellaneous Levies (info only)....265
Miscelleneous Facility Levies (info only)....268
Other Federal Food and Nutrition Programs (info only)....270
Other Federal Library Programs (info only)....271
State Paid Property Tax Credits (info only)....272
Student Choice Tax Incentives (info only)....273
Federal Funds Summary....275

http://education.state.mn.us/mde/index.html

AT A GLANCE

MDE Customers and Stakeholders (2013)

- 846,114 pre-K through 12 students
- Over 155,500 children participating in early learning programs
- 53,422 FTE licensed teachers
- 332 school districts and 148 charter schools
- Over 65,000 adult learners

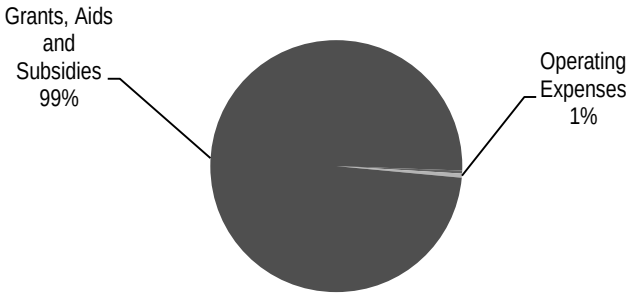
PURPOSE

The mission of the Minnesota Department of Education (MDE) is: "Leading for educational excellence and equity. Every day for every one." The department strives to improve educational achievement by establishing clear standards, measuring performance, assisting educators, and increasing opportunities for lifelong learning. The department strives to be an innovative education agency, assisting schools, families, and other education providers with exemplary services that result in high academic achievement for all students, pre-kindergarten to grade 12, and adult learners. Every learner will reach his or her full potential through an outstanding Minnesota education system that is a world leader in achievement and innovation.

The Minnesota Department of Education contributes to the following statewide outcome: Minnesotans have the education and skills needed to achieve their goals.

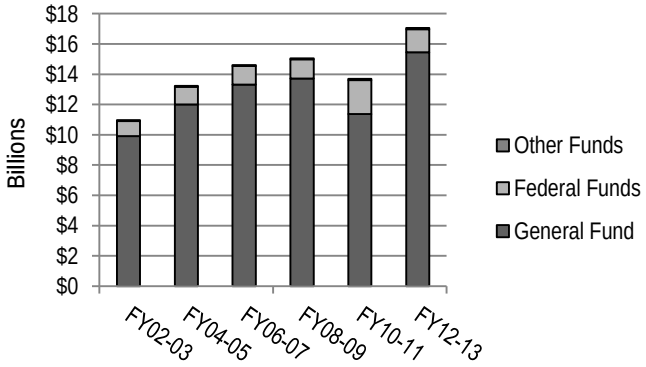
BUDGET

Spending by Category
FY13 Actual



Source: BPAS

Historical Spending*



Source: Consolidated Fund Statement

*$2.7 billion in general fund aid to school districts was shifted beginning in FY 2010 in order to help balance the state budget, causing the FY10-11 spending to decrease. Repayment of the shifts began in FY 2012, causing the FY12-13 spending to increase. Repayment was completed in FY 2014. See the E-12 Education Shifts (info only) narrative for more information.

In FY12-13, 91 percent of Education funding was from the state general fund and 9 percent was from federal funds. In FY13, actual spending was $9.63 billion. $9.54 billion was passed through the agency as grants and aids; $85 million was for testing/assessment/other contracts, salary/fringe, and other operating costs.

STRATEGIES

To achieve its mission, MDE provides leadership and support to students, teachers and schools using the following strategies:

Direct Support

Department programs provide direct support in continuous improvement of teaching and learning to schools and districts. The Regional Centers of Excellence provide strategic instructional and leadership support and implementation of best practice strategies to improve teaching and learning in the classroom. While the most intensive support is aimed at those schools that need the most assistance, direct support is available to all districts, as needed, through the Regional Centers.

E-12 Systems

From a systems approach, MDE programs provide support for systems improvement through a comprehensive, collaborative approach. For example, MDE has set forth an initiative to improve teacher and leader quality by the development of a teacher and principal professional development and evaluation support system that will benefit all Minnesota students. The new state accountability system measures overall student performance from Pre-K through postsecondary education and provides a comprehensive model of system improvement for all districts.

Guidance, Technical Assistance and Funding

Department programs provide supportive leadership to all educational entities by providing guidance and technical assistance to meet the myriad of state and federal legislated requirements. For instance, the technical assistance to districts in the development of their World's Best Workforce plans results in the development of a plan for continuous improvement of school districts through the systemic alignment of legislative requirements in a manner that is streamlined, equitable, and effective for all districts. The department also administers school funding programs including the calculation and distribution of various funding sources.

M.S. 119A; M.S. 120-129B; M.S. 134-135

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	6,584,602	8,847,006	8,420,993	8,170,912	8,336,562	8,444,699	8,427,994	8,724,408
2000 - Restricted Misc Special Rev	12,288	10,796	13,937	15,571	14,155	14,168	14,155	14,168
2001 - Other Misc Special Rev	261	527	640	464	364	364	364	364
2050 - Environment & Natural Resource	146	129						
2301 - Arts & Cultural Heritage Fund	3,000	3,000	3,000	3,000	0	0	0	0
2403 - Gift	46	64	63	126	92	92	92	92
3000 - Federal	778,863	745,174	736,307	834,297	809,082	795,360	809,082	795,360
3801 - Endowment School	24,294	24,868	23,741	25,520	26,064	26,608	26,064	26,608
6000 - Miscellaneous Agency	5	11	9	18	18	18	18	18
Total	**7,403,505**	**9,631,575**	**9,198,690**	**9,049,907**	**9,186,337**	**9,281,309**	**9,277,769**	**9,561,018**
Biennial Change				1,213,518		219,048		590,189
Biennial % Change				7		1		3
Governor's Change from Base								371,141
Governor's % Change from Base								2

Expenditures by Program

Program: Education Leadership & Support	66,621	82,570	79,779	97,171	83,622	77,210	90,416	84,083
Program: General Education	5,368,728	7,168,725	6,855,267	6,469,758	6,564,629	6,592,301	6,622,638	6,824,798
Program: Other General Education	33,987	58,162	51,185	50,934	45,169	44,625	45,392	45,059
Program: School Choice	115,974	149,980	138,679	136,829	146,838	158,517	146,838	160,524
Program: Indian Education	3,419	4,562	4,343	4,469	4,607	4,732	6,749	7,112
Program: Innovation & Accountability	25,490	24,779	23,066	112,576	109,943	108,231	109,943	108,231
Program: Special Student & Teacher	301,488	310,204	275,909	311,169	296,557	296,589	301,557	301,589
Program: Special Education	1,047,937	1,332,380	1,251,941	1,304,347	1,368,902	1,428,183	1,371,202	1,430,052
Program: Facilities & Technology	35,756	51,557	47,856	50,365	47,300	51,166	47,300	51,355
Program: Nutrition	264,528	278,627	290,635	302,968	313,394	324,298	326,313	339,718
Program: Libraries	20,364	25,316	22,317	21,840	18,738	18,738	18,738	18,738
Program: Early Childhood & Family Supp	70,457	81,418	101,756	132,895	130,913	119,698	134,958	132,738
Program: Community Education	1,151	1,854	1,759	1,841	1,546	1,367	1,546	1,367
Program: Self Sufficient & Lifelong Lrn	47,606	61,442	54,197	52,745	54,178	55,652	54,178	55,652
Total	**7,403,505**	**9,631,575**	**9,198,690**	**9,049,907**	**9,186,337**	**9,281,309**	**9,277,769**	**9,561,018**

Expenditures by Category

Compensation	33,154	37,184	39,797	40,649	38,193	37,759	39,923	39,489
Operating Expenses	49,294	49,948	43,392	67,495	59,189	56,964	63,303	61,157

Expenditures by Category

Other Financial Transactions	1,647	2,552	1,290	1,990	1,056	679	1,056	679
Grants, Aids and Subsidies	7,319,279	9,541,837	9,114,202	8,939,769	9,087,893	9,185,901	9,173,481	9,459,687
Capital Outlay-Real Property	131	53	9	5	5	5	5	5
Total	**7,403,505**	**9,631,575**	**9,198,690**	**9,049,907**	**9,186,337**	**9,281,309**	**9,277,769**	**9,561,018**
Total Agency Expenditures	7,403,505	9,631,575	9,198,690	9,049,907	9,186,337	9,281,309	9,277,769	9,561,018
Internal Billing Expenditures	4,022	4,904	5,118	6,506	6,128	5,601	6,128	5,601
Expenditures Less Internal Billing	**7,399,483**	**9,626,671**	**9,193,572**	**9,043,401**	**9,180,209**	**9,275,707**	**9,271,641**	**9,555,416**
Full-Time Equivalents	**398.9**	**414.0**	**421.2**	**443.5**	**435.2**	**427.4**	**447.2**	**439.4**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	6,969,836	7,208,406	6,709,683					
Levies	1,941,737	0	0					
District Revenue	8,911,573	7,208,406	6,709,683					
Direct Appropriation	6,589,538	8,843,264	8,428,636	8,165,225	8,336,615	8,444,750	8,428,047	8,724,459
Current Year	4,476,821	6,223,972	6,115,654					
Prior Year	2,032,373	2,486,701	786,763					
Balance Forward In	1,216	6,175	700	7,226		0		0
Receipts		0		0	0	0	0	0
Net Transfers	-33	-92	-42	-1,534	-51	-51	-51	-51
Cancellations	345	1,703	1,073					
Expenditures	**6,584,602**	**8,847,006**	**8,420,993**	**8,170,912**	**8,336,562**	**8,444,699**	**8,427,994**	**8,724,408**
Balance Forward Out	5,774	700	7,226		0	0	0	0
Biennial Change in Expenditures				1,160,298		189,356		560,497
Biennial % Change in Expenditures				8		1		3
Gov's Exp Change from Base								371,141
Gov's Exp % Change from Base								2
FTEs	155	159	158	168	164	161	176	173

2000 - Restricted Misc Special Rev

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In	5,779	5,237	7,245	3,871	1,021	780	1,021	780
Receipts	11,027	12,544	10,562	12,721	13,915	13,928	13,915	13,928
Internal Billing Receipts	4,146	4,878	5,034	6,426	6,048	5,561	6,048	5,561
Net Transfers	0	-3						
Cancellations	5							
Expenditures	**12,288**	**10,796**	**13,937**	**15,571**	**14,155**	**14,168**	**14,155**	**14,168**
Balance Forward Out	4,513	6,984	3,871	1,021	780	539	780	539
Biennial Change in Expenditures				6,424		(1,184)		(1,184)
Biennial % Change in Expenditures				28		(4)		(4)
FTEs	38	45	49	42	41	40	41	40

2001 - Other Misc Special Rev

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation

2001 - Other Misc Special Rev

Balance Forward In	114	125	212	88				
Receipts	250	587	510	377	365	365	365	365
Net Transfers	5	15	5					
Expenditures	**261**	**527**	**640**	**464**	**364**	**364**	**364**	**364**
Balance Forward Out	108	200	88					
Biennial Change in Expenditures				316		(376)		(376)
Biennial % Change in Expenditures				40		(34)		(34)
FTEs	2	2	2	2	2	2	2	2

2050 - Environment & Natural Resource

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	
Direct Appropriation	0	0						
Balance Forward In	270	129						
Cancellations		1						
Expenditures	**146**	**129**						
Balance Forward Out	123							
Biennial Change in Expenditures				(275)				
Biennial % Change in Expenditures				(100)				
FTEs	1	1	0	0	0	0	0	0

2301 - Arts & Cultural Heritage Fund

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	
Direct Appropriation	3,000	3,000	3,000	3,000	0	0	0	0
Expenditures	**3,000**	**3,000**	**3,000**	**3,000**	0	0	0	0
Biennial Change in Expenditures				0		(6,000)		(6,000)
Biennial % Change in Expenditures				0		(100)		(100)

2403 - Gift

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	
Balance Forward In	181	186	184	163	94	58	94	58
Receipts	50	57	42	56	56	56	56	56
Expenditures	**46**	**64**	**63**	**126**	**92**	**92**	**92**	**92**
Balance Forward Out	185	179	163	94	58	22	58	22
Biennial Change in Expenditures				79		(4)		(4)

2403 - Gift

Biennial % Change in Expenditures		72	(2)	(2)

2820 - Maximum School Loan

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In	2,488	19,147	1,020	335	431	518	431	518
Receipts	43,844	1,655	335	431	500	1,900	500	1,900
Net Transfers	-27,185	-19,782	-1,020	-335	-413	-689	-413	-689
Balance Forward Out	19,147	1,020	335	431	518	1,729	518	1,729

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In	170	0						
Receipts	779,300	745,174	736,306	834,296	809,081	795,358	809,081	795,358
Expenditures	**778,863**	**745,174**	**736,307**	**834,297**	**809,082**	**795,360**	**809,082**	**795,360**
Balance Forward Out	609							
Biennial Change in Expenditures				46,567		33,837		33,837
Biennial % Change in Expenditures				3		2		2
FTEs	203	207	211	232	228	224	228	224

3801 - Endowment School

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Net Transfers	24,294	24,867	23,741	25,520	26,064	26,608	26,064	26,608
Expenditures	**24,294**	**24,868**	**23,741**	**25,520**	**26,064**	**26,608**	**26,064**	**26,608**
Biennial Change in Expenditures				99		3,411		3,411
Biennial % Change in Expenditures				0		7		7

6000 - Miscellaneous Agency

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In	22	35	52	33	32	32	32	32
Receipts	26	28	22	26	26	26	26	26
Net Transfers		0	-33	-9	-9	-9	-9	-9
Expenditures	**5**	**11**	**9**	**18**	**18**	**18**	**18**	**18**

6000 - Miscellaneous Agency

Balance Forward Out	43	52	33	32	32	32	32	32
Biennial Change in Expenditures				10		9		9
Biennial % Change in Expenditures				66		34		34

Change Item: General Education Investment

Fiscal Impact ($000s)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund				
Expenditures	55,563	118,813	123,671	123,437
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	55,563	118,813	123,671	123,437
FTEs	0	0	0	0

Recommendation:

The Governor recommends increasing the General Education basic formula by 1% in FY 2016 and an additional 1% in FY 17. The per pupil formula would increase by $58, from $5,831 to $5,889 in FY 2016, and by an additional $59 to $5,948 in FY 2017.

This proposal would increase base funding for general education revenue by 1 percent.

Rationale/Background:

Increases in the General Education basic formula are needed to maintain our investment in educational programs for all pre-kindergarten through grade 12 students in schools throughout the state. The General Education basic formula is the primary means by which the state funds its constitutional duty to provide a general and uniform, thorough and efficient system of public schools. Operating costs for school districts and charter schools increase annually due to inflation. School districts and charter schools need annual increases in general operating funds to maintain quality education programs for students and close the achievement gap. Over the past decade, increases in the General Education basic formula have lagged behind the rate of inflation, causing school districts to rely more heavily on voter approved referendum levies to maintain basic education programs.

Proposal:

The proposal includes the following changes in the general education revenue program:

1. Increase the General Education basic formula by 1.0 percent in FY 2016 and an additional 1.0 percent in FY 2017. This would increase the per pupil formula by $58 in FY 2016 and an additional $59 in FY 2017.
2. Increase the equalizing factor for operating capital revenue from $14,500 to $19,500 for FY 2017, $20,400 for FY 2018, and $ 21,750 for FY 2019 and later to neutralize the overall statewide property tax impact of the Governor's pre K – 12 education budget recommendations, including the recommendation for pre K education funding.

The proposal also includes changes in other school aid and levy programs that are linked to the general education formula, including:

1. Increase the Early Childhood Family Education Allowance, set at 0.23 percent of the general education formula allowance, from $134.11 to $135.45 for FY 2016 and to $136.80 for FY 2017 and later.
2. Adjust state aid calculations for the nonpublic pupil transportation, nonpublic pupil, shared time, tribal contract, and Post-Secondary Enrollment Options programs to reflect the higher formula allowances for FY 2016 and later.

Results:

Type of Measure	*Name of Measure*	*FY 2010*	*FY 2011*	*FY 2012*	*FY 2013*	*FY 2014 (preliminary)*
Quality	Reading Achievement Gap (% Districts who met targets) *	New measure in FY 2013			43.0%	TBD
Quality	Math Achievement Gap (% Districts who met targets) *	New measure in FY 2013			40.0%	TBD
Quality	Reading proficiency on the Minnesota Comprehensive Assessments III	New standards developed for FY2013			57.8%	59.1%
Quality	Math proficiency on the Minnesota Comprehensive Assessments III	New Standards developed for FY 2011	57.8%	65.4%	62.6%	61.4%
Quality	High school graduation rates	75.5%	77.2%	77.9%	79.8%	TBD
Quality	% of kids ready for Kindergarten	New measure developed for FY 2011	60.0%	69.0%	72.8%	TBD
Quality	National ACT Ranking	#1	#1	#1	#1	TBD

Performance Measures Notes:
*Targets are calculated separately for each district based on their statistics, and updated annually to ensure all gaps are closed by half by 2017.

Statutory Change(s):
MS 126C.10, MS 126C.17

Change Item: Statewide Prekindergarten Program

Fiscal Impact ($000s)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund				
Expenditures	3,000	106,169	161,786	198,517
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	3,000	106,169	161,786	198,517
FTEs	3	3	3	3

Recommendation:

The Governor recommends the implementation of a voluntary, year-round prekindergarten program offered to parents at no charge. Implementing high-quality prekindergarten statewide will improve the kindergarten readiness of four-year old children and will put them on a path for third grade reading proficiency.

This proposal would increase base funding for general education, charter school lease, deferred maintenance, school lunch, and Achievement and Integration aid for the 16-17 biennium. The existing School Readiness Program, which supports preschool for a small number of children, would be discontinued and the savings would be applied to the total cost of Statewide Prekindergarten.

Rationale/Background:

Many of Minnesota's most vulnerable learners are not getting the high-quality services they need to prepare them for success in kindergarten and in life. Intensive, high-quality prekindergarten programs can close much of the early achievement gap for low income children. This substantially increases their school success and produces a host of life-long benefits, including increased school achievement and social and economic success as adults (Reynolds, 2000). These goals can be reached through the planning, implementation and evaluation of high-quality prekindergarten programs.

Implementing high-quality prekindergarten statewide will give school districts an intentional pathway to support their communities' youngest learners by providing opportunities to partner with community-based providers to align curriculum, assessments, instruction, and professional development not just in prekindergarten but along the PreK through 3rd Grade learning continuum. This will also provide the opportunity to engage with and prepare families prior to school entry. This will enable districts to effectively adhere to the World's Best Workforce legislation, as well as be supported in implementing the English Learner legislation enacted in 2014.

Proposal:

To improve the kindergarten readiness of four-year old children and put them on a path for third grade reading proficiency, this proposal recommends providing state aid to implement prekindergarten statewide. State-funded prekindergarten program standards would include evidence-based elements shown to effect positive outcomes for those most at-risk of school failure. Including:

- Instructional content of sufficient duration and intensity including full-day (not less than 5 hours a day, 850 hours, 42 weeks per school year) and summer programing (8-10 week program meeting a minimum of 200 hours);
- Measurement of each child's cognitive skills upon entering and leaving the program through the district's Comprehensive Measurement System which includes:
    - screening measures;
    - formative measures;
    - measures of environmental quality;
    - measures of the quality of adult-child interaction; and
    - state approved kindergarten entrance measure
- Curricula, measurement and instruction aligned with state early learning and kindergarten academic standards;
- Highly trained teachers who have an early childhood license;
- Maximum class sizes of 20 children and child staff ratios of 1 to 10;
- Culturally and linguistically responsive family engagement opportunities

- Support for dual language learners;
    - Intervention and support services;
    - Intentional engagement with parents and families through ECFE;
    - Inclusion of children with disabilities; and
    - Prekindergarten instructional staff salaries comparable to the salaries of local K12 instructional staff.

The state PreK Program will be implemented through a "mixed-delivery system" of early care and education providers that includes schools, licensed child care centers, Head Start programs, and community-based organizations. In addition to providing school-based PreK programs, school districts will also serve as the fiscal host to contract with private and community-based PreK programs to deliver services. By using a mixed delivery system, the state can leverage the diversity of programs currently serving children (school districts, center-based care, Head Start) while still maintaining high standards for effective high-quality programs.

The ultimate goal is to support all four-year-olds receiving high-quality PreK in all settings. Meeting the goals of a mixed-delivery system will provide the state the opportunity to:

- Enhance collaboration among state agencies;
- Enhance collaboration between state agencies and school districts;
- Enhance collaboration between school districts and private centers;
- Develop policies to minimize the difficulties of blending prekindergarten and wrap-around comprehensive services;
- Minimize inequalities among teaching staff within and across prekindergarten programs;
- Provide ongoing mentoring and support for program Directors and Elementary School Principals regarding continuous improvement efforts, staff development and equity issues with programs;
- Provide coordinated training and professional development that is accessible to teaching staff in schools and private childcare programs; and
- Provide ongoing leadership development for publically funded, mixed-delivery prekindergarten programs.

In order to acknowledge the need for programs and school districts to build capacity for the implementation of a publically funded, high-quality state PreK Program we are proposing a phased implementation approach. Therefore, FY2016 will be a planning year to give MDE the opportunity to provide technical assistance and training to programs/districts to ensure the state's high-quality program standards can be met and implemented with fidelity. In addition, we anticipate potential workforce challenges in meeting the licensed teacher requirement and are proposing a phased implementation for this requirement as well. Beginning in 2017, at least 25% of the classroom teachers must meet early childhood licensure requirement, 50% in 2018, 75% in 2019, and 100% for each classroom by 2020.

Students in an eligible program would be counted as one ADM if enrolled in the program for the full school year, and a pupil weight of 0.5 would be assigned to these students. These students would also generate compensatory revenue and other revenues based on ADM, including achievement and integration revenue, deferred maintenance revenue, charter school lease aid, safe schools levies, and lease levies, but not extended time revenue. Students in an eligible program would be included in the calculation of Q Comp revenue. To maintain state total Q Comp funding at current law levels and stay within the cap for Q Comp basic aid, the Q Comp allowance per student would be reduced from $260 to $251 for FY 2018 and to $249 for FY 2019.

This proposal will require matching funds from districts to cover the cost of full-time programming during the school year as well as provide summer programming. We anticipate districts will blend and braid other funding sources to cover what is not funded by the state. Other state and federal funding sources such as the following may be used by school districts.

In an effort to meet the needs of families who need before and after school child care, eligible students, ages 0-5, may receive an Early Learning Scholarship to offset those costs.

Other state and federal funding sources such as:

State	Federal
• General Education Revenue • Literacy Incentive Aid • ECFE • Head Start • Taconite Revenue • Professional Development • Childcare Assistance Program (CCAP)	• School Improvement Grant (SIG) • Title I Part A • Head Start • Title II, Part A • Migrant Education Program • Special Ed. Part C and Special Ed. Part B 619 • Special Ed. Coordinated Early Intervening Service Funds • Special Ed. Funds for State Personnel Development Grant

This funding model focuses on stabilizing schools with a funding base on which to build intentional, evidence-based early education programs that concentrate on building the skills children need for success in school and reducing the achievement gap in schools with the greatest challenges. Research has shown implementing a high-quality PreK will reduce potential costs for intervention services in later grades.

Results:

Type of Measure	*Name of Measure*	*FY 2010*	*FY 2011*	*FY 2012*	*FY 2013*	*FY 2014 (preliminary)*
Quality	Reading Achievement Gap (% Districts who met targets) *	New measure in FY 2013			43.0%	TBD
Quality	Math Achievement Gap (% Districts who met targets) *	New measure in FY 2013			40.0%	TBD
**Quality	Reading proficiency on the Minnesota Comprehensive Assessments III	New standards developed for FY2013			57.8%	59.1%
**Quality	Math proficiency on the Minnesota Comprehensive Assessments III	New Standards developed for FY 2011	57.8%	65.4%	62.6%	61.4%
**Quality	High school graduation rates	75.5%	77.2%	77.9%	79.8%	TBD
Quality	% of kids ready for Kindergarten	New measure developed for FY 2011	60.0%	69.0%	72.8%	TBD

**Please note it will be the year 2020 before we get Third Grade MCA reading and math scores on the first cohort of 4 year old children who will enter PreK in the Fall of 2017.

Statutory Change(s):

M.S. 120.41; M.S. 126C.05

Change Item: Eliminate the Current Head Start Wait List

Fiscal Impact ($000s)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund				
Expenditures	0	$19,442	$19,442	$19,442
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	$19,442	$19,442	$19,442
FTEs	0	0	0	0

Recommendation:

The Governor recommends eliminating the current wait list for Head Start. The purpose of Head Start is to promote the school readiness of low-income children (birth-age 5) by enhancing their cognitive, social, and emotional development in an environment that supports all areas of learning and by providing their families health, educational, nutritional, and other social services. This funding increase will provide Head Start services for all children currently on the waiting list.

Rationale/Background:

Too many of Minnesota's most at-risk learners are not getting the high-quality services they need to prepare them for success in school and life. Children who participate in Head Start programs with their high standards and proven methods of parent engagement show an increase in school readiness. Head Start serves our most high-risk students in the state and currently 2,485 Head Start eligible children are not being served.

- Head Start Programs throughout the State report waiting lists as of October 1, 2014:
  - 2485 children waiting for Head Start services
  - 33 Head Start and Early Head Start grantees served 17,574 children and families in FY 2014
  - 13 percent of Head Start children had a diagnosed disability in FY 2014
  - 1,301 homeless children received services in FY 2014

MDE houses the state's Head Start Collaboration director and works directly with them to coordinate and integrate federal Head Start funding and services with state Head Start funding and services across the state. MDE provides leadership to Head Start agencies across the state in the implementation of Parent Aware, as well as other early learning services. MDE calculates and processes aid payments and provides technical support to grantees for the implementation of this program.

Proposal:

This proposal addresses the need to serve more of our most at-risk children. Head Start programs operate a center-based, home-based, and/or combination option. The recommendation does not propose changes to the existing program. The recommended funds will expand the current program which will provide our highest risk population with the following services:

- Head Start center-based programs that operate at least 3.5 hours per day, four days per week, for 128 days per year, and have at least two home visits.
- Some programs also offer some full-day, full-year services through Head Start-child care partnerships.
- Head Start provides a comprehensive program to children and families, including:
  - health and nutrition,
  - education,
  - parent involvement, and
  - social services

Reducing the Head Start wait list will give our most vulnerable students the great start they deserve and send them on a positive pathway for school and life success.

Results:

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Results	Percentage of children meeting developmental benchmarks upon exiting Head Start*	N/A	88%	FY2012 FY2013
Quantity	Number of children assessed*	N/A	3,062	FY2012 FY2013

Performance Measures Notes:

*This is a new measurement beginning with results in 2013. Results are based on using three research based assessment tools: Teaching Gold Strategies; High Scope/Cor and Work Sampling.

Statutory Change(s):

N/A

Change Item: Minnesota Reading Corps

Fiscal Impact ($000s)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund				
Expenditures	5,000	5,000	5,000	5,000
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	5,000	5,000	5,000	5,000
FTEs	0	0	0	0

Recommendation:

The Governor recommends increasing support for the Minnesota Reading Corps program which places AmeriCorps members in early childhood, afterschool, and school settings. AmeriCorps members are trained in research-based tutoring techniques and work with children age three to grade three; monitor each student's progress; and recruit community volunteers to reach more children.

This proposal increases the current base of $8.6 million to $18.6 million for the FY16-17 biennium and focuses resources on prekindergarten through grade 1.

Rationale/Background:

Based on 2014 MN Comprehensive Assessment (MCA) III results, there are 156,500 age 3 to grade 3 children in Minnesota that are not on track to achieve reading proficiency by 3rd grade. While a focus on teacher quality and increased access to pre-k programs are pieces of the puzzle, there remains a significant gap between what research and studies show are effective strategies for accelerating literacy development and what schools can deliver given staffing and funding realities. ServeMinnesota is in the unique position of being able to supply the research, people power of AmeriCorps members, and data strategies to ensure teachers can reach ALL children that need supplemental support in order to succeed.

Many Head Start Centers lack staff capacity to provide necessary internal literacy coaching. Our current Reading Corps members extend the instructional capacity of PreK and K-3 sites. In this proposal, ServeMinnesota will partner with Head Start to create a new AmeriCorps member role that will extend the coaching capacity of Head Start Centers. In this new role, retired teachers will be able to serve as Internal Coaches thus making it possible for Head Start programs to expand the number of Reading Corps tutors serving in Head Start Classrooms. There are over 300 Head Start sites across Minnesota and currently only 35 sites have Reading Corps tutors. Head Start centers in Greater Minnesota, in particular, stand to benefit from this proposal as they struggle disproportionately more with staffing capacity constraints.

Proposal:

Minnesota Reading Corps' program purpose is to reduce Minnesota's achievement gap and increase the number of students meeting literacy standards by the end of third grade. This proposal seeks to grow the Reading Corps by 480 AmeriCorps members over the next biennium thus allowing us to serve an additional 14,000 students. Under this proposal, tutors would be placed in prekindergarten, kindergarten, and first grade programs in both focus and priority schools. Achieving this growth in a time of flat federal and private funding requires an additional investment of state resources. One state dollar leverages another $2.00 in federal and private funds.

This proposal seeks to fund services in the following areas:

Sustaining and continuing to scale Reading Corps across Minnesota. The growth would be targeted as follows:

a. Expansion in Kindergarten classrooms with a prioritization on School Improvement Grant recipients
b. Expansion in PreK classrooms
c. Expansion in Focus and Priority Schools

Improved Student Outcomes:

a. Over 6,400 children that were at-risk of failure will demonstrate proficiency on the MCA III.
b. Over 40,000 children will accelerate their growth on literacy skills to catch up to their grade level targets.
c. Over 16,000 PreK children will demonstrate Kindergarten readiness on literacy measures that would otherwise have been at risk of starting Kindergarten already behind their peers.
d. Over 8,000 children will be on target for 4 year college as measured by their raw score on the MCA lll's (a target set in cooperation with Dr. David Heistad – the target is below the proficiency level set by the MCA III's but above the level set by the MCA II's).

The internal coaching capacity of Head Start Agencies will be expanded thus enabling more centers to integrate Reading Corps tutors as a strategy for improving Kindergarten readiness of children served by their agencies.

In addition to the results detailed we project positive change in the following areas:

- Fewer students will be referred to special education services saving the state and schools financial resources as well as positioning the student for success vs. continuing to fall through the cracks.
- Schools will need to spend fewer resources on remedial services in the upper grades.
- Over 1,400 well trained and passionate literacy tutors will become part of the pipeline to ensure quality teachers of the future. (Fifty percent of Reading Corps members indicate they will pursue jobs in education after their year of service).

Results:

Minnesota Reading Corps is built from the ground up to use student benchmark and tracking data to inform instruction and report back to policy makers on program effectiveness. These data show student growth over time on measures that align with Kindergarten readiness (rhyming, alliteration, letter sounds, and capital and lower case letter names) and third grade reading (letter names, letter sounds, nonsense word fluency, and oral reading fluency). Following individual student progress throughout the year allows the program to target children with specific interventions to help them accelerate their growth and catch up to grade level targets.

Minnesota Reading Corps' criteria for success include:

An increase in the number of children ready for Kindergarten-

- 90% of PreK students served will demonstrate improvement in at least three of the five "building block" literacy skills from fall to spring, as measured by the Individual Growth and Development Indicators (IGDIs) and Formative Assessment for Teachers (FAST).

An increase in the number of children "catching up" to their peers –

- 75% of K3 students served will demonstrate more than an expected years worth of growth in their literacy skills, as measured by the grade-specific Formative Assessment for Teachers (FAST) fluency assessments conducted three times per year.

An increase in the number of students achieving proficiency on the state's MCA-III exam-

- 50% of 3rd grade students who participate and graduate from Reading Corps will demonstrate reading proficiency on the MCA III reading exam.

An increase in the number of students who are on track for a four year college, based on the state's MCA III exam-

- 58% of 3rd grade students who participate and graduate from Reading Corps will demonstrate that they are on track for a four year college, based on their MCA III reading score.

Statutory Change(s):

Not applicable.

Change Item: Help Me Grow

Fiscal Impact ($000s)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund				
Expenditures	1,000	1,000	1,000	1,000
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	1,000	1,000	1,000	1,000
FTEs	0	0	0	0

Recommendation:

The Governor recommends supporting the implementation of a comprehensive, collaborative system that will enable the state to align with the National Help Me Grow Model. MDE, along with its' partners at Minnesota Department of Health (MDH) and Department of Human Services (DHS), have identified this as a critical need for the state. The National Help Me Grow system is specifically designed to help states organize and leverage existing resources in order to best serve families with children at-risk.

Rationale/Background:

MDE, along with MDH and DHS, is seeking legislation that will ratify state affiliate status with the National Help Me Grow Model. Early detection of problems and obstacles for at risk children and connection to services lead to the best outcomes for children with developmental or behavioral challenges. In Minnesota, we do not have an effective system for families needing to access comprehensive services across the state for their at risk young children, and for professionals who assist these families.

Proposal:

This proposal addresses the need for a comprehensive system that can provide:

- Collaboration across sectors, including child health care, early learning and education, and family support.
- Child Health Care Provider Outreach
- Detection tools used to identify vulnerable young children at risk for developmental and behavioral problems, and their linkage to community-based services
- Community Outreach that provides support for, and participation in, a system that helps with marketing the service, gathering information to include in a resource directory, and keeping the directory up-to-date, including.
    - Primary and specialty medical care providers
    - Early childhood education and child care programs
    - Developmental disabilities assessment and intervention programs
    - Mental health services
    - Family and social support programs
    - Child advocacy and legal services
- Building a centralized telephone access point
- Data Collection to understand all aspects of the current and ongoing system being developed in Minnesota, including identification of gaps, barriers and lack of resources.

After extensive research, there were no services locally or nationally that could provide the critical services that are needed -- specifically, building and implementing a comprehensive system for at-risk young children in Minnesota and their families so they can get connected to the available and appropriate services.

This proposal will be implemented January 1, 2016.

Results:

This program will be a new program for the State of Minnesota. We will implement and use a client tracking system housed at the central point of intake call center. Through a cross-agency planning team a communication plan will be developed to disseminate data and information collected.

MDE will implement the following measures:

- Number of children who receive a referral who eventually receive services
- Who initially contacted Help Me Grow on behalf of the child
- Age of child at time of initial entry (includes prenatal as an age)
- How the initial caller learned about Help Me Grow
- Number by type of presenting issues/concerns
- Top five types of services to which referrals were made
- Top five service/program gaps (service/program gap means a service/program does not exist to address the need)
- Top five barriers that keep children from receiving a service/program that does exist
- Total numbers of children referred for services and are pending the start date
- Total number of children successfully connected to at least one service

We anticipate this data would be available January, 2017.

Statutory Change(s):

Not applicable.

Change Item: Regional Centers of Excellence

Fiscal Impact ($000s)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund				
Expenditures	3,000	3,000	3,000	3,000
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	3,000	3,000	3,000	3,000
FTEs	1	1	1	1

Recommendation:

The Governor recommends expanding the work of the state's six Regional Centers of Excellence, enabling the centers to provide the same services that priority and focus schools currently receive to 200 more schools, including schools with a continuous improvement designation. The expansion would also expand the support for standards implementation for schools and districts. It is critical for district and school staffs to implement standards-based educational systems in all content areas, and the inclusion of additional content specialists at Centers will support districts in implementing standards in all content areas. This funding request includes sustaining the current services for priority and focus schools, expansion of support currently offered to focus and priority schools to more schools in Minnesota (includes expanding specialist support for schools in the areas of math, reading, special education, American Indian learner, and English language learner), and coordination by MDE for development of materials for use by center content specialists. In addition, this proposal seeks to sustain the current work of the state's Regional Centers of Excellence with Title 1 priority and focus schools, which is currently funded with diminishing federal Title funds.

Rationale/Background:

National research and the data collected from Minnesota focus and priority schools show that in order to make systemic changes that result in an increase in student academic performance, a level of intensive, on-site assistance is needed. The process is modified based on data that is continuously collected and analyzed. Support is provided to teachers, leadership teams, and administrators in order to build their capacity and to sustain the process. In addition to the on-going data and information collected, an evaluation is being conducted by the State Implementation and Scaling-up of Evidence Based Practice Center, a national organization conducting research on how to effectively implement successful models. MDE is also conducting its own ongoing program evaluation of the process.

Districts and schools that are not eligible for the services offered to Title I focus and priority schools have repeatedly requested this level of assistance. Funding provided during the 2013 legislative session does not support the staffing to provide the on-site intensive assistance needed in order to build the capacity at the school and district level. Minnesota's achievement gap is one of the highest in the country for children of color.

Proposal:

The Regional Centers of Excellence were initiated in the spring of 2012 with the No Child Left Behind (NCLB) waiver to provide high-quality support and technical assistance to the state's Title I priority and focus schools. This work was funded exclusively with limited federal Title I resources. Expanding the work of the Centers would allow MDE to provide on-site and intensive support and disseminate evidence-based best practices to more schools across the state that are not Title I focus or priority schools. The Centers will provide support to teachers and principals as determined by the collection and analysis of ongoing data. The Centers will also build local and regional partnerships between institutions of higher education, service cooperatives, community and professional organizations, and public schools. Funding in this proposal will increase staffing at the Centers. This increased staffing would enable the Centers to provide the level of support that results in positive changes and increased academic performance for more underperforming schools and schools with significant achievement gaps.

Specific activities include:

- Sustaining teams with partners to provide onsite, cohesive support to build capacity and sustainability in priority and focus schools;
- Staffing center teams with additional support for schools in the areas of math, reading, English language learners, American Indian learners, and special education;
- Providing leadership training and support in use of data, root cause analysis, and continuous improvement planning and implementation;
- Assisting schools with closing achievement gaps between groups of students;
- Assisting schools and districts in the implementation of all academic standards and providing professional development to teachers;
- Developing and maintaining content materials and information that support the services and assistance provided by the content specialists at the regional centers and creating communities of practice for educators to utilize information from the site and share information; and
- Providing a multi-tiered system of support including training, direct services customized to meet local needs, and coaching.

Providing state funding for the existing work and expanding the work of the Regional Centers of Excellence with state funds allow MDE to provide support to districts and schools within the state regardless of Federal Title I status.

The effectiveness of the Regional Centers of Excellence will be demonstrated when the schools receiving services for two years perform better toward reaching the goals of the World's Best Workforce when measured in the following ways:

- Getting all students ready for kindergarten: The tools in the School Readiness Study will show how many more kindergarteners are ready for school success. The tools are based on standards.
- Achieving grade level literacy for all students in third grade: The Minnesota accountability tests in reading report proficiency for third graders every year based on the Minnesota Academic Standards.
- Closing the identified achievement gap(s): The Minnesota accountability tests in reading and mathematics report proficiency for multiple student groups.
- Attaining career and college readiness for all students: The current PLAN, EXPLORE and ACT assessments measure readiness in this area. The extent to which schools comply with the Planning for Students' Successful Transition to Postsecondary and Employment statute will also indicate success.
- Graduating all students: The Multiple Measure Rating (MMR) reports graduation rates every year.

Results:

Type of Measure	*Name of Measure*	*FY 2010*	*FY 2011*	*FY 2012*	*FY 2013*	*FY 2014 (preliminary)*
Quality	Reading Achievement Gap (% Districts who met targets) *	New measure in FY 2013			43.0%	TBD
Quality	Math Achievement Gap (% Districts who met targets) *	New measure in FY 2013			40.0%	TBD
Quality	Reading proficiency on the Minnesota Comprehensive Assessments III	New standards developed for FY2013			57.8%	59.1%
Quality	Math proficiency on the Minnesota Comprehensive Assessments III	New Standards developed for FY 2011	57.8%	65.4%	62.6%	61.4%
Quality	High school graduation rates	75.5%	77.2%	77.9%	79.8%	TBD

Type of Measure	*Name of Measure*	*FY 2010*	*FY 2011*	*FY 2012*	*FY 2013*	*FY 2014 (preliminary)*
Quality	% of kids ready for Kindergarten	New measure developed for FY 2011	60.0%	69.0%	72.8%	TBD
Quality	National ACT Ranking	#1	#1	#1	#1	TBD

*Targets are calculated separately for each district based on their statistics, and updated annually to ensure all gaps are closed by half by 2017.

Statutory Change(s):

Not applicable.

Change Item: School Free Breakfast Program

Fiscal Impact ($000s)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund				
Expenditures	13,219	14,894	14,937	15,303
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	13,219	14,894	14,937	15,303
FTEs	1.0	1.0	1.0	1.0

Recommendation:

The Governor recommends expanding the school free breakfast program to include Pre-Kindergarten and Grades 1-3. This will provide an additional 83,000 students with free breakfast throughout the school year.

Rationale/Background:

The School Breakfast Program is a program that helps fight hunger and obesity by reimbursing schools for providing healthy breakfast meals to children. National studies consistently confirm that breakfast helps kids concentrate, think, behave and learn. Eating breakfast:

- Improves children's classroom performance, including better test scores and grades
- Increases children's ability to focus and concentrate on school work
- Decreases behavior problems, tardiness and visits to the school nurse
- Increases attendance rates

Proposal:

Offering breakfast at no charge has been shown to increase participation in the School Breakfast Program and support the health and academic potential for children. This proposal seeks funding for the expansion of the School Breakfast Program making it available at no cost to pre-kindergarteners and students in Grades 1-3. This proposal also seeks funding for an upgrade for the MDE Cyber-Linked Interactive Child Nutrition System (CLiCS), outreach, training, compliance and administration.

Federal funding is available without cap to support breakfast meals served to students eligible for free or reduced-price meals. By offering free breakfast to more students, it increases participation and gives a financial boost to schools.

Results:

Type of Measure	*Name of Measure*	*FY 2012*	*FY 2013*
Quantity	Percent of school breakfasts served that are free or reduced price	74.1%	74.2%

Statutory Change(s):

M.S. 124D1158

Change Item: English Learner (EL) Program

Fiscal Impact ($000s)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund				
Expenditures	3,834	4,058	3,918	3,796
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	3,834	4,058	3,918	3,796
FTEs	4	4	4	4

Recommendation:

The Governor recommends increasing support to schools for English Learner (EL) students by extending funding for up to 7 years. In addition, this request supports the implementation of the recently passed Learning for English Academic Proficiency and Success (LEAPS) Act.

Rationale/Background:

The current formula allows a pupil to generate EL aid for up to 6 years. Often it takes longer than 6 years for an EL pupil to become proficient in English. When funding ends, if a pupil is not proficient in English, districts must use other funding sources to provide continued services. This may result in diminished services for not only EL students, but all students. During the 2014 session, the legislature increased funding from five to six years and created significant policy changes in the EL realm. The additional funding and year of service will assist students in gaining English proficiency.

Proposal:

This proposal provides more consistent and stable services to EL students so that they reach proficiency in English and enter career and college with the tools necessary to be successful. Currently, funding is eliminated for English learners if they do not become proficient in six years. This proposal gives students and districts another year to reach proficiency without having to reduce services or deviate funding from other sources. Primarily, EL students will benefit from the increased services. Schools and teachers will also benefit from having the resources they need to provide quality EL services. Secondarily, all students in schools will benefit because districts will no longer be required to cross-subsidize the cost of EL services with other program funds.

This proposal includes funding that enables MDE to implement required aspects of the 2014 EL legislation such as access to translated state notices, a professional development program that develops EL coaching and EL data literacy skills in school-based leadership teams, and development of a webpage for electronic delivery of bilingual and multi-lingual seals.

Results:

MDE will measure the performance of this proposal using the following measures:

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Number of parents that access the portal; Number of districts receiving assistance and training to understand the importance of cultural competency and effective and successful family engagement practices; Number of bilingual and multi-lingual seals successfully issued; Number of school staff trained in EL coaching and EL data analysis.	N/A		
Quality	Survey parent satisfaction of information provided through the portal; Survey parents to determine how successful the school was in implementing culturally relevant practices;	N/A		
Results	Increase the percentage of ELs who graduate; Increase the percentage of ELs who are proficient on the MCA reading and math tests; Increase in number of schools using growth data in English language development as measured by ACCESS to make program improvements.	M 28.1% R 17.4%	59.3% 28.3% 17.9%	2014 2013; 2014 2013; 2014

Statutory Change(s):

M.S. 124D.59; M.S. 124D.65

Change Item: Success for the Future

Fiscal Impact ($000s)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund				
Expenditures	2,142	2,380	2,380	2,380
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	2,142	2,380	2,380	2,380
FTEs	0	0	0	0

Recommendation:

The Governor recommends expanding support for the Success for the Future program, which provides grants to eligible schools and districts to develop comprehensive and collaborative plans to support academic achievement, decrease the dropout rate and improve the school climate for American Indian students in a culturally appropriate manner.

This proposal represents a 111% increase in base general fund funding for the Success for the Future activity and a 51% increase in base general fund funding for Indian Programs.

Rationale/Background:

Success for the Future serves nearly half the state's enrolled American Indian students and enables participating students to take part in advanced placement and college readiness programs. It does this by providing funds to schools and districts through a competitive grant award. In a typical year, there are 66 schools and districts that could be eligible, however, only 32 receive funding. By funding the additional 34 eligible schools and districts, the funding gap that this competitive grant program has created would be eliminated. When schools and districts have to compete for funding, they are unable to create consistent and sustainable Indian Education programs which impacts the support American Indian students receive. Several schools and districts that were grant recipients for multiple years were not funded during the last award cycle. Some small rural districts lacked professional grant writing capacity.

The current appropriation provides the 32 schools and districts with an annual grant of $70,000 to operate their Indian Education programs. This level of funding has remained unchanged since the grant program was created in 2000. The grant program currently serves half of the K-12 American Indian students in the state. By supporting another 34 schools and districts, we would serve an additional 5,300 students (an additional 28 % of total American Indian student population).

Proposal:

American Indian education programs are designed to meet the unique educational and cultural needs of American Indian students. They focus on getting students ready for college, increasing achievement, especially in math and reading, making the curriculum more relevant to students' cultural heritage, reinforcing students' positive self-image, and developing intercultural awareness among students, parents, staff, and community. Schools that receive federal Indian Education formula grants (Title VII ESEA) and have an active Indian Parent Advisory Committee are eligible.

Increased grant funding was identified as a high priority recommendation of the MDE "Advisory Task Force on Minnesota American Indian Tribes and Communities and K-12 Standards-Based Reform" 2009 report. This proposal was also requested as a priority of Minnesota's elected tribal leaders at the 2014 Governor's Summit with Tribal Leaders.

Results:

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Results	Statewide American Indian Graduation Rate	45%	49%	2012; 2013
Results	Statewide American Indian MCA Math Proficiency	31%	36%	2012; 2013
Results	Success for the Future Funded Districts* Graduation Rate (31 Districts)	59.72%	64.26%	2012; 2013
Results	Unfunded Districts* Graduation Rate	51.32%	58.38%	2012; 2013

*There are 66 school districts that the MDE Office of Indian Education considers eligible to receive state-funded Success for the Future grants. All 66 districts receive federal formula grants that support American Indian students. 32 of those 66 schools districts also receive state-funded Success for the Future Indian Education grants. The remaining 34 districts are considered “unfunded”. These two groups were compared for graduation rate calculation purposes.

Statutory Change(s):

Not applicable.

Change Item: Positive Behavioral Interventions and Supports (PBIS)

Fiscal Impact ($000s)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund				
Expenditures	2,300	2,300	2,300	2,300
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	2,300	2,300	2,300	2,300
FTEs	2	2	2	2

Recommendation:

The Governor recommends providing additional support to accelerate the implementation of school-wide Positive Behavioral Interventions and Supports (PBIS) in schools and districts throughout Minnesota. This funding will increase the training, coaching, and evaluation supports available for schools and districts who are implementing PBIS.

Rationale/Background:

This proposal supports Minnesota schools to effectively implement school-wide PBIS. PBIS allows school personnel to organize evidence-based behavioral interventions into an integrated continuum that enhances academic and social behavior outcomes for all students. PBIS is not a packaged curriculum, scripted intervention, or manual strategy. PBIS is a prevention-oriented way for school personnel to (a) organize evidence-based practices, (b) improve their implementation of those practices, and (c) maximize academic and social behavior outcomes for students. PBIS supports the success of all students.

This funding helps schools and districts to put an effective, evidence-based framework for behavior into place in their schools. It also builds on legislative priorities around the reduction in the use of restrictive procedures and the Olmstead plan. Minnesota has seen rapid growth in PBIS over the past ten years, and concurrent reductions in statewide disciplinary data as reported in the Disciplinary Incident Reporting system. After years of increases in the number of disciplinary incidents, the trend data has started to rapidly decrease, showing a 20% decrease for all students from 2010-11 to 2013-14. This decrease has resulted in increased time for principals and teachers to focus on instruction, and for students in class receiving instruction. Despite the improvements, Minnesota still has a long way to go to get to full implementation of these practices across the state.

Proposal:

This request provides additional support to schools to enhance and accelerate existing programs. Support includes grants to provide training, coaching, and evaluation for school teams in training. The training is free for schools, with regional grants supporting the costs of facilities, trainers and incidentals. Funding will also flow through to districts for collection and reporting of implementation and evaluation data, supporting sustained implementation. The funding can support schools individual needs, which could relate to data collection and reporting, ongoing professional development, cost of materials, etc.

To date there have been 167 districts (which includes 14 charter schools) that have participated in training, which means at least one school from the district has participated. The plan is to get to all districts in the state, by continuing to offer training cohorts for schools to get trained within their region of the state. The increased funding helps accelerate this process.

Results:

Results will consider effort, fidelity and outcome data. Effort relates to data such as the number of people, schools or districts trained. Fidelity data will address how well schools are implementing the evidence-based practices of PBIS, as a result of the training and coaching they receive. Outcomes will focus on the types of indicators that will be impacted with broad scale, effective implementation, such as decreases in suspensions, decreases in office disciplinary referrals, increases in school climate and student engagement, and increases in student achievement.

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	% of schools trained in PBIS	NA	24%	2014
Results	Decrease in Disciplinary Incidents	NA	20%	2010-11 to 2013-14

Statutory Change(s):

n/a

Change Item: Operating Adjustment

Fiscal Impact ($000s)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund				
Expenditures	271	547	547	547
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	271	547	547	547
FTEs	0	0	0	0

Recommendation:

The Governor recommends additional funding for compensation related costs associated with the delivery of agency services. This amount represents an annual increase of 1.8% for General Fund compensation costs.

Rationale/Background:

Each year, compensation costs rise due to labor contract settlements, and changes in employer-paid contributions for insurance, FICA, Medicare, retirement, and other factors. Absorbing this increase in compensation costs within existing agency base appropriations results in reduced staffing and/or reduced non-compensation spending.

Proposal:

The Governor recommends increasing agencies' general fund budgets for employee wage and benefit costs by 1.8% per year for FY 2016-17. Agencies were instructed to include a 1.8% increase to total compensation each year in their base budgets, based upon the compound annual compensation spending rate increase per FTE over the last ten years for executive branch employees. This recommendation is intended to allow agencies to maintain their current level of agency operations.

For non-General Fund direct appropriated funds, the Governor's budget recommendations also include an adjustment of 1.8% per year, where the amount can be supported by the source of revenue.

Results:

This proposal is intended to allow agencies to continue to provide current levels of service and information to the public.

Statutory Change(s):

N.A.

Change Item: Northside Achievement Zone and St. Paul Promise Neighborhood Programs

Fiscal Impact ($000s)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund				
Expenditures	2,000	2,000	2,000	2,000
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	2,000	2,000	2,000	2,000
FTEs	0	0	0	0

Recommendation:

The Governor recommends increasing support for the Northside Achievement Zone and St. Paul Promise Neighborhood programs through grants designed to reduce multigenerational poverty and address the educational achievement gaps in North Minneapolis and St. Paul Promise neighborhoods.

Rationale/Background:

The Northside Achievement Zone and St. Paul Promise Neighborhood programs are annual grants designed to end multigenerational poverty and close the educational achievement gap. The Northside Achievement Zone program is available to Minneapolis residents living within the geographic boundaries of the Zone in North Minneapolis. The St. Paul Promise Neighborhood program is available to residents of the St. Paul Promise Neighborhood, a 250 square block area in the central neighborhoods of St. Paul.

As of 2013, there were 1,390 scholars enrolled in the Northside Achievement Zone and 485 students enrolled at the Promise Neighborhood Freedom School.

Proposal:

This item provides annual increases of $1.0 million each to grants to the Northside Achievement Zone and St. Paul Promise Neighborhood programs. The funds must be used to reduce multigenerational poverty and address the academic achievement gap. The Northside Achievement Zone and Promise Neighborhood must submit reports to the legislature in January 2016 which analyze program activities and outcomes.

Results:

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Number of families enrolled in the Northside Achievement Zone	n/a	548	2013 year-end
Quantity	Number of scholars enrolled in the Northside Achievement Zone	n/a	1,390	2013 year-end
Quantity	Number of students participating in the St. Paul Promise Neighborhood Freedom School	224	485	Summer 2012 Summer 2013
Quantity	Percentage of students who were consistent participants in the St. Paul Promise Neighborhood Freedom School	87%	78%	Summer 2012 Summer 2013
Quantity	Number of Freedom School Sites	1	3	Summer 2012 Summer 2013

Statutory Change(s):

Not applicable.

Board of Teaching

FY16-17 Biennial Budget Change Item

Change Item: Maintenance of Service

Fiscal Impact ($000s)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund				
Expenditures	100	100	100	100
Revenues		0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	100	100	100	100
FTEs	0	0	0	0

Recommendation:

The Governor recommends additional funding for the Board of Teaching. The current annual allocation of $618,000 no longer allows sufficient operating funding to meet all statutory obligations. This recommendation represents a 16% increase over base funding.

Background/Rationale:

The Board of Teaching's primary mission is to assure that Minnesota students are served by licensed teachers who are equipped to deliver effective instruction and meet the instructional needs of all learners. To that end, the Board of Teaching has been charged with establishing and maintaining licensure standards and requirements, approving institutions and licensure programs to prepare Minnesota teachers, and establishing and enforcing the Code of Ethics for Minnesota teachers to ensure the safety and wellbeing of all students.

Since 2011, the legislature has added multiple new responsibilities for the Board of Teaching such as approving alternative teacher preparation programs, streamlining the licensure review process for out-of-state applicants, norming a new exam for special education teachers, and implementing new requirements for teacher candidates to address the needs of English language learners. Despite these added responsibilities, there has been no increase to the Board's ongoing funding (there was a one-time increase of $100 thousand for FY 2015 only). In addition to its statutorily required duties, the Board has seen increases in operating costs related to compensation, rent, and other operations.

Proposal:

This recommendation provides funding to offset the majority (roughly 80%) of the Board of Teaching's anticipated FY 2016 budget deficit. The Board of Teaching will reallocate existing resources to meet operating needs.

Results:

- Continued assurance that teachers holding MN licenses are complying with the Teacher Code of Ethics and that those who breach this code or engage in criminal activity will have their licenses revoked or suspended.
- Improved BOT oversight of teacher preparation programs in order to ensure program accountability.
- Continued negotiation with border states for teacher mobility to address shortages while maintaining high standards.
- Allow for new collaborations to improve the recruitment and retention of qualified teacher candidates prepared to teach in 21st century Minnesota classrooms
- Provide more individually-tailored feedback and support to institutions to improve their teacher preparation programs.
- Ensure that programs are responsive to current standards and policies designed to improve quality of instruction for Minnesota children.

Change Item Operating Adjustment

Fiscal Impact ($000s)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund				
Expenditures	3	6	6	6
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	3	6	6	6
FTEs	0	0	0	0

Recommendation:

The Governor recommends additional funding for compensation related costs associated with the delivery of agency services. This amount represents an annual increase of 1.8% for General Fund compensation costs.

Rationale/Background:

Each year, compensation costs rise due to labor contract settlements, and changes in employer-paid contributions for insurance, FICA, Medicare, retirement, and other factors. Absorbing this increase in compensation costs within existing agency base appropriations results in reduced staffing and/or reduced non-compensation spending.

Proposal:

The Governor recommends increasing agencies' general fund budgets for employee wage and benefit costs by 1.8% per year for FY 2016-17. Agencies were instructed to include a 1.8% increase to total compensation each year in their base budgets, based upon the compound annual compensation spending rate increase per FTE over the last ten years for executive branch employees. This recommendation is intended to allow agencies to maintain their current level of agency operations.

For non-General Fund direct appropriated funds, the Governor's budget recommendations also include an adjustment of 1.8% per year, where the amount can be supported by the source of revenue.

Results:

This proposal is intended to allow agencies to continue to provide current levels of service and information to the public.

Statutory Change(s):

N.A.

Program: Education Leadership and Support

AT A GLANCE

Set policy and direct the annual spending of $9.63 billion (FY 2013)

Provide guidance and assistance to:

- 846,114 pre-K through 12 students
- Over 155,500 children participating in early learning programs
- 53,422 FTE licensed teachers
- 332 school districts and 148 charter schools
- Over 65,000 adult learners

PURPOSE & CONTEXT

We provide the infrastructure for services and assistance to children, students, teachers, parents, and schools. We exist to improve educational achievement by establishing clear standards, measuring performance, assisting educators, and increasing opportunities for lifelong learning.

SERVICES PROVIDED

Services provided by the Minnesota Department of Education (MDE) support three overarching strategies:

Direct Support: We directly support the continuous improvement of teaching and learning to schools, teachers, children, students, and parents.

- Provide training and resources to assist schools, parents, and the department in maintaining compliance with state and federal laws and policies.
- Issue educator licenses.
- Assist schools and childcare providers in providing nutritious meals and creating safe and healthy learning environments.
- Develop and extend statewide library services.
- Administer Regional Centers of Excellence, which are working to raise student achievement and close the achievement gap in schools.
- Establish and administer a School Safety Technical Assistance Center to assist districts and schools provide a safe and supportive learning environment.

E-12 Systems: We provide systems support through program and policy development and assessment.

- Administer Carl Perkins federal grant program.
- Administer and collect data for the state's assessment and accountability system.
- Develop and implement assessment systems to measure student knowledge and skills on Minnesota Academic Standards and Minnesota English Language Proficiency Standards.
- Develop academic standards.
- Monitor school district and MDE compliance with state and federal education laws.
- Administer the Minnesota Braille and Talking Book Library.
- Implement the student maltreatment, charter schools, and early education policies and programs.

Guidance, Technical Assistance, and Funding: We provide supportive leadership to all educational entities by providing guidance, technical assistance to meet state and federally legislated requirements, and administer school funding programs.

- Provide leadership, policy direction, and information technology services for the agency.
- Develop tools and provide guidance to assist schools in the implementation of programs and academic standards.
- Provide policy guidance for school choice programs including online learning.
- Distribute formula and competitive grant and aid programs.
- Calculate state aid and distribute payments to school districts and charter schools.
- Calculate school district local property tax levy limitations.

RESULTS

Type of Measure	*Name of Measure*	*FY 2010*	*FY 2011*	*FY 2012*	*FY 2013*	*FY 2014 (preliminary)*
Quality	Reading Achievement Gap (% Districts who met targets) *	New measure in FY 2013			43.0%	TBD
Quality	Math Achievement Gap (% Districts who met targets) *	New measure in FY 2013			40.0%	TBD
Quality	Reading proficiency on the Minnesota Comprehensive Assessments III	New standards developed for FY2013			57.8%	59.1%
Quality	Math proficiency on the Minnesota Comprehensive Assessments III	New Standards developed for FY 2011	57.8%	65.4%	62.6%	61.4%
Quality	High school graduation rates	75.5%	77.2%	77.9%	79.8%	TBD
Quality	% of kids ready for Kindergarten	New measure developed for FY 2011	60.0%	69.0%	72.8%	TBD
Quality	National ACT Ranking	#1	#1	#1	#1	TBD

Performance Measures Notes:

*Targets are calculated separately for each district based on their statistics, and updated annually to ensure all gaps are closed by half by 2017.

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	16,580	21,113	19,050	26,495	22,113	22,125	28,907	28,998
2000 - Restricted Misc Special Rev	6,509	6,613	7,680	8,292	7,155	6,668	7,155	6,668
2001 - Other Misc Special Rev	261	524	640	464	364	364	364	364
2050 - Environment & Natural Resource	146	129						
2403 - Gift	46	59	63	126	92	92	92	92
3000 - Federal	43,078	54,127	52,339	61,783	53,886	47,949	53,886	47,949
3801 - Endowment School	0							
6000 - Miscellaneous Agency	0	5	7	13	13	13	13	13
Total	**66,621**	**82,570**	**79,779**	**97,171**	**83,622**	**77,210**	**90,416**	**84,083**
Biennial Change				27,760		(16,118)		(2,451)
Biennial % Change				19		(9)		(1)
Governor's Change from Base								13,667
Governor's % Change from Base								8

Expenditures by Budget Activity

Budget Activity: Education Excellence	7,124	7,015	7,763	27,189	23,784	23,841	27,804	27,661
Budget Activity: Early Learning	29,861	40,491	36,255	48,187	42,758	42,689	42,758	42,689
Budget Activity: Innovation & Special Educ	6,021	9,914	13,654	10,597	7,085	2,166	9,585	4,666
Budget Activity: Compliance & Monitoring	3,564	3,100	3,213	410	156	156	156	156
Budget Activity: Infrastructure	19,081	21,067	18,372	10,037	9,263	7,781	9,534	8,328
Budget Activity: Pass Through Programs	969	983	522	752	576	576	579	582
Total	**66,621**	**82,570**	**79,779**	**97,171**	**83,622**	**77,210**	**90,416**	**84,083**

Expenditures by Category

Compensation	33,007	37,007	39,240	39,994	37,671	37,222	38,946	38,497
Operating Expenses	21,805	22,124	18,561	31,531	26,339	24,116	29,058	26,914
Other Financial Transactions	308	1,208	370	396	172	172	172	172
Grants, Aids and Subsidies	11,370	22,178	21,599	25,245	19,435	15,695	22,235	18,495
Capital Outlay-Real Property	131	53	9	5	5	5	5	5
Total	**66,621**	**82,570**	**79,779**	**97,171**	**83,622**	**77,210**	**90,416**	**84,083**
Total Agency Expenditures	66,621	82,570	79,779	97,171	83,622	77,210	90,416	84,083
Internal Billing Expenditures	4,014	4,834	4,987	6,166	5,993	5,467	5,993	5,467
Expenditures Less Internal Billing	**62,607**	**77,736**	**74,792**	**91,005**	**77,630**	**71,743**	**84,424**	**78,616**
Full-Time Equivalents	**397.1**	**411.9**	**418.1**	**438.3**	**430.3**	**422.7**	**438.6**	**430.9**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	18,820	18,936	21,558	21,660	20,951	20,951	27,745	27,824
Balance Forward In		2,534		3,686		0		0
Receipts		0		0	0	0	0	0
Net Transfers	-33	-92	1,177	1,156	1,164	1,175	1,164	1,175
Cancellations		265						
Expenditures	**16,580**	**21,113**	**19,050**	**26,495**	**22,113**	**22,125**	**28,907**	**28,998**
Balance Forward Out	2,207		3,686		0	0	0	0
Biennial Change in Expenditures				7,851		(1,307)		12,360
Biennial % Change in Expenditures				21		(3)		27
Gov's Exp Change from Base								13,667
Gov's Exp % Change from Base								31
FTEs	153	158	156	166	163	160	171	168

2000 - Restricted Misc Special Rev

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In	3,021	3,191	3,808	2,096	1,021	780	1,021	780
Receipts	5,960	6,970	5,968	7,216	6,915	6,428	6,915	6,428
Internal Billing Receipts	4,146	4,878	5,034	6,426	6,048	5,561	6,048	5,561
Net Transfers	0	-3						
Cancellations	5							
Expenditures	**6,509**	**6,613**	**7,680**	**8,292**	**7,155**	**6,668**	**7,155**	**6,668**
Balance Forward Out	2,467	3,546	2,096	1,021	780	539	780	539
Biennial Change in Expenditures				2,849		(2,147)		(2,147)
Biennial % Change in Expenditures				22		(13)		(13)
FTEs	38	45	49	42	41	40	41	40

2001 - Other Misc Special Rev

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In	114	125	212	88				
Receipts	250	584	510	377	365	365	365	365
Net Transfers	5	15	5					
Expenditures	**261**	**524**	**640**	**464**	**364**	**364**	**364**	**364**
Balance Forward Out	108	200	88					

2001 - Other Misc Special Rev

Biennial Change in Expenditures				319		(376)		(376)
Biennial % Change in Expenditures				41		(34)		(34)
FTEs	2	2	2	2	2	2	2	2

2050 - Environment & Natural Resource

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	
Direct Appropriation	0	0						
Balance Forward In	270	129						
Cancellations		1						
Expenditures	**146**	**129**						
Balance Forward Out	123							
Biennial Change in Expenditures				(275)				
Biennial % Change in Expenditures				(100)				
FTEs	1	1	0	0	0	0	0	0

2403 - Gift

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	
Balance Forward In	181	186	184	163	94	58	94	58
Receipts	50	52	42	56	56	56	56	56
Expenditures	**46**	**59**	**63**	**126**	**92**	**92**	**92**	**92**
Balance Forward Out	185	179	163	94	58	22	58	22
Biennial Change in Expenditures				84		(4)		(4)
Biennial % Change in Expenditures				80		(2)		(2)

2820 - Maximum School Loan

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	
Balance Forward In	2,488	19,147	1,020	335	431	518	431	518
Receipts	43,844	1,655	335	431	500	1,900	500	1,900
Net Transfers	-27,185	-19,782	-1,020	-335	-413	-689	-413	-689
Balance Forward Out	19,147	1,020	335	431	518	1,729	518	1,729

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	

3000 - Federal

Balance Forward In	170	0						
Receipts	43,158	54,127	52,339	61,782	53,886	47,949	53,886	47,949
Expenditures	**43,078**	**54,127**	**52,339**	**61,783**	**53,886**	**47,949**	**53,886**	**47,949**
Balance Forward Out	251							
Biennial Change in Expenditures				16,917		(12,288)		(12,288)
Biennial % Change in Expenditures				17		(11)		(11)
FTEs	203	206	210	229	225	221	225	221

3801 - Endowment School

	Actual FY12
Expenditures	0

6000 - Miscellaneous Agency

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In	22	35	52	33	32	32	32	32
Receipts	21	22	21	21	21	21	21	21
Net Transfers		-1	-33	-9	-9	-9	-9	-9
Expenditures	**0**	**5**	**7**	**13**	**13**	**13**	**13**	**13**
Balance Forward Out	43	52	33	32	32	32	32	32
Biennial Change in Expenditures				15		5		5
Biennial % Change in Expenditures				330		25		25

Program: Discontinued-Nonrecurring Programs

The following programs are discontinued or nonrecurring, but incurred expenditures in FY 2013, FY 2014, and FY 2015.

	Dollars in Thousands		
Discontinued State Programs	*FY 2013*	*FY 2014*	*FY 2015*
Northwestern Online College in the High School program			160
Information Technology Certification Partnership			300
Special Education Paperwork Cost Savings		1,763	
Teacher Development and Evaluation Pilot Grant		683	
Site Decision Making Grant Program		200	
Education and Employment Solution		600	
Educ Plng & Assess Systems	829	829	
Disaster Enrollment	61		
Disaster Facilities	88		
Charter School Startup			
Total	$978	$4,075	$460

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	974	988	2,346	707	0	0	0	0
Total	**974**	**988**	**2,346**	**707**	**0**	**0**	**0**	**0**
Biennial Change				1,091		(3,053)		(3,053)
Biennial % Change				56		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Compensation			33	200	0	0	0	0
Operating Expenses	829	900	830	347	0	0	0	0
Other Financial Transactions	0	0						
Grants, Aids and Subsidies	145	88	1,483	160	0	0	0	0
Total	**974**	**988**	**2,346**	**707**	**0**	**0**	**0**	**0**
Full-Time Equivalents	**0.3**	**0.3**	**0**	**0**	**0**	**0**		

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	50							
District Revenue	50							
Direct Appropriation	985	829	4,075	460	0	0	0	0
Current Year	37							
Prior Year	108							
Balance Forward In	516	587	0	1,729				
Net Transfers				-1,483				
Cancellations	11	6						
Expenditures	**974**	**988**	**2,346**	**707**	0	0	0	0
Balance Forward Out	516	0	1,729					
Biennial Change in Expenditures				1,091		(3,053)		(3,053)
Biennial % Change in Expenditures				56		(100)		(100)
FTEs			0	0	0	0	0	0

Program: General Education
Activity: General Education

http://education.state.mn.us/MDE/SchSup/SchFin/GenEd/index.html

AT A GLANCE

In FY 2013:
- 846,114 pre-K through grade 12 students.
- 332 school districts and 148 charter schools.
- $6.0 billion in state aid and $1.0 billion in local property taxes.
- $8,000 average general education funding per student.
- Largest single item of state general fund spending.
- Largest resource available to school districts and charter schools.

PURPOSE & CONTEXT

General education revenue provides core funding to promote a general and uniform, thorough and efficient system of public schools throughout the state. Funding is provided for:
- All public school students in kindergarten through grade 12, and prekindergarten students with disabilities.
- Students receiving dual college credit.
- Private contracted education services.
- Private school students enrolled part time in public school programs.

SERVICES PROVIDED

Core funding allowances for all districts and charter schools ($ based on FY 2013 Final):

- Basic Revenue ($4.9 billion) provides districts and charter schools with a uniform funding per pupil unit. In FY 2015, the basic education funding formula is $5,831 per weighted student. Elementary students are weighted at 1.0; secondary students are weighted at 1.2.
- Gifted and Talented Revenue ($11.4 million) provides districts and charter schools with funding for gifted and talented educational programs. In FY 2015, the gifted and talented funding formula is $13 per weighted student.

Additional funding for students with unique needs:

- English Learner Revenue ($40.4 million) is based on the number and concentration of English Learner students enrolled in a district or charter school.
- Compensatory Revenue ($453.8 million) is additional funding based on the concentration of students who are income-eligible for the federal free and reduced-price lunch programs. This revenue is calculated on a site level instead of a district level.
- Extended Time Revenue ($70 million) provides districts with additional revenue to fund educational programs for at-risk students outside the traditional school year schedule.

Additional funding for cost differences among school districts:

- Sparsity Revenue ($25 million) funds the added costs of operating small schools that are too isolated to reduce costs by cooperating or consolidating.
- Transportation Sparsity Revenue ($60.6 million) funds the added cost of pupil transportation in areas with low population density.
- Small Schools Revenue ($15.7 million) provides additional funding to small districts with less than 960 weighted students.
- Declining Enrollment Revenue (new category for FY 2015) provides districts and charter schools with funding to limit the impact of declining enrollment.
- Pension Adjustment Revenue (new category for FY 2015) provides state aid for districts with below state average revenue increase from the elimination of an aid reduction for changes in pension contribution rates beginning in 2015.

Additional funding with property tax components (school districts must tax local property for to receive state aid for these revenue):

- Operating Referendum Revenue ($856.3 million) is optional revenue raised by either public vote or school board resolution to provide funding for their district.

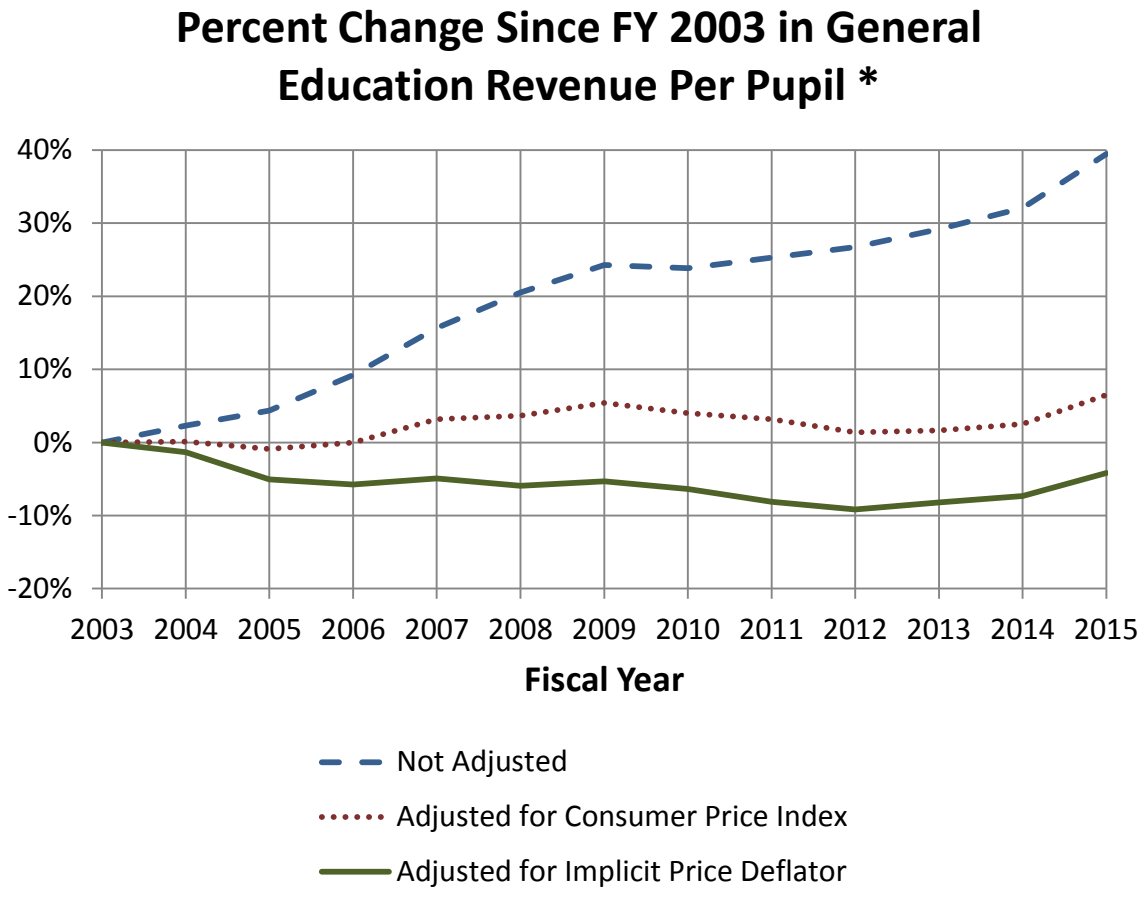
- Operating Capital Revenue ($188.1 million) is reserved for facilities and equipment purposes.
- Equity Revenue ($93.4 million) provides additional funding targeted primarily to districts with low referendum revenue per weighted student.
- Transition Revenue ($29.4 million) is funding to protect districts from loss of revenue due to law changes.
- Local Optional Revenue (new category for FY 2015) replaces up to $424 per weighted student of referendum revenue with revenue approved by the local school board.

Miscellaneous Adjustments to General Education Revenue

- Postsecondary Enrollment Options (PSEO) Aid is paid to Minnesota colleges and universities for courses taken by 11th and 12th grade students for high school credit.
- Contract Alternative Aid is paid to districts for students eligible to participate in the graduation incentives program who enroll in nonpublic, nonsectarian schools that have contracted with the serving school district to provide education services.
- Shared Time Aid is paid to districts for students who attend public schools on a part-time basis while also attending private schools.

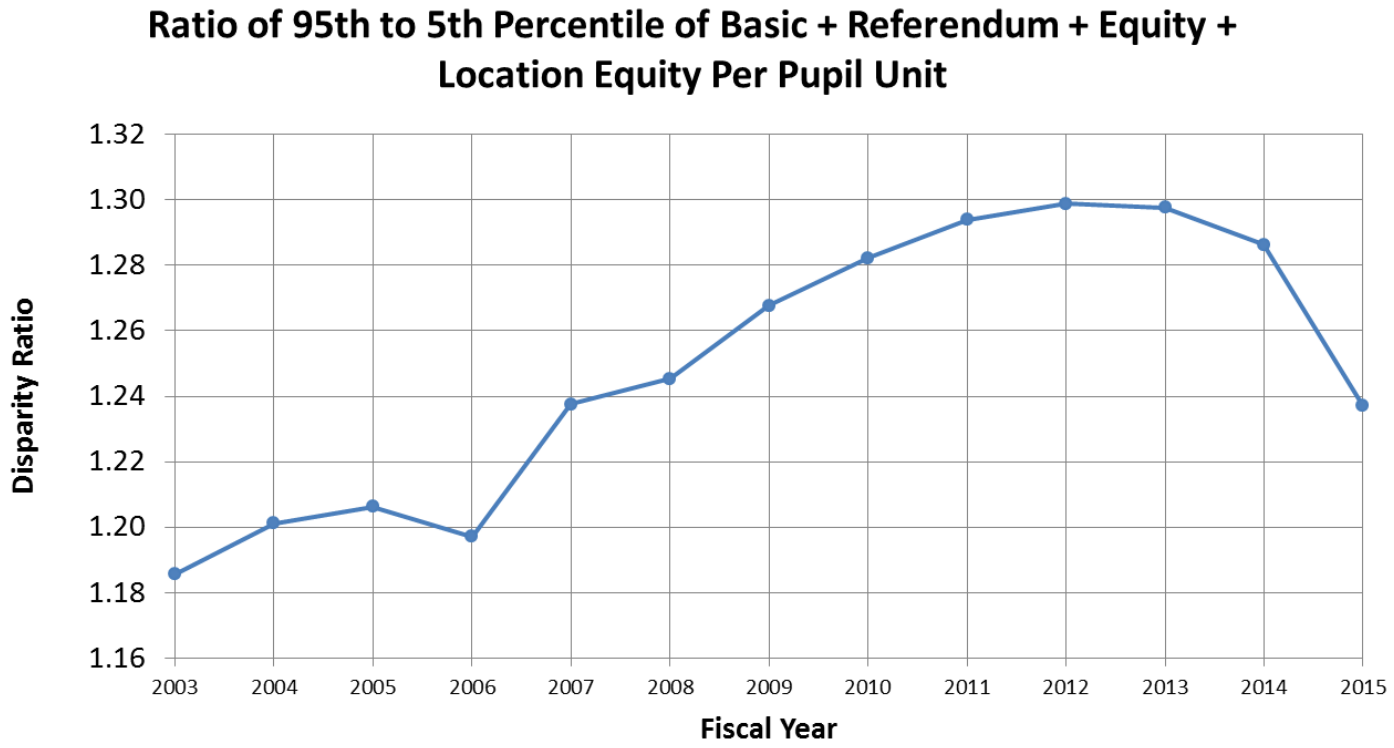
RESULTS

Quality Result: This chart shows the percentage change in general education revenue per student between FY 2003 and FY 2015, based on unadjusted current dollars and adjusted for inflation using the consumer price index and the implicit price deflator. Revenue per student in unadjusted current dollars increased by 40 percent during this period. However, when adjusted for inflation, revenue per student remained essentially constant.



*General Education revenue, including local referendum revenue

Quality Result: This chart shows the ratio of unrestricted general education funding per student in high revenue districts versus low revenue districts for FY 2003 through FY 2015 The funding gap between high revenue and low revenue districts increased from 18 percent in FY 2003 to 30 percent in FY 2012, then declined to 24 percent by FY 2015.



M.S.126C.10 – General Education Revenue.

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	5,343,460	7,142,869	6,829,180	6,443,531	6,538,565	6,565,693	6,596,574	6,798,190
3801 - Endowment School	24,294	24,868	23,741	25,520	26,064	26,608	26,064	26,608
Total	**5,367,754**	**7,167,737**	**6,852,921**	**6,469,051**	**6,564,629**	**6,592,301**	**6,622,638**	**6,824,798**
Biennial Change				786,481		(165,042)		125,464
Biennial % Change				6		(1)		1
Governor's Change from Base								290,506
Governor's % Change from Base								2

Expenditures by Category

Other Financial Transactions	0	0						
Grants, Aids and Subsidies	5,367,754	7,167,737	6,852,921	6,469,051	6,564,629	6,592,301	6,622,638	6,824,798
Total	**5,367,754**	**7,167,737**	**6,852,921**	**6,469,051**	**6,564,629**	**6,592,301**	**6,622,638**	**6,824,798**

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	5,734,147	5,885,125	6,660,360					
Levies	988,411							
District Revenue	6,722,558	5,885,125	6,660,360					
Direct Appropriation	5,343,460	7,142,869	6,829,180	6,443,530	6,538,565	6,565,692	6,596,574	6,798,189
Current Year	3,696,079	5,104,969	6,071,263					
Prior Year	1,660,914	2,037,900	780,156					
Expenditures	**5,343,460**	**7,142,869**	**6,829,180**	**6,443,531**	**6,538,565**	**6,565,693**	**6,596,574**	**6,798,190**
Biennial Change in Expenditures				786,382		(168,453)		122,053
Biennial % Change in Expenditures				6		(1)		1
Gov's Exp Change from Base								290,506
Gov's Exp % Change from Base								2

3801 - Endowment School

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Net Transfers	24,294	24,867	23,741	25,520	26,064	26,608	26,064	26,608
Expenditures	**24,294**	**24,868**	**23,741**	**25,520**	**26,064**	**26,608**	**26,064**	**26,608**
Biennial Change in Expenditures				99		3,411		3,411
Biennial % Change in Expenditures				0		7		7

Program: Other General Education
Activity: Enrollment Options Transport

http://education.state.mn.us/MDE/SchSup/SchFin/Trans/Res/index.html

AT A GLANCE

- 92 students served in FY 2013.
- Of the 92 students, 13 were from the postsecondary enrollment options program and 79 were in the open enrollment program.

PURPOSE & CONTEXT

This state aid program helps low-income students participate in postsecondary enrollment options (PSEO), school district enrollment options, and charter school programs by reimbursing transportation costs.

Postsecondary enrollment options allows secondary students to enroll full time or part time in nonsectarian courses or programs in eligible postsecondary institutions.

School district enrollment options allows students to attend a school or program in a district in which they do not live.

SERVICES PROVIDED

School districts and charter schools get state aid to reimburse transportation costs for qualifying low-income students who participate in PSEO or open enrollment. Postsecondary Enrollment Options (PSEO) is a program that allows 10th-, 11th- and 12th-grade students to earn college credit while still in high school, through enrollment in and successful completion of college-level courses. Open enrollment programs allow kindergarten through twelfth grade students and pre-kindergarten children with disabilities to apply to attend a public school outside of their resident district.

PSEO students apply for reimbursement through their resident district or charter school (or the postsecondary institution, if nonpublic). Open enrollment students apply to the enrolling districts. Students/families provide their own transportation in these programs.

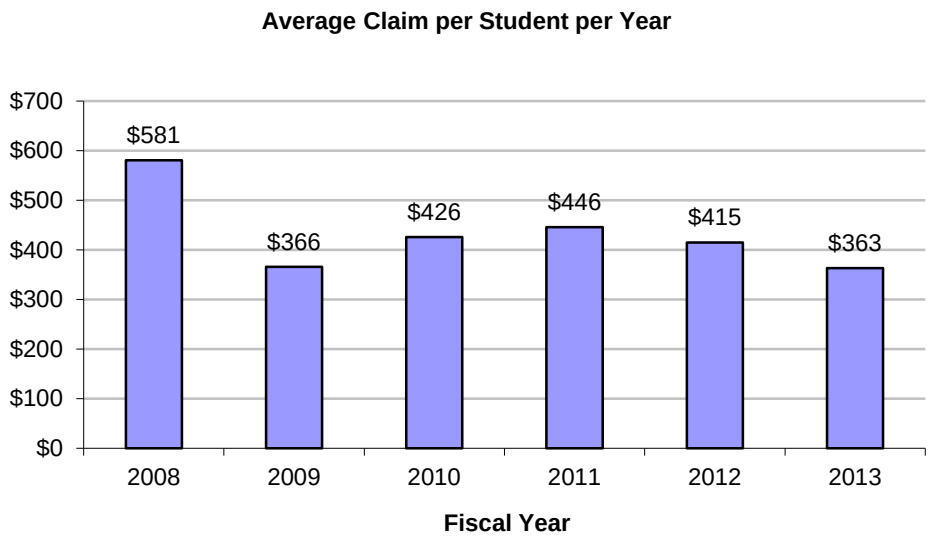
School districts and charter schools that provide out-of-district transportation for a fee are reimbursed for the transportation costs of qualifying low-income students.

The mileage reimbursement rate is set at $0.15 per mile and no more than 250 miles per week.

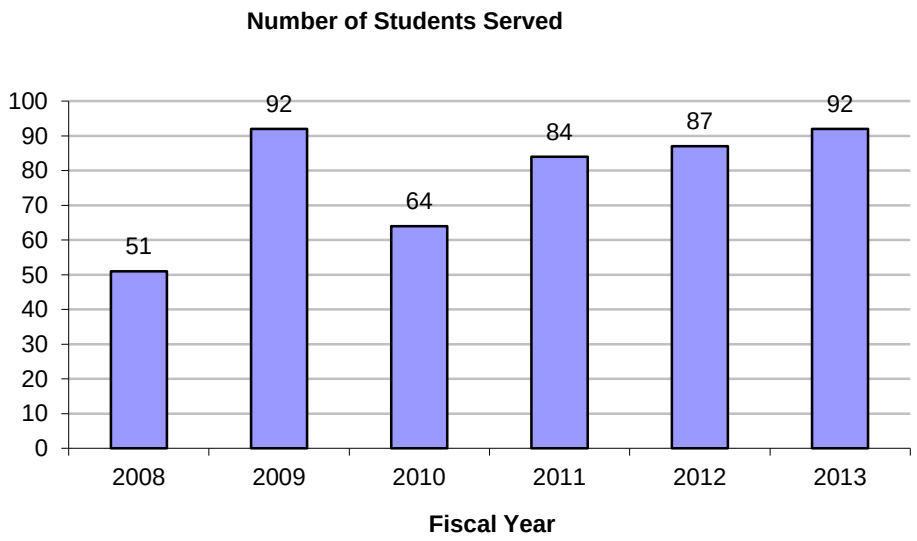
MDE processes reimbursement requests and provides technical support for this program.

RESULTS

The graph below represents the average amount of a claim for mileage reimbursement per student per year in postsecondary enrollment options, school district enrollment options, and charter school programs over the last six years. It is difficult to see any trend from the data. With a qualifying income level that is very low, the number of families that fall into that qualifying level vary from year to year. Because there are few participants in the program, a few students who travel long distances to the post secondary institution can skew the data.



The graph below represents the number of students served per year in postsecondary enrollment options, school district enrollment options, and charter school programs over the last six years.



M.S. 124D.03; M.S. 124D.09; M.S. 124D.10

See Student Choice/Tax Incentives narrative for more information.

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	37	34	34	36	39	42	39	42
Total	**37**	**34**	**34**	**36**	**39**	**42**	**39**	**42**
Biennial Change				(1)		11		11
Biennial % Change				(1)		16		16
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Other Financial Transactions	0	0						
Grants, Aids and Subsidies	37	34	34	36	39	42	39	42
Total	**37**	**34**	**34**	**36**	**39**	**42**	**39**	**42**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	37	34						
District Revenue	37	34						
Direct Appropriation	37	34	34	36	39	42	39	42
Current Year	37	34						
Prior Year	0	0						
Expenditures	**37**	**34**	**34**	**36**	**39**	**42**	**39**	**42**
Biennial Change in Expenditures				(1)		11		11
Biennial % Change in Expenditures				(1)		16		16

Program: Other General Education
Activity: Abatement Revenue

AT A GLANCE

- Abatement Aid totaled $2.86M in FY 2014
- Abatement Levy totaled $13.87M in FY 2014

PURPOSE & CONTEXT

This state aid and local property tax levy program maintains equity for students and taxpayers by replacing revenue the district was entitled to but did not receive due to abatements. An "abatement" occurs when property taxes on a real estate parcel are decreased after the district certifies levy revenue.

All eligible school districts in Minnesota participate in this program.

SERVICES PROVIDED

- Abatement aid and levy is calculated annually based on abatements reported by counties to the Minnesota Department of Education (MDE).
- MDE seeks to replace the revenue in the same proportion of aid and levy as the original entitlement.
- MDE calculates and processes aid payments for this program

RESULTS

Type of Measure	*Name of Measure*	*FY 2013*	*FY 2014*
Quantity	District Revenue Loss Prevented	$16.0 M	$16.7 M

M.S. 126C.46; M.S. 127A.49, Subd.2

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	1,406	2,503	2,876	2,796	2,740	2,932	2,740	2,932
Total	**1,406**	**2,503**	**2,876**	**2,796**	**2,740**	**2,932**	**2,740**	**2,932**
Biennial Change				1,763		0		0
Biennial % Change				45		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Grants, Aids and Subsidies	1,406	2,503	2,876	2,796	2,740	2,932	2,740	2,932
Total	**1,406**	**2,503**	**2,876**	**2,796**	**2,740**	**2,932**	**2,740**	**2,932**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	1,648	2,216						
Levies	8,875							
District Revenue	10,523	2,216						
Direct Appropriation	1,406	2,503	2,876	2,796	2,740	2,932	2,740	2,932
Current Year	1,060	1,915						
Prior Year	346	588						
Expenditures	**1,406**	**2,503**	**2,876**	**2,796**	**2,740**	**2,932**	**2,740**	**2,932**
Biennial Change in Expenditures				1,763		0		0
Biennial % Change in Expenditures				45		0		0

Program: Other General Education
Activity: Consolidation Transition

http://education.state.mn.us/MDE/SchSup/SchFin/index.html

AT A GLANCE

- In FY 2014, there were four consolidations serving an estimated 2,275 students.
- 10 consolidations have occurred between 2009 and 2014.

PURPOSE & CONTEXT

School districts consolidate to expand programs and services and to become more financially stable. The consolidation transition revenue program provides funds for reorganization to districts that have recently consolidated. Students and communities in the consolidating districts are served by this program.

SERVICES PROVIDED

Consolidation Transition revenue must be used to cover district costs for early retirement incentives granted by the district, to reduce operating debt, to enhance learning opportunities, and to cover reorganization expenses.

Aid is $200 per student in the new district in the first year of consolidation, and $100 per student the year after consolidation.

This program is mainly funded with state aid. Optional local property taxes may be used to cover additional costs.

MDE calculates state aid payments and property tax levy limits, and supports districts that choose to consolidate.

RESULTS

There were a total of ten consolidations between FY 2009 and FY 2014. While the number of consolidation is easy to calculate, the true performance measure is in the satisfaction and achievement of the districts that consolidated, which we do not evaluate.

School District Consolidations

Type of Measure	*Name of Measure*	*FY 2009*	*FY 2010*	*FY 2011*	*FY 2012*	*FY 2013*	*FY 2014*	*FY 2015*
Quantity	First Year of Consolidation	0	5	0	0	1	4	0

M.S. 123A.485, M.S. 123A.48, M.S. 123B.82

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	145	260	585	263	292	165	292	165
Total	**145**	**260**	**585**	**263**	**292**	**165**	**292**	**165**
Biennial Change				443		(391)		(391)
Biennial % Change				109		(46)		(46)
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Other Financial Transactions	0	0						
Grants, Aids and Subsidies	145	260	585	263	292	165	292	165
Total	**145**	**260**	**585**	**263**	**292**	**165**	**292**	**165**

Budget Activity: Consolidation Transition

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	0	300						
District Revenue	0	300						
Direct Appropriation	145	260	585	263	292	165	292	165
Current Year	0	260						
Prior Year	145	0						
Expenditures	**145**	**260**	**585**	**263**	**292**	**165**	**292**	**165**
Biennial Change in Expenditures				443		(391)		(391)
Biennial % Change in Expenditures				109		(46)		(46)

Program: Other General Education
Activity: Nonpublic Pupil

AT A GLANCE

- Number of students participating (FY 2014)
  Textbook/Materials 69,054
  Health Services 64,236
  Guidance and Counseling 25,599
- Rates per nonpublic student (FY 2014)
  Textbook/Materials $79.70
  Health Services $59.27
  Guidance and Counseling $211.54
- All nonpublic students requesting materials and/or services by the statutory deadline have been and are being accommodated.

PURPOSE & CONTEXT

This state aid program exists to ensure fair access to nonreligious study materials and student support services for those students who choose nonpublic education.

SERVICES PROVIDED

Funding is allocated to public school districts for the benefit of nonpublic students and not directly to the nonpublic schools.

School districts are reimbursed for the costs of the educational materials loaned to nonpublic students and for the costs of providing support services to nonpublic students.

There are three basic categories of nonpublic pupil aid supporting the following services:

- Textbooks, individualized instructional materials, and standardized tests
- Health services
- Guidance and counseling services

School districts receive additional funds to cover administrative costs. This amount is equal to 5 percent of their total aid reimbursement amount.

MDE calculates and processes aid payments and provides technical support to school districts and nonpublic schools for this program.

RESULTS

Participation is measured by the percentage of nonpublic students applying for access to the program for textbooks and other educational materials, health services and guidance/counseling services.

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quality	Percentage of nonpublic students applying for access to textbooks	83%	84%	FY2013 FY2014
Quality	Percentage of nonpublic students applying for access to health services	78%	78%	FY2013 FY2014
Quality	Percentage of secondary nonpublic students applying for access to guidance and counseling services.	92%	94%	FY2013 FY2014

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	12,967	17,055	15,755	16,195	16,605	16,979	16,664	17,095
Total	**12,967**	**17,055**	**15,755**	**16,195**	**16,605**	**16,979**	**16,664**	**17,095**
Biennial Change				1,928		1,634		1,809
Biennial % Change				6		5		6
Governor's Change from Base								175
Governor's % Change from Base								1

Expenditures by Category

Grants, Aids and Subsidies	12,967	17,055	15,755	16,195	16,605	16,979	16,664	17,095
Total	**12,967**	**17,055**	**15,755**	**16,195**	**16,605**	**16,979**	**16,664**	**17,095**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	13,801	13,958						
District Revenue	13,801	13,958						
Direct Appropriation	12,967	17,055	15,867	16,195	16,605	16,979	16,664	17,095
Current Year	8,806	12,060						
Prior Year	4,161	4,995						
Cancellations			112					
Expenditures	**12,967**	**17,055**	**15,755**	**16,195**	**16,605**	**16,979**	**16,664**	**17,095**
Biennial Change in Expenditures				1,928		1,634		1,809
Biennial % Change in Expenditures				6		5		6
Gov's Exp Change from Base								175
Gov's Exp % Change from Base								1

Program: Other General Education
Activity: Nonpublic Transportation

AT A GLANCE

- 47,597 nonpublic students were transported to and from school in FY 2013
- 206 of 336 districts transported nonpublic students in FY 2013

PURPOSE & CONTEXT

This program ensures that nonpublic school students receive the same level of transportation services as public school students, and that the school districts are able to provide this transportation without significant costs being paid from their general fund.

SERVICES PROVIDED

School districts must provide equal transportation services within the district for public and nonpublic students living within the district. If the district transports nonpublic students to a school in another district, the nonpublic school or the parents pay the cost of transportation outside of the district boundaries.

Public school districts must provide nonpublic school student transportation within the district boundaries for health and secondary guidance/counseling services that the school district provides to the nonpublic school students.

The public school district must transport nonpublic school students on late activity bus routes if it provides that service for public school students.

MDE calculates and processes aid payments and provides technical support to school districts and nonpublic schools for this program.

RESULTS

Participation is measured by the percentage of nonpublic students transported to and from school.

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quality	Percentage of nonpublic students transported	67.0%	66.9%	FY 2012 FY 2013

M.S. 123B.92, Subd. 9; M.S. 123B.84 – 87

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	17,090	23,228	18,443	17,904	17,676	17,316	17,840	17,634
Total	**17,090**	**23,228**	**18,443**	**17,904**	**17,676**	**17,316**	**17,840**	**17,634**
Biennial Change				(3,971)		(1,355)		(873)
Biennial % Change				(10)		(4)		(2)
Governor's Change from Base								482
Governor's % Change from Base								1

Expenditures by Category

Grants, Aids and Subsidies	17,090	23,228	18,443	17,904	17,676	17,316	17,840	17,634
Total	**17,090**	**23,228**	**18,443**	**17,904**	**17,676**	**17,316**	**17,840**	**17,634**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	18,086	19,136						
District Revenue	18,086	19,136						
Direct Appropriation	17,090	23,228	18,651	17,904	17,676	17,316	17,840	17,634
Current Year	11,390	16,534						
Prior Year	5,700	6,694						
Cancellations			208					
Expenditures	**17,090**	**23,228**	**18,443**	**17,904**	**17,676**	**17,316**	**17,840**	**17,634**
Biennial Change in Expenditures				(3,971)		(1,355)		(873)
Biennial % Change in Expenditures				(10)		(4)		(2)
Gov's Exp Change from Base								482
Gov's Exp % Change from Base								1

Program: Educational Programs
Activity: Career and Technical Education Revenue

http://education.state.mn.us/MDE/StuSuc/CareerEd/index.html

AT A GLANCE

- 317 districts levied for Career and Technical Education revenue for FY 2014.

PURPOSE & CONTEXT

Career and Technical Education Revenue (CTE) is a state aid and local property tax levy program that allows districts to receive revenue for Career and Technical program expenses.

All school districts with Career and Technical programs are eligible for this revenue.

Federal Carl Perkins funds are available to help provide vocational-technical education programs and services

SERVICES PROVIDED

Districts must submit annual budgets for their Career and Technical Education programs to qualify for this revenue.

A district with an approved Career and Technical Education program may levy for costs associated with the program.

- A district is eligible for revenue equal to 35 percent of approved expenditures in the fiscal year in which the levy is certified.

The Career and Technical Education program is a levy program equalized with state aid.

Career and Technical aid equals Career and Technical revenue minus Career and Technical Education levy.

MDE reviews district programs for approval, calculates aid and property tax levies, and makes federal and state aid payments for these programs.

RESULTS

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Number of districts participating in CTE programs	306	313	FY 2012 FY 2013
Quantity	Amount of property tax levy for CTE program	$16,370,041	$15,338,814	FY 2012 FY 2013

In FY 2014 state aid was added to the Career and Technical Education Revenue program. Prior to FY 2014, CTE was funded by property tax levies only.

M.S. 124D.4531

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	0	0	3,959	5,614	5,391	4,765	5,391	4,765
3000 - Federal	47	44	35	36	36	36	36	36
Total	**47**	**44**	**3,994**	**5,650**	**5,427**	**4,801**	**5,427**	**4,801**
Biennial Change				9,553		585		585
Biennial % Change				10,532		6		6
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Compensation	35	34	26	12	12	13	12	13
Operating Expenses	11	10	8	23	23	23	23	23
Other Financial Transactions	0	0						
Grants, Aids and Subsidies	0	0	3,959	5,614	5,391	4,765	5,391	4,765
Total	**47**	**44**	**3,994**	**5,650**	**5,427**	**4,801**	**5,427**	**4,801**
Total Agency Expenditures	47	44	3,994	5,650	5,427	4,801	5,427	4,801
Internal Billing Expenditures	8	8	6	6	6	6	6	6
Expenditures Less Internal Billing	**39**	**36**	**3,988**	**5,644**	**5,421**	**4,795**	**5,421**	**4,795**
Full-Time Equivalents	**0.4**	**0.4**	**0.3**	**0.2**	**0.2**	**0.2**	**0.2**	**0.2**

Budget Activity: Career and Technical Education Revenue

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation			3,959	5,614	5,391	4,765	5,391	4,765
Expenditures	0	0	**3,959**	**5,614**	**5,391**	**4,765**	**5,391**	**4,765**
Biennial Change in Expenditures				9,573		583		583
Biennial % Change in Expenditures						6		6

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Receipts	47	44	35	36	36	36	36	36
Expenditures	**47**	**44**	**35**	**36**	**36**	**36**	**36**	**36**
Biennial Change in Expenditures				(20)		2		2
Biennial % Change in Expenditures				(22)		2		2
FTEs	0	0	0	0	0	0	0	0

Program: Other General Education
Activity: Compensatory Pilot Grants

http://education.state.mn.us/MDE/SchSup/SchFin/GenEd/CompRev/index.html

AT A GLANCE

- Seven districts received pilot grants in FY 2015

PURPOSE & CONTEXT

Compensatory revenue provided through general education is calculated according to the number of free and reduced price lunch students at a school site. This pilot project was established in 2005 for two purposes: (1) to look at whether giving districts greater flexibility in allocating compensatory revenue among schools based on student performance would be a good strategy for improving overall student performance, and (2) to provide additional compensatory revenue to some large suburban and non-metro districts to correct what was viewed as inequities in the compensatory revenue formula.

SERVICES PROVIDED

In general, school districts are required to allocate at least 90 percent of compensatory revenue to the school site generating the revenue. This pilot project provides additional state funding, and allows selected school districts to allocate the compensatory revenue received through general education revenue and pilot grant revenue among their school buildings according to each building's school performance measures.

Participating school districts are required to submit an application and board-approved plan that includes the following information:

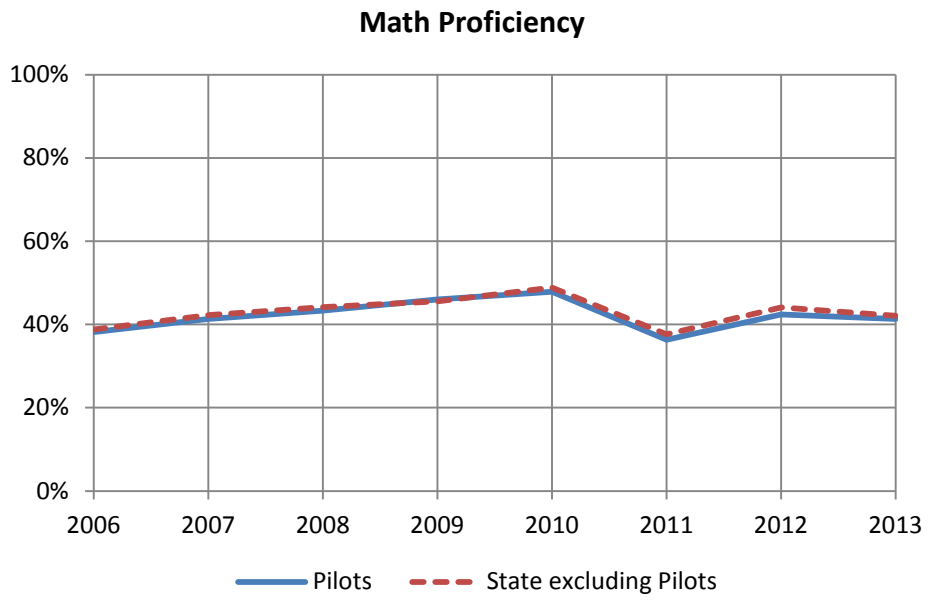
- identification of the test results that will be used to assess student performance;
- description of the method the district will use to distribute the compensatory revenue based on each building's test results to assess student performance; and
- summarization of the evaluation procedure the district will use to determine if the distribution of pilot project compensatory revenue results in an improvement of measurable student performance.

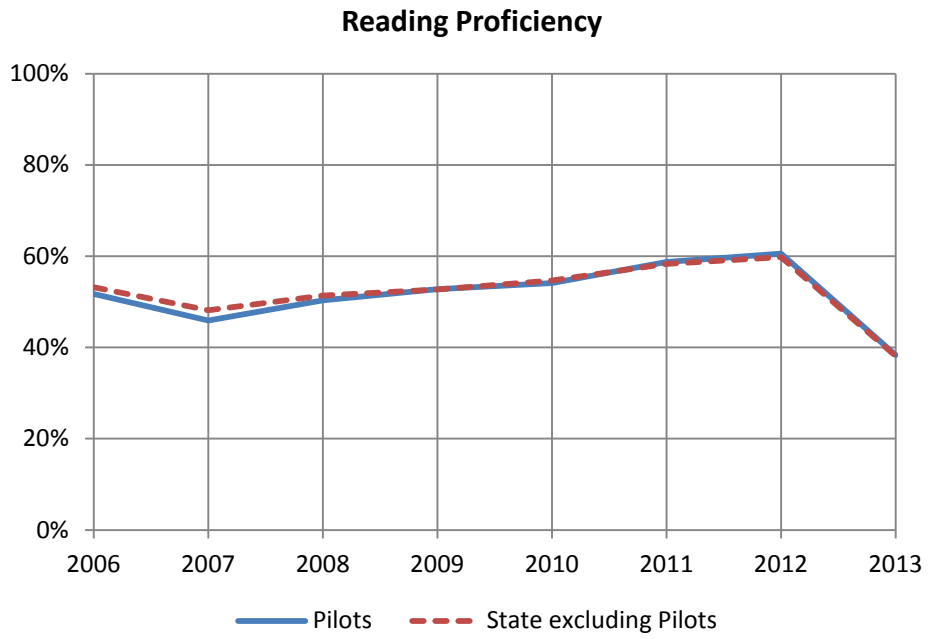
RESULTS

The Minnesota Department of Education submitted a report to the Legislature in February 2008 on the effectiveness of the Compensatory Revenue Pilot grant projects. The report findings were inconclusive as to the impact the pilot projects have had on student achievement. While some of the participating schools had experienced a positive impact, results of the test data used were inconsistent.

The following graphs are based on the portions of students who have shown proficiency on recent MCA math and reading tests. Results are based on a combination of all grade levels.

Each graph displays two lines. One line shows the performance of all low-income students in districts that are receiving compensatory pilot revenue. The second line shows the performance of all low-income students in Minnesota public schools, excluding students in the pilot districts. The data indicates that from 2006-2013 there has been little difference in performance between low-income students in districts receiving compensatory pilot revenue and other low-income students throughout the state.





Laws 2005 1st Special Session, Chapter 5, Article 1, Section 50, as amended by Laws 2007, chapter 146, Article 1, Section 21

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	2,230	14,912	9,434	7,325	2,325	2,325	2,325	2,325
Total	**2,230**	**14,912**	**9,434**	**7,325**	**2,325**	**2,325**	**2,325**	**2,325**
Biennial Change				(383)		(12,109)		(12,109)
Biennial % Change				(2)		(72)		(72)
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Grants, Aids and Subsidies	2,230	14,912	9,434	7,325	2,325	2,325	2,325	2,325
Total	**2,230**	**14,912**	**9,434**	**7,325**	**2,325**	**2,325**	**2,325**	**2,325**

Budget Activity: Compensatory Pilot Grants

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	2,325	15,728	9,434	7,325	2,325	2,325	2,325	2,325
Cancellations	95	816						
Expenditures	**2,230**	**14,912**	**9,434**	**7,325**	**2,325**	**2,325**	**2,325**	**2,325**
Biennial Change in Expenditures				(383)		(12,109)		(12,109)
Biennial % Change in Expenditures				(2)		(72)		(72)

Program: Other General Education
Activity: Spec Prov For Select Districts

AT A GLANCE

- This program was implemented in FY 1995.

PURPOSE & CONTEXT

The One-Room Schoolhouse program provides additional revenue to the Warroad school district to assist with expenses related to the Angle Inlet School.

SERVICES PROVIDED

This program provides $65,000 each year to the isolated one-room schoolhouse.

MDE processes the aid payment for this program.

RESULTS

The Minnesota Department of Education does not collect data regarding utilization of One-Room Schoolhouse aid.

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Number of students attending Angle Inlet School	5	5	FY 2013 FY 2014

MN Laws 2013, Chapter 116, Article 1, Section 58

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	65	126	65	765	65	65	65	65
Total	**65**	**126**	**65**	**765**	**65**	**65**	**65**	**65**
Biennial Change				639		(700)		(700)
Biennial % Change				335		(84)		(84)
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Operating Expenses		0						
Other Financial Transactions	0	0		700				
Grants, Aids and Subsidies	65	126	65	65	65	65	65	65
Total	**65**	**126**	**65**	**765**	**65**	**65**	**65**	**65**

Budget Activity: Spec Prov For Select Districts

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	65	65	65	65	65	65	65	65
Balance Forward In	700	700	700	700				
Cancellations		422						
Expenditures	**65**	**126**	**65**	**765**	**65**	**65**	**65**	**65**
Balance Forward Out	700	700	700					
Biennial Change in Expenditures				639		(700)		(700)
Biennial % Change in Expenditures				335		(84)		(84)

Program: Choice Programs
Activity: Charter School Lease Aid

http://education.state.mn.us/MDE/StuSuc/CharterSch/index.html

AT A GLANCE

- In FY 2014, 145 of the 150 charter schools in Minnesota received lease aid.
- Maximum lease aid per weighted student beginning in FY 2015 is $1,314.

PURPOSE & CONTEXT

Unlike school districts, charter schools cannot receive property tax revenue to pay for school buildings. The Charter School Lease Aid program provides partial funding to charter schools to lease facilities and land for their schools.

SERVICES PROVIDED

This program provides funding to charter schools to lease facilities for instructional purposes. Charter schools submit applications for lease aid that are approved or denied based on:

- Reasonableness of the price per square foot.
- Appropriateness of the proposed lease in the context of the space needs, code compliance and financial circumstances of the charter school.
- Conformity of the leased space and lease agreement to the laws and rules of the state and federal governments.

State aid is the lesser of:

- Ninety percent of the actual net lease costs; or
- $1,200 per weighted student for FY 2014 ($1,314 for FY 2015 and beyond*).

MDE approves charter school lease aid applications.

*Beginning in FY 2014, students in kindergarten through grade 6 are weighted at 1.0 and students in grades 7-12 are weighted at 1.2. Higher weights were used for earlier years.

RESULTS

Type of Measure	*Name of Measure*	*FY 2010*	*FY 2011*	*FY 2012***	*FY 2013*	*Preliminary FY 2014*
Quantity	Charter Schools receiving lease aid	150	144	144	143	145
Quantity	Students Served	39,194	40,888	42,862	45,826	49,061
Quantity	Average Lease Cost per Student	1,246	1,284	1,299	1,294	1,316
Quantity	Average Aid per Student	1,048	1,056	1,095	1,072	1,080

Type of Measure	*Name of Measure*	*Preliminary FY 2014 Minneapolis****	*Preliminary FY 2014 Saint Paul*	*Preliminary FY 2014 Remaining Seven County Metro*	*Preliminary FY 2014 80 County Non-Metro*	*Preliminary FY 2014 Total*
Quantity	Charter Schools receiving lease aid	33	29	38	45	145
Quantity	Students Served	13,450	10,834	15,799	8,978	49,061
Quantity	Average Lease Cost per Student	1,174	1,361	1,421	1,303	1,316
Quantity	Average Aid per Student	1,003	1,093	1,134	1,081	1,080

Performance Measure Notes:

**Beginning with FY 2004, maximum per student funding for charter school lease aid decreased from $1,500 to $1,200 per student. Charter schools that had received over $1,200 per student in FY 2003 were grandfathered in at the higher amount. FY 2012 was the last year for the lease aid grandfathered amounts. This helps explain why FY 2013 lease cost per student is lower than the FY 2012 lease cost per student.

***Minneapolis data includes a large charter school that has an online program requiring less square footage per student. This helps explain why Minneapolis data is lower than all other grouped averages.

M.S. 124D.11, subdivision 4

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	42,624	59,190	54,300	58,732	65,819	72,790	65,819	73,968
Total	**42,624**	**59,190**	**54,300**	**58,732**	**65,819**	**72,790**	**65,819**	**73,968**
Biennial Change				11,218		25,577		26,755
Biennial % Change				11		23		24
Governor's Change from Base								1,178
Governor's % Change from Base								1

Expenditures by Category

Grants, Aids and Subsidies	42,624	59,190	54,300	58,732	65,819	72,790	65,819	73,968
Total	**42,624**	**59,190**	**54,300**	**58,732**	**65,819**	**72,790**	**65,819**	**73,968**

Budget Activity: Charter School Lease Aid

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	46,864	49,125						
District Revenue	46,864	49,125						
Direct Appropriation	42,625	59,190	54,625	58,732	65,819	72,790	65,819	73,968
Current Year	30,157	42,444						
Prior Year	12,468	16,746						
Net Transfers	-1							
Cancellations			325					
Expenditures	**42,624**	**59,190**	**54,300**	**58,732**	**65,819**	**72,790**	**65,819**	**73,968**
Biennial Change in Expenditures				11,218		25,577		26,755
Biennial % Change in Expenditures				11		23		24
Gov's Exp Change from Base								1,178
Gov's Exp % Change from Base								1

Program: Choice Programs
Activity: Achievement and Integration Revenue

http://education.state.mn.us/MDE/SchSup/SchFin/Integ/index.html

AT A GLANCE

- Participation has increased from 52 districts in FY 2004 to 130 districts participating in the newly revised Achievement and Integration program in FY 2014.
- There are 49 racially identifiable schools in 11 districts. Funding is aimed at increasing racial diversity and narrowing the achievement gap in participating districts' schools.

PURPOSE & CONTEXT

This program exists to reduce achievement disparities between student groups and to increase racial and economic integration among students. This program started in FY 2014 as a replacement for the previous Integration program.

Achievement and Integration revenue is funded through local property tax levy (30 percent) and state aid (70 percent).

Students served include pre-k through grade 12 students attending public school districts that are eligible under the Minnesota Desegregation Rule.

SERVICES PROVIDED

Achievement and integration revenue is used to support activities included in a district's approved Achievement and Integration plan. Some activities are specific to racially segregated schools, while some are collaborative activities between neighboring school districts.

Achievement and Integration plans may include the following types of activities:

- Family involvement programs.
- Pre-k to grade 12 school enrollment choices increasing integration.
- Training for teachers and administrators to improve the achievement of all students.
- College and career readiness programs for underserved students.
- Recruitment and retention of a racially and ethnically diverse staff.
- Integrated learning environments.
- Research-based interventions that include formative assessments.

MDE reviews and approves district plans and budgets, calculates and processes aid payments, and provides ongoing technical assistance to districts.

RESULTS

Beginning with plans submitted in FY 2015, activities funded with Achievement and Integration revenue will be evaluated to see how well they have met the goals listed in the district's plan. MDE will develop an evaluation process for districts to report on progress toward these goals and determine how much the funding has helped districts as a whole meet their program's goals. These results are not yet available.

M.S. 124D.861; M.S.124D.862 MN Rules 3535.0100 – 3535.0180

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	60,088	77,541	70,665	63,151	65,303	69,202	65,303	70,031
Total	**60,088**	**77,541**	**70,665**	**63,151**	**65,303**	**69,202**	**65,303**	**70,031**
Biennial Change				(3,813)		689		1,518
Biennial % Change				(3)		1		1
Governor's Change from Base								829
Governor's % Change from Base								1

Expenditures by Category

Grants, Aids and Subsidies	60,088	77,541	70,665	63,151	65,303	69,202	65,303	70,031
Total	**60,088**	**77,541**	**70,665**	**63,151**	**65,303**	**69,202**	**65,303**	**70,031**

Budget Activity: Achievement and Integration Revenue

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	63,483	63,517						
Levies	27,957							
District Revenue	91,440	63,517						
Direct Appropriation	60,093	77,541	71,261	63,408	65,568	69,478	65,568	70,307
Current Year	40,821	54,879						
Prior Year	19,267	22,662						
Net Transfers			-269	-257	-265	-276	-265	-276
Cancellations	5		327					
Expenditures	**60,088**	**77,541**	**70,665**	**63,151**	**65,303**	**69,202**	**65,303**	**70,031**
Biennial Change in Expenditures				(3,813)		689		1,518
Biennial % Change in Expenditures				(3)		1		1
Gov's Exp Change from Base								829
Gov's Exp % Change from Base								1

Program: Choice Programs
Activity: Interdist Deseg Transportation

http://education.state.mn.us/MDE/SchSup/SchFin/Integ/index.html

AT A GLANCE

- In FY 2013, over 9,000 open enrolled students were transported to and from schools participating in Achievement and Integration programs at a total cost of $15.5 million.
- Other students were transported to Achievement and Integration programs and events at a total cost of $432,703 in FY 2013.

PURPOSE & CONTEXT

This state aid program supports the achievement and integration program by funding unreimbursed transportation costs for students in the program.

SERVICES PROVIDED

Transportation is provided between the student's home or school and the achievement and integration program or school.

The aid paid to school districts is the difference between the cost of transportation and the portion of general education revenue attributable to transportation that the students generate.

MDE calculates aid payments and provides technical support for this program.

RESULTS

Both the number of districts and the number of students participating has remained steady with some minor fluctuations over time.

Type of Measure	*Name of Measure*	*FY 2008*	*FY 2009*	*FY 2010*	*FY 2011*	*FY 2012*	*FY 2013*
Quantity	Number of Districts	54	61	58	61	53	64
Quantity	Number of Students Transported	6,897	8,715	9,037	9,289	9,093	9,004

M.S. 124D.87

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	13,262	13,249	13,714	14,446	15,216	16,025	15,216	16,025
Total	**13,262**	**13,249**	**13,714**	**14,446**	**15,216**	**16,025**	**15,216**	**16,025**
Biennial Change				1,649		3,081		3,081
Biennial % Change				6		11		11
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Grants, Aids and Subsidies	13,262	13,249	13,714	14,446	15,216	16,025	15,216	16,025
Total	**13,262**	**13,249**	**13,714**	**14,446**	**15,216**	**16,025**	**15,216**	**16,025**

Budget Activity: Interdist Deseg Transportation

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	13,262	13,249						
District Revenue	13,262	13,249						
Direct Appropriation	13,262	13,249	13,714	14,446	15,216	16,025	15,216	16,025
Current Year	13,262	13,249						
Expenditures	**13,262**	**13,249**	**13,714**	**14,446**	**15,216**	**16,025**	**15,216**	**16,025**
Biennial Change in Expenditures				1,649		3,081		3,081
Biennial % Change in Expenditures				6		11		11

Program: School Choice
Activity: Recovery Program Grants

AT A GLANCE

- This program was implemented in FY 2015.
- Recovery programs can be awarded annual grants of up to $125,000.

PURPOSE & CONTEXT

The Recovery Program Grant provides additional revenue to help with the cost of recovery program support staff at approved recovery schools. Recovery programs must provide academic instruction designed to meet graduation requirements and assist students recovering from substance abuse or dependency.

SERVICES PROVIDED

Grants pay for a portion of the additional costs of recovery program support staff.

Recovery program support staff consists of:

- Licensed alcohol and chemical dependency counselors.
- Licensed school counselors.
- Licensed school psychologists;
- Licensed school nurses.
- Licensed school social workers.

MDE approves recovery programs, reviews and approves grants, and processes aid payments for this program.

RESULTS

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Number of schools that would be eligible	n/a	4	FY 2014

M.S.124D.695

Expenditures By Fund

	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	500	500	500	500	500
Total	**500**	**500**	**500**	**500**	**500**
Biennial Change	500		500		500
Biennial % Change			100		100
Governor's Change from Base					0
Governor's % Change from Base					0

Expenditures by Category

Operating Expenses	500	500	500	500	500
Total	**500**	**500**	**500**	**500**	**500**

1000 - General

	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	500	500	500	500	500
Expenditures	**500**	**500**	**500**	**500**	**500**
Biennial Change in Expenditures	0		500		500
Biennial % Change in Expenditures	0		100		100

Program: Indian Programs
Activity: Success for the Future

http://education.state.mn.us/MDE/StuSuc/IndianEd/index.html

AT A GLANCE

- 32 grants are awarded for four years (FY 2014-FY 2017) with annual renewal of funds.
- 9,700 American Indian students served annually.
- 3,650 of the students served are in urban areas.
- 5,900 of the students served are in out-state areas.
- 27 public school districts, 3 tribal contract schools, and 2 charter schools receive grants.

PURPOSE & CONTEXT

This program increases the academic achievement, decreases the dropout rate, and improves the school climate of American Indian students in culturally appropriate ways. The program serves American Indian students in public school districts, Bureau of Indian Education tribal contract schools, and charter schools.

SERVICES PROVIDED

American Indian education programs are designed to meet the unique educational and cultural needs of American Indian students. They focus on:

- Getting students ready for college.
- Increasing achievement, especially in math and reading.
- Making the curriculum more relevant to students' cultural heritage.
- Reinforcing students' positive self-image.
- Developing intercultural awareness among students, parents, staff, and community.

The following services are funded by Success for the Future to increase student achievement, increase graduation rates, reduce the achievement gap, and lower dropout rates:

- Programs to improve daily attendance and keep students in school.
- Academic counseling.
- Advocates and liaisons between home and school.
- Innovative curriculum based on technology.
- Support for teaching American Indian history, culture, language, and literature.
- Staff development support through training.
- Best practices in teaching for American Indian students.

MDE administers grants and calculates payments to school districts, charter schools, and tribal contract schools.

RESULTS

The program serves half of the state's American Indian students enrolled in public schools and enables participating students to take part in advanced placement and a variety of college readiness programs.

Type of Measure	*Name of Measure*	*FY 2012*	*FY 2013*
Results	Statewide American Indian Graduation Rate	45%	49%
Results	Statewide American Indian MCA Math Proficiency	31%	36%
Results	Success for the Future Funded Districts* Graduation Rate (31 Districts)	59.72%	64.26%
Results	Unfunded Districts* Graduation Rate	51.32%	58.38%

*There are 66 school districts that the MDE Office of Indian Education considers eligible to receive state-funded Success for the Future grants. All 66 districts receive federal formula grants that support American Indian students. 32 of those 66 schools districts also receive state-funded Success for the Future Indian Education grants. The remaining 34 districts are considered “unfunded”. These two groups were compared for graduation rate calculation purposes.

M.S. 124D.81

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	2,005	2,584	2,189	2,137	2,137	2,137	4,279	4,517
Total	**2,005**	**2,584**	**2,189**	**2,137**	**2,137**	**2,137**	**4,279**	**4,517**
Biennial Change				(263)		(52)		4,470
Biennial % Change				(6)		(1)		103
Governor's Change from Base								4,522
Governor's % Change from Base								106

Expenditures by Category

Grants, Aids and Subsidies	2,005	2,584	2,189	2,137	2,137	2,137	4,279	4,517
Total	**2,005**	**2,584**	**2,189**	**2,137**	**2,137**	**2,137**	**4,279**	**4,517**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	2,137	2,137						
District Revenue	2,137	2,137						
Direct Appropriation	2,005	2,584	2,214	2,137	2,137	2,137	4,279	4,517
Current Year	1,367	1,847						
Prior Year	638	737						
Cancellations			25					
Expenditures	**2,005**	**2,584**	**2,189**	**2,137**	**2,137**	**2,137**	**4,279**	**4,517**
Biennial Change in Expenditures				(263)		(52)		4,470
Biennial % Change in Expenditures				(6)		(1)		103
Gov's Exp Change from Base								4,522
Gov's Exp % Change from Base								106

Program: Indian Programs
Activity: Indian Teacher Preparation

http://education.state.mn.us/MDE/StuSuc/IndianEd/index.html

AT A GLANCE

- Grants are awarded to four project sites: Augsburg College in collaboration with Minneapolis and St. Paul Public Schools, Bemidji State University in collaboration with Red Lake Public Schools, Minnesota State University Moorhead in collaboration with Mahnomen Public Schools, and the University of Minnesota-Duluth in collaboration with Duluth Public Schools.
- The grants support approximately 20 students per year.

PURPOSE & CONTEXT

Indian teacher grants assist American Indian students to become teachers and assist current American Indian teachers to gain additional education or certification. The program seeks to diversify the pool of Minnesota teachers in order to increase all students' cultural awareness, experiences, and exposure to a diverse population of teachers.

SERVICES PROVIDED

This program provides grants and loans to American Indian students who have the potential to complete a teacher-training program and have demonstrated a financial need. Loans are forgiven through service at the participating school district.

MDE, through The Office of Indian Education, provides support and guidance to all participating school districts and higher education institutions on program implementation throughout the academic year. MDE also holds an annual planning meeting with program representatives, and calculates and processes aid payments for this program.

RESULTS

There have been 60 graduates* from this program since its inception in 1979.

Sixty American Indian college students have taken part in the program since 2008. A majority of students that receive scholarship/grant funds are supported for multiple years during their teacher training program.

In the 2013-2014 school year, there were a total of 17 students participating in the Indian Teacher Preparation program.

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	New Student Participants	2	4	FY 2013 FY 2014

*The total number of graduates listed only reflects students that were receiving grants at the time of graduation. It does not reflect students who may have participated in the program at some point during their teacher training program. The total number of graduates also does not reflect students who returned to receive additional certifications or credentials.

M.S. 122A.63; M.S. 124D.72

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	181	189	172	190	190	190	190	190
Total	**181**	**189**	**172**	**190**	**190**	**190**	**190**	**190**
Biennial Change				(8)		18		18
Biennial % Change				(2)		5		5
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Grants, Aids and Subsidies	181	189	172	190	190	190	190	190
Total	**181**	**189**	**172**	**190**	**190**	**190**	**190**	**190**

Budget Activity: Indian Teacher Preparation

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	190	190	190	190	190	190	190	190
Cancellations	9	1	18					
Expenditures	**181**	**189**	**172**	**190**	**190**	**190**	**190**	**190**
Biennial Change in Expenditures				(8)		18		18
Biennial % Change in Expenditures				(2)		5		5

Program: Indian Programs
Activity: Tribal Contract Schools

http://education.state.mn.us/MDE/StuSuc/IndianEd/index.html

AT A GLANCE

- In FY 2014, 747 American Indian students attended the four Bureau of Indian Education (BIE) tribal contract/grant schools in Minnesota.

PURPOSE & CONTEXT

The program ensures tribal schools have sufficient funds to provide an adequate and uniform education to their students, as required by the Minnesota Constitution. Participants include the four tribal contract schools in the state: Bug-O-Nay-Ge-Shig School, Leech Lake; Circle of Life School, White Earth; Nay ah Shing School, Mille Lacs; and Fond du Lac Ojibwe School, Fond du Lac.

SERVICES PROVIDED

This state aid program provides funding to promote equal education for American Indian students enrolled in Bureau of Indian Education (BIE) tribal contract schools.

State aid is calculated based on the difference between the state per pupil adjusted aid amount minus the amount provided by the federal government.

The funds provide general education services and are not specifically set aside to meet any legislated goals.

MDE calculates and processes aid payments to tribal contract schools for this program.

RESULTS

MDE does not track or report participant performance. Tribal contract schools are not public schools, so we cannot require tribal schools to submit assessment data related to this program.

Type of Measure	*Name of Measure*	*FY 2011*	*FY 2013*
Results	American Indian student graduation rate in BIE Schools	46.67%	60%

M.S. 124D.83

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	1,165	1,721	1,915	2,074	2,212	2,337	2,212	2,337
Total	**1,165**	**1,721**	**1,915**	**2,074**	**2,212**	**2,337**	**2,212**	**2,337**
Biennial Change				1,103		560		560
Biennial % Change				38		14		14
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Other Financial Transactions	600	660	166	194	208	222	208	222
Grants, Aids and Subsidies	565	1,061	1,749	1,880	2,004	2,115	2,004	2,115
Total	**1,165**	**1,721**	**1,915**	**2,074**	**2,212**	**2,337**	**2,212**	**2,337**

Budget Activity: Tribal Contract Schools

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	1,225	1,227						
District Revenue	1,225	1,227						
Direct Appropriation	1,165	1,721	1,915	2,074	2,212	2,337	2,212	2,337
Current Year	565	1,061						
Prior Year	600	660						
Expenditures	**1,165**	**1,721**	**1,915**	**2,074**	**2,212**	**2,337**	**2,212**	**2,337**
Biennial Change in Expenditures				1,103		560		560
Biennial % Change in Expenditures				38		14		14

Program: Indian Programs
Activity: Tribal Early Childhood Program

http://education.state.mn.us/MDE/StuSuc/IndianEd/index.html

AT A GLANCE

- Provides support to four tribal early childhood family education (ECFE) programs.
- Serves 850 to 1100 children birth to 5 every year.
- Program sites: Bug-O-Nay-Ge-Shig School in Leech Lake, Circle of Life in White Earth, Fond du Lac Ojibwe School in Cloquet, and Wewinabi Early Education Center in Mille Lacs.

PURPOSE & CONTEXT

This program ensures Early Childhood and Family Education (ECFE) services are available for parents who live in tribal communities and who will send their children to tribal school. For more information, please see the ECFE budget narrative.

SERVICES PROVIDED

The programs use culturally appropriate materials and strategies to deliver the basic ECFE program, with an added emphasis on preserving American Indian history, language, and culture.

The programs require the direct presence and substantial involvement of the children's parents, especially fathers, and may include any or all of the following education services:

- Programs to educate parents about the physical and mental development of the children.
- Programs to enhance parents' skills in providing for their children's learning and development.
- Learning experiences for children and parents.
- Activities designed to detect children's physical, mental, emotional, or behavioral problems that may cause learning problems.
- Activities and materials designed to encourage self-esteem, skills, and behaviors that prevent sexual and other interpersonal violence.
- Educational materials that may be borrowed for home use.
- Home visits or center-based activities.
- Other programs or activities to improve the health, development, and school-readiness of children.

MDE, through the Office of Indian Education, works with each of the four project sites annually to determine how allocations will be utilized and verifies how many children and families are served. MDE also calculates and processes aid payments for this program.

RESULTS

Tribal schools are not public schools and are not required to submit assessment data for this program. MDE does not track or report participant performance.

M.S. 124D.83, subd.4

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	68	68	68	68	68	68	68	68
Total	**68**	**68**	**68**	**68**	**68**	**68**	**68**	**68**
Biennial Change				0		0		0
Biennial % Change				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Other Financial Transactions	68	68	68	68	68	68	68	68
Total	**68**	**68**	**68**	**68**	**68**	**68**	**68**	**68**

Budget Activity: Tribal Early Childhood Program

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	68	68	68	68	68	68	68	68
Expenditures	**68**	**68**	**68**	**68**	**68**	**68**	**68**	**68**

Program: Innovation and Accountability
Activity: Assessments

AT A GLANCE

- Serves approximately 62,000 students per grade, grades 3 – high school.
- Serves approximately 60,000 English learners (ELs), grades K-12.
- Serves approximately 4,500 students with severe cognitive disabilities.

PURPOSE & CONTEXT

Statewide testing provides information for schools in order to inform parents, teachers, and the public on the achievement of students against the Minnesota Academic Standards or other standards for special populations.

Testing serves K-12 students.

SERVICES PROVIDED

This program develops mathematics, reading, and science assessments related to the Minnesota Academic Standards. This program administers, scores, and reports on assessments for:

- Mathematics, reading, and science;
- English language proficiency;
- Career and College Assessments;
- Diploma Assessments for Graduation; and
- National and International Assessments.

Academic Content Assessments for Reading, Mathematics, and Science

- Minnesota Comprehensive Assessments (MCA), a required assessment designed to measure students' achievement of the Minnesota Academic Standards in Reading, Mathematics and Science.
- Minnesota Test of Academic Skills (MTAS), a required assessment based on the Minnesota Academic Standards in Reading, Mathematics and Science for students with significant cognitive disabilities.
- Students take only one reading, math, or science exam. The three exams allow a variety of student populations the best opportunity to demonstrate their knowledge and skills.
- Reading taken in grades 3-8 and 10.
- Math taken in grades 3-8 and 11.
- Science taken in grades 5, 8, and high school

Assessments for English Language Proficiency

Assessing Comprehension and Communication in English State-to-State for English Language Learners (ACCESS for ELLs) is a required assessment designed to provide information about how well students with limited English proficiency are learning academic English in reading, writing, listening, and speaking as described in the state's English learner (EL) standards.

- Only students defined as English learners under state statute participate in the English language proficiency assessments.

Career and College Assessments – For students in grade 8 2012-2013 and later

- Explore is a required graduation assessment to provide information to grade 8 students, their parents, and educators about students' achievement in Reading, English, Mathematics, and Science. The assessment includes a career interest survey.

- Plan is a required graduation assessment to provide information to grade 10 students, their parents, and educators about students' achievement in Reading, English, Mathematics, and Science. The assessment includes a career interest survey.

- ACT is a required graduation assessment to provide information to grade 11 students, their parents, and educators regarding the level of preparedness for post-secondary success on a nationally recognized college entrance exam.

- Compass is a graduation assessment provided to some students who, based on performance in grade 10, are not prepared for post-secondary success.

Diploma Assessments for Graduation

- Graduation Required Assessment for Diploma (GRAD) is an optional assessment for students in grade 8 prior to 2012-2013 designated to serve as the retest opportunity for students who did not pass on their first attempt of the high school MCA-II in Reading or Math or the census administration of the GRAD writing assessment.

MDE awards contracts to vendors, administers the contracts, and reports test results.

RESULTS

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quality	Percent of academic content assessments administered online and providing immediate results	35%	75%	FY 2013 FY 2014
Quantity	Number of misadministrations* during Minnesota Assessments.	44	21	FY 2013 FY 2014

* A misadministration is any time when the administration procedures are not followed fully and completely.

M.S. 120B.30; M.S. 120B.31; M.S.124D.59
ESEA 1965, Title VI, Part A, Subpart I, Section 6111, P.L. 107-110 and Section 6112, P.L. 107-220

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	15,055	15,245	14,914	22,042	21,001	21,001	21,001	21,001
3000 - Federal	10,435	9,534	8,152	11,635	9,634	9,634	9,634	9,634
Total	**25,490**	**24,779**	**23,066**	**33,677**	**30,635**	**30,635**	**30,635**	**30,635**
Biennial Change				6,474		4,528		4,528
Biennial % Change				13		8		8
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Operating Expenses	25,490	24,779	23,066	33,677	30,635	30,635	30,635	30,635
Other Financial Transactions	0	0						
Grants, Aids and Subsidies	0	0						
Total	**25,490**	**24,779**	**23,066**	**33,677**	**30,635**	**30,635**	**30,635**	**30,635**
Total Agency Expenditures	25,490	24,779	23,066	33,677	30,635	30,635	30,635	30,635
Internal Billing Expenditures	0	7	9	16	16	16	16	16
Expenditures Less Internal Billing	**25,490**	**24,772**	**23,057**	**33,661**	**30,620**	**30,620**	**30,620**	**30,620**

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	15,150	15,150	15,955	21,001	21,001	21,001	21,001	21,001
Balance Forward In		97		1,041				
Cancellations		3						
Expenditures	**15,055**	**15,245**	**14,914**	**22,042**	**21,001**	**21,001**	**21,001**	**21,001**
Balance Forward Out	95		1,041					
Biennial Change in Expenditures				6,656		5,046		5,046
Biennial % Change in Expenditures				22		14		14

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Receipts	10,435	9,534	8,152	11,635	9,634	9,634	9,634	9,634
Expenditures	**10,435**	**9,534**	**8,152**	**11,635**	**9,634**	**9,634**	**9,634**	**9,634**
Biennial Change in Expenditures				(182)		(518)		(518)
Biennial % Change in Expenditures				(1)		(3)		(3)

Program: Special Student and Teacher
Activity: Alternative Compensation (Q Comp)

http://education.state.mn.us/MDE/SchSup/QComp/index.html

AT A GLANCE

- In FY 2014, 135 (28 percent of) districts and charter schools participated:
  - 69 (20 percent of) school districts participated.
  - 66 (44 percent of) charter schools participated
- In FY 2014, 715 (36 percent of) school sites participated.
- In FY 2014:
  - 377,405 (45 percent of) students in the state were served.
  - 26,160.4 (42 percent of) full-time equivalent (FTE) licensed staff in the state were served.
- Twenty-six districts and charter schools have applied to begin implementation in FY 2015:
  - Three applications were to add additional sites to existing approved plans.

PURPOSE & CONTEXT

The alternative teacher professional pay system (commonly known as Q Comp) provides school districts, charter schools, integration districts, intermediate districts, and the Perpich Center for Arts Education with up to $260 per student in additional revenue for designing and implementing a program that includes career ladder/advancement options, job-embedded professional development, teacher evaluation, performance pay, and an alternative salary schedule.

Q Comp programs approved by MDE use various methods to improve classroom instruction and student learning while also recruiting and retaining highly qualified teachers.

Program revenue is available to all districts and sites that apply and have an approved plan. However, basic aid is limited to $75.6 million annually, which is sufficient to fund about half of the students in the state.

SERVICES PROVIDED

Interested education sites are required to submit an application that includes:

- A plan of how licensed staff members can provide leadership to help others improve their instructional skills.
- Student achievement goals and the professional development plan that will help meet the goals.
- A description of the teacher observation/evaluation process and training plans.
- An overview of the performance pay system.
- How the salary schedule has been changed to tie movement on the pay scale to performance measures.

Approved districts or schools use the program funding to provide:

- Compensation to teacher leaders and licensed staff members.
- Professional development, training, and resources related to the program.

MDE calculates and processes Q Comp payments and provides technical support for this program.

65 percent of the $260 per pupil amount ($169) comes in the form of state aid and the balance ($91 per pupil) in the form of equalized levy revenue. Beginning in FY 2015, the levy revenue is equalized using an equalizing factor of $6,100 of adjusted net tax capacity per pupil. Qualifying districts may choose to receive only the basic aid portion of the revenue (the $169 per pupil), or at the district's discretion, opt to access the additional equalized levy (the $91 per pupil). In addition, charter schools and intermediate school districts (which do not have levy authority) receive a prorated aid amount based on the percentage of $260 per pupil that all districts receive. Basic alternative compensation aid is limited to $75.6 million annually, and is available, in general, to districts on a first-come, first-served basis. State total basic aid has currently reached this limit; no additional schools can be added unless the limit is increased.

RESULTS

The program evaluations conducted have noted that it is difficult to separate Q Comp from other district initiatives to measure the effect on student achievement:

- One study was able to identify a positive correlation between the implementation of Q Comp over a number of years and improved student achievement; and
- Another study found a 3 percent standard deviation increase in student achievement on two different reading assessments and on one math assessment.

M.S. 122A.414; M.S. 122A.415;

(Dollars in Thousands)

Expenditures By Fund

	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	69,899	78,308	77,596	78,308	77,596
Total	**69,899**	**78,308**	**77,596**	**78,308**	**77,596**
Biennial Change	69,899		86,005		86,005
Biennial % Change			123		123
Governor's Change from Base					0
Governor's % Change from Base					0

Expenditures by Category

Grants, Aids and Subsidies	69,899	78,308	77,596	78,308	77,596
Total	**69,899**	**78,308**	**77,596**	**78,308**	**77,596**

Budget Activity: Alternative Compensation

(Dollars in Thousands)

1000 - General

	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	69,899	78,308	77,596	78,308	77,596
Expenditures	**69,899**	**78,308**	**77,596**	**78,308**	**77,596**
Biennial Change in Expenditures	0		86,005		86,005
Biennial % Change in Expenditures	0		123		123

Program: Innovation and Accountability
Activity: Teacher Dvlpmt and Eval

AT A GLANCE

- Revenue for this program is for FY 2015 only.
- Teacher development and evaluation requirements became law in 2011.

PURPOSE & CONTEXT

The Teacher Development and Evaluation program provides funding for teacher development and evaluation activities. Beginning in the 2014-15 school year, all school districts must implement a teacher evaluation and review plan.

This program is available to school districts, intermediate school districts, and charter schools that do not have an alternative professional pay system agreement, also known as Q Comp.

SERVICES PROVIDED

This program provides each qualifying district or charter school with revenue equal to $302 times the number of full-time equivalent teachers employed on October 1 of the previous school year.

The teacher development and evaluation process must establish a three-year professional review cycle for every teacher. The evaluation process is intended to work in tandem with staff development activities, use data from student assessments to determine 35 percent of teacher evaluation results, and provide support to teachers not meeting professional teaching standards including goals and timelines.

Revenue must be used for allowable activities such as mentoring, evaluations performed by trained evaluators, and individual growth and development plans for teachers.

MDE calculates and processes aid payments for this program.

RESULTS

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Total number of independent school districts eligible for Teacher Development and Evaluation funding	n/a	261	FY 2015
Quantity	Total number of charter schools eligible for Teacher Development and Evaluation funding	n/a	82	FY 2015
Quantity	Total number of intermediate school districts eligible for Teacher Development and Evaluation funding	n/a	3	FY 2015

MN Laws 2014, ch.312, art.16, sec.15

(Dollars in Thousands)

Expenditures By Fund

	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	9,000	1,000	0	1,000	0
Total	**9,000**	**1,000**	**0**	**1,000**	**0**
Biennial Change	9,000		(8,000)		(8,000)
Biennial % Change			(89)		(89)
Governor's Change from Base					0
Governor's % Change from Base					0

Expenditures by Category

Grants, Aids and Subsidies	9,000	1,000	0	1,000	0
Total	**9,000**	**1,000**	**0**	**1,000**	**0**

Budget Activity: Teacher Dvlpmt and Eval

(Dollars in Thousands)

1000 - General

	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	
Direct Appropriation	9,000	1,000	0	1,000	0
Expenditures	**9,000**	**1,000**	0	**1,000**	0
Biennial Change in Expenditures	0		(8,000)		(8,000)
Biennial % Change in Expenditures	0		(89)		(89)

Program: Special Student and Teacher Programs
Activity: Adv Placement-Intl Bacc

AT A GLANCE

In FY 2013:
- 53 authorized IB schools participated at 59 school sites.
- 38,769 AP students took 64,705 exams.
- 3,150 IB students took 7,373 exams.
- 4,330 low-income students took 7,597 AP or IB exams.
- 962 AP teachers attended in-depth training.
- 1,271 IB teachers attended in-depth training.

PURPOSE & CONTEXT

This state aid program gives high school students the opportunity to take college-level courses and earn college credit while in high school. The program also provides funding for AP/IB teachers to attend training programs.

SERVICES PROVIDED

Most of Minnesota's public and private colleges and universities have credit-awarding policies for Advanced Placement (AP) and International Baccalaureate (IB) course credits for exams taken by students.

- Colleges and universities in the Minnesota State Colleges and Universities system (MnSCU) must award college credit to high school students who receive a score of three or higher on an advanced placement examination or four or higher on the international baccalaureate program examination.
- The University of Minnesota and private postsecondary institutions are encouraged to award college credit to high school students who receive a score of three or higher on an advanced placement examination or four or higher on the international baccalaureate program examination.

The AP and IB programs provide financial incentives to support:
- Teacher training and support.
- Student examination fees.

MDE reviews and approves applications, and calculates and processes aid payments for this program.

RESULTS

Type of Measure	*Name of Measure*	*FY 2012*	*FY 2013*
Quality	Percent of AP exams –"proficient" or above	65.6%	65.9%
Quality	Percent of IB exams–"proficient" or above	58%	53%

M.S. 120B.13

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	4,485	4,504	4,500	4,500	4,500	4,500	4,500	4,500
Total	**4,485**	**4,504**	**4,500**	**4,500**	**4,500**	**4,500**	**4,500**	**4,500**
Biennial Change				11		0		0
Biennial % Change				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Operating Expenses				500	500	500	500	500
Grants, Aids and Subsidies	4,485	4,504	4,500	4,000	4,000	4,000	4,000	4,000
Total	**4,485**	**4,504**	**4,500**	**4,500**	**4,500**	**4,500**	**4,500**	**4,500**

Budget Activity: Adv Placement/Intl Bacc

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
Balance Forward In		15						
Cancellations		11						
Expenditures	**4,485**	**4,504**	**4,500**	**4,500**	**4,500**	**4,500**	**4,500**	**4,500**
Balance Forward Out	15							
Biennial Change in Expenditures				11		0		0
Biennial % Change in Expenditures				0		0		0

Program: Special Student and Teacher Programs
Activity: Concurrent Enrollment

http://education.state.mn.us/MDE/StuSuc/CollReadi/PSEO/

AT A GLANCE

- Of the 23,583 students that participated in FY 2013, 3,859 were low-income students and 66 were English learners.
- For FY 2013, the state aid amount was prorated to $35.38 per student.

PURPOSE & CONTEXT

The Concurrent Enrollment program provides funding to districts to defray the cost of delivering concurrent enrollment courses, also known as Concurrent Enrollment programs, in high schools.

This program is available to all 11th- and 12th-grade students, and is available to 10th-grade students for career and technical education classes, and provides dual high school and college credit.

SERVICES PROVIDED

This program provides funding to districts that offer an agreed-upon concurrent enrollment course for students who take the course at the high school.

- Concurrent enrollment courses are taught during the regular school day at the high school.
- These courses are offered in partnership with a college or university.
- State aid is nominally $150 per student. However, funding is limited, initial funding exceeds the appropriation, and the program is prorated, with districts only receiving a percentage of their calculated state aid.

Participating students are provided:

- Credit for both high school and college credits at no cost to the student.
- Qualified high school instructors or college faculty teaching the course.
- Exposure to college-level courses and coursework.
- Similar coursework and testing as is used in similar classes taught on a college campus.
- Continued participation in the high school culture while earning college credits.

MDE:

- Helps districts interpret the laws regarding concurrent enrollment;
- Reviews and approves annual partnership agreements between high schools and colleges or universities; and
- Calculates and processes aid payments to districts.

RESULTS

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Number of Students Participating	21,992	23,583	FY 2012 FY 2013
Quantity	College credits earned that generated Concurrent Enrollment aid	177,715 credits	196,882 credits	FY 2012 FY 2013

M.S. 124D.091

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Total	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**
Biennial Change				0		0		0
Biennial % Change				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Grants, Aids and Subsidies	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Total	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Expenditures	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**

Program: Special Student and Teacher Programs
Activity: Collaborative Urban Educator

AT A GLANCE

- In FY 2014, three colleges had Collaborative Urban Educator grants renewed.
- In FY 2014, one college, Augsburg, received Collaborative Urban Educator funding for the first time.

PURPOSE & CONTEXT

This program addresses the need to recruit and train teachers prepared to meet the educational needs of urban schools and a diverse student population.

This program serves four institutions of higher learning in Minneapolis and St. Paul.

SERVICES PROVIDED

Each institution has discretion to determine the best way to accomplish the intent of the program using the appropriation:

- Concordia University focuses on providing a pathway to a bachelor's degree and teacher licensure for paraprofessional, education assistants, and teaching assistants through the Southeast Asia Teacher (SEAT) Licensure Program.
- St. Thomas University currently focuses on preparing teachers at the graduate level leading to licensure in Special Education and English as a Second Language.
- Hamline University has established the Center for Excellence in Urban Teaching (CEUT), which focuses on preparing educators for urban settings and providing support for in-service teachers.
- Augsburg College focuses on preparing teachers of East African origin on multiple licensure areas (EAST Program).

Each institution must prepare, by January 1 of each year, a detailed report regarding funds used.

MDE processes payment for this program.

RESULTS

Type of Measure	*Name of Measure*	*#*	*Dates*
Quantity	Number of graduates from Concordia University	16	FY 2010 through FY 2013
Quantity	Number of licenses earned via postgraduate degrees from St. Thomas University	386	FY 1992 through FY 2013
Quantity	Number of graduates from Hamline University	62	FY 2011 through FY 2012
Quantity	Number of candidates currently enrolled at Augsburg	17	FY 2014

MN Laws 2013, ch.116, art.3, sec.37, subd.12

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	443	613	780	780	780	780	780	780
Total	**443**	**613**	**780**	**780**	**780**	**780**	**780**	**780**
Biennial Change				504		0		0
Biennial % Change				48		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Grants, Aids and Subsidies	443	613	780	780	780	780	780	780
Total	**443**	**613**	**780**	**780**	**780**	**780**	**780**	**780**

Budget Activity: Collaborative Urban Educator

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	528	528	780	780	780	780	780	780
Balance Forward In		85	0					
Expenditures	**443**	**613**	**780**	**780**	**780**	**780**	**780**	**780**
Balance Forward Out	85							
Biennial Change in Expenditures				504		0		0
Biennial % Change in Expenditures				48		0		0

Program: Choice Programs
Activity: Literacy Incentive Aid

AT A GLANCE

- In FY 2014, 73.9% of white students showed high or medium growth.
- In FY 2014, 68.7% of nonwhite students showed high or medium growth.

PURPOSE & CONTEXT

This program gives schools additional aid based on student reading performance. Literacy incentive aid is intended to both reward and incentivize reading proficiency.

Literacy incentive aid is available to all public school districts and charter schools.

SERVICES PROVIDED

Literacy incentive aid is based on the portion of students in a school that meet or exceed proficiency on the Minnesota Comprehensive Assessments (MCA) grade 3 reading test (called "Proficiency Aid"). It is also based on the portion of students that show medium or high growth in reading proficiency between grades 3 and 4 (called "Growth Aid").

Proficiency and growth are based on three-year averages.

Proficiency aid = $530 x grade 3 reading proficiency portion x grade 3 enrollment from the prior year.

Growth aid = $530 x grade 4 growth portion x grade 4 enrollment from the prior year.

MDE calculates and processes aid payments for this program.

RESULTS

Type of Measure	*Name of Measure*	*FY 2008*	*FY 2009*	*FY 2010*	*FY 2011*	*FY 2012*	*FY 2013**	*FY 2014*
Quality	Portion of Grade 3 students generating Proficiency Aid	79.0%	78.3%	76.3%	78.5%	80.4%	57.2%	58.1%
Quality	Portion of Grade 4 students generating Growth Aid	72.8%	75.5%	75.1%	79.9%	79.2%	72.3%	72.4%

*The reading test became more difficult in 2013, so the drop in the portion of scores that generate revenue does not necessarily indicate a drop in the actual levels of proficiency and growth.

M.S.124D.98

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12 FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	41,978	50,998	44,839	44,590	45,574	44,590	45,574
Total	**41,978**	**50,998**	**44,839**	**44,590**	**45,574**	**44,590**	**45,574**
Biennial Change			53,859		(5,673)		(5,673)
Biennial % Change			128		(6)		(6)
Governor's Change from Base							0
Governor's % Change from Base							0

Expenditures by Category

Grants, Aids and Subsidies	41,978	50,998	44,839	44,590	45,574	44,590	45,574
Total	**41,978**	**50,998**	**44,839**	**44,590**	**45,574**	**44,590**	**45,574**

1000 - General

		Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	48,585	49,323					
Levies		0					
District Revenue	48,585	49,323					
Direct Appropriation	41,978	50,998	44,839	44,590	45,574	44,590	45,574
Current Year	41,978	44,391					
Prior Year	0	6,607					
Expenditures	**41,978**	**50,998**	**44,839**	**44,590**	**45,574**	**44,590**	**45,574**
Biennial Change in Expenditures			53,859		(5,673)		(5,673)
Biennial % Change in Expenditures			128		(6)		(6)

Program: Special Student and Teacher Programs
Activity: Youthworks

AT A GLANCE

- 12 AmeriCorps Innovation programs served rural and urban communities in FY 2013.
- More than 530 AmeriCorps Innovation members served over 40,000 Minnesotans in FY 2013.

PURPOSE & CONTEXT

Americorp Innovation funding provides the required local match for federal AmeriCorps dollars. ServeMinnesota is the statutorily designated recipient of funding for the AmeriCorps program.

This program serves students in schools and nonprofit organizations throughout Minnesota.

SERVICES PROVIDED

Americorp Innovation members provide direct service in five priority areas: education, the environment, healthy futures, veterans, and economic opportunity. Federal funds cover 85 percent of the costs associated with each AmeriCorps member and cover 100 percent of the federal AmeriCorps scholarships leveraged by each AmeriCorps member.

This state program complements the federal AmeriCorps program and provides funding for youth to provide communities with a wide variety of services, including mentoring and tutoring, service activities, mediation services to decrease violence, park safety, construction and rehabilitation of homes, environmental projects and other community service projects.

MDE awards and make payments for the program grant, and reviews program reports.

RESULTS

MDE's role in this program is limited to budget and grant review and approval, and does not assess data related to this program.

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	AmeriCorps Members	1,297	1,574	FY2011 FY2013
Quantity	Reading Corps students served	20,000	30,232	FY 2011 FY2013

Source: http://www.serveminnesota.org/about/facts

M.S.124D.36 - M.S.124D.45
Federal Citation: National and Community Service Trust Act 1993

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	900	900	900	900	900	900	900	900
Total	**900**	**900**	**900**	**900**	**900**	**900**	**900**	**900**
Biennial Change				0		0		0
Biennial % Change				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Grants, Aids and Subsidies	900	900	900	900	900	900	900	900
Total	**900**	**900**	**900**	**900**	**900**	**900**	**900**	**900**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	900	900	900	900	900	900	900	900
Expenditures	**900**	**900**	**900**	**900**	**900**	**900**	**900**	**900**

Program: Special Student and Teacher Programs
Activity: Student Organizations

AT A GLANCE

- There are seven Career and Technical Education student organizations supported by the Minnesota Foundation for Student Organizations (MSFO).
- MFSO is governed by a 23 member Board of Directors, half of which are appointed by the Governor and half which serve as representatives to the student organizations.

PURPOSE & CONTEXT

The Minnesota Foundation of Student Organizations (MFSO) funds secondary and postsecondary career and technical student organizations that are operated as co-curricular activities. It also funds state-approved career and technical education programs.

SERVICES PROVIDED

The MFSO supports career and technical student organizations as they provide opportunities for:

- Leadership
- Personal development
- Community service
- Career preparation

The student organizations provide those opportunities in the following areas:

- Health
- Service
- Trade and industry
- Business
- Agriculture
- Family and consumer science
- Marketing

The MFSO coordinates joint activities and outreach among its member student organizations.

The MFSO requires member organizations to provide desired support and opportunities for students.

MDE processes payments and provides technical support for this program.

RESULTS

Type of Measure	*Name of Measure*	*FY 2006*	*FY 2013*
Quantity	Membership in career and technical education student organizations	16,800	19,100

M.S.124D.34; M.S. 124D.355

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	725	725	725	725	725	725	725	725
Total	**725**	**725**	**725**	**725**	**725**	**725**	**725**	**725**
Biennial Change				0		0		0
Biennial % Change				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Grants, Aids and Subsidies	725	725	725	725	725	725	725	725
Total	**725**	**725**	**725**	**725**	**725**	**725**	**725**	**725**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	725	725	725	725	725	725	725	725
Cancellations		0						
Expenditures	**725**	**725**	**725**	**725**	**725**	**725**	**725**	**725**
Biennial Change in Expenditures				0		0		0
Biennial % Change in Expenditures				0		0		0

Program: Special Student and Teacher Programs
Activity: Starbase MN

http://www.starbasemn.org/

AT A GLANCE

- This program was implemented in FY 2014.

PURPOSE & CONTEXT

Starbase MN is a grant program focusing on science, technology, engineering, and math.

This grant is awarded to Starbase MN for a program serving students in grades 4 to 6.

SERVICES PROVIDED

This program provides students a multi-sensory learning experience and a hands-on curriculum in an aerospace environment.

MDE processes aid payments for this program.

RESULTS

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Number of Students participating	n/a	3,464	FY 2013
Quality	Percentage students wanting to learn more about science, technology, engineering and math after the program	n/a	95%	FY 2013

MN Laws 2013, ch.116, art.3, sec.37, subd.22

Expenditures By Fund

	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	500	500	500	500	500	500
Total	**500**	**500**	**500**	**500**	**500**	**500**
Biennial Change		1,000		0		0
Biennial % Change				0		0
Governor's Change from Base						0
Governor's % Change from Base						0

Expenditures by Category

Grants, Aids and Subsidies	500	500	500	500	500	500
Total	**500**	**500**	**500**	**500**	**500**	**500**

(Dollars in Thousands)

1000 - General

	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	500	500	500	500	500	500
Expenditures	**500**	**500**	**500**	**500**	**500**	**500**
Biennial Change in Expenditures		0		0		0

Program: Special Student and Teacher Programs
Activity: Civic Education Grant Program

AT A GLANCE

- This program was implemented in FY 2014.
- The Civic Education Coalition consists of Kids Voting St. Paul, Learning Law and Democracy Foundation, and YMCA Youth in Government

PURPOSE & CONTEXT

The Civics Education Grants program provides civic education programs for Minnesota youth.

This grant is awarded to the Minnesota Civic Education Coalition for a program serving youth age 18 and under.

SERVICES PROVIDED

This program instructs students in:

- The constitutional principles and democratic foundation of our national, state, and local institutions.
- The political processes and structures of government.

MDE processes aid payments for this program.

RESULTS

This is a new program and MDE is not required to collect specific data.

Type of Measure	*Name of Measure*	*Previous*	*Current (FY 2014)*
Quantity	Number of Programs	n/a	3

MN Laws 2013, ch.116, art.3, sec.37, subd.23

Expenditures By Fund

	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	125	125	125	125	125	125
Total	**125**	**125**	**125**	**125**	**125**	**125**
Biennial Change		250		0		0
Biennial % Change				0		0
Governor's Change from Base						0
Governor's % Change from Base						0

Expenditures by Category

Grants, Aids and Subsidies	125	125	125	125	125	125
Total	**125**	**125**	**125**	**125**	**125**	**125**

Budget Activity: Civic Education Grant Progam

(Dollars in Thousands)

1000 - General

	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	125	125	125	125	125	125
Expenditures	**125**	**125**	**125**	**125**	**125**	**125**
Biennial Change in Expenditures		0		0		0

Program: Special Student and Teacher Programs
Activity: Early Childhood Literacy

https://minnesotareadingcorps.org/

AT A GLANCE

- In FY 2014, the MN Reading Corps served 28,736 students, age 3 to grade 3.
- In FY 2013, there was a 46 percent pass rate on the statewide 3rd grade MCA test of reading proficiency for participants who completed their MN Reading Corps tutoring.
- MN Reading Corps worked with 323 elementary schools and 142 PreK sites in FY 2012.

PURPOSE & CONTEXT

This program's purpose is to reduce Minnesota's achievement gap and increase the number of students meeting literacy standards by the end of third grade.

The program is funded with a combination of state aid, federal funds, and private donations.

SERVICES PROVIDED

The Minnesota Reading Corps places AmeriCorps members in early childhood, afterschool, and school settings. AmeriCorps members:

- Are trained in research-based tutoring techniques and work with children age three to grade three.
- Monitor each student's progress.
- Recruit community volunteers to reach more children.

The Minnesota Reading Corps provides master literacy coaches to Head Start programs. They:

- Train internal literacy coaches on early literacy curriculum and coaching techniques.
- Administer the early learning classroom observation tool.
- Provide feedback/coaching to AmeriCorps members.

MDE awards and make payments for the program grant, approves work plans, invoices and reviews annual reports

RESULTS

Type of Measure	*Name of Measure*	*FY 2013*	*FY 2014*
Quantity	Number of pre-kindergarten children receiving individualized instruction.*	4,119	8,426
Result	Ratio of children who meet their goals.	48%	42%

M.S. 119A.50; M.S.124D.42

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	1,968	6,282	4,125	5,125	4,375	4,375	9,375	9,375
Total	**1,968**	**6,282**	**4,125**	**5,125**	**4,375**	**4,375**	**9,375**	**9,375**
Biennial Change				1,000		(500)		9,500
Biennial % Change				12		(5)		103
Governor's Change from Base								10,000
Governor's % Change from Base								114

Expenditures by Category

Grants, Aids and Subsidies	1,968	6,282	4,125	5,125	4,375	4,375	9,375	9,375
Total	**1,968**	**6,282**	**4,125**	**5,125**	**4,375**	**4,375**	**9,375**	**9,375**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	4,125	4,125	4,125	5,125	4,375	4,375	9,375	9,375
Balance Forward In		2,157						
Expenditures	**1,968**	**6,282**	**4,125**	**5,125**	**4,375**	**4,375**	**9,375**	**9,375**
Balance Forward Out	2,157							
Biennial Change in Expenditures				1,000		(500)		9,500
Biennial % Change in Expenditures				12		(5)		103
Gov's Exp Change from Base								10,000
Gov's Exp % Change from Base								114

Program: Special Student and Teacher Programs
Activity: MN Math Corps Program

http://minnesotamathcorps.org/

AT A GLANCE

- The program plans to place more than 150 tutors in over 100 elementary, middle and junior high schools in FY 2015.
- 922 students have started receiving service from Math Corps members in FY 2015.

PURPOSE & CONTEXT

The purpose of this program is to provide ServeMinnesota AmeriCorps members with a model of mathematics instruction they can use to help elementary and middle school students and their teachers meet state academic standards in mathematics.

Students in select elementary, middle and junior high schools in Minnesota are served by this program.

SERVICES PROVIDED

The Minnesota Math Corps program pilots curricula to determine how best to help students become proficient in math.

Math Corps members provide targeted tutoring to pairs of students.

- Students served by MN Math Corp receive 90 minutes per week of tutoring for a minimum of 20 weeks

MDE awards and make payments for the program grant and reviews the biennial program report.

RESULTS

FY 2014 was the first year for the MN Math Corp program. Academic performance results for FY 2014 are not yet available.

M.S.124D.42, subd.9; (https://www.revisor.mn.gov/statutes/?id=124D.42)

(Dollars in Thousands)

Expenditures By Fund

	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	250	250	250	250	250	250
Total	**250**	**250**	**250**	**250**	**250**	**250**
Biennial Change		500		0		0
Biennial % Change				0		0
Governor's Change from Base						0
Governor's % Change from Base						0

Expenditures by Category

Grants, Aids and Subsidies	250	250	250	250	250	250
Total	**250**	**250**	**250**	**250**	**250**	**250**

Budget Activity: MN Math Corps Program

(Dollars in Thousands)

1000 - General

	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	250	250	250	250	250	250
Expenditures	**250**	**250**	**250**	**250**	**250**	**250**
Biennial Change in Expenditures		0		0		0

Program: Special Student and Teacher Programs
Activity: Elem Sec Educ Act Programs

http://education.state.mn.us/mde/index.html

AT A GLANCE

- ESEA provides supplementary educational funds for disadvantaged learner programs, professional development of teachers and principals, and English language acquisition.

PURPOSE & CONTEXT

The Elementary and Secondary Education Act (ESEA) is federal legislation that promotes student achievement through school and district reform.

The law requires each state to develop and implement a system for holding all districts and schools accountable for the education of students.

Annual federal education grants are allocated to eligible districts using census and student enrollments.

SERVICES PROVIDED

Funds are authorized for professional development, instructional programs and materials, and for promoting parental involvement under:

- Title I Part A of ESEA, which provides technical and financial assistance to local education agencies (LEAs) and schools with high numbers or percentages of children from low-income families, in order to help schools make sure that all children meet challenging academic standards.
- Migrant Education, Title I Part C, which ensures that migratory children receive appropriate educational services that address their special needs.
- The Math and Science Partners program, Title II Part B, which improves the content knowledge of teachers and the performance of students in the areas of math and science, and is designed for high need school districts.
- The Improving Teacher Quality program, Title II Part A, which improves the preparation of prospective teachers, enhances professional development activities, and holds institutions of higher education accountable for recruiting and training highly qualified individuals into the teacher workforce.
- The Title III Program, which helps LEAs ensure that English learners and immigrant students attain English proficiency and meet the same standards required of all other students.
- The 21st Century Community Learning program, Title IV Part B, which supports the creation of community learning centers that provide children in high-poverty and low-performing schools academic enrichment opportunities during non-school hours, and offers educational services to the families of participating children.
- The Rural and Low-Income Schools Grant, Title VI Part B, which helps very small rural districts with high concentrations of poverty that may lack the personnel and resources to effectively compete for federal competitive grants.

MDE administers federal education programs for learners under ESEA.
MDE provides school districts:

- Leadership to ensure that Title programs funded under ESEA achieve academic excellence, are implemented according to legislation, and demonstrate reasonable promise of success.
- Support for the design, development, implementation, administration and evaluation of ESEA Title programs.
- Programmatic accountability with ESEA Title programs.

RESULTS

Multiple measures are used to compute two different ratings and determine designations and recognition for Title I schools:

- The Multiple Measurements Rating (MMR) is calculated using proficiency, growth, achievement gap reduction and graduation information; and
- the Focus Rating (FR) is calculated using focused proficiency and achievement gap reduction information.

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Total number of schools with improving MMR rating scores	474	764	FY 2012 FY 2013
Quantity	Total number of schools with declining MMR rating changes	1,060	708	FY 2012 FY 2013
Quantity	Total number of schools with the same MMR rating	N/A	31	FY 2012 FY 2013
Quantity	Total number of schools with improving Focus rating changes	854	697	FY 2012 FY 2013
Quantity	Total number of schools with declining Focus rating changes	574	653	FY 2012 FY 2013
Quantity	Total number of schools with the same Focus rating	N/A	30	FY 2012 FY 2013

No Child Left Behind (NCLB) Act of 2001, Pub. L. No. 107-110, § 115, Stat. 1425 (2002)
CFDA 84.010; CFDA 84.365; CFDA 84.011; CFDA 84.287; CFDA 84.366; CFDA 84.358; CFDA 84.367;

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
3000 - Federal	199,220	220,245	201,565	238,776	225,882	225,882	225,882	225,882
Total	**199,220**	**220,245**	**201,565**	**238,776**	**225,882**	**225,882**	**225,882**	**225,882**
Biennial Change				20,876		11,423		11,423
Biennial % Change				5		3		3
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Operating Expenses		102		0	0	0	0	0
Other Financial Transactions	413	29	0					
Grants, Aids and Subsidies	198,807	220,113	201,565	238,776	225,882	225,882	225,882	225,882
Total	**199,220**	**220,245**	**201,565**	**238,776**	**225,882**	**225,882**	**225,882**	**225,882**
Total Agency Expenditures	199,220	220,245	201,565	238,776	225,882	225,882	225,882	225,882
Internal Billing Expenditures				0	0	0	0	0
Expenditures Less Internal Billing	**199,220**	**220,245**	**201,565**	**238,776**	**225,882**	**225,882**	**225,882**	**225,882**

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In	0	0						
Receipts	199,577	220,245	201,565	238,775	225,882	225,882	225,882	225,882
Expenditures	**199,220**	**220,245**	**201,565**	**238,776**	**225,882**	**225,882**	**225,882**	**225,882**
Balance Forward Out	357							
Biennial Change in Expenditures				20,876		11,423		11,423
Biennial % Change in Expenditures				5		3		3

Program: Special Teacher and Student Programs
Activity: Miscellaneous Federal Grants

AT A GLANCE

- Federal funds are available for charter schools.
- Federal funds are available to help pay for the additional costs of educating the homeless.
- Federal funds are available to help small rural schools.

PURPOSE & CONTEXT

This budget activity summarizes other miscellaneous federal programs that fund various activities in school districts and charter schools.

SERVICES PROVIDED

Charter School Program (CFDA 84.282A). This federal grant will be used to increase charter school quality and accountability of the authorizers that oversee them. Over the course of the five-year project, MDE will:

1. Increase the number of high-quality charter schools.
2. Establish an accountability framework to increase academic performance and decrease the achievement gap in charter schools.
3. Build authorizers' capacity to authorize, monitor, and hold charter schools accountable.
4. Disseminate promising and innovative practices of high-quality charter schools to each Local Educational Agency (LEA) in the state.

Homeless Children and Youth Grants (CFDA 84.196). This program is used to ensure that homeless children, including preschoolers, have equal access to free and appropriate public education. Grants are used to address problems related to enrollment, attendance, and success of homeless children in school.

Rural and Low-Income Schools Grant, Title VI Part B (CFDA 84.358). This program helps very small rural districts with high concentrations of poverty that may lack the personnel and resources to effectively compete for federal competitive grants.

Tech Literacy Challenge CFDA (CFDA 84.318). The primary goal of this part of the program is to improve student academic achievement through the use of technology in elementary schools and secondary schools.

MDE awards, monitors and pays these federal grants.

RESULTS

Type of Measure	*Name of Measure*	*FY 2013*	*FY 2014*
Quantity	Number of Charter School Grants awarded	14	11
Quantity	Number of Rural and Low Income School Grants awarded	15	16

McKinney-Vento Homeless Assistance Act, Title VII, Subtitle B (Homeless);
Elementary and Secondary Education Act of 1965, as amended, Title V Part B, Subpart 1 (Charter School)

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
3000 - Federal	91,746	32,957	9,442	12,649	11,930	10,978	11,930	10,978
Total	**91,746**	**32,957**	**9,442**	**12,649**	**11,930**	**10,978**	**11,930**	**10,978**
Biennial Change				(102,612)		818		818
Biennial % Change				(82)		4		4
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Compensation		18	9	18	17	17	17	17
Operating Expenses	48	714	169	7	7	5	7	5
Other Financial Transactions	0	0	0					
Grants, Aids and Subsidies	91,698	32,226	9,263	12,624	11,906	10,956	11,906	10,956
Total	**91,746**	**32,957**	**9,442**	**12,649**	**11,930**	**10,978**	**11,930**	**10,978**
Total Agency Expenditures	91,746	32,957	9,442	12,649	11,930	10,978	11,930	10,978
Internal Billing Expenditures		23	27	4	4	3	4	3
Expenditures Less Internal Billing	**91,746**	**32,933**	**9,415**	**12,645**	**11,926**	**10,975**	**11,926**	**10,975**
Full-Time Equivalents	**0.2**	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In	0	0						
Receipts	91,746	32,957	9,442	12,649	11,930	10,978	11,930	10,978
Expenditures	**91,746**	**32,957**	**9,442**	**12,649**	**11,930**	**10,978**	**11,930**	**10,978**
Balance Forward Out	1							
Biennial Change in Expenditures				(102,612)		818		818
Biennial % Change in Expenditures				(82)		4		4
FTEs		0	0	0	0	0	0	0

Program: Special Education
Activity: Special Education

http://education.state.mn.us/MDE/StuSuc/SpecEdProg/index.html

AT A GLANCE

- In FY 2014, 129,646 children and youth, ages birth-21, received special education services.
- In FY 2014, 113,619 K-12 students (13.6 percent of total K-12 students) received special education services.
- In FY 2012, 21,743 full-time equivalent special education teachers and paraprofessional staff were employed.

PURPOSE & CONTEXT

This state aid program funds specially designed instruction and related services for children and youth with disabilities ages birth-21.

Districts also receive federal funds through the Individuals with Disabilities Education Act (IDEA) for special education services.

IDEA ensures that all children with disabilities receive a Free Appropriate Public Education (FAPE). FAPE emphasizes that special education and related services must meet students' unique needs and prepare them for postsecondary education, employment and independent living.

Most of the program costs are for staff, services, and support.

SERVICES PROVIDED

Goals of special education:

- Provide FAPE in the least restrictive environment.
- Improve performance on statewide assessments.
- Increase special education student graduation rates.
- Coordinate services for students receiving support from more than one agency.

Special education students must have an Individualized Education Program (IEP). The IEP helps students with disabilities with schoolwork and helps them make progress toward graduation according to their individualized goals.

Students are eligible for IDEA Part B services if they meet specific state eligibility requirements under one or more of 13 disability categories as defined in Minnesota Rules.

To be eligible for special education IDEA Part B services, students ages 3-21 must be:

- Found to have a disability.
- In need of personalized instruction and related services.

To be eligible for special education IDEA Part C infant and toddler intervention services, infants and toddlers aged Birth-2 must meet *at least one* of the three components:

- They meet the criteria for any one of Minnesota's recognized special education disability categories.
- They have a demonstrated developmental delay.
- They are diagnosed with a physical or mental condition that has a high probability of resulting in developmental delay.

The combination of these laws and rules require the provision of FAPE for all eligible children and youth with disabilities. FAPE is defined as instruction and services that are:

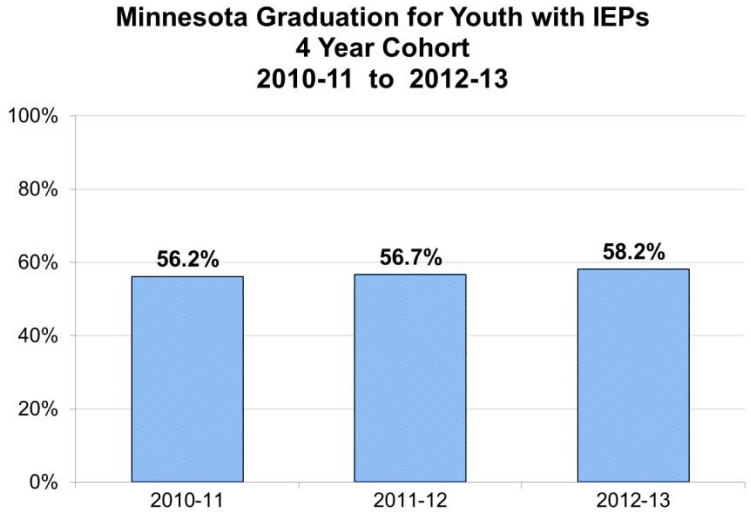
- Based on eligibility and need.
- Written into an Individualized Education Program (IEP) or an Individualized Family Service Plan (IFSP).
- Provided in the least restrictive environment possible and at no cost to parents.

MDE calculates and processes aid payments and provides technical support for this program.

RESULTS

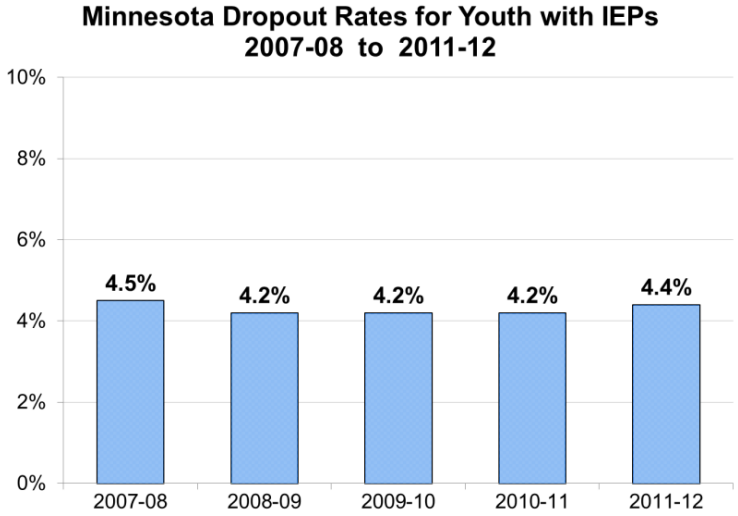
Goal: To increase the graduation rate of students with disabilities.

Measure: Graduation rate of students with disabilities.



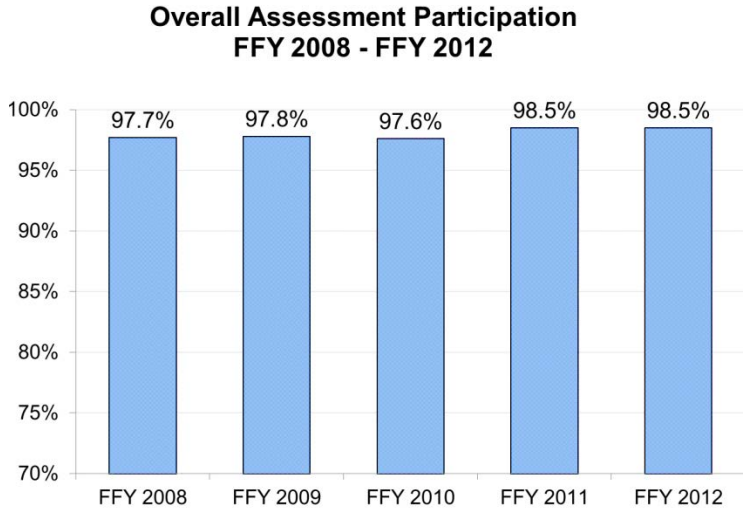
Goal: To decrease the dropout rate of students with disabilities.

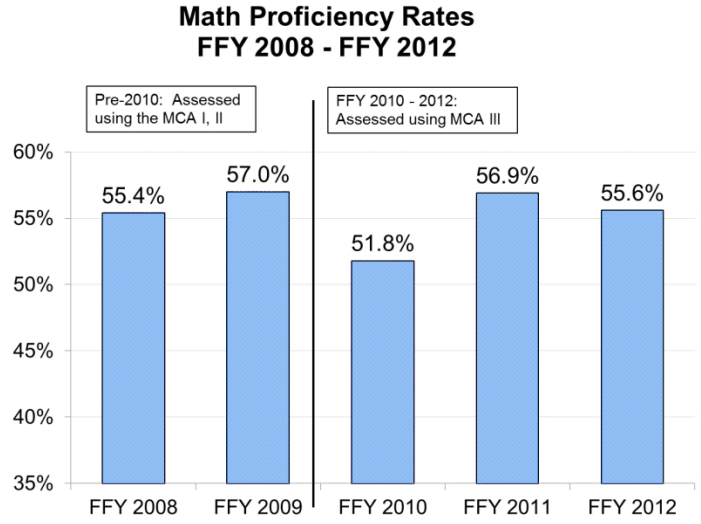
Measure: Dropout rate of students with disabilities.

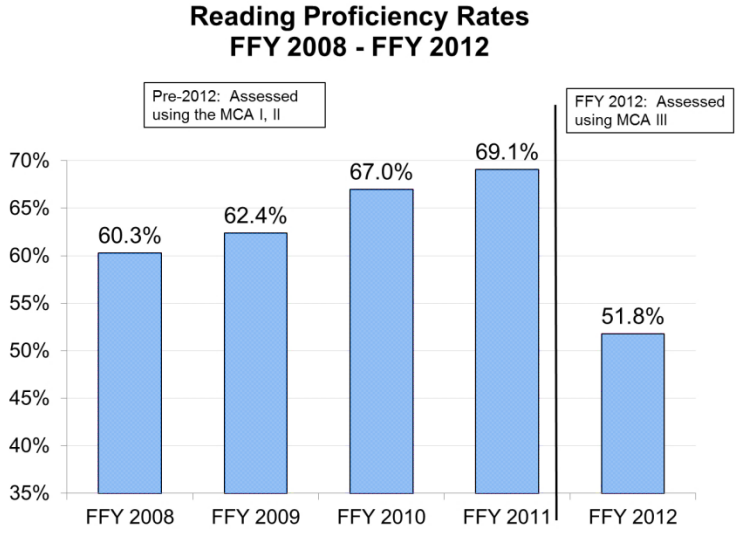


Goal: To support the inclusion of students with disabilities in the statewide assessment system.

Measure: Participation and performance rates on statewide assessments (MCA and MTAS).

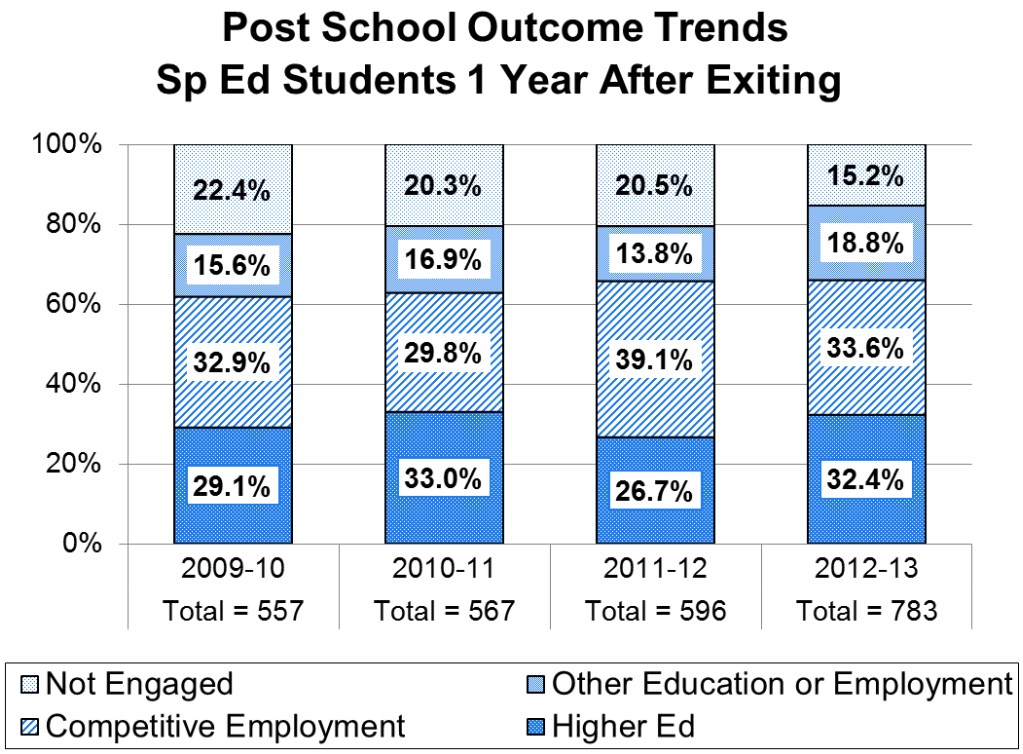






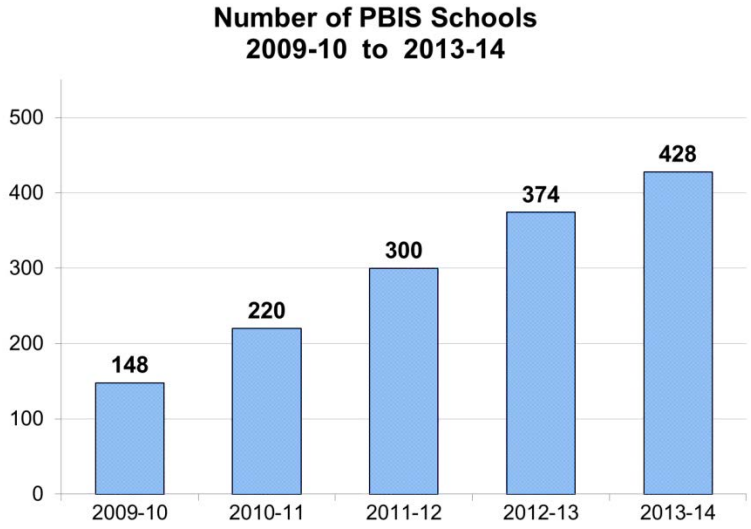
Goal: To increase postsecondary education and employment outcomes for students with disabilities.

Measure: Participation rate one year after exiting high school.



Goal: To increase Positive Behavioral Interventions and Supports (PBIS), which is a comprehensive, data-driven and educational set of practices ensuring all students, staff and families are working from the same playbook when it comes to supporting positive behavior and academic achievement, in Minnesota schools.

Measure: Number of schools implementing PBIS.



M.S.125A.02; M.S.125A.03; M.S.125A.75; MN Rules 3525;
Special Education disability categories MN Rules 3525.1325 to 3525.1348;
Eligibility criteria for infant and toddler intervention services MN Rule 3525.1350

Federal Law [Individuals with Disabilities Education Act (IDEA) 20 U.S.C. §1400 (2004)]; Federal Regulations (34 CFR 300).

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	873,872	1,178,994	1,079,747	1,110,680	1,184,360	1,248,407	1,184,360	1,247,976
3000 - Federal	170,514	149,415	168,607	189,956	180,697	175,697	180,697	175,697
Total	**1,044,386**	**1,328,409**	**1,248,355**	**1,300,636**	**1,365,057**	**1,424,104**	**1,365,057**	**1,423,673**
Biennial Change				176,195		240,170		239,739
Biennial % Change				7		9		9
Governor's Change from Base								(431)
Governor's % Change from Base								0

Expenditures by Category

Operating Expenses	490	441	0		550	550	550	550
Other Financial Transactions	0	3	15					
Grants, Aids and Subsidies	1,043,896	1,327,966	1,248,340	1,300,636	1,364,507	1,423,554	1,364,507	1,423,123
Total	**1,044,386**	**1,328,409**	**1,248,355**	**1,300,636**	**1,365,057**	**1,424,104**	**1,365,057**	**1,423,673**

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	937,856	985,451						
Levies		0						
District Revenue	937,856	985,451						
Direct Appropriation	873,872	1,178,994	1,079,747	1,110,680	1,184,360	1,248,407	1,184,360	1,247,976
Current Year	584,448	825,302						
Prior Year	289,424	353,380						
Net Transfers	0	0	0					
Expenditures	**873,872**	**1,178,994**	**1,079,747**	**1,110,680**	**1,184,360**	**1,248,407**	**1,184,360**	**1,247,976**
Biennial Change in Expenditures				137,561		242,340		241,909
Biennial % Change in Expenditures				7		11		11
Gov's Exp Change from Base								(431)
Gov's Exp % Change from Base								0

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In	0							
Receipts	170,514	149,415	168,607	189,956	180,697	175,697	180,697	175,697
Expenditures	**170,514**	**149,415**	**168,607**	**189,956**	**180,697**	**175,697**	**180,697**	**175,697**
Biennial Change in Expenditures				38,634		(2,169)		(2,169)
Biennial % Change in Expenditures				12		(1)		(1)

Program: Special Education
Activity: Special Ed Child W Disability

AT A GLANCE

- 175 students with disabilities were placed in care and treatment facilities in FY 2013.
- 34 students without disabilities were placed in care and treatment programs in FY 2013.
- In FY 2013, the average length of stay in a foster facility for care and treatment for students both with and without disabilities was 64 school days, at an average cost of $23,902 per stay.

PURPOSE & CONTEXT

This state aid program provides funding for individuals with and without disabilities, who are placed for care and treatment in a licensed residential facility or foster facility, and for whom no district of residence can be determined.

Districts that serve these students receive full payment for the cost of their education from varying state sources including children with disabilities aid.

SERVICES PROVIDED

This program ensures a free and appropriate education for eligible children.

Children *with disabilities* are eligible if no district of residence can be determined because:

- Parental rights have been terminated by court order.
- The parent or guardian is not living in the state.
- No other district of residence can be established.
- The parent or guardian with legal custody of the child is an inmate of a Minnesota correctional facility or is a resident of a halfway house under the supervision of the commissioner of corrections.

Children *without disabilities* are eligible if no district of residence can be determined because:

- Parental rights have been terminated by court order.

Districts are reimbursed for 100 percent of the additional costs of educating these children; they are reimbursed the year after they provide the services.

MDE processes reimbursement requests and provides technical support for this program.

RESULTS

Type of Measure	*Name of Measure*	*FY 2010*	*FY 2011*	*FY 2012*	*FY 2013*
Quantity	Number of eligible Average Daily Memberships (ADM) with disabilities in placement.	89.86	69.07	73.19	63.98
Quantity	Number of eligible Average Daily Memberships (ADM) without disabilities in placement.	13.1	9.90	6.07	6.86

Note: Average daily membership (ADM) represents the portion of the year that a student is enrolled in a school or program. A student enrolled for less than a year, will be represented as less than 1.

M.S. 125A.75, Subd. 3

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	1,477	1,470	1,144	1,367	1,406	1,629	1,406	1,629
Total	**1,477**	**1,470**	**1,144**	**1,367**	**1,406**	**1,629**	**1,406**	**1,629**
Biennial Change				(436)		524		524
Biennial % Change				(15)		21		21
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Grants, Aids and Subsidies	1,477	1,470	1,144	1,367	1,406	1,629	1,406	1,629
Total	**1,477**	**1,470**	**1,144**	**1,367**	**1,406**	**1,629**	**1,406**	**1,629**

Budget Activity: Special Ed Child W Disability

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	1,477							
Levies	0							
District Revenue	1,477							
Direct Appropriation	1,508	1,570	1,144	1,367	1,406	1,629	1,406	1,629
Current Year	1,477							
Cancellations	31	100						
Expenditures	**1,477**	**1,470**	**1,144**	**1,367**	**1,406**	**1,629**	**1,406**	**1,629**
Biennial Change in Expenditures				(436)		524		524
Biennial % Change in Expenditures				(15)		21		21

Program: Special Education
Activity: Special Ed - Home Based Svs

AT A GLANCE

- 13,727 ECSE (Birth-4) children served in FY 2013.
- Workers traveling to provide home-based services for children with disabilities are partially reimbursed through this program,
- Federal funding may supplement this state aid program.

PURPOSE & CONTEXT

This state aid program reimburses school districts for travel costs associated with early childhood special education (ECSE) services.

SERVICES PROVIDED

The state reimburses districts half of the amount spent, based on mileage, by workers traveling to provide home- or community-based services to children under age five who have disabilities.

- For very young children, services may also include parent consultation and training.

Federal funding may be used for this purpose.

MDE calculates and processes aid payments and provides technical support for this program.

RESULTS

The number of children under age five identified as having disabilities and receiving special education services increased from 9,438 in FY 2000 to 13,727 in FY 2013. Most of these services are provided in the child's home or in a center-based site in the community.

Type of Measure	*Name of Measure*	*FY 2008*	*FY 2009*	*FY 2010*	*FY 2011*	*FY 2012*	*FY 2013*
Quantity	Number of Children under age five receiving Special Education Services	12,160	12,866	13,269	13,743	13,842	13,727

M.S. 125A.75, Subd. 1
IDEA (P.L. 108-466); Preschool Incentive Program (P.L. 108-466, Sec. 619); Infants and Toddlers Program (P.L. 108-466, Part C);

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	332	405	357	352	361	371	361	371
Total	**332**	**405**	**357**	**352**	**361**	**371**	**361**	**371**
Biennial Change				(28)		23		23
Biennial % Change				(4)		3		3
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Grants, Aids and Subsidies	332	405	357	352	361	371	361	371
Total	**332**	**405**	**357**	**352**	**361**	**371**	**361**	**371**

Budget Activity: Special Ed - Home Based Svs

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	339	336						
District Revenue	339	336						
Direct Appropriation	332	405	357	352	361	371	361	371
Current Year	225	291						
Prior Year	107	114						
Expenditures	**332**	**405**	**357**	**352**	**361**	**371**	**361**	**371**
Biennial Change in Expenditures				(28)		23		23
Biennial % Change in Expenditures				(4)		3		3

Program: Special Education
Activity: Special Ed Court Placed

http://education.state.mn.us/MDE/SchSup/SchFin/SpecEd/StateFund/index.html

AT A GLANCE

- In FY 2013, Minnesota courts did not place any 'non-Minnesota' students with Individual Education Plans into care and treatment facilities.

PURPOSE & CONTEXT

This program pays for special education for non-Minnesota students with Individual Education Plans (IEP) when the school district is unable to collect tuition from the responsible state, school district or other non-Minnesota agency.

Without this aid, a school district would have to pay for it out of their general fund.

SERVICES PROVIDED

Minnesota school districts that provide special education and related services to court-placed non-Minnesota students with IEPs are reimbursed for those services if the out-of-state placing agencies do not pay tuition.

- Districts must document that they tried to collect tuition from the students' resident districts or states, and submit the proof to MDE.

As of FY 2002, this program reimburses school districts for the prior year's costs.

MDE processes reimbursement requests and provides technical support for this program.

RESULTS

Over the past five years, the number of students eligible for court-placed revenue has declined. Many school districts are making sure that the resident state or district pays for the cost of special education services.

Type of Measure	*Name of Measure*	*FY 2009 Placement/ FY 2010 Aid*	*FY 2010 Placement/ FY 2011 Aid*	*FY 2011 Placement/ FY 2012 Aid*	*FY 2012 Placement/ FY 2013 Aid*	*FY 2013 Placement/ FY 2014 Aid*
Quantity	Number of Eligible Students in Placement	11	8	9	2	0
Quantity	Partial year students Aggregated to determine the Number of Eligible Full Year Students (ADM) in Placement	3.85	.95	2.9	.65	.00

M.S. 125A.79, Subd. 4

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	33	53	54	55	56	57	56	57
Total	**33**	**53**	**54**	**55**	**56**	**57**	**56**	**57**
Biennial Change				23		4		4
Biennial % Change				27		4		4
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Other Financial Transactions	0	0						
Grants, Aids and Subsidies	33	53	54	55	56	57	56	57
Total	**33**	**53**	**54**	**55**	**56**	**57**	**56**	**57**

Budget Activity: Special Ed Court Placed

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	80	82	54	55	56	57	56	57
Cancellations	47	29						
Expenditures	**33**	**53**	**54**	**55**	**56**	**57**	**56**	**57**
Biennial Change in Expenditures				23		4		4
Biennial % Change in Expenditures				27		4		4

Program: Special Education
Activity: Special Ed Out State Tuition

http://education.state.mn.us/MDE/SchSup/SchFin/SpecEd/StateFund/index.html

AT A GLANCE

- In FY 2013, court action placed 182 Minnesota students out of state.

PURPOSE & CONTEXT

This program provides education funding for Minnesota resident students placed by court action in out-of-state care and treatment facilities, in a state that does not have a reciprocity agreement. Students are placed in specialized care and treatment services when those services are not available in Minnesota, either because the facilities are full, or Minnesota does not have the specialized treatment center available. This program helps to ensure that students with disabilities receive the most appropriate education to enable them to succeed to their highest potential.

SERVICES PROVIDED

When a Minnesota student is placed in an out-of-state care and treatment facility:

1. The out-of-state care and treatment facilities submit tuition bills to the Minnesota resident district based on the actual cost of providing education.
2. The Minnesota resident district submits the tuition bills to MDE.
3. MDE calculates state aid and processes aid payments to the district.
4. The aid is paid as a reimbursement in the year after the services are provided.

MDE also provides technical support for this program.

RESULTS

Type of Measure	*Name of Measure*	*FY 2011*	*FY 2013*
Quantity	Partial year students aggregated to determine average daily membership (ADM) placed out-of-state for care and treatment.	41.11	69.54

M.S. 125A.79, Subd.8

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	339	250	250	250	250	250	250	250
Total	**339**	**250**	**250**	**250**	**250**	**250**	**250**	**250**
Biennial Change				(89)		0		0
Biennial % Change				(15)		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Grants, Aids and Subsidies	339	250	250	250	250	250	250	250
Total	**339**	**250**	**250**	**250**	**250**	**250**	**250**	**250**

Budget Activity: Special Ed Out State Tuition

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	339	250	250	250	250	250	250	250
Expenditures	**339**	**250**	**250**	**250**	**250**	**250**	**250**	**250**
Biennial Change in Expenditures				(89)		0		0
Biennial % Change in Expenditures				(15)		0		0

Program: Special Education
Activity: Other Federal Sp Ed Programs

AT A GLANCE

- Deaf blindness is the categorical area of special education with the lowest percentage of students (.007%).
- In 2013, 282 special education students had both vision and hearing loss reported as disabilities.

PURPOSE & CONTEXT

This budget activity summarizes other federal special education programs that fund activities throughout Minnesota.

SERVICES PROVIDED

The Minnesota Deaf Blind Technical Assistance Project is a federally funded formula grant received by MDE to support services for students with both vision and hearing loss and their families.

- The project provides support to teams, including educators and parents, to enhance their ability to address the unique education and service needs of children with deaf blindness. Specific activities are identified through a grant application to the Office of Special Education Programs, based on their grant requirements.

The State Improvement Grant (SIG) grant is a federally funded, five-year State Personnel Development Grant (SPDG). The funds are used to provide pre-service and in-service training initiatives for Minnesota educators in special education. The grant focuses on the disparities within special education and includes several distinct projects designed to achieve two goals:

- To improve educational results for children and youth with disabilities from diverse communities through the delivery of effective high-quality instruction.
- To ensure the recruitment, hiring, and retention of a diverse highly qualified special education workforce.

RESULTS

Type of Measure	*Name of Measure*	*FY 2012*	*FY 2013*
Quantity	Unduplicated Child Count where Deaf/Blind is listed as the primary disability	63	70

P.L. 108-446 IDEA

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
3000 - Federal	1,370	1,792	1,781	1,687	1,772	1,772	1,772	1,772
Total	**1,370**	**1,792**	**1,781**	**1,687**	**1,772**	**1,772**	**1,772**	**1,772**
Biennial Change				306		75		75
Biennial % Change				10		2		2
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Operating Expenses	0	28	28	30	30	30	30	30
Grants, Aids and Subsidies	1,370	1,765	1,753	1,657	1,741	1,742	1,741	1,742
Total	**1,370**	**1,792**	**1,781**	**1,687**	**1,772**	**1,772**	**1,772**	**1,772**
Total Agency Expenditures	1,370	1,792	1,781	1,687	1,772	1,772	1,772	1,772
Internal Billing Expenditures	0		0	5	5	5	5	5
Expenditures Less Internal Billing	**1,370**	**1,792**	**1,781**	**1,682**	**1,766**	**1,767**	**1,766**	**1,767**

Budget Activity: Other Federal Sp Ed Programs

(Dollars in Thousands)

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Receipts	1,370	1,792	1,781	1,687	1,771	1,772	1,771	1,772
Expenditures	**1,370**	**1,792**	**1,781**	**1,687**	**1,772**	**1,772**	**1,772**	**1,772**
Biennial Change in Expenditures				306		75		75
Biennial % Change in Expenditures				10		2		2

Program: Facilities and Technology
Activity: Health and Safety Revenue

AT A GLANCE

In FY 2014, there were 8,248 health and safety projects approved.

PURPOSE & CONTEXT

Students need a safe place to learn and staff need a safe place to work. The health and safety program is a state aid and levy program to address facility and grounds issues that impact safety and health concerns. School districts and intermediate school districts (through their member districts) are eligible to participate in this program.

SERVICES PROVIDED

Program revenue may be used to address health and safety issues identified in Minnesota Statutes, section 123B.57, in any existing public school building or site. However, the district must own or have contractually agreed to purchase (lease-purchase) any building or facility where program-funded remediation is made. New construction and portable classrooms are not eligible for funding. In addition (with the exception of calamity bonds), revenues cannot be used to make principal and/or interest payments on any other debt instrument.

The program addresses a wide array of areas impacting environments, including the following:

- Asbestos removal or encapsulation.
- Hazardous substance, including provisions for fuel storage repairs, cleanup, or storage tank removal, and lead removal.
- Fire safety, including compliance with state fire marshal orders.
- Indoor air quality.
- Environmental health and safety management.
- Physical hazard control, including indoor air quality.

The program was modified by the 2003 legislature by transferring funding for large projects (over $500,000 per building) from the health and safety program to the alternative facilities program. While these projects are still approved within the existing health and safety system, districts now have the ability to issue bonds or make an annual levy to fund large projects over a longer period of time.

The Minnesota Department of Education (MDE) reviews and approves projects and calculates state aids and property tax levies for this program.

RESULTS

Type of Measure	*Name of Measure*	*FY 2011*	*FY 2014*
Quantity	Districts receiving revenue for approved projects	326	321
Quantity	Districts receiving state aid	6	15
Quantity	State aid as a percentage of revenue	0.17%	1.0%

M.S. 123B.57

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	90	183	472	650	501	470	501	470
Total	**90**	**183**	**472**	**650**	**501**	**470**	**501**	**470**
Biennial Change				849		(151)		(151)
Biennial % Change				311		(13)		(13)
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Grants, Aids and Subsidies	90	183	472	650	501	470	501	470
Total	**90**	**183**	**472**	**650**	**501**	**470**	**501**	**470**

Budget Activity: Health & Safety Revenue

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	81	178						
Levies	46,238							
District Revenue	46,319	178						
Direct Appropriation	90	183	472	650	501	470	501	470
Current Year	51	154						
Prior Year	39	30						
Expenditures	**90**	**183**	**472**	**650**	**501**	**470**	**501**	**470**
Biennial Change in Expenditures				849		(151)		(151)
Biennial % Change in Expenditures				311		(13)		(13)

Program: Facilities and Technology
Activity: Debt Service Equalization

AT A GLANCE

- In FY 2014, 291 districts had debt levies.
- In FY 2014, 48 districts received state aid.
- In FY 2014, 2.3 percent of eligible debt service revenue was state aid.

PURPOSE & CONTEXT

Debt service equalization is a state aid and local property tax levy program that helps to ensure that all school districts can provide adequate educational facilities for their students.

Debt service (disasters) revenue is available to districts that suffered a natural disaster beginning in fiscal year 2017.

School districts must receive approval from a majority of those voting in a school bond referendum before issuing bonds to construct, acquire or improve school facilities. Exceptions include alternative facilities bonding and special legislation for Minneapolis and St. Paul.

This program serves all public school students and communities in Minnesota. School districts with a relatively high debt service tax rate and low to moderate tax base per pupil unit may receive aid to reduce property owner's tax burden.

SERVICES PROVIDED

The debt service program includes several components:

- Required Debt Service Levy
  - A school district must levy for the principal and interest payments on its general obligation bonds, plus an additional 5 percent to cover potential tax delinquencies, for the following fiscal year.
  - The required debt service levy for all years is established and approved by the local school board at the time that bonds are sold.
- Gross Equalization Revenue
  - For districts without capital loans, the gross equalization revenue equals the sum of the following:
    - the eligible required debt service levy,
    - the gross annual (pay as you go) alternative facilities levy,
    - the energy conservation levy, and
    - the eligible lease purchase levy.
  - For capital loan districts the maximum effort debt service levy applies in addition to the components mentioned above.
- Debt Service Equalization Revenue
  - School districts qualify for state debt service equalization aid if the eligible debt service levy exceeds 15.74 percent of the district's tax base as measured by Adjusted Net Tax Capacity (ANTC) and the district's tax base per student is below the guaranteed tax base per student set in law.
  - There is no state aid on the portion of the levy falling below 15.74 percent of the district's ANTC.
  - The state provides aid to pay a portion of the levy exceeding 15.74 percent of the district's ANTC using a two-tiered sliding scale that varies with district tax base per student. As the district tax base per student declines, the state share of equalized revenue increases.
  - Aid received by districts is classified as either Tier 1 (for the levy portion between 15.74 percent and 26.24 percent of the district's ANTC) or Tier 2 (for the levy portion exceeding 26.24 percent of the district's ANTC). The state guaranteed tax base per student is higher for tier 2 than for Tier 1, so more districts are eligible for aid in Tier 2 than Tier 1, and the state share of revenue is higher.
  - Debt service equalization aid equals the difference between the revenue and the levy.

To be eligible for the natural disaster debt service program a district must:

- Have been impacted by a natural disaster occurring after January 1, 2005, in an area eligible for Federal Emergency Management Agency (FEMA) payments.

- Have damage of $500,000 or more to school district buildings that is not covered by insurance or FEMA payments.
- Notify the commissioner of education of its intended natural disaster debt service revenue every year by July 1.
- A district receives aid under this program if its total debt service levy exceeds 10% of its tax base and the district's tax base per student is below a guaranteed tax base per student set in state law..
- The aid a district receives varies depending on the amount of the district's eligible debt service levy, the number of students it has, and its property tax capacity.
- The state guaranteed tax base for this program is significantly higher than under the regular state debt service equalization program.

MDE reviews and comments on proposed school construction projects and calculates state aid and property tax levies for this program.

RESULTS

MDE does not collect data regarding unmet facility needs.

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quality	Percentage of Districts ineligible for Tier 1 debt service equalization because tax base exceeds statutory Tier 1 equalizing factor	95%	91%	FY 2013 FY 2014
Quantity	Districts receiving debt service equalization aid	50	48	FY 2013 FY 2014

M.S.123B.53; M.S.123B.54; M.S.123B.55; M.S.123B.59; M.S.123B.61; M.S.123B.62; M.S.126C.40; M.S.126C.63; M.S.126C.68; M.S.475.61; MN Laws 2014, Chapter 312, Article 18, section 5; M.S. 123B.535

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	11,448	20,140	19,761	22,591	20,268	24,667	20,268	24,667
Total	**11,448**	**20,140**	**19,761**	**22,591**	**20,268**	**24,667**	**20,268**	**24,667**
Biennial Change				10,764		2,583		2,583
Biennial % Change				34		6		6
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Grants, Aids and Subsidies	11,448	20,140	19,761	22,591	20,268	24,667	20,268	24,667
Total	**11,448**	**20,140**	**19,761**	**22,591**	**20,268**	**24,667**	**20,268**	**24,667**

Budget Activity: Debt Service Equalization

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	13,755	17,626						
Levies	771,387							
District Revenue	785,142	17,626						
Direct Appropriation	11,448	20,140	19,778	22,591	20,268	24,667	20,268	24,667
Current Year	8,844	15,229						
Prior Year	2,604	4,911						
Cancellations			17					
Expenditures	**11,448**	**20,140**	**19,761**	**22,591**	**20,268**	**24,667**	**20,268**	**24,667**
Biennial Change in Expenditures				10,764		2,583		2,583
Biennial % Change in Expenditures				34		6		6

Program: Facilities and Technology
Activity: Alternative Facilities

AT A GLANCE

Alternative Facility Districts – 1A
- Number of eligible large districts 25
- Minimum square feet required 1.5 million

Alternative Facility Districts – 1B
- Number of districts that requested new projects in FY 2014: 13

PURPOSE & CONTEXT

The alternative facilities program is a state aid and local levy program that applies to two different groups of school districts. It enables large school districts (1A districts) qualifying under Minnesota Statutes, section 123B.59, subdivision 1a, to complete deferred maintenance, health and safety, and disabled accessibility projects that cannot be completed with other available funds. For smaller school districts (1B districts)qualifying under Minnesota Statutes, section 123B.59, subdivision 1b, it provides a method of financing larger scale health and safety projects.

In 2003, the program was modified to allow all school districts to issue bonds or make a pay-as-you-go levy. However, 1B districts are limited to projects of $500,000 or more per building approved under the health and safety program.

SERVICES PROVIDED

To receive alternative bonding revenue, 1A districts must submit a 10-year facility plan and 1B districts must submit a five-year plan to the Minnesota Department of Education (MDE) for approval. The plan must describe eligible projects and the district's timetable for undertaking them. Once MDE approval is obtained, the district must decide if it will:

- Issue bonds to finance improvements and retire them over time with a debt service levy;
- Make an annual general fund (pay-as-you-go) levy to fund projects on an annual basis; or
- Some combination of these two options.

Voter approval is not required to access this revenue. This program is funded by a combination of state aid and local property tax levies. Qualifying districts may sell bonds and make a levy to repay the bonds, or may annually levy for the costs in the ten-year plan without voter approval. In FY 2014, no 1A or 1B districts qualified for formula health and safety aid. For both district types, alternative facilities revenue may not be used for the construction of new facilities or the purchase of portable classrooms.

MDE approves the 10-year facilities plan submitted by each district receiving alternative facilities revenue. In addition, MDE reviews and approves projects and calculates state aid and levy for the program.

RESULTS

MDE does not collect data regarding school district facilities. The intent of facility funding is to provide a revenue stream for facility maintenance. MDE can report only on how much state aid and district property tax is being utilized by districts.

Type of Measure	*Name of Measure*	*FY 2005*	*FY 2014*
Quantity	Total Debt Service and Pay-As-You-Go levies, for Large (1A) Districts	$83.8 mil	$145.4 mil
Quantity	State Aid, for Large (1A) Districts	$19.3 mil	$19.3 mil
Quantity	Total Debt Service and Pay-As-You-Go levies, for all other (1B) Districts	$14.2 mil	$44.1 mil

M.S. 123B.59

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	18,186	23,548	19,981	19,287	19,287	19,287	19,287	19,287
Total	**18,186**	**23,548**	**19,981**	**19,287**	**19,287**	**19,287**	**19,287**	**19,287**
Biennial Change				(2,466)		(694)		(694)
Biennial % Change				(6)		(2)		(2)
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Grants, Aids and Subsidies	18,186	23,548	19,981	19,287	19,287	19,287	19,287	19,287
Total	**18,186**	**23,548**	**19,981**	**19,287**	**19,287**	**19,287**	**19,287**	**19,287**

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	19,287	19,287						
District Revenue	19,287	19,287						
Direct Appropriation	18,186	23,549	19,982	19,287	19,287	19,287	19,287	19,287
Current Year	12,402	16,664						
Prior Year	5,786	6,885						
Net Transfers	1							
Cancellations	1	1	1					
Expenditures	**18,186**	**23,548**	**19,981**	**19,287**	**19,287**	**19,287**	**19,287**	**19,287**
Biennial Change in Expenditures				(2,466)		(694)		(694)
Biennial % Change in Expenditures				(6)		(2)		(2)

Program: Facilities and Technology
Activity: Deferred Maintenance

http://education.state.mn.us/MDE/SchSup/SchFin/index.html

ACTIVITY AT A GLANCE

In FY 2014:
- 131 districts qualified for Deferred Maintenance aid.
- 305 districts qualified for Deferred Maintenance levy.

PURPOSE & CONTEXT

This program provides additional revenue for facility maintenance to school districts that are not eligible for the alternative facilities bonding and levy program.

SERVICES PROVIDED

Eligible uses of the revenue include:
- Health and safety projects.
- Disabled accessibility projects.
- Deferred maintenance projects.

Districts must levy a local property tax to participate in this program and receive aid, if eligible.
- Eligible school districts with an average school building age of 35 years or older qualify for $64 per student of deferred maintenance revenue.
- For school districts where the average age of school buildings is less than 35 years, the revenue per student is prorated based on the ratio of the district's average school building age to 35 years. This reflects an assumption that newer buildings are less costly to maintain.

The state provides aid to pay a portion of the deferred maintenance revenue based on a sliding scale that varies inversely with district tax base per student.

MDE calculates and processes aid payments for this program.

RESULTS

The Minnesota Department of Education does not collect data on the condition of school district facilities. MDE can only report on how much state aid and district property tax is being used by districts.

Type of Measure	*Name of Measure*	*FY 2010*	*FY 2015*
Quantity	Average Health and Safety and Alternative Facility Revenue per adjusted pupil unit in the districts eligible for deferred maintenance projects (305 districts)	$199	$207
Quantity	Average Health and Safety and Alternative Facility Revenue per adjusted pupil unit in the districts not eligible for deferred maintenance projects (largest 25 districts: 1A)	$428	$472
Quality	Ratio of above: theoretical measure of unmet need	0.464	0.439

M.S. 123B.591

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	2,282	3,936	3,892	4,087	3,494	2,992	3,494	3,181
Total	**2,282**	**3,936**	**3,892**	**4,087**	**3,494**	**2,992**	**3,494**	**3,181**
Biennial Change				1,761		(1,493)		(1,304)
Biennial % Change				28		(19)		(16)
Governor's Change from Base								189
Governor's % Change from Base								3

Expenditures by Category

Grants, Aids and Subsidies	2,282	3,936	3,892	4,087	3,494	2,992	3,494	3,181
Total	**2,282**	**3,936**	**3,892**	**4,087**	**3,494**	**2,992**	**3,494**	**3,181**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	2,553	3,493						
Levies	23,586							
District Revenue	26,139	3,493						
Direct Appropriation	2,311	3,936	3,892	4,087	3,494	2,992	3,494	3,181
Current Year	1,635	3,018						
Prior Year	676	918						
Cancellations	29							
Expenditures	**2,282**	**3,936**	**3,892**	**4,087**	**3,494**	**2,992**	**3,494**	**3,181**
Biennial Change in Expenditures				1,761		(1,493)		(1,304)
Biennial % Change in Expenditures				28		(19)		(16)
Gov's Exp Change from Base								189
Gov's Exp % Change from Base								3

Program: Facilities and Technology
Activity: Telecommunications Access

AT A GLANCE

- In FY 2014, school districts combined into 15 telecomunications clusters and one individual school received telecommunications access aid.

PURPOSE & CONTEXT

This program provides telecommunication and internet access funding for public and nonpublic schools in Minnesota.

All public school districts, charter schools, intermediate school districts, and nonpublic schools in Minnesota are eligible to participate in this program. Home schools are not eligible.

SERVICES PROVIDED

Schools and districts can be reimbursed for the following costs:

- Specific ongoing or recurring telecommunications/internet access costs.
- Recurring costs of specified maintenance on the school district's wide area network.
- Recurring costs of cooperative arrangements for delivery of telecommunications/internet access between certain entities.
- Specific service provider installation fees.

Eligible costs for schools and school districts that are not members of a telecommunications cluster must exceed $16 per student to qualify for aid. Telecommunications access clusters are school associations which do not need to meet the $16 per student threshold.

MDE calculates and processes aid payments for this program.

RESULTS

The Minnesota Department of Education does not collect information regarding connectivity of individual schools.

Type of Measure	*Name of Measure*	*FY 2009*	*FY 2014*
Quantity	Number of independent public schools receiving aid	298	298
Quantity	Number of charter schools receiving aid	9	2

M.S.125B.26

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750
Total	**3,750**	**3,750**	**3,750**	**3,750**	**3,750**	**3,750**	**3,750**	**3,750**
Biennial Change				0		0		0
Biennial % Change				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Grants, Aids and Subsidies	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750
Total	**3,750**	**3,750**	**3,750**	**3,750**	**3,750**	**3,750**	**3,750**	**3,750**

Budget Activity: Telecommunications Access

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750
Expenditures	**3,750**	**3,750**	**3,750**	**3,750**	**3,750**	**3,750**	**3,750**	**3,750**

Program: Nutrition Programs
Activity: School Lunch

http://education.state.mn.us/MDE/SchSup/FNS/SNP/index.html

AT A GLANCE

- Over 96 million lunches served in FY 2013.
- School lunch participation decreased by over three million meals between FY 2012 and FY 2013.
- Commodities equaling $26,417,122 received by schools in FY 2013.

PURPOSE & CONTEXT

This program provides nutritious lunches during the school day to help meet children's nutritional needs and fosters lifelong healthy eating habits.

The federal government provides funding for the National School Lunch Program (NSLP). The afterschool snack component of the NSLP provides reimbursement for snacks served to children in afterschool educational and enrichment programs. The state of Minnesota provides additional funding to schools to keep lunch prices affordable..

SERVICES PROVIDED

Student health and learning are improved through daily access to a nutritious school lunch. Students in after-school care programs receive access to a nutritious snack.

- School lunch menus are planned and reviewed according to federal meal pattern guidelines.
- Students from families with incomes under 185 percent of federal poverty guidelines receive free or reduced-price meals.
- Commodities such as meat, cheese, poultry, fruits, and vegetables are donated by the U.S. Department of Agriculture (USDA) to contribute to the school lunch menu.
- Schools complete commodity preference surveys for over 1,000 raw processed products as well as for commercial products that have commodities in them (Minnesota Rebate Program).

School lunch programs are supported financially and administratively through:

- Federal and state reimbursements for lunches and after-school snacks.
- Surveys of school preferences for USDA commodities.
- Notification to schools of students electronically certified for meal benefits.
- "CLiCS" (Cyber-Linked Interactive Child Nutrition System) — an interactive website which allows schools to meet their application, commodity, and claim requirements online.

Reimbursement Rates:

State:	free lunch	$0.125	Federal:	free lunch	$2.70
	reduced price	$0.525*		reduced price	$2.30
	fully paid	$0.125		fully paid	$0.28 or $0.30**

*Beginning in fiscal year 2015, students receive either a free lunch or fully paid lunch. An increase in the state reimbursement fully reimburses for the cost of what had been reduced price lunches.

**additional 2 cents for sites that serve over 60 percent free/reduced price lunches

MDE:

- Conducts administrative reviews of school lunch and afterschool snack programs.
- Provides technical assistance and resource materials to schools and residential child care settings.
- Processes reimbursement claims for meals served.

RESULTS

Type of Measure	*Name of Measure*	*FY 2012*	*FY 2013*
Quantity	Percent of lunches sold that are free or reduced price	45%	46%
Quality	Percent of schools needing additional monitoring reviews to assure compliance	9%	Reviews suspended due to new meal patterns

M.S. 124D.111 National School Lunch Act (7 CFR 210)

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	12,027	11,574	11,896	15,657	15,970	16,289	15,970	16,915
3000 - Federal	137,656	146,618	154,423	155,110	161,188	167,594	161,188	167,594
Total	**149,683**	**158,192**	**166,319**	**170,767**	**177,158**	**183,883**	**177,158**	**184,509**
Biennial Change				29,210		23,955		24,581
Biennial % Change				9		7		7
Governor's Change from Base								626
Governor's % Change from Base								0

Expenditures by Category

Operating Expenses		0						
Other Financial Transactions	75	75	64	67	49	49	49	49
Grants, Aids and Subsidies	149,609	158,118	166,255	170,701	177,109	183,834	177,109	184,460
Total	**149,683**	**158,192**	**166,319**	**170,767**	**177,158**	**183,883**	**177,158**	**184,509**
Total Agency Expenditures	149,683	158,192	166,319	170,767	177,158	183,883	177,158	184,509
Internal Billing Expenditures		0						
Expenditures Less Internal Billing	**149,683**	**158,192**	**166,319**	**170,767**	**177,158**	**183,883**	**177,158**	**184,509**

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	12,027	11,574	11,896	15,657	15,970	16,289	15,970	16,915
Expenditures	**12,027**	**11,574**	**11,896**	**15,657**	**15,970**	**16,289**	**15,970**	**16,915**
Biennial Change in Expenditures				3,951		4,706		5,332
Biennial % Change in Expenditures				17		17		19
Gov's Exp Change from Base								626
Gov's Exp % Change from Base								2

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In	0							
Receipts	137,656	146,618	154,423	155,110	161,187	167,594	161,187	167,594
Expenditures	**137,656**	**146,618**	**154,423**	**155,110**	**161,188**	**167,594**	**161,188**	**167,594**
Biennial Change in Expenditures				25,259		19,249		19,249
Biennial % Change in Expenditures				9		6		6

Program: Nutrition Programs
Activity: School Breakfast

http://education.state.mn.us/MDE/SchSup/FNS/SNP/index.html

AT A GLANCE

In FY 2013:
- Almost 29 million breakfasts were served.
- 513 public school districts, charter schools, private schools, and residential child care institutions participated.

PURPOSE & CONTEXT

This program provides nutritious breakfasts to school children to help meet children's nutritional needs and foster lifelong healthy eating habits.

The federal government provides funding for the School Breakfast Program (SBP), which is augmented with state funding.

SERVICES PROVIDED

School breakfast menus are planned according to federal meal pattern guidelines. Students from families with incomes under 185 percent of federal poverty guidelines receive free or reduced price meals. Student health and achievement are improved through daily access to a nutritious school breakfast.

School breakfast programs are supported through:
- Federal and state reimbursements for school breakfasts.
- United States Department of Agriculture (USDA) commodity food items.
- "CLiCS" (Cyber-Linked Interactive Child Nutrition System) — a website that allows schools to meet their application and claims requirements online.

Reimbursement rates:

State:	free breakfast	$0	Federal:	free breakfast	$1.62 or $1.93**
	reduced price	$.30		reduced price	$1.32 or $1.63**
	fully paid	$.55 or $1.30*		fully paid	$0.28

*All Kindergarten students receive free, fully paid breakfasts.
**severe-need sites receive higher reimbursement.

MDE:
- Conducts administrative reviews of school breakfast programs.
- Provides technical assistance and resource materials to schools and residential child care settings.
- Processes reimbursement claims for meals served.

RESULTS

Type of Measure	*Name of Measure*	*FY 2012*	*FY 2013*
Quantity	Percent of school breakfasts served that are free or reduced price	74.1%	74.2%
Quality	Percent of schools needing additional monitoring reviews to assure compliance	9%	Reviews suspended due to new meal patterns

M.S. 124D.1158; M.S. 124D.117
National School Lunch Act (7 CFR 220)

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	4,963	5,417	5,233	9,452	9,731	9,981	22,650	24,775
3000 - Federal	37,480	39,238	41,604	41,544	42,789	44,072	42,789	44,072
Total	**42,444**	**44,655**	**46,838**	**50,996**	**52,520**	**54,053**	**65,439**	**68,847**
Biennial Change				10,735		8,739		36,452
Biennial % Change				12		9		37
Governor's Change from Base								27,713
Governor's % Change from Base								26

Expenditures by Category

Compensation							0	0
Operating Expenses		0					0	
Other Financial Transactions	40	38	31	29	21	21	21	21
Grants, Aids and Subsidies	42,403	44,617	46,806	50,967	52,499	54,032	65,418	68,826
Total	**42,444**	**44,655**	**46,838**	**50,996**	**52,520**	**54,053**	**65,439**	**68,847**
Total Agency Expenditures	42,444	44,655	46,838	50,996	52,520	54,053	65,439	68,847
Internal Billing Expenditures		0						
Expenditures Less Internal Billing	**42,444**	**44,655**	**46,838**	**50,996**	**52,520**	**54,053**	**65,439**	**68,847**

Full-Time Equivalents	**0**	**0**

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	4,963	5,417	5,233	9,452	9,731	9,981	22,650	24,775
Expenditures	**4,963**	**5,417**	**5,233**	**9,452**	**9,731**	**9,981**	**22,650**	**24,775**
Biennial Change in Expenditures				4,305		5,027		32,740
Biennial % Change in Expenditures				41		34		223
Gov's Exp Change from Base								27,713
Gov's Exp % Change from Base								141

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In	0							
Receipts	37,480	39,238	41,604	41,544	42,789	44,072	42,789	44,072
Expenditures	**37,480**	**39,238**	**41,604**	**41,544**	**42,789**	**44,072**	**42,789**	**44,072**
Biennial Change in Expenditures				6,431		3,712		3,712
Biennial % Change in Expenditures				8		4		4

Program: Nutrition Programs
Activity: Summer Food

AT A GLANCE

- Approximately 2.4 million meals served during the summer of 2013.

PURPOSE & CONTEXT

The summer food service program (SFSP) helps children who rely on the school breakfast and lunch programs to get the healthy food they need outside the school year.

The federal government funds the program.

State funds are available to supplement meals and snacks.

SERVICES PROVIDED

Meals and snacks are provided at no charge to children in low-income areas during the summer. Menus for healthy meals and snacks are planned according to federal guidelines. Children's health is improved by nutritional meals and snacks.

Reimbursement rates:

Federal:	breakfast	$2.0225* or $1.985
	lunch/supper	$3.545* or $3.4875
	snack	$0.84* or $0.8225
State:	reimbursed based on total meals served by approved sponsors on a pro rata basis	

*reimbursement for rural or self-prep sites

MDE:

- Reaches out to anti-hunger organizations to increase SFSP participation.
- Reviews summer sites and provides technical assistance to sponsors.
- Calculates and processes reimbursement claims from sponsors.

RESULTS

Type of Measure	*Name of Measure*	*FY 2012*	*FY 2013*
Quantity	Number of sponsors	129	142
Quantity	Number of sites	555	576
Quality	Percent of sponsors needing additional monitoring reviews to assure compliance with federal and state requirements.	13%	8%

M.S. 124D.119

National School Lunch Act (7 CFR 225)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	93	150	150	150	150	150	150	150
3000 - Federal	4,978	5,942	6,582	7,524	8,426	8,623	8,426	8,623
Total	**5,071**	**6,092**	**6,732**	**7,674**	**8,576**	**8,773**	**8,576**	**8,773**
Biennial Change				3,244		2,942		2,942
Biennial % Change				29		20		20
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Other Financial Transactions	12	17	20	20	21	21	21	21
Grants, Aids and Subsidies	5,060	6,075	6,713	7,654	8,555	8,752	8,555	8,752
Total	**5,071**	**6,092**	**6,732**	**7,674**	**8,576**	**8,773**	**8,576**	**8,773**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	93	150	150	150	150	150	150	150
Expenditures	**93**	**150**	**150**	**150**	**150**	**150**	**150**	**150**
Biennial Change in Expenditures				57		0		0
Biennial % Change in Expenditures				23		0		0

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In	0							
Receipts	4,978	5,942	6,582	7,524	8,426	8,623	8,426	8,623
Expenditures	**4,978**	**5,942**	**6,582**	**7,524**	**8,426**	**8,623**	**8,426**	**8,623**
Biennial Change in Expenditures				3,187		2,942		2,942
Biennial % Change in Expenditures				29		21		21

Program: Nutrition Programs
Activity: Commodities

AT A GLANCE

- Minnesota schools receive an estimated 26 million pounds of commodity foods each year.
- 323,284 students in Minnesota are eligible to receive a free or reduced price lunch and may benefit from the commodity program (FY14 estimate).

PURPOSE & CONTEXT

The commodity program began in the early 1930's as an outgrowth of federal agriculture policies designed to shore up farm prices and help American farmers suffering from the Great Depression. When the National School Lunch Act was passed in 1946, it had as its stated purpose both to improve the health of children and to provide a market for agricultural production.

The federal government provides the entire funding for the program.

SERVICES PROVIDED

Schools participating in the National School Lunch Program (NSLP):

- receive commodity foods, called "entitlement" foods, at a value of 24.75 cents (July 2014) for each lunch served; and
- may also get "bonus" commodities such as meat, cheese, poultry, grains, rice, fruits and vegetables, as they are available through United States Department of Agriculture (USDA). These foods are offered periodically, but only as they become available through agricultural surpluses.

A state revolving fund was established in 2001 for the cash received for commodity donated foods that have been lost, damaged, recalled or diverted for processing.

- Minnesota uses the fund to issue payments for the value of the lost, damaged, recalled or diverted commodity donated foods and related costs.

MDE assists schools with their entitlements through technical assistance, food ordering, deliveries, inventories, monitoring and other issues concerning the USDA Foods program.

RESULTS

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Total dollar amount of commodities received by schools	$26,417,122	$24,309,058	FY 2013 FY 2014

M.S. 124D.1195

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
2000 - Restricted Misc Special Rev	5,779	4,183	6,258	7,279	7,000	7,500	7,000	7,500
3000 - Federal	1,023	1,060	1,098	1,099	1,108	1,120	1,108	1,120
Total	**6,802**	**5,243**	**7,356**	**8,378**	**8,108**	**8,620**	**8,108**	**8,620**
Biennial Change				3,688		995		995
Biennial % Change				31		6		6
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Operating Expenses		0	0					
Other Financial Transactions	5	5	5	5	5	5	5	5
Grants, Aids and Subsidies	6,797	5,237	7,351	8,372	8,103	8,615	8,103	8,615
Total	**6,802**	**5,243**	**7,356**	**8,378**	**8,108**	**8,620**	**8,108**	**8,620**
Total Agency Expenditures	6,802	5,243	7,356	8,378	8,108	8,620	8,108	8,620
Internal Billing Expenditures		0	0					
Expenditures Less Internal Billing	**6,802**	**5,243**	**7,356**	**8,378**	**8,108**	**8,620**	**8,108**	**8,620**

2000 - Restricted Misc Special Rev

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In	2,758	2,046	3,437	1,774				
Receipts	5,067	5,574	4,594	5,505	7,000	7,500	7,000	7,500
Expenditures	**5,779**	**4,183**	**6,258**	**7,279**	**7,000**	**7,500**	**7,000**	**7,500**
Balance Forward Out	2,046	3,437	1,774					
Biennial Change in Expenditures				3,575		963		963
Biennial % Change in Expenditures				36		7		7

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In	0							
Receipts	1,023	1,060	1,098	1,099	1,108	1,120	1,108	1,120
Expenditures	**1,023**	**1,060**	**1,098**	**1,099**	**1,108**	**1,120**	**1,108**	**1,120**
Biennial Change in Expenditures				113		31		31
Biennial % Change in Expenditures				5		1		1

Program: Nutrition Programs
Activity: Child and Adult Food Care

AT A GLANCE

FY 2013:
- 9,069 family child care homes, 695 child care centers, 19 adult care centers, and 10 emergency shelters participated in the CACFP.
- 56 million meals and snacks were served.

PURPOSE & CONTEXT

The Child and Adult Care Food Program (CACFP) helps ensure that young children and older adults receiving organized care services have access to nutritious meals and snacks.

Child care centers, family child care homes, school-age care sites, after-school programs, emergency shelters, and adult day care centers may participate in the CACFP.

The federal government provides all funding for the program. United States Department of Agriculture (USDA) administers CACFP through MDE.

SERVICES PROVIDED

Health is improved through access to nutritional meals and snacks.

- Menus for healthy meals and snacks are planned according to federal guidelines.
- Most CACFP locations provide meals and snacks at no charge to all enrolled children.

CACFP is supported through:

- Federal reimbursement for meals and snacks.
- Federal administrative reimbursements to CACFP sponsors of family child care homes.

Reimbursement rates:

free breakfast	$1.62	reduced breakfast	$1.32	paid breakfast	$0.28
free lunch/supper	$2.98	reduced lunch/supper	$2.58	paid lunch/supper	$0.28
free snack	$0.82	reduced snack	$0.41	paid snack	$.07

MDE:
- Assists in meeting program requirements.
- Conducts administrative reviews of milk programs.
- Provides technical assistance, workshops on regulations, and resource materials.
- Processes reimbursement claims for cartons of milk served

RESULTS

Type of Measure	*Name of Measure*	*FY 2012*	*FY 2013*
Quantity	Total number meals served, all settings	56,277,212	56,273,139
Quantity	Number of participating child care centers	305	296
Quantity	Number of participating family day care homes	9,436	9,069
Quantity	Number of participating adult day care centers	21	19
Quantity	Number of participating emergency shelters	10	10

Child Nutrition Act and National School Lunch Act (7 CFR 226)

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
3000 - Federal	58,726	62,692	61,661	63,363	65,201	67,094	65,201	67,094
6000 - Miscellaneous Agency	5	6	1	5	5	5	5	5
Total	**58,731**	**62,699**	**61,662**	**63,368**	**65,206**	**67,099**	**65,206**	**67,099**
Biennial Change				3,600		7,274		7,274
Biennial % Change				3		6		6
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Operating Expenses	5	9	-1					
Other Financial Transactions	119	125	116	120	121	121	121	121
Grants, Aids and Subsidies	58,608	62,565	61,547	63,249	65,085	66,978	65,085	66,978
Total	**58,731**	**62,699**	**61,662**	**63,368**	**65,206**	**67,099**	**65,206**	**67,099**
Total Agency Expenditures	58,731	62,699	61,662	63,368	65,206	67,099	65,206	67,099
Internal Billing Expenditures		3	-3					
Expenditures Less Internal Billing	**58,731**	**62,696**	**61,665**	**63,368**	**65,206**	**67,099**	**65,206**	**67,099**

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In	0							
Receipts	58,726	62,692	61,661	63,363	65,201	67,094	65,201	67,094
Expenditures	**58,726**	**62,692**	**61,661**	**63,363**	**65,201**	**67,094**	**65,201**	**67,094**
Biennial Change in Expenditures				3,605		7,271		7,271
Biennial % Change in Expenditures				3		6		6

6000 - Miscellaneous Agency

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In		0						
Receipts	5	5	1	5	5	5	5	5
Net Transfers		1						
Expenditures	**5**	**6**	**1**	**5**	**5**	**5**	**5**	**5**
Balance Forward Out	0							
Biennial Change in Expenditures				(5)		4		4
Biennial % Change in Expenditures				(44)		61		61

Program: Nutrition Programs
Activity: Kindergarten Milk

AT A GLANCE

- 3,910,049 half-pints of milk were subsidized in FY 2013 by the Special Milk Program
- 4,909,309 half-pints were subsidized in FY 2013 through the Minnesota Kindergarten Milk Program

PURPOSE & CONTEXT

Providing milk during the school day helps meet children's nutritional needs and fosters lifelong healthy eating habits. The health and achievement of preschoolers and kindergarteners are improved through daily access to milk.

The Minnesota Kindergarten Milk Program (MKMP) is funded by state aid at 20 cents per half pint.

The Special Milk Program (SMP) is funded by the U.S. Department of Agriculture at 23 cents per half pint.

Schools that participate in the SMP may also participate in the MKMP, allowing participating districts to be reimbursed up to 43 cents per half-pint of milk served to children

SERVICES PROVIDED

Special milk and kindergarten milk programs are supported financially and administratively through:

- Federal and state reimbursements for half pints of milk served.
- "CLiCS" (Cyber-Linked Interactive Child Nutrition System) — a website which allows participants to meet their application and claims requirements online.

MDE:

- Conducts administrative reviews of milk programs.
- Provides technical assistance and resource materials.
- Processes reimbursement claims for cartons of milk served.

RESULTS

Type of Measure	*Name of Measure*	*FY 2012*	*FY 2013*
Quality	Percent of schools needing additional monitoring reviews to ensure compliance	9%	Reviews suspended due to new meal patterns

M.S. 124D.118

National School Lunch Act (7 CFR 215)

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	999	982	942	952	961	971	961	971
3000 - Federal	798	764	786	833	865	899	865	899
Total	**1,797**	**1,746**	**1,728**	**1,785**	**1,826**	**1,870**	**1,826**	**1,870**
Biennial Change				(30)		184		184
Biennial % Change				(1)		5		5
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Operating Expenses	2							
Other Financial Transactions			0					
Grants, Aids and Subsidies	1,794	1,746	1,728	1,785	1,826	1,870	1,826	1,870
Total	**1,797**	**1,746**	**1,728**	**1,785**	**1,826**	**1,870**	**1,826**	**1,870**

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	999	982	942	952	961	971	961	971
Expenditures	**999**	**982**	**942**	**952**	**961**	**971**	**961**	**971**
Biennial Change in Expenditures				(87)		38		38
Biennial % Change in Expenditures				(4)		2		2

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In	0							
Receipts	798	764	786	833	865	899	865	899
Expenditures	**798**	**764**	**786**	**833**	**865**	**899**	**865**	**899**
Biennial Change in Expenditures				57		146		146
Biennial % Change in Expenditures				4		9		9

Program: Libraries
Activity: Basic Support and Federal Grants

http://education.state.mn.us/MDE/StuSuc/Lib/StateLibServ/RegionalLibrarySystems/index.htm

AT A GLANCE

- Public library services are available in all 87 counties.
- Twelve regional public library systems support 356 public libraries.
- In FY 2013, public libraries circulated approximately 53.4 million books, DVDs, or magazines in all formats.
- In 2013, more than 3.1 million Minnesotans had a library card and public libraries were visited 24 million times.
- Ebook circulation grew 65 percent between 2012 and 2013, reflecting 5 percent of total circulation.

PURPOSE & CONTEXT

Minnesota libraries are designed to ensure all residents have access to information regardless of educational or economic status or location in the state. This program helps Minnesota's public libraries offer free and equitable access to a variety of educational, cultural and informational resources, programs and activities.

SERVICES PROVIDED

Public libraries collect and make information available in a number of different formats — print book, magazine, DVD, CD, and download-only formats. Trained staff help Minnesotans of all ages and abilities to access this information.

Regional library basic system support includes:

- providing incentive such as access to regionally-administered programs (i.e. interlibrary loans) for counties and cities to work together in regional public library systems, extending service across jurisdictions at the most reasonable cost.
- distributing funding between cooperating jurisdictions and encouraging sharing the library materials through library-to-library lending and borrowing.
- maintaining and improving library programs, materials, and outreach to diverse residents.

The Minnesota Department of Education administers all aspects of the aid program. Services include:

- developing application and report forms for aid recipients.
- providing technical assistance to applicants/recipients.
- calculating and processing aid payments.
- providing guidance as it relates to Minnesota Statutes.
- managing the statutory library annual report program.
- giving technical assistance and training to all public libraries and regional library systems.

RESULTS

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Number of Minnesotans attending library programs including story times, summer reading programs, digital literacy, job search and more.	1,326,976	1,332,420	2012 2013
Quantity	Circulation of downloadable books, movies and music	2,083,331	3,155,951	2012 2013
Quantity	Number of weekly open hours	14,669	14,474	2012 2013

M.S. 134.31; M.S. 134.32; M.S. 134.34; M.S. 134.355;

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	12,797	16,569	14,058	13,570	13,570	13,570	13,570	13,570
2301 - Arts & Cultural Heritage Fund	3,000	3,000	3,000	3,000	0	0	0	0
3000 - Federal	325	450	631	770	668	668	668	668
Total	**16,122**	**20,019**	**17,689**	**17,340**	**14,238**	**14,238**	**14,238**	**14,238**
Biennial Change				(1,112)		(6,552)		(6,552)
Biennial % Change				(3)		(19)		(19)
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Operating Expenses		35	0	0	0	0	0	0
Other Financial Transactions	0	0						
Grants, Aids and Subsidies	16,122	19,984	17,689	17,340	14,238	14,238	14,238	14,238
Total	**16,122**	**20,019**	**17,689**	**17,340**	**14,238**	**14,238**	**14,238**	**14,238**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	13,570							
District Revenue	13,570							
Direct Appropriation	12,797	16,569	14,058	13,570	13,570	13,570	13,570	13,570
Current Year	8,726							
Prior Year	4,071							
Expenditures	**12,797**	**16,569**	**14,058**	**13,570**	**13,570**	**13,570**	**13,570**	**13,570**
Biennial Change in Expenditures				(1,738)		(488)		(488)
Biennial % Change in Expenditures				(6)		(2)		(2)

2301 - Arts & Cultural Heritage Fund

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	3,000	3,000	3,000	3,000	0	0	0	0
Expenditures	**3,000**	**3,000**	**3,000**	**3,000**	0	0	0	0
Biennial Change in Expenditures				0		(6,000)		(6,000)
Biennial % Change in Expenditures				0		(100)		(100)

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Receipts	325	450	631	770	668	668	668	668
Expenditures	**325**	**450**	**631**	**770**	**668**	**668**	**668**	**668**
Biennial Change in Expenditures				626		(64)		(64)
Biennial % Change in Expenditures				81		(5)		(5)

Program: Libraries
Activity: Multicounty Multitype

http://education.state.mn.us/MDE/StuSuc/Lib/StateLibServ/MultiLibSys/index.html

AT A GLANCE

- Seven multicounty multi-type library systems serve approximately 1,900 libraries
- Multicounty multi-type libraries exist in all 87 Minnesota counties

PURPOSE & CONTEXT

Minnesota's multicounty multi-type library systems promote excellence in library services in schools, colleges and universities so that library staff can better serve residents.

State aid provides operating funds based on a formula that includes population and land square miles served. Multicounty multi-type library systems may increase revenue through grants and/or cost-recovery fees for workshops and other continuing education activities.

SERVICES PROVIDED

Multicounty multi-type library systems activities include:

- organizing and promoting professional development and continuing education activities for library staff;
- identifying and responding to regional needs across types of libraries;
- encouraging communication and increasing knowledge of best practices among libraries; and
- supporting resource sharing and collaborative projects among participating libraries.

MDE administers all aspects of the aid program. Services include:

- developing application and report forms for aid recipients;
- providing technical assistance to applicants/recipients;
- calculating and processing payments; and
- providing guidance as it relates to Minnesota Statutes.

RESULTS

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Number of multicounty multi-type libraries	1,931	1,930	FY 2012 FY 2013
Quantity	Number of scholarships awarded to library staff for participation in professional development and continuing education	144	92	FY 2012 FY 2013
Quantity	Number of multicounty multi-type-sponsored professional development activities offered	50	69	FY 2012 FY 2013

M.S. 134.351; M.S. 134.353; M.S.134.354

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	1,226	1,588	1,346	1,300	1,300	1,300	1,300	1,300
Total	**1,226**	**1,588**	**1,346**	**1,300**	**1,300**	**1,300**	**1,300**	**1,300**
Biennial Change				(168)		(46)		(46)
Biennial % Change				(6)		(2)		(2)
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Operating Expenses	119							
Other Financial Transactions	0	0						
Grants, Aids and Subsidies	1,107	1,588	1,346	1,300	1,300	1,300	1,300	1,300
Total	**1,226**	**1,588**	**1,346**	**1,300**	**1,300**	**1,300**	**1,300**	**1,300**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	1,300							
District Revenue	1,300							
Direct Appropriation	1,226	1,588	1,346	1,300	1,300	1,300	1,300	1,300
Current Year	836							
Prior Year	390							
Expenditures	**1,226**	**1,588**	**1,346**	**1,300**	**1,300**	**1,300**	**1,300**	**1,300**
Biennial Change in Expenditures				(168)		(46)		(46)
Biennial % Change in Expenditures				(6)		(2)		(2)

Program: Libraries
Activity: Electronic Library for Minnesota

www.elm4you.org

AT A GLANCE

- In 2013, ELM had resources available through 48 searchable resources, allowing access to millions of articles, books, images, and other information.
- These resources are accessible to Minnesotans through schools, school library media centers, academic and public libraries as well as from home computers.

PURPOSE & CONTEXT

The Electronic Library for Minnesota (ELM) provides all Minnesotans with access to online information resources from all locations (local, state and federal government agencies, and public libraries).

SERVICES PROVIDED

ELM offers free and equitable online access to millions of magazine, journal, newspaper, and encyclopedia articles, eBooks and other information resources to Minnesota residents.

- Statewide database licenses reduce the total cost of access.

ELM's selected resources:

- support K-12 and postsecondary students and teachers.
- provide the research and information needs of any resident on many topics.
- are available 24 hours a day, seven days a week.
- are consistent between locations, ensuring that research and discovery can be started in one location, and continued in another.
- connect teachers and students to how ELM supports Minnesota's academic standards.

MDE, through State Library Services, recommends and/or approves school and public library representatives on ELM's selection taskforce and makes final approval of the resources recommended. MDE sets up and processes payments and compiles report information annually.

RESULTS

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Number of ELM searches conducted by Minnesotans	26.8 million	50.8 million	FY 2011 FY 2014
Quantity	Number of ELM full text retrievals	8.9 million	20.1 million	FY 2011 FY 2014

Minn. Laws 2013 chap. 116, art. 7, sec. 21, subd. 8

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	847	900	900	900	900	900	900	900
Total	**847**	**900**	**900**	**900**	**900**	**900**	**900**	**900**
Biennial Change				53		0		0
Biennial % Change				3		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Other Financial Transactions	0	0						
Grants, Aids and Subsidies	847	900	900	900	900	900	900	900
Total	**847**	**900**	**900**	**900**	**900**	**900**	**900**	**900**

Budget Activity Financing by Fund

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	847	900	900	900	900	900	900	900
Expenditures	**847**	**900**	**900**	**900**	**900**	**900**	**900**	**900**
Biennial Change in Expenditures				53		0		0
Biennial % Change in Expenditures				3		0		0

Program: Libraries
Activity: Reg Library Telecommunication

AT A GLANCE

- 342 public library buildings in all 87 counties benefit from regional library telecommunications aid.
- Statewide, average available bandwidth grew from 47.6mb to 56.6mb from 2012 to 2013. Amounts per library range from 1.54mb to 1000mb.

PURPOSE & CONTEXT

The Regional Library Telecommunications Aid program (RLTA) helps regional public library systems and their branch or member libraries provide broadband access to public library buildings statewide.

SERVICES PROVIDED

This program:

- Helps libraries make use of federal, state, and local investments in technology infrastructure.
- Facilitates optimal and equitable access to the statewide electronic infrastructure for loans between libraries and electronic delivery of information such as the Electronic Library for Minnesota.

Activities that rely on internet access and benefit from this program include:

- Automation systems that improve cost-effectiveness in resource sharing.
- Access to online resources through the Electronic Library for Minnesota.
- Government-related activities and information.
- Connection to and use with school districts, postsecondary education or other governmental agencies.
- Community access to high-speed Internet links.

MDE administers all aspects of the aid program. Services include:

- Developing application and report forms for aid recipients.
- Providing technical assistance to applicants/recipients.
- Calculating and processing payments.
- Providing technical assistance on the federal e-rate program as it relates to regional library telecommunications aid.

RESULTS

Type of Measure	*Name of Measure*	*FY 2012*	*FY 2013*
Quantity	Number of libraries directly benefitting from RLTA	346	342
Quantity	Internet sessions in public libraries	6,420,100	5,721,965

M.S. 134.355

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	2,169	2,809	2,382	2,300	2,300	2,300	2,300	2,300
Total	**2,169**	**2,809**	**2,382**	**2,300**	**2,300**	**2,300**	**2,300**	**2,300**
Biennial Change				(296)		(82)		(82)
Biennial % Change				(6)		(2)		(2)
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Other Financial Transactions	0	-21						
Grants, Aids and Subsidies	2,169	2,830	2,382	2,300	2,300	2,300	2,300	2,300
Total	**2,169**	**2,809**	**2,382**	**2,300**	**2,300**	**2,300**	**2,300**	**2,300**

Budget Activity: Reg Library Telecommunication

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	2,300							
District Revenue	2,300							
Direct Appropriation	2,169	2,809	2,382	2,300	2,300	2,300	2,300	2,300
Current Year	1,479							
Prior Year	674							
Expenditures	**2,169**	**2,809**	**2,382**	**2,300**	**2,300**	**2,300**	**2,300**	**2,300**
Biennial Change in Expenditures				(296)		(82)		(82)
Biennial % Change in Expenditures				(6)		(2)		(2)

Program: Early Childhood and Family Support
Activity: Early Child Family Ed

http://education.state.mn.us/MDE/StuSuc/EarlyLearn/ECFE/index.html

AT A GLANCE

In FY 2013:
- 112,798 children and 120,312 parents participated in ECFE activities.
- 22,628 referrals were made to ECFE from other community programs.
- 16,728 home visits were conducted.

PURPOSE & CONTEXT

The purpose of the program is to educate parents to support children's learning and development. All families with children prenatal to kindergarten are eligible for services. Programs with PreK-3rd grade initiatives may continue to serve families through 3rd grade.

SERVICES PROVIDED

There are 3 state funded programs that provide funding and support for early childhood family education:

Early Childhood and Family Education (ECFE)
Educate Parents Partnership
Parent-Child Home program

Early Childhood and Family Education (ECFE) programs typically include the following:
- Parent discussion groups.
- Parent-child activities
- Play and learning activities that help child development.
- Home visits.
- In-person visits to parents of newborns.
- Special events for the entire family.
- Information on community resources.

If there is not enough money to provide programs for all young children, ECFE providers should emphasize programming for children birth to age three. They should encourage parents to involve four- and five-year-old children in school readiness programs and other public and nonpublic early learning programs.

This program requires districts to do a community needs assessment to identify new and underserved populations, and identifies child and family risk factors. Programming and services must be tailored to the results of the needs assessment, with an emphasis on at-risk children birth to three.

ECFE revenue is a combination of state aid and local property tax levy. It is 2.3 percent of the general education formula allowance times 150 or the number of children under age five who lived in the district as of October 1 of the previous school year, whichever is greater.

The Educate Parents Partnership program provides parents of newborns with informational materials on a wide range of subjects before they are discharged from the hospital.

Help Me Grow, an infant and toddler intervention and preschool special education program, disseminates information to families and professionals who have concerns about their child's development.

The Parent-Child Home Program is a national model focusing on early literacy, parenting, and school readiness, and families are eligible for up to 60 home visits per year for two years.

MDE calculates and processes payments and provides technical support for these programs.

RESULTS

Type of Measure	*Name of Measure*	*FY 2012*	*FY 2013*
Quantity	Parents participating in regular parent/child weekly sessions*	84,015	79,007
Quantity	Referrals from ECFE to community resources and partner organizations	17,216	19,488
Quantity	Class offerings for parents	11,516	11,188

*Decreased parent participation likely due to smaller class sizes for infants and toddlers, serving families with higher needs, and decreased class offerings for parents.

M.S. 124D.13; M.S. 124D.135; M.S. 124D.15 M.S. 124D.129; MN Session Law 2013, Chapter 113, Article 8, Section 5, Subd. 9.s

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	21,119	27,471	23,091	27,022	27,605	28,055	28,050	29,006
2001 - Other Misc Special Rev	0	3	0	0	0	0	0	0
2403 - Gift	0	5	0	0	0	0	0	0
3000 - Federal	203	0	0	0	0	0	0	0
Total	**21,322**	**27,479**	**23,091**	**27,022**	**27,605**	**28,055**	**28,050**	**29,006**
Biennial Change				1,313		5,547		6,943
Biennial % Change				3		11		14
Governor's Change from Base								1,396
Governor's % Change from Base								3

Expenditures by Category

Compensation	22	24	44	49	49	49	49	49
Operating Expenses	0	8	5	0	0	0	0	0
Grants, Aids and Subsidies	21,300	27,447	23,042	26,973	27,556	28,006	28,001	28,957
Total	**21,322**	**27,479**	**23,091**	**27,022**	**27,605**	**28,055**	**28,050**	**29,006**
Total Agency Expenditures	21,322	27,479	23,091	27,022	27,605	28,055	28,050	29,006
Internal Billing Expenditures		1						
Expenditures Less Internal Billing	**21,322**	**27,478**	**23,091**	**27,022**	**27,605**	**28,055**	**28,050**	**29,006**
Full-Time Equivalents	**0.4**	**0.4**	**0.4**	**0.5**	**0.5**	**0.5**	**0.5**	**0.5**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	22,659	22,123						
Levies	21,847							
District Revenue	44,506	22,123						
Direct Appropriation	21,146	27,496	23,096	27,022	27,605	28,055	28,050	29,006
Current Year	14,577	19,115						
Prior Year	6,542	8,082						
Cancellations	27	25	5					
Expenditures	**21,119**	**27,471**	**23,091**	**27,022**	**27,605**	**28,055**	**28,050**	**29,006**
Biennial Change in Expenditures				1,523		5,547		6,943
Biennial % Change in Expenditures				3		11		14
Gov's Exp Change from Base								1,396
Gov's Exp % Change from Base								3
FTEs	0	0	0	1	0	0	0	0

2001 - Other Misc Special Rev

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Receipts		3						
Expenditures	0	**3**	0	0	0	0	0	0
Biennial Change in Expenditures				(3)		0		0
Biennial % Change in Expenditures				(100)		0		0

2403 - Gift

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In			0	0				
Receipts		5						
Expenditures	0	**5**	0	0	0	0	0	0
Balance Forward Out		0	0					
Biennial Change in Expenditures				(5)		0		0
Biennial % Change in Expenditures				(100)		0		0

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation

(Dollars in Thousands)

3000 - Federal

Receipts	203	0						
Expenditures	**203**	0	0	0	0	0	0	0
Biennial Change in Expenditures				(203)		0		0
Biennial % Change in Expenditures				(100)		0		0

Program: Early Childhood and Family Support
Activity: School Readiness

http://education.state.mn.us/mde/StuSuc/EarlyLearn/SchReadiK/index.html

AT A GLANCE

In FY 2013:
- The estimated population of 3- and 4-year-olds in Minnesota was 146,386.
- 28,700 children and 23,586 parents participated in the program.
- 24,280 referrals were made to and from other community services and programs.
- 25,257 children received 30 or more hours per year of services.

PURPOSE & CONTEXT

The purpose of the school readiness program is to prepare children to enter kindergarten by creating greater access to educational opportunities for children with high needs and to make progress on closing the achievement gap upon school entrance. The state funded program is established through the school district and serves children age three years to kindergarten entrance with high needs.

SERVICES PROVIDED

Most school-based classroom programs are two and a half hours long and meet one to five days per week.

Other program models include:
- Kindergarten transition classes for children and parents.
- One or two days of child-only activities added to early childhood family education.
- Early childhood special education and school readiness integrated classrooms.
- Coordination of referrals and follow-up to early childhood screening.
- Staff development and consultation for family child care providers.
- Head Start and family literacy/English language learner programs.

Programs include the following requirements:
- Assess each child's cognitive skills at entrance to and exit from the program.
- Provide a program based on early childhood research and professional practice that prepares children to move into kindergarten.

School Readiness aid is calculated in two parts:
- Fifty percent based on the number of four-year-old children living in the district as of October 1 of the previous school year.
- Fifty percent based on the number of students enrolled in the school district and eligible for free or reduced price meals.

MDE calculates and processes aid payments and provides technical support to districts for this program.

RESULTS

MDE is planning to gather statistics on the number of participants that are kindergarten ready, pending the revision of the School Readiness study and additional assessments.

Type of Measure	*Name of Measure*	*FY 2012*	*FY 2013*
Quality	Percentage of preschoolers served:		
	3-year-olds	9.3%	9.3%
	4-year-olds	25.9%	26.9%

M.S. 124D.15; M.S.124D.16

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	9,355	12,279	10,445	11,962	12,170	12,170	12,170	1,217
Total	**9,355**	**12,279**	**10,445**	**11,962**	**12,170**	**12,170**	**12,170**	**1,217**
Biennial Change				773		1,933		(9,020)
Biennial % Change				4		9		(40)
Governor's Change from Base								(10,953)
Governor's % Change from Base								(45)

Expenditures by Category

Grants, Aids and Subsidies	9,355	12,279	10,445	11,962	12,170	12,170	12,170	1,217
Total	**9,355**	**12,279**	**10,445**	**11,962**	**12,170**	**12,170**	**12,170**	**1,217**

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	
Entitlement	9,959	10,095						
District Revenue	9,959	10,095						
Direct Appropriation	9,355	12,279	10,458	11,962	12,170	12,170	12,170	1,217
Current Year	6,404	8,723						
Prior Year	2,952	3,556						
Net Transfers	0							
Cancellations			13					
Expenditures	**9,355**	**12,279**	**10,445**	**11,962**	**12,170**	**12,170**	**12,170**	**1,217**
Biennial Change in Expenditures				773		1,933		(9,020)
Biennial % Change in Expenditures				4		9		(40)
Gov's Exp Change from Base								(10,953)
Gov's Exp % Change from Base								(45)

Program: Early Childhood and Family Support
Activity: Kindergarten Readiness

http://education.state.mn.us/mde/StuSuc/EarlyLearn/SchReadiK/index.html

AT A GLANCE

- In 2012, 7,700 (11.7%) of the 65,820 kindergarteners were assessed at the beginning of the school year.

PURPOSE & CONTEXT

The readiness assessment is given to a sample of incoming kindergarteners. It is designed to show kindergarten readiness and track readiness trends over time.

SERVICES PROVIDED

Kindergarten teachers observe children during the first six weeks of kindergarten. The skills, knowledge and accomplishments measured include: personal and social development, language and literacy, mathematical thinking, physical development and the arts. They record their observations of the children in five areas of child development. Results are compiled, analyzed and given to participating school sites.

Total school results are used to inform interested parties about children's readiness for kindergarten. Site results are used to plan children's transition from home to school, prepare for teacher conferences, and improve instruction and services to families.

MDE:

- Provides information for parents, early childhood and parenting educators, care givers and community members so that children are fully-prepared to begin their formal education
- Provides strategies and resources to help families and others support students as they enter kindergarten
- Compiles, analyzes and distributes the results of the assessments
- Pays stipends to teachers who participate in this program

RESULTS

The Kindergarten Readiness Study helps predict 3rd grade standardized test scores in reading and math. Children ready for kindergarten were at least twice as likely to exceed standards in both reading and math compared to kindergarteners who were not ready.

Children not ready for kindergarten were more than twice as likely to have been in special education or retained by third grade when compared to kindergarteners who were ready.

Type of Measure	*Name of Measure*	*FY 2011*	*FY 2012**
Quantity	Percentage of schools recruited to participate in assessments.	10.3%	13.5%
Quality	Percentage of participating principals reporting satisfaction with delivery of the study.	89%	89%
Quality	Percentage of participating teachers reporting satisfaction with delivery of the study.	89.6%	93%

*More recent data is not collected at this point since the Kindergarten Entrance Assessment is being revised and data analyzed over a two-year period to provide recommendations for improved data collection to link to the Statewide Longitudinal Data System.

M.S. 124D.162

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	244	277	211	351	281	281	1,881	1,881
Total	**244**	**277**	**211**	**351**	**281**	**281**	**1,881**	**1,881**
Biennial Change				42		0		3,200
Biennial % Change				8		0		569
Governor's Change from Base								3,200
Governor's % Change from Base								569

Expenditures by Category

Compensation	90	83	110	87	87	87	292	292
Operating Expenses	154	194	101	264	194	194	1,589	1,589
Total	**244**	**277**	**211**	**351**	**281**	**281**	**1,881**	**1,881**
Full-Time Equivalents	**1.0**	**1.0**	**1.3**	**1.3**	**1.3**	**1.3**	**3.0**	**3.0**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	281	281	281	281	281	281	1,881	1,881
Balance Forward In				70				
Cancellations	37	4						
Expenditures	**244**	**277**	**211**	**351**	**281**	**281**	**1,881**	**1,881**
Balance Forward Out			70					
Biennial Change in Expenditures				42		0		3,200
Biennial % Change in Expenditures				8		0		569
Gov's Exp Change from Base								3,200
Gov's Exp % Change from Base								569
FTEs	1	1	1	1	1	1	3	3

Program: Early Learning and Family Support
Activity: Access to Quality Early Learning

AT A GLANCE

- 809 children received a Race to the Top-Early Learning Challenge scholarship in 2013.
- Approximately 10 percent of the eligible 3- and 4-year-olds in the state are served by the Early Learning Education Scholarship program.
- In FY 2015, scholarships are available in 56 counties.

PURPOSE & CONTEXT

The Race to the Top-Early Learning Challenge (RTT-ELC) federal grant improves early care and education programs for young children. It is intended to improve school readiness outcomes for all Minnesota children, especially children with high needs.

The Early Learning Education Scholarship program is a state-funded program that seeks to improve school readiness for 3 and 4-year-old children with high needs by increasing access to high-quality early learning programs.

SERVICES PROVIDED

The RTT-ELC grant supports various activities designed to improve early learning and development programs for young children such as Parent Aware, and Early Learning Scholarships.

Early Learning Education Scholarship program has two pathways:

- Pathway I scholarships are awarded directly to eligible families.
  - Families are granted a scholarship for up to $5,000 to help cover the cost of attending a high-quality early learning program.
  - Scholarships "follow the child" to their chosen program, and are awarded for up to 12 months.
  - Scholarship funds are paid directly to the early childhood program the family chooses
- Pathway II scholarships are awarded to families through an eligible Four-Star Parent Aware-rated program.
  - Early learning program quality is based on Parent Aware, Minnesota's tiered quality rating and improvement system.
  - Participating programs receive funding for a specified number of scholarship eligible children, and the funds are awarded for up to 12 months.

Beginning in fiscal year 2016, the $5,000 per student cap is eliminated and scholarship amounts will be based on the results of a market-based survey.

MDE:

- Awards and implements grants and programs, revises standards, develops and revises assessments and provides technical support for the Race-to-the-Top program.
- Manages the implementation of all grant activities for the early learning scholarships, and reports to the federal government on Minnesota's progress.

RESULTS

Type of Measure	*Name of Measure*	*Jan 1, 2013*	*Jan 1, 2014*
Quantity	Number of early care and education programs participating in Parent Aware.	575	1,467
Quantity	Number of early care and education programs with a 3- or 4-Star Parent Aware rating.	483	1,119
Quantity	Number of children attending a 3- or 4-Star Parent Aware rated early care or education program.	22,744	43,336
Quantity	Number of children receiving a scholarship	509	5,869

CFDA 84.412; M.S. 124D.165

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General		2,000	22,050	26,700	26,934	26,934	26,934	26,934
3000 - Federal	0	3,077	4,890	9,924	6,924	0	6,924	0
Total	**0**	**5,077**	**26,940**	**36,624**	**33,858**	**26,934**	**33,858**	**26,934**
Biennial Change				58,486		(2,772)		(2,772)
Biennial % Change				1,152		(4)		(4)
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Operating Expenses		5	0	0	0	0	0	0
Other Financial Transactions	0	342	434	391	391		391	
Grants, Aids and Subsidies		4,731	26,506	36,233	33,467	26,934	33,467	26,934
Total	**0**	**5,077**	**26,940**	**36,624**	**33,858**	**26,934**	**33,858**	**26,934**
Total Agency Expenditures	0	5,077	26,940	36,624	33,858	26,934	33,858	26,934
Internal Billing Expenditures		1		0	0	0	0	0
Expenditures Less Internal Billing	0	**5,077**	**26,940**	**36,624**	**33,858**	**26,934**	**33,858**	**26,934**

Budget Activity: Access to Quality Early Learning

(Dollars in Thousands)

1000 - General

		Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	
Direct Appropriation	2,000	23,000	27,650	27,884	27,884	27,884	27,884
Net Transfers		-950	-950	-950	-950	-950	-950
Expenditures	**2,000**	**22,050**	**26,700**	**26,934**	**26,934**	**26,934**	**26,934**
Biennial Change in Expenditures			46,750		5,118		5,118
Biennial % Change in Expenditures			2,338		10		10

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	
Receipts		3,077	4,890	9,924	6,924		6,924	
Expenditures	0	**3,077**	**4,890**	**9,924**	**6,924**	0	**6,924**	0
Biennial Change in Expenditures				11,736		(7,890)		(7,890)
Biennial % Change in Expenditures				381		(53)		(53)

Program: Early Childhood and Family Support
Activity: Health and Developmental Screen

http://education.state.mn.us/MDE/StuSuc/EarlyLearn/EarlyChildScreen/index.html

AT A GLANCE

- In FY 2013, a total of 60,300 children were screened Outcomes included:
- 6,500 children referred to the school readiness program
- 4,866 families referred to early childhood family education
- 1,669 children referred to head start
- 316 parents referred to adult education/literacy
- 14,331 referrals to special education

PURPOSE & CONTEXT

The purpose of this program is to detect factors that may impede children's learning, growth, and development.

Every school board must provide for a mandatory program of early childhood health and developmental screening for children before they start school.

Districts receive state aid for every child screened prior to starting kindergarten, or within 30 days after first entering kindergarten.

SERVICES PROVIDED

A screening program must include the following components:

- developmental assessments,
- hearing and vision screening or referral,
- immunization review and referral,
- the child's height and weight,
- identification of risk factors that may influence learning,
- an interview with the parent about the child, and
- referral for assessment, diagnosis, and treatment when potential needs are identified.

A district may also offer additional health evaluation components.

Families may opt out by submitting a signed statement of conscientiously held beliefs.

A district must provide the parent or guardian of the child screened with a record indicating the month and year the child received screening and the results of the screening.

MDE calculates and processes aid payments and provides technical support to districts for this program.

RESULTS

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quality	Percentage of three-year-old children receiving health and developmental screening.*	40%	41%	FY 2012 FY 2013
Quality	Percentage of districts providing interpreter assistance for diverse populations to access screening.	42%	41%	FY 2012 FY 2013
Quantity	Referrals for further assistance made for children identified as having possible health and/or development problems or needs.*	27,344	21,014	FY 2012 FY 2013

Performance Measures Notes:

*Referrals are for the total number of possible problems or needs identified at the time of screening and are not the number of children, as children may have more than one problem.

M.S. 121A.16; M.S. 121A.17; M.S.121A.19

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	3,274	4,267	3,578	3,387	3,358	3,352	3,358	3,352
Total	**3,274**	**4,267**	**3,578**	**3,387**	**3,358**	**3,352**	**3,358**	**3,352**
Biennial Change				(576)		(255)		(255)
Biennial % Change				(8)		(4)		(4)
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Grants, Aids and Subsidies	3,274	4,267	3,578	3,387	3,358	3,352	3,358	3,352
Total	**3,274**	**4,267**	**3,578**	**3,387**	**3,358**	**3,352**	**3,358**	**3,352**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	3,514	3,465						
District Revenue	3,514	3,465						
Direct Appropriation	3,308	4,287	3,578	3,387	3,358	3,352	3,358	3,352
Current Year	2,242	2,994						
Prior Year	1,066	1,273						
Cancellations	34	20						
Expenditures	**3,274**	**4,267**	**3,578**	**3,387**	**3,358**	**3,352**	**3,358**	**3,352**
Biennial Change in Expenditures				(576)		(255)		(255)
Biennial % Change in Expenditures				(8)		(4)		(4)

Program: Early Childhood & Family Support
Activity: Head Start

http://eclkc.ohs.acf.hhs.gov/hslc

AT A GLANCE

- 33 Head Start and Early Head Start grantees served 17,574 children and families in FY 2014
- 13 percent of Head Start and 9.7 percent Early Head Start children had a diagnosed disability in FY 2014
- 1,301 homeless children received services in FY 2014

PURPOSE & CONTEXT

Head Start and Early Head Start are state and federally funded programs that promote school readiness of children ages birth to five from low-income families by enhancing their cognitive, social and emotional development.

SERVICES PROVIDED

Head start provides a comprehensive program to children and families, including:

- health and nutrition,
- education,
- parent involvement, and
- social services.

Programs operate a center-based, home-based, and/or combination option.

- Head Start center-based programs must operate at least 3.5 hours per day, four days per week, for 128 days per year, and have at least two home visits.
- Early Head Start home-based programs must offer at least 48 home visits of 1.5 hours each, and have at least two socialization activities each month.
- Some programs also offer some full-day, full-year services through head start-child care partnerships.

MDE houses the state's Head Start Collaboration director and we work together to coordinate and integrate federal Head Start funding and services with state Head Start funding and services across the state. MDE provides leadership to Head Start agencies across the state in the implementation of Parent Aware, as well as other early learning services. MDE calculates and processes aid payments and provides technical support to grantees for the implementation of this program.

RESULTS

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Results	Percentage of children meeting developmental benchmarks upon exiting Head Start*	N/A	88%	FY2012 FY2013
Quantity	Number of children assessed*	N/A	3,062	FY2012 FY2013

Performance Measures Notes:

*This is a new measurement beginning with results in 2013. Results are based on using three research based assessment tools: Teaching Gold Strategies; High Scope/Cor and Work Sampling.

M.S.119A.50 - M.S.119A545
U.S.C.9840 et seq.

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	19,972	20,100	20,100	20,100	20,100	20,100	20,100	39,542
Total	**19,972**	**20,100**	**20,100**	**20,100**	**20,100**	**20,100**	**20,100**	**39,542**
Biennial Change				128		0		19,442
Biennial % Change				0		0		48
Governor's Change from Base								19,442
Governor's % Change from Base								48

Expenditures by Category

Operating Expenses		4						
Grants, Aids and Subsidies	19,972	20,096	20,100	20,100	20,100	20,100	20,100	39,542
Total	**19,972**	**20,100**	**20,100**	**20,100**	**20,100**	**20,100**	**20,100**	**39,542**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	19,991	20,100	20,100	20,100	20,100	20,100	20,100	39,542
Cancellations	19							
Expenditures	**19,972**	**20,100**	**20,100**	**20,100**	**20,100**	**20,100**	**20,100**	**39,542**
Biennial Change in Expenditures				128		0		19,442
Biennial % Change in Expenditures				0		0		48
Gov's Exp Change from Base								19,442
Gov's Exp % Change from Base								48

Program: Early Childhood and Family Support
Activity: Infant and Toddler Intervention

http://helpmegrowmn.org/HMG/index.htm

AT A GLANCE

- 5,126 Minnesota infants and toddlers with disabilities were counted as being served through Individual Family Service Plans (IFSP) on December 1, 2013.
- The number of referrals received through MDE's Help Me Grow referral portal increased by 63.8 percent in 2013-2014.

PURPOSE & CONTEXT

The Infants and Toddlers program provides individualized family-centered services to eligible children and their families in order to aid in the development of very young children showing delays in development.

Funds for Part C services are a combination of federal grant dollars, state special education aid and general education revenue.

SERVICES PROVIDED

The Infants and Toddler program identifies and serves Minnesota's youngest learners with disabilities and their families. Specific services are determined for each eligible child and family based on the child's needs and family priorities.

The program is federally regulated. Federal funds support 12 Interagency Early Intervention Committees (IEICs) that conduct public awareness and outreach activities.

Services are typically provided in the home of the child.

Services most often include special instruction, speech therapy and occupational or physical therapy.

MDE is responsible for:

- Individualized family service plans and service coordination;
- Personnel development to ensure that personnel are appropriately and adequately prepared and trained;
- Carrying out general administration and supervision;
- Policy for contracting or otherwise arranging for services, and procedure for securing timely reimbursement of funds.

RESULTS

Performance Measure 1:

Child Outcomes	FFY 2010	FFY 2011	FFY 2012
Children will demonstrate positive relationships			
(A) Greater than expected progress	63%	63%	57.7%
(B) Exited Part C within age expectations	42%	44%	48.5%
Children will acquire and use knowledge and skills			
(A) Greater than expected progress	65%	65%	61.2%
(B) Exited Part C within age expectations	42%	41%	45.1%
Children will take action to meet needs			
(A) Greater than expected progress	67%	66%	67.7%
(B) Exited Part C within age expectations	44%	46%	49.7%

Performance Measure 2:

Family Outcome	FFY 2010	FFY 2011	FFY 2012
Percent of participating families who report that the Infants and Toddlers program has helped their child develop and learn.	92%	87%	86.6%

M.S. 125A.26 – 48
Part C of the Individuals with Disabilities Education Act

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
3000 - Federal	8,789	5,790	6,670	7,866	7,441	7,455	7,441	7,455
Total	**8,789**	**5,790**	**6,670**	**7,866**	**7,441**	**7,455**	**7,441**	**7,455**
Biennial Change				(44)		361		361
Biennial % Change				0		2		2
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Compensation		18	75	288	357	371	357	371
Operating Expenses	95	309	354	385	385	385	385	385
Other Financial Transactions	0	4						
Grants, Aids and Subsidies	8,694	5,459	6,240	7,193	6,700	6,700	6,700	6,700
Total	**8,789**	**5,790**	**6,670**	**7,866**	**7,441**	**7,455**	**7,441**	**7,455**
Total Agency Expenditures	8,789	5,790	6,670	7,866	7,441	7,455	7,441	7,455
Internal Billing Expenditures		29	32	99	99	99	99	99
Expenditures Less Internal Billing	**8,789**	**5,762**	**6,637**	**7,767**	**7,342**	**7,356**	**7,342**	**7,356**
Full-Time Equivalents	**0.2**	**0.8**	**2.8**	**2.7**	**2.7**	**2.7**	**2.7**	

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In	0	0						
Receipts	8,789	5,790	6,670	7,866	7,441	7,455	7,441	7,455
Expenditures	**8,789**	**5,790**	**6,670**	**7,866**	**7,441**	**7,455**	**7,441**	**7,455**
Balance Forward Out	0							
Biennial Change in Expenditures				(44)		361		361
Biennial % Change in Expenditures				0		2		2
FTEs		0	1	3	3	3	3	3

Program: Early Childhood and Family Support
Activity: Preschool Special Ed

http://helpmegrowmn.org/HMG/index.htm

AT A GLANCE

- 15,159 children ages 3-5 with disabilities were counted as being served through Individual Education Program plans on December 1, 2013.
- The number of referrals received through MDE's Help Me Grow referral portal increased by 63.8 percent in 2013-2014.

PURPOSE & CONTEXT

The Preschool Special Education program provides individualized education services to preschool children with disabilities.

Funding for services is a combination of federal funds, state special education aid and general education revenue.

SERVICES PROVIDED

The program is federally mandated. Federal funds support statewide efforts to:

- seek out and identify potentially eligible children; and
- provide professional development opportunities promoting evidence-based practices through the Centers of Excellence.

Services are provided to each eligible child through an Individualized Education Program plan. The goal is to increase each child's ability to actively and independently participate in current and future environments such as home, preschool and kindergarten.

Most children receive services in settings that include children without disabilities.
Services most often include special instruction, speech therapy, occupational or physical therapy, and transportation.

MDE:

- Processes payments/reimbursements;
- Provides professional development;
- Collects and reports data;
- Interprets regulations, statutes and rules; and
- Connects children and families to appropriate local programs and monitors local implementation.

RESULTS

The table below shows Minnesota's performance on the federally-required child outcomes for federal fiscal years 2010-2012. While data demonstrates a downward performance trend, we attribute some of the slippage to state efforts to improve the quality of data reported by districts.

Child Outcomes	FFY 2010	FFY 2011	FFY 2012
Children will demonstrate positive relationships			
(A) Greater than expected progress	79%	76%	71.9%
(B) Exited Part C within age expectations	51%	53%	54.7%
Children will acquire and use knowledge and skills			
(A) Greater than expected progress	78%	75%	72.9%
(C) Exited Part C within age expectations	52%	54%	53.8%
Children will take action to meet needs			
(A) Greater than expected progress	80%	76%	73.1%
(B) Exited Part C within age expectations	66%	65%	65.1%

M.S. 125A.01 – 03
Part B/Section 619 of the Individuals with Disabilities Education Act

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
3000 - Federal	7,502	6,149	10,722	24,883	25,700	20,950	25,700	20,950
Total	**7,502**	**6,149**	**10,722**	**24,883**	**25,700**	**20,950**	**25,700**	**20,950**
Biennial Change				21,955		11,045		11,045
Biennial % Change				161		31		31
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Other Financial Transactions	0	0						
Grants, Aids and Subsidies	7,502	6,149	10,722	24,883	25,700	20,950	25,700	20,950
Total	**7,502**	**6,149**	**10,722**	**24,883**	**25,700**	**20,950**	**25,700**	**20,950**

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Balance Forward In	0	0						
Receipts	7,502	6,149	10,722	24,883	25,700	20,950	25,700	20,950
Expenditures	**7,502**	**6,149**	**10,722**	**24,883**	**25,700**	**20,950**	**25,700**	**20,950**
Balance Forward Out	0							
Biennial Change in Expenditures				21,955		11,045		11,045
Biennial % Change in Expenditures				161		31		31

Program: Early Childhood and Family Support
Activity: Special Family Opportunities

AT A GLANCE

- These programs were implemented in FY 2015.
- Promise Neighborhood is a federal designation for eligible neighborhoods that seek to improve educational and developmental outcomes of children and youth in those communities.

PURPOSE & CONTEXT

The Northside Achievement Zone and St Paul Promise Neighborhood programs are annual grants designed to reduce multigenerational poverty and the educational achievement gap.

The Northside Achievement Zone program is available to Minneapolis residents living within the geographic boundaries of the Northside Achievement Zone.

This St. Paul Promise Neighborhood program is available to residents of the St. Paul Promise Neighborhood, a 250 square block area in the central neighborhoods of St. Paul.

SERVICES PROVIDED

These programs provide the Northside Achievement Zone and St. Paul Promise Neighborhood with annual grants for programming and services consistent with federal Promise Neighborhood program requirements.

The Northside Achievement Zone and St. Paul Promise Neighborhood must each submit a report by January 15, 2016 that summarizes program activities, specifies performance measures, and analyzes program outcomes.

MDE processes aid payments for these programs.

RESULTS

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Number of families enrolled in the Northside Achievement Zone	n/a	548	2013 year-end
Quantity	Number of scholars enrolled in the Northside Achievement Zone	n/a	1,390	2013 year-end
Quantity	Number of students participating in the St. Paul Promise Neighborhood Freedom School	224	485	Summer 2012 Summer 2013
Quantity	Number of Freedom School* Sites	1	3	Summer 2012 Summer 2013

Notes
*The Children's Defense Fund Freedom Schools provide summer and after-school enrichment programs.

MN Laws 2014, ch.312, art.20, sec.21, subd.2; MN Laws 2014, ch.312, art.20, sec.21, subd.3

Expenditures By Fund

	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	700	400	400	2,400	2,400
Total	**700**	**400**	**400**	**2,400**	**2,400**
Biennial Change	700		100		4,100
Biennial % Change			14		586
Governor's Change from Base					4,000
Governor's % Change from Base					500

Expenditures by Category

Grants, Aids and Subsidies	700	400	400	2,400	2,400
Total	**700**	**400**	**400**	**2,400**	**2,400**

Budget Activity: Special Family Opportunities

(Dollars in Thousands)

1000 - General

	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	700	400	400	2,400	2,400
Expenditures	**700**	**400**	**400**	**2,400**	**2,400**
Biennial Change in Expenditures	0		100		4,100
Biennial % Change in Expenditures	0		14		586
Gov's Exp Change from Base					4,000
Gov's Exp % Change from Base					500

Program: Community Education
Activity: Community Education

http://education.state.mn.us/MDE/SchSup/SchFin/CommEd/index.html

AT A GLANCE

- Every Minnesota school district operates a community education program.

PURPOSE & CONTEXT

The community education program is a state aid and local property tax levy program, designed to maximize the community's use of public schools and to promote the use of school facilities beyond the regular school day.

Programs serve participants of all ages from preschool through senior citizens.

SERVICES PROVIDED

Community education provides services beyond the regular K-12 program. Programs may include:

- adults with disabilities;
- adult basic education (ABE);
- youth development and youth service;
- early childhood family education (ECFE) and school readiness programs;
- school-age care;
- summer programs for elementary and secondary pupils and youth after-school enrichment programs; and
- non-vocational, recreational, and leisure activities.

School boards must establish a community education advisory council and, with some exceptions, must employ a licensed community education director.

An annual report is required from each district that provides a community education program.

Total community education revenue includes a district's general community education revenue, youth service program revenue, and youth after-school enrichment revenue. These revenues are calculated based on a school district's population and its property tax capacity.

MDE calculates and processes aid payments for this program.

RESULTS

MDE does not collect data to show impact of the programming other than the number of individuals that received services.

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Number of districts submitting general annual report	265	300	FY 2009 FY 2013
Quantity	Number of participants*	180,000	182,025	FY 2009 FY 2013

*Number of participants does not include those reported separately under ECFE, ABE and early childhood screening. Community Education participation numbers are self-reported by districts in the Community Education annual report.

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	441	926	955	1,060	765	586	765	586
Total	**441**	**926**	**955**	**1,060**	**765**	**586**	**765**	**586**
Biennial Change				648		(664)		(664)
Biennial % Change				47		(33)		(33)
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Grants, Aids and Subsidies	441	926	955	1,060	765	586	765	586
Total	**441**	**926**	**955**	**1,060**	**765**	**586**	**765**	**586**

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	478	874						
Levies	38,374							
District Revenue	38,852	874						
Direct Appropriation	441	926	955	1,060	765	586	765	586
Current Year	308	756						
Prior Year	134	170						
Net Transfers	0							
Expenditures	**441**	**926**	**955**	**1,060**	**765**	**586**	**765**	**586**
Biennial Change in Expenditures				648		(664)		(664)
Biennial % Change in Expenditures				47		(33)		(33)

Program: Community Education
Activity: Adults W Disabilities

AT A GLANCE

- 37 districts participated in this program in FY 2013.
- 13 of the 37 participating school districts are in the seven-county metropolitan area.

PURPOSE & CONTEXT

This aid and property tax levy program provides revenue to a select number of school districts to support community education programs and services for adults with disabilities.

SERVICES PROVIDED

This program funds local community education programs for adults with disabilities.

Approved programs may receive revenue equal to the lesser of $60,000 or actual expenditures.

- Revenue is based on 50 percent state aid and 50 percent local property tax levy.
- Four districts have a pilot program and receive $10,000 each in aid with no matching property tax levy.

Programs use the following service strategies:

- Help for adults to participate in community activities (including one-on-one assistance, Braille, and interpreter services)
- Classes specifically for adults with disabilities
- Outreach to identify adults needing services
- Activities to increase public awareness of the roles of people with disabilities

MDE calculates and processes aid payments to districts and determines their property tax levy for this program.

RESULTS

This funding has been available to the same districts since the program began in 1989. Program performance data are not collected by MDE and school districts are not required to report on the details of their programs. Districts reporting of their use of funds is limited to the reporting of expenditures in the Uniform Financial Accounting and Reporting System.

M.S. 124D.56

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	638	858	734	710	710	710	710	710
Total	**638**	**858**	**734**	**710**	**710**	**710**	**710**	**710**
Biennial Change				(52)		(24)		(24)
Biennial % Change				(4)		(2)		(2)
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Grants, Aids and Subsidies	638	858	734	710	710	710	710	710
Total	**638**	**858**	**734**	**710**	**710**	**710**	**710**	**710**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	710	700						
Levies	695							
District Revenue	1,405	700						
Direct Appropriation	638	858	734	710	710	710	710	710
Current Year	442	605						
Prior Year	197	253						
Net Transfers	0							
Expenditures	**638**	**858**	**734**	**710**	**710**	**710**	**710**	**710**
Biennial Change in Expenditures				(52)		(24)		(24)
Biennial % Change in Expenditures				(4)		(2)		(2)

Program: Community Education
Activity: Hearing Impaired Adults

http://education.state.mn.us/mde/EdExc/SpecEdClass/DisabCateg/HardHear/index.html

AT A GLANCE

- In 2013, 11 sites submitted qualified requests for funds under this program.
- Demand exceeded the $70,000 appropriation in four of the previous eight years.

PURPOSE & CONTEXT

The hearing impaired adults program provides educational opportunities for deaf and hard-of-hearing adults. This program provides assistance with one-time costs for interpreter and note-taker services for deaf and hard-of-hearing adults participating in school district adult education classes, adult technical college programs, or private community agencies.

SERVICES PROVIDED

- This program provides assistance with the one-time costs of interpreter and note-taker services.
- The program is not meant to support all the interpreter services for deaf and hard-of-hearing adult learners, but to help in unforeseen situations.

MDE calculates and processes aid payments for this program.

RESULTS

The rate at which sites request funds in consecutive years provides a gauge whether providers are anticipating, and budgeting for, support for individuals with hearing impairments. It is difficult to draw assumptions regarding the true statewide demand for services, since most districts or non-profit providers seek other resources to meet their needs as well.

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Number of educational programs for which interpreter and note-taker services costs were reimbursed	207	113	FY 2012 FY 2013

M.S. 124D.57

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	72	70	70	70	70	70	70	70
Total	**72**	**70**	**70**	**70**	**70**	**70**	**70**	**70**
Biennial Change				(2)		0		0
Biennial % Change				(1)		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Grants, Aids and Subsidies	72	70	70	70	70	70	70	70
Total	**72**	**70**	**70**	**70**	**70**	**70**	**70**	**70**

Budget Activity: Hearing Impared Adults

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	72	70	70	70	70	70	70	70
Expenditures	**72**	**70**	**70**	**70**	**70**	**70**	**70**	**70**
Biennial Change in Expenditures				(2)		0		0
Biennial % Change in Expenditures				(1)		0		0

Program: Community Education
Activity: School Age Care

http://education.state.mn.us/MDE/SchSup/FNS/CACFPCenter/index.html

AT A GLANCE

- School Age Care revenue was funded totally by local property tax levy in FY 2013 ($0 state aid).

PURPOSE & CONTEXT

School Age Care is program that helps to ensure that all students within a district have equal access to after-school care and summer educational programming.

School districts with school age care programs are served by this program.

SERVICES PROVIDED

School Age Care revenue reimburses districts for approved additional costs incurred to provide school age care to children with disabilities or children experiencing family or related problems of a temporary nature.

The School Age Care program is an equalized levy program.

Because of the low equalizing factor that offsets property taxes with state aid, all revenue has been in the form of local property tax.

MDE calculates aid and property tax levies, and makes state aid payments for this program.

RESULTS

Type of Measure	*Name of Measure*	*FY 2011*	*FY 2012*	*FY 2013*
Quantity	Number of districts with school age care expenditures	147	109	150

M.S.124D.19; M.S.124D.22

Expenditures By Fund

	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	1	1	1	1	1	1
Total	**1**	**1**	**1**	**1**	**1**	**1**
Biennial Change		2		0		0
Biennial % Change				0		0
Governor's Change from Base						0
Governor's % Change from Base						0

Expenditures by Category

Grants, Aids and Subsidies	1	1	1	1	1	1
Total	**1**	**1**	**1**	**1**	**1**	**1**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	
Entitlement	0	0						
Levies	14,367							
District Revenue	14,367	0						
Direct Appropriation	0	0	1	1	1	1	1	1
Current Year	0	0						
Prior Year	0	0						
Expenditures			**1**	**1**	**1**	**1**	**1**	**1**
Biennial Change in Expenditures						0		0

Program: Self Sufficient and Lifelong Learning
Activity: Adult Basic Education

http://education.state.mn.us/MDE/StuSuc/AdultEd/index.html

AT A GLANCE

- 1,125 licensed teachers and 2,320 volunteers served over 69,623 students in FY 2013
- GEDs and adult diplomas accounted for 14 percent of all diplomas issued in Minnesota during 2013
- 40 percent of all enrollees were English as a Second Language (ESL) students, 9 percent have never attended school, and 30 percent were unemployed

PURPOSE & CONTEXT

Adult basic education (ABE) is a state- and federally funded program that gives adults educational opportunities to acquire and improve the literacy skills they need to become self-sufficient.

SERVICES PROVIDED

ABE program options:

- GED (General Education Development diploma)
- Adult Diploma
- English as a Second Language
- Family Literacy
- Basic Skills Education
- Workforce Preparation
- U.S. Citizenship and Civics
- Transition to Postsecondary Education

ABE is provided at over 500 sites located in every Minnesota county, at public schools, workforce centers, community/technical colleges, prisons/jails, libraries, learning centers, tribal centers, and nonprofit organizations. Programs have voluntarily formed ABE consortia (51 administrative units) to maximize efficiency and to share resources.

MDE provides technical support, calculates aid entitlements, and pays aid to districts and consortia.

RESULTS

Type of Measure	*Name of Measure*	*FY 2011*	*FY 2013*
Quantity	Clients who obtained a high school diploma or GED	2,674	3,932
Quantity	Clients who entered post-secondary education	1,235	2,971
Quantity	Clients who obtained employment	1,216	4,551
Quantity	Clients who retained employment	1,309	8,190

M.S. 124D.52 and M.S. 124D.531

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	42,508	56,038	48,755	47,760	49,118	50,592	49,118	50,592
3000 - Federal	4,973	5,279	5,317	4,860	4,935	4,935	4,935	4,935
Total	**47,481**	**61,317**	**54,072**	**52,620**	**54,053**	**55,527**	**54,053**	**55,527**
Biennial Change				(2,106)		2,887		2,887
Biennial % Change				(2)		3		3
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Compensation			260	0	0	0	0	0
Operating Expenses	245	287	269	230	25	25	25	25
Other Financial Transactions	7	0						
Grants, Aids and Subsidies	47,229	61,030	53,543	52,390	54,028	55,502	54,028	55,502
Total	**47,481**	**61,317**	**54,072**	**52,620**	**54,053**	**55,527**	**54,053**	**55,527**
Total Agency Expenditures	47,481	61,317	54,072	52,620	54,053	55,527	54,053	55,527
Internal Billing Expenditures		0	59	210	5	5	5	5
Expenditures Less Internal Billing	**47,481**	**61,317**	**54,013**	**52,410**	**54,048**	**55,522**	**54,048**	**55,522**

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Entitlement	45,258	46,169						
District Revenue	45,258	46,169						
Direct Appropriation	42,508	56,038	48,776	47,760	49,118	50,592	49,118	50,592
Current Year	29,144	39,891						
Prior Year	13,364	16,147						
Net Transfers	0							
Cancellations			22					
Expenditures	**42,508**	**56,038**	**48,755**	**47,760**	**49,118**	**50,592**	**49,118**	**50,592**
Biennial Change in Expenditures				(2,031)		3,195		3,195
Biennial % Change in Expenditures				(2)		3		3

3000 - Federal

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Receipts	4,973	5,279	5,317	4,860	4,935	4,935	4,935	4,935
Expenditures	**4,973**	**5,279**	**5,317**	**4,860**	**4,935**	**4,935**	**4,935**	**4,935**
Biennial Change in Expenditures				(76)		(308)		(308)
Biennial % Change in Expenditures				(1)		(3)		(3)

Program: Self Sufficient and Lifelong Learning
Activity: GED Tests

http://education.state.mn.us/MDE/StuSuc/AdultEd/index.html

AT A GLANCE

- 42 GED testing centers, including nine at state correctional facilities.
- In 2009, individuals who pass the GED earned about $4,100 more per year than individuals who do not have a GED or diploma.
- Individuals earning a GED are eligible to receive federal financial aid, including Pell Grants, if they also meet income requirements.

PURPOSE & CONTEXT

This state aid program provides increased access for eligible individuals to complete the General Education Development (GED) battery of tests by paying a portion of the student's testing fees. Ten percent of Minnesotans over 18 years old lack a high school diploma or GED diploma. The percent of Minnesota adults without high school equivalency varies by ethnic group: Hispanic – 39%, Native American – 37 %, Black – 19%, Asian – 14%, White – 13%.

SERVICES PROVIDED

This program provides supplemental funds to GED testing centers to help offset the cost of GED testing for eligible students. As a result of this subsidy, fees for individual GED examinees are reduced.

The GED examination consists of five tests that measure outcomes associated with a high school education. The five tests (social studies, science, language arts reading, language arts writing, and mathematics) employ a multiple-choice format with the two-part mathematics test also using alternative format questions. The writing skills test requires an essay. Most GED candidates are from low-income backgrounds and the cost of the GED is a disincentive to testing.

Successful completion of the GED tests results in the awarding of a state of Minnesota GED diploma by MDE. A high school diploma or GED is required by many employers and virtually all of Minnesota's postsecondary educational institutions accept the GED as a valid high school credential.

RESULTS

One out of every ten high school credentials issued in Minnesota last year was issued through Adult Basic Education programming and includes GED diplomas and adult high school diploma attainment.

Type of Measure	*Name of Measure*	*FY 2010*	*FY 2012*
Quantity	GED candidates tested (any amount of GED tests)	10,225	9,712
Quantity	GED candidates completing all five GED tests	7,351	6,859
Results	GED candidates passing all five GED tests	6,181	5,562

M.S. 124D.55

(Dollars in Thousands)

Expenditures By Fund

	Actual FY12	Actual FY13	Actual FY14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation FY16	Governor's Recommendation FY17
1000 - General	125	125	125	125	125	125	125	125
Total	**125**	**125**	**125**	**125**	**125**	**125**	**125**	**125**
Biennial Change				0		0		0
Biennial % Change				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Expenditures by Category

Other Financial Transactions			1					
Grants, Aids and Subsidies	125	125	124	125	125	125	125	125
Total	**125**	**125**	**125**	**125**	**125**	**125**	**125**	**125**

(Dollars in Thousands)

1000 - General

	Actual FY12	Actual FY 13	Actual FY 14	Estimate FY15	Forecast Base FY16	Forecast Base FY17	Governor's Recommendation	Governor's Recommendation
Direct Appropriation	125	125	125	125	125	125	125	125
Expenditures	**125**	**125**	**125**	**125**	**125**	**125**	**125**	**125**

Program: General Education
Activity: E-12 Education Shifts (info only)

AT A GLANCE

- The Property Tax Recognition Shift and the State Aids Payment Shift has been instated and repaid three times between FY 1983 and FY 2014.

PURPOSE & CONTEXT

The E-12 Education shifts are accounting mechanisms that have helped balance the state's budget during periods of state budget crisis.

Aid payment shifts affect all school districts and charter schools.

Property tax shift payments affect school districts.

SERVICES PROVIDED

The state uses two types of education shifts.

Aid Payment Shift:

- Since most school revenue is tied to current year data, including the number and characteristics of students served by the district and expenditures for special education, a portion of the funding must be held back until final student data is available to avoid overpayments.
  - Since 1997, in years when there is not an aid payment shift, state appropriations for formula-driven school aids equal 90 percent of current year entitlement plus 10 percent of adjusted prior year entitlement.
  - Larger holdbacks have been enacted to help balance the state budget. Most of the savings to the state occur in the year that the current aid percentage is reduced, when the sum of the current year aid percent and the prior year final aid percent is less than 100 percent.
  - Statute automatically appropriates positive forecast balances to shift repayment.

Property Tax Recognition Shift:

- School districts' May property tax collections are normally held and recognized as revenue in the following fiscal year, beginning July 1. With a property tax shift, a portion of the spring proceeds is recognized as revenue in the fiscal year of collection.
  - This accounting change provides the state with one-time savings in state aid appropriations, without reducing the overall revenue recognized by a school district.
  - The shift provision was structured to be revenue-neutral to school districts by adjusting state aid payments by the difference between the current year's early levy recognition amount and the previous year's early levy recognition amount.
  - In subsequent years, the state repays the revenue neutral portion of the tax shift (buying back the shift) that had previously been reduced from state aid payments.
  - Statute automatically appropriates positive forecast balances to shift repayment.

The most recent education shifts were enacted in the 2010 and 2011 legislative sessions when the school aid payment was ultimately shifted from 90 percent in the current year to 60 percent, and the property tax recognition shift required districts to recognize 48.6 percent of property tax revenue early. These shifts generated a total of $2.6 billion in budgetery savings for the state. Both of these shifts have since been fully repaid; as a result of positive forecast balances in 2012 and 2013 and legislative changes in 2013, the state repaid a total of $2.8 billion.

MDE calculates aid payment and property tax shift and repayment amounts needed to balance the state budget, and calculates school district and charter school aid payments and property tax shifts amounts for state aid payments to the districts.

M.S. 123B.75, Subd.5; M.S. 16A.152, Subd. 2

Program: Special Teacher and Student Programs
Activity: Miscellaneous Federal Grants (info only)

AT A GLANCE

- Federal funds are available for charter schools.
- Federal funds are available to help pay for the additional costs of educating the homeless.

PURPOSE & CONTEXT

This budget activity summarizes other miscellaneous federal programs that fund various activities in school districts and charter schools.

SERVICES PROVIDED

Charter School Program (CFDA 84.282A). This federal grant will be used to increase charter school quality and accountability of the authorizers that oversee them. Over the course of the five-year project, MDE will:

1. Increase the number of high-quality charter schools.
2. Establish an accountability framework to increase academic performance and decrease the achievement gap in charter schools.
3. Build authorizers' capacity to authorize, monitor, and hold charter schools accountable.
4. Disseminate promising and innovative practices of high-quality charter schools to each Local Educational Agency (LEA) in the state.

Homeless Children and Youth Grants (CFDA 84.196). This program is used to ensure that homeless children, including preschoolers, have equal access to free and appropriate public education. Grants are used to address problems related to enrollment, attendance, and success of homeless children in school.

MDE awards, monitors and pays these federal grants.

RESULTS

Type of Measure	*Name of Measure*	*FY 2013*	*FY 2014*
Quantity	Number of Charter School Grants awarded	14	11
Quantity	Number of Homeless Children	12,247	13,428

McKinney-Vento Homeless Assistance Act, Title VII, Subtitle B (Homeless);
Elementary and Secondary Education Act of 1965, as amended, Title V Part B, Subpart 1 (Charter School)

Program: Other General Education
Activity: Miscellaneous Levies (info only)

http://education.state.mn.us/mde/SchSup/SchFin/LevyCertProc/index.html

AT A GLANCE

- 14 levy programs have estimated levies for FY 2015.

PURPOSE & CONTEXT

These programs provide additional local property tax levy revenue to school districts to fund specific obligations of the district's general fund.

SERVICES PROVIDED

The following levies are currently in effect:

- Reemployment Insurance Levy
  - A school district may levy for unemployment insurance and for job placement services offered to eligible employees.
- Judgment Levy
  - A school district may levy for judgments against the district, including interest costs or for its proportionate share of the costs of a judgment against an intermediate district.
- Health Benefit Levy
  - A school district may levy for health insurance and unreimbursed medical expenses of employees who retired before 7-1-92.
- Additional Retirement Levy
  - The Minneapolis and St. Paul school districts may levy for certain increased costs of Teachers Retirement Association contributions.
- Minneapolis Health Insurance Subsidy Levy
  - The Minneapolis school district may levy to subsidize health insurance costs for eligible retired teachers.
- St. Paul Severance Levy
  - The St. Paul school district may levy to pay for severance costs.
- Safe Schools Levy
  - A school district may levy up to provide a drug abuse prevention program in the elementary schools, to provide police liaison services in the schools, to provide a gang resistance education program in the schools, to pay the costs for security on school property, and/or pay for other crime prevention, drug abuse, student and staff to pay costs for licensed school counselors, licensed school nurses, licensed school social workers, licensed school psychologists, and licensed alcohol and chemical dependency counselors to help provide early responses to problems.
- Ice Arena Levy
  - A school district may levy for *the* net operational costs of the ice arena for the previous fiscal year.
- Severance Levies
  - A school district that reorganizes under dissolution and attachment may levy the costs of severance pay or early retirement incentives for licensed and nonlicensed employees who resign or retire early as a result of the reorganization. A school district with a secondary agreement with another district must pay severance to licensed employees placed on unrequested leave and may levy for the expenses. Districts with an agreement to allow pupils to attend school in an adjoining state may levy for severance costs resulting from the agreement.
- Swimming Pool Levy
  - A school district may levy for the net operational costs of a swimming pool not to exceed the net actual costs of operation of the swimming pool for the previous year.
- Economic Development Abatement Levy
  - The governing body of a political subdivision may grant an abatement of the taxes imposed by the political subdivision on a parcel of property, or defer the payments of the taxes and abate the interest and penalty that otherwise would apply. The political subdivision must add to its levy amount for the current year the total estimated amount of all current year abatements granted. No abatement aid is generated for these abatements.
- Tree Growth Replacement Levy

  - Districts may levy an amount not to exceed its tree growth revenue for taxes payable in 2001.
- Reorganization Operating Debt Levy
  - A school district that reorganizes under consolidation or dissolution and attachment may levy to retire the net negative undesignated fund balance in the operating funds.
- Annual Other Postemployment Benefits Levy
  - A school district may levy for other postemployment benefit expenses if the district 1) has created an actuarial liability to pay postemployment benefits, and 2) has a sunset clause in affect for the current collective bargaining agreement.
- Consolidation Retirement Levies
  - For a school district that consolidates under 123A.48, consolidation transition aid is equal to a maximum of $200 per resident pupil unit for the first year of consolidation and $100 per resident pupil unit for the second year of consolidation. If the cost of the early retirement incentives offered by the district under M.S. 123A.48, Subd. 23, exceeds the amount of consolidation transition aid, the district may levy for the difference for a period not to exceed three years.
- Consolidation/Transition Levies
  - The board(s) of districts combining or combined under M.S. 123.37, Subd. 2, may levy over three years or less for costs directly related to the transition from cooperation to combination.
- Administrative Services Levy
  - The school district may levy for costs of retirement incentives or severance pay or other costs related to the discontinuance of administrative positions, under certain circumstances.

MDE collects data from the districts, calculates the levy authority and in some cases, reviews and approves levy requests.

Type of Measure	*Name of Measure*	*Previous (in thousands)*	*Current (in thousands)*	*Dates*
Quantity	Reemployment Insurance Levy	$11,029.1	$8,090.5	2012 pay 2013 2013 pay 2014
Quantity	Judgment Levy	$564.2	$483.9	2012 pay 2013 2013 pay 2014
Quantity	Health Benefit Levy	$2,990.7	$2,655.5	2012 pay 2013 2013 pay 2014
Quantity	Additional Retirement Levy	$19,676.7	$20,281.5	2012 pay 2013 2013 pay 2014
Quantity	Minneapolis Health Insurance Subsidy Levy	$373.5	$373.7	2012 pay 2013 2013 pay 2014
Quantity	St. Paul Severance Levy	$830.9	$788.0	2012 pay 2013 2013 pay 2014
Quantity	Safe Schools Levy	$29,135.2	$32,851.8	2012 pay 2013 2013 pay 2014
Quantity	Ice Arena Levy	$1,954.9	$1,891.3	2012 pay 2013 2013 pay 2014
Quantity	Severance Levies	$984.5	$1,166.6	2012 pay 2013 2013 pay 2014
Quantity	Swimming Pool Levy	$541.3	$527.1	2012 pay 2013 2013 pay 2014
Quantity	Economic Development Abatement Levy	$941.1	$960.5	2012 pay 2013 2013 pay 2014
Quantity	Tree Growth Replacement Levy	$683.0	$694.9	2012 pay 2013 2013 pay 2014

Type of Measure	*Name of Measure*	*Previous (in thousands)*	*Current (in thousands)*	*Dates*
Quantity	Reorganization Operating Debt Levy	$118.5	$168.5	2012 pay 2013 2013 pay 2014
Quantity	Annual other Postemployment Benefits Levy	$22,361.5	$28,944.1	2012 pay 2013 2013 pay 2014
Quantity	Consolidation Retirement Levies	$0	$0	2012 pay 2013 2013 pay 2014
Quantity	Consolidation/Transition Levies	$0	$0	2012 pay 2013 2013 pay 2014
Quantity	Administrative Services Levy	$0	$0	2012 pay 2013 2013 pay 2014

M.S. 126C.43, Subd. 2; M.S. 126C.43, Subd. 3; M.S. 126C.43, Subd. 3; M.S. 126C.41, Subd. 2; M.S. 126C.41 Subd. 3;
M.S. 126C.41, Subd. 4; M.S. 126C.41, Subd. 5; M.S. 126C.44; M.S. 126C.45; M.S. 123A.30, Subd. 6; M.S. 123A.39, Subd. 3; M.S. 123A.73, Subd. 12; M.S. 123A.444; M.S. 124D.05, Subd. 3; M.S. 126C.41, Subd. 6; M.S. 126C.455;
M.S. 469.1812-1815; M.S. 126C.445; M.S. 123A.73, Subd. 9; M.S. 123B.82; M.S. 126C.41, Subd. 2;
M.S. 123A.485; M.S. 123A.41, Subd. 4; M.S. 123A.76; M.S. 123A.12;

Program: Facilities and Technology
Activity: Miscellaneous Facilities Levies (info only)

AT A GLANCE

- In FY 2014, Building/Land Lease levies were $58.75 million
- In FY 2014, Capital Projects levies were $60.85 million
- In FY 2014, there were no Cooperative Building Repair levies
- In FY 2014, Disabled Access levies were $120 thousand
- In FY 2014, Specific Legislation levies were $30 thousand

PURPOSE & CONTEXT

Minnesota school districts generate additional revenue through local property tax levies for various capital expenditure obligations. This budget activity summarizes five miscellaneous facilities/levy programs. These programs aid the delivery of educational services by providing districts with flexible local revenue sources for changing facility needs.

Eligible districts with levy authority may participate in these programs. All students in participating districts are served by these programs.

SERVICES PROVIDED

Building and Land Lease

- Districts may levy to rent or lease a building or land for instructional purposes, school storage, or furniture repair if the district determines that the total operating capital revenue authorized is insufficient for this purpose.
- The levy must not exceed $212 per student. Districts that are members of an intermediate district may levy an additional amount not to exceed $65 per student for intermediate district leases.

Capital Project Referendum

- A school district may hold a referendum election to ask voters to increase property taxes for a capital project.
- All proceeds from the levy must be transferred to the capital project referendum account in the building construction fund or general fund.
- This program has been used primarily for deferred maintenance and technology improvements.

Cooperative Building Repair

- A school district that has a cooperative agreement may levy for the repair costs of a building located in another district that is a party to the agreement.
- There currently are no active cooperative building repair levies.

Disabled Access Levy

- The 1990 federal Americans with Disabilities Act (ADA) facilitates the removal of architectural barriers for persons with disabilities in public schools and helps school districts modify school buildings.
- A school district may levy up to $300,000 over a time period not to exceed eight years to provide disabled accessibility for all facilities.
- Some newly consolidated districts have maximum levy authority of $450,000 or $600,000.
- The commissioner must approve the levy amount.
- For most districts, the eight year time period has expired or the dollar maximum levy authority has been reached.

Special Legislation

- Special legislation provides selected districts with additional capital levy for specific purposes.
- Currently provides additional capital levy for Independent School District 319, Nashwauk-Keewatin.

RESULTS

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Number of districts levying for building leases	209	214	FY 2010 FY 2014
Quantity	Number of districts levying for capital projects	22	33	FY 2010 FY 2014
Quantity	Number of districts levying for disabled access	4	1	FY 2010 FY 2014

M.S.126C.40,subd.1; M.S.123B.63; M.S.126C.40,subd.3; M.S.123B.58;
MN Laws 2001 First Special Session, Chapter 5, Article 3, Section 87;

Program: Nutrition Programs
Activity: Other Federal Food and Nutrition Programs (info only)

AT A GLANCE

- Fresh Fruits and Vegetables is a nationwide program in selected schools in all 50 states, the District of Columbia, Guam, Puerto Rico and the Virgin Islands.
- In FY 2014, 118 schools participated in the Fresh Fruits and Vegetables program.

PURPOSE & CONTEXT

This budget activity summarizes miscellaneous federal food and nutrition programs that fund activities throughout Minnesota.

SERVICES PROVIDED

State Administrative Expenses

- Administrative funds to supervise school, district, and institutional child nutrition programs and give them technical assistance.
- Fresh Fruits and Vegetables
- Selected low-income public and nonprofit private elementary schools are reimbursed for produce served to school children outside of the lunch or breakfast food service times.

Meal Pattern Technical Assistance

- School lunch program to reimburse participating public and nonprofit private schools for lunches meeting the new nutritional meal pattern requirements. Schools serving high school grades or under, including residential child care institutions, are eligible.

Meal Pattern Technical Assistance State Administrative Expenses

- Administrative funds to supervise and give technical assistance to local schools, school districts and institutions with their new meal pattern changes.

Team Nutrition Training

- Team Nutrition Competitive Training Grants offer funding to state agencies to establish or enhance sustainable infrastructures for implementing Team Nutrition's goal of improving children's lifelong eating and physical activity habits.

RESULTS

See narratives on school lunch, school breakfast, summer food, milk and CACFP.

P.L. 110-234, section 19;

Program: Libraries
Activity: Other Federal Library Programs (info only)

http://education.state.mn.us/MDE/StuSuc/Lib/StateLibServ/LSTA/index.html

AT A GLANCE

- Federal LSTA funding for FFY 2014 is $2,709,174.
- Funding is based on population.

PURPOSE & CONTEXT

The Library Services and Technology Act's (LSTA) Grants to States Program is a federal program administered by MDE.

The Nation of Leaders Demonstration federal grant program offers applicants the opportunity to pilot new programs that create replicable models for library services in needed areas.

SERVICES PROVIDED

Minnesota's Five-Year LSTA Plan (2013-2017) directs the use of funds, with the goals of:

- Increasing access to resources in libraries to expand programs and services.
- Supporting development or improvement of coordination between libraries and other entities.

The Minnesota Department of Education:

- Administers federal funds, completes required federal reporting, develops, implements and evaluates the Five-Year Plan, processes payments and provides technical assistance to sub-grantees.
- Develops and manages statewide projects.
- Develops and administers competitive grants.

RESULTS

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Number of Minnesotans who use the Minnesota Braille and Talking Book Library	10,281	10,058	FFY 2012 FFY 2013
Quantity	Number of competitive and statewide grants awarded	11	28	2013 2014
Quantity	Number of interlibrary loan requests from public, hospital, museum and school libraries	154,912	149,841	2013 2014

M.S. 134.31; M.S.134.32;
CFDA 45.310; Museum and Library Services Act, 20 USC Ch 72 Sec 9141 and 9162; 45 CFR Part 1183; CFDA 45.312;

Program: Other General Education
Activity: State Paid Property Tax Credits (info only)

AT A GLANCE

- Seven credit programs in FY 2013.
- Six credit programs in FY 2014.

PURPOSE & CONTEXT

Property tax credits and aids calculated by the Department of Revenue is a form of property tax reform that shifts a portion of property tax burden for education from property owners to the state.

All school districts in the state receive some form of state-paid property tax credits, dependent on local conditions.

SERVICES PROVIDED

Current property tax credit and aid programs paid to school districts reduce property taxes paid by property owners by:

- Reducing the property tax rate applied to the property value to calculate property tax; or
  - *Disparity Reduction Aid* provides relief to high tax rate areas.
- Providing a reduction to the calculated property tax.
  - *Disaster Credit* provides relief to homesteads located in declared disaster or emergency areas.
  - *Agricultural Preserves Credit* provides relief to owners of agricultural property in the seven county metropolitan area.
  - *Disparity Reduction Credit* provides relief to apartments, commercial, industrial, and public utilities in economically depressed areas located at Minnesota borders designated as enterprise zones.
  - *Residential Homestead Market Value Credit (discontinued as of FY 2014)* provided relief to residential homestead property.
  - *Agricultural Land Market Value Credit* provides relief to agricultural homestead property.
  - *Local Option Abatement Credit* provides relief to owners when property is fully or partially destroyed.

The property tax credit expenditures are reported in the Department of Revenue budget.

Open appropriations are provided for the aids and credits, which are paid to the school districts by MDE.

RESULTS

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Total tax credits paid to school districts by MDE	$15,268,000	$15,125,000	2013 2014

M.S.273.119; M.S. 273.1233; M.S.273.1234; M.S.273.1235; M.S.273.1398; M.S.273.1384; M.S.469.

Program: Special Student and Teacher Programs
Activity: Student Choice/Tax Incentives (info only)

AT A GLANCE

- In FY 2013, over 273,000 students participated in various choice programs (not including charter school participation).
- 53,492 households claimed K-12 Education Credit in Tax Year 2012.
- 221,961 households claimed K-12 Education Deductions in Tax Year 2012.

PURPOSE & CONTEXT

These state programs provide learners with a wide range of educational choices and opportunities, which allows learners and their families to play an active role in determining educational goals, student needs and interests, and the school's ability to provide an appropriate educational experience.

These programs are available to all students.

SERVICES PROVIDED

Minnesota's choice programs include the following:

- Online Learning (OLL)
  - Allows public school students to access state-approved online courses in another district, charter school, or joint powers district
- Open Enrollment
  - Allows all public school-eligible students to apply to attend a school outside their district
- Charter Schools
  - (detailed in its own budget activity narrative)
- Postsecondary Enrollment Options (PSEO)
  - Allows high school juniors and seniors to take courses at eligible Minnesota post-secondary institutions
- Learning Year Programs
  - Extends the education program from the traditional nine-month calendar to a 12-month calendar, allowing students to graduate early or make up courses
- State-Approved Alternative Programs
  - Area Learning Centers (ALC)
    - Offer a wide array of options/services (K-12)
  - Alternative Learning Programs (ALP)
    - Can designate what grades they want to serve
  - Contracted Alternatives
    - Nonpublic, nonsectarian schools that have contracted with the serving school district to provide educational services
- Tax Credits
  - A refundable credit for income qualify households equaling 75% of eligible education expenses for a qualifying K-grade 12 child
- Tax Deductions
  - A subtraction from federal taxable income for certain educational expenses paid for a qualifying K-grade 12 child

RESULTS

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Number of Students Participating in Online Learning	14,703	15,528	FY 2013 FY 2014
Quantity	Number of Students Participating in Open Enrollment	72,030	76,940	FY 2012 FY 2013
Quantity	Number of Students Participating in PSEO	8,520	9,177	FY 2012 FY 2013
Quantity	Number of Students Participating in Learning Year Programs	5,001	5,890	FY 2012 FY 2013
Quantity	Number of Students Participating in State-Approved Alternative Programs	168,985	166,975	FY 2012 FY 2013
Quality	Average Tax Credit per Claimant	$273	$275	FY 2011 FY 2012
Quality	Average Tax Deduction per Claimant	$1,157	$1,171	FY 2011 FY 2012

M.S.124D.095; M.S.124D.03; M.S.124D.10; M.S.124D.09; M.S.124D.128; M.S.123A.05; M.S.123A.06; M.S.123A.08; M.S.126C.05,subd.15; M.S.124D.128; M.S.124D.68; M.S.124D.69; M.S.290.067; M.S.290.01,subd.19b(3);

FY16-17 Federal Funds Summary

Federal Agency and CFDA#	Federal Award Name and Brief Purpose	New Grant	2014 Actual	2015 Budget	2016 Base	2017 Base	Required State Match/MOE	FTE's
Agriculture 10.553	Food & Nutrition Services-Breakfast School Breakfast Program funds to reimburse participating public and nonprofit private schools, of high school grade and under and residential child care institutions, for breakfasts to eligible children.	on-going	41,604	41,544	42,789	44,072	Match: Yes MOE: No	-
Agriculture 10.555	Food & Nutrition Services-Lunch School lunch program to reimburse participating public and nonprofit private schools, of high school grades or under, including residential child care institutions, for lunches meeting the nutritional requirements to eligible children.	on-going	151,493	151,960	158,037	164,35	Match: Yes MOE: No	-
Agriculture 10.556	Food & Nutrition Services-Special Milk To encourage the consumption of milk by children in public and private nonprofit schools of high school grade and under, public and private nonprofit nursery schools, and child-care centers. Milk served free to eligible needy children is reimbursed at the average cost of a half pint of milk.	on-going	786	833	865	899	Match: Yes MOE: No	-
Agriculture 10.558	Food & Nutrition Services-Child & Adult Care Food Program Commodities To initiate and maintain nonprofit food service programs for children and elderly or impaired adults enrolled in nonresidential day care facilities, children attending afterschool care programs in low-income areas, and children residing in emergency shelters.	on-going	1,099	1,098	1,108	1,120	no	-

Federal Agency and CFDA#	Federal Award Name and Brief Purpose	New Grant	2014 Actual	2015 Budget	2016 Base	2017 Base	Required State Match/MOE	FTE's
Agriculture 10.558	Food & Nutrition Services-Child & Adult Care Food Program Audit To initiate and maintain nonprofit food service programs for children and elderly or impaired adults enrolled in nonresidential day care facilities, children attending afterschool care programs in low-income areas, and children residing in emergency shelters.	on-going	1,031	1,257	1,167	1,206	no	9.8
Agriculture 10.558	Food & Nutrition Services-Child & Adult Care Food Program Food Service To initiate and maintain nonprofit food service programs for children and elderly or impaired adults enrolled in nonresidential day care facilities, children attending afterschool care programs in low-income areas, and children residing in emergency shelters.	on-going	55,539	57,297	59,015	60,785	no	-
Agriculture 10.558	Food & Nutrition Services-Child & Adult Care Food Program Sponsor Admin To initiate and maintain nonprofit food service programs for children and elderly or impaired adults enrolled in nonresidential day care facilities, children attending afterschool care programs in low-income areas, and children residing in emergency shelters.	on-going	6,122	6,066	6,186	6,309	no	-
Agriculture 10.559	Food Nutrition Services-Summer Food Service Program State Admin Expenses Nonprofit food service programs for low-income children during the summer months and at other approved times, when schools are out of session or are closed for vacation.	on-going	132	249	273	279	no	1.2

Federal Agency and CFDA#	Federal Award Name and Brief Purpose	New Grant	2014 Actual	2015 Budget	2016 Base	2017 Base	Required State Match/MOE	FTE's
Agriculture 10.559	Food & Nutrition Services-Summer Food Program Sponsor Admin Initiate and maintain nonprofit food service programs for low-income children during the summer months and at other approved times, when schools are out of session or are closed for vacation.	on-going	616	705	725	748	Match: Yes MOE: No	-
Agriculture 10.559	Food & Nutrition Services-Summer Food Program Initiate and maintain nonprofit food service programs for low-income children during the summer months and at other approved times, when schools are out of session or are closed for vacation.	on-going	5,967	6,820	7,701	7,875	no	-
Agriculture 10.560	Food & Nutrition Services-State Admin Expense Administrative funds to supervise and give technical assistance to local schools, school districts and institutions with their Child Nutrition Programs.	on-going	4,350	6,108	5,653	5,791	Match: Yes MOE: No	34.3
Agriculture 10.561	Food & Nutrition Services-Healthy Hunger Free Kids To provide Federal financial aid to State agencies for costs incurred to operate the Supplemental Nutrition Assistance Program.	on-going	344	537	608	613	no	3.2
Agriculture 10.574	Food & Nutrition Services-Team Nutrition Training Grants To improve children's lifelong eating and physical activity habits by using the principles of the Dietary Guidelines for Americans and the USDA Food Guidance System.	on-going	65	282	179	181	no	1.0
Agriculture 10.579	Food & Nutrition Services-National School Lunch Program Equipment Assistance Funds To provide equipment to improve school food services.	new	0	100	365	0	no	-

Federal Agency and CFDA#	Federal Award Name and Brief Purpose	New Grant	2014 Actual	2015 Budget	2016 Base	2017 Base	Required State Match/MOE	FTE's
Agriculture 10.582	Food & Nutrition Services-Fresh Fruits & Vegetables Selected low-income public and nonprofit private elementary schools are reimbursed for produce served to school children outside of the lunch or breakfast food service periods.	on-going	2,965	3,197	3,198	3,286	no	1.7
Agriculture 10.589	Food & Nutrition Services-Direct Certification Performance Award Designed to encourage States to ensure that all eligible children living in households receiving benefits under the Supplemental Nutrition Assistance Program are directly certified for free school meals.	new	0	100	237	0	no	-
	Agriculture total		272,113	278,153	288,106	297,521		
Institute of Museum & Library Services 45.310	Library Services and Technology Act – Grants to States Promote improvement in library services in all types of libraries to better serve the public by facilitating access to resources for the purpose of cultivating an educated and informed citizenry and encouraging resource sharing among libraries for the purpose of achieving economical and efficient delivery of library services to the public.	on-going	3,063	3,070	2,712	2,742	yes	9.1
	Institute of Museum & Library Services Total		3,063	3,070	2,712	2,742		
Education 84.002	Adult Basic Education Programs for adult education and literacy services, including workplace literacy services, family literacy services, and English literacy and integrated English literacy-civics education programs. Participation is limited to adults and out-of-school youths aged 16 and older who do not have a high school diploma or equivalent.	on-going	5,715	6,009	5,928	5,957	yes	7.2

Federal Agency and CFDA#	Federal Award Name and Brief Purpose	New Grant	2014 Actual	2015 Budget	2016 Base	2017 Base	Required State Match/MOE	FTE's
Education 84.010	Title 1 Assist local educational agencies and schools to improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging State academic achievement standards.	on-going	151,786	190,000	177,183	177,246	no	15.2
Education 84.011	Migrant Education To ensure that migratory children have the opportunity to meet the same challenging State content and performance standards that all children are expected to meet.	on-going	2,578	3,731	2,324	2,324	No	1.4
Education 84.013	Title I Neglected & Delinquent To help provide educational continuity for neglected and delinquent children and youth in State-run institutions for juveniles and in adult correctional institutions, so that these youth can make successful transitions to school or employment once they are released.	on-going	323	332	421	421	No	-
Education 84.027	Special Education–Children with Disabilities Formula grant to provide special education & related services needed to eligible children as authorized under Individuals with Disabilities Education Act.	on-going	186,344	207,454	197,319	192,737	Match: No MOE: Yes	80.8
Education 84.048	Carl Perkins Act – Vocational Education Develop more fully the academic, career, and technical skills of secondary and postsecondary students who elect to enroll in career and technical education programs.	on-going	6,557	7,142	6,975	6,977	Yes	7.1
Education 84.144	Migrant Consortium Participate in consortia that provide high-quality project designs and services to improve the interstate or intrastate coordination of migrant education programs by addressing key needs of migratory children who have their education interrupted.	on-going	80	88	60	60	No	-

Federal Agency and CFDA#	Federal Award Name and Brief Purpose	New Grant	2014 Actual	2015 Budget	2016 Base	2017 Base	Required State Match/MOE	FTE's
Education 84.173	Early Childhood – Special Education Preschool Grant Part B Provide special education and related services to children with disabilities ages 3 through 5 years, and at a State's discretion, to 2- year- old children with disabilities who will reach age three during the school year.	on-going	7,040	6,827	7,354	7,374	Match: No MOE: Yes	4.1
Education 84.181	Early Childhood – Special Education Infants & Toddlers Grant Part C Implement and maintain a Statewide, comprehensive, coordinated, multidisciplinary, interagency system to make available early intervention services to infants and toddlers with disabilities and their families.	on-going	7,535	8,632	8,192	8,225	Match: No MOE: Yes	7.1
Education 84.196	Homeless Children Ensure that all homeless children and youth have equal access to the same free, appropriate public education available to other children.	on-going	689	810	696	750	No	0.9
Education 84.282	Charter School Facilities To provide matching funds to states to establish or enhance and administer per-pupil facilities aid programs in order to help charter schools obtain adequate facilities.	ended	825	0	0	0	Match: Yes MOE: No	-
Education 84.282	Charter Schools Support the planning, development, and initial implementation of charter schools and the dissemination of information on charter schools.	on-going	2,617	6,306	5,709	4,720	No	2.3

Federal Agency and CFDA#	Federal Award Name and Brief Purpose	New Grant	2014 Actual	2015 Budget	2016 Base	2017 Base	Required State Match/MOE	FTE's
Education 84.287	21st Century Community Learning Create community learning centers that provide academic enrichment opportunities for children, particularly students who attend high-poverty and low-performing schools to help students meet state and local student standards in core academic subjects and offers literacy and other educational services to the families of participating children.	on-going	13,480	14,434	14,100	14,113	No	2.8
Education 84.318	ESEA – Enhancing Technology State Grants Formula grant to (a) improve student academic achievement through the use of technology in schools; (b) assist all students in becoming technologically literate by the end of eighth grade; and (c) encourage the effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods.	ended	254	0	0	0	No	-
Education 84.323	Special Education – State Personnel Development Reform and improve systems for school personnel preparation and professional development in early intervention, educational and transition services, to improve results for children with disabilities.	on-going	1,880	1,884	1,975	1,984	No	2.4
Education 84.326	Deaf & Blind Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	on-going	204	171	171	172	No	-
Education 84.358	Rural & Low Income Schools Provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools.	on-going	449	586	474	472	No	-

Federal Agency and CFDA#	Federal Award Name and Brief Purpose	New Grant	2014 Actual	2015 Budget	2016 Base	2017 Base	Required State Match/MOE	FTE's
Education 84.361	Voluntary School Choice Eligible entities use the grant funds for: (1) planning or designing a program (for not more than 1 year); (2) the cost of making tuition transfer payments to public elementary schools or secondary schools to which students transfer under the program; (3) the cost of capacity-enhancing activities that enable high-demand public elementary schools or secondary schools to accommodate transfer requests under the program; (4) the cost of carrying out public education campaigns to inform students and parents about the program; and (5) other costs reasonably necessary to implement the program.	ended	166	0	0	0	No	-
Education 84.365	ESEA – English Language Acquisition Ensure that limited English proficient children (LEP) and youth, including immigrant children and youth, attain English proficiency and meet the same challenging State academic content and student academic achievement standards.	on-going	7,184	8,797	8,646	8,650	Match: No MOE: Yes	2.7
Education 84.366	Math & Science Partnerships To improve the academic achievement of students in mathematics and science.	on-going	1,676	1,580	1,512	1,513	No	0.5
Education 84.367	Title II Improving Teacher Quality/Effective Teachers and Leaders To improve teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools and hold local educational agencies and schools accountable for improvements in student academic achievement.	on-going	29,773	30,268	31,532	31,558	No	8.3

Federal Agency and CFDA#	Federal Award Name and Brief Purpose	New Grant	2014 Actual	2015 Budget	2016 Base	2017 Base	Required State Match/MOE	FTE's
Education 84.368	Enhanced Assessment Grant – Improving Validity of Assessment Results for English Language Learners with Disabilities Address the validity of assessment results of english language learners with disabilities in statewide accountability assessments.	ended	90	0	0	0	No	-
Education 84.369	State Assessments Support the development of the additional State assessments and standards required by Section 1111(b) of the Elementary and Secondary Education Act, as amended; and (2) if a State has developed the assessments and standards required by Section 1111(b), then to support the administration of those assessments or to carry out other activities related to ensuring that the State's schools and local education agencies are held accountable for results.	on-going	5,266	11,003	9,003	9,003	No	11.3
Education 84.377	School Improvement Grants Competitive subgrants to local educational agencies that demonstrate the greatest need for the funds and the strongest commitment to use the funds to provide adequate resources in order to raise substantially the achievement of students in their lowest-performing schools.	on-going	3,170	6,854	5,658	5,070	No	2.6

Federal Agency and CFDA#	Federal Award Name and Brief Purpose	New Grant	2014 Actual	2015 Budget	2016 Base	2017 Base	Required State Match/MOE	FTE's
Education 84.384	Data Systems for 21st Century-American Recovery & Reinvestment Act Create comprehensive P-20 systems that permit the generation and use of accurate and timely data, support analysis and informed decision-making at all levels of the education system, increase the efficiency with which data may be analyzed to support the continuous improvement of education services and outcomes, facilitate research to improve student academic achievement and close achievement gaps, support education accountability systems, and simplify the processes to make education data transparent through Federal and public reporting.	ended	1,665	97	0	0	Match: Yes MOE: No	-
Education 84.388	School Improvement-American Recovery & Reinvestment Act Competitive subgrants to local educational agencies that demonstrate the greatest need for the funds and the strongest commitment to use the funds to provide adequate resources in order to raise substantially the achievement of students in their lowest-performing schools.	ended	3,993	477	0	0	No	-
Education 84.412	Race to the Top Early Learning To improve the quality of early childhood programs and to close the achievement gap for high-need children.	one time	14,204	19,017	12,864	0	no no	8.1
	Education Total		455,543	532,499	498,096	479,326		

Federal Agency and CFDA#	Federal Award Name and Brief Purpose	New Grant	2014 Actual	2015 Budget	2016 Base	2017 Base	Required State Match/MOE	FTE's
Health & Human Services 93.600	Head Start Promote school readiness by enhancing the social and cognitive development of low-income children, including children on federally recognized reservations and children of migratory farm workers, through the provision of comprehensive health, educational, nutritional, social and other services; and to involve parents in their children's learning and to help parents make progress toward their educational, literacy and employment goals.	on-going	131	136	130	130	Match: Yes MOE: No	1.0
Health & Human Services 93.938	Comprehensive School Health Programs To improve the health and well-being of youth and prepare them to be healthy adults and help schools prevent sexual risk behaviors that result in HIV infection, especially among youth who are at highest risk.	ended	123	0	0	0	no no	-
Health & Human Services 93.079	Adolescent Health To help school districts and schools develop and implement sustainable program activities to reduce HIV infection and other sexual transmitted disease among adolescents, as well as, reinforce efforts to reduce teen pregnancy rates, experienced by specific adolescent sub-populations.	on-going	202	461	462	462	No	1.2
	Health & Human Services Total		456	597	592	592		
Education	Contract – National Assessment of Education Progress Coordinate state's participation in the federally required assessments of the National Assessments Governing Board.	on-going	132	170	170	170	No	1.0
Education	Contract – Performance Based Data Management Initiative To improve and institutionalize ED*Facts* reporting processes within the state.	on-going	3	7	7	7	No	-
	Education Contracts Total		135	177	177	177		

Federal Agency and CFDA#	Federal Award Name and Brief Purpose	New Grant	2014 Actual	2015 Budget	2016 Base	2017 Base	Required State Match/MOE	FTE's
	MDE Total Federal Funds		731,310	814,496	789,683	780,358		

MDE Federal Funds Summary Narrative:

Federal Funds make up 10% of Minnesota Department of Education's (MDE) budget and are projected to be $784 and $788 million for State fiscal years 2014 and 2015 respectively. Due to the ending of large one-time funds for the American Recovery and Reinvestment Act (ARRA) and Education Jobs, fiscal year 2013 is significantly higher than subsequent years. Title I and Special Education funding has remained the same or shown a slight increase that is insignificant when compared to the increased cost of providing services to eligible students. Special Education expenditures fluctuated between fiscal years 2012 and 2013 due to some delayed spending of the federal award.

Major programs with Maintenance of Effort (MOE) include Title I, Special Education, English Language Acquisition, and Adult Basic Education (ABE). Title I and ABE require LEAs to spend at least 90% of prior year funding from state and local efforts to avoid a prorated loss of federal funds. For Special Education, states are subject to MOE and are required to spend the same amount of funding as the previous year in order to receive IDEA Parts B and C funds. Food & Nutritional Services, ABE and Carl Perkins also require a state match for the state to receive federal funds.

MDE estimates that about $500M dollars in federal funds will be impacted by sequestration. This amounts to about 23 federal programs. Depending on which programs outside of education are included the impact could be anywhere between an 8.4% to 15% reduction. The reductions would be significant not only to districts but also MDE. Sixty percent of MDE staff is funded through federal funds. Layoff would be inevitable. The amount of indirect funds the agency can use for internal operations (local grant awards, accounts payable and receivable and other operating costs) would also be significantly impacted.