

Table of Contents

Minnesota Department of Education

| | |
|--|-----------|
| Agency Profile | 1 |
| Agency Expenditure Overview | 3 |
| Agency Financing by Fund | 5 |
| Agency Change Summary | 8 |
| Program | 10 |
| Education Leadership and Support | 10 |
| <u>Activity</u> | 10 |
| Education Leadership and Support | 10 |
| <i>Activity Narrative</i> | 10 |
| Activity Expenditure Overview | 12 |
| Activity Financing by Fund | 13 |
| Regional Centers of Excellence | 16 |
| <i>Activity Narrative</i> | 16 |
| Activity Expenditure Overview | 18 |
| Activity Financing by Fund | 19 |
| Board of School Administrators | 20 |
| <i>Activity Narrative</i> | 20 |
| Activity Expenditure Overview | 22 |
| Activity Financing by Fund | 23 |
| <u>Program</u> | 24 |
| General Education | 24 |
| <u>Activity</u> | 24 |
| General Education | 24 |
| <i>Activity Narrative</i> | 24 |
| Activity Expenditure Overview | 28 |
| Activity Financing by Fund | 29 |
| Program | 30 |
| Other General Education | 30 |
| <u>Activity</u> | 30 |
| Enrollment Options Transportation | 30 |
| <i>Activity Narrative</i> | 30 |
| Activity Expenditure Overview | 32 |
| Activity Financing by Fund | 33 |
| Abatement Revenue | 34 |
| <i>Activity Narrative</i> | 34 |
| Activity Expenditure Overview | 35 |
| Activity Financing by Fund | 36 |
| Consolidation Transition | 37 |
| <i>Activity Narrative</i> | 37 |
| Activity Expenditure Overview | 38 |
| Activity Financing by Fund | 39 |
| Nonpublic Pupil | 40 |
| <i>Activity Narrative</i> | 40 |

| | |
|--|----|
| Activity Expenditure Overview | 41 |
| Activity Financing by Fund | 42 |
| Nonpublic Transportation | 43 |
| <i>Activity Narrative</i> | 43 |
| Activity Expenditure Overview | 44 |
| Activity Financing by Fund | 45 |
| Career and Technical Education | 46 |
| <i>Activity Narrative</i> | 46 |
| Activity Expenditure Overview | 48 |
| Activity Financing by Fund | 49 |
| Reserves and Credits | 50 |
| <i>Activity Narrative</i> | 50 |
| Activity Financing by Fund | 53 |
| Other Aid Allocations | 54 |
| <i>Activity Narrative</i> | 54 |
| Activity Expenditure Overview | 57 |
| Activity Financing by Fund | 58 |
| Miscellaneous Levies | 59 |
| <i>Activity Narrative</i> | 59 |
| Activity Financing by Fund | 62 |
| <u>Program</u> | 63 |
| Choice Programs | 63 |
| <u>Activity</u> | 63 |
| Charter School Lease Aid | 63 |
| <i>Activity Narrative</i> | 63 |
| Activity Expenditure Overview | 64 |
| Activity Financing by Fund | 65 |
| Achievement and Integration Aid | 66 |
| <i>Activity Narrative</i> | 66 |
| Activity Expenditure Overview | 68 |
| Activity Financing by Fund | 69 |
| Inter-district Desegregation Transportation | 70 |
| <i>Activity Narrative</i> | 70 |
| Activity Expenditure Overview | 71 |
| Activity Financing by Fund | 72 |
| COMPASS | 73 |
| <i>Activity Narrative</i> | 73 |
| Activity Expenditure Overview | 76 |
| Activity Financing by Fund | 77 |
| Recovery Program | 78 |
| <i>Activity Narrative</i> | 78 |
| Activity Expenditure Overview | 79 |
| Activity Financing by Fund | 80 |
| <u>Program</u> | 81 |
| Indian Education | 81 |
| <u>Activity</u> | 81 |
| Indian Teacher Training Program | 81 |
| <i>Activity Narrative</i> | 81 |

| | |
|---|-----|
| Activity Expenditure Overview | 83 |
| Activity Financing by Fund | 84 |
| Tribal Contract Schools | 85 |
| <i>Activity Narrative</i> | 85 |
| Activity Expenditure Overview | 86 |
| Activity Financing by Fund | 87 |
| Tribal Early Childhood Program | 88 |
| <i>Activity Narrative</i> | 88 |
| Activity Expenditure Overview | 89 |
| Activity Financing by Fund | 90 |
| American Indian Education Aid | 91 |
| <i>Activity Narrative</i> | 91 |
| Activity Expenditure Overview | 93 |
| Activity Financing by Fund | 94 |
| American Indian Education Other Grants/Misc | 95 |
| <i>Activity Narrative</i> | 95 |
| Activity Expenditure Overview | 96 |
| Activity Financing by Fund | 97 |
| <u>Program</u> | 98 |
| Innovation and Accountability | 98 |
| <u>Activity</u> | 98 |
| Assessments | 98 |
| <i>Activity Narrative</i> | 98 |
| Activity Expenditure Overview | 99 |
| Activity Financing by Fund | 100 |
| <u>Program</u> | 101 |
| Student and Teacher Opportunities | 101 |
| <u>Activity</u> | 101 |
| Advanced Placement-International Baccalaureate | 101 |
| <i>Activity Narrative</i> | 101 |
| Activity Expenditure Overview | 103 |
| Activity Financing by Fund | 104 |
| Concurrent Enrollment | 105 |
| <i>Activity Narrative</i> | 105 |
| Activity Expenditure Overview | 107 |
| Activity Financing by Fund | 108 |
| Literacy Incentive Aid | 109 |
| <i>Activity Narrative</i> | 109 |
| Activity Expenditure Overview | 111 |
| Activity Financing by Fund | 112 |
| Read Act | 113 |
| <i>Activity Narrative</i> | 113 |
| Activity Expenditure Overview | 117 |
| Activity Financing by Fund | 118 |
| Student Organizations | 119 |
| <i>Activity Narrative</i> | 119 |
| Activity Expenditure Overview | 120 |
| Activity Financing by Fund | 121 |

| | |
|--|-----|
| Early Childhood Literacy | 122 |
| <i>Activity Narrative</i> | 122 |
| Activity Expenditure Overview | 124 |
| Activity Financing by Fund | 125 |
| Elementary and Secondary Education Act Programs | 126 |
| <i>Activity Narrative</i> | 126 |
| Activity Expenditure Overview | 128 |
| Activity Financing by Fund | 129 |
| Student Opportunities | 130 |
| <i>Activity Narrative</i> | 130 |
| Activity Expenditure Overview | 135 |
| Activity Financing by Fund | 136 |
| Teacher Opportunities | 137 |
| <i>Activity Narrative</i> | 137 |
| Activity Expenditure Overview | 145 |
| Activity Financing by Fund | 146 |
| One-Time Grants | 147 |
| <i>Activity Narrative</i> | 147 |
| Activity Expenditure Overview | 150 |
| Activity Financing by Fund | 151 |
| <u>Program</u> | 152 |
| Special Education | 152 |
| <u>Activity</u> | 152 |
| Special Education - Regular | 152 |
| <i>Activity Narrative</i> | 152 |
| Activity Expenditure Overview | 156 |
| Activity Financing by Fund | 157 |
| Other Federal Special Education Programs | 158 |
| <i>Activity Narrative</i> | 158 |
| Activity Expenditure Overview | 163 |
| Activity Financing by Fund | 164 |
| Other State Special Education Programs | 165 |
| <i>Activity Narrative</i> | 165 |
| Activity Expenditure Overview | 169 |
| Activity Financing by Fund | 170 |
| <u>Program</u> | 171 |
| Facilities and Technology | 171 |
| <u>Activity</u> | 171 |
| Debt Service Equalization | 171 |
| <i>Activity Narrative</i> | 171 |
| Activity Expenditure Overview | 173 |
| Activity Financing by Fund | 174 |
| Telecommunications Access | 175 |
| <i>Activity Narrative</i> | 175 |
| Activity Expenditure Overview | 176 |
| Activity Financing by Fund | 177 |
| Long-Term Facilities Maintenance Aid | 178 |
| <i>Activity Narrative</i> | 178 |

| | |
|--|------------|
| Activity Expenditure Overview | 180 |
| Activity Financing by Fund | 181 |
| Special Facilities and Technology Opportunities | 182 |
| <i>Activity Narrative</i> | 182 |
| Activity Expenditure Overview | 183 |
| Activity Financing by Fund | 184 |
| <u>Program</u> | 185 |
| Nutrition | 185 |
| <u>Activity</u> | 185 |
| Minnesota Free School Meals - Lunch | 185 |
| <i>Activity Narrative</i> | 185 |
| Activity Expenditure Overview | 187 |
| Activity Financing by Fund | 188 |
| Minnesota Free School Meals - Breakfast | 189 |
| <i>Activity Narrative</i> | 189 |
| Activity Expenditure Overview | 191 |
| Activity Financing by Fund | 192 |
| Summer Food | 193 |
| <i>Activity Narrative</i> | 193 |
| Activity Expenditure Overview | 195 |
| Activity Financing by Fund | 196 |
| USDA Foods | 197 |
| <i>Activity Narrative</i> | 197 |
| Activity Expenditure Overview | 198 |
| Activity Financing by Fund | 199 |
| Child and Adult Care Food Program | 200 |
| <i>Activity Narrative</i> | 200 |
| Activity Expenditure Overview | 202 |
| Activity Financing by Fund | 203 |
| Other Nutrition Programs | 204 |
| <i>Activity Narrative</i> | 204 |
| Activity Expenditure Overview | 206 |
| Activity Financing by Fund | 207 |
| Kindergarten Milk | 208 |
| <i>Activity Narrative</i> | 208 |
| Activity Expenditure Overview | 209 |
| Activity Financing by Fund | 210 |
| <u>Program</u> | 211 |
| Libraries | 211 |
| <u>Activity</u> | 211 |
| Basic Support and Federal Grants | 211 |
| <i>Activity Narrative</i> | 211 |
| Activity Expenditure Overview | 213 |
| Activity Financing by Fund | 214 |
| Multicounty Multitype | 215 |
| <i>Activity Narrative</i> | 215 |
| Activity Expenditure Overview | 217 |
| Activity Financing by Fund | 218 |

| | |
|---|-----|
| Electronic Library for Minnesota | 219 |
| <i>Activity Narrative</i> | 219 |
| Activity Expenditure Overview | 221 |
| Activity Financing by Fund | 222 |
| Regional Library Telecom Aid | 223 |
| <i>Activity Narrative</i> | 223 |
| Activity Expenditure Overview | 225 |
| Activity Financing by Fund | 226 |
| School Library Aid | 227 |
| <i>Activity Narrative</i> | 227 |
| Activity Expenditure Overview | 228 |
| Activity Financing by Fund | 229 |
| <u>Program</u> | 230 |
| Early Childhood and Family Support | 230 |
| <u>Activity</u> | 230 |
| Early Childhood Family Education | 230 |
| <i>Activity Narrative</i> | 230 |
| Activity Expenditure Overview | 232 |
| Activity Financing by Fund | 233 |
| School Readiness | 234 |
| <i>Activity Narrative</i> | 234 |
| Activity Expenditure Overview | 237 |
| Activity Financing by Fund | 238 |
| Kindergarten Entry Profile | 239 |
| <i>Activity Narrative</i> | 239 |
| Activity Expenditure Overview | 241 |
| Activity Financing by Fund | 242 |
| Access to Quality Early Learning | 243 |
| <i>Activity Narrative</i> | 243 |
| Activity Expenditure Overview | 246 |
| Activity Financing by Fund | 247 |
| Health and Developmental Screening | 248 |
| <i>Activity Narrative</i> | 248 |
| Activity Expenditure Overview | 250 |
| Activity Financing by Fund | 251 |
| Head Start | 252 |
| <i>Activity Narrative</i> | 252 |
| Activity Expenditure Overview | 254 |
| Activity Financing by Fund | 255 |
| Infant and Toddler Intervention | 256 |
| <i>Activity Narrative</i> | 256 |
| Activity Expenditure Overview | 258 |
| Activity Financing by Fund | 259 |
| Preschool Special Education | 260 |
| <i>Activity Narrative</i> | 260 |
| Activity Expenditure Overview | 262 |
| Activity Financing by Fund | 263 |
| Family Opportunities | 264 |

| | |
|--|-----|
| <i>Activity Narrative</i> | 264 |
| Activity Expenditure Overview | 266 |
| Activity Financing by Fund | 267 |
| <u>Program</u> | 268 |
| Community Education | 268 |
| <u>Activity</u> | 268 |
| Community Education | 268 |
| <i>Activity Narrative</i> | 268 |
| Activity Expenditure Overview | 271 |
| Activity Financing by Fund | 272 |
| Adults with Disabilities | 273 |
| <i>Activity Narrative</i> | 273 |
| Activity Expenditure Overview | 274 |
| Activity Financing by Fund | 275 |
| Deaf, Deafblind, and Hard-of-Hearing Adults | 276 |
| <i>Activity Narrative</i> | 276 |
| Activity Expenditure Overview | 277 |
| Activity Financing by Fund | 278 |
| School Age Care | 279 |
| <i>Activity Narrative</i> | 279 |
| Activity Expenditure Overview | 280 |
| Activity Financing by Fund | 281 |
| <u>Program</u> | 282 |
| Self Sufficient and Lifelong Learning | 282 |
| <u>Activity</u> | 282 |
| Adult Basic Education | 282 |
| <i>Activity Narrative</i> | 282 |
| Activity Expenditure Overview | 284 |
| Activity Financing by Fund | 285 |
| High School Equivalency Tests | 286 |
| <i>Activity Narrative</i> | 286 |
| Activity Expenditure Overview | 288 |
| Activity Financing by Fund | 289 |

<https://education.mn.gov/>

AT A GLANCE

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

- Direct Support: MDE directly supports the continuous improvement of teaching and learning to schools, educators, children, students, and parents.
- E-12 Systems: MDE provides systems support through program and policy development and assessment.
- Guidance, Technical Assistance, and Funding: MDE provides supportive leadership to all education entities through guidance, technical assistance to meet state and federally legislated requirements, and administration of school funding programs.

MDE supports (2023):

- 849,936 students in prekindergarten through grade 12.
- Over 135,000 children participating in early learning programs.
- 329 school districts, 181 charter schools, and four tribal schools.
- 47,615 adult learners in fiscal year (FY) 2023.

PURPOSE

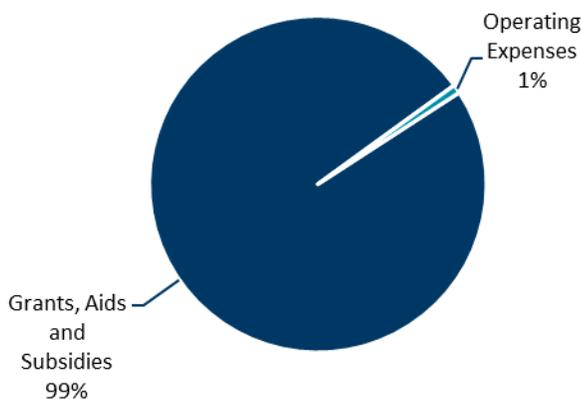
The MDE mission is: “Ensuring every child receives a quality education, no matter their race or zip code.” MDE is striving to make Minnesota the Education State, where the public education system is intentionally designed to help each individual student thrive.

In this work, MDE’s key objectives are:

- Every student deserves a world-class education.
- Every student deserves to attend a safe, nurturing learning environment.
- Every student deserves to learn in a classroom with caring, qualified teachers.
- MDE will provide leadership, support, and partnership to schools and libraries across the state.

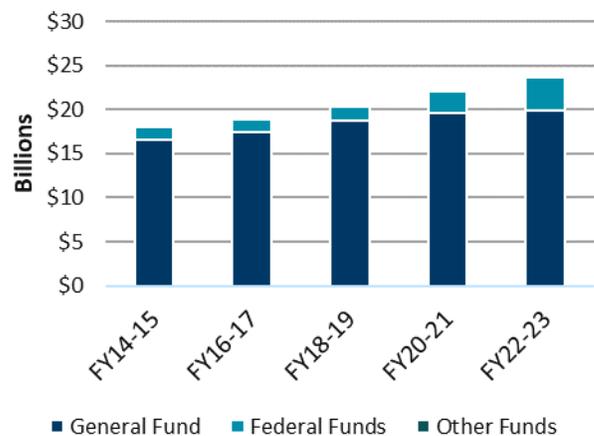
BUDGET

**Spending by Category
FY 2023 Actual**



Source: Budget Planning & Analysis System (BPAS)

Historical Spending



Source: Consolidated Fund Statement

In FY 2022-2023, 83 percent of education funding originated from the state general fund, 15 percent was from federal funds, and 2 percent was from other funds. In FY 2023, total spending was \$11.97 billion; \$11.81 billion was passed through the agency as grants and aids, \$99.48 million went towards operating expenses, and \$51.75 million was spent on employee compensation.

STRATEGIES

In order to reach measurable goals for student achievement, Minnesota must prioritize diversity, equity, inclusion, and support for the student's entire experience with school.

To achieve its mission, MDE provides leadership and support to students, educators, 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, now contained within the Collaborative Minnesota Partnerships to Advance Student Success (COMPASS) Regional Teams in the Minnesota Service Cooperatives, 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.

Prekindergarten through Grade 12 Systems

- MDE programs provide support for systems improvement through a comprehensive, collaborative approach. For example, MDE works to improve educators and leader quality by supporting and improving implementation of local educators and principal professional development and evaluation support systems that will benefit all Minnesota students. The state accountability system under the federal Every Student Succeeds Act and state World's Best Workforce legislation measures student performance from pre-K through postsecondary education and provides a comprehensive model of continuous system improvement for all districts.

Guidance, Technical Assistance, and Funding

- Department programs provide supportive leadership to all educational entities by issuing guidance and giving technical assistance to meet the myriad of state and federally legislated requirements. For instance, the technical assistance to districts in the development of their Comprehensive Achievement and Civic Readiness (formerly World's Best Workforce) plans results in a strategy 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. 120-129; M.S. 134-135

Education

Agency Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 9,856,556 | 10,094,351 | 11,550,805 | 12,282,447 | 12,429,992 | 12,932,042 |
| 2000 - Restrict Misc Special Revenue | 6,820 | 6,575 | 8,776 | 11,549 | 13,782 | 8,102 |
| 2001 - Other Misc Special Revenue | 84,299 | 93,617 | 297,741 | 202,087 | 72,487 | 43,437 |
| 2301 - Arts & Cultural Heritage | 2,602 | 2,793 | 3,000 | 2,750 | | |
| 2403 - Gift | 124 | 137 | 115 | 217 | 126 | 126 |
| 3000 - Federal | 1,972,232 | 1,661,730 | 1,431,244 | 1,441,065 | 997,283 | 1,000,054 |
| 3015 - ARP-State Fiscal Recovery | 49,599 | 66,144 | 402 | | | |
| 3801 - Endowment School | 35,327 | 40,878 | 50,944 | 57,957 | 59,170 | 59,532 |
| 6000 - Miscellaneous Agency | 1 | 0 | 2 | 6 | 5 | 5 |
| Total | 12,007,559 | 11,966,226 | 13,343,028 | 13,998,078 | 13,572,845 | 14,043,298 |
| Biennial Change | | | | 3,367,321 | | 275,037 |
| Biennial % Change | | | | 14 | | 1 |

Expenditures by Program

| | | | | | | |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Education Leadership and Support | 184,119 | 248,598 | 186,274 | 181,167 | 131,258 | 119,993 |
| General Education | 7,389,486 | 7,489,154 | 8,114,214 | 8,328,601 | 8,475,743 | 8,713,379 |
| Other General Education | 50,737 | 58,989 | 106,694 | 128,397 | 111,942 | 74,198 |
| Choice Programs | 177,589 | 188,708 | 190,627 | 232,737 | 222,297 | 227,163 |
| Indian Education | 14,875 | 14,472 | 19,197 | 39,004 | 31,052 | 32,203 |
| Innovation and Accountability | 11,696 | 12,498 | 12,472 | 11,964 | 11,903 | 11,903 |
| Student and Teacher Opportunities | 865,238 | 1,035,707 | 885,477 | 1,013,289 | 493,466 | 505,934 |
| Special Education | 1,947,762 | 2,068,781 | 2,513,095 | 2,782,540 | 2,978,235 | 3,220,199 |
| Facilities and Technology | 139,219 | 136,070 | 135,904 | 177,711 | 147,526 | 143,886 |
| Nutrition | 948,706 | 426,115 | 703,712 | 729,530 | 751,863 | 773,525 |
| Libraries | 22,650 | 21,520 | 47,439 | 50,140 | 46,894 | 47,264 |
| Early Childhood and Family Support | 194,920 | 201,826 | 337,168 | 246,446 | 93,294 | 94,263 |
| Community Education | 3,802 | 5,089 | 32,051 | 16,171 | 15,669 | 16,047 |
| Self Sufficient and Lifelong Learning | 56,760 | 58,697 | 58,703 | 60,381 | 61,703 | 63,341 |
| Total | 12,007,559 | 11,966,226 | 13,343,028 | 13,998,078 | 13,572,845 | 14,043,298 |

Expenditures by Category

| | | | | | | |
|--------------|--------|--------|--------|--------|--------|--------|
| Compensation | 47,595 | 51,746 | 58,652 | 75,976 | 68,819 | 65,022 |
|--------------|--------|--------|--------|--------|--------|--------|

Education

Agency Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | | | FY26 | FY27 |
| Operating Expenses | 90,169 | 99,476 | 113,651 | 174,515 | 84,624 | 80,486 |
| Grants, Aids and Subsidies | 11,869,748 | 11,814,081 | 13,169,203 | 13,746,666 | 13,418,481 | 13,897,790 |
| Capital Outlay-Real Property | | 0 | | | | |
| Other Financial Transaction | 47 | 922 | 1,523 | 921 | 921 | |
| Total | 12,007,559 | 11,966,226 | 13,343,028 | 13,998,078 | 13,572,845 | 14,043,298 |

| | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Total Agency Expenditures | 12,007,559 | 11,966,226 | 13,343,028 | 13,998,078 | 13,572,845 | 14,043,298 |
| Internal Billing Expenditures | 6,366 | 7,122 | 6,740 | 8,053 | 7,194 | 7,065 |
| Expenditures Less Internal Billing | 12,001,193 | 11,959,103 | 13,336,288 | 13,990,025 | 13,565,651 | 14,036,233 |

| | | | | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <u>Full-Time Equivalents</u> | 396.76 | 445.87 | 451.00 | 558.78 | 495.99 | 468.20 |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|

Education

Agency Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 9,771,818 | 10,012,515 | 11,479,127 | 11,948,012 | 12,329,299 | 12,846,580 |
| Levies | 3,366,835 | 3,383,167 | 3,753,609 | 3,995,163 | 4,097,189 | 4,169,585 |
| District Revenue | 13,138,653 | 13,395,682 | 15,232,736 | 15,943,175 | 16,426,488 | 17,016,165 |
| Direct Appropriation | 10,287,641 | 10,263,846 | 12,115,606 | 12,373,989 | 12,386,350 | 12,896,817 |
| Open Appropriation | 3,288 | | | | | |
| Balance Forward In | 3,200 | 22,747 | 375 | 147,131 | | |
| Transfers In | 1,075 | 1,519 | 39,945 | 1,799 | 79,566 | 81,189 |
| Transfers Out | 82,029 | 82,334 | 425,632 | 240,472 | 35,924 | 45,964 |
| Cancellations | 342,952 | 111,117 | 32,359 | | | |
| Balance Forward Out | 13,667 | 310 | 147,130 | | | |
| Expenditures | 9,856,556 | 10,094,351 | 11,550,805 | 12,282,447 | 12,429,992 | 12,932,042 |
| Biennial Change in Expenditures | | | | 3,882,346 | | 1,528,782 |
| Biennial % Change in Expenditures | | | | 19 | | 6 |
| Full-Time Equivalents | 140.28 | 151.92 | 167.69 | 237.20 | 205.01 | 206.01 |

2000 - Restrict Misc Special Revenue

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|---------------|---------------|--------------|
| Balance Forward In | 4,886 | 5,986 | 8,050 | 7,944 | 5,668 | 441 |
| Receipts | 7,560 | 8,160 | 8,669 | 9,509 | 8,555 | 8,028 |
| Internal Billing Receipts | 6,366 | 7,092 | 6,857 | 8,053 | 7,194 | 6,930 |
| Transfers Out | | | | 236 | | |
| Balance Forward Out | 5,626 | 7,571 | 7,943 | 5,668 | 441 | 367 |
| Expenditures | 6,820 | 6,575 | 8,776 | 11,549 | 13,782 | 8,102 |
| Biennial Change in Expenditures | | | | 6,930 | | 1,559 |
| Biennial % Change in Expenditures | | | | 52 | | 8 |
| Full-Time Equivalents | 27.79 | 32.05 | 32.41 | 47.06 | 44.83 | 19.89 |

2001 - Other Misc Special Revenue

| | | | | | | |
|---------------------|---------------|---------------|----------------|----------------|---------------|---------------|
| Balance Forward In | 7,164 | 16,823 | 20,901 | 105,319 | 39,050 | |
| Receipts | 300 | 368 | 511 | 580 | 483 | 483 |
| Transfers In | 77,427 | 77,459 | 381,647 | 242,238 | 32,954 | 42,954 |
| Transfers Out | 18 | 50 | | 107,000 | | |
| Balance Forward Out | 575 | 982 | 105,318 | 39,050 | | |
| Expenditures | 84,299 | 93,617 | 297,741 | 202,087 | 72,487 | 43,437 |

Education

Agency Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|-----------|
| | | | | | FY26 | FY27 |
| Biennial Change in Expenditures | | | | 321,912 | | (383,904) |
| Biennial % Change in Expenditures | | | | 181 | | (77) |
| Full-Time Equivalents | 6.38 | 7.27 | 11.18 | 14.79 | 3.47 | 4.62 |

2301 - Arts & Cultural Heritage

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|---|---------|
| Balance Forward In | 38 | 110 | 0 | | | |
| Direct Appropriation | 2,710 | 2,710 | 3,000 | 2,750 | 0 | 0 |
| Cancellations | 35 | 27 | | | | |
| Balance Forward Out | 110 | | | | | |
| Expenditures | 2,602 | 2,793 | 3,000 | 2,750 | | |
| Biennial Change in Expenditures | | | | 354 | | (5,750) |
| Biennial % Change in Expenditures | | | | 7 | | (100) |

2403 - Gift

| | | | | | | |
|-----------------------------------|------------|------------|------------|------------|------------|------------|
| Balance Forward In | 151 | 167 | 171 | 268 | 80 | |
| Receipts | 137 | 104 | 212 | 29 | 46 | 126 |
| Balance Forward Out | 164 | 133 | 268 | 80 | | |
| Expenditures | 124 | 137 | 115 | 217 | 126 | 126 |
| Biennial Change in Expenditures | | | | 70 | | (80) |
| Biennial % Change in Expenditures | | | | 27 | | (24) |
| Full-Time Equivalents | | 0.02 | | | | |

2820 - Maximum Effort School Loan

| | | | | | | |
|---------------------|----|----|----|----|----|----|
| Balance Forward In | 42 | 28 | 27 | 25 | 26 | 26 |
| Transfers Out | 42 | 28 | 27 | 25 | 26 | 26 |
| Net Loan Activity | 28 | 27 | 25 | 26 | 26 | 26 |
| Balance Forward Out | 28 | 27 | 25 | 26 | 26 | 26 |

3000 - Federal

| | | | | | | |
|---------------------|-----------|-----------|-----------|-----------|---------|-----------|
| Balance Forward In | 3 | 3 | | 172 | | |
| Receipts | 1,972,229 | 1,661,732 | 1,431,417 | 1,440,893 | 997,283 | 1,000,054 |
| Transfers Out | 0 | | | | | |
| Balance Forward Out | 0 | 5 | 173 | | | |

Education

Agency Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|------------------|------------------|------------------|------------------|----------------|------------------|
| | | | | | FY26 | FY27 |
| Expenditures | 1,972,232 | 1,661,730 | 1,431,244 | 1,441,065 | 997,283 | 1,000,054 |
| Biennial Change in Expenditures | | | | (761,653) | | (874,972) |
| Biennial % Change in Expenditures | | | | (21) | | (30) |
| Full-Time Equivalents | 220.74 | 252.38 | 239.72 | 259.73 | 242.68 | 237.68 |

3015 - ARP-State Fiscal Recovery

| | | | | | | |
|-----------------------------------|---------------|---------------|------------|-----------|--|-------|
| Balance Forward In | 57,917 | 66,142 | | | | |
| Direct Appropriation | 48,981 | 1,600 | 420 | | | |
| Cancellations | | 1,597 | 18 | | | |
| Balance Forward Out | 57,300 | | | | | |
| Expenditures | 49,599 | 66,144 | 402 | | | |
| Biennial Change in Expenditures | | | | (115,341) | | (402) |
| Biennial % Change in Expenditures | | | | (100) | | |
| Full-Time Equivalents | 1.57 | 2.23 | | | | |

3801 - Endowment School

| | | | | | | |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Transfers In | 35,327 | 40,878 | 50,944 | 57,957 | 59,170 | 59,532 |
| Expenditures | 35,327 | 40,878 | 50,944 | 57,957 | 59,170 | 59,532 |
| Biennial Change in Expenditures | | | | 32,696 | | 9,801 |
| Biennial % Change in Expenditures | | | | 43 | | 9 |

6000 - Miscellaneous Agency

| | | | | | | |
|-----------------------------------|----------|----------|----------|----------|----------|----------|
| Balance Forward In | 1 | 1 | 1 | 1 | | |
| Receipts | 1 | 0 | 2 | 5 | 5 | 5 |
| Balance Forward Out | 1 | 1 | 1 | | | |
| Expenditures | 1 | 0 | 2 | 6 | 5 | 5 |
| Biennial Change in Expenditures | | | | 7 | | 2 |
| Biennial % Change in Expenditures | | | | 612 | | 28 |

Education

Agency Change Summary

(Dollars in Thousands)

| | FY25 | FY26 | FY27 | Biennium 2026-27 |
|---|-------------------|-------------------|-------------------|---------------------|
| Direct | | | | |
| Fund: 1000 - General | | | | |
| FY2025 Appropriations | 12,348,179 | 12,348,179 | 12,348,179 | 24,696,358 |
| Base Adjustments | | | | |
| All Other One-Time Appropriations | | (13,059) | (13,059) | (26,118) |
| Current Law Base Change | | 197,859 | 670,391 | 868,250 |
| Allocated Reduction | (200) | (200) | (200) | (400) |
| Programs and Services Moving to DCYF | | (227,800) | (229,450) | (457,250) |
| Minnesota Paid Leave Allocation | | 45 | 45 | 90 |
| November Forecast Adjustment | 26,010 | 81,326 | 120,911 | 202,237 |
| Forecast Base | 12,373,989 | 12,386,350 | 12,896,817 | 25,283,167 |
| Fund: 2301 - Arts & Cultural Heritage | | | | |
| FY2025 Appropriations | 2,750 | 2,750 | 2,750 | 5,500 |
| Base Adjustments | | | | |
| Current Law Base Change | | (2,750) | (2,750) | (5,500) |
| Forecast Base | 2,750 | | | |
| Dedicated | | | | |
| Fund: 2000 - Restrict Misc Special Revenue | | | | |
| Planned Spending | 11,549 | 13,782 | 8,102 | 21,884 |
| Forecast Base | 11,549 | 13,782 | 8,102 | 21,884 |
| Fund: 2001 - Other Misc Special Revenue | | | | |
| Planned Spending | 202,087 | 72,487 | 43,437 | 115,924 |
| Forecast Base | 202,087 | 72,487 | 43,437 | 115,924 |
| Fund: 2403 - Gift | | | | |
| Planned Spending | 217 | 126 | 126 | 252 |
| Forecast Base | 217 | 126 | 126 | 252 |
| Fund: 3000 - Federal | | | | |
| Planned Spending | 1,441,065 | 997,283 | 1,000,054 | 1,997,337 |
| Forecast Base | 1,441,065 | 997,283 | 1,000,054 | 1,997,337 |
| Fund: 6000 - Miscellaneous Agency | | | | |
| Planned Spending | 6 | 5 | 5 | 10 |
| Forecast Base | 6 | 5 | 5 | 10 |

Education

Agency Change Summary

(Dollars in Thousands)

| | FY25 | FY26 | FY27 | Biennium 2026-27 |
|---|-----------|---------|-----------|---------------------|
| Revenue Change Summary | | | | |
| Dedicated | | | | |
| Fund: 2000 - Restrict Misc Special Revenue | | | | |
| Forecast Revenues | 9,509 | 8,555 | 8,028 | 16,583 |
| Fund: 2001 - Other Misc Special Revenue | | | | |
| Forecast Revenues | 580 | 483 | 483 | 966 |
| Fund: 2403 - Gift | | | | |
| Forecast Revenues | 29 | 46 | 126 | 172 |
| Fund: 3000 - Federal | | | | |
| Forecast Revenues | 1,440,893 | 997,283 | 1,000,054 | 1,997,337 |
| Fund: 6000 - Miscellaneous Agency | | | | |
| Forecast Revenues | 5 | 5 | 5 | 10 |
| Non-Dedicated | | | | |
| Fund: 1000 - General | | | | |
| Forecast Revenues | 1,043 | 1,043 | 1,043 | 2,086 |

Program: Education Leadership and Support**Activity: Education Leadership and Support**

<https://education.mn.gov/mde/>

AT A GLANCE

The Education Leadership and Support program sets policy and directs and oversees annual spending. In FY 2023, this program provided guidance and assistance to:

- 849,936 students in prekindergarten through grade 12.
- Over 135,000 children participating in early learning programs.
- 329 school districts, 181 charter schools, and four tribal schools.
- 47,615 adult learners in FY 2023

PURPOSE AND CONTEXT

The goal for education is: “Ensuring every child receives a quality education, no matter their race or zip code.” The Minnesota Department of Education (MDE) is striving to make Minnesota the Education State, where the public education system is intentionally designed to help each individual student thrive.

In this work, MDE key objectives include:

- Every student deserves a world-class education.
- Every student deserves to attend a safe, nurturing learning environment.
- Every student deserves to learn in a classroom with caring, qualified teachers.
- MDE will provide leadership, support, and partnership to schools and libraries across the state.

SERVICES PROVIDED

Services provided by MDE’s Education Leadership and Support program support four overarching strategies:

1. **Direct support:** MDE directly supports the continuous improvement of teaching and learning to schools, teachers, children, students, and parents. In this work the Education Leadership and Support program:
 - Provides training and resources to assist schools, families, and the department in maintaining compliance with state and federal laws and policies.
 - Assists schools and childcare providers in providing nutritious meals and creating safe and healthy learning environments.
 - Develops and extends statewide library services.
 - Established and administers a School Safety Technical Assistance Center to assist districts and schools to provide a safe and supportive learning environment.
2. Prekindergarten through 12th-grade systems: MDE provides systems support through program and policy development and assessment. The Education Leadership and Support program:
 - Administers the Carl Perkins federal grant program.
 - Administers and collects data for the state’s assessment and accountability system.
 - Develops and implements assessment systems to measure student knowledge and skills on Minnesota K-12 Academic Standards and Minnesota English Language Proficiency Standards.
 - Develops academic standards.
 - Monitors school district and MDE compliance with state and federal education laws.
 - Administers the Minnesota Braille and Talking Book Library.
 - Implements the student maltreatment, charter schools, and early education policies and programs.

3. Guidance, technical assistance, and funding: MDE provides supportive leadership to all educational entities by providing guidance and technical assistance to meet state and federally legislated requirements and administers school funding programs. Education Leadership and Support also:
 - Provides leadership, policy direction, and information technology services for the agency.
 - Develops tools and provides guidance to assist schools in the implementation of programs and academic standards.
 - Provides policy guidance for school choice programs, including online learning.
 - Distributes formula and competitive grants, as well as aid programs.
 - Calculates state aid and distributes payments to school districts and charter schools.
 - Calculates school district local property tax levies.
4. Office of the Inspector General (OIG): The OIG was established by the state legislature in 2023 and is charged with the responsibility of protecting the integrity of MDE and the state by detecting and preventing fraud, waste, and abuse in department programs. The OIG is responsible for conducting independent and objective investigations to promote the integrity of the department’s programs and operations. The Office of the Inspector General also:
 - Detects and prevents fraud, waste, and abuse in the Department’s programs.
 - Conducts independent and objective investigations, audits, and inspections and evaluations to promote the integrity of MDE programs and operations.
 - Establishes and maintains a comprehensive risk governance and oversight framework in the Department.
 - Screens and investigates allegations of maltreatment in District and Charter schools, including students 18-21 and students receiving special education services.

The fiscal pages of this Budget Activity display MDE’s primary general fund operating appropriations as well as numerous appropriations across other funds. These appropriations are for items such as agency operations, agreements with other agencies or grant providers, gift funds, and federal funds not included in other Budget Activities. Additionally, federal COVID relief funds from the statewide Coronavirus Relief Fund (CRF) and State Fiscal Recovery Fund (SFRF) are reflected in this Budget Activity.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---------------------|--------------|---|---------------------------|-----------------------------------|
| Reading Proficiency | Result | Proportion of students demonstrating proficiency in third-grade reading | 2023 Result: 47% overall | 2025 Goal: 79% overall |
| Math Proficiency | Result | Proportion of students demonstrating proficiency in eighth-grade math | 2023 Result: 40% overall | 2025 Goal: 78% overall |
| Science Proficiency | Result | Proportion of students demonstrating proficiency in fifth-grade science | 2023 Result: 48% overall | 2025 Goal: 78% overall |
| Graduation Rate | Result | Four-year graduation rate | 2023 Result: 83% overall | 2025 Goal: 95% overall |
| Dropout Rate | Result | Four-year high school dropout rate | 2023 Result: 4.5% overall | 2025 Goal: Less than 2.5% overall |

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

Education Leadership and Support

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|---|----------------|----------------|----------------|------------------|----------------|----------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 24,101 | 27,623 | 33,752 | 51,240 | 37,358 | 37,358 |
| 2000 - Restrict Misc Special Revenue | 6,793 | 6,575 | 8,776 | 11,549 | 13,782 | 8,102 |
| 2001 - Other Misc Special Revenue | 267 | 401 | 511 | 580 | 483 | 483 |
| 2403 - Gift | 124 | 137 | 115 | 217 | 126 | 126 |
| 3000 - Federal | 102,002 | 146,323 | 141,895 | 115,587 | 78,099 | 72,514 |
| 3015 - ARP-State Fiscal Recovery | 49,599 | 66,144 | 402 | | | |
| 6000 - Miscellaneous Agency | 1 | 0 | 2 | 5 | 5 | 5 |
| Total | 182,887 | 247,204 | 185,453 | 179,178 | 129,853 | 118,588 |
| Biennial Change | | | | (65,459) | | (116,190) |
| Biennial % Change | | | | (15) | | (32) |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | 33,725 | 37,281 | 41,358 | 52,778 | 49,976 | 46,016 |
| Operating Expenses | 35,773 | 36,847 | 36,963 | 60,262 | 43,387 | 40,014 |
| Grants, Aids and Subsidies | 113,341 | 172,154 | 105,610 | 65,217 | 35,569 | 32,558 |
| Capital Outlay-Real Property | | 0 | | | | |
| Other Financial Transaction | 47 | 922 | 1,522 | 921 | 921 | |
| Total | 182,887 | 247,204 | 185,453 | 179,178 | 129,853 | 118,588 |
| Total Agency Expenditures | 182,887 | 247,204 | 185,453 | 179,178 | 129,853 | 118,588 |
| Internal Billing Expenditures | 3,506 | 3,929 | 3,667 | 4,696 | 4,342 | 4,270 |
| Expenditures Less Internal Billing | 179,381 | 243,275 | 181,786 | 174,482 | 125,511 | 114,318 |
| <u>Full-Time Equivalent</u> | 282.83 | 323.54 | 318.30 | 395.53 | 360.98 | 334.49 |

Education Leadership and Support

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | 29,178 | 25,028 | 45,580 | 39,548 | 37,424 | 37,424 |
| Balance Forward In | | 5,275 | 375 | 12,138 | | |
| Transfers In | 7 | 7 | 7 | 7 | 7 | 7 |
| Transfers Out | 162 | 830 | 73 | 453 | 73 | 73 |
| Cancellations | | 1,547 | | | | |
| Balance Forward Out | 4,922 | 310 | 12,137 | | | |
| Expenditures | 24,101 | 27,623 | 33,752 | 51,240 | 37,358 | 37,358 |
| Biennial Change in Expenditures | | | | 33,268 | | (10,276) |
| Biennial % Change in Expenditures | | | | 64 | | (12) |
| Full-Time Equivalents | 132.77 | 144.15 | 152.37 | 193.05 | 172.55 | 173.55 |

2000 - Restrict Misc Special Revenue

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|---------------|---------------|--------------|
| Balance Forward In | 4,864 | 5,978 | 8,043 | 7,937 | 5,661 | 434 |
| Receipts | 7,548 | 8,160 | 8,669 | 9,509 | 8,555 | 8,028 |
| Internal Billing Receipts | 6,366 | 7,092 | 6,857 | 8,053 | 7,194 | 6,930 |
| Transfers Out | | | | 236 | | |
| Balance Forward Out | 5,619 | 7,564 | 7,936 | 5,661 | 434 | 360 |
| Expenditures | 6,793 | 6,575 | 8,776 | 11,549 | 13,782 | 8,102 |
| Biennial Change in Expenditures | | | | 6,957 | | 1,559 |
| Biennial % Change in Expenditures | | | | 52 | | 8 |
| Full-Time Equivalents | 27.79 | 32.05 | 32.41 | 47.06 | 44.83 | 19.89 |

2001 - Other Misc Special Revenue

| | | | | | | |
|-----------------------------------|------------|------------|------------|------------|------------|------------|
| Balance Forward In | | 33 | | | | |
| Receipts | 300 | 368 | 511 | 580 | 483 | 483 |
| Balance Forward Out | 33 | | | | | |
| Expenditures | 267 | 401 | 511 | 580 | 483 | 483 |
| Biennial Change in Expenditures | | | | 423 | | (125) |
| Biennial % Change in Expenditures | | | | 63 | | (11) |
| Full-Time Equivalents | 1.36 | 2.15 | 2.52 | 2.52 | 2.02 | 2.02 |

2403 - Gift

| | | | | | | |
|--------------------|-----|-----|-----|-----|----|--|
| Balance Forward In | 151 | 167 | 171 | 268 | 80 | |
|--------------------|-----|-----|-----|-----|----|--|

Education Leadership and Support

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|------------|
| | | | | | FY26 | FY27 |
| Receipts | 137 | 104 | 212 | 29 | 46 | 126 |
| Balance Forward Out | 164 | 133 | 268 | 80 | | |
| Expenditures | 124 | 137 | 115 | 217 | 126 | 126 |
| Biennial Change in Expenditures | | | | 70 | | (80) |
| Biennial % Change in Expenditures | | | | 27 | | (24) |
| Full-Time Equivalents | | 0.02 | | | | |

2820 - Maximum Effort School Loan

| | | | | | | |
|---------------------|----|----|----|----|----|----|
| Balance Forward In | 42 | 28 | 27 | 25 | 26 | 26 |
| Transfers Out | 42 | 28 | 27 | 25 | 26 | 26 |
| Net Loan Activity | 28 | 27 | 25 | 26 | 26 | 26 |
| Balance Forward Out | 28 | 27 | 25 | 26 | 26 | 26 |

3000 - Federal

| | | | | | | |
|-----------------------------------|----------------|----------------|----------------|----------------|---------------|---------------|
| Balance Forward In | 0 | | | 76 | | |
| Receipts | 102,002 | 146,323 | 141,972 | 115,511 | 78,099 | 72,514 |
| Transfers Out | 0 | | | | | |
| Balance Forward Out | | | 76 | | | |
| Expenditures | 102,002 | 146,323 | 141,895 | 115,587 | 78,099 | 72,514 |
| Biennial Change in Expenditures | | | | 9,157 | | (106,869) |
| Biennial % Change in Expenditures | | | | 4 | | (42) |
| Full-Time Equivalents | 119.34 | 142.94 | 131.00 | 152.90 | 141.58 | 139.03 |

3015 - ARP-State Fiscal Recovery

| | | | | | | |
|-----------------------------------|---------------|---------------|------------|-----------|--|-------|
| Balance Forward In | 57,917 | 66,142 | | | | |
| Direct Appropriation | 48,981 | 1,600 | 420 | | | |
| Cancellations | | 1,597 | 18 | | | |
| Balance Forward Out | 57,300 | | | | | |
| Expenditures | 49,599 | 66,144 | 402 | | | |
| Biennial Change in Expenditures | | | | (115,341) | | (402) |
| Biennial % Change in Expenditures | | | | (100) | | |
| Full-Time Equivalents | 1.57 | 2.23 | | | | |

Education Leadership and Support

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|------------------------------------|----------------|----------------|----------------|------------------|---------------|----------|
| | | | | | FY26 | FY27 |
| 6000 - Miscellaneous Agency | | | | | | |
| Receipts | 1 | 0 | 2 | 5 | 5 | 5 |
| Expenditures | 1 | 0 | 2 | 5 | 5 | 5 |
| Biennial Change in Expenditures | | | | 6 | | 3 |
| Biennial % Change in Expenditures | | | | 521 | | 46 |

Program: Educational Leadership and Support**Activity: Regional Centers of Excellence**

<https://education.mn.gov/MDE/dse/rc/>

AT A GLANCE

- In fiscal year (FY) 2023, the Regional Centers of Excellence provided support to:
- 119 schools identified for targeted support and improvement (TSI) in 60 districts
- 159 schools identified for comprehensive support and improvement (CSI) in 92 districts
- 83 Continuous Improvement schools
- From July 2022 to June 2023, Center staff provided over 120,000 hours of support to schools identified for support and improvement and school leaders.

PURPOSE AND CONTEXT

The Regional Centers of Excellence (RCE) were established by the Minnesota Department of Education (MDE) in partnership with Minnesota Service Cooperatives (MSC). These RCEs are now contained within the Collaborative Minnesota Partnerships to Advance Student Success (COMPASS) Regional teams in the Minnesota Service Cooperatives. These teams provide supports to districts and schools to meet goals in Minnesota's Comprehensive Achievement and Civic Readiness (previously World's Best Workforce) legislation and support schools identified as needing support under Minnesota's plan for the federal Every Student Succeeds Act (ESSA). COMPASS works in partnership with MSC to guide the state's system of support for schools and districts.

Comprehensive Support and Improvement (CSI) schools are the 5 percent most persistently low-performing Title I schools or any public high school with a graduation rate less than 67 percent. Targeted Support and Improvement (TSI) schools include any public school that has one or more student groups performing at a similar level as CSI schools or the school's overall performance is similar to CSI schools. The Centers support the Minnesota Department of Education's commitment to equity by developing leadership teams across levels of the system, making data visible and actionable, working on the conditions for learning, and supporting budget decisions that more equitably distribute resources.

The Centers use a stage-based framework with schools that incorporates three core support elements:

- Building and using implementation teams to actively lead implementation efforts.
- Using data and consistent, frequent feedback loops to drive decision-making and promote continuous improvement.
- Developing an implementation infrastructure that uses evidence-based practices, fosters change, and enables continuous improvement.

SERVICES PROVIDED

Identified schools and districts receive intensive on-site coaching and technical assistance in alignment with Minnesota's support and improvement timeline in the following areas:

- School leadership teams that work on continuous improvement.
- Continuous improvement processes including comprehensive needs assessment, root-cause analysis, and improvement plan design/implementation.
- Selection and implementation of evidence-based practices.
- School, family, and community engagement.
- Engagement of tribal communities.

- Identification and implementation of short-term strategies for school improvement.
- District or charter level practices that support school improvement including resource equity studies and alignment of school improvement activities to local initiatives.
- Participation in professional development activities for school and district staff.

The Centers provide support for individual school leaders and supports for schools working to improve school climate through social emotional learning and restorative practices, revisions to discipline policy, mental health supports for students, or community engagement.

The Minnesota Department of Education provides program evaluation, strategic leadership, coordination, and support for this program.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|--|--|--|
| Students proficient in math in CSI and TSI Schools | Results | Statewide testing results (MCA and other accountability tests) | FY2018: 29.1% (CSI Schools) 46.8% (TSI Schools) FY2021: 23.4% (CSI Schools) 33.0% (TSI Schools) | FY2023: 15.6%% (CSI Schools) 37.1% (TSI Schools) |
| Students proficient in reading in CSI and TSI Schools | Results | Statewide testing results (MCA and other accountability tests) | FY2018: 40.3% (CSI Schools) 46.9% (TSI Schools) FY2021: 19.2% (CSI Schools) 38.3% (TSI Schools) | FY2023: 29.3% (CSI Schools) 37.8%% (TSI Schools) |
| 4-year graduation rates in identified schools receiving support from the Regional Centers | Results | Graduation results (results are lag by one school year) | FY2018: 50.5% FY2021: 52.4% | FY2022: 40.9% (CSI) 49.2% (TSI) |

M.S. 120B.115

Regional Centers of Excellence

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 961 | 1,133 | 543 | 1,457 | 1,000 | 1,000 |
| Total | 961 | 1,133 | 543 | 1,457 | 1,000 | 1,000 |
| Biennial Change | | | | (95) | | 0 |
| Biennial % Change | | | | (5) | | 0 |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | 195 | 90 | 33 | 199 | 156 | 160 |
| Operating Expenses | 12 | 5 | 2 | 774 | 773 | 771 |
| Grants, Aids and Subsidies | 755 | 1,038 | 507 | 484 | 71 | 69 |
| Total | 961 | 1,133 | 543 | 1,457 | 1,000 | 1,000 |
| <u>Full-Time Equivalents</u> | | | | | | |
| | 1.27 | 0.65 | 0.25 | 1.00 | 1.00 | 1.00 |

Regional Centers of Excellence

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Balance Forward In | | 184 | | 457 | | |
| Cancellations | | 50 | | | | |
| Balance Forward Out | 39 | | 457 | | | |
| Expenditures | 961 | 1,133 | 543 | 1,457 | 1,000 | 1,000 |
| Biennial Change in Expenditures | | | | (95) | | 0 |
| Biennial % Change in Expenditures | | | | (5) | | 0 |
| Full-Time Equivalents | 1.27 | 0.65 | 0.25 | 1.00 | 1.00 | 1.00 |

Program: Education Leadership and Support**Activity: Board of School Administrators**

<https://bosa.mn.gov/>

AT A GLANCE

Composition: A ten-member board appointed by the Governor and confirmed by the Senate, comprised of individuals with exceptional educational achievements in their fields and commitment to the highest ethical standards for Minnesota's school administrators.

Responsibilities:

- Oversees the licensure of approximately 7,000 school administrators in Minnesota (excluding those with lifetime licenses).
- Serves 9,290 duplicate licensed administrators in Minnesota
- Processes over 538 new administrative licenses annually.
- Evaluates and approves 43 administrative preparation programs at 13 Minnesota universities every five years.
- Reviews over 60 ethics inquiries yearly.
- Awards more than 1,000 certificates of continuing education every year.

PURPOSE AND CONTEXT

The Minnesota State Legislature established the Board of School Administrators (BOSA) in 2001 to ensure that Minnesota's schools are led by top-performing superintendents, principals, and special and community education directors. BOSA maintains accountability by licensing administrators, approving administrator preparation programs, setting standards for continuing education and professional development, and enforcing a strict code of ethics.

SERVICES PROVIDED

The Board of School Administrators (BOSA) is an independent entity created with the support of Minnesota's educational administration organizations. Governed by a ten-member board appointed by the Governor and confirmed by the Senate, BOSA represents a diverse group, including principals, superintendents, special education directors, community education directors, higher education teachers, school board members, and the public. The board employs a 1.0 FTE executive director, 1.20 FTE administrative assistants, and .35 FTE licensing specialist.

BOSA's primary responsibilities include:

- **Licensing and re-licensing school** administrators in Minnesota.
- **Advocating** for school administrators on legislative matters.
- **Providing** guidance and best practices to administrators and school districts.
- **Reviewing** and approving variance requests from school boards.
- **Overseeing** and approving university administrative preparation programs.
- **Establishing** and certifying continuing education programs.
- **Investigating** and addressing ethics complaints.
- **Collecting** license renewal fees.
- **Conducting** data analysis and research.

RESULTS

| Measure Name | Measure Type | Measure Data Source | Historical Trend | Most Recent Data |
|--|--------------|---------------------|------------------|------------------|
| Number of first-time Minnesota administrative licenses issued | Quantity | BOSA collected data | FY22: 580 | FY23: 538 |
| The number of school boards served through the granting of variances (Variance for hiring a non-licensed administrator and variance for a lapsed license.) | Quantity | BOSA collected Data | FY22: 22 | FY23: 36 |
| Number of Board-approved continuing education certificates issued to initiators | Quantity | BOSA collected Data | FY22: 901 | FY23: 1,183 |
| Number of Code of Ethics inquiries reviewed (Ethic complaint received in writing). | Quantity | BOSA collected Data | FY22: 58 | FY23: 60 |
| Number of Administrator Conduct reviews Conducted | Quantity | BOSA collected Data | FY22: 70 | FY23: 75 |
| University Administrator Preparation Programs Accredited | Quantity | BOSA collected Data | FY22: 5 | FY23: 3 |
| Alternative Pathway Towards Superintendent (Alternative Superintendent Licensure Paths Completed). | Quantity | BOSA collected Data | FY22: N/A | FY23: 3 |
| BOSA Annual fee as required by Mn Statute 122A.14Subd. 9 | Quantity | BOSA collected Data | FY22: 3,833 | FY23: 5,384 |

M.S. 122A.11-14; MN Rule 3512

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|-------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 271 | 260 | 278 | 532 | 405 | 405 |
| Total | 271 | 260 | 278 | 532 | 405 | 405 |
| Biennial Change | | | | 279 | | 0 |
| Biennial % Change | | | | 52 | | (0) |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | 237 | 204 | 222 | 252 | 252 | 247 |
| Operating Expenses | 34 | 57 | 56 | 280 | 153 | 158 |
| Total | 271 | 260 | 278 | 532 | 405 | 405 |
| <u>Full-Time Equivalents</u> | | | | | | |
| | 2.25 | 2.27 | 2.56 | 2.50 | 2.50 | 2.50 |

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | 319 | 319 | 405 | 405 | 405 | 405 |
| Balance Forward In | | 50 | | 127 | | |
| Transfers Out | | 108 | | | | |
| Cancellations | | 0 | | | | |
| Balance Forward Out | 48 | | 127 | | | |
| Expenditures | 271 | 260 | 278 | 532 | 405 | 405 |
| Biennial Change in Expenditures | | | | 279 | | 0 |
| Biennial % Change in Expenditures | | | | 52 | | (0) |
| Full-Time Equivalents | 2.25 | 2.27 | 2.56 | 2.50 | 2.50 | 2.50 |

Program: General Education**Activity: General Education**

<https://education.state.mn.us/MDE/dse/schfin/GenEd/>

AT A GLANCE

In fiscal year (FY) 2023 general education revenue:

- Served 849,936 prekindergarten through grade 12 students.
- Served 329 school districts and 181 charter schools.
- Provided \$9.0 billion in state aid and \$2.3 billion in local property taxes.
- On average provided \$10,664 per student.
- Was the largest single item of state general fund spending.
- Was the largest resource available to school districts and charter schools.
- Provided general education funding for 234 Voluntary Prekindergarten and School Readiness Plus school sites.

PURPOSE AND 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, voluntary prekindergarten, school readiness plus, designated English Learner, and prekindergarten children with disabilities;
- Students receiving dual college credit;
- Students enrolled in private, nonsectarian schools that have contracted with a public school district to provide educational services (contract alternative); and
- Students attending public schools on a part-time basis while also attending nonpublic schools (shared time).

SERVICES PROVIDED

The following are components of general education revenue. Unless noted, dollars associated with each component reflect school district aid entitlements from FY 2023.

Core funding allowances for all districts and charter schools:

- Basic Revenue (\$6.4 billion) provides general operating funds to school districts and charter schools. The basic education revenue funding formula for each district and charter school equals the product of the formula allowance multiplied by the adjusted pupil units for the school year. Elementary students are weighted at 1.0; secondary students are weighted at 1.2.
- For fiscal years 2026 and later, the basic formula allowance increases by the rate of inflation with the requirement of not less than a 2 percent increase over the previous year, and not more than a 3 percent increase over the previous year.
- Formula allowances
 - \$6,728 – FY 2022
 - \$6,863 – FY 2023
 - \$7,138 – FY 2024
 - \$7,281 – FY 2025

The following state aid programs provide additional funding for students with unique needs:

- English Learner Revenue (\$59.2 million) is based on the number and concentration of English Learner students enrolled in a district or charter school.
- Compensatory Revenue (\$480.9 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. Compensatory Pilot Grants provides additional money to several districts for compensatory purposes outside of the normal compensatory calculation.
- Extended-Time Revenue (\$46.0 million) provides districts with state approved alternative programs additional revenue to fund educational programs for at-risk students outside the traditional school year schedule. In addition, charter schools receive extended time revenue for operating an extended day, extended week, or summer program.
- Gifted and Talented Revenue (\$12.0 million) provides districts and charter schools with funding for gifted and talented educational programs. The gifted and talented funding formula is \$13 per weighted student.

The following state aid programs provide additional funding for cost differences among school districts:

- Sparsity Revenue (\$30.0 million) funds the added costs of operating small schools that are too isolated to reduce costs by cooperating or consolidating.
- Transportation Sparsity Revenue (\$76.6 million) funds the added cost of pupil transportation in areas with low population density and includes a pupil transportation adjustment for schools with transportation expenses that exceed allocations.
- Small Schools Revenue (\$16.2 million) provides additional funding to small districts with less than 960 weighted students.
- Declining Enrollment Revenue (\$20.1 million) provides districts and charter schools with funding to limit the impact of declining enrollment.
- Pension Adjustment Revenue (\$70.5 million) provides state aid for districts with a below state average revenue increase from the elimination of an aid reduction for changes in pension contribution rates beginning in 2015. Beginning in 2019, additional pension adjustment revenue was made available for all districts based on a percentage of teacher salaries in the district.

Additional funding for Voluntary Prekindergarten and School Readiness Plus Programs:

- In FY 2019, the participant cap for Voluntary Prekindergarten (VPK) and School Readiness Plus (SRP) was increased to 7,160 seats. This expansion was extended through FY 2024. In FY 2025, the participant cap will be permanently increased to 12,360. In FY 2026, SRP will be eliminated and combined with VPK.
- Aid entitlements for FY 2023 VPK/SRP are estimated to be \$36 million. In addition, there was an estimated \$7 million in property tax levies associated with the program.
- School districts and charter schools with sites approved for funding receive funding on a per pupil basis, with pupil units limited to 0.6 per participant. All pupil-driven formulas apply (e.g., basic revenue, compensatory revenue, referendum revenue, long-term facilities maintenance revenue, safe schools levy, achievement and integration revenue).
- Requirements outlined in law include providing at least 350 hours of instruction for the school year; staff-to-child ratios not to exceed one-to-ten with class size not to exceed 20; instructional salaries comparable to local K-12 staff; for school readiness plus, classrooms must have a licensed teacher; and several more program requirements.

The following programs made up of a mixture of state aid and local property tax levies provide additional funding (school districts must tax local property to receive state aid for these revenues):

- Operating Referendum Revenue (\$850.2 million) is optional revenue raised by either public vote or school board resolution to provide funding for their district. The program is comprised of \$21.0 million in state aid and \$829.2 million in levies. The revenue and aid amounts are inclusive of charter school aid based on the average per pupil Operating Referendum Revenue and first tier Local Optional Revenue.
- Operating Capital Revenue (\$210.8 million) is reserved for facilities and equipment purposes. The program is comprised of \$122.2 million in state aid and \$88.6 million in levies. The revenue and aid amounts are inclusive of Operating Capital aid to charter schools.
- Equity Revenue (\$106.9 million) provides additional funding targeted primarily to districts with low referendum revenue per weighted student. The program is comprised of \$15.9 million in state aid and \$91.0 million in levies.
- Transition Revenue (\$27.7 million) is funding to protect districts from loss of revenue due to previous law changes. The program is comprised of \$3.6 million in state aid and \$24.1 million in levies.
- Local Optional Revenue (LOR) (\$627.2 million) provides up to \$424 per weighted student and is deducted from referendum revenue approved by voters in 2013 or earlier. Beginning in FY 2021, LOR increased to \$724 per weighted student, with an additional \$300 deducted from board approved or voter approved referendum authority. The program is comprised of \$103.4 million in state aid and \$523.8 million in levies.

Miscellaneous Adjustments to General Education Revenue:

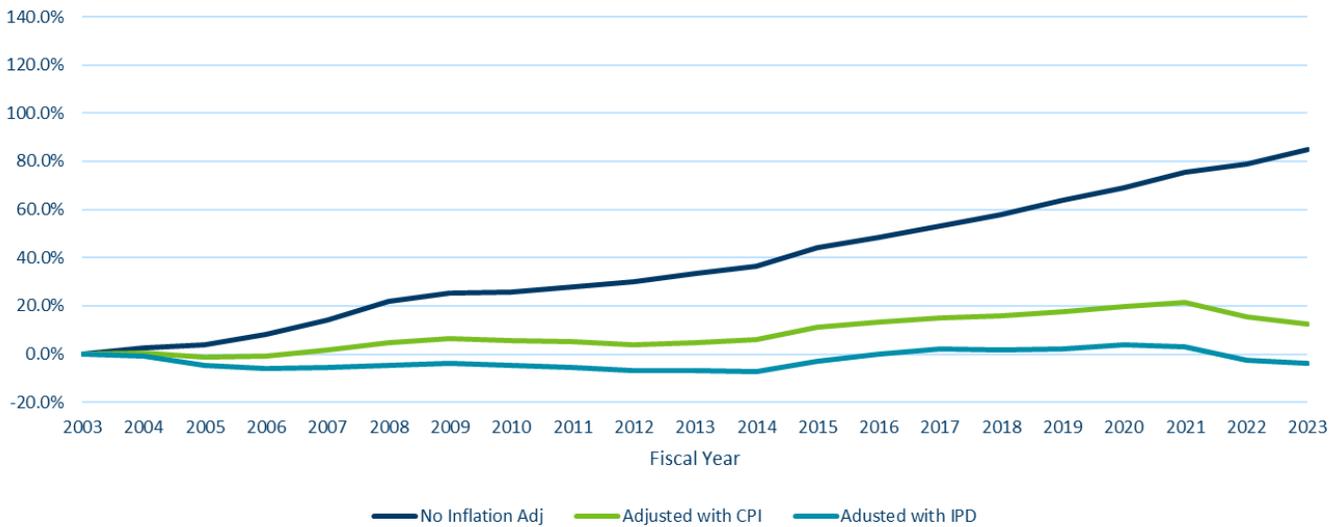
- Postsecondary Enrollment Options (PSEO) Aid (\$41.3 million) is paid to Minnesota colleges and universities for courses taken by eligible 11th and 12th grade students, and 10th grade students on a more limited basis, for high school credit.
- Contract Alternative Aid (\$4.9 million) is paid to districts 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 (\$3.7 million) is paid to districts for students who attend public schools on a part-time basis while also attending nonpublic schools.
- Supplemental Online Learning (OLL) Aid (\$5.1 million) is paid to state-approved Supplemental OLL programs on behalf of students who have completed supplemental OLL courses while enrolled in another public school district or charter school.

The fiscal activity associated with the Endowment/Permanent School Fund (\$40.9 million in FY 2023) is also displayed in this Budget Activity. This is a revenue that the State Board of Investment calculates based on earnings in the Permanent School Fund, which is created by the Minnesota Constitution and designated as a long-term source of revenue for public schools. The earnings are then transferred into the School Endowment Fund and distributed to school districts and charter schools. The funds are used for general operations of the district and are not tied to a specific activity.

MDE calculates and processes aid payments and provides technical assistance for these programs.

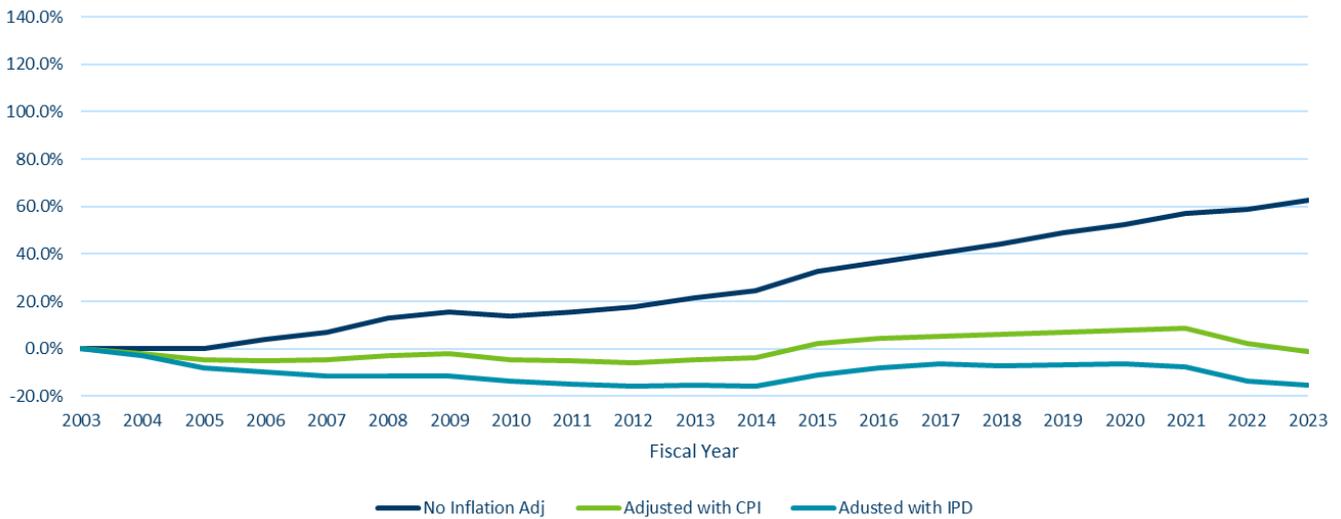
RESULTS

Percent Change in Revenue Per AADM Since FY2003



Quality Result: This chart shows the percentage change in general education revenue per student (adjusted average daily membership, or AADM) between FY 2003 and FY 2023, based on unadjusted current dollars and adjusted for inflation using the consumer price index (CPI) and the implicit price deflator (IPD). Revenue per student in unadjusted current dollars increased by 85 percent during this period. However, when adjusted for inflation, revenue per student remained essentially constant.

Percent Change in State Aid Per AADM Since FY2003



Quality Result: This chart shows the percentage change in general education state aid per student (AADM) between FY 2003 and FY 2023, 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 62 percent during this period. However, when adjusted for inflation, revenue per student remained essentially constant.

M.S.126C.10

General Education

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 7,354,159 | 7,448,276 | 8,063,270 | 8,270,644 | 8,416,573 | 8,653,847 |
| 3801 - Endowment School | 35,327 | 40,878 | 50,944 | 57,957 | 59,170 | 59,532 |
| Total | 7,389,486 | 7,489,154 | 8,114,214 | 8,328,601 | 8,475,743 | 8,713,379 |
| Biennial Change | | | | 1,564,174 | | 746,307 |
| Biennial % Change | | | | 11 | | 5 |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 7,389,486 | 7,489,154 | 8,114,214 | 8,328,601 | 8,475,743 | 8,713,379 |
| Total | 7,389,486 | 7,489,154 | 8,114,214 | 8,328,601 | 8,475,743 | 8,713,379 |

General Education

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 7,388,686 | 7,485,475 | 8,122,100 | 8,288,981 | 8,430,599 | 8,678,125 |
| Levies | 1,417,221 | 1,479,857 | 1,646,089 | 1,727,980 | 1,740,049 | 1,807,331 |
| District Revenue | 8,805,907 | 8,965,332 | 9,768,189 | 10,016,961 | 10,170,648 | 10,485,456 |
| Direct Appropriation | 7,569,266 | 7,538,983 | 8,103,909 | 8,270,644 | 8,416,573 | 8,653,847 |
| Current Year | 6,684,854 | 6,781,014 | 7,356,016 | 7,506,002 | 7,633,594 | 7,856,842 |
| Prior Year | 669,305 | 667,262 | 707,254 | 764,642 | 782,979 | 797,005 |
| Transfers Out | 386 | 594 | 19,810 | | | |
| Cancellations | 214,721 | 90,113 | 20,829 | | | |
| Expenditures | 7,354,159 | 7,448,276 | 8,063,270 | 8,270,644 | 8,416,573 | 8,653,847 |
| Biennial Change in Expenditures | | | | 1,531,478 | | 736,506 |
| Biennial % Change in Expenditures | | | | 10 | | 5 |

3801 - Endowment School

| | | | | | | |
|-----------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Transfers In | 35,327 | 40,878 | 50,944 | 57,957 | 59,170 | 59,532 |
| Expenditures | 35,327 | 40,878 | 50,944 | 57,957 | 59,170 | 59,532 |
| Biennial Change in Expenditures | | | | 32,696 | | 9,801 |
| Biennial % Change in Expenditures | | | | 43 | | 9 |

Program: Other General Education**Activity: Enrollment Options Transportation****AT A GLANCE**

- In fiscal year (FY) 2023, 77 students were served by the Enrollment Options Transportation program.
- Of the 77 students, two were from the postsecondary enrollment options program, zero were in the open enrollment program for districts, and 75 were in charter schools.
- In FY 2023, zero districts took part in the Pregnant and Parenting Pupil Transportation program.

PURPOSE AND CONTEXT

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

This aid program supports the goal of reducing the racial and economic opportunity gaps for low-income students by reimbursing their transportation costs.

In addition, the pregnant and parenting pupil transportation reimbursement program was enacted in FY 2020 to reimburse districts for the transportation of pregnant and parenting pupils to and from programs that provide academic instruction, are at least four hours per week of parenting instruction, and provide high-quality child care on site during the education day with the capacity to serve all children of enrolled pupils. The program has been used by a handful of districts but in FY2023 no districts applied for the revenue.

SERVICES PROVIDED

School districts and charter schools get state aid to reimburse transportation costs for qualifying students who participate in PSEO or open enrollment. PSEO is a program that allows students in grades 10th through –12th to earn secondary and college credit (dual-credit) while still in high school, through enrollment in and successful completion of college-level courses at higher education institutions. Open enrollment programs allow voluntary prekindergarten through grade 12 students and prekindergarten 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 through the enrolling district. Charter school students apply through the enrolling school. Students and families provide their own transportation in these programs.

School districts and charter schools providing out-of-district transportation for a fee are reimbursed for the transportation costs of qualifying low-income students. The reimbursement rate is set at \$0.15 per mile at a maximum of 250 miles per week.

This aid program also provides reimbursement of transportation expenses for districts that provide academic instruction and child care for pregnant and parenting enrolled students.

The Minnesota Department of Education (MDE) processes reimbursement requests and provides technical support.

RESULTS

The table below provides 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 four years. It also provides the number of students served by the program for the last four years.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|--|------------------|
| Average Claim per Student per Year | Quantity | Data Collected by MDE | FY 2020*: \$147 FY 2021**: \$16 FY 2022: \$198 | FY 2023: \$269 |
| Number of Students Served | Quantity | Data Collected by MDE | FY 2020*: 70 FY 2021**: 4 FY 2022: 77 | FY2023: 77 |
| Number of Districts reimbursed for Pregnant and Parenting Transportation Program | Quantity | Data Collected by MDE | FY 2020*: 3 FY 2021**: 1 FY 2022: 1*** | FY2023: 0 |
| Number of Students participating in Pregnant and Parenting Transportation Reimbursement Program | Quantity | Data collected by MDE | FY 2020*: 12 FY 2021**: 5 FY 2022: 4 | FY2023: 0*** |

* Although the number of students requesting reimbursement remained high in FY 2020, the statewide move to distance learning beginning March 18, 2020, as a response to the COVID-19 pandemic, resulted in no requests for reimbursement in the last three months of the 2019-2020 school year.

** The number of students served and requests for reimbursement continued to be impacted in FY 2021 by statewide distance learning due to the COVID-19 pandemic.

***Pregnant and Parenting Pupil Transportation Reimbursement for FY 2023 resulted in no requests for reimbursement

M.S. 124D.03; M.S. 124D.09; M.S. 124E.15

Enrollment Options Transportation

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|-----------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 71 | 118 | 76 | 78 | 80 | 82 |
| Total | 71 | 118 | 76 | 78 | 80 | 82 |
| Biennial Change | | | | (35) | | 8 |
| Biennial % Change | | | | (18) | | 5 |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 71 | 118 | 76 | 78 | 80 | 82 |
| Total | 71 | 118 | 76 | 78 | 80 | 82 |

Enrollment Options Transportation

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|-----------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 15 | 21 | 21 | 23 | 25 | 27 |
| District Revenue | 15 | 21 | 21 | 23 | 25 | 27 |
| Direct Appropriation | 68 | 71 | 78 | 78 | 80 | 82 |
| Current Year | 15 | 21 | 21 | 23 | 25 | 27 |
| Balance Forward In | | 42 | | | | |
| Transfers In | 3 | 5 | | | | |
| Cancellations | | | 2 | | | |
| Expenditures | 71 | 118 | 76 | 78 | 80 | 82 |
| Biennial Change in Expenditures | | | | (35) | | 8 |
| Biennial % Change in Expenditures | | | | (18) | | 5 |

Program: Other General Education

Activity: Abatement Revenue

AT A GLANCE

- The Abatement Aid entitlement totaled \$940,000 in fiscal year (FY) 2024 based on 2022 revenue losses.
- The Abatement Levy totaled \$9.686 million in FY 2025 based on 2022 revenue losses..

PURPOSE AND 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.

For FY 2024, 215 school districts in Minnesota participated 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).

The aid and levy are designed to replace the revenue in the same proportion of aid and levy as the original entitlement. The aid reimbursement is received one year after the revenue loss and the levy reimbursement is received two years after the revenue loss.

MDE calculates and processes aid payments and levy limitations for this program.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|------------------|------------------|
| Statewide District Revenue Loss Prevented | Quantity | Data collected by MDE | FY2023: \$12.8 M | FY2024: \$10.6 M |

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

Abatement Revenue

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|------|
| | | | | | FY26 | FY27 |

Expenditures by Fund

| | | | | | | |
|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 1000 - General | 2,042 | 1,335 | 2,318 | 1,354 | 1,952 | 2,201 |
| Total | 2,042 | 1,335 | 2,318 | 1,354 | 1,952 | 2,201 |
| Biennial Change | | | | 295 | | 481 |
| Biennial % Change | | | | 9 | | 13 |

Expenditures by Category

| | | | | | | |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Grants, Aids and Subsidies | 2,042 | 1,335 | 2,318 | 1,354 | 1,952 | 2,201 |
| Total | 2,042 | 1,335 | 2,318 | 1,354 | 1,952 | 2,201 |

Abatement Revenue

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 1,970 | 1,264 | 2,435 | 1,400 | 2,013 | 2,222 |
| Levies | 9,083 | 7,760 | 10,652 | 12,471 | 27,601 | 34,232 |
| District Revenue | 11,053 | 9,024 | 13,087 | 13,871 | 29,614 | 36,454 |
| Direct Appropriation | 2,897 | 1,434 | 2,318 | 1,354 | 1,952 | 2,201 |
| Current Year | 1,773 | 1,138 | 2,192 | 1,260 | 1,812 | 2,000 |
| Prior Year | 269 | 197 | 126 | 94 | 140 | 201 |
| Cancellations | 855 | 99 | | | | |
| Expenditures | 2,042 | 1,335 | 2,318 | 1,354 | 1,952 | 2,201 |
| Biennial Change in Expenditures | | | | 295 | | 481 |
| Biennial % Change in Expenditures | | | | 9 | | 13 |

AT A GLANCE

- There were no school district consolidations in FY 2023 or FY 2024.

PURPOSE AND CONTEXT

School districts consolidate to expand programs and services and to increase financial stability. 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 resident pupil unit in the new district in the first year of consolidation and \$100 per resident pupil unit the year after consolidation. The number of pupil units used to calculate aid for a district in either year is limited to 1,500.

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

The Minnesota Department of Education (MDE) calculates state aid payments and property tax levy limits, and provides technical assistance to districts that choose to consolidate.

RESULTS

In FY 2023 and FY 2024, there were no consolidations. While the number of consolidations is measurable, the true performance measure is in the satisfaction and achievement of the districts that consolidated, which is not evaluated.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|-----------------------------|--------------|---------------------|------------------------|------------------------|
| First Year of Consolidation | Quantity | Not evaluated | FY2021: 1 FY2022: 1 | FY2023: 0 FY2024: 0 |

M.S. 123A.485; M.S. 123A.48

Consolidation Transition

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 292 | 82 | 6 | | 270 | 165 |
| Total | 292 | 82 | 6 | | 270 | 165 |
| Biennial Change | | | | (368) | | 429 |
| Biennial % Change | | | | (99) | | |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 292 | 82 | 6 | | 270 | 165 |
| Total | 292 | 82 | 6 | | 270 | 165 |

Consolidation Transition

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 290 | 69 | | | 300 | 150 |
| District Revenue | 290 | 69 | | | 300 | 150 |
| Direct Appropriation | 309 | 95 | 7 | 0 | 270 | 165 |
| Current Year | 262 | 62 | | | 270 | 135 |
| Prior Year | 30 | 20 | 6 | | | 30 |
| Cancellations | 17 | 13 | 1 | | | |
| Expenditures | 292 | 82 | 6 | | 270 | 165 |
| Biennial Change in Expenditures | | | | (368) | | 429 |
| Biennial % Change in Expenditures | | | | (99) | | |

Program: Other General Education

Activity: Nonpublic Pupil

<https://education.mn.gov/MDE/dse/schfin/Non/>

AT A GLANCE

- Number of nonpublic students participating in Fiscal Year (FY) 2023:
 - Textbook/materials: 70,921
 - Health services: 65,510
 - Guidance and counseling: 24,470
- Rates per nonpublic student in FY 2023:
 - Textbook/materials: \$81.31
 - Health services: \$73.71
 - Guidance and counseling: \$298.05
- All nonpublic students requesting materials and/or services by the statutory deadline have been and are being accommodated.

PURPOSE AND CONTEXT

This state aid program exists to ensure fair access to nonreligious study materials and student support services for students who choose nonpublic education. This aid program supports the objective of ensuring every student receives a world-class education.

SERVICES PROVIDED

Funding is allocated directly to public school districts for the benefit of nonpublic school students. School districts are reimbursed for the costs of the educational materials loaned to nonpublic school students and for the costs of providing support services to nonpublic school students.

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

- Textbooks, individualized instructional materials, and standardized tests;
- Health services; and
- 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

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|------------------|------------------|
| Percentage of nonpublic students applying for access to textbooks | Quantity | Data collected by MDE | FY2022: 71% | FY2023: 73% |
| Percentage of nonpublic students applying for access to health services | Quantity | Data collected by MDE | FY2022: 66% | FY2023: 68% |
| Percentage of secondary nonpublic students applying for access to guidance and counseling services | Quantity | Data collected by MDE | FY2022: 91% | FY2023: 87% |

M.S. 123B.40-48

Nonpublic Pupil

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 16,757 | 18,385 | 20,616 | 24,478 | 25,845 | 26,677 |
| Total | 16,757 | 18,385 | 20,616 | 24,478 | 25,845 | 26,677 |
| Biennial Change | | | | 9,951 | | 7,428 |
| Biennial % Change | | | | 28 | | 16 |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 16,757 | 18,385 | 20,616 | 24,478 | 25,845 | 26,677 |
| Total | 16,757 | 18,385 | 20,616 | 24,478 | 25,845 | 26,677 |

Nonpublic Pupil

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 17,022 | 18,856 | 21,388 | 24,822 | 25,958 | 26,757 |
| District Revenue | 17,022 | 18,856 | 21,388 | 24,822 | 25,958 | 26,757 |
| Direct Appropriation | 16,991 | 19,003 | 21,176 | 24,478 | 25,845 | 26,677 |
| Current Year | 15,320 | 16,971 | 19,250 | 22,340 | 23,363 | 24,082 |
| Prior Year | 1,437 | 1,414 | 1,366 | 2,138 | 2,482 | 2,595 |
| Transfers In | 232 | | | | | |
| Cancellations | 466 | 618 | 560 | | | |
| Expenditures | 16,757 | 18,385 | 20,616 | 24,478 | 25,845 | 26,677 |
| Biennial Change in Expenditures | | | | 9,951 | | 7,428 |
| Biennial % Change in Expenditures | | | | 28 | | 16 |

Program: Other General Education

Activity: Nonpublic Transportation

<https://education.mn.gov/MDE/dse/schfin/Trans/Type/>

AT A GLANCE

- In fiscal year (FY) 2023, 40,886 nonpublic students were transported to and from school.
- In FY 2023, 172 of 329 districts transported nonpublic students.

PURPOSE AND 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 school students living within the district. If the district transports nonpublic school 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.

The Minnesota Department of Education (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.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|------------------|------------------|
| Percentage of nonpublic students transported | Quantity | Data collected by MDE | FY2022: 57.2% | FY2023: 56.41% |

M.S. 123B.92, subdivision 9; M.S. 123B.84-87

Nonpublic Transportation

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 19,771 | 21,026 | 22,979 | 27,198 | 27,875 | 28,343 |
| Total | 19,771 | 21,026 | 22,979 | 27,198 | 27,875 | 28,343 |
| Biennial Change | | | | 9,380 | | 6,041 |
| Biennial % Change | | | | 23 | | 12 |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 19,771 | 21,026 | 22,979 | 27,198 | 27,875 | 28,343 |
| Total | 19,771 | 21,026 | 22,979 | 27,198 | 27,875 | 28,343 |

Nonpublic Transportation

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 19,845 | 21,157 | 23,182 | 27,644 | 27,901 | 28,392 |
| District Revenue | 19,845 | 21,157 | 23,182 | 27,644 | 27,901 | 28,392 |
| Direct Appropriation | 19,770 | 21,027 | 22,979 | 27,198 | 27,875 | 28,343 |
| Current Year | 17,861 | 19,042 | 20,864 | 24,880 | 25,111 | 25,553 |
| Prior Year | 1,910 | 1,984 | 2,115 | 2,318 | 2,764 | 2,790 |
| Transfers In | 1 | | | | | |
| Cancellations | | 1 | | | | |
| Expenditures | 19,771 | 21,026 | 22,979 | 27,198 | 27,875 | 28,343 |
| Biennial Change in Expenditures | | | | 9,380 | | 6,041 |
| Biennial % Change in Expenditures | | | | 23 | | 12 |

Program: Other General Education**Activity: Career and Technical Education**

<https://education.mn.gov/MDE/dse/cte/>

AT A GLANCE

- In fiscal year (FY) 2023, 317 districts levied a total of \$36.9 million for Career and Technical Education programs.
- In FY 2023, 92 districts received Career and Technical Education aid totaling \$1.9 million.

PURPOSE AND CONTEXT

Career and Technical Education (CTE) revenue 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 approved CTE programs are eligible for this revenue. Federal Carl D. Perkins funds are also available to help provide career and technical education program and services.

CTE programs are a sequence of courses that integrate core academic knowledge with technical and occupational knowledge and skills that provide students a pathway to postsecondary education and careers. CTE teaches transferable workplace skills in applied learning contexts which provide opportunities to explore high-demand career options and give students the technology and skills needed for success in adult life.

SERVICES PROVIDED

Districts must submit annual budgets for their CTE programs to qualify for this revenue. A district with a CTE program approved by the Minnesota Department of Education (MDE) 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.

CTE property tax levy equals:

- CTE revenue, times
- The lesser of:
 - one; or,
 - the ratio of the adjusted net tax capacity per student in the fiscal year in which the levy is certified, to \$7,612.

CTE aid equals:

- CTE revenue minus CTE levy.

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

CTE consortia are voluntary collaborations of Minnesota Service Cooperatives and other regional public and private partners that work together to provide career and technical education opportunities for students. The Aeronautics Pilot Program provides funding to Independent School District 482 in Little Falls for an aeronautics and commercial over the road technical program. MDE also provides grants for schools and cooperative units to offer high school students courses in emergency medical services.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|-------------------------|-------------------------|
| Number of districts participating in CTE programs | Quantity | Data collected by MDE | FY2022: 315 | FY2023: 317 |
| Amount of property tax levy for CTE programs | Quantity | Data collected by MDE | FY2022: \$34,248,064 | FY2023: \$36,910,278 |

M.S. 124D.4531

Career and Technical Education

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|---|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 2,582 | 8,039 | 7,434 | 6,850 | 6,031 | 5,891 |
| 3000 - Federal | 7,157 | 7,939 | 9,690 | 9,774 | 9,774 | 9,774 |
| Total | 9,739 | 15,978 | 17,124 | 16,624 | 15,805 | 15,665 |
| Biennial Change | | | | 8,031 | | (2,278) |
| Biennial % Change | | | | 31 | | (7) |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | | | 40 | 166 | 160 | 160 |
| Operating Expenses | 1 | | 3 | 173 | 15 | 15 |
| Grants, Aids and Subsidies | 9,738 | 15,978 | 17,082 | 16,285 | 15,630 | 15,490 |
| Total | 9,739 | 15,978 | 17,124 | 16,624 | 15,805 | 15,665 |
| Total Agency Expenditures | 9,739 | 15,978 | 17,124 | 16,624 | 15,805 | 15,665 |
| Internal Billing Expenditures | 1 | | | | | |
| Expenditures Less Internal Billing | 9,738 | 15,978 | 17,124 | 16,624 | 15,805 | 15,665 |
| <u>Full-Time Equivalents</u> | | | 0.32 | 0.74 | 0.68 | 0.68 |

Career and Technical Education

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 2,509 | 1,977 | 1,645 | 858 | 495 | 380 |
| Levies | 30,743 | 35,540 | 39,097 | 42,080 | 46,461 | 51,722 |
| District Revenue | 33,252 | 37,517 | 40,742 | 42,938 | 46,956 | 52,102 |
| Direct Appropriation | 5,668 | 4,914 | 7,614 | 6,670 | 6,031 | 5,891 |
| Current Year | 2,259 | 1,779 | 1,481 | 773 | 446 | 342 |
| Prior Year | 323 | 260 | 183 | 147 | 85 | 49 |
| Balance Forward In | | 3,000 | | 180 | | |
| Transfers In | | 125 | | | | |
| Cancellations | 86 | | | | | |
| Balance Forward Out | 3,000 | | 180 | | | |
| Expenditures | 2,582 | 8,039 | 7,434 | 6,850 | 6,031 | 5,891 |
| Biennial Change in Expenditures | | | | 3,663 | | (2,362) |
| Biennial % Change in Expenditures | | | | 34 | | (17) |
| Full-Time Equivalents | | | 0.32 | 0.74 | 0.68 | 0.68 |

3000 - Federal

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Receipts | 7,157 | 7,939 | 9,690 | 9,774 | 9,774 | 9,774 |
| Expenditures | 7,157 | 7,939 | 9,690 | 9,774 | 9,774 | 9,774 |
| Biennial Change in Expenditures | | | | 4,368 | | 84 |
| Biennial % Change in Expenditures | | | | 29 | | 0 |

Program: Other General Education**Activity: Reserves and Credits****AT A GLANCE**

- In fiscal year (FY) 2023, there were 12 state-paid property tax credit programs (three programs are for prior year adjustments).
- In FY 2023, the General Fund Reserve transferred \$1,122,497 between one excess and six deficient programs.
- Community Education funds had no deficiencies for FY 2023, and the Community Education Reserve was not utilized.

PURPOSE AND CONTEXT

Property tax credits and aids calculated by the Minnesota Department of Revenue provide a vehicle for property tax reform or relief for targeted real property classes. The effect of these state paid property tax credits and aids is to shift 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.
- The number and the amount of state paid tax credits that districts and property tax owners in the district receive is dependent upon the local conditions, such as natural disasters, existence of agricultural property, economic depression, and others noted below.

The two “Education Reserves” allow the commissioner to transfer the excess from a direct general fund appropriation for any education aid or grant authorized in specified chapters that exceeds the amount required to be used to any education aid or grant appropriation that is insufficient.

- The general fund reserve pertains to chapters 127A, 122A, 123A, 123B, 124D, 124E, 125A, 126C, and 134, excluding appropriations under sections 124D.135, 124D.16, 124D.20, 124D.22, 124D.52, 124D.531, 124D.55, and 124D.56.
- The community education fund reserve pertains to sections 124D.135, 124D.16, 124D.20, 124D.22, 124D.52, 124D.531, 124D.55, and 124D.56.

SERVICES PROVIDED

There are several property tax credit and aid programs paid to school districts by the Minnesota Department of Education (MDE) that reduce property taxes paid by property owners:

Programs reducing the property tax rate applied to the property value to calculate property tax:

- *Disparity Reduction Aid* provides relief to high tax rate areas. The Department of Revenue calculates a reduction to the initial tax rate to reduce the rate as much as 10 percent.

Programs providing a reduction to the calculated property tax:

- *Local Option Disaster Abatement Credit* provides relief related to the damage or destruction of homestead and non-homestead property. The property need not be located within a disaster or emergency area.
- *Homestead and Disaster Credit* provides relief related to the damage or destruction that occurred for each reassessed homestead property within the county that is located within a disaster or emergency area.

Local Option Disaster Credit provides relief related to the damage or destruction that occurred for: (1) homestead property that meets all the requirements under M.S. 273.1233 (Local Option Disaster Abatement), subdivision 1, paragraph (a), but that does not qualify for a credit under the Homestead and Disaster Credit; and, (2) non-homestead and utility property that meets all the requirements under M.S. 273.1233 (Local Option Disaster Abatement), subdivision 1, paragraph (b).

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 provides relief to residential homestead property, including the house, garage, one acre of land for farm homesteads, and certain resort homesteads. The credit is computed as 0.4 percent of the first \$76,000 market value of each homestead property. The maximum credit is \$304 and is phased out at a rate of .09 percent of the value over \$76,000.

Agricultural Land Market Value Credit provides relief to agricultural homestead property, excluding the house, garage, and one acre. The credit is computed as 0.3 percent of the first \$115,000 market value of each homestead property, plus 0.1 percent of the market value of each homestead property in excess of \$115,000. The maximum credit is \$490 and is phased out at a rate of .05 percent of the value over \$115,000 with a maximum reduction of \$115.

School Building Bond Agricultural Credit provides relief to agricultural homestead property, excluding the house, garage, and one acre. For taxes payable FY 2023 and on, the credit is computed as 70 percent of the property's eligible net tax capacity, multiplied by the school debt tax rate.

Note that the fiscal activity associated with the payment of these credits is displayed in the budget book for Tax Aids, Credits, and Refunds.

In addition to the property tax relief aids and credits listed above, school districts may receive other credits paid by the county, including power line credit, county conservation credit, taconite homestead credit, and supplementary homestead credit. Taconite homestead credit and supplementary homestead credit targets Iron Range homeowners with a credit of either 66 percent or 57 percent, depending on characteristics of the mining industry within the school district. The 66 percent credit has a maximum of \$315.10 per property. The 57 percent credit has a maximum of \$289.80 per property.

The Education Reserves allow full funding or closer to full funding for programs that may be underfunded due to the difference between forecast estimates and the actual costs of specified programs.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|--|--------------------------------------|
| Disparity Reduction Aid | Quantity | Data collected by MDE | FY 2021 2019 Pay 2020: \$8,086,085 FY 2022 2020 Pay 2021: \$8,023,442 | FY2023 2021 Pay 2022: \$8,036,675 |
| Local Option Disaster Abatement Credit | Quantity | Data collected by MDE | FY 2021 2019 Pay 2020: \$374,313 FY 2022 2020 Pay 2021: \$ 1,146 | FY2023 2021 Pay 2022: \$49,348 |

| | | | | |
|---|----------|-----------------------|--|---------------------------------------|
| Homestead and Disaster Credit | Quantity | Data collected by MDE | FY 2021 2019 Pay 2020: \$1,274 FY 2022 2020 Pay 2021: \$2,545 | FY2023 2021 Pay 2022: \$161 |
| Local Option Disaster Credit | Quantity | Data collected by MDE | FY 2021 2019 Pay 2020: \$0 FY 2022 2020 Pay 2021: \$407,707 | FY2023 2021 Pay 2022: \$2,333 |
| Agricultural Preserves Credit | Quantity | Data collected by MDE | FY 2021 2019 Pay 2020: \$127,466 FY 2022 2020 Pay 2021: \$ 89,760 | FY2023 2021 Pay 2022: \$80,230 |
| Disparity Reduction Credit | Quantity | Data collected by MDE | FY 2021 2019 Pay 2020: \$2,959,676 FY 2022 2020 Pay 2021: \$3,266,650 | FY2023 2021 Pay 2022: \$3,176,261 |
| Residential Homestead Market Value Credit | Quantity | Data collected by MDE | FY 2021 2019 Pay 2020: \$21,098 FY 2022 2020 Pay 2021: -\$521,600 | FY2023 2021 Pay 2022: \$10,251 |
| Prior Year Real Property Credit | Quantity | Data collected by MDE | FY 2021 2019 Pay 2020: \$19,641 FY 2022 2020 Pay 2021: \$10,578 | FY2023 2021 Pay 2022: \$2,410 |
| Agricultural Land Market Value Credit | Quantity | Data collected by MDE | FY 2021 2019 Pay 2020: \$8,410,302 FY 2022 2020 Pay 2021: \$7,726,211 | FY2023 2021 Pay 2022: \$7,631,308 |
| School Bonding Credit | Quantity | Data collected by MDE | FY 2021 2019 Pay 2020: \$57,035,540 FY 2022 2020 Pay 2021: \$62,666,854 | FY2023 2021 Pay 2022: \$70,863,833 |
| Prior Year School Bonding Credit | Quantity | Data collected by MDE | FY 2021 2019 Pay 2020: \$778,977 FY 2022 2020 Pay 2021: -\$51 | FY2023 2021 Pay 2022: \$3,144 |

M.S. 273.119; M.S. 273.1233; M.S. 273.1234; M.S. 273.1235; M.S. 273.1384; M.S. 273.1387; M.S. 273.1398;
M.S. 127A.41, subdivision 8; M.S. 127A.41, subdivision 9

Reserves and Credits

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base FY26 FY27 | |
|-----------------------|----------------|----------------|----------------|------------------|----------------------------|--|
| 1000 - General | | | | | | |
| Transfers In | 386 | 594 | 19,810 | | | |
| Transfers Out | 386 | 594 | 19,810 | | | |

Program: Other General Education**Activity: Other Aid Allocations****AT A GLANCE**

- The One-Room Schoolhouse revenue program was implemented in fiscal year (FY) 1995.
- A district's English learner cross subsidy aid equals the greater of zero or the difference between the district's expenditures for qualifying English learner services for the second previous year and the district's English learner revenue for the second previous year. Beginning in FY 2027, there will be a cross-subsidy aid of 25% of the FY 2025 EL cross-subsidy.
- The 2023 legislature appropriated \$1,000,000 to Windom School District in FY 2024 for onetime supplemental aid.
- The 2023 legislature created the Area Learning Center (ALC) transportation aid and appropriated \$1,000,000 beginning in FY 2024 and later.
- The 2023 legislature appropriated a onetime school unemployment aid of \$135,000,000 in fiscal year (FY) 24 to reimburse local education agencies (LEAs) for the costs of providing summer unemployment benefits to eligible staff. The \$135,000,000 may be used to reimburse LEAs through June 30, 2027, or until the funds are exhausted, whichever comes first

PURPOSE AND CONTEXT

The One-Room Schoolhouse, EL cross-subsidy aid, and the Windom School District onetime supplemental aid programs provide additional general education revenue to school districts to fund specific obligations of the district's general fund.

The English Learner cross-subsidy is calculated by taking the difference between English learner revenue and final reported qualifying English Learner services expenditures as reported by districts in Uniform Financial Accounting and Reporting Standards (UFARS) in a fiscal year.

The Windom School District received a onetime supplemental aid in FY 2024 equal to the greater of zero or the product of \$10,000 times the difference between the October 1, 2022 pupil enrollment count and the October 1, 2023 pupil enrollment count, not to exceed 1,000,000.

ALC transportation aid provides reimbursements to school districts for providing transportation of pupils to and from an Area Learning Center program.

One time in FY 2025 school unemployment aid reimburses school districts, charter schools, intermediates, other cooperative units, the Perpich Center for Arts Education, and the Minnesota State Academies for eligible costs. Eligible costs include providing unemployment insurance benefits during the summer term for non-licensed hourly school-year employees who have the expectation that a position will be available for them at the start of the next school year. These employees include but are not limited to school bus drivers, nutrition staff, paraprofessionals and education support staff.

SERVICES PROVIDED

- One-room Schoolhouse
 - The One-Room Schoolhouse program provides \$65,000 each year to the Warroad school district to assist with expenses related to the Angle Inlet Elementary School.
- English Learner (EL) Cross-Subsidy Aid
 - The English Learner Cross-Subsidy Aid was established during the 2021 special session to supplement regular EL and concentration revenue and is meant to help districts fund English Learner programs. For FY 2022 through FY 2025, the aid will be \$2,000,000 each year allocated among school districts and charter schools based on the total amount of EL revenue the entity received during the prior fiscal year. In the 2023 session, EL Cross-Subsidy Aid was increased to 25% of the EL Cross-Subsidy beginning in FY 2027. A district's English learner cross subsidy aid equals the greater of zero or the difference between the district's expenditures for qualifying English learner services for the second previous year and the district's English learner revenue for the second previous year.
- Windom School District onetime supplemental adjustment
 - This onetime adjustment provided up to \$1,000,000 to help supplement a predicted enrollment loss in the Windom School District. Windom School District received \$160,000, and the 2024 legislature cancelled back \$840,000 to the general fund.
- Area learning center transportation aid
 - Beginning in FY 2024, school districts are reimbursed for the prior year costs of providing transportation to pupils to and from an area learning center programming. The program is capped at \$1,000,000 per year.
 - The Minnesota Department of Education (MDE) calculates and processes reimbursements for this program.
- School unemployment aid
 - To receive benefits, an eligible worker must submit their unemployment applications to the Minnesota Department of Employment and Economic Development each week that they are unemployed during the summer months. Eligible staff are still able to collect summer-term unemployment benefits even after the unemployment aid funds are exhausted.
 - The unemployment aid will be measured against eligible submitted UFARS coding. Once final UFARS submissions are completed at the close of the current fiscal year, MDE will be able to calculate final payments and know whether the aid is subject to proration.
 - The Minnesota Department of Education (MDE) calculates and processes reimbursements for this program.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|---------------------|----------------------------|-------------------------|-------------------------|
| Number of Minnesota resident students attending Angle Inlet School | Quantity | Data collected by MDE | FY2023: 5 | FY2024: 4 |

Total aid distribution for EL Cross-Subsidy Reduction Aid.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|----------------------|---------------------|----------------------------|-------------------------|-------------------------|
| EL Cross-Subsidy Aid | Quantity | Data collected by MDE | FY2023: \$2,000,000 | FY2024: \$2,000,000 |

MN Laws 2021, 1st Special Session, Chapter 13, Article 1, section 9 and section 10, subdivision 11 and Minnesota Statutes 2023 124D.65, subd. 5a (EL Cross-Subsidy Aid); MN Laws 2023, Chapter 55, Article 1, section 36, subd. 8 (One-room schoolhouse); MN Laws 2023, Chapter 64, Article 15, section 34, subd. 2 (Windom School District onetime supplemental aid); Minnesota Statutes 2023 123B.92, subd. 11 (area learning center transportation aid); Minnesota Statutes 2023, 124D.995 (School Unemployment Aid)

Other Aid Allocations

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 2,065 | 2,065 | 3,225 | 3,065 | 1,065 | 1,065 |
| 2001 - Other Misc Special Revenue | | | 40,350 | 55,600 | 39,050 | |
| Total | 2,065 | 2,065 | 43,575 | 58,665 | 40,115 | 1,065 |
| Biennial Change | | | | 98,110 | | (61,060) |
| Biennial % Change | | | | 2,376 | | (60) |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 2,065 | 2,065 | 43,575 | 58,665 | 40,115 | 1,065 |
| Total | 2,065 | 2,065 | 43,575 | 58,665 | 40,115 | 1,065 |

Other Aid Allocations

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | 2,065 | 2,065 | 139,065 | 3,065 | 1,065 | 1,065 |
| Transfers Out | | | 135,000 | | | |
| Cancellations | | | 840 | | | |
| Expenditures | 2,065 | 2,065 | 3,225 | 3,065 | 1,065 | 1,065 |
| Biennial Change in Expenditures | | | | 2,160 | | (4,160) |
| Biennial % Change in Expenditures | | | | 52 | | (66) |
| 2001 - Other Misc Special Revenue | | | | | | |
| Balance Forward In | | | | 94,650 | 39,050 | |
| Transfers In | | | 135,000 | | | |
| Balance Forward Out | | | 94,650 | 39,050 | | |
| Expenditures | | | 40,350 | 55,600 | 39,050 | |
| Biennial Change in Expenditures | | | | 95,950 | | (56,900) |
| Biennial % Change in Expenditures | | | | | | (59) |

Program: Other General Education**Activity: Miscellaneous Levies (information only)**<https://education.state.mn.us/MDE/dse/datasub/LevyCertSys/>**AT A GLANCE**

- In fiscal year (FY) 2025, 12 levy programs were estimated at \$80.2 million.

PURPOSE AND CONTEXT

These programs provide additional local property tax levy revenue to school districts to fund specific obligations of the district's general fund. There is no state funding associated with these levies, so this Budget Activity's fiscal pages reflect only local levy amounts.

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 July 1, 1992.
- Additional Retirement Levy
 - The Minneapolis and St. Paul school districts may levy for certain pension obligations.
- 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 \$36 per pupil unit and an intermediate district may levy up to \$15 per pupil unit through their member districts. The levy can be used for 10 different costs associated with student and staff safety issues.
- Ice Arena Levy
 - A school district may levy for the net operational costs of the ice arena for the previous fiscal year. To qualify for the levy, a district must demonstrate to the Minnesota Department of Education (MDE) gender equity in usage of the ice arena during peak times throughout the year.
- Severance Levies
 - A school district that reorganizes under dissolution and attachment may levy for the costs of severance pay or early retirement incentives for licensed and non-licensed employees who resign or retire early as a result of the reorganization. A school district that has 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
 - Certain school districts on the Canadian border may levy for the net operational costs of a swimming pool, not to exceed the swimming pool's net actual costs of operation from 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.
- Other Miscellaneous Severance Pay/Early Retirement Incentive Levies:
 - 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 effect for the current collective bargaining agreement.
 - Consolidation Transition Revenue
 - For a school district that consolidates under Minnesota Statutes, section 123A.485, subdivision 2, 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 subdivision 2 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 Minnesota Statutes, section 123A.37, subdivision 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.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend: Pay 2023 in Thousands | Most recent data: Pay 2024 in Thousands |
|--|---------------------|----------------------------|--|--|
| Reemployment Insurance Levy | Quantity | Data collected by MDE | \$6,833.5 | \$8,801.4 |
| Judgment Levy | Quantity | Data collected by MDE | \$446.8 | \$674.2 |
| Health Benefit Levy | Quantity | Data collected by MDE | \$1,388.2 | \$1,230.6 |
| Additional Retirement Levy | Quantity | Data collected by MDE | \$28,644.11 | \$28,094.74 |
| St. Paul Severance Levy | Quantity | Data collected by MDE | \$1,433.5 | \$1,602.6 |
| Safe Schools Levy (includes both school district and intermediate levies) | Quantity | Data collected by MDE | \$34,276.48 | \$34,396.10 |
| Ice Arena Levy | Quantity | Data collected by MDE | \$3,397.36 | \$3,464.32 |
| Severance Levies | Quantity | Data collected by MDE | \$0 | \$0 |
| Swimming Pool Levy | Quantity | Data collected by MDE | \$889.69 | \$626.05 |
| Economic Development Abatement Levy | Quantity | Data collected by MDE | \$742.88 | \$662.60 |
| Tree-Growth Replacement Levy | Quantity | Data collected by MDE | \$679.23 | \$694.93 |
| Reorganization Operating Debt Levy | Quantity | Data collected by MDE | \$0 | \$0 |

M.S. 126C.43, subd. 2; 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.445; M.S. 123A.485; M.S. 123A.41, subd. 4; M.S. 123A.76; M.S. 123A.12

Miscellaneous Levies

Activity Financing by Fund

(Dollars in Thousands)

| | Actual | Actual | Actual | Estimate | Forecast Base | |
|------------------|---------|---------|---------|----------|---------------|---------|
| | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 |
| Levies | 469,415 | 483,569 | 490,107 | 510,979 | 535,169 | 549,833 |
| District Revenue | 469,415 | 483,569 | 490,107 | 510,979 | 535,169 | 549,833 |

Program: Choice Programs

Activity: Charter School Lease Aid

<https://education.mn.gov/MDE/dse/chart/scres/>

AT A GLANCE

- In fiscal year (FY) 2023, 179 of the 180 charter schools in Minnesota received lease aid.
- The maximum lease aid per pupil unit is \$1,314.

PURPOSE AND CONTEXT

Unlike school districts, charter schools cannot generate 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. This program supports the objective that every student receives a world-class education.

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; and
- 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
- \$1,314 times the total number of pupil units served plus postsecondary enrollment options pupil units.

The Minnesota Department of Education (MDE) approves charter school lease aid applications. Beginning FY 2017, lease aid is available for approved pre-K school programs.

The fiscal pages for this Budget Activity also display federal funds that are available to support charter schools.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|-------------------------------------|--------------|-----------------------|------------------|------------------|
| Charter Schools receiving lease aid | Quantity | Data collected by MDE | FY2022: 176 | FY2023: 179 |
| Pupil Units Served | Quantity | Data collected by MDE | FY2022: 71,708 | FY2023: 73,162 |
| Average Lease Cost per Pupil Unit | Quantity | Data collected by MDE | FY2022: \$1,624 | FY2023: \$1,659 |
| Average Aid per Pupil Unit | Quantity | Data collected by MDE | FY2022: \$1,214 | FY2023: \$1,219 |

M.S. 124E.22

Charter School Lease Aid

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|----------------|----------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 83,643 | 88,991 | 91,234 | 93,681 | 96,733 | 99,829 |
| 3000 - Federal | 3,032 | 4,248 | 927 | 7,000 | 8,000 | 8,000 |
| Total | 86,675 | 93,239 | 92,161 | 100,681 | 104,733 | 107,829 |
| Biennial Change | | | | 12,928 | | 19,720 |
| Biennial % Change | | | | 7 | | 10 |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 86,675 | 93,239 | 92,161 | 100,681 | 104,733 | 107,829 |
| Total | 86,675 | 93,239 | 92,161 | 100,681 | 104,733 | 107,829 |

Charter School Lease Aid

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 83,362 | 88,393 | 91,319 | 94,004 | 97,036 | 100,139 |
| District Revenue | 83,362 | 88,393 | 91,319 | 94,004 | 97,036 | 100,139 |
| Direct Appropriation | 93,547 | 90,864 | 91,457 | 93,681 | 96,733 | 99,829 |
| Current Year | 75,026 | 79,555 | 82,187 | 84,604 | 87,333 | 90,126 |
| Prior Year | 8,617 | 9,436 | 9,047 | 9,077 | 9,400 | 9,703 |
| Cancellations | 9,904 | 1,873 | 223 | | | |
| Expenditures | 83,643 | 88,991 | 91,234 | 93,681 | 96,733 | 99,829 |
| Biennial Change in Expenditures | | | | 12,281 | | 11,647 |
| Biennial % Change in Expenditures | | | | 7 | | 6 |

| | | | | | | |
|-----------------------------------|--------------|--------------|------------|--------------|--------------|--------------|
| 3000 - Federal | | | | | | |
| Receipts | 3,032 | 4,248 | 927 | 7,000 | 8,000 | 8,000 |
| Expenditures | 3,032 | 4,248 | 927 | 7,000 | 8,000 | 8,000 |
| Biennial Change in Expenditures | | | | 647 | | 8,073 |
| Biennial % Change in Expenditures | | | | 9 | | 102 |

Program: Choice Programs

Activity: Achievement and Integration Aid

<https://education.state.mn.us/MDE/dse/acint/>

AT A GLANCE

- During the 2023-2024 school year 50 racially identifiable schools* (in 15 different districts) and 66 racially isolated districts** participated in this program. Some of these racially isolated districts also have racially identifiable schools.
- 112 additional districts were in the program and partnered with racially isolated districts to implement integration activities for students.
- Districts use this revenue to increase racial and economic integration, to reduce achievement disparities within their districts, and to partner with neighboring districts on integration activities for students.

*A school with an enrollment of students of color and American Indian students that is more than 20 percentage points above that of the district average for schools serving the same grade levels.

**A district with districtwide enrollment of students of color and American Indian students that exceeds that of any adjoining district by more than 20 percentage points.

PURPOSE AND CONTEXT

This program exists to increase racial and economic integration, reduce achievement disparities for specific student groups, and provide students equitable access to a qualified and racially diverse teaching staff.

Students served include prekindergarten through grade 12 students attending a public school district that is either *racially isolated*, has a *racially identifiable school*, or is in close proximity to a racially isolated school district as defined above.

Achievement and Integration revenue is made up of two different funding streams: *initial revenue* which may be used to fund the strategies in a district's approved achievement and integration plan and *incentive revenue* which must be used for strategies to reduce racial and economic enrollment disparities. All strategies funded with either revenue stream must have the effect of increasing student integration and help reduce academic disparities that are identifiable by students' race or economic status. Incentive revenue may be used only to fund strategies designed specifically to increase enrollment of students of color and American Indian students or students that qualify for free or reduce priced lunch into the following: schools, classes, programs, or districts where there are documented enrollment disparities for students from one or more of these groups. Both types of revenue are funded through local property tax levy (30 percent) and state aid (70 percent).

This program supports the goals of closing all racial and economic opportunity gaps.

Districts that have not met their plan goals at the end of three years must develop an improvement plan and use up to twenty percent of their achievement and integration revenue to fund that plan.

SERVICES PROVIDED

Achievement and Integration revenue is used to implement strategies in a district’s achievement and integration plan. These strategies must increase integration and reduce achievement disparities within the district or racially identifiable school. Most plans include student integration activities between neighboring districts.

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

- Family involvement programs;
- Integrated prekindergarten to grade 12 programs with school enrollment choices designed to decrease racial and economic enrollment disparities within or between districts;
- Training for teachers and administrators to improve the achievement of all students;
- Rigorous coursework and career and college readiness programs for underserved students; or
- Recruitment and retention of a racially and ethnically diverse staff.

The Minnesota Department of Education (MDE) reviews and approves district plans and budgets, calculates and processes aid payments, and provides ongoing assistance to districts on developing effective plans, monitoring their progress, improvement processes, and reporting results.

RESULTS

The table below lists the number of racially identifiable schools and racially isolated districts participating in the program for the years listed.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|---|------------------|
| Number of participating racially isolated districts | Quantity | Data collected by MDE | FY2020-21: 64 FY2021-22: 55 FY2022-23: 60 | FY2023-24: 66 |
| Number of participating racially identifiable schools | Quantity | Data collected by MDE | FY2020-21: 55 FY2021-22: 55 FY2022-23: 54 | FY2023-24: 50 |
| Number of participating districts with racially identifiable schools | Quantity | Data collected by MDE | FY2020-21: 15 FY2021-22: 15 FY2022-23: 16 | FY2023-24: 15 |

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

Achievement and Integration Aid

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|------|
| | | | | | FY26 | FY27 |

Expenditures by Fund

| | | | | | | |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 1000 - General | 80,264 | 80,964 | 81,921 | 84,173 | 85,153 | 84,996 |
| Total | 80,264 | 80,964 | 81,921 | 84,173 | 85,153 | 84,996 |
| Biennial Change | | | | 4,867 | | 4,055 |
| Biennial % Change | | | | 3 | | 2 |

Expenditures by Category

| | | | | | | |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Compensation | 236 | 333 | 298 | 304 | 280 | 317 |
| Operating Expenses | 15 | 37 | 19 | 20 | 24 | 27 |
| Grants, Aids and Subsidies | 80,013 | 80,594 | 81,604 | 83,849 | 84,849 | 84,652 |
| Total | 80,264 | 80,964 | 81,921 | 84,173 | 85,153 | 84,996 |

Full-Time Equivalents

| | | | | | | |
|--|------|------|------|------|------|------|
| | 1.91 | 2.76 | 2.40 | 2.20 | 2.20 | 2.20 |
|--|------|------|------|------|------|------|

Achievement and Integration Aid

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 79,083 | 81,458 | 82,623 | 84,310 | 85,247 | 84,968 |
| Levies | 34,282 | 34,109 | 34,618 | 35,566 | 36,226 | 36,415 |
| District Revenue | 113,365 | 115,567 | 117,241 | 119,876 | 121,473 | 121,383 |
| Direct Appropriation | 84,057 | 81,579 | 82,818 | 84,173 | 85,153 | 84,996 |
| Current Year | 71,145 | 73,280 | 74,328 | 75,879 | 76,722 | 76,741 |
| Prior Year | 8,868 | 7,314 | 7,276 | 8,294 | 8,431 | 8,525 |
| Balance Forward In | | 45 | | | | |
| Transfers In | 296 | 703 | 317 | 324 | 304 | 344 |
| Transfers Out | 296 | 324 | 317 | 324 | 304 | 344 |
| Cancellations | 3,748 | 1,039 | 897 | | | |
| Balance Forward Out | 45 | | | | | |
| Expenditures | 80,264 | 80,964 | 81,921 | 84,173 | 85,153 | 84,996 |
| Biennial Change in Expenditures | | | | 4,867 | | 4,055 |
| Biennial % Change in Expenditures | | | | 3 | | 2 |
| Full-Time Equivalents | 1.91 | 2.76 | 2.40 | 2.20 | 2.20 | 2.20 |

Program: Choice Programs

Activity: Inter-district Desegregation Transportation

<https://education.state.mn.us/MDE/dse/acint/>

AT A GLANCE

- In fiscal year (FY) 2023, over 5,600 open enrolled students were transported to and from schools participating in achievement and integration programs at a total district cost of \$15.2 million. Districts received state aid in the amount of \$13.5 million, as districts already receive a portion of general education revenue to cover the cost.
- In FY 2023, other students were transported to achievement and integration programs and events at a total district cost of \$253,592. Districts received \$253,592 in state aid as there is no general education deduction for this type of transportation.

PURPOSE AND CONTEXT

This state aid program supports the achievement and integration program by funding unreimbursed transportation costs for students in an inter-district desegregation program. The majority of school districts participating in the state’s Achievement and Integration program are required to partner with each other on integration activities for their students. These ‘inter-district’ programs, classes, and events are designed and implemented to bring together racially and economically diverse groups of students from each partnering district. The objective is for students to learn from and work with each other. Demographics of these groups are supposed to reflect the demographics of each district to include students of color, white students, American Indian students accordingly. This aid program supports the objective that every child receives a world-class education.

SERVICES PROVIDED

Transportation is provided between the student’s home or school and the achievement and integration program. 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 student generates. The Minnesota Department of Education (MDE) calculates aid payments and provides technical support for this program.

RESULTS

Both the number of districts and the number of students participating has fluctuated over time.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--------------------------------|--------------|-----------------------|---|------------------|
| Number of Districts | Quantity | Data collected by MDE | FY2020: 49 FY2021: 38 FY2022: 23 | FY2023: 16 |
| Number of Students Transported | Quantity | Data collected by MDE | FY2020: 6,252 FY2021: 5,370 Fy2022: 4,364 | FY2023: 5,611 |

M.S. 124D.87

Inter-district Desegregation Transportation

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 9,900 | 13,785 | 14,827 | 16,413 | 18,161 | 20,088 |
| Total | 9,900 | 13,785 | 14,827 | 16,413 | 18,161 | 20,088 |
| Biennial Change | | | | 7,555 | | 7,009 |
| Biennial % Change | | | | 32 | | 22 |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 9,900 | 13,785 | 14,827 | 16,413 | 18,161 | 20,088 |
| Total | 9,900 | 13,785 | 14,827 | 16,413 | 18,161 | 20,088 |

Inter-district Desegregation Transportation

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 9,900 | 13,785 | 14,827 | 16,413 | 18,161 | 20,088 |
| District Revenue | 9,900 | 13,785 | 14,827 | 16,413 | 18,161 | 20,088 |
| Direct Appropriation | 12,310 | 13,785 | 14,828 | 16,413 | 18,161 | 20,088 |
| Current Year | 9,900 | 13,785 | 14,827 | 16,413 | 18,161 | 20,088 |
| Cancellations | 2,410 | | 1 | | | |
| Expenditures | 9,900 | 13,785 | 14,827 | 16,413 | 18,161 | 20,088 |
| Biennial Change in Expenditures | | | | 7,555 | | 7,009 |
| Biennial % Change in Expenditures | | | | 32 | | 22 |

Program: Choice Programs**Activity: COMPASS**

<https://education.mn.gov/MDE/dse/compass/>

AT A GLANCE

- Statewide system of continuous improvement for all districts, charter schools and Tribal Schools
- Aligned guidance, professional learning, and flexible support in all areas of continuous improvement
- Free to all districts
- Research based and evidence aligned

PURPOSE AND CONTEXT

Collaborative Minnesota Partnerships to Advance Student Success (COMPASS) is the statewide system for continuous improvement for all districts, charter schools, and Tribal Schools in Minnesota. The allocated COMPASS budget is used for staff capacity at the agency and regional level who provide direct and indirect services to schools; contractors including the Center for Applied Research and Educational Improvement (CAREI) and TNTP (formerly the New Teacher Project) that create research-based guides, design and deliver professional development, and conduct evaluation services; and to convene in-person and online trainings with Minnesota educators and administrators. This organizational model maximizes access for local education agencies (LEA) to regional instructional support resources and increases efficiency and effectiveness through centralized research-based product development in the forms of guides, courses, and workshops.

As a result of these investments, the COMPASS system provides aligned guidance, professional learning, and flexible supports in all areas of continuous improvement, through the MnMTSS (Minnesota Multi-tiered System of Support) framework. The system was designed and is implemented in partnership with the Minnesota Service Cooperatives (MSC) to ensure regional access to research-based guidance and support within the local context. This system is designed to support systems change to ensure all students have access to high quality tier one instruction, and foundation safe, welcoming, and engaging learning environments. All COMPASS support is free of cost to districts.

SERVICES PROVIDED

- COMPASS provides professional development and coaching support directly to schools through regional staffing models based out of nine educational service cooperatives. This includes 9 Culturally Responsive Instructional Leadership specialists, 9 literacy leads, 20 literacy coaches, 9 math leads, 4 math regional coaches, 10 equitable access leads, 9 MnMTSS leads, 5 climate and culture leads, 4 attendance leads, 1 MnMTSS data and assessment literacy lead, 1 MnMTSS mental health lead, 1 MnMTSS Family and Community Engagement lead, 3 advocate leads, and 40 ESSA-Identified School Advocates. These positions are led regionally by COMPASS supervisors and Minnesota Service Cooperative Executive Directors. Led by 8 COMPASS MDE leaders, regional staff collaborate across the service cooperatives with their content area peers to develop and deliver research-based professional development and coaching resources.
- COMPASS contracts with national and state partners to develop and deliver research-informed training in guidance on evidence-based instructional practices and school leadership strategies to reach the aim stated above.
- COMPASS MnMTSS: Through COMPASS MnMTSS, all districts, charter schools, and Tribal Schools can access support in the areas of MnMTSS, Family and Community Engagement, Data and Assessment Literacy, Climate and Culture, Culturally Responsive Instructional Leadership, and Equitable Access.

- COMPASS Math: Through COMPASS Math, all districts, charter schools, and Tribal Schools can access support in the area of Math. This includes access to Math guidance, professional learning, and flexible support.
- COMPASS Attendance: Provide support as requested, including presentations, data, and other information to the student attendance and truancy legislative taskforce. Work collaboratively with the attendance pilot program to respond to requests for support, ensure reporting of outcomes, and learn from the outcomes to lead state attendance work.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|---------------------|---|---|--|
| COMPASS Summer Institute (or COMPASS professional development convenings) | Quantity | Number of attendees Number of break-out sessions | # of people attended 2022 Not applicable – no institute. | # of people attended 2023 Virtual institute: 5 sessions a day over 2 weeks – an average of 45 unique daily participants averaging 29 unique districts/charter schools represented daily. |
| MnMTSS trainings and cohorts | Quantity | Number of hours of training developed and provided Number of district/charter teams attending training | 2022 DATA Intro to MnMTSS: 15 hours of training. Attended by 49 district/charter team with average of 5 members per team. Implementation of MnMTSS: 22.5 hours of training attended by 15 district/charter teams with average of 5 members per team. | 2023 DATA Intro to MnMTSS: 15 hours of training. Attended by 41 district/charter team with average of 5 members per team. Implementation of MnMTSS: 22.5 hours of training attended by 9 district/charter teams with average of 5 members per team. Additional MnMTSS Training: 20 hours: Tier 2/Tier 3 attended by 15 teams with average of 5 members per team. 10 hours: School Leadership for MnMTSS attended by 8 teams with average of 5 members per team. |
| Tier 1 (Atlas) cohort | Quantity | Number of district/charter teams engaging | 2022 N/A | 2023 157 participants representing 22 districts/charter schools |
| Evidence-Based Education Resource Development | Quantity Quality | Guidebooks, charters, etc | 2022 MnMTSS Professional Learning Guidebook published | 2023 MDE published research-based guidebook for learning acceleration in Tier 1 Instruction (43 pages) Link to guidebook* MnMTSS Fiscal Guidebook and MnMTSS Data Guidebook published Links on MnMTSS webpage** |

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|-------------------------|------------------|---|--|--|
| Statewide MnMTSS Survey | Quantity Quality | MnMTSS annual survey administered by CAREI 2023: 130 district responses 2024: 84 district responses | State average MnMTSS implementation progress (0-5): Infrastructure: 3.18 Layered practices: 3.49 Community Engagement: 3.35 Assessment: 3.15 Data decision making: 3.62 | State average MnMTSS implementation progress (0-5): Infrastructure: +.06 Layered practices: -.11 Community Engagement: +.09 Assessment: +.31 Data decision making: -.16 |
| MnMTSS Grant | Quantity | Districts received | 2022 N/A | 2023 50 applicants 11 district/charter schools received for FY23 & 24 |

*Link to guidebook

(<https://education.mn.gov/mdeprod/groups/communications/documents/basic/cm9k/mdgx/~edisp/prod081132.pdf>)

**Links on MnMTSS webpage (<https://education.mn.gov/MDE/dse/mtss/>)

M.S. 121A.201

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|------|
| | | | | | FY26 | FY27 |

Expenditures by Fund

| | | | | | | |
|-------------------|--|--|------------|---------------|---------------|---------------|
| 1000 - General | | | 968 | 30,720 | 13,500 | 13,500 |
| Total | | | 968 | 30,720 | 13,500 | 13,500 |
| Biennial Change | | | | 31,688 | | (4,688) |
| Biennial % Change | | | | | | (15) |

Expenditures by Category

| | | | | | | |
|----------------------------|--|--|------------|---------------|---------------|---------------|
| Compensation | | | 61 | 1,371 | 1,030 | 1,050 |
| Operating Expenses | | | 348 | 11,047 | 4,638 | 4,623 |
| Grants, Aids and Subsidies | | | 559 | 18,302 | 7,832 | 7,827 |
| Total | | | 968 | 30,720 | 13,500 | 13,500 |

Full-Time Equivalents

| | | | | | | |
|--|--|--|------|------|------|------|
| | | | 0.44 | 9.50 | 9.50 | 9.50 |
|--|--|--|------|------|------|------|

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | | | 13,500 | 18,251 | 13,500 | 13,500 |
| Balance Forward In | | | | 12,533 | | |
| Transfers Out | | | | 64 | | |
| Balance Forward Out | | | 12,532 | | | |
| Expenditures | | | 968 | 30,720 | 13,500 | 13,500 |
| Biennial Change in Expenditures | | | | 31,688 | | (4,688) |
| Biennial % Change in Expenditures | | | | | | (15) |
| Full-Time Equivalents | | | 0.44 | 9.50 | 9.50 | 9.50 |

Program: Choice Programs

Activity: Recovery Program

AT A GLANCE

- \$750,000 per year is available for grants to cover a portion of the costs of licensed support staff and unreimbursed transportation expenses.
- Recovery programs are eligible for grants of up to \$125,000 per year

PURPOSE AND CONTEXT

The Recovery Program Grant provides additional revenue to help with the cost of substance abuse 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.

This grant program supports the objective that every student should receive a world-class education in a safe and nurturing environment.

SERVICES PROVIDED

Grants pay for a portion of the costs of recovery program support staff. In fiscal year (FY) 2018, coverage for unreimbursed transportation expenses was added to the list of eligible expenses.

Recovery program support staff are defined as:

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

The Minnesota Department of Education provides the following services for the program:

- Approving recovery programs;
- Developing application process and reporting forms for applicants/recipients;
- Providing technical assistance to applicants/recipients;
- Creating grant contracts including work plans and budget information;
- Calculating, auditing, and processing payments; and
- Providing guidance as it relates to Minnesota statutes and state policies

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|-------------------|-------------------|
| Schools receiving grants | Quantity | Data collected by MDE | FY2022: 6 | FY2023: 6 |
| Students served | Quantity | Data collected by MDE | FY2022: 152 | FY2023: 146 |
| Licensed recovery program support staff paid using grant funds | Quantity | Data collected by MDE | FY2022: 10.43 FTE | FY2023: 10.49 FTE |

M.S. 124D.695

Recovery Program

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|------|
| | | | | | FY26 | FY27 |

Expenditures by Fund

| | | | | | | |
|-------------------|------------|------------|------------|------------|------------|------------|
| 1000 - General | 750 | 721 | 750 | 750 | 750 | 750 |
| Total | 750 | 721 | 750 | 750 | 750 | 750 |
| Biennial Change | | | | 29 | | 0 |
| Biennial % Change | | | | 2 | | 0 |

Expenditures by Category

| | | | | | | |
|----------------------------|------------|------------|------------|------------|------------|------------|
| Grants, Aids and Subsidies | 750 | 721 | 750 | 750 | 750 | 750 |
| Total | 750 | 721 | 750 | 750 | 750 | 750 |

Recovery Program

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | 750 | 750 | 750 | 750 | 750 | 750 |
| Cancellations | | 29 | | | | |
| Expenditures | 750 | 721 | 750 | 750 | 750 | 750 |
| Biennial Change in Expenditures | | | | 29 | | 0 |
| Biennial % Change in Expenditures | | | | 2 | | 0 |

Program: American Indian Education**Activity: Minnesota Indian Teacher Training Program**

<https://education.mn.gov/MDE/dse/indian/mnindtrain/>

AT A GLANCE

- Historically, grants were awarded to four project sites: Augsburg University, in collaboration with Minneapolis Public Schools 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.
- In fiscal year (FY) 2019, the Minnesota Indian Teacher Training Program (MITTP) expanded to award competitive joint grants. St. Cloud State University in partnership with St. Cloud Area Schools; Fond du Lac Tribal and Community College in partnership with Fond du Lac Ojibwe School; and Minnesota State University Mankato in partnership with Mankato Public Schools/Redwood Area Schools have each earned competitive grants.
- Program funding increased from \$460,000 to \$600,000 annually starting in FY 2022. In the 2023 session, lawmakers created a special revenue account for MITTP and invested significant, one-time funding for the program for FY24 (\$2,210,000) and returned base funding to \$600,000 for FY25.
- In FY22, 50 students received scholarships across 7 joint grantees. The average award was \$9,608.51. 43 of the 50 students were on track for licensure/certification and/or graduation, which is an 86% retention rate. In FY23, 42 students received scholarships across 7 joint grantees. The average award was \$10,802.98. 32 of 42 students were on track for licensure/certification and/or graduation, representing a 76% retention rate.

PURPOSE AND CONTEXT

The Minnesota Indian Teacher Training Program (MITTP) provides scholarships and program support to assist American Indian students to become teachers and to assist current American Indian teachers in gaining additional education, credentials, or certifications. The program seeks to increase the number of American Indian teachers and school staff in Minnesota. Access to American Indian teachers is important for all students to receive the highest quality education. This program is designed to ensure all students receive a world-class education from caring, qualified teachers.

SERVICES PROVIDED

This program provides scholarships and program support to American Indian students and teachers who have the potential to complete a teacher-training program or certification needed to work in a prekindergarten through grade 12 school setting. At least 80% of grant funds must be used for scholarships or stipends. The program receives \$600,000 per year, though there was a one-time infusion of an additional \$1,610,000 for a total appropriation of \$2,210,000 in FY24. Additionally, the 2023 legislature created a special revenue account for the program to allow grants to be made for a five-year period as opposed to being limited to a biennial cycle. MDE calculates and processes payments and provides technical support for this program.

RESULTS

Students receive scholarship funds and are supported for multiple years during their teacher training or educational certification program. MITTP students also receive other state, federal, and tribal grant dollars to support their education.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|---------------------|----------------------------|-------------------------|-------------------------|
| Program participants | Quantity | Data is collected by MDE | FY2022: 50 | FY2023: 42 |
| Retention rate (#grads, licensed, continuing over total participants) | Quantity | Data is collected by MDE | FY2022: 43 (86%) | FY2023: 32 (76%) |

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

Indian Teacher Training Program

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 600 | 989 | | | | |
| 2001 - Other Misc Special Revenue | | | 553 | 2,257 | 600 | 600 |
| Total | 600 | 989 | 553 | 2,257 | 600 | 600 |
| Biennial Change | | | | 1,221 | | (1,610) |
| Biennial % Change | | | | 77 | | (57) |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | | | 17 | 24 | 24 | 24 |
| Operating Expenses | | | 1 | 33 | 1 | 1 |
| Grants, Aids and Subsidies | 600 | 989 | 535 | 2,200 | 575 | 575 |
| Total | 600 | 989 | 553 | 2,257 | 600 | 600 |
| <u>Full-Time Equivalents</u> | | | | | | |
| | | | 0.12 | 0.15 | 0.15 | 0.15 |

Indian Teacher Training Program

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | 600 | 600 | 2,210 | 600 | 600 | 600 |
| Balance Forward In | | 389 | | | | |
| Transfers Out | | | 2,210 | 600 | 600 | 600 |
| Expenditures | 600 | 989 | | | | |
| Biennial Change in Expenditures | | | | (1,589) | | 0 |
| Biennial % Change in Expenditures | | | | (100) | | |
| 2001 - Other Misc Special Revenue | | | | | | |
| Balance Forward In | | | | 1,657 | | |
| Transfers In | | | 2,210 | 600 | 600 | 600 |
| Balance Forward Out | | | 1,657 | | | |
| Expenditures | | | 553 | 2,257 | 600 | 600 |
| Biennial Change in Expenditures | | | | 2,810 | | (1,610) |
| Biennial % Change in Expenditures | | | | | | (57) |
| Full-Time Equivalents | | | 0.12 | 0.15 | 0.15 | 0.15 |

Program: American Indian Education

Activity: Tribal Contract Schools

<https://education.state.mn.us/MDE/fam/indian/>

AT A GLANCE

- In fiscal year (FY) 2023, 628 American Indian students attended the four federal Bureau of Indian Education (BIE) tribal contract schools in Minnesota.

PURPOSE AND CONTEXT

The program seeks to provide tribal schools with sufficient and equalized funding so they can provide an adequate and uniform education to their students, as required by the Minnesota Constitution. Tribal contract schools do not receive the standard per-pupil funding from the State of Minnesota. This funding provides aid to tribal contract schools to bring them closer to the per pupil amount that other public schools in Minnesota receive. Participants include the four tribal contract schools in the state: Bug-O-Nay-Ge-Shig School, Leech Lake; Circle of Life Academy, White Earth; Nay ah Shing School, Mille Lacs; and Fond du Lac Ojibwe School, Fond du Lac.

This program supports the objective that every student receives a world-class education.

SERVICES PROVIDED

This state aid program provides funding to promote equal education for American Indian students enrolled in BIE tribal contract schools. The funds provide general education services and are not specifically set aside to meet any legislated goals. State aid is calculated based on the difference between the state per pupil adjusted aid amount minus the amount provided by the federal government. State aid to BIE tribal contract schools increases alongside the state per-pupil general education aid.

The Minnesota Department of Education (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 under federal jurisdiction and are not state public schools under Minnesota statutes. Therefore, MDE cannot require tribal schools to submit assessment data related to this program.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|----------------------------|------------------|
| Number of BIE Tribal contract schools | Quantity | Data collected by MDE | FY2021: 4 FY2022: 4 | FY2023: 4 |
| Number of BIE Tribal contract students served | Quantity | Data collected by MDE | FY2021: 649 FY2022: 676 | FY2023: 628 |

M.S. 124D.83

Tribal Contract Schools

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|------|
| | | | | | FY26 | FY27 |

Expenditures by Fund

| | | | | | | |
|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 1000 - General | 2,808 | 2,580 | 1,852 | 2,131 | 2,415 | 2,692 |
| Total | 2,808 | 2,580 | 1,852 | 2,131 | 2,415 | 2,692 |
| Biennial Change | | | | (1,405) | | 1,124 |
| Biennial % Change | | | | (26) | | 28 |

Expenditures by Category

| | | | | | | |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Grants, Aids and Subsidies | 2,808 | 2,580 | 1,852 | 2,131 | 2,415 | 2,692 |
| Total | 2,808 | 2,580 | 1,852 | 2,131 | 2,415 | 2,692 |

Tribal Contract Schools

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 2,853 | 2,558 | 1,774 | 2,193 | 2,440 | 2,720 |
| District Revenue | 2,853 | 2,558 | 1,774 | 2,193 | 2,440 | 2,720 |
| Direct Appropriation | 2,743 | 2,581 | 1,673 | 2,131 | 2,415 | 2,692 |
| Current Year | 2,568 | 2,302 | 1,597 | 1,974 | 2,196 | 2,448 |
| Prior Year | 240 | 278 | 255 | 157 | 219 | 244 |
| Transfers In | 65 | | 179 | | | |
| Cancellations | | 1 | | | | |
| Expenditures | 2,808 | 2,580 | 1,852 | 2,131 | 2,415 | 2,692 |
| Biennial Change in Expenditures | | | | (1,405) | | 1,124 |
| Biennial % Change in Expenditures | | | | (26) | | 28 |

Program: American Indian Education**Activity: Tribal Early Childhood Program**

<https://education.state.mn.us/MDE/fam/indian/>

AT A GLANCE

- Provides support to four tribal early childhood family education (ECFE) programs.
- Serves 800 to 1,100 children, birth to age 5, every year.
- Program sites: Bug-O-Nay-Ge-Shig school in Leech Lake; Circle of Life Academy in White Earth; Fond du Lac Ojibwe School in Cloquet; and, Wewinabi Early Education Center in Mille Lacs.

PURPOSE AND 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 schools.

This program supports the objective that all children deserve a world class education in a safe and nurturing school.

SERVICES PROVIDED

The program uses 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.
- Participation in "Positive Indian Parenting" programs.
- 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.

The Minnesota Department of Education (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

Tribally-run Early Childhood Programs are under federal jurisdiction and, therefore, are not state public schools under Minnesota statutes. They are not required to submit assessment data for this program. MDE does not track or report participant performance.

M.S. 124D.83, subdivision 4

Tribal Early Childhood Program

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|-----------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 68 | 68 | 68 | 68 | 68 | 68 |
| Total | 68 | 68 | 68 | 68 | 68 | 68 |
| Biennial Change | | | | 0 | | 0 |
| Biennial % Change | | | | 0 | | 0 |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 68 | 68 | 68 | 68 | 68 | 68 |
| Total | 68 | 68 | 68 | 68 | 68 | 68 |

Tribal Early Childhood Program

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|-----------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | 68 | 68 | 68 | 68 | 68 | 68 |
| Expenditures | 68 | 68 | 68 | 68 | 68 | 68 |
| Biennial Change in Expenditures | | | | 0 | | 0 |
| Biennial % Change in Expenditures | | | | 0 | | 0 |

Program: American Indian Education**Activity: American Indian Education Aid**

<https://education.mn.gov/MDE/dse/indian/tribnatmn/>

AT A GLANCE

- Provides formula funding to 178 eligible school districts, charter schools, and tribal contract schools.
- Funding is intended to reach state identified American Indian students in schools or districts that have 20 or more American Indian students.
- 29,661 American Indian students served annually.

PURPOSE AND CONTEXT

This program seeks to increase the academic achievement, decrease the dropout rate, and improve the school climate for American Indian students in culturally inclusive and appropriate ways. The program serves American Indian students in school districts, tribal contract schools, intermediate school districts, and charter schools.

The Minnesota Department of Education's Office of Indian Education convened a stakeholder group to recommend how to improve educational outcomes for American Indian students. The working group decided that the Success for the Future program, a \$4.2 million competitive grant program, needed to be replaced to reach more American Indian students. The recommendation, and eventual statutory funding formula that was enacted in 2015, expands funding to eligible districts and schools from 32 to 143, serving nearly 97 percent of American Indian students in Minnesota. Under the current formula, school districts, charter schools, and tribal schools that have 20 or more American Indian students enrolled are eligible to receive \$40,000 for the first 20 students, and an additional \$500 per student beyond the initial count of 20.

This program is designed for American Indian students to reach their full potential within their school communities through meaningful, equitable, and targeted educational experiences that affirms and values their unique cultural identities.

SERVICES PROVIDED

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

The following statutorily mandated services are funded by the American Indian formula aid program with the goals of increasing student achievement, increasing graduation rates, reducing the achievement gap, and lowering dropout rates:

- Support postsecondary preparation for pupils;
- Support the academic achievement of American Indian students;
- Make the curriculum relevant to the needs, interests, and cultural heritage of American Indian pupils;
- Provide positive reinforcement of the self-image of American Indian pupils;
- Develop intercultural awareness among pupils, parents, and staff; and
- Supplement, not supplant, state and federal educational and co-curricular programs.

The Minnesota Department of Education administers the aid program and calculates payments to school districts, charter schools, intermediate school districts, and tribal contract schools.

RESULTS

The program is designated for Minnesota’s state-identified American Indian students enrolled in public schools, Charter Schools, Intermediate School Districts, and Tribal contract schools. Those schools and/or districts with 20 or more State-identified American Indian students and who meet the eligibility criteria through the Indian Education Act of 1988 are able to receive this formula-based aid. American Indian Education Aid enables participating students to take part in programs designed to meet the unique cultural and academic needs of American Indian students.

| Name of Measure | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|---|------------------|
| Statewide American Indian Graduation Rate | Results | Data collected by MDE | FY2020: 55.7% FY2021: 58.6% FY2022: 61.3% | FY2023: 61.3% |

M.S. 124D.81

American Indian Education Aid

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 11,399 | 10,835 | 16,708 | 19,524 | 20,469 | 21,343 |
| Total | 11,399 | 10,835 | 16,708 | 19,524 | 20,469 | 21,343 |
| Biennial Change | | | | 13,998 | | 5,580 |
| Biennial % Change | | | | 63 | | 15 |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 11,399 | 10,835 | 16,708 | 19,524 | 20,469 | 21,343 |
| Total | 11,399 | 10,835 | 16,708 | 19,524 | 20,469 | 21,343 |

American Indian Education Aid

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 11,482 | 10,773 | 17,276 | 19,763 | 20,547 | 21,432 |
| District Revenue | 11,482 | 10,773 | 17,276 | 19,763 | 20,547 | 21,432 |
| Direct Appropriation | 11,351 | 11,575 | 18,131 | 19,524 | 20,469 | 21,343 |
| Current Year | 10,334 | 9,697 | 15,549 | 17,787 | 18,493 | 19,289 |
| Prior Year | 1,065 | 1,138 | 1,159 | 1,737 | 1,976 | 2,054 |
| Transfers In | 85 | | | | | |
| Cancellations | 37 | 740 | 1,423 | | | |
| Expenditures | 11,399 | 10,835 | 16,708 | 19,524 | 20,469 | 21,343 |
| Biennial Change in Expenditures | | | | 13,998 | | 5,580 |
| Biennial % Change in Expenditures | | | | 63 | | 15 |

Program: American Indian Education

Activity: American Indian Education Other Grants Miscellaneous

<https://education.mn.gov/MDE/dse/indian/grant/>

AT A GLANCE

- The Native Language Revitalization Grant provides funding for districts and schools to provide Dakota and/or Anishinaabe language classes that build a sustainable language revitalization effort across Minnesota.

PURPOSE AND CONTEXT

Children who learn their Indigenous language are able to maintain critical ties to their culture, affirm their identity, and preserve important connections with older generations. Language is a vital asset for Native People and communities. It defines who they are, where they come from, and the value systems that in many ways cannot be translated into English.

The Native Language Revitalization Grant prioritizes equity by providing funding to schools and districts that will otherwise not have the capital to provide equity to American Indian students. This grant will invest in students and improve conditions for learning for all students who wish to participate. This revitalization effort will provide options for students who have little or no Dakota or Anishinaabe language classes in their schools. This grant will also work to sustain and grow the revitalization of Dakota and Anishinaabe languages in Minnesota.

SERVICES PROVIDED

With this grant, districts and schools are able to offer Dakota and/or Anishinaabe language courses to students K-12. It provides funding for Language teachers, curricular materials, and Professional Development for Language teachers to continue learning. The program aims to achieve true language revitalization with more students across Minnesota speaking the Indigenous languages of the original people of this land. Specifically, this grant will enable districts and schools who do not offer Indigenous languages to do so, and for those who currently have Dakota and/or Anishinaabe language classes, to make them sustainable and to build true language speakers fluent enough to pass the language seals tests in Anishinaabe and Dakota.

The legislature provided one time Permanent School Fund Supplemental Aid in fiscal year (FY) 2025 to American Indian schools.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most Recent Data |
|---|--------------|-----------------------|------------------|------------------|
| Number of school districts, charter schools, and Tribal Contract schools offering language instruction in Dakota, Anishinaabe, or another indigenous language because of this grant | Quantity | Data collected by MDE | FY2024: 0 | N/A |

M.S. 122A.63

American Indian Education Other Grants/Misc

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|------|
| | | | | | FY26 | FY27 |

Expenditures by Fund

| | | | | | | |
|-------------------|--|--|-----------|---------------|--------------|--------------|
| 1000 - General | | | 16 | 15,024 | 7,500 | 7,500 |
| Total | | | 16 | 15,024 | 7,500 | 7,500 |
| Biennial Change | | | | 15,040 | | (40) |
| Biennial % Change | | | | | | (0) |

Expenditures by Category

| | | | | | | |
|----------------------------|--|--|-----------|---------------|--------------|--------------|
| Compensation | | | 15 | 326 | 262 | 266 |
| Operating Expenses | | | 1 | 538 | 178 | 174 |
| Grants, Aids and Subsidies | | | | 14,160 | 7,060 | 7,060 |
| Total | | | 16 | 15,024 | 7,500 | 7,500 |

Full-Time Equivalents

| | | | | | | |
|--|--|--|-------------|-------------|-------------|-------------|
| | | | 0.13 | 2.00 | 2.00 | 2.00 |
|--|--|--|-------------|-------------|-------------|-------------|

American Indian Education Other Grants/Misc

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | | | 7,500 | 7,540 | 7,500 | 7,500 |
| Balance Forward In | | | | 7,484 | | |
| Balance Forward Out | | | 7,484 | | | |
| Expenditures | | | 16 | 15,024 | 7,500 | 7,500 |
| Biennial Change in Expenditures | | | | 15,040 | | (40) |
| Biennial % Change in Expenditures | | | | | | (0) |
| Full-Time Equivalents | | | 0.13 | 2.00 | 2.00 | 2.00 |

Program: Innovation and Accountability

Activity: Assessments

AT A GLANCE

- Serves approximately 65,000 students per grade, grades 3-8 Mathematics and Reading, grade 10 Reading, grade 11 Mathematics, and grades 5, 8, and high school Science. This totals approximately 1 million assessments across the grades for Minnesota Comprehensive Assessments (MCAs).
- Serves approximately 73,000 English learners (ELs), grades K-12.
- Serves approximately 6,000 students with severe cognitive disabilities.
- Supports all charter schools, districts, Minnesota Department of Education (MDE) divisions, and stakeholders with statewide assessment literacy and analysis.
- The cost of college entrance exams is reimbursed for over 14,000 students annually.

PURPOSE AND CONTEXT

Statewide testing’s mission is to design, develop, and implement a system of assessment so Minnesota students, parents, teachers, administrators, legislators, and taxpayers will have access to valid and reliable data to support and improve education in Minnesota. Our purpose is to build a comprehensive assessment system and provide analytics that adds value to Minnesota’s education system.

This program supports the objective of ensuring every student receives a world-class education. To further that goal, college entrance exam costs are reimbursed. Those reimbursements are prioritized for students eligible for free or reduced-price meals.

SERVICES PROVIDED

This program provides data and analysis to inform parents, teachers, and the public on the achievement of students against the Minnesota K-12 Academic Standards and Minnesota English Language Proficiency Standards. This includes special populations such as English learners, students receiving special education services, and student receiving free or reduced-price meals. These services are possible due to state funds as well as federal assessment grants.

MDE awards contracts to vendors, manages the contracts, supports districts’ administration of the statewide assessments, and reports statewide assessment results.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|---|------------------|
| District satisfaction with test administration support/training materials. (Baseline of 75-85% in FY16) | Quality | Data collected by MDE | FY2020: NA FY2021: NA FY2022: 90% | FY2023: 90% |

M.S. 120B.30; M.S. 120B.31; M.S. 124D.59
ESEA 195, Title VI, Part A, Subpart I, Section 1111(b) (2)

Assessments

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|---|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 10,647 | 11,355 | 11,903 | 11,903 | 11,903 | 11,903 |
| 3000 - Federal | 1,049 | 1,144 | 569 | 61 | | |
| Total | 11,696 | 12,498 | 12,472 | 11,964 | 11,903 | 11,903 |
| Biennial Change | | | | 242 | | (630) |
| Biennial % Change | | | | 1 | | (3) |
| <u>Expenditures by Category</u> | | | | | | |
| Operating Expenses | 10,685 | 10,892 | 11,461 | 10,953 | 10,892 | 10,892 |
| Grants, Aids and Subsidies | 1,011 | 1,607 | 1,011 | 1,011 | 1,011 | 1,011 |
| Total | 11,696 | 12,498 | 12,472 | 11,964 | 11,903 | 11,903 |
| Total Agency Expenditures | 11,696 | 12,498 | 12,472 | 11,964 | 11,903 | 11,903 |
| Internal Billing Expenditures | 4 | 4 | 4 | 3 | | |
| Expenditures Less Internal Billing | 11,691 | 12,494 | 12,468 | 11,961 | 11,903 | 11,903 |

Assessments

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | 10,703 | 10,703 | 11,903 | 11,903 | 11,903 | 11,903 |
| Balance Forward In | | 652 | | | | |
| Balance Forward Out | 56 | | | | | |
| Expenditures | 10,647 | 11,355 | 11,903 | 11,903 | 11,903 | 11,903 |
| Biennial Change in Expenditures | | | | 1,804 | | 0 |
| Biennial % Change in Expenditures | | | | 8 | | 0 |
| 3000 - Federal | | | | | | |
| Receipts | 1,049 | 1,144 | 569 | 61 | | |
| Expenditures | 1,049 | 1,144 | 569 | 61 | | |
| Biennial Change in Expenditures | | | | (1,562) | | (630) |
| Biennial % Change in Expenditures | | | | (71) | | (100) |

Program: Student and Teacher Opportunities

Activity: Advanced Placement-International Baccalaureate

AT A GLANCE

In fiscal year (FY) 2022:

- 74 International Baccalaureate (IB) programs were in place in 64 authorized IB schools.
- 35,276 Advanced Placement (AP) students took 55,096 exams.
- 3,085 IB students took 7,224 exams.
- Efforts focused on increasing the number of low-income students taking AP or IB exams.
- 170 AP teachers attended in-depth training.
- 362 IB teachers attended in-depth training.

PURPOSE AND 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 funding is used to pay all Advanced Placement (AP) and International Baccalaureate (IB) exam costs for students from low-income families and a portion of exam costs for all students. 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 AP and IB course credits for exams taken by students.

- Colleges and universities in Minnesota State 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, but not required, 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.

The Minnesota Department of Education (MDE) reviews and approves applications and calculates and processes aid payments for this program.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|---|------------------|
| Percent of AP exams proficient or above (national average is 57-58%). These are scores of 3 out of 5 and above. | Quality | Data collected by MDE | FY2019: 66% FY2020: 66% FY2021: 60% | FY2022: 67% |

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|---------------------|----------------------------|---|-------------------------|
| Number of IB exams proficient or above (national average is 74%). These are scores of 4 out of 7 and above. | Quality | Data collected by MDE | FY2019: 61% FY2020: 60% FY2021: 80% | FY2022: 75% |
| Number of low-income students/percentages of low-income students taking AP exams. These exam fees are fully funded. | Quality | Data collected by MDE | FY2019: 5,325 (12%) FY2020: 4,596 (11%) FY2021: 3,357 (10%) | FY2022: 4,701 (10%) |
| Number of low-income students/percentages of low-income students taking IB exams. These exam fees are fully funded. | Quality | Data collected by MDE | FY2019: 1,117 (28%) FY2020: 1,041 (27%) FY2021: 577 (21%) | FY2022: 639 (21%) |

M.S. 120B.13

MN Laws 2023, chapter 55, article 5, section 64 subdivision 15 (Examination fees; teacher training and support programs.)

Advanced Placement-International Baccalaureate

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| <i>Expenditures by Fund</i> | | | | | | |
| 1000 - General | 3,000 | 6,704 | 4,087 | 4,913 | 4,500 | 4,500 |
| Total | 3,000 | 6,704 | 4,087 | 4,913 | 4,500 | 4,500 |
| Biennial Change | | | | (704) | | 0 |
| Biennial % Change | | | | (7) | | 0 |
| <i>Expenditures by Category</i> | | | | | | |
| Operating Expenses | 3,000 | 3,704 | 3,012 | 3,297 | 3,000 | 3,000 |
| Grants, Aids and Subsidies | | 3,000 | 1,075 | 1,616 | 1,500 | 1,500 |
| Total | 3,000 | 6,704 | 4,087 | 4,913 | 4,500 | 4,500 |

Advanced Placement-International Baccalaureate

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base FY26 FY27 | |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------------------|--------------|
| 1000 - General | | | | | | |
| Direct Appropriation | 4,500 | 4,500 | 4,500 | 4,500 | 4,500 | 4,500 |
| Balance Forward In | | 2,204 | | 413 | | |
| Balance Forward Out | 1,500 | | 413 | | | |
| Expenditures | 3,000 | 6,704 | 4,087 | 4,913 | 4,500 | 4,500 |
| Biennial Change in Expenditures | | | | (704) | | 0 |
| Biennial % Change in Expenditures | | | | (7) | | 0 |

Program: Student and Teacher Opportunities**Activity: Concurrent Enrollment**<https://education.mn.gov/MDE/dse/ccs/pseo/>**AT A GLANCE**

- In fiscal year (FY) 2022, of the 32,505 students that participated in concurrent enrollment, 4,745 were low-income students and 467 were English learners.
- For FY 2022, the state aid amount was prorated to \$52.57 per student, per course.

PURPOSE AND CONTEXT

The Concurrent Enrollment program provides funding to districts to defray the cost of delivering concurrent enrollment courses in high schools. This program is available to all students in grades 11 and 12; students participating in career and technical education classes in grade 10, and students in grades 9 and 10 on a limited basis. This program provides dual high school and college credit.

This aid program supports the objective that every student receives a world-class education.

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 set at \$150 per student per course. However, because funding is capped and enrollment is increasing, full course reimbursement exceeds the appropriation, and the program is prorated. For FY 2022, districts received \$52.57 per student in state aid, with local funding making up an increasing portion of the cost.

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 classes taught on a college campus; and
- Continued participation in the high school culture while earning college credits.

The Minnesota Department of Education:

- Helps districts interpret the laws regarding concurrent enrollment;
- Reviews and approves annual partnership agreements between school districts and colleges or universities;
- Verifies student, course, and program eligibility; and
- Calculates and processes aid payments to districts.

RESULTS

In 2021-22, 335 districts and charter schools had 76,084 student enrollments in concurrent enrollment courses through 39 Minnesota colleges and universities.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|------------------------------------|------------------------------------|
| Number of student enrollments | Quantity | Data collected by MDE | FY2019: 76,296 FY2020: 76,295 | FY2021: 76,236 FY2022: 76,084 |
| College credits earned that generated Concurrent Enrollment aid | Quantity | Data collected by MDE | FY2019: 261,091 FY2020: 261,170 | FY2021: 268,023 FY2022: 256,168 |
| Number of unique students | Quantity | Data collected by MDE | FY2019: 32,272 FY2020: 32,905 | FY2021: 33,159 FY2022: 32,505 |
| Number of districts and charters with Concurrent Enrollment courses | Quantity | Data collected by MDE | FY2019: 328 FY2020: 328 | FY2021: 324 FY2022: 335 |

M.S. 124D.091

MN Laws 2023, chapter 55, article 5, section 64 subdivision 10 (Concurrent enrollment aid)

Concurrent Enrollment

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| Total | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| Biennial Change | | | | 0 | | 0 |
| Biennial % Change | | | | 0 | | 0 |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| Total | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |

Concurrent Enrollment

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base FY26 FY27 | |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------------------|--------------|
| 1000 - General | | | | | | |
| Direct Appropriation | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| Expenditures | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| Biennial Change in Expenditures | | | | 0 | | 0 |
| Biennial % Change in Expenditures | | | | 0 | | 0 |

Program: Student and Teacher Opportunities**Activity: Literacy Incentive Aid****AT A GLANCE**

- In fiscal year (FY) 2023, 47.7 percent of third-grade students were proficient in reading statewide. (Source: Minnesota Report Card)
- In FY 2023, 48.8 percent of fourth-grade students were proficient in reading statewide. (Source: Minnesota Report Card)

PURPOSE AND CONTEXT

This program provides schools with additional aid based on student reading performance. Literacy incentive aid is available to all public school districts and charter schools with students in grades 3 and 4. This program supports the objective that every student receives a world-class education.

SERVICES PROVIDED

Part of literacy incentive aid is based on the portion of students in a school that meet or exceed proficiency on the MCA grade three reading test (called “proficiency aid”). The other part of literacy incentive aid is based on the portion of students that show medium or high growth in reading proficiency between grades three and four (called “growth aid”).

For FY 2021, FY 2022, and FY 2023, there were no restrictions on the use of Literacy Incentive Aid. Beginning with FY 2024, Literacy Incentive Aid must be used in accordance with provisions in the Read Act.

The COVID-19 pandemic disrupted the statewide assessments during the 2019-2020 school year that would have been included in the Literacy Incentive Aid calculations. Literacy Incentive Aid is calculated by school site using third and fourth grade test results averaged from the previous three test administrations. There were no testing results for 2020, and Minnesota Session Laws 2020, chapter 116, article 3, section 6, subdivision 8 excluded 2020 from the Literacy Incentive Aid calculations.

Minnesota Session Laws 2020, chapter 116, article 3, section 6, subdivision 8 allowed the commissioner to change the per pupil aid amount from \$530 to an amount that ensured that Literacy Incentive Aid did not fall below the February 2020 forecast amount, which was \$44.6 million for FY 2021. Per pupil aid increased from \$530 to \$539.55, \$586.21, and \$597.23 for FY 2021, FY 2022, and FY 2023, respectively, to meet this requirement.

Literacy Incentive Aid was contingent on districts and charter schools submitting a local literacy plan by July 1 under Minnesota Statutes section 120B.12, subdivision 4a. Historically, there have been some districts and charter schools that do not submit a plan and, therefore, forfeit their calculated Literacy Incentive Aid. The final aid calculations reflect any material amounts that were redistributed due to the lack of plan submissions for FY 2021, FY 2022, and FY 2023.

The Minnesota Department of Education (MDE) calculates and processes aid payments for this program.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|---------------------|----------------------------|--------------------------------|-------------------------|
| Portion of grade three students generating proficiency aid (three-year average proficiency calculation) | Quality | Data collected by MDE | FY2021: 53.1% FY2022: 53.1% | FY2023: 50.5% |
| Portion of grade four students generating growth aid (three-year average growth calculation) | Quality | Data collected by MDE | FY2021: 74% FY2022: 75% | FY2023: 75% |

**There were no MCA tests administered during the 2019-2020 school year due to the COVID-19 pandemic.*

M.S. 124D.98

Literacy Incentive Aid

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 45,075 | 45,968 | 41,071 | 40,570 | 40,616 | 40,890 |
| Total | 45,075 | 45,968 | 41,071 | 40,570 | 40,616 | 40,890 |
| Biennial Change | | | | (9,402) | | (135) |
| Biennial % Change | | | | (10) | | (0) |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 45,075 | 45,968 | 41,071 | 40,570 | 40,616 | 40,890 |
| Total | 45,075 | 45,968 | 41,071 | 40,570 | 40,616 | 40,890 |

Literacy Incentive Aid

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base FY26 FY27 | |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------------------|---------------|
| 1000 - General | | | | | | |
| Entitlement | 45,124 | 46,062 | 40,516 | 40,576 | 40,621 | 40,920 |
| District Revenue | 45,124 | 46,062 | 40,516 | 40,576 | 40,621 | 40,920 |
| Direct Appropriation | 45,075 | 45,968 | 41,071 | 40,570 | 40,616 | 40,890 |
| Current Year | 40,612 | 41,456 | 36,465 | 36,519 | 36,559 | 36,828 |
| Prior Year | 4,463 | 4,512 | 4,606 | 4,051 | 4,057 | 4,062 |
| Cancellations | | 0 | | | | |
| Expenditures | 45,075 | 45,968 | 41,071 | 40,570 | 40,616 | 40,890 |
| Biennial Change in Expenditures | | | | (9,402) | | (135) |
| Biennial % Change in Expenditures | | | | (10) | | (0) |

Program: Student and Teacher Opportunities**Activity: Read Act**

<https://education.mn.gov/MDE/dse/READ/>

AT A GLANCE

- The READ Act serves children prekindergarten through grade 12.
- The READ Act's goal is to have every child reading at grade level beginning in kindergarten.

PURPOSE AND CONTEXT

The legislature seeks to have every child reading at or above grade level every year, beginning in kindergarten, and to support multilingual learners and students receiving special education services in achieving their individualized reading goals.

The MDE mission and strategic plan aligns with the Due North Education Plan and was built from the voices and ideas of Minnesotans whom the Walz-Flanagan Administration engaged. Specifically, our partnership and collaboration with students, families, educators, school leaders and education organizations across the state. This engagement was invaluable in helping to frame the comprehensive reform efforts needed to ensure that all students receive a world-class education, in a safe, nurturing learning environment, from caring qualified teachers.

The READ Act supports our goal of ensuring a world-class education which requires a student-centered approach that removes structural barriers, provides the best teacher workforce that reflects the students in our classrooms, and creates safe and welcoming environments in every school in Minnesota.

SERVICES PROVIDED**The READ Act provides funding for:**

- Training for educators and school leaders in evidence-based structured literacy best practices
- Partnering with the MN Service Cooperatives to establish the Regional Literacy Network to provide support to districts in the implementation of the READ Act.
- Partner with the Center for Applied Research and Educational Outcomes (CAREI) in supporting implementation of the READ Act

MDE, in partnership with CAREI, provides the following support to districts in order to successfully implement READ Act requirements:

Professional Development

Provide background knowledge and learning around reading research and foundational evidence-based instructional practices through approved professional development.

Screening and Data-based Decision Making

Provide guidance to districts on universal and dyslexia screening designed to regularly detect risk and monitor the development of early literacy and early reading skills.

Curricular Resources

Provide reviews and reports of Tier 1 Core Instructional materials and intervention models.

Evidence-based Practices

Provide guidance to districts regarding best practices in literacy instruction, as well as, practices that are not evidence-based.

Provide MnMTSS literacy guidance that districts may refer to in order to support efforts to screen, identify, intervene, and monitor the progress of students not reading at grade level.

Regional Literacy Network

Provide regional support to ensure districts have access to Literacy Specialists who provide learning and coaching through the Regional Literacy Network (literacy component of the COMPASS system).

By partnering with the Minnesota Service Cooperatives, this support is geographically equitable.

Literacy Specialists receive literacy lead training that is aligned with the READ Act goals and enables Specialists to provide implementation support of comprehensive literacy reform efforts for district and site level leadership teams, to support literacy data collection and analysis, and to provide guidance on curriculum selection.

Professional Educator Licensing and Standards Board (PELSB) and Pre-service Teacher Preparation

Collaborate with PELSB to ensure Board-approved teacher preparation programs for teachers of elementary education provide instruction in the following:

- Evidence-based and structured literacy reading instructional practices that teach students to read using foundational knowledge, practices, and strategies with emphasis on mastery of foundational reading skills so that students achieve grade level proficiency in reading
- Teach reading in the teacher candidate's content areas
- Teach specialized instruction in reading strategies, interventions, and remediations that enable students of all ages and proficiency levels, including multilingual learners and students demonstrating characteristics of dyslexia, to become proficient readers

Literacy Incentive Aid and READ Act Literacy Aid

MDE provides guidance to districts on approved comprehensive literacy efforts that may be paid for with these funds.

RESULTS

****The READ Act Evaluation Plan is being finalized at this time. The measures below are projected measures used to evaluate implementation and impact of the READ Act.***

Note: Minnesota Comprehensive Achievement (MCA) scores measure student proficiency on the English Language Arts Minnesota standards. The first year the 3rd graders who have had teachers since Kindergarten who are trained in the research will be SY28-29. This is important to keep in mind when people reference MCA scores. This also sets expectations as to when the state will begin to see an upward shift in our third grade reading proficiency levels.

Timeline:

- SY24-25: State-wide Teacher training begins
- SY25-26: Kindergarten
- SY26-27: 1st Grade
- SY27-28: 2nd Grade
- SY28-29: 3rd Grade

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|---------------------|---|---|--|
| Number of teachers registered for training by December 31, 2024; percent of educators who completed training by July 2026 | Quantity | Data base maintained by MDE | No trend data at this time as evaluation items are being currently being collected. | FY24-25 – 33,000+ teachers registered for training. FY23-24 - 2484 teachers have completed training. |
| Number of districts submitting Local Literacy Plan on June 15, 2024 | Quantity | Data base maintained by MDE | No trend data at this time as evaluation items are being currently being collected. | FY23-24 504/549 (92%) of Minnesota districts submitted 2024 Local Literacy Plans. |
| Number of districts having a qualified Literacy Lead on staff | Quantity | District Local Literacy Plan; Data base maintained by MDE | No trend data at this time as evaluation items are being currently being collected. | Districts are not required to have an identified Literacy Lead until SY25-26 |
| Number of school leaders and early childhood educators register in approved training | Quantity | District Local Literacy Plan; Data base maintained by MDE | No trend data at this time as evaluation items are being currently being collected. | FY24-25 - Currently we have 4,424 registered in these two categories. |
| Growth in Student screening data beginning in June of 2026 | Result | Student Universal screening data | Student data will be collected beginning June of 2025. | N/A |
| Number of students who are screened for dyslexia | Quantity | District Local Literacy Plan; Data base maintained by MDE | No trend data at this time as evaluation items are being currently being collected. | N/A |
| Minnesota Comprehensive Assessment (MCA) Reading student and district data beginning 26-27 school year | Result | State MCA Reading data | Statewide 3rd grade proficiency on the MCA reading assessment: 2021: 48.5% 2023: 48% 2024: 47.3% | N/A |

Part B: Evidence of Effectiveness

| Evidence-based practice: | Source: | FY 24-25 Expenditures |
|---|--|-----------------------|
| Training in evidence-based structured literacy | <p>Educator outcomes associated with implementation of Mississippi’s K-3 early literacy professional development initiative</p> <p>https://ies.ed.gov/ncee/edlabs/regions/southeast/pdf/REL_2017270.pdf</p> <p>Reviewing the Evidence on How Teacher Professional Development Affects Student Achievement (https://files.eric.ed.gov/fulltext/ED498548.pdf)</p> | \$20.7 m |
| Evidence-based literacy coaching via Regional Literacy Networks | <p>March, A.L., & Gaunt, B.T. (2013). <i>Systems coaching: A model for building capacity</i>. Tampa, FL: University of South Florida, Florida’s Multi-tiered System of Supports Project. Retrieved from Systems Coaching Oct 7 (usf.edu), (http://www.floridarti.usf.edu/resources/format/pdf/SystemsCoaching.pdf)</p> <p>University of South Florida, Florida’s Multi-Tiered System of Supports Project (2022) <i>Systems Coaching and Leadership Fact Sheet</i>. Retrieved from https://floridarti.usf.edu/resources/factsheets/index.html</p> <p>Iowa Department of Education (2019) <i>Coaching Field Guide: Resources and Tools to Support Iowa Coaches</i>. Retrieved from https://educate.iowa.gov/media/5318/download?inline</p> <p>Virginia Commonwealth University, Virginia Tiered System of Supports (2024). <i>Systems Coaching Institute 101</i>. Virginia Department of Education, Virginia Tiered Systems of Supports Project. Retrieved from https://vtss-ric.vcu.edu/media/vtss-ric/documents/systems-coaching-101/2023-24/SCI101January2024.pptx</p> <p>Foundation for California Community Colleges, ASAPconnect (2022). <i>A Framework for Effective Technical Assistance Delivery V.2</i>. ASAPconnect. Retrieved from https://asapconnect.org/wp-content/uploads/2023/02/Full-TA-Framework.pdf</p> | \$18 m |

M.S. 120.12

Minnesota Session Law, Chapter 55, Article 3, READ Act

(<https://www.revisor.mn.gov/laws/2023/0/Session+Law/Chapter/55/>)

Updated information from READ Act 2.0 can be accessed under Minnesota Statutes 2023, section 120B.12

(<https://www.revisor.mn.gov/statutes/cite/120B.12>)

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|------|
| | | | | | FY26 | FY27 |

Expenditures by Fund

| | | | | | | |
|-------------------|--|--|---------------|----------------|--------------|--------------|
| 1000 - General | | | 10,107 | 101,768 | 8,000 | 8,000 |
| Total | | | 10,107 | 101,768 | 8,000 | 8,000 |
| Biennial Change | | | | 111,875 | | (95,875) |
| Biennial % Change | | | | | | (86) |

Expenditures by Category

| | | | | | | |
|-----------------------------|--|--|---------------|----------------|--------------|--------------|
| Compensation | | | 215 | 905 | 683 | 683 |
| Operating Expenses | | | 9,892 | 30,894 | 5,323 | 5,323 |
| Grants, Aids and Subsidies | | | | 69,969 | 1,994 | 1,994 |
| Other Financial Transaction | | | 0 | | | |
| Total | | | 10,107 | 101,768 | 8,000 | 8,000 |

Full-Time Equivalents

| | | | | | | |
|--|--|--|------|------|------|------|
| | | | 1.48 | 6.34 | 4.25 | 4.25 |
|--|--|--|------|------|------|------|

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | | | 74,400 | 37,475 | 8,000 | 8,000 |
| Balance Forward In | | | | 64,293 | | |
| Balance Forward Out | | | 64,293 | | | |
| Expenditures | | | 10,107 | 101,768 | 8,000 | 8,000 |
| Biennial Change in Expenditures | | | | 111,875 | | (95,875) |
| Biennial % Change in Expenditures | | | | | | (86) |
| Full-Time Equivalents | | | 1.48 | 6.34 | 4.25 | 4.25 |

Program: Student and Teacher Opportunities

Activity: Student Organizations

AT A GLANCE

- There are six career and technical education student organizations supported by the Minnesota Foundation for Student Organizations (MSFO).
- MSFO 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 AND CONTEXT

The Minnesota Foundation for Student Organizations (MSFO) supports secondary and postsecondary career and technical student organizations that are operated as co-curricular activities and/or integrated into Career and Technical Education (CTE) coursework.

SERVICES PROVIDED

The MSFO supports career and technical student organizations as they provide opportunities for students in Career and Technical Education pathways to further their knowledge and skills by participating in leadership activities, events, community service, and competitions.

The student organizations provide those opportunities in the following areas:

- Health Occupations (HOSA)
- Trade and Industry Technology (SKILLSUSA)
- Business (BPA)
- Agriculture, Food and Natural Resources (FFA)
- Family and Consumer Science (FCCLA)
- Marketing (DECA)

The MSFO coordinates joint activities and outreach among its member student organizations. The MSFO requires member organizations to provide desired support and opportunities for students.

The Minnesota Department of Education (MDE) processes payments and provides technical support for this program.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|------------------|------------------|
| Membership in career and technical education student organizations (*membership numbers submitted as part of the MSFO Legislative biennium report) | Quantity | Data collected by MDE | FY2021: 24,764 | FY2023: 26,293 |

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

Student Organizations

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 768 | 768 | 1,084 | 1,084 | 1,084 | 1,084 |
| Total | 768 | 768 | 1,084 | 1,084 | 1,084 | 1,084 |
| Biennial Change | | | | 632 | | 0 |
| Biennial % Change | | | | 41 | | 0 |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 768 | 768 | 1,084 | 1,084 | 1,084 | 1,084 |
| Total | 768 | 768 | 1,084 | 1,084 | 1,084 | 1,084 |

Student Organizations

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base FY26 FY27 | |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------------------|--------------|
| 1000 - General | | | | | | |
| Direct Appropriation | 768 | 768 | 1,084 | 1,084 | 1,084 | 1,084 |
| Expenditures | 768 | 768 | 1,084 | 1,084 | 1,084 | 1,084 |
| Biennial Change in Expenditures | | | | 632 | | 0 |
| Biennial % Change in Expenditures | | | | 41 | | 0 |

Program: Student and Teacher Opportunities

Activity: Early Childhood Literacy

<https://minnesotareadingcorps.org/>

AT A GLANCE

- This program is implemented by Reading Corps, an initiative of ServeMinnesota.
- In the 2022-23 school year, Reading Corps served 19,300 students.
- In the 2022-23 school year, children from 74 Minnesota counties were served.
- In the 2022-23 school year, Reading Corps worked with 450 elementary schools and 96 pre-K sites.

PURPOSE AND CONTEXT

This program’s purpose is to reduce Minnesota’s opportunity gap, better prepare preschoolers for kindergarten, and increase the number of students meeting literacy standards by the end of third grade, which support the objective of ensuring every student receives a world-class education.

The program is funded with a combination of state aid, federal funds, and private donations. Only the state aid is reflected on the fiscal pages of this Budget Activity.

SERVICES PROVIDED

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

- Are trained in research-based tutoring techniques and work with children age 3 to grade three.
- Monitor each student’s progress.

The Minnesota Reading Corps provides master literacy coaches to all sites. They:

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

The Minnesota Department of Education awards and makes payments for the program grant, approves work plans and invoices, and reviews annual reports.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|--|------------------|
| Number of prekindergarten children receiving individualized instruction. | Quantity | Data collected by MDE | FY2020: 4,165 FY2021: 3,583 FY2022: 3,386 | FY2023: 2,724 |
| Percentage of prekindergarten children who meet their growth goals. | Quality | Data collected by MDE | FY2020: 76% ¹ FY2021: 89% FY2022: 675% | FY2023: 65% |
| Number of K-3 children receiving individualized instruction. | Quantity | Data collected by MDE | FY2020: 13,289 ² FY2021: 123,174 FY2022: 15,163 | FY2023: 16,573 |

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|---------------------|----------------------------|---|-------------------------|
| Percentage of K-3 children who meet their growth goals. | Quality | Data collected by MDE | FY2020: 81% FY2021: 76% FY2022: 69% | FY2023: 77% |

¹ Prekindergarten data in 2020 is fall to winter growth instead of the usual fall to spring, since programming was suspended in March 2020 due to the COVID-19 pandemic.

² The COVID-19 pandemic caused a disruption to the regular tutoring services provided by Minnesota Reading Corps, and ultimately impacted the number of students served in the final months of the school year.

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

Early Childhood Literacy

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base FY26 FY27 | |
|--|----------------|----------------|----------------|------------------|----------------------------|----------|
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 7,950 | 10,730 | 7,950 | 7,950 | | |
| Total | 7,950 | 10,730 | 7,950 | 7,950 | | |
| Biennial Change | | | | (2,780) | | (15,900) |
| Biennial % Change | | | | (15) | | (100) |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 7,950 | 10,730 | 7,950 | 7,950 | | |
| Total | 7,950 | 10,730 | 7,950 | 7,950 | | |

Early Childhood Literacy

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|----------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | 7,950 | 7,950 | 7,950 | 7,950 | 0 | 0 |
| Balance Forward In | | 2,780 | | | | |
| Expenditures | 7,950 | 10,730 | 7,950 | 7,950 | | |
| Biennial Change in Expenditures | | | | (2,780) | | (15,900) |
| Biennial % Change in Expenditures | | | | (15) | | (100) |

Program: Student and Teacher Opportunities**Activity: Elementary and Secondary Education Act (ESEA) Programs**

<https://education.mn.gov/MDE/dse/esea/>

AT A GLANCE

- The Elementary and Secondary Education Act (ESEA) provides supplementary educational funds for underserved learner programs, professional development of teachers and principals, and English language development.
- ESEA was reauthorized December 2015 and is now more commonly referred to as the Every Student Succeeds Act (ESSA).
- COVID-19 federal funding for Elementary and Secondary School Emergency Relief (ESSER) and Governor’s Emergency Education Relief (GEER) are reflected in this Budget Activity in addition to certain other federal funds. School district activities in response to and recovery from the impacts of COVID-19 are addressed with ESSER and GEER funds.

PURPOSE AND CONTEXT

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

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 enrollment information.

SERVICES PROVIDED

Funds are authorized for instructional programs and materials, professional development, and for promoting family engagement under:

- Improving Academic Achievement, 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 state academic standards.
- Migrant Education, Title I, Part C, which ensures that migratory children receive appropriate educational services that address their special needs.
- Neglected and Delinquent Education, Title I, Part D, which provides prevention and intervention programs for children who are neglected, delinquent, or at-risk.
- Supporting Effective Instruction, Title II, Part A, which improves the preparation of prospective teachers and enhances professional development activities for teachers and other school leaders.
- English Acquisition and Language Enhancement and Academic Achievement, Title III Part A, which helps LEAs ensure that English learners and immigrant students attain English proficiency and meet the same standards required of all students.
- Student Support and Academic Enrichment, Title IV, Part A, which provides access to holistic education in three main areas: well-rounded education, safe and healthy schools, and effective use of technology.
- The Rural and Low-Income Schools Grant, Title VI, Part B, which helps small rural districts with high concentrations of poverty meet challenging state academic standards.

- Educating Homeless Children and Youth (ECHY), McKinney-Vento Act, which provides subgrants for districts and charter schools with large populations of children and youth experiencing homelessness.

The Minnesota Department of Education administers federal education programs for learners under ESEA and provides school districts:

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

RESULTS

In 2022, Minnesota identified schools for support using its North Star accountability system in compliance with the federal Every Student Succeeds Act and as approved by the U.S. Department of Education. Identification uses a combination of quantitative measurements aggregated across multiple years in the identification cycle. These measurements include math and reading achievement, math and reading progress, English learners’ progress toward English language proficiency, four-year and seven-year graduation rates, and consistent attendance. The 2022 identification also used a measure of maintenance of enrollment during the early stages of the COVID-19 pandemic.

In 2022, a new category of identification—linked high schools—was used. When 30% or more of the students at a school focused on credit or dropout recovery identified for comprehensive support and improvement came to that school from a single other school, the other school was identified as a linked high school.

The next identification is scheduled for 2025; all schools identified in 2022 remain identified until the next identification.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|---------------------|----------------------------|-------------------------|-------------------------|
| Schools identified for comprehensive support and improvement | Quantity | Data collected by MDE | FY2022: 198 | FY2023: 198 |
| Schools identified for targeted support and improvement | Quantity | Data collected by MDE | FY2022: 58 | FY2023: 58 |
| Linked high schools | Quantity | Data collected by MDE | FY2022: 52 | FY2023: 52 |

P.L. 114-95 Every Student Succeeds Act (ESSA), enacted December 2015.

CFDA 84.010; CFDA 84.011; CFDA 84.358B; CFDA 84.365A; CFDA 84.367.

Elementary and Secondary Education Act Programs

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|---|----------------|----------------|----------------|------------------|----------------|----------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 3000 - Federal | 694,594 | 853,047 | 607,063 | 630,194 | 222,801 | 223,401 |
| Total | 694,594 | 853,047 | 607,063 | 630,194 | 222,801 | 223,401 |
| Biennial Change | | | | (310,384) | | (791,055) |
| Biennial % Change | | | | (20) | | (64) |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | 919 | 1,199 | 1,715 | 572 | | |
| Operating Expenses | 20,243 | 26,359 | 25,877 | 12,635 | 90 | 100 |
| Grants, Aids and Subsidies | 673,431 | 825,489 | 579,471 | 616,987 | 222,711 | 223,301 |
| Total | 694,594 | 853,047 | 607,063 | 630,194 | 222,801 | 223,401 |
| Total Agency Expenditures | 694,594 | 853,047 | 607,063 | 630,194 | 222,801 | 223,401 |
| Internal Billing Expenditures | 208 | 276 | 375 | 272 | 13 | 13 |
| Expenditures Less Internal Billing | 694,385 | 852,771 | 606,688 | 629,922 | 222,788 | 223,388 |
| <u>Full-Time Equivalent</u> | | | | | | |
| | 6.99 | 10.06 | 12.43 | 3.66 | | |

Elementary and Secondary Education Act Programs

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------|----------------|
| | | | | | FY26 | FY27 |
| 3000 - Federal | | | | | | |
| Receipts | 694,594 | 853,052 | 607,063 | 630,194 | 222,801 | 223,401 |
| Balance Forward Out | | 5 | | | | |
| Expenditures | 694,594 | 853,047 | 607,063 | 630,194 | 222,801 | 223,401 |
| Biennial Change in Expenditures | | | | (310,384) | | (791,055) |
| Biennial % Change in Expenditures | | | | (20) | | (64) |
| Full-Time Equivalents | 6.99 | 10.06 | 12.43 | 3.66 | | |

Program: Student and Teacher Opportunities**Activity: Student Opportunities****AT A GLANCE**

- P-TECH schools establishes a public-private partnership structure to teach students skills for jobs in the Science, Technology, Engineering, and Math (STEM) field.
- AP/IB STEM is for Minnesota school districts and charter schools to encourage low-income and other underserved students to participate in Advanced Placement and International Baccalaureate STEM programs consistent with Minnesota Statute 120B.132.
- Suicide prevention training for teachers establishes an online training curriculum accessible statewide.
- The Javits Gifted and Talented program encourages interest in computer science for underrepresented groups.
- Water Safety funding is provided for Minnesota nonprofit organizations and city and county parks and recreation programs to provide low-income and at-risk children with scholarships and water safety instructors and lifeguards for swimming lessons based on nationally recognized water safety curricula.
- Starbase-Multisensory learning program provides hands on experiences for students in grades 4-6.
- The Rural Career and Technical Education program is intended to provide career and technical education opportunities to middle school and high school students within the service cooperative's multicounty service area and to increase the number of students equipped with the work-readiness skills needed by regional employers.
- Grants to Museums and Educational Centers are awarded to support entity operations.
- The ServeMinnesota Innovation program provides state funding to leverage federal and private funding to fulfill the purposes of Minnesota Statutes sections 124D.37 to 124D.45.
- Minnesota Independence College and Community (MICC) is a three-year postsecondary, life-skills training program for young adults with Autism Spectrum Disorder or other learning differences.
- The agricultural educator program funds summer agricultural, food, and natural resources (AFNR) programs in schools.
- The MN Math Corps program trains AmeriCorps members in research-based curriculum to help students in Grades K-8 achieve math proficiency.
- Expanded Concurrent Enrollment Introduction to Teaching grants develop or expand programs that encourage secondary school students to pursue teaching.
- The 2023 legislature created paraprofessional training requirements beginning in fiscal year FY 2024 and later which has an appropriation \$7,230,000 in paraprofessional training aid in FY 2025

PURPOSE AND CONTEXT

Grant funding provides additional resources to achieve specific programmatic objectives and services as described below. The programs support the goals of the objective of ensuring every student receives a world-class education. The majority of these programs are state funded.

SERVICES PROVIDED

P-TECH schools are established as a public-private partnership that will prepare students for high-skill jobs of the future in identified growth industries.

The P-TECH school model must deliver five core benefits to students:

1. a rigorous, relevant, and cost-free education in grades 9 to 14, inclusive, focused on knowledge and skills that students need for science, technology, engineering, and mathematics (STEM) careers;
2. workplace learning that includes mentoring by industry professionals, worksite visits, speakers, and internships;
3. intensive, individualized academic support by both secondary and postsecondary faculty within an academic year or school day that enables students to progress through the program at their own pace;
4. an opportunity to earn an associate's degree; and
5. a commitment to students who complete the program to be first in line for a job with participating business partners following completion of the program.

The AP/IB STEM Program – MDE provides grants to school districts and charter schools to encourage low-income and other underserved students to participate in Advanced Placement and International Baccalaureate Science, Technology, Engineering, and Math (STEM) programs consistent with Minnesota Statutes, section 120B.132.

The Javits Gifted & Talented program is federally funded. Six named school districts received grants for the following activities:

1. increasing student interest in and positive attitude towards their learning in general and computer science in particular;
2. identifying greater numbers of students as gifted, particularly in computer science;
3. increasing the number of students who are limited English proficient, twice-exceptional (2e), or are from a traditionally underrepresented racial/ethnic group or gender identified as gifted, particularly in computer science;
4. for educators from participating districts to demonstrate a greater awareness of gifted student characteristics and effective instructional best practices.

Water Safety Grants (Arts and Cultural Heritage Fund) - The Minnesota Youth Water Safety Grant is a state funded grant from the Arts and Culture Heritage Fund. The funds are available to:

- Provide low-income and at-risk children with scholarships for swimming lessons based on nationally recognized water safety curriculum.
- To hire water safety instructors or lifeguards.
- To train water safety instructors or lifeguards in nationally recognized water safety practices and instruction.

Starbase-Multisensory is a grant program that provides rigorous STEM education to students in grades 4-6 with a multisensory learning experience and hands-on curriculum in an aerospace environment using state-of-the-art-technology. In FY 2020, over 2,400 students participated in STARBASE across the northland region of Minnesota. Additionally, over 3,500 students in the Twin Cities were able to participate at the 133rd Airlift Wing, a STARBASE facility in St. Paul, Minnesota.

Grants to Museums and Educational Centers. These grants must be used to encourage and increase access for historically underserved communities.

ServeMinnesota works closely with 11 regional non-profits to empower youth to improve their life opportunities through literacy, job placement, and other essential skills as authorized by Minnesota Statutes, section 124D.37 to 124D.45. This funding leverages federal and private funding.

Minnesota Independence College and Community - For a transfer to the Office of Higher Education for grants to Minnesota Independence College and Community (MICC) for tuition reduction and institutional support. MICC is a three-year postsecondary, life-skills training program for young adults with Autism Spectrum Disorder or other learning differences.

MN Math Corps trains ServeMinnesota AmeriCorps members in a research-based curriculum to help students in Grade K-8 achieve math proficiency. MN Math Corps members provide targeted tutoring to students in pairs or groups of three using the evidence-based intervention curriculum supplied to the member. Students will receive tutoring for a minimum of 12 weeks. The goal of MN Math Corps is that students served by trained members will meet or exceed their targeted national normed growth rates.

Expanded Concurrent Enrollment Grants - Funds encourage secondary school students, especially American Indian students and students of color, to pursue teaching by developing and offering concurrent enrollment course options in schools for “Introduction to Teaching” or “Introduction to Education” courses consistent with Minnesota Statutes, section 124D.09, subdivision 10.

MDE administers all aspects of the grant program. Services include:

- Providing technical assistance to applicants/recipients.
- Creating grant contract including work plans and budget information.
- Calculating, auditing, and processing payments.
- Providing guidance as it relates to Minnesota Statutes and state policies.

Paraprofessional Training - Paraprofessional training provides reimbursements to school districts, charters schools, intermediate school districts and other cooperative units, the Perpich Center for Arts Education, and the Minnesota State Academies for providing the required eight hours of paid orientation or professional development annually to all paraprofessionals, Title I aides, and other instruction support staff.

For FY 2025 only, school districts may reduce the hours of training required from eight to six, and must pay for paraprofessional test materials and fees for certain paraprofessionals who were employed during the 2023-24 school year who have not yet met training requirements. Districts are reimbursed at the amount they would have received if the training requirement was eight hours. For FY 2026 only, the commissioner must reimburse a school for six hours of paraprofessional training and must pay each school an additional amount equal to 33.33 percent of that amount. The school must use these funds either for test preparation and exam fees, or additional training. Starting in FY 2027, schools are reimbursed for the prior year compensation expenses associated with providing the required eight hours of paraprofessional training.

Nonexclusionary Discipline Grants – Funds provide grants to school districts and charter schools to train staff on nonexclusionary disciplinary practices that maintain the respect, trust, and attention of students and help keep students in classrooms.

Computer Science Education Advancement - Funds various purposes related to computer science education, including a computer science supervisor at MDE, and expenses related to the development, advancement, and promotion of K-12 computer science education.

Sanneh Foundation Grant - A grant to the Sanneh Foundation promotes educational attainment and improves lives by providing programs that strengthen physical health and social and emotional development.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|---|---|
| Number of Starbase STEM kits distributed | Quantity | Data collected by MDE | FY2021: 9,200 | FY2022: 30,000 |
| Teacher surveys collected on Starbase STEM kits | Quantity | Data collected by MDE | NA | FY2022: 531 |
| Number of teachers who completed the Kognito At-Risk one-hour suicide prevention training | Quantity | Data collected by MDE | NA | FY2020-FY22: 11,380 |
| The Javits Gifted and Talented Program- percent of enrolled 2 nd and 3 rd graders identified as gifted | Quantity | Data collected by MDE | NA | FY2022: 13.42% |
| The Javits Gifted and Talented Program- percent of enrolled 2 nd and 3 rd grade students identified as gifted in computer science | Quantity | Data collected by MDE | No students identified prior to grant | FY2022: 17.87% |
| The Javits Gifted and Talented Program- student interest and attitude toward computer science | Quantity | Data collected by MDE | FY2021 data showed fairly high interest | FY2022: 5 of 6 sites showed no significant growth |
| Schools awarded agricultural educator program funds* | Quantity | Data collected by MDE | FY2020: 48 | FY2021-22: 46 |
| MN Math Corps- number of students who received tutoring services | Quantity | Data collected by MDE | FY2021: 3,681 | NA |
| MN Math Corps-number of students who improved academic performance | Quality | Data collected by MDE | FY2021: 1,671 | NA |
| Number of districts partnered with postsecondary institutions to offer "Introduction to Teaching" or "Introduction to Education" concurrent enrollment courses with grant funding. | Quantity | Data collected by MDE | FY2022: 13 | FY2024: 7 |
| Number of districts increasing AP/IB STEM courses with grant funding. | Quantity | Data collected by MDE | FY2022: 2 | FY2024: 7 |

Many of these programs are relatively new; therefore, data is limited for certain programs.

* Results for Agricultural Education. FY20 grantees' plans were adapted to meet needs in COVID-19, including virtual instruction and flexible learning. Many districts reported this program as being one of the few student opportunities available during the pandemic, as teachers were able to work with students in smaller groups on work-based learning/internships and social-emotional learning/leadership. No grantees returned funds outside of normal unused balances. FY21 operated in a much more normal fashion, with schools focusing more on work-based learning due to limited state-wide and regional programs for social-emotional learning and student comfort with overnight events and travel.

Minnesota Session Laws 2019, 1st Special Session, Chapter 11, Article 2, Section 33, Subdivision 25 (Race 2 Reduce) and 26 (Construction Report)

Minnesota Session Laws 2021, 1st Special Session, Chapter 13, Article 2, Section 4, Subdivision 5 (Civic Education), 11 (STEM), 14 (MN Independence College), 15 (MN Math Corps), 19 (P-Tech), 23 (Serve MN Youthworks)

Minnesota Session Laws 2021, 1st Special Session, Chapter 13, Article 3, Section 7, Subdivision 6 (Expanded Concurrent Enrollment)

Minnesota Session Laws 2021, 1st Special Session, Chapter 13, Article 6, Section 3, Subdivision 2 (Suicide Prevention Training)

Minnesota Statutes, section 124D.09, subdivision 10, paragraph (b) & MN Laws 2023, chapter 55, article 5, section 64 subdivision 9 (Expanded concurrent enrollment grants)

Minnesota Statutes, section 120B.132 & MN Laws 2023, chapter 55, article 2, section 64 subdivision 18 (Grants to increase science, technology, engineering, and math course offerings.)

Minnesota Statutes, section 121A.642 (Paraprofessional Training)

Student Opportunities

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|------------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 5,619 | 8,980 | 7,586 | 34,106 | 23,520 | 23,725 |
| 2301 - Arts & Cultural Heritage | 2 | 193 | 250 | | | |
| 3000 - Federal | 518 | 704 | 671 | 184 | | |
| Total | 6,140 | 9,878 | 8,506 | 34,290 | 23,520 | 23,725 |
| Biennial Change | | | | 26,778 | | 4,449 |
| Biennial % Change | | | | 167 | | 10 |

Expenditures by Category

| | | | | | | |
|----------------------------|--------------|--------------|--------------|---------------|---------------|---------------|
| Compensation | 8 | 8 | 208 | 410 | 343 | 345 |
| Operating Expenses | 125 | 153 | 313 | 1,078 | 419 | 417 |
| Grants, Aids and Subsidies | 6,007 | 9,718 | 7,986 | 32,802 | 22,758 | 22,963 |
| Total | 6,140 | 9,878 | 8,506 | 34,290 | 23,520 | 23,725 |

| | | | | | | |
|---|--------------|--------------|--------------|---------------|---------------|---------------|
| Total Agency Expenditures | 6,140 | 9,878 | 8,506 | 34,290 | 23,520 | 23,725 |
| Internal Billing Expenditures | 12 | 14 | 11 | 2 | | |
| Expenditures Less Internal Billing | 6,128 | 9,864 | 8,496 | 34,288 | 23,520 | 23,725 |

Full-Time Equivalent

| | | | | | | |
|--|------|------|------|------|------|------|
| | 0.08 | 0.14 | 1.49 | 2.66 | 2.57 | 2.57 |
|--|------|------|------|------|------|------|

Student Opportunities

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | 8,391 | 6,376 | 17,882 | 25,112 | 24,145 | 24,350 |
| Balance Forward In | | 3,586 | | 9,669 | | |
| Transfers Out | 890 | 625 | 625 | 675 | 625 | 625 |
| Cancellations | | 357 | 3 | | | |
| Balance Forward Out | 1,882 | | 9,669 | | | |
| Expenditures | 5,619 | 8,980 | 7,586 | 34,106 | 23,520 | 23,725 |
| Biennial Change in Expenditures | | | | 27,092 | | 5,553 |
| Biennial % Change in Expenditures | | | | 186 | | 13 |
| Full-Time Equivalents | | | 1.40 | 2.57 | 2.57 | 2.57 |

2301 - Arts & Cultural Heritage

| | | | | | | |
|-----------------------------------|----------|------------|------------|----|--|-------|
| Balance Forward In | 38 | 110 | 0 | | | |
| Direct Appropriation | 110 | 110 | 250 | | | |
| Cancellations | 35 | 27 | | | | |
| Balance Forward Out | 110 | | | | | |
| Expenditures | 2 | 193 | 250 | | | |
| Biennial Change in Expenditures | | | | 54 | | (250) |
| Biennial % Change in Expenditures | | | | 28 | | |

3000 - Federal

| | | | | | | |
|-----------------------------------|------------|------------|------------|------------|--|-------|
| Receipts | 518 | 704 | 671 | 184 | | |
| Expenditures | 518 | 704 | 671 | 184 | | |
| Biennial Change in Expenditures | | | | (368) | | (855) |
| Biennial % Change in Expenditures | | | | (30) | | (100) |
| Full-Time Equivalents | 0.08 | 0.14 | 0.09 | 0.09 | | |

Program: Student and Teacher Opportunities

Activity: Teacher Opportunities

AT A GLANCE

- Grow Your Own grants provide scholarships/stipends for adults of color or American Indians to pursue teacher licensure and for student education career opportunities. 51 Adult Pathway Grants totaling \$29,922,321.57 have been awarded since FY 2022 and will be implemented in FY 2025. 26 Student Pathway Grants totaling \$14,408,488.74 have been awarded since FY 2022 and will be implemented in FY 2025.
- Statewide Concurrent Enrollment Teacher Training Grants are for the concurrent enrollment teacher partnership under Minnesota Statutes, section 122A.76.
- Come Teach in Minnesota offers hiring and retention bonuses for teachers who are American Indian or teachers of color from another state or country.
- ~4,172 teachers who received their first professional teaching license after July 1, 2022 received a stipend under the licensing and exam fees reimbursement program.
- The Special Education Teacher Pipeline Grant is a new program established in 2023 legislative session focused on developing a pipeline of trained, licensed Tier 3 or Tier 4 Special Education Teachers. In Fiscal Year 2024 awarded 25 grantees with over 160 joint partners totaling \$19,825,000. Fiscal Year 2025 awarded 9 grantees with over 35 joint partners totaling \$8,931,372.
- The Statewide Teacher Mentoring Program provides grants to ten regional partners and funds a partnership with the New Teacher Center (NTC) as a national contractor to support induction and mentoring for district and charter schools across the state. Total legislative funding is \$9,940,000 through FY2027.
- The Teacher Residency Program provides grants to 2 residency programs that meet the requirements of Minnesota Rules, part 8705.2100, subpart 2, item D, subitem (5), unit (g) and grants to 5 teacher preparation providers and partner districts and charter schools to plan new residency and apprenticeship programs.
- The alternative teacher professional pay system (commonly known as Q Comp) provides school districts and charter schools with up to \$260 per student and education districts and intermediate districts with \$3,000 per teacher in additional revenue for designing and implementing a program.
- The 2023 legislature created student support personnel aid beginning in fiscal year (FY) 2024 and later. The legislature appropriated \$29,138,000 in student support personnel aid in 2024

PURPOSE AND CONTEXT

Grant and stipend funding provides additional resources to achieve specific programmatic objectives and services as described below. The programs support the goal of expanding and diversifying the educator workforce in order to ensure every student receives a world- class education. These programs are state funded.

SERVICES PROVIDED

Grow Your Own (GYO) – The Grow Your Own (GYO) grant was created to help address teacher shortages and encourage more people of color including Indigenous people to pursue careers in teaching. The grant has two pathways, programs for adults looking to obtain teacher licensure and programs to encourage secondary students to pursue teaching careers. Both pathways focus on the recruitment of people of color into education careers. Through the various pathways candidates receive scholarships and other resources to help them pursue their degrees and become teachers when completing their programs.

GYO Pathway for Adults provides scholarships and stipends for paraprofessionals or other adults affiliated with the school to obtain teacher licensure. At least 80% of funds must be spent on scholarships/stipends for people of color and American Indian people to pursue teacher licensure, and remaining funds may be used for recruitment and support programming.

GYO Pathway for Students provides funding to develop innovative programming for secondary students to explore teaching careers. Grant winners may use funds to develop future teacher clubs or service-learning opportunities, provide post-secondary enrollment options (PSEO), provide wrap-around services for students in postsecondary enrollment options (PSEO), or may offer scholarships for graduating students to pursue teaching careers.

Across the two pathways we currently have 76 grant programs operating for a total of \$44,330,810.31. Each grant is awarded for a five-year period starting with Fiscal Year (FY) 2022.

- 11 grant programs (6 adult pathway and 5 student pathway) totaling \$6,387,598.97 began in Fiscal Year (FY) 2022 and will end in FY 2026.
- 11 grant programs (5 adult pathway and 6 student pathway) totaling \$6,399,997.00 began in FY 2023 and will end in FY 2027.
- 38 grant programs (28 adult pathway and 10 student pathway) totaling 22,151,968.71 began in FY 2024 and will end in FY 2028.
- 17 grant programs (12 adult pathway and 5 student pathway) totaling \$9,391,245.63 are beginning in FY 2025 and will end in FY 2029.

The Minnesota Department of Education (MDE) administers a state GYO grant under 122A.73. Staff provide consultative and technical assistance, communities of practice and other professional learning opportunities, written guidance and other resources. Grantees provide written annual program reports, and MDE is required to publish a report that summarizes the activities and outcomes of grant recipients and what was done to promote sharing of effective practices among grant recipients and potential grant recipients.

Statewide Concurrent Enrollment Teacher Training Grants are for the concurrent enrollment teacher partnership under Minnesota Statutes, section 122A.76. Lakes Country Service Cooperative, in consultation with the Northwest Service Cooperative, may develop a continuing education program to allow eligible teachers to attain the requisite graduate credits necessary to be qualified to teach secondary school courses for postsecondary credit. In addition, the State Partnership, a voluntary association of the Northwest Regional Partnership and the Brightworks must contract with one or more eligible postsecondary institutions to establish a continuing education credit program to allow eligible teachers to attain sufficient graduate credits to qualify to teach secondary school courses for postsecondary credit. Members of the State Partnership must work to eliminate duplication of service and develop the continuing education credit program efficiently and cost-effectively.

- \$375,000 each year in FY2024 and FY2025.

Come Teach in Minnesota - The purpose of Come Teach in Minnesota is to support districts and charter schools in recruiting and retaining teachers to diversify the teacher workforce. This program supports the goal of ensuring every student receives a world-class education by attracting and retaining a racially, ethnically, and linguistically diverse teacher workforce to reflect and honor the diversity of Minnesota's student population.

The Come Teach in Minnesota Program provides funding for participating districts or charter schools to offer hiring and retention bonuses for teachers. Enrolled districts or charters may offer a hiring bonus up to \$5,000 for eligible teachers and a retention bonus of \$5,000 after four years of service.

The total Come Teach in Minnesota appropriation for fiscal years 2022 and 2023 was \$400,000, with MDE reserving \$70,000 of the appropriation for administrative costs. The program budget of \$330,000 is held in a special revenue account and was available for schools to offer hiring bonuses and reserve funding for retention

bonuses. After administering an application and selection process, seventeen districts and charter schools were selected to participate in this program. Due to some constraints in the law, only six teachers were eligible to receive hiring bonuses in the pilot year of the program.

The Come Teach in Minnesota program was revised in the 2023 legislative session. As a result of lessons learned from the previous year as well as revised program language to reduce eligibility barriers, MDE revamped the design of this program, opening it up on a statewide basis.

MDE provides programmatic guidance and technical assistance to the school districts and charters interested in utilizing these resources to recruit and retain teachers of color from out of state. We facilitate information sessions, publish FAQs and other guidance, and review eligibility requirements for candidates for the hiring stipends. Other agency staff process payments upon approval from program staff.

Fiscal Year 2024 Program Budget: \$413,500

- \$165,000: (\$200,000 from FY 2024 appropriation, with MDE reserving \$35,000 for administration costs)
- \$248,500 (remaining amount from FY 2023)

Licensing and Exam Fees Reimbursement - Under Minnesota Session Laws 2023, Chapter 55, House File 2497, Article 55, Sec 64, Subdivision 11 (<https://www.revisor.mn.gov/laws/2023/0/Session+Law/Chapter/55/>), the “Reimbursements for teacher licensing and exam fees” appropriation to MDE was designed to reduce “financial burdens for aspiring teachers by funding costs associated with Minnesota teacher licensing exams and first professional teacher license fees for newly graduated teachers.” \$1,400,000 was appropriated in 2024 with the funding available through June 30, 2027. Up to \$50,000 of that amount is available for administration.

Eligible teachers received a stipend in honor of their expenses rather than eliminating their expenses on the front end, as the technology supporting new teacher applications could not be revised in short order for a one-time program. Newly licensed Tier 1 teachers were eligible for a \$100 stipend, and newly licensed Tier 2, 3 or 4 teachers were eligible for a \$325 stipend, as they may have had additional costs to obtain a license, including fees for licensing exams.

PELSB provided a spreadsheet of teachers who were eligible for the program having received their first teaching license after July 1, 2022. MDE directly emailed eligible teachers requesting them to complete a short survey so that the agency could mail them checks to reimburse them for their expenses. Program staff assisted teachers with questions they had about the program, and finance staff organized the payment processes.

Special Education Teacher Pipeline Grants - The Special Education Teacher Pipeline grant supports the goal of ensuring that every student receives a world-class education by addressing the Special Education teacher shortage that Minnesota’s PreK-12 districts face. The grant is open to school districts, charter schools, or cooperative units to support participants who are employed by the grantee in becoming a licensed tier 3 or tier 4 Special Education teacher. Grant applicants may partner with multiple eligible applicants to take on a regional or group approach to this grant. Additionally, to the extent that there are sufficient applications and to the extent practicable, this grant will award an equal number of grants between applicants in greater Minnesota and applicants in the metropolitan area.

This grant provides scholarships and stipends for grantee employees to become a Special Education teacher or to add an additional Special Education license. At least 80% of the funds must be spent on scholarships, stipends or both for the teacher candidate to pursue Special Education teacher licensure, and remaining funds may be used for recruitment and program support. Grantees are required to prioritize Tier 1 and 2 Special Education teachers and then they may recruit and support other employees, including currently licensed Tier 3 or 4 teachers wishing to add an additional license, as well as paraprofessionals and other non-licensed employees wishing to become a licensed teacher.

The Minnesota Department of Education (MDE) administers a state Special Education Teacher Pipeline Grant under Minnesota Statutes 2023, 122A.77. Grant staff manages 34 grantees accessing FY 2024 and FY 2025 funding. Staff provide consultative and technical assistance, communities of practice and other professional learning opportunities, written guidance and other resources.

Grantees provide MDE with written annual program reports, and MDE publishes a consolidated report to share results and practices with grantees, lawmakers and the general public. The first consolidated report will be published in the fall of 2024, though it will be too early to see much participant data, as the first grants were awarded in March 2024.

Statewide Teacher Mentoring Program - The goal of the program is to retain a diverse, effective, and thriving teacher workforce that benefits every student by providing an induction program that provides culturally responsive learning and inclusive working environments. The teacher mentoring program administers a research-based framework, implementation guidance, training, and networking opportunities for local districts/charters to improve their mentoring programs. The program is specifically focused on support to Tier 1 and Tier 2 special education teachers, teachers of color, and Indigenous teachers.

The Department, in partnership with the New Teacher Center (NTC), piloted an induction and mentoring program with fourteen districts and charters in the 2023-2024 school year. Through the state pilot, a comprehensive framework for induction and mentoring was developed. The framework provided a basis for implementation guidance as local districts and charters developed or improved their mentoring program.

In the 2023-2024 legislative session, grantees of the Statewide Teacher Mentoring program were awarded \$7,942,045 in funding to provide regional support to districts and charters through FY2027. Grantee induction support to districts and charters includes providing new teacher orientation, mentor and leader training and coaching, program consultation, networking and affinity groups, and program evaluation.

The Statewide Teacher Mentoring Program appropriation also includes funding for administration of the program, part of which funds an Induction and Mentoring Coordinator Position at MDE.

The MDE Educator Workforce and Development Center, in partnership with the New Teacher Center (NTC), provides technical support to grantees. The technical support includes foundational and advanced mentor training institutes, consultation, in-field coaching, and forums for mentors and school leaders. A data platform is provided for logging mentor interactions and support with program evaluation. The New Teacher Center's extended \$1,489,280 contract provides services through FY2027.

Teacher Residency Program – The goal of the program is to support existing teacher residency programs as well as planning for new residency programs and apprenticeship programs. Teacher residency represents an alternative pathway to teaching for aspiring educators who often already hold a bachelor's degree. Unlike comparable teacher training and certification models, residents are not the teachers of record in their classrooms. Instead, they serve an extended internship while they meet licensure requirements. The program is being implemented with an emphasis on preparing special education teachers and on diversifying the educator workforce. \$3 million in FY2024 and \$3 million in FY2025 was appropriated for the program.

Funds were granted to 2 existing residency programs to support program expansion and diversification. Grantees use funds for stipends for participants and mentor teachers, scholarships for participants, and program administration.

Additional funds were granted to 5 teacher preparation providers and their partner districts and charter schools to support planning for new residency programs and apprenticeship programs that will emphasize increasing the

geographical access to programs beyond the metropolitan area. Grantees use funds for stipends for planning team members, travel and supply expenses, and recruitment materials.

MDE retains some administrative funds for a partial FTE to support program activities and grant administration.

Alternative Teacher Compensation (Q Comp) - Q Comp programs approved by the Minnesota Department of Education (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 has been limited by statute to \$88,118,000 for FY 2017 and later. Program expenditures reached this cap as of the start of FY 2017. Due to enrollment increases, all participating programs had funding statutorily prorated FY 2021 through FY 2023 to ensure the basic aid cap is not exceeded. The 2024 legislature increased basic alternative teacher compensation aid to \$88,961,000 for FY25 and \$89,486,000 for FY26 and later, though these increases are designed to help approved programs avoid prorated funding. Applications are still accepted for the waiting list, but no plans will be approved until revenue is available.

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 performs several functions in support of this program, including:

- Review and approve applications and subsequent program changes.
- Provide technical assistance on program development and implementation.
- Provide professional development, networking and coaching to support educators to effectively implement the program including but not limited to observation and feedback, professional learning communities, and teacher leadership development.
- Calculate and process Q Comp payments.

Student Support Personnel Aid - Student support personnel aid provides aid to school districts, charter schools, intermediates and other cooperatives to help fund additional licensed school support personnel above pre-pandemic levels, including licensed school counselors, licensed school psychologists, licensed school social workers, licensed school nurses, and licensed chemical dependency counselors. This aid program supports the objective of ensuring every student receives a world-class education.

For FY 2024, a school district received the greater of \$11.94 per adjusted pupil unit (APU) or \$40,000; a charter school received the greater of \$11.94 per APU or \$20,000; and an intermediate or other cooperative unit received the greater of \$0.60 per member district APU or \$40,000 per district.

Aid for school districts must be reserved in a fund balance that, beginning in FY 2025, and may not exceed the greater of the aid entitlement in the prior fiscal year or the fund balance in the prior fiscal year. Aid for Intermediate Districts and Cooperative Organizations must not exceed actual annual expenditures.

Schools may use student support personnel aid to pay for the salaries and benefits of new full-time equivalent (FTE) for licensed school counselors, psychologists, social workers, school nurses and chemical dependency counselors; or to increase the FTE of part-time licensed staff, including those hired using onetime resources awarded through federal ESSER/ARP funds whose positions are ending.

Local Education Agencies may use the funds to pay for contracted staff if they are not able to get at least two qualified candidates for the new FTE positions. Contracted staff must be licensed in the identified fields.

The Minnesota Department of Education (MDE) calculates and processes aid payments for this program.

Agricultural Educator Grants pay for licensed agricultural, food, and natural resources (AFNR) education teachers who are working in the summer with high school students on extended projects, specifically: work-based learning/experiential learning, rural mental health/AFNR farm safety, career exploration and development, social-emotional learning/leadership development, and service learning. A total of 46 schools were awarded funding in FY 2022.

RESULTS

Grow Your Own Grants - Data reported as of July 2024. A new consolidated report for FY24 will be published by December 2024 and includes the significant funding increase from the 2023 legislative session and 39 additional grantees.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|------------------|------------------|
| # of adult pathway grantees (as reported in consolidated reports) | Quantity | Data collected by MDE | FY2022: 6 | FY2023: 11 |
| # adults receiving scholarships/stipends to pursue teaching license | Quantity | Data collected by MDE | FY2022: 35 | FY2023: 121 |
| Percentage of supported adults planning to continue licensure program or have completed licensure process (aka retention rate) | Quantity | Data collected by MDE | FY2022: 100% | FY2023: 93% |
| Percentage of supported adults who are people of color, including Indigenous | Quantity | Data collected by MDE | FY2022: 85.7% | FY2023: 65% |
| # of student pathway grantees (as reported in consolidated reports) | Quantity | Data collected by MDE | FY2022: 5 | FY2023: 11 |
| # of students participating in program | Quantity | Data collected by MDE | FY2022: 152 | FY2023: 527 |
| Percentage of students planning to continue exploring careers in teaching | Quantity | Data collected by MDE | FY2022: 69% | FY2023: 63% |

Statewide Concurrent Enrollment Teacher Training Grants

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|----------------------|-----------------------|------------------|------------------|
| # of participating teachers | Quantity | Data collected by MDE | FY2023: 4,454 | FY2024: 4,570 |
| # of credits earned | Quantity | Data collected by MDE | FY2019: 2,148 | FY2024: NA |
| # of new courses | Quantity | Data collected by MDE | NA | FY2024: 4 |
| Equitable geographic distribution of participating teachers | Quantity | Data collected by MDE | NA | NA |
| Equitable geographic distribution of participating teachers | Quantity | Data collected by MDE | NA | NA |
| # of new teachers qualified to teach concurrent enrollment | Results (Better off) | Data collected by MDE | NA | FY2024: 103 |

Come Teach in MN

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|------------------|------------------|
| # of participating districts/charters | Quantity | Data collected by MDE | FY2023: 17 | FY2024: 56 |
| # of teachers that funding is reserved for | Quality | Data collected by MDE | FY2023: 41 | FY2024: 41 |
| # BIPOC teachers recruited to MN | Results | Data collected by MDE | FY2023: 6 | FY2024: 41 |

Licensing and Exam Fees Reimbursement - As of early July 2024, approximately 4,172 eligible teachers have received a stipend through this program.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|------------------|---|
| # of eligible teachers receiving stipends | Quantity | Data collected by MDE | NA | 7/3/2024: ~4,172 |
| Amount of funding remaining and available for stipends | Quantity | Data collected by MDE | NA | 7/3/2024: \$126,750 (spend ~90% of funds) |

Special Education Teacher Pipeline Grants - This grant is new, and grantees have not had sufficient time to enroll candidates and to report. The following table include measures that we will be able to report in future years.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|------------------|------------------|
| # of teacher candidates supported | Quantity | Data collected by MDE | NA | NA |
| # of teacher candidates pursuing a degree and the type of preparation pathway they follow (e.g., traditional, licensure via portfolio, alternative) | Quantity | Data collected by MDE | NA | NA |
| # of participating districts, charters and cooperatives and their geographical location | Quantity | Data collected by MDE | NA | NA |
| Types of special education licenses candidates are pursuing | Quantity | Data collected by MDE | NA | NA |

Statewide Teacher Mentoring Program

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|------------------|------------------|
| # of induction and mentoring grants made to regional entities | Quantity | Data collected by MDE | NA | June 2024: 10 |
| # of new teachers served through the statewide pilot | Quantity | Data collected by MDE | NA | June 2024: 138 |
| # of new teachers supported through the pilot intending to stay in education | Results | Data collected by MDE | NA | June 2024: 100% |

Teacher Residency Program - This program is new, and grantees have not had sufficient time to enroll candidates and to report. The following table include measures that we will be able to report in future years.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|------------------|------------------|
| # of teacher candidates supported with grant funds to existing programs | Quantity | Data collected by MDE | NA | NA |
| # of teacher candidates enrolled in new programs supported with planning grants | Quantity | Data collected by MDE | NA | NA |
| # of new programs supported with planning grants approved by PELSB and DLI | Quantity | Data collected by MDE | NA | NA |
| Number of special education licenses candidates are pursuing in programs receiving grant funding | Quantity | Data collected by MDE | NA | NA |
| Number of candidates of color and Indigenous candidates enrolled in programs receiving grant funding | Quantity | Data collected by MDE | NA | NA |

Since Q Comp was enacted, two outside studies have been done to investigate its effectiveness:

- A 2014 study published in The Journal of Human Resources found a 0.03 standard deviation increase in student achievement on two different reading assessments and on one math assessment at districts receiving Q comp revenue (<http://jhr.uwpress.org/content/49/4/945.abstract>).
- A 2009 study identified a positive correlation between the implementation of Q Comp over a number of years and improved student achievement (Hazel Associates Q Comp for Teachers Summative Evaluation – <https://www.leg.state.mn.us/docs/2009/other/090321.pdf>).

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|------------------|------------------|
| # of charter schools participating in Q Comp | Quantity | Data collected by MDE | 71 | 71 |
| # of districts and cooperatives participating in Q Comp | Quantity | Data collected by MDE | 111 | 111 |

Minnesota Statutes 122A.70 (Grow Your Own)
 MN Laws 2023, chapter 55, article 5, section 64 subdivision 8 (Concurrent enrollment teacher training program)
 2021 Minnesota Statutes Section 122A.59, Come Teach in Minnesota
 Minnesota Session Laws 2023, Chapter 55, House File 2497, Article 55, Sec 64, Subdivision 11 (Licensing and Exam Fees Reimbursement)
 Minnesota Statutes 2023, section 122A.77 (Special Education Teacher Pipeline Grants)
 HF no. 2497, Article 5 Section 64.s (Statewide Teacher Mentoring Program)
 HF 2497, Article 5, Section 64, Subdivision 16 (Teacher Residency Program)
 M.S. 122A.414; M.S. 122A.415 (Q Comp)
 M.S. 124D.901 (Student Support Personnel Aid)

Teacher Opportunities

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|---|----------------|----------------|----------------|------------------|----------------|----------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 89,244 | 90,207 | 136,526 | 138,309 | 156,591 | 157,980 |
| 2001 - Other Misc Special Revenue | 6,465 | 12,374 | 54,179 | 38,358 | 32,354 | 42,354 |
| Total | 95,709 | 102,581 | 190,704 | 176,667 | 188,945 | 200,334 |
| Biennial Change | | | | 169,081 | | 21,908 |
| Biennial % Change | | | | 85 | | 6 |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | 61 | 67 | 390 | 784 | 541 | 712 |
| Operating Expenses | 6 | 356 | 1,266 | 1,891 | 464 | 468 |
| Grants, Aids and Subsidies | 95,642 | 102,158 | 189,049 | 173,992 | 187,940 | 199,154 |
| Total | 95,709 | 102,581 | 190,704 | 176,667 | 188,945 | 200,334 |
| Total Agency Expenditures | 95,709 | 102,581 | 190,704 | 176,667 | 188,945 | 200,334 |
| Internal Billing Expenditures | 1 | | | | | |
| Expenditures Less Internal Billing | 95,708 | 102,581 | 190,704 | 176,667 | 188,945 | 200,334 |
| <u>Full-Time Equivalent</u> | | | | | | |
| | 0.46 | 0.56 | 3.03 | 6.51 | 3.91 | 5.06 |

Teacher Opportunities

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------|----------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 88,529 | 88,241 | 121,972 | 124,649 | 149,335 | 148,134 |
| Levies | 42,396 | 37,025 | 40,156 | 39,506 | 39,791 | 38,290 |
| District Revenue | 130,925 | 125,266 | 162,128 | 164,155 | 189,126 | 186,424 |
| Direct Appropriation | 97,471 | 96,133 | 185,226 | 170,569 | 188,945 | 200,334 |
| Current Year | 79,676 | 79,417 | 109,776 | 112,185 | 134,402 | 133,322 |
| Prior Year | 8,871 | 8,886 | 8,824 | 8,875 | 8,814 | 8,837 |
| Balance Forward In | | 864 | | 3,140 | | |
| Transfers Out | 7,450 | 6,700 | 45,200 | 35,400 | 32,354 | 42,354 |
| Cancellations | 349 | 90 | 361 | | | |
| Balance Forward Out | 428 | | 3,139 | | | |
| Expenditures | 89,244 | 90,207 | 136,526 | 138,309 | 156,591 | 157,980 |
| Biennial Change in Expenditures | | | | 95,383 | | 39,736 |
| Biennial % Change in Expenditures | | | | 53 | | 14 |
| Full-Time Equivalents | 0.15 | 0.16 | 1.08 | 4.06 | 2.61 | 2.61 |

2001 - Other Misc Special Revenue

| | | | | | | |
|-----------------------------------|--------------|---------------|---------------|---------------|---------------|---------------|
| Balance Forward In | | 6,214 | 11,937 | 2,958 | | |
| Transfers In | 6,718 | 6,750 | 45,200 | 35,400 | 32,354 | 42,354 |
| Transfers Out | 18 | 50 | | | | |
| Balance Forward Out | 235 | 540 | 2,958 | | | |
| Expenditures | 6,465 | 12,374 | 54,179 | 38,358 | 32,354 | 42,354 |
| Biennial Change in Expenditures | | | | 73,698 | | (17,829) |
| Biennial % Change in Expenditures | | | | 391 | | (19) |
| Full-Time Equivalents | 0.31 | 0.40 | 1.95 | 2.45 | 1.30 | 2.45 |

Program: Student and Teacher Opportunities**Activity: One-Time Grants****AT A GLANCE**

One-time grant programs provide funding to outside organizations, which supports MDE's goal of ensuring every Minnesota student receives a world-class education.

PURPOSE AND CONTEXT

One-time grant funding provides resources to outside organizations to help achieve specific programmatic objectives and services, as described below. By law, these grants or grant programs are not included in the Department of Education's base budget for FY 2026 and beyond.

SERVICES PROVIDED

A grant to the Alliance of Chicanos, Hispanics, and Latin Americans for the Juntos Club supports English language learners, low-income students, migrant students, and Latinx students with improving English and math proficiency.

- \$300,000 in FY2024
- \$200,000 in FY2025

A grant to the Minnesota Association of Alternative Programs STARS (Success, Teamwork, Achievement, Recognition, and Self-Esteem) program helps students in alternative programs develop employment, academic, and social skills and support student participation in trainings and conferences.

- \$50,000 in FY2024

A grant to the Building Assets, Reducing Risks (BARR) Center delivers an evidence-based, research-validated program to schools.

- \$5,000,000 in FY2024

A grant to Pillsbury United Communities implements a framework to improve educational outcomes and accountability.

- \$150,000 in FY2024
- \$150,000 in FY2025

A grant to Junior Achievement North expands access to its financial literacy programming for elementary and secondary students.

- \$500,000 in FY2024
- \$500,000 in FY2025

A grant to the Minnesota Alliance of Boys and Girls Clubs supports the establishment and expansion of clubs to support after-school and summer programming that address learning loss.

- \$2,500,000 in FY2024
- \$2,500,000 in FY2025

A grant to MacPhail Center for Music supports an online music instruction program.

- \$300,000 in FY2024

A grant to the regional centers of excellence provides the ActivEd Walkabouts program, an evidence-based, standards-aligned, kinesthetic learning platform using physical activity to teach math, English, language arts, and literacy standards for prekindergarten through grade 5.

- \$250,000 in FY2024
- \$250,000 in FY2025

Grants to support schools in their efforts to close opportunity gaps.

- \$3,000,000 in FY2024
- \$3,000,000 in FY2025

The Support our Students Grant program addresses shortages of student support services personnel within Minnesota schools. Student support services personnel included individuals licensed to serve as a school counselor, school psychologist, school social worker, school nurse, or chemical dependency counselors. Grant funds were used to fund new positions for student support services personnel.

- \$12 million spent from FY2017 to FY2022.

A grant to the Minnesota Council on Economic Education (MCEE) seeks to address the gap in teacher knowledge regarding economic education. Through teacher staff development, MCEE provides opportunities for educators to improve their understanding of economics content and instructional strategies to help all students achieve the state economics standards.

- \$200,000 in FY2024
- \$200,000 in FY2025

Grants to the YMCA Youth in Government program and the YMCA Center for Youth Voice program support civic education programs for youth by providing teacher professional development, educational resources, and program support.

- \$75,000 each year from FY2020 to FY2023
- \$150,000 in FY2025

A grant to the Minnesota Alliance With Youth supports the activities of the Minnesota Youth Council.

- \$187,000 in FY2022 and \$188,000 in FY2023
- \$375,000 in FY2025

A grant to LiveMore ScreenLess promotes digital well-being.

- \$1,000,000 in FY2022

A grant to the Girls Taking Action program provides and expands Twin Cities area school and community-based programs that encourage and support low-income girls of color. Programs provide academic support, mentorship, career development opportunities, resources for survivors of sexual assault, and financial literacy for postsecondary and careers.

- \$1,500,000 in FY2024

The Language Essential for Teachers of Reading and Spelling (LETRS) appropriation provides funds for licensed teachers to complete the LETRS program.

- \$3,000,000 in FY2022.

Innovation Service Learning Grants provide funds for up to 32 districts, charter schools, tribal contract or grant schools, or cooperative units to expand or strengthen service learning opportunities for K-12 students. The result of this work is more systemic support in schools, which results in more opportunities for underserved youth to participate in service learning.

- \$1,000,000 in FY2024

MDE administers and supports these grant programs, including through:

- Developing application process and reporting forms for applicants.
- Providing technical assistance to applicants.
- Creating grant contracts including work plans and budget information.
- Calculating, auditing, and processing payments.
- Providing guidance as it relates to Minnesota Statutes and state policies.

RESULTS

Some of these programs are relatively new; therefore, data is limited.

Goal: Reading – Minnesota will increase the proportion of students demonstrating proficiency in third-grade reading to at least 79 percent, with no student group below 64 percent, which reflects progress towards existing 2025 goals.

| 2023 Result | 2025 Goal | Distance from Current Result to 2025 Goal |
|-------------|-------------|---|
| 47% overall | 79% overall | 32 percentage points |

Goal: Math – Minnesota will increase the proportion of students demonstrating proficiency in eighth-grade math to at least 78 percent, with no student group below 63 percent, which reflects progress towards existing 2025 goals.

| 2023 Result | 2025 Goal | Distance from Current Result to 2025 Goal |
|-------------|-------------|---|
| 40% overall | 78% overall | 38 percentage points |

Goal: Science – Minnesota will increase the proportion of students demonstrating proficiency in fifth-grade science to at least 78 percent, with no student group below 65 percent, which reflects progress towards existing 2025 goals.

| 2023 Result | 2025 Goal | Distance from Current Result to 2025 Goal |
|-------------|-------------|---|
| 48% overall | 78% overall | 30 percentage points |

MN Laws 2023, Chapter 55
 MN Laws 2023, Chapter 57
 MN Laws 2024, Chapter 115

One-Time Grants

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base FY26 FY27 | |
|--|----------------|----------------|----------------|------------------|----------------------------|----------|
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 8,002 | 2,031 | 10,904 | 11,853 | | |
| Total | 8,002 | 2,031 | 10,904 | 11,853 | | |
| Biennial Change | | | | 12,725 | | (22,757) |
| Biennial % Change | | | | 127 | | (100) |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | | | 23 | 103 | | |
| Operating Expenses | 1,997 | 1,074 | 2 | 332 | | |
| Grants, Aids and Subsidies | 6,005 | 957 | 10,879 | 11,418 | | |
| Total | 8,002 | 2,031 | 10,904 | 11,853 | | |
| <u>Full-Time Equivalents</u> | | | | | | |
| | | | 0.54 | 1.01 | | |

One-Time Grants

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|----------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | 5,912 | 413 | 14,850 | 7,950 | 0 | 0 |
| Balance Forward In | 3,200 | 1,680 | | 3,903 | | |
| Cancellations | 77 | 62 | 43 | | | |
| Balance Forward Out | 1,033 | | 3,903 | | | |
| Expenditures | 8,002 | 2,031 | 10,904 | 11,853 | | |
| Biennial Change in Expenditures | | | | 12,725 | | (22,757) |
| Biennial % Change in Expenditures | | | | 127 | | (100) |
| Full-Time Equivalents | | | 0.54 | 1.01 | | |

Program: Special Education**Activity: Special Education - Regular**

<https://education.state.mn.us/MDE/dse/sped/>

<https://education.mn.gov/MDE/dse/schfin/sped/>

AT A GLANCE

- In fiscal year (FY) 2024, 165,285 children and youth, ages birth-21, received special education services.
- In FY 2024, 144,698 K-12 students (17.1 percent of total K-12 students) received special education services.
- In FY 2024, 29,420.94 full-time equivalent special education teachers and paraprofessional staff were employed.

PURPOSE AND 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.

This program supports the objective of ensuring every student receives a world-class education.

SERVICES PROVIDED

Goals of special education:

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

Students receiving special education services 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 specialized 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.

Local educational agencies (LEAs) receive state special education aid for the current fiscal year based on a portion of eligible special education expenditures from the previous fiscal year. State special education aid also includes a “tuition billing adjustment” for unreimbursed costs associated with serving non-resident students. Districts’ state aid is further compared to a hold harmless calculation which sets a minimum aid they will receive. Finally, districts receive additional aid based on a percentage of their prior year cross subsidy.

The Minnesota Department of Education (MDE) calculates and processes aid payments and provides technical support for this program.

RESULTS

Minnesota 4-year Graduation, 4-year Dropout, and Assessment Participation Rates for Students with IEPs

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|--------------------------------------|------------------|
| MN 4-Year Adjusted Cohort Graduation Rates for Students with IEPs | Quantity | Data collected by MDE | FY2020-21: 64.0% FY2021-22: 65.5% | FY2022-23: 65.6% |
| MN 4-Year Adjusted Cohort Dropout Rates for Students with IEPs | Quantity | Data collected by MDE | FY2020-21: 7.0% FY2021-22: 7.7% | FY2022-23: 7.9% |
| MN 4-Year Adjusted Cohort Dropout Rates for Students with IEPs | Quantity | Data collected by MDE | FY2020-21: 73.0% FY2021-22: 88.9% | FY2022-23: 89.7% |
| Participation Rates for Students with IEPs on the MN Statewide Reading Assessments | Quantity | Data collected by MDE | FY2020-21: 74.1% FY2021-22: 90.5% | FY2022-23: 90.7% |

Proficiency Rates for Students with IEPs on the Minnesota Statewide Math and Reading Assessments

Only students with valid scores³ are included in the table below.

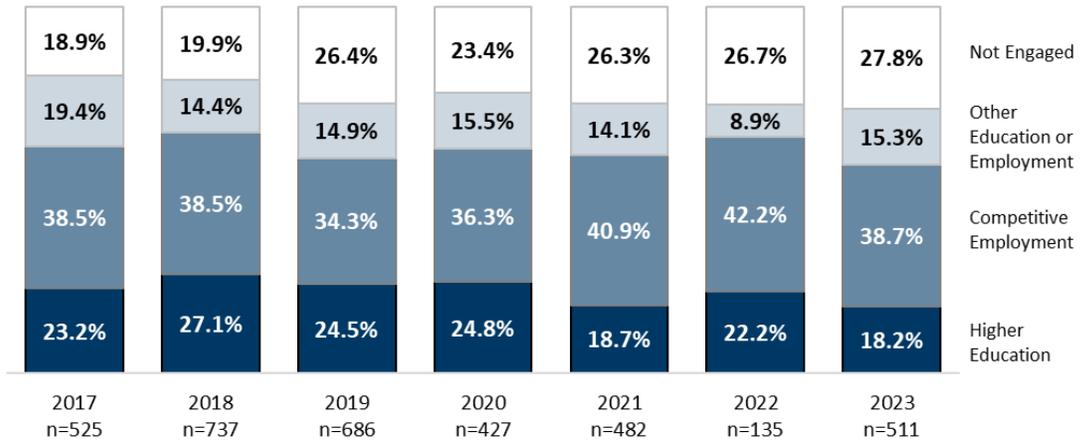
| Grade | Math | | | | Reading | | | |
|--------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
| Grade 3 | NA | 35.4% | 38.8% | 39.1% | NA | 27.1% | 27.3% | 28.1% |
| Grade 4 | NA | 32.1% | 34.3% | 35.8% | NA | 26.3% | 27.3% | 26.6% |
| Grade 5 | NA | 20.5% | 22.1% | 22.8% | NA | 30.0% | 30.9% | 30.7% |
| Grade 6 | NA | 18.5% | 18.9% | 19.9% | NA | 26.2% | 25.6% | 26.0% |
| Grade 7 | NA | 13.7% | 15.5% | 15.5% | NA | 21.7% | 20.0% | 20.6% |
| Grade 8 | NA | 15.8% | 16.3% | 16.8% | NA | 21.1% | 21.4% | 20.3% |
| High School ⁴ | NA | 14.0% | 13.7% | 12.1% | NA | 26.5 | 26.4% | 25.5% |

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

Measure: The Post-School Outcome Survey results are based on a sample of special education students interviewed each year regarding their post-high school education and employment experiences one year after exiting high school. Students identified as 'not engaged' reported not being enrolled in school or employed during window of time the survey was conducted. The data reported below are a percent participation rate per category.

Statewide Post-School Outcomes Survey Results

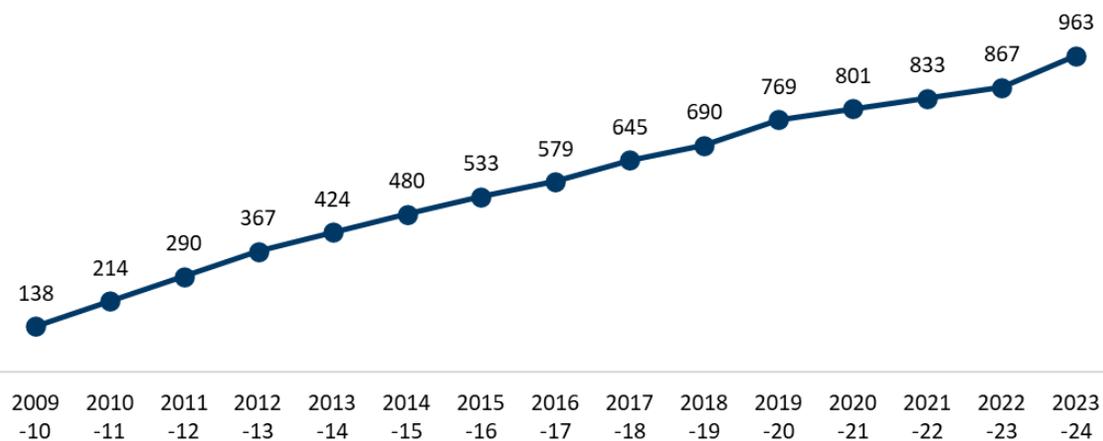
Minnesota's SPP/APR Indicator 14 findings, 2017 to 2023



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.

Number of Minnesota Schools Implementing Positive Behavioral Interventions and Supports (PBIS) Programs



M.S. 125A.02; M.S. 125A.03; M.S. 125A.75; M.S. 122A.726

MN Rules 3525; Special Education disability categories MN Rules 3525.1325 to 3525.1348; Eligibility criteria for infant and toddler intervention services MN Rules 3525.1350

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

Special Education - Regular

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 1,734,175 | 1,848,808 | 2,288,210 | 2,564,838 | 2,760,022 | 3,001,353 |
| 3000 - Federal | 5,354 | 25,849 | 21,191 | | | |
| Total | 1,739,529 | 1,874,657 | 2,309,401 | 2,564,838 | 2,760,022 | 3,001,353 |
| Biennial Change | | | | 1,260,053 | | 887,136 |
| Biennial % Change | | | | 35 | | 18 |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | | 13 | 6 | | | |
| Operating Expenses | 1 | 865 | 741 | | | |
| Grants, Aids and Subsidies | 1,739,528 | 1,873,779 | 2,308,654 | 2,564,838 | 2,760,022 | 3,001,353 |
| Total | 1,739,529 | 1,874,657 | 2,309,401 | 2,564,838 | 2,760,022 | 3,001,353 |
| Total Agency Expenditures | 1,739,529 | 1,874,657 | 2,309,401 | 2,564,838 | 2,760,022 | 3,001,353 |
| Internal Billing Expenditures | 0 | 33 | 74 | | | |
| Expenditures Less Internal Billing | 1,739,529 | 1,874,623 | 2,309,327 | 2,564,838 | 2,760,022 | 3,001,353 |
| <u>Full-Time Equivalent</u> | | | | | | |
| | | 0.13 | 0.06 | | | |

Special Education - Regular

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base FY26 FY27 | |
|-----------------------------------|------------------|------------------|------------------|------------------|----------------------------|------------------|
| 1000 - General | | | | | | |
| Entitlement | 1,732,888 | 1,850,862 | 2,348,106 | 2,593,963 | 2,783,398 | 3,032,034 |
| District Revenue | 1,732,888 | 1,850,862 | 2,348,106 | 2,593,963 | 2,783,398 | 3,032,034 |
| Direct Appropriation | 1,822,998 | 1,859,205 | 2,288,826 | 2,564,838 | 2,760,022 | 3,001,353 |
| Current Year | 1,519,050 | 1,622,466 | 2,058,350 | 2,273,868 | 2,439,927 | 2,657,882 |
| Prior Year | 215,125 | 226,342 | 229,860 | 290,970 | 320,095 | 343,471 |
| Cancellations | 88,823 | 10,397 | 616 | | | |
| Expenditures | 1,734,175 | 1,848,808 | 2,288,210 | 2,564,838 | 2,760,022 | 3,001,353 |
| Biennial Change in Expenditures | | | | 1,270,065 | | 908,327 |
| Biennial % Change in Expenditures | | | | 35 | | 19 |

| | | | | | | |
|-----------------------------------|--------------|---------------|---------------|----------|--|----------|
| 3000 - Federal | | | | | | |
| Receipts | 5,354 | 25,849 | 21,191 | | | |
| Expenditures | 5,354 | 25,849 | 21,191 | | | |
| Biennial Change in Expenditures | | | | (10,012) | | (21,191) |
| Biennial % Change in Expenditures | | | | (32) | | |
| Full-Time Equivalent | | 0.13 | 0.06 | | | |

Program: Special Education**Activity: Other Federal Special Education Programs**

<https://education.state.mn.us/MDE/dse/schfin/sped/>

<https://helpmegrowmn.org/HMG/>

AT A GLANCE

- This budget activity currently consists of five programs: the Minnesota DeafBlind Technical Assistance Project, the Preschool Special Education Part B program, the State Systemic Improvement Plan, the Employment Capacity Building Cohorts, and Project SEARCH. Highlights for these programs include:
- Deaf-blindness is the special education categorical disability area with the lowest percentage of students (0.08 percent; 124 out of 165,285 students with disabilities in Minnesota).
- In December 2023, census data from the Minnesota Deaf-Blind Project indicated that 318 students with disabilities receiving special education services had combined vision and hearing loss with 133 of those students reported as having deaf-blind as the primary disability on the Individualized Education Program (IEP).
- 14,152 children ages 3-5 with disabilities were counted as being served through IEPs on December 1, 2023, and more than 70 percent of these children participate in regular early childhood programs and receive special education services in those settings.
- In 2020, the U.S. Department of Education's Office of Special Education and Rehabilitative Services awarded the Minnesota Department of Education (MDE) a five-year State Personnel Development Grant (SPDG) to support State Systemic Improvement Plan (SSIP) implementation. Current SSIP partner districts include Minneapolis, St. Paul, Osseo Bagley, Cloquet, Deer River, Nay-Ah-Shing, Red Lake, and Redwood.
- In the 2023-24 school year, the Minnesota Department of Education, Department of Employment and Economic Development, and Department of Human Services developed and launched the Youth in Transition Framework and Toolkit. The Youth in Transition Toolkit provides special education IEP case managers, local vocational rehabilitation counselors, and local disability services providers, with a shared set of tools to for using Charting the LifeCourse to help youth develop a vision for their future and discover what it takes to live their best lives. In addition, it provides instructional and practical resources for: teaching in(ter)dependent living skills; career exploration and work-based learning; and learning about postsecondary employment and education. Each set of instructional resources includes an objective for each of four learning stages: Awareness, Exploration, Preparation, and Implementation. MDE is developing strategies to match the toolkit to required components of IEP transition planning, and proxy measures of Youth in Transition Toolkit implementation.
- In the 2023-24 school year, 11 Minnesota businesses participated as Project SEARCH sites hosting 73 student interns with developmental cognitive disabilities.

PURPOSE AND CONTEXT

This budget activity currently consists of five programs: The Minnesota DeafBlind Technical Assistance Project (DB Project), the Preschool Special Education Part B program, the State Systemic Improvement Plan (SSIP), the Employment Capacity Building Cohorts (ECBC), and Project SEARCH.

- The DB Project is a federally funded formula grant received by the Minnesota Department of Education (MDE) to support services for students with both vision and hearing loss and their families.
- The Preschool Special Education Part B program provides individualized education services to preschool children with disabilities.

- The SSIP is a comprehensive, multi-year plan that focuses on improving results for children and youth with disabilities.
- The Youth in Transition Framework and Toolkit is a training and technical assistance program provided for school districts to improve their employment practices for students with developmental cognitive disabilities.
- Project SEARCH provides educational internships for students with intellectual/developmental cognitive disabilities through workplace immersion at participating business sites with the goal of obtaining competitive integrated employment within four to 11 months after completion of their internship experience.

SERVICES PROVIDED

The Minnesota Deaf Blind Technical Assistance Project (DB Project)

- Supports appropriate and timely evaluation of students suspected of having dual sensory loss to help ensure earlier identification of student who are DeafBlind.
- 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.
- Provides training to new cohorts of interveners, educational aides who help the student who is DeafBlind, each year.

Federally mandated Preschool Special Education Part B program

- Federal funds support statewide efforts to:
 - Seek out and identify potentially eligible children; and,
 - Provide professional development opportunities promoting evidence-based practices through the Regional Centers of Excellence.
- Services are provided to each eligible child through an Individualized Education Program.
- 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.
- Services most often include special instruction, speech therapy, occupational or physical therapy, and transportation.
- To support program implementation the Minnesota Department of Education interprets regulations, statutes and rules; collects and reports data; processes payments/reimbursements; provides professional development; and connects children and families to appropriate local programs and monitors local implementation.

State Systemic Improvement Plan (SSIP) goals and partnerships

Increase the six-year graduation rates for American Indian and Black students with disabilities.

Develop capacity of districts to select and implement effective and sustainable evidence-based practices that support improving graduation outcomes for students with disabilities.

MDE was awarded a \$5.5 million, five-year State Personnel Development Grant in 2020 to support SSIP implementation, among other grant initiatives. MDE is collaborating with six partner districts – Bagley, Cloquet, Deer River, Nay-Ah-Shing, Red Lake, and Redwood – to improve graduation rates for American Indian students with IEPs. In addition to these school districts and tribal school, MDE continues to partner with the 2015 cohort of SSIP partner districts, Duluth, Minneapolis, Osseo, and Saint Paul, supporting districts to implement Check & Connect with fidelity.

The Youth in Transition (YIT) Framework and Toolkit

- The Youth in Transition Framework and Toolkit provides training and technical assistance to school districts in their efforts to learn and change secondary transition practices for students with disabilities in

their school districts and associated counties. Districts partner with their local vocational rehabilitation supervisors and counselors, as well as county level supervisors and case-managers from disability services, to use the YIT Framework and Toolkit.

Project SEARCH

- Project SEARCH is an internationally recognized evidence-based, one-year internship program for students with intellectual/developmental cognitive disabilities, ages 18-21, in their last year of high school. The Project SEARCH Transition Program provides educational experiences for these students through workplace immersion at participating business sites. Students receive skill-based training in independent living and employability skills. The goal of Project SEARCH is to provide student interns with competitive integrated employment within four to 11 months after completion of their internship experience.

RESULTS

DeafBlind Project

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|---|------------------|
| Unduplicated child count where DeafBlind is listed as the primary disability | Quantity | Data collected by MDE | FY2020: 126 FY2021: 129 FY2022: 124 FY2023: 118 | FY2024: 124 |
| Number of DeafBlind interveners completing training cohort. | Quantity | Data collected by MDE | FY2020: unknown FY2021: 26 FY2022: 37 FY2023: 41 | FY2024:25 |

Preschool Education Part B Program

The table below shows Minnesota’s performance on the federally required child outcomes for federal fiscal years (FFY) 2020-22.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|---|--------------------------------|
| Children will demonstrate positive relationships (A) Greater than expected progress (B) Exited Part C within age expectations | Results | Data collected by MDE | FY2020: 60.9% FY2021: 63.7% FY2020: 48.0% FY2021: 50.7% | FY2022: 60.4% FY2022: 51.3% |
| Children will acquire and use knowledge and skills (A) Greater than expected progress (B) Exited Part C within age expectations | Results | Data collected by MDE | FY2020: 63.4% FY2021: 65.2 % FY2020: 45.7% FY2021: 47.0% | FY2022: 61.2% FY2022: 46.8% |
| Children will take action to meet needs (A) Greater than expected progress (B) Exited Part C within age expectations | Results | Data collected by MDE | FY2020: 62.5% FY2021: 64.9% FY2020: 58.2% FY2021: 60.2% | FY2022: 63.2% FY2022: 60.9% |

State Systematic Improvement Plan

MDE’s state identified measurable result (SIMR) is to improve six-year graduation rates for American Indian and Black students with disabilities by at least one percent per year over six years.

State Identified Measurable Result—Targets and Data

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|----------------|-----------------------|--------------------------------|------------------|
| Minnesota 6-Year Adjusted Cohort Graduation Rates for American Indian and Black Students with IEPs | Results-Target | Data collected by MDE | FY2020: 58.0% FY2021: 59.0% | FY2022: 60.0% |
| Minnesota 6-Year Adjusted Cohort Graduation Rates for American Indian and Black Students with IEPs | Results-Target | Data collected by MDE | FY2020: 59.4% FY2021: 62.5% | FY2022: 63.1% |

State Identified Measurable Result—Six-Year Cohort Statewide Cohort Totals and Graduation Rates 2021

| Race/Ethnicity Group | Total Special Education Students in Six-year Cohort | Total Special Education Students Graduating | Percent of Special Education Graduates | Total Special Education Students Not Graduating in 2021 |
|---------------------------------|---|---|--|---|
| American Indian | 204 | 358 | 57.0% | 142 |
| Black | 1,474 | 941 | 63.8% | 687 |
| American Indian and Black | 1,832 | 1,145 | 62.5% | 687 |
| All Race/Ethnic Groups Combined | 10,601 | 7,827 | 73.8% | 2,744 |

State Identified Measurable Result—Six-Year Cohort Statewide Cohort Totals and Graduation Rates 2022

| Race/Ethnicity Group | Total Special Education Students in Six-year Cohort | Total Special Education Students Graduating | Percent of Special Education Graduates | Total Special Education Students Not Graduating in 2020 |
|---------------------------------|---|---|--|---|
| American Indian | 383 | 222 | 58.0% | 161 |
| Black | 1,466 | 944 | 64.4% | 683 |
| American Indian and Black | 1,849 | 1,166 | 63.1% | 683 |
| All Race/Ethnic Groups Combined | 10,454 | 7,843 | 75.0% | 2,611 |

Youth in Transition Framework and Toolkit

- In the 2023-24 school year, the Minnesota Department of Education, Department of Employment and Economic Development, and Department of Human Services developed and launched the Youth in Transition Framework and Toolkit. The Youth in Transition Toolkit provides special education IEP case managers, local vocational rehabilitation counselors, and local disability services providers, with a shared set of tools to for using Charting the LifeCourse to help youth develop a vision for their future and

discover what it takes to live their best lives. In addition, it provides instructional and practical resources for: teaching in(ter)dependent living skills; career exploration and work-based learning; and learning about postsecondary employment and education. Each set of instructional resources includes an objective for each of four learning stages: Awareness, Exploration, Preparation, and Implementation. MDE is developing strategies to match the toolkit to required components of IEP transition planning, and proxy measures of Youth in Transition Toolkit implementation.

Project SEARCH

In 2023-24, 11 Minnesota businesses participated as Project SEARCH sites and hosted 75 interns, 73 of which completed the full program.

M.S. 125A

Federal law [Individuals with Disabilities Education Act (IDEA) 20 U.S.C. §1400 (2004)]; Federal Regulations (34 CFR 300); IDEA (P.L. 108-466); Preschool Incentive Program (P.L. 108-466, Sec. 619); Infants and Toddlers Program (P.L. 108-466, Part C); Part B/Section 619 of the Individuals with Disabilities Education Act

Other Federal Special Education Programs

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|---|----------------|----------------|----------------|------------------|----------------|----------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 3000 - Federal | 195,865 | 192,128 | 197,992 | 210,384 | 210,309 | 210,309 |
| Total | 195,865 | 192,128 | 197,992 | 210,384 | 210,309 | 210,309 |
| Biennial Change | | | | 20,383 | | 12,242 |
| Biennial % Change | | | | 5 | | 3 |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | 8,876 | 9,255 | 9,853 | 11,540 | 11,837 | 12,025 |
| Operating Expenses | 9,218 | 8,364 | 8,479 | 9,955 | 9,726 | 9,683 |
| Grants, Aids and Subsidies | 177,771 | 174,510 | 179,661 | 188,889 | 188,746 | 188,601 |
| Other Financial Transaction | | 0 | | | | |
| Total | 195,865 | 192,128 | 197,992 | 210,384 | 210,309 | 210,309 |
| Total Agency Expenditures | 195,865 | 192,128 | 197,992 | 210,384 | 210,309 | 210,309 |
| Internal Billing Expenditures | 1,966 | 2,051 | 1,876 | 2,203 | 2,203 | 2,203 |
| Expenditures Less Internal Billing | 193,899 | 190,076 | 196,116 | 208,181 | 208,106 | 208,106 |
| <u>Full-Time Equivalent</u> | 72.74 | 76.63 | 73.59 | 77.82 | 77.82 | 77.82 |

Other Federal Special Education Programs

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base FY26 FY27 | |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------------------|----------------|
| 3000 - Federal | | | | | | |
| Balance Forward In | 3 | 3 | | 75 | | |
| Receipts | 195,863 | 192,125 | 198,067 | 210,309 | 210,309 | 210,309 |
| Balance Forward Out | | | 75 | | | |
| Expenditures | 195,865 | 192,128 | 197,992 | 210,384 | 210,309 | 210,309 |
| Biennial Change in Expenditures | | | | 20,383 | | 12,242 |
| Biennial % Change in Expenditures | | | | 5 | | 3 |
| Full-Time Equivalents | 72.74 | 76.63 | 73.59 | 77.82 | 77.82 | 77.82 |

Program: Special Education**Activity: Other State Special Education Programs**

<https://education.state.mn.us/MDE/dse/schfin/sped/>

AT A GLANCE

- There are four additional ongoing state special education funding sources: Children with Disabilities, Travel for Home-based Services, Court-Placed Revenue, and Out-of-State Tuition.
- 83 students with disabilities were placed in care and treatment facilities in fiscal year (FY) 2023.
- 40 students without disabilities were placed in care and treatment programs in FY 2023.
- In FY 2023, the average length of stay in a foster facility for care and treatment for students both with and without disabilities was 49 school days, at an average cost of \$6,336 per stay.
- 6,227 early childhood special education (ECSE) (birth-4) children were served in the Home-based Services program in FY 2023.
- In FY 2023, Minnesota courts placed 6 non-Minnesota students with Individual Education Programs (IEP) into care and treatment facilities.
- In FY 2023, court action placed 36 Minnesota students out of state.
- The 2023 legislature created special education separate sites and programs aid beginning in fiscal year (FY) 2024 and later. The legislature appropriated \$4,378,000 in special education separate sites and programs aid in 2024.

PURPOSE AND CONTEXT

The state provides four additional ongoing special education appropriations to help cover district costs for students who are considered wards of the state, students placed out of state for services by court action, out of state students placed into Minnesota programs by court action where the other state is unwilling to pay the educational costs, and finally staff transportation costs for home-based services to students with disabilities under the age of 5.

The Children with Disabilities program provides funding for individuals 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. Children with disabilities are eligible for this program 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 for this program if no district of residence can be determined because parental rights have been terminated by court order.

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

This program contributes to the objective that all students receive a world-class education.

The Home-based Services aid program reimburses school districts for travel costs associated with early childhood special education (ECSE) services. This program contributes to the objective of all students ready for school.

Court-Placed Revenue pays for special education for non-Minnesota students with Individual Education Programs (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 special education costs out of their general fund.

This program contributes to the objective of all students graduating from high school.

The Out-of-State Tuition 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.

The special education separate sites and programs aid provides aid to a public separate day school facility attended by students with disabilities for 50 percent or more of their school day.

SERVICES PROVIDED

The Children with Disabilities program ensures a free and appropriate education for eligible children. This funding is for both special and general education students who are placed in residential facilities and who are considered wards of the state. These students are considered residents of the district in which the facility is located, and these funds help to cover the full cost of educating these students.

- State expenditures were \$1,114,480 for FY 2023.
- Districts are reimbursed for 100 percent of the additional costs of educating these children; they are reimbursed the year after they provide the services.
- The Minnesota Department of Education (MDE) processes reimbursement requests and provides technical support for this program.
- Aid is based on prior year cost, so students who were served in FY 2023 were funded with FY 2024 aid in the spring of 2024.

With the Home-based Services program, 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 5 who have disabilities.

- \$396,224 for FY 2023
- 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.

With the Court-Placed Revenue program, 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.

- \$32,688 for FY 2023
- In FY 2023, Minnesota courts placed 6 non-Minnesota students with Individual Education Programs (IEP) into care and treatment facilities.
- Districts must document that they tried to collect tuition from the students' resident districts or states and submit proof to MDE.
- Districts are reimbursed the fiscal year after they provide the services.
- MDE processes reimbursement requests and provides technical support for this program.

Out-of-State Tuition is provided when a Minnesota student is placed in an out-of-state care and treatment facility.

- The out-of-state care and treatment facilities submit tuition bills to the Minnesota resident district, based on the actual cost of providing education.
- The Minnesota resident district submits the tuition bills to MDE.
- MDE calculates state aid and processes aid payments to the district.
- The aid is paid as a reimbursement in the year after the services are provided.
- This appropriation is not forecasted but rather the state provides \$250,000 annually to help cover these costs. The amounts below are the actual program costs incurred by districts. In the year after aid is paid, if there are funds available in the commissioner’s reserve (M.S. 127A.41), additional aid helps further cover this shortfall.
- \$413,173 for FY 2023.
- MDE also provides technical support for this program.

The special education separate sites and program aid equals \$1,689 times the adjusted kindergarten through grade 12 pupil units served in special education separate sites and programs. The aid may be used for the same purposes as permitted for state special education aid under section 125A.76. The Minnesota Department of Education (MDE) calculates and processes aid payments for this program.

RESULTS

The name “Children with Disabilities” is for a specific subset of students for which this funding is made available. These are either students with or without disabilities whose parent rights have been terminated and who are receiving services in a residential program. They are therefore considered a resident of the district in which the resident facility is located, and these funds help to fully cover the cost of education for these local districts.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|--------------------------------|------------------|
| Children with Disabilities - Number of eligible Average Daily Memberships (ADM) with disabilities in placement. | Quantity | Data collected by MDE | FY2021: 61.85 FY2022: 53.68 | FY2023: 55.83 |
| Children with Disabilities - Number of eligible Average Daily Memberships (ADM) without disabilities in placement. | Quantity | Data collected by MDE | FY2021: 26.35 FY2022: 23.94 | FY2023: 24.90 |
| Home-based Services - Number of children under age five receiving special education services. | Quantity | Data collected by MDE | FY2021:5,254 FY2022: 5,711 | FY2023: 6,227 |
| Partial-year students aggregated to determine average daily membership (ADM) placed out-of-state for care and treatment. | Quantity | Data collected by MDE | FY2021: 30.85 FY2022: 27.14 | FY2023: 21.75 |

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

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|---------------------|----------------------------|--|---------------------------------------|
| Partial-year students aggregated to determine the Number of Eligible Full-Year Students (ADM) in Court Placement | Quantity | Data collected by MDE | FY2019 Placement/ FY2020 Aid: 0.00 FY2020 Placement/ FY2021 Aid: 0:00 | FY2021 Placement/ FY2022 Aid: 0.81 |

M.S. 125A.75, subdivision 3; M.S. 125A.75, subdivision 1; M.S. 125A.79, subdivision 4; M.S.125A.79, subdivision 8, M.S 125A.81

Other State Special Education Programs

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 12,368 | 1,997 | 5,702 | 7,318 | 7,904 | 8,537 |
| Total | 12,368 | 1,997 | 5,702 | 7,318 | 7,904 | 8,537 |
| Biennial Change | | | | (1,345) | | 3,421 |
| Biennial % Change | | | | (9) | | 26 |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 12,368 | 1,997 | 5,702 | 7,318 | 7,904 | 8,537 |
| Total | 12,368 | 1,997 | 5,702 | 7,318 | 7,904 | 8,537 |

Other State Special Education Programs

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 1,706 | 1,730 | 4,746 | 7,098 | 7,684 | 8,317 |
| District Revenue | 1,706 | 1,730 | 4,746 | 7,098 | 7,684 | 8,317 |
| Direct Appropriation | 12,982 | 2,096 | 6,191 | 7,318 | 7,904 | 8,537 |
| Current Year | 1,670 | 1,698 | 5,420 | 6,588 | 7,144 | 7,747 |
| Prior Year | 23 | 49 | 32 | 49 | 58 | 65 |
| Cancellations | 614 | 99 | 489 | | | |
| Expenditures | 12,368 | 1,997 | 5,702 | 7,318 | 7,904 | 8,537 |
| Biennial Change in Expenditures | | | | (1,345) | | 3,421 |
| Biennial % Change in Expenditures | | | | (9) | | 26 |

Program: Facilities and Technology**Activity: Debt Service Equalization****AT A GLANCE**

- In fiscal year (FY) 2025: 248 districts have eligible debt service equalization revenue.
- 25 districts will receive regular debt service equalization aid.
- 2.1 percent of eligible regular debt service revenue is state aid.
- Two districts will receive disaster debt service equalization aid.

PURPOSE AND 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.

Beginning in FY 2017, Natural Disaster Debt Service Equalization revenue is available to districts that suffered a natural disaster.

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.

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 the tax burden for local property owners.

SERVICES PROVIDED

The regular Debt Service Equalization program under Minnesota Statutes, section 123B.53, 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 five 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 the bonds are sold.
 - To be eligible for debt service equalization, the bonds must have been sold by July 1 of the calendar year the levy is certified. In addition, debt service for repayment of bonds issued after July 1, 1992, must be for construction projects that have received a positive review and comment, have a bond schedule approved by the commissioner, and if necessary, adjusted to reflect a 20-year maturity schedule. Debt service for repayment of bonds issued after July 1, 1997, must be for facilities whose primary purpose is to serve students in kindergarten through grade 12.
 - Beginning in FY 2017, bonds related to the Long-Term Facilities Maintenance program are equalized through that program and are no longer eligible for debt service equalization.
- **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 the district tax base per student. As the district tax base per student declines, the state share of equalized revenue increases.
- Debt Service Equalization Aid equals the difference between the revenue and the levy.

To be eligible for Natural Disaster Debt Service Equalization under Minnesota Statutes, section 123B.535, 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 percent 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.

The Minnesota Department of Education (MDE) reviews and comments on proposed school construction projects, and calculates state aid and property tax levies for this program.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|------------------|------------------|
| Percentage of districts ineligible for Tier 1 debt service equalization because tax base exceeds statutory Tier 1 equalizing factor | Quality | Data collected by MDE | FY2023: 93% | FY2025: 93% |
| Districts receiving regular debt service equalization aid | Quantity | Data collected by MDE | FY2023: 24 | FY2025: 25 |

MDE does not collect data regarding unmet facility needs.

M.S. 123B.53; M.S. 123B.535; M.S. 123B.54; M.S. 123B.55; M.S. 123B.61; M.S. 123B.62; M.S. 126C.40; M.S. 126C.63; M.S. 475.61;

Debt Service Equalization

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 25,001 | 24,314 | 24,510 | 20,333 | 16,225 | 13,580 |
| Total | 25,001 | 24,314 | 24,510 | 20,333 | 16,225 | 13,580 |
| Biennial Change | | | | (4,472) | | (15,038) |
| Biennial % Change | | | | (9) | | (34) |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 25,001 | 24,314 | 24,510 | 20,333 | 16,225 | 13,580 |
| Total | 25,001 | 24,314 | 24,510 | 20,333 | 16,225 | 13,580 |

Debt Service Equalization

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 24,903 | 24,248 | 24,539 | 19,865 | 15,821 | 13,331 |
| Levies | 820,980 | 753,275 | 910,025 | 1,037,365 | 919,568 | 864,656 |
| District Revenue | 845,883 | 777,523 | 934,564 | 1,057,230 | 935,389 | 877,987 |
| Direct Appropriation | 25,001 | 24,315 | 24,511 | 20,333 | 16,225 | 13,580 |
| Current Year | 22,413 | 21,824 | 22,086 | 17,879 | 14,239 | 11,998 |
| Prior Year | 2,588 | 2,490 | 2,424 | 2,454 | 1,986 | 1,582 |
| Cancellations | 0 | 1 | 1 | | | |
| Expenditures | 25,001 | 24,314 | 24,510 | 20,333 | 16,225 | 13,580 |
| Biennial Change in Expenditures | | | | (4,472) | | (15,038) |
| Biennial % Change in Expenditures | | | | (9) | | (34) |

Program: Facilities and Technology

Activity: Telecommunications Access

<https://education.mn.gov/MDE/dse/schfin/fac/>

AT A GLANCE

- In fiscal year (FY) 2024, telecommunications access aid was received by school districts combined into 19 telecommunications clusters, as well as 4 districts filing independently
- Demand from districts in FY 2024 totaled \$7.05 million.
- Aid is capped at the appropriated amount, which is currently \$3.75 million per year. As a result, the aid for FY 2024 was prorated at approximately 53 percent.

PURPOSE AND 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; and
- 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; they do not need to meet the \$16 per student threshold.

The Minnesota Department of Education (MDE) calculates and processes aid payments for this program.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|------------------|------------------|
| Number of public school districts receiving aid | Quantity | Data collected by MDE | FY2022: 298 | FY2024: 286 |
| Number of charter schools receiving aid | Quantity | Data collected by MDE | FY2022: 9 | FY2023: 4 |
| Number of nonpublic schools receiving aid | Quantity | Data collected by MDE | FY2022: 0 | FY2023: 1 |

M.S. 125B.26

Telecommunications Access

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual | Actual | Actual | Estimate | Forecast Base | |
|--|--------|--------|--------|----------|---------------|------|
| | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 |

Expenditures by Fund

| | | | | | | |
|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 1000 - General | 3,748 | 3,752 | 3,743 | 3,757 | 3,750 | 3,750 |
| Total | 3,748 | 3,752 | 3,743 | 3,757 | 3,750 | 3,750 |
| Biennial Change | | | | 0 | | 0 |
| Biennial % Change | | | | 0 | | 0 |

Expenditures by Category

| | | | | | | |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Grants, Aids and Subsidies | 3,748 | 3,752 | 3,743 | 3,757 | 3,750 | 3,750 |
| Total | 3,748 | 3,752 | 3,743 | 3,757 | 3,750 | 3,750 |

Telecommunications Access

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base FY26 FY27 | |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------------------|--------------|
| 1000 - General | | | | | | |
| Direct Appropriation | 3,750 | 3,750 | 3,750 | 3,750 | 3,750 | 3,750 |
| Balance Forward In | | 2 | | 7 | | |
| Balance Forward Out | 2 | | 7 | | | |
| Expenditures | 3,748 | 3,752 | 3,743 | 3,757 | 3,750 | 3,750 |
| Biennial Change in Expenditures | | | | 0 | | 0 |
| Biennial % Change in Expenditures | | | | 0 | | 0 |

Program: Facilities and Technology**Activity: Long-Term Facilities Maintenance Aid**<https://education.state.mn.us/MDE/dse/schfin/fac/ltfm/>**AT A GLANCE**

- This program began in fiscal year (FY) 2017, and replaced the Alternative Facilities, Deferred Maintenance, and Health and Safety revenue programs that were funded through FY 2016.
- In taxes payable 2023, there were 335 district and secondary cooperative 10-year facility plans approved for FY 2024 revenue.

PURPOSE AND CONTEXT

Students need a healthy, safe, accessible, and well-maintained place to learn and likewise, for school and district employees to work. The long-term facilities maintenance program is a state aid and levy program that addresses facility and grounds issues impacting safety, health, deferred maintenance, and accessibility concerns. One of the primary purposes of the program was to reduce the disparity in funding between the largest 27 districts that were eligible for Alternative Facilities Revenue and all other districts.

School districts, intermediate school districts and other cooperative units (through member districts) are eligible to participate in the program. Charter schools are not eligible to participate in the program but receive long-term facilities maintenance state aid which may be used for any school purpose

SERVICES PROVIDED

Program revenue may be used for qualifying facility issues 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 work is done. New construction and portable classrooms are not eligible for funding. The program has its own equalization formula. Projects may be funded on a pay-as-you-go basis or by issuing debt. Intermediate districts and cooperatives do not receive state aid and charter school revenue is 100 percent state aid.

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

- Asbestos removal or encapsulation;
- Hazardous substance removal, including provisions for lead in water testing and mitigation; Fire safety, including compliance with state fire marshal orders;
- Indoor air quality;
- Environmental health and safety management;
- Physical hazard control;
- Accessibility to accommodate persons with a disability;
- Deferred capital and maintenance projects;
- School districts with an approved voluntary prekindergarten program under Minnesota Statutes 2023, section 124D.151, may include costs approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction; and
- Effective July 1, 2024, statutory requirements include 10-year plan provisions for at least one gender-neutral, single-user restroom per site (construction or remodeling).

The Minnesota Department of Education (MDE) reviews and approves 10-year facility plans that have been approved by the school board and submitted for commissioner approval. MDE calculates state aids and property tax levies for this program.

RESULTS

| Districts broken down by former Alternative Facility districts and all other districts) | Measure type | Measure data source | Historical trend | Most recent data |
|--|---------------------|----------------------------|-------------------------|-------------------------|
| Alternative Facility Districts [27 largest districts] (revenue per Average Daily Membership) | Quantity | Data collected by MDE | FY2023 (LTFM) \$977 | FY2024 (LTFM) \$1,137 |
| All Other Districts (revenue per Average Daily Membership) | Quantity | Data collected by MDE | FY2023 (LTFM) \$583 | FY2024 (LTFM) \$607 |

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|---------------------|----------------------------|---|---|
| Districts, Intermediates, Cooperatives and charter schools receiving revenue for approved 10-year plans | Quantity | Data collected by MDE | FY2023 Charter: 181 FY2023 District: 335 FY2023 Total: 516 | FY2024 Charter: 181 FY2024 District: 335 FY2024 Total: 516 |
| Districts and Charter Schools receiving state aid | Quantity | Data collected by MDE | FY2023 Charter: 181 FY2023 District: 265 FY2023 Total: 446 | FY2024 Charter: 181 FY2024 District: 267 FY2024 Total: 448 |
| State aid as a percentage of revenue | Quantity | Data collected by MDE | FY2023 Charter: 100% FY2023 District: 16.3% FY2023 Total: 17.5% | FY2024 Charter: 100% FY2024 District: 14.8% FY2024 Total: 16.0% |

M.S. 123B.595

Long-Term Facilities Maintenance Aid

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|----------------|----------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 107,183 | 108,004 | 107,615 | 107,242 | 106,480 | 105,485 |
| Total | 107,183 | 108,004 | 107,615 | 107,242 | 106,480 | 105,485 |
| Biennial Change | | | | (329) | | (2,892) |
| Biennial % Change | | | | (0) | | (1) |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 107,183 | 108,004 | 107,615 | 107,242 | 106,480 | 105,485 |
| Total | 107,183 | 108,004 | 107,615 | 107,242 | 106,480 | 105,485 |

Long-Term Facilities Maintenance Aid

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------|----------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 107,575 | 108,303 | 107,548 | 107,203 | 106,399 | 105,384 |
| Levies | 459,112 | 465,798 | 494,179 | 502,744 | 662,032 | 692,401 |
| District Revenue | 566,687 | 574,101 | 601,727 | 609,947 | 768,431 | 797,785 |
| Direct Appropriation | 108,582 | 108,269 | 107,905 | 107,242 | 106,480 | 105,485 |
| Current Year | 96,818 | 97,474 | 96,794 | 96,483 | 95,760 | 94,846 |
| Prior Year | 10,365 | 10,530 | 10,821 | 10,759 | 10,720 | 10,639 |
| Transfers In | | 85 | | | | |
| Cancellations | 1,399 | 350 | 290 | | | |
| Expenditures | 107,183 | 108,004 | 107,615 | 107,242 | 106,480 | 105,485 |
| Biennial Change in Expenditures | | | | (329) | | (2,892) |
| Biennial % Change in Expenditures | | | | (0) | | (1) |

Program: Facilities and Technology**Activity: Special Facilities and Technology Opportunities****AT A GLANCE**

- The Building and Cybersecurity and Gender-Neutral Bathroom grant programs provide funds to schools for facilities upgrades.
- The Maximum Effort Loan Aid is no longer active. It was paid annually from fiscal year (FY) 2018 through FY 2022 to 10 school districts that had state capital loans outstanding as of June 30, 2016. The total aid, over the course of the program, was \$16.4 million.

PURPOSE AND CONTEXT

The Maximum Effort Loan Aid provided property tax relief to offset the amount of interest paid on state maximum effort loans between December 1, 1990, and June 30, 2016, and capital loans between June 30, 2017, and June 30, 2021, by the 10 qualifying districts.

SERVICES PROVIDED

The last installment of Maximum Effort Loan Aid, totaling \$16.3 million over the course of the program, was paid in FY 2022.

MDE administered all aspects of the aid program. Services included:

- Developing application process and reporting forms for applicants/recipients;
- Providing technical assistance to applicants/recipients;
- Calculating, auditing, and processing payments; and
- Providing guidance as it relates to Minnesota statutes and state policies.

The Multi-Purpose Community Facility program supports community revitalization, connectedness, and equity by promoting education, work, and health for children and families in areas that would benefit most from expanded community facilities.

The Building and Cybersecurity Grant Program provides grants to schools to improve building security and cybersecurity. Funds may be used for security related facility improvements, cybersecurity insurance premiums, and associated costs.

Gender-Neutral Bathrooms grants provide funds to school districts for remodeling, constructing, or repurposing space for gender-neutral single-user restrooms.

RESULTS

The programs within this Budget Activity are new or no longer active.

Minnesota Session Laws 2021, 1st Special Session, Chapter 13, Article 7, Section 2, Subdivision 5

Special Facilities and Technology Opportunities

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|---|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 3,288 | | 24 | 26,308 | 1,000 | 1,000 |
| 3000 - Federal | | | 12 | 20,071 | 20,071 | 20,071 |
| Total | 3,288 | | 36 | 46,379 | 21,071 | 21,071 |
| Biennial Change | | | | 43,127 | | (4,273) |
| Biennial % Change | | | | | | (9) |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | | | 18 | 75 | 71 | 72 |
| Operating Expenses | | | 4 | 236 | 75 | 74 |
| Grants, Aids and Subsidies | 3,288 | | 14 | 46,068 | 20,925 | 20,925 |
| Total | 3,288 | | 36 | 46,379 | 21,071 | 21,071 |
| Total Agency Expenditures | 3,288 | | 36 | 46,379 | 21,071 | 21,071 |
| Internal Billing Expenditures | | | 2 | 9 | 9 | 9 |
| Expenditures Less Internal Billing | 3,288 | | 34 | 46,370 | 21,062 | 21,062 |
| <u>Full-Time Equivalent</u> | | | | | | |
| | | | 0.16 | 0.23 | 0.23 | 0.23 |

Special Facilities and Technology Opportunities

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | | | 25,332 | 1,000 | 1,000 | 1,000 |
| Open Appropriation | 3,288 | | | | | |
| Balance Forward In | | | | 25,308 | | |
| Balance Forward Out | | | 25,308 | | | |
| Expenditures | 3,288 | | 24 | 26,308 | 1,000 | 1,000 |
| Biennial Change in Expenditures | | | | 23,044 | | (24,332) |
| Biennial % Change in Expenditures | | | | | | (92) |
| Full-Time Equivalents | | | 0.08 | 0.15 | 0.15 | 0.15 |
| 3000 - Federal | | | | | | |
| Receipts | | | 12 | 20,071 | 20,071 | 20,071 |
| Expenditures | | | 12 | 20,071 | 20,071 | 20,071 |
| Biennial Change in Expenditures | | | | 20,083 | | 20,059 |
| Biennial % Change in Expenditures | | | | | | 100 |
| Full-Time Equivalents | | | 0.08 | 0.08 | 0.08 | 0.08 |

Program: Nutrition**Activity: Minnesota Free School Meals - Lunch**

<https://education.mn.gov/MDE/dse/FNS/SNP/>

AT A GLANCE

- Commodities equaling \$37,657,425.54 were received by 652 schools in federal fiscal year (FY) 2023.
- The Minnesota Free school Meals Program (MN-FSM) allowed all Minnesota schools participating in the United States Department of Agriculture (USDA) National School Lunch Program to provide no cost meals to all students starting in school year 2023-24

PURPOSE AND CONTEXT

This program provides nutritious lunches during the school day to help meet children's nutritional needs and foster lifelong healthy eating habits. The United States Department of Agriculture (USDA) 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. Starting in school year 2023-24, the state of Minnesota implemented the Minnesota Free School Meals Program (MN-FSM), which provides additional state funding to participating schools to provide each student with one no cost breakfast and one no cost lunch per school day.

These programs support the objective of ensuring every child receives a quality education, no matter their race or zip code.

SERVICES PROVIDED

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

- School lunch menus are planned and served according to federal meal-pattern guidelines.
- Students attending schools participating in MN-FSM receive meals at no cost to the household.
- Commodities such as meat, cheese, poultry, fruits, and vegetables are donated by the USDA to contribute to the school lunch menu.
- Schools complete commodity preference surveys for more than 1,000 raw processed products, fresh fruit and vegetable products through the Department of Defense (DoD), as well as for commercial products that have commodities in them.

School lunch programs are supported financially and administratively through:

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

| Reimbursement rate: 2023 -2024 (July 1, 2023 -June 30, 2024) Payment Type | Budget Code (CLiCS Payment Detail) | Paid Lunch Rates | Reduced-Price Lunch Rates | Free Lunch Rates |
|---|------------------------------------|-----------------------------|-----------------------------|-----------------------------|
| Federal Lunch – <i>Regular</i> | 10555.002 | .40 or .42 ¹ | .40 or .42 ¹ | .40 or .42 ¹ |
| Federal Lunch – <i>Free and Reduced-Price</i> | 10555.004 | N/A | 3.45 | 3.85 |
| Federal Lunch – <i>8 Cent Certified</i> | 10555.006 | .08 | .08 | .08 |
| State Lunch – Minnesota Free School Meals (MN-FSM) | S6201 | 3.975 ² | .525 ² | .125 |
| Total Federal/State Payments (<i>not</i> including value of USDA Foods) – MN-FSM | N/A | 4.455 or 4.475 ¹ | 4.455 or 4.475 ¹ | 4.455 or 4.475 ¹ |

¹ Federal rate for “additional two cents”: The higher federal reimbursement rate and higher total payments are paid for all lunches if the school food authority served 60% or more free/reduced-price lunches in the first three months of School Year 2022 – 2023 (SY 2022 – 23) at all sites combined. To check whether a school food authority is approved for the higher rate, refer to the SY 2023 – 24 sponsor application in the Cyber-Linked Interactive Child Nutrition System (CLiCS).

² State payment for reduced-price and paid lunches: Reduced-price and paid lunches receive additional state reimbursement so that lunches can be served at no charge, as provided by state law. Although these meals are served at no charge, they must be claimed for reimbursement at the correct eligibility level so that correct federal and state reimbursements are paid.

The Minnesota Department of Education (MDE):

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

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|--|------------------|
| Percent of lunches sold that are USDA designated free or reduced price meals | Quantity | Data collected by MDE | FY2020: 45% FY2021*: 97% FY2022: 49% | FY2023: 48% |
| Number of school food authorities receiving administrative reviews to assure program compliance | Quantity | Data collected by MDE | FY2020: 126 FY2021: 140 FY2022: 126 | FY2023: 140 |

* Schools that used the NSLP during FY 2021 – as opposed to other options that were available to them due to pandemic-related waivers – typically had very high free and reduced percentages.

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

Minnesota Free School Meals - Lunch

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|---|----------------|----------------|----------------|------------------|----------------|----------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 11,990 | 14,073 | 228,286 | 252,109 | 265,107 | 276,479 |
| 3000 - Federal | 435,442 | 257,674 | 261,169 | 249,200 | 254,119 | 259,143 |
| Total | 447,432 | 271,747 | 489,455 | 501,309 | 519,226 | 535,622 |
| Biennial Change | | | | 271,584 | | 64,084 |
| Biennial % Change | | | | 38 | | 6 |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | 126 | 102 | 21 | 99 | 119 | 122 |
| Operating Expenses | 30 | 31 | 7 | 42 | 42 | 42 |
| Grants, Aids and Subsidies | 447,276 | 271,614 | 489,427 | 501,168 | 519,065 | 535,458 |
| Total | 447,432 | 271,747 | 489,455 | 501,309 | 519,226 | 535,622 |
| Total Agency Expenditures | 447,432 | 271,747 | 489,455 | 501,309 | 519,226 | 535,622 |
| Internal Billing Expenditures | 22 | 19 | 3 | 29 | 29 | 29 |
| Expenditures Less Internal Billing | 447,409 | 271,728 | 489,451 | 501,280 | 519,197 | 535,593 |
| <u>Full-Time Equivalent</u> | 1.07 | 0.97 | 0.23 | 0.85 | 0.85 | 0.85 |

Minnesota Free School Meals - Lunch

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base FY26 FY27 | |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------------------|----------------|
| 1000 - General | | | | | | |
| Entitlement | 11,990 | 14,073 | 228,286 | 252,109 | 265,107 | 276,479 |
| District Revenue | 11,990 | 14,073 | 228,286 | 252,109 | 265,107 | 276,479 |
| Direct Appropriation | 16,661 | 15,984 | 218,801 | 252,109 | 265,107 | 276,479 |
| Current Year | 11,990 | 14,073 | 228,286 | 252,109 | 265,107 | 276,479 |
| Transfers In | | | 14,069 | | | |
| Cancellations | 4,671 | 1,911 | 4,584 | | | |
| Expenditures | 11,990 | 14,073 | 228,286 | 252,109 | 265,107 | 276,479 |
| Biennial Change in Expenditures | | | | 454,332 | | 61,191 |
| Biennial % Change in Expenditures | | | | 1,743 | | 13 |
| 3000 - Federal | | | | | | |
| Balance Forward In | | | | 6 | | |
| Receipts | 435,442 | 257,674 | 261,175 | 249,194 | 254,119 | 259,143 |
| Balance Forward Out | | | 6 | | | |
| Expenditures | 435,442 | 257,674 | 261,169 | 249,200 | 254,119 | 259,143 |
| Biennial Change in Expenditures | | | | (182,748) | | 2,893 |
| Biennial % Change in Expenditures | | | | (26) | | 1 |
| Full-Time Equivalent | 1.07 | 0.97 | 0.23 | 0.85 | 0.85 | 0.85 |

Program: Nutrition**Activity: Minnesota Free School Meals - Breakfast**<https://education.state.mn.us/MDE/dse/fns/snp>**AT A GLANCE**

- Over 36.3 million breakfasts were served in the federal fiscal year (FY) 2023.
- The Minnesota Free School Meals Program (MN-FSM) allowed all Minnesota schools participating in the United States Department of Agriculture (USDA) National School Lunch Program and School Breakfast Program to provide no cost meals to all students starting in school year 2023-24

PURPOSE AND CONTEXT

This program provides nutritious breakfasts to school children to help meet their nutritional needs and foster lifelong healthy eating habits. The United States Department of Agriculture (USDA) provides funding for the School Breakfast Program (SBP). Starting in school year 2023-24, the state of Minnesota implemented the Minnesota Free School Meals Program (MN-FSM), which provides additional state funding to participating schools to keep lunch prices affordable and provide each student with one no cost breakfast and one no cost lunch per school day.

These programs support the objective of ensuring every child receives a quality education, no matter their race or zip code.

SERVICES PROVIDED

The School Breakfast Program helps ensure students start their day with a nutritionally balanced meal.

- School breakfast menus are planned according to federal meal pattern guidelines.
- Student health and achievement are improved through daily access to a nutritious school breakfast.
- Students attending schools participating in MN-FSM receive meals at no cost to the household

School breakfast programs are supported through:

- Federal and state reimbursements for school breakfasts.
- USDA commodity food items.
- Cyber-Linked Interactive Child Nutrition System (CLiCS) is a website that allows schools to meet their application and claims requirements online.

Reimbursement rates: 2023-2024 (July 1, 2023-June 30, 2024)

| Payment Type | Budget Code (CLiCS Payment Detail) | Paid Breakfast Rates | Reduced-Price Breakfast Rates | Free Breakfast Rates |
|---------------------------------------|------------------------------------|---------------------------|-------------------------------|---------------------------|
| Federal Breakfast | 10553 | .38 | 1.98 or 2.43 ¹ | 2.28 or 2.73 ¹ |
| State Breakfast – MN-FSM | S6210 | 1.90 or 2.35 ² | .30 ² | N/A |
| Total Federal/State Payments – MN-FSM | N/A | 2.28 or 2.73 | 2.28 or 2.73 | 2.28 or 2.73 |

¹ Federal rates for reduced-price and free breakfasts: The higher federal reimbursement rates and higher total reimbursements are paid for free and reduced-price breakfasts served at “Severe Need” sites (sites that served 40% or more free/reduced-price lunches in the first three months of SY 2022 – 23). To check whether a site is approved for Severe Need reimbursement, refer to the site application in CLiCS.

² State payments for reduced-price and paid breakfasts: Reduced-price and paid breakfasts receive additional state reimbursement so that breakfasts can be served at no charge, as provided by state law. Although these meals are served at no charge, they must be claimed for reimbursement at the correct eligibility level so that the correct federal and state reimbursements are paid.

The household income threshold for free breakfasts is up to 130% of the poverty guideline and for reduced price breakfasts is up to 185% of the poverty guideline. However, students attending schools participating in MN-FSM receive meals at no cost to the household.

The Minnesota Department of Education (MDE):

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

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|---|------------------|
| Percent of school breakfasts served that are USDA federal designated free or reduced price meals | Quantity | Data collected by MDE | FY2020: 63% FY2021: 99% FY2022: 64% | FY2023: 61%* |
| Number of school food authorities receiving administrative reviews to assure program compliance | Quantity | Data collected by MDE | FY2020: 275 FY2021: 185 FY2022: 126 | FY2023: 140 |

* Schools that used this program during FY 2021 – as opposed to other options that were available to them due to pandemic-related waivers – typically had very high free and reduced percentages.

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

Minnesota Free School Meals - Breakfast

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|----------------|----------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 6 | 10,047 | 48,884 | 54,134 | 56,996 | 59,531 |
| 3000 - Federal | 114,508 | 63,507 | 77,557 | 79,118 | 80,690 | 82,303 |
| Total | 114,514 | 73,553 | 126,441 | 133,252 | 137,686 | 141,834 |
| Biennial Change | | | | 71,626 | | 19,827 |
| Biennial % Change | | | | 38 | | 8 |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 114,514 | 73,553 | 126,441 | 133,252 | 137,686 | 141,834 |
| Total | 114,514 | 73,553 | 126,441 | 133,252 | 137,686 | 141,834 |

Minnesota Free School Meals - Breakfast

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 6 | 10,047 | 48,884 | 54,134 | 56,996 | 59,531 |
| District Revenue | 6 | 10,047 | 48,884 | 54,134 | 56,996 | 59,531 |
| Direct Appropriation | 11,848 | 10,802 | 44,178 | 54,134 | 56,996 | 59,531 |
| Current Year | 6 | 10,047 | 48,884 | 54,134 | 56,996 | 59,531 |
| Transfers In | | | 5,562 | | | |
| Cancellations | 11,842 | 755 | 856 | | | |
| Expenditures | 6 | 10,047 | 48,884 | 54,134 | 56,996 | 59,531 |
| Biennial Change in Expenditures | | | | 92,965 | | 13,509 |
| Biennial % Change in Expenditures | | | | 925 | | 13 |

3000 - Federal

| | | | | | | |
|-----------------------------------|----------------|---------------|---------------|---------------|---------------|---------------|
| Balance Forward In | | | | 11 | | |
| Receipts | 114,508 | 63,507 | 77,568 | 79,107 | 80,690 | 82,303 |
| Balance Forward Out | | | 11 | | | |
| Expenditures | 114,508 | 63,507 | 77,557 | 79,118 | 80,690 | 82,303 |
| Biennial Change in Expenditures | | | | (21,340) | | 6,318 |
| Biennial % Change in Expenditures | | | | (12) | | 4 |

Program: Nutrition

Activity: Summer Food

AT A GLANCE

- Over 2.6 million meals were served during the summer program year of 2023
- \$955,250 was reimbursed to 690 sites that served meals

PURPOSE AND 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. During COVID-19 pandemic, the United States Department of Agriculture (USDA) released waivers that allowed SFSP to operate during the school year in place of the National School Lunch Program and School Breakfast Program to provide free meals to kids.

The USDA funds the program, and state funds of \$150,000 are provided based on meals served to schools and non-schools who provide meals under the Summer Food Service Program.

This program supports the objective that every student attends a safe, nurturing learning environment.

SERVICES PROVIDED

The Summer Food Service Program (SFSP) is designed to fill the nutrition gap during the summer months and make sure children can get the nutritious meals they need to achieve.

- Menus for healthy meals and snacks are planned according to federal guidelines.
- Meals and snacks are provided at no charge at a variety of sites to children in low-income areas during the summer.
- Starting in summer 2024, rural areas in Minnesota that do not have a summer eating site can provide food for children to take with them and eat elsewhere.
- Nutritional meals and snacks improve children’s health which leads to stronger academic outcomes.

Reimbursement rates: Federal fiscal year (FY) 2024 effective January 1, 2024 to December 31, 2024:

Reimbursement Rates (Operating plus Administrative)

| Type of Meal | Self-preparation or Rural Sites | Other Sites (Vended-Urban) |
|--------------------|---------------------------------|----------------------------|
| Breakfast | 2.9775 (2.71 + .2675) | 2.9225 (2.71 + .2125) |
| Lunch or Supper | 5.2125 (4.72 + .4925) | 5.1300 (4.72 + .4100) |
| Supplement (Snack) | 1.2350 (1.10 + .1350) | 1.2050 (1.10 + .1050) |

Self-preparation means the sponsor prepares the meals that will be served at the site(s) and does not contract with a food service management company, caterer, or school for the preparation of meals, which are considered “vended.” Self-preparation includes sponsors that prepare meals in a central facility and deliver meals to their sites.

Camp sponsors are paid only based on the percentage of children eligible for free and reduced price meals. Reimbursement may be estimated by taking the number of meals to be served (by type) to all children during a camp session and multiplying it by the percentage of children eligible for free and reduced price meals. That number is then multiplied by the appropriate operational and administrative reimbursement rate.

State funding of \$150,000 is allocated in proportion to the total number of meals served by each sponsor. Sponsors, such as a nonprofit, school, or other local government entity, are organizations that take on the administrative responsibility of managing the program at the local level. Program sites refer to the location of the meals being served and receive approximately \$0.06 per meal.

The fiscal activity associated with two meal-related federal Coronavirus Relief Fund (CRF) appropriations is also displayed in the fiscal pages of this Budget Activity.

The Minnesota Department of Education (MDE):

- Reaches out to schools, anti-hunger, and youth serving organizations to increase SFSP participation.
- Reviews summer sites and provides training and technical assistance to sponsors.
- Calculates and processes reimbursement claims from sponsors.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--------------------|--------------|-----------------------|---|------------------|
| Number of sponsors | Quantity | Data collected by MDE | FY2020: 513 FY2021: 609 FY2022: 132 | FY2023: 154 |
| Number of sites | Quantity | Data collected by MDE | FY2020: 1,653 FY2021: 2,199 FY2022: 635 | FY2023: 690 |

M.S. 124D.119
National School Lunch Act (7 CFR 225)

Summer Food

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|---|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 150 | 150 | 150 | 150 | 150 | 150 |
| 3000 - Federal | 133,093 | 8,387 | 10,861 | 15,657 | 15,955 | 16,121 |
| Total | 133,243 | 8,537 | 11,011 | 15,807 | 16,105 | 16,271 |
| Biennial Change | | | | (114,961) | | 5,558 |
| Biennial % Change | | | | (81) | | 21 |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | 311 | 271 | 241 | 415 | 427 | 438 |
| Operating Expenses | 543 | 219 | 89 | 139 | 140 | 142 |
| Grants, Aids and Subsidies | 132,388 | 8,046 | 10,682 | 15,253 | 15,538 | 15,691 |
| Total | 133,243 | 8,537 | 11,011 | 15,807 | 16,105 | 16,271 |
| Total Agency Expenditures | 133,243 | 8,537 | 11,011 | 15,807 | 16,105 | 16,271 |
| Internal Billing Expenditures | 108 | 70 | 42 | 65 | 65 | 65 |
| Expenditures Less Internal Billing | 133,134 | 8,466 | 10,969 | 15,742 | 16,040 | 16,206 |
| <u>Full-Time Equivalent</u> | | | | | | |
| | 2.10 | 2.46 | 1.97 | 3.60 | 3.60 | 3.60 |

Summer Food

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 150 | 150 | 150 | 150 | 150 | 150 |
| District Revenue | 150 | 150 | 150 | 150 | 150 | 150 |
| Direct Appropriation | 150 | 150 | 150 | 150 | 150 | 150 |
| Current Year | 150 | 150 | 150 | 150 | 150 | 150 |
| Expenditures | 150 | 150 | 150 | 150 | 150 | 150 |
| Biennial Change in Expenditures | | | | 0 | | 0 |
| Biennial % Change in Expenditures | | | | 0 | | 0 |
| 3000 - Federal | | | | | | |
| Balance Forward In | | | | 2 | | |
| Receipts | 133,093 | 8,387 | 10,863 | 15,655 | 15,955 | 16,121 |
| Balance Forward Out | | | 2 | | | |
| Expenditures | 133,093 | 8,387 | 10,861 | 15,657 | 15,955 | 16,121 |
| Biennial Change in Expenditures | | | | (114,961) | | 5,558 |
| Biennial % Change in Expenditures | | | | (81) | | 21 |
| Full-Time Equivalent | 2.10 | 2.46 | 1.97 | 3.60 | 3.60 | 3.60 |

Program: Nutrition

Activity: USDA Foods

AT A GLANCE

- Minnesota schools receive an estimated 20 million pounds of commodity foods each year.

PURPOSE AND CONTEXT

The commodity program began in the early 1930s 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, its stated purpose was both to improve the health of children and to provide a market for agricultural production. The program serves to supplement food resources through entitlement funding for schools to directly purchase from available United States Department of Agriculture (USDA) commodities and Department of Defense programs.

The USDA provides the entire funding for the program.

This program supports the objective that every student attends a safe, nurturing learning environment.

SERVICES PROVIDED

Schools participating in the National School Lunch Program:

- Receive commodity foods, called “entitlement” foods, at a value of 36.5 cents (July 2023) for each lunch served. Foods purchased support meeting the dietary guidelines for nutritious meals and include grains, vegetables, fruits, proteins, and dairy products grown and processed in the United States.
- May also get “bonus” commodities such as meat, cheese, poultry, grains, rice, fruits, and vegetables, as they are available through 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 those foods, although through more efficient distribution processes this is now rare.

The Minnesota Department of Education (MDE) assists schools in spending and ordering products with their entitlement funds through technical assistance, food ordering, deliveries, inventories, monitoring, and other issues concerning the USDA Foods program.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|--|-------------------------|
| Total Dollar amount of commodities received by schools | Quantity | Data collected by MDE | FY2020: \$32,170,833 FY2021: \$33,283,426 FY2022: \$38,208,275 | FY2023: \$37,657,426 |

M.S. 124D.1195

USDA Foods

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|------|
| | | | | | FY26 | FY27 |

Expenditures by Fund

| | | | | | | |
|--------------------------------------|---------------|--------------|--------------|--------------|--------------|--------------|
| 2000 - Restrict Misc Special Revenue | 16 | | | | | |
| 3000 - Federal | 10,974 | 1,782 | 2,212 | 2,206 | 2,250 | 2,295 |
| Total | 10,990 | 1,782 | 2,212 | 2,206 | 2,250 | 2,295 |
| Biennial Change | | | | (8,353) | | 127 |
| Biennial % Change | | | | (65) | | 3 |

Expenditures by Category

| | | | | | | |
|----------------------------|---------------|--------------|--------------|--------------|--------------|--------------|
| Grants, Aids and Subsidies | 10,990 | 1,782 | 2,212 | 2,206 | 2,250 | 2,295 |
| Total | 10,990 | 1,782 | 2,212 | 2,206 | 2,250 | 2,295 |

USDA Foods

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|---|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| 2000 - Restrict Misc Special Revenue | | | | | | |
| Balance Forward In | 7 | 7 | 7 | 7 | 7 | 7 |
| Receipts | 16 | | | | | |
| Balance Forward Out | 7 | 7 | 7 | 7 | 7 | 7 |
| Expenditures | 16 | | | | | |
| Biennial Change in Expenditures | | | | (16) | | 0 |
| Biennial % Change in Expenditures | | | | | | |
| 3000 - Federal | | | | | | |
| Receipts | 10,974 | 1,782 | 2,212 | 2,206 | 2,250 | 2,295 |
| Balance Forward Out | 0 | | | | | |
| Expenditures | 10,974 | 1,782 | 2,212 | 2,206 | 2,250 | 2,295 |
| Biennial Change in Expenditures | | | | (8,338) | | 127 |
| Biennial % Change in Expenditures | | | | (65) | | 3 |

Program: Nutrition

Activity: Child and Adult Care Food Program

AT A GLANCE

- 4,406 family child care homes, 923 child care centers, 21 adult care centers, and 12 emergency shelters participated in the Child and Adult Care Food Program (CACFP) in federal fiscal year (FFY) 2023
- 35.6 million meals and snacks were served in FFY 2023
- The United States Department of Agriculture (USDA) released COVID waivers that relaxed eligibility standards that allowed many more community-based organizations to enter the program. These limited time flexibilities skewed the results for 2020-21-22

PURPOSE AND CONTEXT

The Child and Adult Care Food Program (CACFP) helps ensure that children and youth, those receiving emergency shelter services, chronically disabled adults, and senior citizens receiving licensed organized care have access to nutritious meals.

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 United States Department of Agriculture (USDA) provides all funding for the program, which is administered by the Minnesota Department of Education (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. (Reimbursement rates are for federal FY 2024.)

| Category | Breakfast | Lunch and Supper Including Cash-in-Lieu-of Commodities* | Snack |
|----------|-----------|--|--------|
| A | \$2.28 | \$4.545 (\$4.25 + \$0.295) | \$1.17 |
| B | \$1.98 | \$4.145 (\$3.85 + \$0.295) | \$0.58 |
| C | \$0.38 | \$0.695 (\$0.40 + \$0.295) | \$0.10 |

- Federal administrative reimbursements to family child care homes are defined by poverty level in geographic area served. Tier 1 sites are reimbursed at a higher rate as a result of serving more families that qualify for free or reduced price meals in a geographical area. For purposes of determining the tiering status of day care homes, the attendance area of a school in which at least 50 percent of the enrolled children are certified eligible for free or reduced price meals, or the area based on the most recent census data in which at least 50 percent of the children residing in the area are members of households that meet the income standards for free or reduced-price meals.

| | Tier 1 | Tier 2 |
|--------------|---------------|---------------|
| Breakfast | \$1.65 | \$.59 |
| Lunch/supper | \$3.12 | \$1.88 |
| Snack | \$.93 | \$.25 |

The Minnesota Department of Education (MDE):

- Assists in meeting program requirements.
- Conducts administrative reviews.
- Provides technical assistance, workshops on nutrition and program regulations, and provides resource materials.
- Processes meal reimbursement claims.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|---------------------|----------------------------|---|-------------------------|
| Total value of meals served, all settings | Dollars | Data collected by MDE | FY2021: \$195,935.85 FY2022: \$181,900,456 | FY2023: \$62,303,438 |
| Number of participating child care centers | Quantity | Data collected by MDE | FY2021: 1,496 FY2022: 1,012 | FY2023: 923 |
| Number of participating family day care homes | Quantity | Data collected by MDE | FY2021: 5,315 FY2022: 4,634 | FY2023: 4,406 |
| Number of participating adult day care centers | Quantity | Data collected by MDE | FY2021: 99 FY2022: 36 | FY2023: 21 |
| Number of participating emergency shelters | Quantity | Data collected by MDE | FY2021: 99 FY2022: 36 | FY2023: 21 |

Child Nutrition Act and National School Lunch Act (7 CFR 226)

Child and Adult Care Food Program

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|---|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 3000 - Federal | 236,079 | 68,461 | 70,181 | 70,614 | 72,088 | 73,536 |
| 6000 - Miscellaneous Agency | | | | 1 | | |
| Total | 236,079 | 68,461 | 70,181 | 70,615 | 72,088 | 73,536 |
| Biennial Change | | | | (163,744) | | 4,828 |
| Biennial % Change | | | | (54) | | 3 |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | 1,077 | 1,094 | 1,159 | 1,183 | 1,394 | 1,439 |
| Operating Expenses | 716 | 387 | 421 | 660 | 547 | 547 |
| Grants, Aids and Subsidies | 234,285 | 66,980 | 68,601 | 68,772 | 70,147 | 71,550 |
| Total | 236,079 | 68,461 | 70,181 | 70,615 | 72,088 | 73,536 |
| Total Agency Expenditures | 236,079 | 68,461 | 70,181 | 70,615 | 72,088 | 73,536 |
| Internal Billing Expenditures | 210 | 215 | 192 | 232 | 232 | 232 |
| Expenditures Less Internal Billing | 235,868 | 68,246 | 69,989 | 70,383 | 71,856 | 73,304 |
| <u>Full-Time Equivalent</u> | 9.50 | 9.16 | 9.37 | 12.70 | 12.70 | 12.70 |

Child and Adult Care Food Program

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 3000 - Federal | | | | | | |
| Receipts | 236,079 | 68,461 | 70,181 | 70,614 | 72,088 | 73,536 |
| Expenditures | 236,079 | 68,461 | 70,181 | 70,614 | 72,088 | 73,536 |
| Biennial Change in Expenditures | | | | (163,745) | | 4,829 |
| Biennial % Change in Expenditures | | | | (54) | | 3 |
| Full-Time Equivalents | 9.50 | 9.16 | 9.37 | 12.70 | 12.70 | 12.70 |

6000 - Miscellaneous Agency

| | | | | | | |
|-----------------------------------|---|---|---|----------|--|-----|
| Balance Forward In | 1 | 1 | 1 | 1 | | |
| Balance Forward Out | 1 | 1 | 1 | | | |
| Expenditures | | | | 1 | | |
| Biennial Change in Expenditures | | | | 1 | | (1) |
| Biennial % Change in Expenditures | | | | | | |

Program: Nutrition**Activity: Other Nutrition Programs****AT A GLANCE**

These federal nutrition grants are a key component in helping create a safe, nurturing learning environment for all children to learn and thrive. Other Nutrition Programs include:

- Team Nutrition (TN)
- Fresh Fruit and Vegetable Program (FFVP)
- Technology Innovation Grants (TIG)
- Equipment Grant
- Farm to School and Farm to Early Care
- Summer Electronic Benefit Program (S-EBT)

PURPOSE AND CONTEXT

These grants all play a complementary role to the three main nutrition programs, which are the National School Lunch Program (NSLP), Child and Adult Care Food Program (CACFP), and Summer Food Service Program (SFSP). These grants provide:

- Financial resources for sponsoring learning institutions (schools, child care, or community-based youth development) to address nutrition needs of children and youth.
- Best practice training or technical assistance resources for sponsors to effectively administer the programs.
- Funds to assist MDE in maintaining necessary technology resources to administer the programs and provide additional resources (both technical assistance and financial) and distribute funds to sponsors.

Three programs have since been terminated when the COVID-19 pandemic ended. Those programs are the Emergency Operating Cost Reimbursement Program (EOCRP), the Supply Chain Assistance Program, and the Pandemic Electronic Benefit Transfer (P-EBT) Program. Out of P-EBT, the federal government implemented a brand-new program, Summer Electronic Benefit Transfer (S-EBT).

The population served by these programs include:

- Team Nutrition (TN) serves all public, nonpublic and charter schools
- Fresh Fruit and Vegetable Program (FFVP) serves elementary schools that have at least 50% free and reduced students
- Technology Innovation Grants (TIG) serve all sponsor organizations in improving access to the state's Cyber-Linked Interactive Child Nutrition System (CLiCS)
- Summer Electronic Benefit Transfer (S-EBT) which serves students eligible for federal free and reduced price meals.

SERVICES PROVIDED

The services provided through these programs include:

- Team Nutrition (TN)
 - The current grant involves working with parent advisory committee to assist in strategizing how to bring more culturally diverse foods into the school menu.
 - Access to guidebooks, videos, and stipends to engage in project activities.
 - Implemented the “Say Yes! To School Meals” campaign
- Fresh Fruit and Vegetable Program (FFVP)
 - Participating schools receive training and technical assistance on engaging students in eating healthy snacks and providing financial resources to purchase healthy snack items for students.
 - Formula based grants based on enrollment, level of free and reduced students, and the number of days additional fresh snacks are provided. Schools get an additional \$75 per student for the school year.
- Technology Innovation Grants (TIG)
 - Current three-year grant is working to facilitate sponsor access to administering the key nutrition programs and enhancing program integrity and reporting functions.
 - Technology enhancements to existing CLiCS system to improve both the sponsor experience in managing program administration and the staff experience in providing monitoring functions.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|--|------------------|
| Pandemic Electronic Benefits (P-EBT) (Notes: School year benefits begin September and are directly connected to COVID; Summer benefits from June – August and are based on free or reduced status) | Results | Data collected by MDE | FY2021: \$369,583,333- Cash benefit to student FY2022: \$130,629,871-Cash benefits to students | NA |
| Team Nutrition (Notes: 2-yr grant competitive that began 8/1/2022; MN’s 4th competitive grant received) | Results | Data collected by MDE | FY2021: NA FY2022: Worked with students to develop eight new recipes for school lunch menu. FY2023: NA | FY2024 - NA |
| Fresh Fruit and Vegetables (Notes: School year benefits begin September and are directly connected to COVID; Summer benefits from June – August and are based on free or reduced status). | Results | Data collected by MDE | FY2021: NA FY2022: 97% schools received their request. FY2023: 100% of eligible schools will receive 100% of their request | FY2024: NA |

Minnesota Laws 2024 Ch. 115, Article 22, Section 3

Other Nutrition Programs

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|---|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | | | 1,105 | 2,319 | 572 | 572 |
| 3000 - Federal | 5,521 | 990 | 2,304 | 2,985 | 2,887 | 2,333 |
| Total | 5,521 | 990 | 3,408 | 5,304 | 3,459 | 2,905 |
| Biennial Change | | | | 2,201 | | (2,348) |
| Biennial % Change | | | | 34 | | (27) |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | 12 | 84 | 328 | 607 | 683 | 349 |
| Operating Expenses | 4 | 454 | 2,476 | 4,597 | 2,776 | 2,556 |
| Grants, Aids and Subsidies | 5,505 | 452 | 605 | 100 | | |
| Total | 5,521 | 990 | 3,408 | 5,304 | 3,459 | 2,905 |
| Total Agency Expenditures | 5,521 | 990 | 3,408 | 5,304 | 3,459 | 2,905 |
| Internal Billing Expenditures | 2 | 34 | 78 | 295 | 286 | 231 |
| Expenditures Less Internal Billing | 5,519 | 956 | 3,330 | 5,009 | 3,173 | 2,674 |
| <u>Full-Time Equivalent</u> | | | | | | |
| | | 1.12 | 2.87 | 6.35 | 6.85 | 4.40 |

Other Nutrition Programs

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | | | 1,882 | 1,542 | 572 | 572 |
| Balance Forward In | | | | 777 | | |
| Balance Forward Out | | | 777 | | | |
| Expenditures | | | 1,105 | 2,319 | 572 | 572 |
| Biennial Change in Expenditures | | | | 3,424 | | (2,280) |
| Biennial % Change in Expenditures | | | | | | (67) |
| Full-Time Equivalents | | | 0.13 | 1.30 | 1.30 | 1.30 |
| 3000 - Federal | | | | | | |
| Receipts | 5,521 | 990 | 2,304 | 2,985 | 2,887 | 2,333 |
| Balance Forward Out | | | 0 | | | |
| Expenditures | 5,521 | 990 | 2,304 | 2,985 | 2,887 | 2,333 |
| Biennial Change in Expenditures | | | | (1,222) | | (69) |
| Biennial % Change in Expenditures | | | | (19) | | (1) |
| Full-Time Equivalents | | 1.12 | 2.74 | 5.05 | 5.55 | 3.10 |

Program: Nutrition

Activity: Kindergarten Milk

AT A GLANCE

- 2,292,288 half pints of milk were subsidized in fiscal year (FY) 2023 by the federal Special Milk Program (SMP).
- 2,138,625 half pints were subsidized in FY 2023 through the Minnesota Kindergarten Milk Program (MKMP).

PURPOSE AND 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 Special Milk Program (SMP) is funded by the United States Department of Agriculture (USDA) and is only available when students do not have access to other federal child nutrition programs. SMP provides schools and child care programs with a reimbursement of 26.25 cents per half pint of milk.

The Minnesota Kindergarten Milk Program (MKMP) is funded by state aid and provides schools with an additional reimbursement of 20 cents per half pint milk served to kindergartners. Schools that participate in SMP may also participate in MKMP, allowing participating districts to be reimbursed up to 47 cents per half pint of milk served to kindergarten children. Even combined, this reimbursement rate doesn’t always cover the full cost of a half pint of milk, which depends on the milk vendor.

SERVICES PROVIDED

Both programs are supported financially and administratively through:

- Federal and state reimbursements for half pints of milk served.
- Cyber-Linked Interactive Child Nutrition System (CLiCS) – a website that allows participants to meet their application and claims requirements online.

The Minnesota Department of Education (MDE):

- Conducts administrative reviews of milk programs.
- Provides technical assistance and resource materials.
- Processes reimbursement claims for cartons of milk served.
- Monitors milk program compliance along with the School Nutrition Program monitoring schedule

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|---|------------------|
| Number of school food authorities receiving administrative reviews to assure program compliance | Quantity | Data collected by MDE | FY2020: 126 FY2021: 140 FY2022: 126 | FY2023: 140 |

M.S. 124D.118
National School Lunch Act (7 CFR 215)

Kindergarten Milk

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 442 | 427 | 386 | 387 | 387 | 387 |
| 3000 - Federal | 486 | 617 | 618 | 650 | 662 | 675 |
| Total | 928 | 1,045 | 1,004 | 1,037 | 1,049 | 1,062 |
| Biennial Change | | | | 69 | | 70 |
| Biennial % Change | | | | 3 | | 3 |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 928 | 1,045 | 1,004 | 1,037 | 1,049 | 1,062 |
| Total | 928 | 1,045 | 1,004 | 1,037 | 1,049 | 1,062 |

Kindergarten Milk

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 442 | 427 | 386 | 387 | 387 | 387 |
| District Revenue | 442 | 427 | 386 | 387 | 387 | 387 |
| Direct Appropriation | 656 | 659 | 428 | 387 | 387 | 387 |
| Current Year | 442 | 427 | 386 | 387 | 387 | 387 |
| Cancellations | 214 | 232 | 42 | | | |
| Expenditures | 442 | 427 | 386 | 387 | 387 | 387 |
| Biennial Change in Expenditures | | | | (96) | | 1 |
| Biennial % Change in Expenditures | | | | (11) | | 0 |
| 3000 - Federal | | | | | | |
| Balance Forward In | | | | 1 | | |
| Receipts | 486 | 617 | 618 | 649 | 662 | 675 |
| Balance Forward Out | | | 1 | | | |
| Expenditures | 486 | 617 | 618 | 650 | 662 | 675 |
| Biennial Change in Expenditures | | | | 165 | | 69 |
| Biennial % Change in Expenditures | | | | 15 | | 5 |

Program: Libraries**Activity: Basic Support and Federal Grants**<https://education.state.mn.us/MDE/dse/Lib/sls/Reg/>**AT A GLANCE**

- Public library services are available in all 87 counties.
- 12 regional public library systems support 356 public libraries; 46% of all libraries are in non-metro areas.
- Public libraries shared over 1.1 million items to other libraries through interlibrary loan, which expanded the reach of local collections.
- In 2023, over 3.2 million Minnesotans had a library card, and public libraries were visited 15.4 million times.
- Arts and Cultural Heritage Funds (ACHF) provide grants to library systems to provide educational opportunities in the arts, history, literary arts, and cultural heritage of Minnesota; as well as funding for the Minnesota Center for the Book
- In addition to ongoing federal Library Services and Technology Act (LSTA) grants, the Institute of Museum and Library Services (IMLS) provided federal COVID-19 funds through the Coronavirus Aid, Relief, and Economic Security (CARES) Act and American Rescue Plan (ARP) Act to support LSTA programs. COVID funding through the IMLS ended in 2022.

PURPOSE AND CONTEXT

Minnesota's public libraries ensure all residents have equitable 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 from birth to the end of life.

Libraries support the objective that every student deserves a world class education. Ninety-four percent offer summer learning programs for children and teens.

SERVICES PROVIDED

Public libraries collect and make information available in a number of different formats – print book, magazine, DVD, CD, and download-only formats. Professional and trained staff help Minnesotans of all ages and abilities access this information.

Regional library basic system support:

- Provides incentives 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.
- Distributes funding between cooperating jurisdictions and encourages sharing of library materials through library-to-library lending and borrowing.
- Maintains and improves library programs, materials, and outreach to diverse residents.

In addition to state General Fund aids, the Minnesota Department of Education (MDE) administers certain state Arts and Cultural Heritage Funds (ACHF) and federal Institute of Museum and Library Services (IMLS) funds. ACHF funds are for grants to the state’s twelve regional library systems to provide educational opportunities in the arts, history, literary arts, and cultural heritage of Minnesota. The funds – \$2.5 million in each of FY 2022 and FY 2023 – may be used to sponsor programs provided by regional libraries, or to provide grants to local arts and cultural heritage organizations for projects in partnership with regional libraries. The ACHF Appropriation was increased to \$2.75 million for FY 2024-2025. \$100,000 in each of FY 2022 and FY 2023 was also made available for the Minnesota Center for the Book.

Federal funds from the IMLS are grants through the Library Services and Technology Act (LSTA). These funds are used to support statewide initiatives and services including access to electronic databases and the federally mandated Minnesota Braille and Talking Book Library. Additionally, MDE awards grants to support local efforts to address digital equity and access, workforce development programs, and improving library services for youth and seniors.

MDE administers all aspects of these programs. 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

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|---|--------------------|
| Number of Minnesotans attending library programs including story times, summer reading programs, digital literacy and job search. Thirty-seven out of 100 non-metro residents attended a program in 2019; 25 out of 100 for metro area. | Quantity | Data collected by MDE | FY2020: 402,863 FY2021: 465,715 FY2022: 811,981 | FY2023: 1,092,028 |
| Circulation of downloadable books, movies, and music | Quantity | Data collected by MDE | FY2020: 9,935,422 FY2021: 10,918,370 FY2022: 12,280,950 | FY2023: 13,983,077 |
| Number of weekly open hours | Quantity | Data collected by MDE | FY2020: 405,276 FY2021: 619,320 FY2022: 741,620 | FY2023: 742,516 |

M.S. 134.31; M.S. 134.32; M.S. 134.34; M.S. 134.355

Basic Support and Federal Grants

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|---|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 13,570 | 13,570 | 17,570 | 17,570 | 17,883 | 18,329 |
| 2301 - Arts & Cultural Heritage | 2,600 | 2,600 | 2,750 | 2,750 | | |
| 3000 - Federal | 1,968 | 881 | 159 | 131 | 131 | 132 |
| Total | 18,138 | 17,051 | 20,479 | 20,451 | 18,014 | 18,461 |
| Biennial Change | | | | 5,741 | | (4,455) |
| Biennial % Change | | | | 16 | | (11) |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | 98 | 35 | 56 | 57 | 59 | 62 |
| Operating Expenses | 214 | 92 | 104 | 74 | 72 | 70 |
| Grants, Aids and Subsidies | 17,825 | 16,924 | 20,320 | 20,320 | 17,883 | 18,329 |
| Total | 18,138 | 17,051 | 20,479 | 20,451 | 18,014 | 18,461 |
| Total Agency Expenditures | 18,138 | 17,051 | 20,479 | 20,451 | 18,014 | 18,461 |
| Internal Billing Expenditures | 32 | 85 | 99 | 17 | 15 | 13 |
| Expenditures Less Internal Billing | 18,106 | 16,966 | 20,380 | 20,434 | 17,999 | 18,448 |
| <u>Full-Time Equivalent</u> | 1.22 | 0.59 | 0.50 | 0.50 | 0.50 | 0.50 |

Basic Support and Federal Grants

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 13,570 | 13,570 | 18,014 | 17,521 | 17,923 | 18,374 |
| District Revenue | 13,570 | 13,570 | 18,014 | 17,521 | 17,923 | 18,374 |
| Direct Appropriation | 13,570 | 13,570 | 17,570 | 17,570 | 17,883 | 18,329 |
| Current Year | 12,213 | 12,213 | 16,213 | 15,769 | 16,131 | 16,537 |
| Prior Year | 1,357 | 1,357 | 1,357 | 1,801 | 1,752 | 1,792 |
| Cancellations | 0 | 0 | 0 | | | |
| Expenditures | 13,570 | 13,570 | 17,570 | 17,570 | 17,883 | 18,329 |
| Biennial Change in Expenditures | | | | 8,000 | | 1,072 |
| Biennial % Change in Expenditures | | | | 29 | | 3 |
| 2301 - Arts & Cultural Heritage | | | | | | |
| Direct Appropriation | 2,600 | 2,600 | 2,750 | 2,750 | 0 | 0 |
| Expenditures | 2,600 | 2,600 | 2,750 | 2,750 | | |
| Biennial Change in Expenditures | | | | 300 | | (5,500) |
| Biennial % Change in Expenditures | | | | 6 | | (100) |
| 3000 - Federal | | | | | | |
| Receipts | 1,968 | 881 | 159 | 131 | 131 | 132 |
| Expenditures | 1,968 | 881 | 159 | 131 | 131 | 132 |
| Biennial Change in Expenditures | | | | (2,559) | | (27) |
| Biennial % Change in Expenditures | | | | (90) | | (9) |
| Full-Time Equivalents | 1.22 | 0.59 | 0.50 | 0.50 | 0.50 | 0.50 |

Program: Libraries**Activity: Multicounty Multitype**<https://education.state.mn.us/MDE/dse/Lib/sls/Mult/>**AT A GLANCE**

- Seven multicounty, multitype library systems serve approximately 1,800 academic, public, school, and special libraries. Services are provided across all types of libraries.
- Multicounty, multitype libraries serve all 87 Minnesota counties

PURPOSE AND CONTEXT

Minnesota's multicounty, multitype library systems promote excellence in library services and connections between public libraries and libraries in schools, colleges, and universities so that library staff can better serve residents.

Multicounty, multitype library systems work across libraries of all types to provide collections, events, and other resources that support students, teachers, and all Minnesotans. Libraries support the objective that every Minnesotan deserves a world class education with caring, qualified teachers and high quality, unfettered access to information. Note: fiscal year (FY) 2022 and FY 2023 number changes are influenced by COVID, COVID recovery, and the restructuring of one of the seven Multicounty, multitype systems.

State aid provides operating funds based on a formula that includes population and land square miles served. Multicounty, multitype library systems may increase revenue through grants and/or cost-recovery fees for workshops and other continuing-education activities. Aid also incentivizes increasing the number of licensed library media specialists.

SERVICES PROVIDED

Multicounty, multitype 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.
- Supporting resource sharing and collaborative projects among participating libraries.

The Minnesota Department of Education (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 guidance as it relates to Minnesota statutes.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|---------------------|-------------------------------------|---|-------------------------|
| Multicounty multitype member libraries. | Quantity | Data collected by MDE is collected. | FY2020: 1,594 FY2021: 1,602 FY2022: 1,648 | FY2023: 1,350 |
| Scholarships awarded to library staff for participation in professional development and continuing education. | Quantity | Data collected by MDE is collected. | FY2020: 104 FY2021: 93 FY2022: 18 | FY2023: 116 |
| Attendance at multicounty, multitype sponsored professional development activities. | Quantity | Data collected by MDE is collected. | FY2020: 1,847 FY2021: 1,912 FY2022: 2,010 | FY2023: 1,959 |

MS 134.351; MS 134.353; MS 134.354

Multicounty Multitype

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 1,300 | 1,300 | 2,300 | 2,700 | 2,000 | 2,000 |
| Total | 1,300 | 1,300 | 2,300 | 2,700 | 2,000 | 2,000 |
| Biennial Change | | | | 2,400 | | (1,000) |
| Biennial % Change | | | | 92 | | (20) |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 1,300 | 1,300 | 2,300 | 2,700 | 2,000 | 2,000 |
| Total | 1,300 | 1,300 | 2,300 | 2,700 | 2,000 | 2,000 |

Multicounty Multitype

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 1,300 | 1,300 | 2,078 | 1,992 | 2,000 | 2,000 |
| District Revenue | 1,300 | 1,300 | 2,078 | 1,992 | 2,000 | 2,000 |
| Direct Appropriation | 1,300 | 1,300 | 3,000 | 2,000 | 2,000 | 2,000 |
| Current Year | 1,170 | 1,170 | 1,870 | 1,792 | 1,800 | 1,800 |
| Prior Year | 130 | 130 | 130 | 208 | 200 | 200 |
| Balance Forward In | | | | 700 | | |
| Cancellations | 0 | | | | | |
| Balance Forward Out | | | 700 | | | |
| Expenditures | 1,300 | 1,300 | 2,300 | 2,700 | 2,000 | 2,000 |
| Biennial Change in Expenditures | | | | 2,400 | | (1,000) |
| Biennial % Change in Expenditures | | | | 92 | | (20) |

Program: Libraries**Activity: Electronic Library for Minnesota**<https://www.elm4you.org/>**AT A GLANCE**

- Electronic Library for Minnesota (ELM) provides access to millions of articles, books, images, test preparation, and other information at no cost to users.
- ELM resources are accessible to Minnesotans through computers, smart phones, and tablets from homes, schools, school library media centers, academic libraries, public libraries, and government agencies.

PURPOSE AND CONTEXT

The Electronic Library for Minnesota (ELM) provides all Minnesotans with access to online high-quality and vetted information resources from all Minnesota Internet Protocol (IP) addresses, including home computers, libraries, and government agencies. ELM supports the objective that every student receives a world class education with caring, qualified teachers.

School libraries, librarians, and educators across the state need online, trustworthy resources to support emerging needs in pre-K literacy and early education, to support new K12 curriculum goal areas, and to ensure representation of Minnesota's diverse residents in our libraries and school library resources.

SERVICES PROVIDED**This program:**

- Offers free and equitable online access to millions of magazine, journal, newspaper, and encyclopedia articles; e-books; and other information resources to Minnesota residents.
- Provides tools for career exploration, resume and cover letter writing, test preparation, adult learning, and college readiness through Learning Express Library.
- Reduces costs by negotiating statewide database licenses.

ELM's resources:

- Support K-12 and postsecondary students and teachers.
- Provide information and research on a wide range of topics.
- Are available from all Minnesota IP addresses 24 hours a day, seven days a week.
- Support digital literacy and workforce development efforts.

The Minnesota Department of Education (MDE), through its State Library Services division, recommends and/or approves school and public library representatives on ELM's selection task force and makes final approval of the resources recommended. MDE sets up and processes payments and compiles report information annually.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|---------------------|----------------------------|--|-------------------------|
| Number of ELM searches conducted by Minnesotans | Quantity | Data collected by MDE | FY2020: 49.6 million FY2021: 57 million FY2022: 47.361 million | FY2023: 46.2 million |
| Number of LearningExpress Library user sessions | Quantity | Data collected by MDE | FY2020: 35,215 FY2021: 31,098 FY2022: 10,421 | FY2023: 13,852 |

MN Laws 2021, 1st Special Session, Chapter 13, Article 8, Section 3, Subdivision 8

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 900 | 900 | 900 | 900 | 900 | 900 |
| Total | 900 | 900 | 900 | 900 | 900 | 900 |
| Biennial Change | | | | 0 | | 0 |
| Biennial % Change | | | | 0 | | 0 |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 900 | 900 | 900 | 900 | 900 | 900 |
| Total | 900 | 900 | 900 | 900 | 900 | 900 |

Electronic Library for Minnesota

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base FY26 FY27 | |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------------------|------------|
| 1000 - General | | | | | | |
| Direct Appropriation | 900 | 900 | 900 | 900 | 900 | 900 |
| Expenditures | 900 | 900 | 900 | 900 | 900 | 900 |
| Biennial Change in Expenditures | | | | 0 | | 0 |
| Biennial % Change in Expenditures | | | | 0 | | 0 |

Program: Libraries**Activity: Regional Library Telecom Aid****AT A GLANCE**

- Statutory changes in 2020 expanded the allowable use of funds to include digital content and technology items that are not covered by the federal e-rate broadband subsidy program for public libraries. As of 2024, the Federal Communications Commission (FCC) expanded allowable use to include wireless services for hotspots available through the library.
- 342 public library sites benefit from the aid program.
- The number of library locations offering download speeds of at least 100 megabits per second rose from 83 in 2017 to 188 in 2023, including 113 library locations in outstate Minnesota.
- 99.6 percent of public libraries provide wireless access.

PURPOSE AND CONTEXT

The Regional Library Telecommunications Aid program (RLTA) helps regional public library systems and their branch or member public libraries provide community-based broadband accessible to residents statewide. Increasingly, public libraries provide portable internet access through mobile hotspots that circulate for home use.

RLTA funds the telecommunications infrastructure necessary for library-based programs and services that support the objective that every student receives a world-class education. Through public libraries, students have greater access to online learning resources such as the state-provided Electronic Library for Minnesota and locally provided e-books and online homework help services.

SERVICES PROVIDED**This program:**

- Allows libraries to leverage federal funds and state and local investments that improve technology infrastructure.
- Facilitates optimal and equitable access to online resources and information, such as the Electronic Library for Minnesota, and to the statewide web-based infrastructure for interlibrary loan.

Activities that rely on internet access and benefit from this program include:

- Equitable community access to high-speed internet, including weekends and evenings.
- Access to online resources, including the Electronic Library for Minnesota and Ebooks Minnesota.
- Connections to school districts, postsecondary education, and other governmental agencies.
- Government-related activities and information, such as unemployment insurance filing.
- Automation systems that improve efficiency and cost-effectiveness in resource sharing.

The Minnesota Department of Education (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

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|--|--------------------------------------|
| Internet and wireless sessions in public libraries | Quantity | Data collected by MDE | FY2020: 3,935,588 FY2021: 7,085,636 FY2022: 10,606,620 | FY2023: 15,321,881 |
| Percentage of public libraries with internet speeds above 20 megabits per second (Mbps) | Quantity | Data collected by MDE | FY2020: 90.5% download, 83.9% upload FY2021: 93.65 download, 85.8% upload FY2022: 92.6% download, 84.3% upload | FY2023: 93.9% download, 87.4% upload |
| Number of internet devices in public libraries; about 46% of public libraries are in non-urban areas | Quantity | Data collected by MDE | FY2020: 6,564 FY2021: 4,968 FY2022: 5,073 | FY2023: 4,971 |

M.S. 134.355

Regional Library Telecom Aid

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|---|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 2,300 | 2,269 | 2,300 | 2,300 | 2,300 | 2,300 |
| 2000 - Restrict Misc Special Revenue | 12 | | | | | |
| Total | 2,312 | 2,269 | 2,300 | 2,300 | 2,300 | 2,300 |
| Biennial Change | | | | 19 | | 0 |
| Biennial % Change | | | | 0 | | 0 |
| <u>Expenditures by Category</u> | | | | | | |
| Operating Expenses | 12 | | | | | |
| Grants, Aids and Subsidies | 2,300 | 2,269 | 2,300 | 2,300 | 2,300 | 2,300 |
| Total | 2,312 | 2,269 | 2,300 | 2,300 | 2,300 | 2,300 |
| Total Agency Expenditures | 2,312 | 2,269 | 2,300 | 2,300 | 2,300 | 2,300 |
| Internal Billing Expenditures | 2 | | | | | |
| Expenditures Less Internal Billing | 2,310 | 2,269 | 2,300 | 2,300 | 2,300 | 2,300 |

Regional Library Telecom Aid

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 2,300 | 2,300 | 2,300 | 2,300 | 2,300 | 2,300 |
| District Revenue | 2,300 | 2,300 | 2,300 | 2,300 | 2,300 | 2,300 |
| Direct Appropriation | 2,300 | 2,300 | 2,300 | 2,300 | 2,300 | 2,300 |
| Current Year | 2,070 | 2,070 | 2,070 | 2,070 | 2,070 | 2,070 |
| Prior Year | 230 | 199 | 230 | 230 | 230 | 230 |
| Cancellations | | 31 | | | | |
| Expenditures | 2,300 | 2,269 | 2,300 | 2,300 | 2,300 | 2,300 |
| Biennial Change in Expenditures | | | | 31 | | 0 |
| Biennial % Change in Expenditures | | | | 1 | | 0 |

2000 - Restrict Misc Special Revenue

| | | | | | | |
|-----------------------------------|-----------|--|--|------|--|---|
| Balance Forward In | 15 | | | | | |
| Receipts | (3) | | | | | |
| Expenditures | 12 | | | | | |
| Biennial Change in Expenditures | | | | (12) | | 0 |
| Biennial % Change in Expenditures | | | | | | |

Program: Libraries

Activity: School Library Aid

<https://education.mn.gov/MDE/dse/Lib/sls/sch/>

AT A GLANCE

- The 2023 legislature created school library aid beginning in fiscal year (FY) 2024 and later.
- The legislature appropriated \$21,435,000 in student school library aid in 2024.

PURPOSE AND CONTEXT

School library aid provides aid to school districts and charter schools to help pay for specific costs within a school library. This aid program supports the objective of ensuring every student receives a world-class education.

SERVICES PROVIDED

For FY 2024 and later, a school district receives the greater of \$16.11 per adjusted pupil unit (APU) or \$40,000; and a charter school receives the greater of \$16.11 per APU or \$20,000. Schools must reserve and use school library aid to directly fund the following costs within a library:

- Salaries and benefits of a school library media specialist;
- Electronic, computer, and audiovisual equipment;
- Information technology infrastructure and digital tools;
- Electronic and material resources; or
- Furniture, equipment, or supplies.

The Minnesota Department of Education (MDE) calculates and processes aid payments for this program.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data (in \$1,000's) |
|--------------------|--------------|---------------------|------------------|--|
| School Library Aid | Quantity | MDE collected data | NA | FY2024: \$23,984 FY2025: \$23,893 FY2026: \$23,878 FY2027: \$23,807 |

M.S. 124D.992

School Library Aid

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|------|
| | | | | | FY26 | FY27 |

Expenditures by Fund

| | | | | | | |
|-------------------|--|--|---------------|---------------|---------------|---------------|
| 1000 - General | | | 21,460 | 23,789 | 23,680 | 23,603 |
| Total | | | 21,460 | 23,789 | 23,680 | 23,603 |
| Biennial Change | | | | 45,249 | | 2,034 |
| Biennial % Change | | | | | | 5 |

Expenditures by Category

| | | | | | | |
|----------------------------|--|--|---------------|---------------|---------------|---------------|
| Compensation | | | | | 121 | 121 |
| Operating Expenses | | | | | 9 | 9 |
| Grants, Aids and Subsidies | | | 21,460 | 23,789 | 23,550 | 23,473 |
| Total | | | 21,460 | 23,789 | 23,680 | 23,603 |

Full-Time Equivalents

| | | | | | | |
|--|--|--|--|--|------|------|
| | | | | | 1.00 | 1.00 |
|--|--|--|--|--|------|------|

School Library Aid

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | | | 23,844 | 23,780 | 23,668 | 23,596 |
| District Revenue | | | 23,844 | 23,780 | 23,668 | 23,596 |
| Direct Appropriation | | | 21,586 | 23,789 | 23,680 | 23,603 |
| Current Year | | | 21,460 | 21,402 | 21,172 | 21,107 |
| Cancellations | | | 126 | | | |
| Expenditures | | | 21,460 | 23,789 | 23,680 | 23,603 |
| Biennial Change in Expenditures | | | | 45,249 | | 2,034 |
| Biennial % Change in Expenditures | | | | | | 5 |
| Full-Time Equivalents | | | | | 1.00 | 1.00 |

Program: Early Childhood and Family Support**Activity: Early Childhood Family Education**<https://education.state.mn.us/MDE/fam/elsprog/ECFE/>**AT A GLANCE**

- 12,949 children participated in ongoing Early Childhood Family Education (ECFE) classes in fiscal year (FY) 2023.

PURPOSE AND CONTEXT

The purpose of the program is to provide parenting education to support children's learning and development. All families with children prenatal to kindergarten are eligible for services. School districts with prekindergarten through third grade initiatives may continue to serve families up to third grade.

This program helps meet the objective of all children attend a safe, nurturing school.

SERVICES PROVIDED

Early Childhood Family Education (ECFE) provides programming and services to educate parents and other relatives about the physical, cognitive, social, and emotional development of children, and to enhance the skills of parents and other relatives in providing for their children's learning and development. In addition, there is funding available to provide home visiting to families. Each year, programs must: 1) conduct a community needs assessment that identifies new and underserved populations; 2) identify child and family risk factors, particularly those that impact children's learning and development; and 3) assess family and parenting education needs in the community. Programs are required to provide programming and services that are tailored to the needs of families and parents prioritized in the community needs assessment.

Additional ECFE Program Requirements

- Provide programming to educate parents and other relatives about the development of children and to enhance the skills of parents and other relatives in providing for their children's learning and development.
- Provide structured learning activities requiring interaction between children and their parents or relatives.
- Provide learning experiences for children, parents, and other relatives that promote children's early literacy and, where practicable, their native language skills and activities for children that require substantial involvement of the children's parents or other relatives.
- Provide structured learning activities for children that promote children's development and positive interaction with peers, which are held while parents or relatives attend parent education classes.
- Provide information on related community resources.
- Provide information, materials, and activities that support the safety of children, including prevention of child abuse and neglect.
- Provide information about, and if needed, assist in making arrangements for an early childhood health and developmental screening when the child nears the third birthday.

ECFE programs should also:

- Encourage parents and other relatives to involve four- and five-year-old children in School Readiness programs, and other public and nonpublic early learning programs.
- Provide parents of English learners with translated oral and written information to monitor the program’s impact on their children’s English language development, to know whether their children are progressing in developing their English and native language proficiency, and to actively engage with and support their children in developing their English and native language proficiency.

This Budget Activity also displays fiscal activity associated with two other programs. The first is the Educate Parents Partnership program, funding that supports a part-time FTE to provide technical assistance to ECFE to build partnerships with health care providers that provides parents of newborns with informational materials on a wide range of subjects before they are discharged from the hospital. The second is the ParentChild+ program, a national model focused on early literacy, parenting, and school readiness. It is a home visiting program that promotes creative ways to learn through play, increases parenting skills, and helps children prepare for school. Participants select either in-person home visits following safety protocols or virtual visits. Participants receive deliveries including free books, toys, and guide sheets.

Revenue

ECFE revenue is a combination of state aid and local property tax levy. Total revenue is 2.3 percent of the general education formula allowance times 150, or the number of children under age 5 who lived in the district as of October 1 of the previous school year, whichever is greater. Starting in FY 2018, local Home Visiting levies were supplemented with state aid.

Collaboration

- It is common for other state-funded programs to work collaboratively with ECFE:
- Adult Basic Education (ABE), which provides family literacy programs.
- School Readiness and Voluntary Prekindergarten utilize ECFE to provide family engagement and parenting education service.
- Help Me Grow facilitates the referral and assessment process for Part C and Part B early intervention services.

The Minnesota Department of Education (MDE) calculates and processes payments and provides technical support for these programs.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|-----------------------------------|------------------|
| Children participating in regular parent/child weekly sessions. | Quantity | Data collected by MDE | FY2021: 8,299** FY2022: 12,113 | FY2023: 12,949 |
| Class offerings for children/parents. | Quantity | Data collected by MDE | FY2021: 1,227** FY2022: 1,416 | FY2023: 1,307 |

*Note: Some districts did not report ECFE courses in these years.

**Note: Figures impacted by the COVID pandemic and ECFE being a voluntary program.

M.S. 124D.129; M.S. 124D.13; M.S. 124D.135

Financial operations related to this activity will transfer to the Department of Children, Youth, and Families starting on July 1, 2025.

Early Childhood Family Education

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|---|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 35,509 | 36,472 | 39,673 | 41,035 | 40,005 | 41,636 |
| 3000 - Federal | | 44 | 78 | | | |
| Total | 35,509 | 36,516 | 39,751 | 41,035 | 40,005 | 41,636 |
| Biennial Change | | | | 8,762 | | 855 |
| Biennial % Change | | | | 12 | | 1 |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | 46 | 75 | 137 | 361 | | |
| Operating Expenses | 3 | 17 | 20 | 423 | | |
| Grants, Aids and Subsidies | 35,460 | 36,424 | 39,594 | 40,251 | 40,005 | 41,636 |
| Total | 35,509 | 36,516 | 39,751 | 41,035 | 40,005 | 41,636 |
| Total Agency Expenditures | 35,509 | 36,516 | 39,751 | 41,035 | 40,005 | 41,636 |
| Internal Billing Expenditures | | 6 | 10 | | | |
| Expenditures Less Internal Billing | 35,509 | 36,509 | 39,742 | 41,035 | 40,005 | 41,636 |
| <u>Full-Time Equivalent</u> | | | | | | |
| | 0.34 | 0.85 | 1.36 | 2.38 | | |

Early Childhood Family Education

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 34,640 | 35,588 | 37,810 | 38,212 | 40,203 | 41,796 |
| Levies | 22,566 | 22,810 | 23,842 | 22,929 | 25,285 | 22,992 |
| District Revenue | 57,206 | 58,398 | 61,652 | 61,141 | 65,488 | 64,788 |
| Direct Appropriation | 36,414 | 36,544 | 40,065 | 40,645 | 0 | 0 |
| Current Year | 31,176 | 32,031 | 34,031 | 34,391 | 36,184 | 37,617 |
| Prior Year | 3,383 | 3,493 | 3,558 | 3,780 | 3,821 | 4,019 |
| Balance Forward In | | 0 | | 390 | | |
| Transfers In | | | | | 40,005 | 41,636 |
| Cancellations | 905 | 72 | 3 | | | |
| Balance Forward Out | 0 | | 389 | | | |
| Expenditures | 35,509 | 36,472 | 39,673 | 41,035 | 40,005 | 41,636 |
| Biennial Change in Expenditures | | | | 8,727 | | 933 |
| Biennial % Change in Expenditures | | | | 12 | | 1 |
| Full-Time Equivalents | 0.34 | 0.34 | 0.50 | 2.38 | | |

3000 - Federal

| | | | | | | |
|-----------------------------------|--|-----------|-----------|----|--|------|
| Receipts | | 44 | 78 | | | |
| Balance Forward Out | | | 0 | | | |
| Expenditures | | 44 | 78 | | | |
| Biennial Change in Expenditures | | | | 35 | | (78) |
| Biennial % Change in Expenditures | | | | | | |
| Full-Time Equivalents | | 0.51 | 0.86 | | | |

Program: Early Childhood and Family Support**Activity: School Readiness**

<https://education.mn.gov/MDE/dse/early/elprog/read/>

AT A GLANCE

In fiscal year (FY) 2023:

- The estimate population of 3- and 4-year old's in Minnesota was 135,910¹.
- 20,258 children participated in the School Readiness program. *

PURPOSE AND 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 opportunity gap upon school entrance. This supports the objective that every student receives a world class education.

The state-funded program is established through the school district and serves children age three to kindergarten entrance with identified risk factors.

SERVICES PROVIDED

School Readiness programs are designed by communities in order to meet their unique needs. Most school-based programs have classes that are a half-day 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 (ECFE).
- Fully inclusive, integrated classrooms with early childhood special education.
- Coordination of referrals and follow-up to early childhood screening, which is required.
- Staff development and consultation for family child care providers.
- Head Start and family literacy/English learner programs.
- Partnering with other programs to provide full-day programming and wrap-around services.

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 of aid is based on the number of 4-year-old children living in the district as of October 1 of the previous school year.
- Fifty percent of aid is based on the number of students enrolled in the school district and eligible for free or reduced-price meals for the second previous school year.

The Minnesota Department of Education calculates and processes aid payments and provides technical support to districts for this program.

RESULTS

| Measure Name Percentage of all preschoolers served: | Type of Measure | Measure Data Source | FY 2019 | FY 2020 | FY 2021 | FY 2022 | Most Recent Data: FY2023 |
|---|------------------------|----------------------------|----------------|----------------|----------------|----------------|---------------------------------|
| 3-year-olds | Quantity | Collected by MDE | 11% | 9.7% | 6.9% | 0.8% | 21.5% |
| 4-year-olds | Quantity | Collected by MDE | 21.9% | 18.3% | | 27.3% | 48.8% |

| Measure Name Percentage of 3- and 4-year-old preschoolers served by race: | Type of Measure | Measure Data Source | FY 2019 | FY 2020 | FY 2021 | FY 2022 | Most Recent Data: FY2023 |
|---|------------------------|----------------------------|----------------|----------------|----------------|----------------|---------------------------------|
| American Indian | Quantity | Collected by MDE | 2.0% | 2.3% | 1.8% | 0.4% | 0.8% |
| Asian | Quantity | Collected by MDE | 5.6% | 6.6% | 6.7% | 4.5% | 5.2% |
| Black or African American | Quantity | Collected by MDE | 8.3% | 8.0% | 9.0% | 10.7% | 9.0% |
| Hispanic | Quantity | Collected by MDE | 7.9% | 8.8% | 3.0% | 10.4% | 9.8% |
| Native Hawaiian or other Pacific Islander | Quantity | Collected by MDE | 0.5% | 0.2% | 0.3% | 0.1% | 0.1% |
| Two or More Identified | Quantity | Collected by MDE | NA | NA | NA | 5.9% | 5.5% |
| Not Identified | Quantity | Collected by MDE | 11.9% | 11.5% | 14.4% | 0.6% | 0.5% |
| White | Quantity | Collected by MDE | 63.9% | 62.6% | 64.8% | 67.6% | 69.1% |

* Numbers lower than previous years likely due to pandemic and School Readiness being a voluntary program.

+ MDE data collection systems for School Readiness starting with FY 2022, and these figures were pulled from the Early Childhood Longitudinal Data System (ECLDS) and prior years were pulled from a retired MDE specific data system. FY2022 counts are lower than expected because many districts did not report due to the pandemic.

M.S. 124D.15; M.S. 124D.16

Financial operations related to this activity will transfer to the Department of Children, Youth, and Families starting on July 1, 2025.

ⁱ US Census 2023 Population Estimates from Annual Estimates of the Resident Population by Single Year of Age and Sex for Minnesota: April 1, 2020 to July 1, 2023 (SC-EST2023-SYASEX-27)

School Readiness

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 33,683 | 33,683 | 33,683 | 33,683 | 33,683 | 33,683 |
| Total | 33,683 | 33,683 | 33,683 | 33,683 | 33,683 | 33,683 |
| Biennial Change | | | | 0 | | 0 |
| Biennial % Change | | | | 0 | | 0 |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 33,683 | 33,683 | 33,683 | 33,683 | 33,683 | 33,683 |
| Total | 33,683 | 33,683 | 33,683 | 33,683 | 33,683 | 33,683 |

School Readiness

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 33,683 | 33,683 | 33,683 | 33,683 | 33,683 | 33,683 |
| District Revenue | 33,683 | 33,683 | 33,683 | 33,683 | 33,683 | 33,683 |
| Direct Appropriation | 33,683 | 33,683 | 33,683 | 33,683 | 0 | 0 |
| Current Year | 30,315 | 30,315 | 30,315 | 30,315 | 30,315 | 30,315 |
| Prior Year | 3,368 | 3,368 | 3,368 | 3,368 | 3,368 | 3,368 |
| Transfers In | | | | | 33,683 | 33,683 |
| Expenditures | 33,683 | 33,683 | 33,683 | 33,683 | 33,683 | 33,683 |
| Biennial Change in Expenditures | | | | 0 | | 0 |
| Biennial % Change in Expenditures | | | | 0 | | 0 |

Program: Early Childhood and Family Support**Activity: Kindergarten Entry Profile****AT A GLANCE**

- In 2023, changes were made to the program, formally called the Kindergarten Entry Profile (KEP), now called the Kindergarten Entry Assessment, requiring school districts and charter schools to complete and report to MDE an MDE-approved developmentally-appropriate assessment of all enrolled kindergarten students in the fall of each school year.
- In the first year of the new program, the department engaged with teachers, schools, communities, and developmental experts to gather input into how this new requirement should be implemented by Fall of the 2025/2026 school year. No performance measures are available related to this new program for this year.
- MDE continued to provide support to programs serving children from birth to kindergarten, especially voluntary prekindergarten (VPK) and school readiness plus (SRP) programs to use the approved developmentally appropriate assessment tools for preschool-aged children, still called the Kindergarten Entry Profile (KEP).

PURPOSE AND CONTEXT

The 2013 Race to the Top - Early Learning Challenge grant (RTT-ELC) provided the state with an opportunity to improve on the state's pre-existing kindergarten entry assessment model (the School Readiness Study), resulting in a new model: the Kindergarten Entry Profile (KEP). The KEP reflected advances in our understanding of child development, neuroscience, and the importance of early childhood assessment in systems reform.

The KEP was a standards-based assessment system that has been used for preschool-aged children; each of the approved assessment tools are aligned to Minnesota's early learning standards (the Early Childhood Indicators of Progress, or ECIPs). The ECIPs are a shared set of developmentally appropriate expectations for children ages birth to kindergarten and define the foundational skills necessary to build toward the Minnesota K-12 Academic Standards and college and career readiness.

The Minnesota Department of Education (MDE) has supported public school Pre-K programs in adopting KEP-approved tools to assess four-year-old children at the beginning and end of their preschool year prior to entering Kindergarten. Recent legislative changes will require districts to use and share data on an MDE-approved kindergarten fall assessment tool beginning in school year 2025/2026 that will help us understand the landscape of early childhood, and the needs of early learners and their teachers. Engagement is underway to identify the tool or tools that will be approved for this purpose.

SERVICES PROVIDED

Tools that support assessment of preschool students undergo a rigorous review to ensure that each assessment is valid and reliable to use with pre-kindergartners, aligned to the ECIPs and Minnesota Academic Standards, represent a whole-child view of development and education, cover all eight domains of learning, provide real-time formative data that can be used to individualize instruction, and rely on authentic assessment. MDE provides training in KEP assessments to the state's mixed delivery early learning workforce and also provides reports that include the KEP assessment data to all VPK programs, which ensures they meet their statutory obligation to measure the impact of their program. Though SRP programs are not required to measure the impact of their program, if they submit KEP assessment data to MDE, MDE provides them with a measuring impact report as well.

1. With the recent change to a required kindergarten fall assessment passed by the 2023 Minnesota Legislature, MDE began an engagement process with key partners, including school district and charter school leaders, teachers, and families to better understand their needs and goals prior to selecting an approved assessment tool or tools.

RESULTS

Teachers and administrators are building their capacity to implement standards-based assessment in preschool, which includes discussions centered on which students need more support based on their assessment data. KEP assessment trainings have brought educators together, enabling them to engage in conversations centered on shared expectations of student outcomes, aligning instruction and curriculum across grades/ages, and strengthening transitions to kindergarten.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|--|------------------|
| Count of providers, teachers, or administrators who participated in a KEP assessment or best practice in early learning assessment training. * | Quantity | Data collected by MDE | FY2019: 123 FY2020: 178 FY2021: 665 FY2022: 372 | FY2023: 242 |
| Percent of training participants who “Strongly Agreed” or “Agreed” that they were better positioned to use their early learning assessment after completing the training. | Quality | Data collected by MDE | FY2019: NA FY2020: NA FY2021: 93% FY2022: 93% | FY2023: 98% |

* This measure includes trainings that were funded via sources other than KEP funds but were offered by KEP trainers, whose certification is supported with KEP funding and resources.

M.S. 124D.162

Kindergarten Entry Profile

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 266 | 277 | 509 | 2,577 | 2,357 | 1,743 |
| Total | 266 | 277 | 509 | 2,577 | 2,357 | 1,743 |
| Biennial Change | | | | 2,544 | | 1,014 |
| Biennial % Change | | | | 469 | | 33 |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | 201 | 196 | 225 | 350 | 401 | 414 |
| Operating Expenses | 65 | 80 | 285 | 2,077 | 1,755 | 1,255 |
| Grants, Aids and Subsidies | | | | 150 | 201 | 74 |
| Total | 266 | 277 | 509 | 2,577 | 2,357 | 1,743 |
| <u>Full-Time Equivalents</u> | | | | | | |
| | 1.49 | 1.49 | 1.57 | 2.70 | 2.70 | 2.70 |

Kindergarten Entry Profile

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | 281 | 281 | 1,049 | 2,037 | 2,357 | 1,743 |
| Balance Forward In | | 17 | | 540 | | |
| Cancellations | | 22 | | | | |
| Balance Forward Out | 15 | | 540 | | | |
| Expenditures | 266 | 277 | 509 | 2,577 | 2,357 | 1,743 |
| Biennial Change in Expenditures | | | | 2,544 | | 1,014 |
| Biennial % Change in Expenditures | | | | 469 | | 33 |
| Full-Time Equivalents | 1.49 | 1.49 | 1.57 | 2.70 | 2.70 | 2.70 |

Program: Early Childhood and Family Support**Activity: Access to Quality Early Learning**

<https://education.mn.gov/MDE/dse/early/highqualel/>

AT A GLANCE

- Approximately 20 percent of the eligible 3 and 4-year-olds in the state are served by the Early Learning Scholarship program. Effective July 1, 2024, scholarship amounts are aligned to Minnesota’s Child Care Assistance Program, with scholarship award amounts varying based on program type, quality and region of the state.
- Additionally, beginning in January 2024, scholarships were expanded to serve all children, ages 0 – to kindergarten entry.
- Children in the following groups are prioritized for receiving a scholarship: the child of a teen parent, a child in foster care, in child protective services, or those who have experienced homelessness in the last 24 months. Early learning scholarships can be layered with other funding streams. Fifteen percent of scholarships in FY 2021 were used with Child Care Assistance.

PURPOSE AND CONTEXT

The Early Learning Scholarship program supports access to the state’s early care and education system for young children. Early Learning Scholarships, as a funding source, are intended to increase access to high quality early care education for those families with barriers to accessing care.

These two activities assist in the improvement of high-quality early care and education programs, and in providing financial assistance to families to attend high quality programs. Early learning program quality is based on Parent Aware, Minnesota’s tiered quality rating and improvement system, which was recently changed to make all licensed early care and education programs part of Parent Aware at a minimum of a one-star rating.

Voluntary prekindergarten and school readiness plus are high-quality publicly funded prekindergarten programs designed to prepare eligible 4-year old children for success as they enter kindergarten the following year. Programs use play-based learning, coordinated transitions to kindergarten and family-centered program planning to create high-quality early learning opportunities that meet the needs of each child.

SERVICES PROVIDED

- Passed in a 2011 special session, \$4 million was authorized for Early Learning Scholarships beginning in FY 2013. For FY 2014, the state expanded the program with a \$23 million appropriation. The program had a base of \$70.7 million in each FY 2022 and FY 2023, \$196.7 million in each FY 2024 and FY 2025, and has a base of \$100.1 million in FY26 and forward. As of FY 2021, the annual general fund appropriation is transferred to a special revenue account.
- Under this program children receive scholarships for a 12-month period and may renew their scholarship until they are eligible for kindergarten.

The Early Learning Scholarship program has two pathways:

- Pathway I scholarships are awarded directly to eligible families.
 - Scholarship funds are paid directly to the early learning program.
- Pathway II scholarships are awarded to families through an eligible Four-Star Parent Aware-rated program.
 - Participating programs receive funding to provide scholarships to a specified number of eligible children to cover the cost of the program.

Parent Aware is governed under Minnesota Statutes, section 124D.142, and it is administered by the Minnesota Department of Human Services (DHS), in coordination with the Minnesota Departments of Education (MDE) and Health (MDH). Parent Aware began as a pilot in 2007 in four areas of Minnesota and gradually expanded to become available statewide on January 1, 2015. Federal law does not require states to have a QRIS, but states are allowed to use federal Child Care Development Fund (CCDF) dollars to establish and maintain a QRIS. This Budget Activity also displays fiscal activity associated with a federal Preschool Development Birth to Five Grant received by the State of Minnesota from the U.S. Department of Health and Human Services.

The Minnesota Department of Education (MDE) administers all or portions of these programs. Services include:

- Developing application process and reporting forms for applicants/recipients.
- Providing technical assistance to applicants/recipients.
- Creating grant contracts, including work plans and budget information.
- Calculating, auditing, and processing payments.
- Providing guidance as it relates to Minnesota Statutes and state policies.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|--|------------------|
| Number of early care and education programs participating in Parent Aware. | Quantity | Data collected by MDE | FY2018: 2,610 FY2019: 2,869 FY2020: 2,921 FY2021: 2,941 FY2022: 2,886 | FY2023: 2,876 |
| Percent of rated early care and education programs with a 3- or 4-Star Parent Aware rating. | Quality | | FY2018: 79% FY2019: 71% FY2020: 79% | FY2021: 78% |
| Number of high-needs children attending a 3- or 4-Star Parent Aware rated public education program. | Quantity | | FY2018: 28,851 FY2019: 28,687 FY2020: 31,251 | FY2021: 31,470 |
| Number of high-needs children attending a 3- or 4-Star Parent Aware rated public education program. | Quantity | | FY2018: 17,091 FY2019: 15,022 FY2020: 14,185 FY2021: 12,268 FY2022: 11,597 | FY2023: 12,282 |

Number of Children Receiving a Scholarship by Race

| Race | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| American Indian or Alaskan Native | 670 | 584 | 544 | 569 | 525 | 568 |
| Asian | 733 | 609 | 553 | 437 | 437 | 437 |
| Black or African | 3,630 | 3,544 | 3,624 | 3,148 | 3,139 | 3,488 |
| Native Hawaiian or Pacific Islander | 38 | 31 | 21 | 24 | 16 | 20 |
| Hispanic/Latino | 2,086 | 1,835 | 1,669 | 1,679 | 1,742 | 1,863 |
| White | 5,647 | 4,893 | 4,505 | 4,370 | 4,007 | 4,086 |
| Two or More 9.3% | 1,428 | 1,292 | 1,389 | 1,455 | 1,407 | 1,451 |
| Not Answered | 2,305 | 2,138 | 1,938 | 581 | 343 | 298 |
| Total | 16,537 | 15,022 | 14,185 | 12,268 | 11,597 | 12,282 |

Parent Aware data on quantity and quality for FY 2018 through FY 2021 was provided by the Fast Facts page of Develop, the Minnesota Quality Improvement and Registry tool. Quantity data for children with high needs attending a 3- or 4-star rated program comes from the Early Learning Scholarship Pathway II applications from school and Head Start programs. Numbers at-a-glance / DevelopToolMN (<https://www.developtoolmn.org/numbers-at-a-glance/index.jsp>)

Scholarship data comes from final data from each fiscal year.

M.S. 124.142; M.S. 124D.165

Financial operations related to this activity will transfer to the Department of Children, Youth, and Families starting on July 1, 2025.

Access to Quality Early Learning

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base FY26 | FY27 |
|---|----------------|----------------|----------------|------------------|-----------------------|-----------|
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 190 | 357 | 256 | 2,430 | | |
| 2001 - Other Misc Special Revenue | 77,567 | 80,842 | 199,798 | 102,641 | | |
| 3000 - Federal | 7,837 | 9,736 | 8,230 | 8,000 | | |
| Total | 85,594 | 90,934 | 208,284 | 113,071 | | |
| Biennial Change | | | | 144,827 | | (321,355) |
| Biennial % Change | | | | 82 | | (100) |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | 1,467 | 1,440 | 1,735 | 2,501 | | |
| Operating Expenses | 7,437 | 9,442 | 11,432 | 19,821 | | |
| Grants, Aids and Subsidies | 76,691 | 80,053 | 195,117 | 90,749 | | |
| Total | 85,594 | 90,934 | 208,284 | 113,071 | | |
| Total Agency Expenditures | 85,594 | 90,934 | 208,284 | 113,071 | | |
| Internal Billing Expenditures | 290 | 385 | 309 | 230 | | |
| Expenditures Less Internal Billing | 85,303 | 90,550 | 207,976 | 112,841 | | |
| <u>Full-Time Equivalent</u> | | | | | | |
| | 12.51 | 12.49 | 13.59 | 14.72 | | |

Access to Quality Early Learning

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | 72,799 | 72,799 | 201,583 | 199,179 | 0 | 0 |
| Balance Forward In | | 161 | 0 | 1,739 | | |
| Transfers Out | 72,459 | 72,559 | 199,587 | 198,488 | | |
| Cancellations | | 44 | | | | |
| Balance Forward Out | 150 | | 1,740 | | | |
| Expenditures | 190 | 357 | 256 | 2,430 | | |
| Biennial Change in Expenditures | | | | 2,139 | | (2,686) |
| Biennial % Change in Expenditures | | | | 391 | | (100) |
| Full-Time Equivalents | 0.10 | 0.10 | 0.46 | 3.12 | | |

2001 - Other Misc Special Revenue

| | | | | | | |
|-----------------------------------|---------------|---------------|----------------|----------------|--|-----------|
| Balance Forward In | 7,164 | 10,575 | 8,964 | 5,903 | | |
| Transfers In | 70,709 | 70,709 | 196,737 | 203,738 | | |
| Transfers Out | | | | 107,000 | | |
| Balance Forward Out | 307 | 442 | 5,903 | | | |
| Expenditures | 77,567 | 80,842 | 199,798 | 102,641 | | |
| Biennial Change in Expenditures | | | | 144,030 | | (302,439) |
| Biennial % Change in Expenditures | | | | 91 | | (100) |
| Full-Time Equivalents | 4.71 | 4.72 | 6.33 | 9.12 | | |

3000 - Federal

| | | | | | | |
|-----------------------------------|--------------|--------------|--------------|--------------|--|----------|
| Receipts | 7,837 | 9,736 | 8,230 | 8,000 | | |
| Expenditures | 7,837 | 9,736 | 8,230 | 8,000 | | |
| Biennial Change in Expenditures | | | | (1,342) | | (16,230) |
| Biennial % Change in Expenditures | | | | (8) | | (100) |
| Full-Time Equivalents | 7.70 | 7.67 | 6.80 | 2.48 | | |

Program: Early Childhood and Family Support**Activity: Health and Developmental Screening**

<https://education.mn.gov/MDE/dse/early/elprog/scr/>

AT A GLANCE

- In fiscal year (FY) 2023, a total of 58,259 children were screened by school districts. Outcomes included:
 - 7,808 children referred to the school readiness program.
 - 5,210 families referred to early childhood family education.
 - 1,079 children referred to Head Start.
 - 163 parents referred to adult education/literacy.
 - 6,198 children referred to special education for speech/language.
 - 4,906 children referred to special education for cognitive.
 - 2,377 children referred to special education for fine/gross motor.
 - 3,591 children referred to special education for social/emotional concerns.
 - 3,990 children received interpreter services during screening.

PURPOSE AND 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 at least once before they start school, targeting children between 3 and 4 years of age. Districts receive state aid for every child screened prior to starting kindergarten, or within 30 days after first entering kindergarten. Charter schools may elect to apply to provide a screening program.

This program supports the objective of ensuring every student receives a world class education and attends a safe, nurturing school.

SERVICES PROVIDED

A screening program must include the following components:

- Outreach to inform each resident family about the availability of the program.
- Developmental screening, including cognitive, speech/language, fine/gross motor, and social emotional.
- Hearing and vision screening.
- Immunization review.
- The child's height and weight.
- Identification of risk factors that may influence learning.
- Identification of health care coverage and referral to an appropriate provider.
- An interview with the parent about the child.
- Referral and follow up for assessment, diagnosis, and treatment when potential needs are identified.

A district may also offer additional health screening components such as nutritional, physical, and dental assessments; review of family circumstances that might affect development; blood pressure; laboratory tests; and health history.

Families may opt out by submitting a signed statement of conscientiously held beliefs.

Children may receive a comparable screening through: Head Start; Child and Teen Checkups/Early and Periodic Screening, Diagnosis, and Treatment (EPSDT), or their health care provider.

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.

The Minnesota Department of Education (MDE) calculates and processes screening aid payments and provides technical support to districts for this program.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|---------------------|----------------------------|--|-------------------------|
| Percentage of all Minnesota 3-year-old children receiving health and developmental screening. | Quality | Data collected by MDE | FY2020: 28% FY2021: 21% FY2022: 29% | FY2023: 32% |
| Number of children receiving interpreter services | Quantity | Data collected by MDE | FY2020: 2,982 FY2021: 2,199 FY2022: 3,535 | FY2023: 3,990 |
| Referrals for further assistance made for children identified as having possible health and/or development problems or needs. | Quantity | Data collected by MDE | FY2020: 16,428 FY2021: 16,123 FY2022: 28,024 | FY2023: 30,531 |

M.S. 121A.16; M.S. 121A.17; M.S. 121A.19

Financial operations related to this activity will transfer to the Department of Children, Youth, and Families starting on July 1, 2025.

Health and Developmental Screening

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 3,373 | 3,503 | 4,197 | 4,277 | 4,099 | 4,051 |
| Total | 3,373 | 3,503 | 4,197 | 4,277 | 4,099 | 4,051 |
| Biennial Change | | | | 1,598 | | (324) |
| Biennial % Change | | | | 23 | | (4) |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | | | 32 | 73 | | |
| Operating Expenses | | | 17 | 82 | | |
| Grants, Aids and Subsidies | 3,373 | 3,503 | 4,148 | 4,122 | 4,099 | 4,051 |
| Total | 3,373 | 3,503 | 4,197 | 4,277 | 4,099 | 4,051 |
| <u>Full-Time Equivalents</u> | | | | | | |
| | | | 0.23 | 0.50 | | |

Health and Developmental Screening

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 3,347 | 3,495 | 4,221 | 4,116 | 4,097 | 4,046 |
| District Revenue | 3,347 | 3,495 | 4,221 | 4,116 | 4,097 | 4,046 |
| Direct Appropriation | 3,582 | 3,503 | 4,275 | 4,199 | 0 | 0 |
| Current Year | 3,013 | 3,146 | 3,799 | 3,705 | 3,688 | 3,642 |
| Prior Year | 360 | 357 | 349 | 417 | 411 | 409 |
| Balance Forward In | | | | 78 | | |
| Transfers In | | | | | 4,099 | 4,051 |
| Cancellations | 209 | | | | | |
| Balance Forward Out | | | 78 | | | |
| Expenditures | 3,373 | 3,503 | 4,197 | 4,277 | 4,099 | 4,051 |
| Biennial Change in Expenditures | | | | 1,598 | | (324) |
| Biennial % Change in Expenditures | | | | 23 | | (4) |
| Full-Time Equivalents | | | 0.23 | 0.50 | | |

Program: Early Childhood and Family Support**Activity: Head Start**<https://eclkc.ohs.acf.hhs.gov/><https://education.mn.gov/MDE/fam/elsprog/start/>**AT A GLANCE**

- 34 Head Start and Early Head Start programs served 13,593 children and families in fiscal year (FY) 2023¹.
- 18 percent of Head Start Children had Individualized Education Program (IEPs) and 12 percent of Early Head Start Children had Individualized Family Service Plan (IFSPs) in FY 2023²
- 1,102 children experiencing homelessness received services in FY 2023.²

PURPOSE AND CONTEXT

Head Start and Early Head Start are federal programs that support comprehensive development and promote school readiness of children from birth to age 5 from low-income families. Head Start and Early Head Start services include early learning, health, and family well-being.

Minnesota supplements federal Head Start funds with state funds. The FY 2022 and FY 2023 state general fund appropriations were \$25.1 million per year and were increased to \$35.1 million per year ongoing beginning in FY 2023. With the additional state funding, Head Start and Early Head Start programs are able to expand services and access to educational opportunities for additional children, thus preparing children and families experiencing multiple risk factors for kindergarten. Head Start and Early Head Start supports families and children with high needs to make progress on closing the opportunity gap upon school entrance, which supports the objective of ensuring every student receives a world-class education.

SERVICES PROVIDED

Head Start and Early Head Start programs promote children's development through comprehensive services that support early learning, health, and family well-being which include:

- Health, dental, and nutrition support and resources
- Education
- Parent engagement
- Social services and family supports including assistance with housing, medical insurance, heating, and food

Programs operate a center-based, home-based, or combination delivery model.

- Head Start center-based programs must operate at least 3.5 hours per day, four days a week, for 128 days a year, and have at least two home visits.
- Early Head Start home-based programs must offer at least 46 home visits of 1.5 hours each, and at least 22 group socializations distributed over the course of the program year.
- Many programs offer full-day, full-year services, through partnerships with child care and school-based programs.

Minnesota Department of Education (MDE):

- Houses the state's Head Start Collaboration Office. The Head Start Collaboration Director facilitates partnerships among Head Start agencies and entities to carry out activities designed to benefit low-income children from birth to school entry, providing a structure and a process for the Office of Head

Start (OHS) to work and partner with state agencies and local entities. The Head Start Collaboration Office works with state and community partners to leverage common interests around young children and their families to formulate, implement, and improve state and local policy and practices.

- Provides support to Head Start agencies across the state in the implementation of Parent Aware, Minnesota’s Quality Rating and Improvement System, as well as other state agencies’ early learning services initiatives.
- Calculates and processes aid payments and provides technical support to grantees for the implementation of this program.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|---|--|
| Percentage of children who met developmental targets upon exiting Head Start | Results | Data collected by MDE | 3-year-olds: FY 2020-2021 ³ – 81% FY 2021-2022 ³ – 80% 4-year-olds: FY 2020-2021 ³ – 70% FY 2021-2022 ³ – 63% | 3-year-olds: FY2022-2023 – 78% 4-year-olds: FY2022-2023 – 68% |
| Number of children assessed upon exiting Head Start | Quantity | Data collected by MDE | 3-year-olds: FY 2020-2021 ³ – 1,483 FY 2021-2022 ³ – 1,819 4-year-olds FY 2020-2021 ³ – 2,153 FY 2021-2022 ³ – 2,078 | 3-year-olds: FY2022-2023 – 1,720 4-year-olds: FY2022-2023 – 2,022 |

¹ FY 2023 enrollment retrieved from internal MDE records.

² FY 2023 data retrieved from the federal Office of Head Start Program Information Report (PIR). This may not include all state funded Head Start/Early Head Start enrollment, as there are not requirements to report non-federally funded children on the PIR.

³ FY 2019-2020 - Data is not available for this year as spring assessments fell during the period when sites were initially closed due to the first weeks of the COVID-19 pandemic and the planning that took place then to continue services. FY 2020-2021 - Data was impacted by multiple site closures that occurred multiple times throughout the year due to the COVID-19 pandemic and CDC/MDH requirements. FY 2021-2022 - Data was impacted by multiple site closures that occurred multiple times throughout the year due to the COVID-19 pandemic and CDC/MDH requirements. The Office of Head Start allowed programs to make determinations on their own as to whether virtual or in person services would be offered through December 2021. On January 1, 2022 in person service was required unless sites were closed because of COVID-19 health guidance from the CDC/MDH.

M.S. 119A.50-545; 42 U.S.C. 9840 et seq.

Financial operations related to this activity will transfer to the Department of Children, Youth, and Families starting on July 1, 2025.

Head Start

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base FY26 FY27 | |
|--|----------------|----------------|----------------|------------------|----------------------------|----------|
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 24,873 | 25,616 | 35,058 | 35,142 | | |
| Total | 24,873 | 25,616 | 35,058 | 35,142 | | |
| Biennial Change | | | | 19,710 | | (70,200) |
| Biennial % Change | | | | 39 | | (100) |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 24,873 | 25,616 | 35,058 | 35,142 | | |
| Total | 24,873 | 25,616 | 35,058 | 35,142 | | |

Head Start

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base FY26 FY27 | |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------------------|----------|
| 1000 - General | | | | | | |
| Direct Appropriation | 25,100 | 25,100 | 35,100 | 35,100 | 0 | 0 |
| Balance Forward In | | 640 | | 42 | | |
| Cancellations | | 125 | | | | |
| Balance Forward Out | 227 | | 42 | | | |
| Expenditures | 24,873 | 25,616 | 35,058 | 35,142 | | |
| Biennial Change in Expenditures | | | | 19,710 | | (70,200) |
| Biennial % Change in Expenditures | | | | 39 | | (100) |

Program: Early Childhood and Family Support**Activity: Infant and Toddler Intervention****AT A GLANCE**

- 9,053 Minnesota infants and toddlers with disabilities were counted as being served through Individual Family Service Plans (IFSP) on December 1, 2023.
- Individuals with Disabilities Act (IDEA) Part C services are funded with federal grant dollars, state special education aid, and general education revenue. Only federal funds are reflected in the fiscal pages of this Budget Activity.

PURPOSE AND CONTEXT

The federally regulated Infants and Toddlers program (Part C of IDEA) through the provision of individualized family-centered services to eligible children and their families seeks to:

- Enhance the development of infants and toddlers with disabilities, to minimize their potential for developmental delay, and to recognize the significant brain development that occurs during a child's first 3 years of life;
- Reduce the educational costs to our society, including our Nation's schools, by minimizing the need for special education and related services after infants and toddlers with disabilities reach school age;
- Maximize the potential for individuals with disabilities to live independently in society;
- to enhance the capacity of families to meet the special needs of their infants and toddlers with disabilities; and
- Enhance the capacity of State and local agencies and service providers to identify, evaluate, and meet the needs of all children, particularly minority, low-income, inner city, and rural children, and infants and toddlers in foster care.

This program supports the objective that every student deserves a world class education. This program also supports the Minnesota Department of Education's (MDE) Ten Minnesota Commitments to Equity including Start Early, Value People, and Prioritize Equity by setting and communicating a vision and targets for high outcomes for all infants and toddlers with, or suspected of having, developmental delays in Minnesota, regardless of factors such as income level or immigration status.

SERVICES PROVIDED

- Specific services are determined for each eligible child and family based on the child's needs and family priorities.
- Services most often include special instruction, speech therapy, and occupational or physical therapy and services with other qualified personnel.
- Services are provided at no cost to Minnesota families due to our birth mandate status that ensures general education revenue to support early intervention programs.
- Ninety-four percent of eligible infants and toddlers receive early intervention services in their homes and other natural environments that children birth to age three spend their time.

RESULTS

Federal funds support 12 Interagency Early Intervention Committees (IEICs) that conduct public awareness and outreach activities to seek out and identify potentially eligible infants and toddlers in coordination with state, local and community partners.

Federal funds support the implementation of programs and services at the local level by supplementing state special education and general education aid.

The Minnesota Department of Education (MDE) is responsible for:

- Technical assistance and program monitoring to ensure the requirements as directed in IDEA are fulfilled by local education districts and cooperatives.
- Personnel development to ensure that personnel are appropriately and adequately prepared and trained to implement high quality instructional practices that support the development of young children and their families.
- Carrying out general administration and supervision.
- Policy, systems, and budget allocation for contracting or otherwise arranging for services, and procedures for securing timely reimbursement of funds and ensuring a coordinated system of support and services

Performance Measure 1:

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|--|------------------------------------|
| Children will demonstrate positive relationships a. Greater than expected progress b. Exited Part C within age expectations | Result | Data collected by MDE | FFY2020: 50.12% FFY2021: 49.90% FFY2020: 48.38% FFY2021: 48.82% | FFY2022: 51.79% FFY2022: 46.98% |
| Children will acquire and use knowledge and skills a. Greater than expected progress b. Exited Part C within age expectations | Result | Data collected by MDE | FFY2020: 57.61% FFY2021: 55.57 FFY2020: 43.43% FFY2021: 41.79% | FFY2022: 57.15% FFY2022: 39.87% |
| Children will take action to meet needs a. Greater than expected progress b. Exited Part C within age expectations | Result | Data collected by MDE | FFY2020: 57.83% FFY2021: 59.12% FFY2020: 50.69% FFY2021: 50.11% | FFY2022: 55.52% FFY2022: 47.53% |

Performance Measure 2:

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|------------------------------------|------------------|
| Percent of participating families who report that the Infants and Toddlers program has helped their child develop and learn | Quality | Data collected by MDE | FFY2020: 87.05% FFY2021: 90.48% | FFY2022: 90.69% |

M.S. 125A.26–48
Part C of the Individuals with Disabilities Education Act

Financial operations related to this activity will transfer to the Department of Children, Youth, and Families starting on July 1, 2025.

Infant and Toddler Intervention

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|------|
| | | | | | FY26 | FY27 |

Expenditures by Fund

| | | | | | | |
|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 3000 - Federal | 6,172 | 6,019 | 6,090 | 7,121 | 7,065 | 7,065 |
| Total | 6,172 | 6,019 | 6,090 | 7,121 | 7,065 | 7,065 |
| Biennial Change | | | | 1,020 | | 919 |
| Biennial % Change | | | | 8 | | 7 |

Expenditures by Category

| | | | | | | |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Grants, Aids and Subsidies | 6,172 | 6,019 | 6,090 | 7,121 | 7,065 | 7,065 |
| Total | 6,172 | 6,019 | 6,090 | 7,121 | 7,065 | 7,065 |

Infant and Toddler Intervention

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base FY26 FY27 | |
|-----------------------------------|----------------|----------------|----------------|------------------|----------------------------|--------------|
| 3000 - Federal | | | | | | |
| Receipts | 6,172 | 6,019 | 6,090 | 7,121 | 7,065 | 7,065 |
| Expenditures | 6,172 | 6,019 | 6,090 | 7,121 | 7,065 | 7,065 |
| Biennial Change in Expenditures | | | | 1,020 | | 919 |
| Biennial % Change in Expenditures | | | | 8 | | 7 |

Program: Early Childhood and Family Support**Activity: Preschool Special Education****AT A GLANCE**

- 12,992 Programs as of December 1, 2023.
- More than 55% of these children participate in regular early childhood programs and receive special education services in those settings.
- 44.37% of 3-year olds, 58.74% of 4-year olds and 62.37% of 5-year olds are provided services in their regular education program. This is indicative of the investment made in prekindergarten state funded programs (designated for students in the year prior to kindergarten enrollment).

PURPOSE AND CONTEXT

The Preschool Special Education program provides individualized education services to preschool-aged children with disabilities.

Funding for services is a combination of federal funds, state special education aid, and general education revenue. Only federal funds are reflected in the fiscal pages of this Budget Activity.

This program supports the objective that every student deserves a world class education. This program also supports the Minnesota Department of Education's (MDE) Ten Minnesota Commitments to Equity including Start Early, Value People, and Prioritize Equity by setting and communicating a vision and targets for high outcomes for young children with disabilities and their families. For Minnesota's youngest students with disabilities this commitment is realized through early intervention and preschool special education services where equity and inclusion are cornerstones of the rights provided through the Individuals with Disabilities Education Act (IDEA). IDEA is a federal law first signed in 1975 supporting all children with disabilities and their families

SERVICES PROVIDED

The program is federally mandated. Federal funds support statewide efforts to:

- Seek out and identify potentially eligible children.
- Provide professional development opportunities promoting evidence-based practices and technical assistance to ensure the provision of a free appropriate public education (FAPE).
- Provide services, supports, and accommodations that meet the needs of the individual child to make progress on their goals and objects as defined in their Individualize Education Program Plans.

Services are provided to each eligible child through an Individualized Education Program (IEP). The goal is to increase each child's ability to actively and independently participate in current and future environments including in the home, preschool, and kindergarten.

Services most often include special instruction, speech therapy, occupational or physical therapy, and transportation.

The Minnesota Department of Education:

- Processes payments/reimbursements.
- Provides professional development and technical assistance.
- Monitors program implementation and collects and reports data.
- Interprets regulations, statutes, and rules.

- 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 (FFY) 2020-22.

| Measure name | Measure type | Measure data source | Historical trend | | Most recent data |
|---|--------------|-----------------------|------------------|------------------|------------------|
| | | | FFY2020 | FFY2021 | FFY2022 |
| Children will demonstrate positive relationships a. Greater than expected progress b. Exited Part C within age expectations | Result | Data collected by MDE | 60.93% 47.95% | 63.70% 50.69% | 60.44% 51.34% |
| Children will acquire and use knowledge and skills a. Greater than expected progress b. Exited Part c. within age expectations | Result | Data collected by MDE | 63.44% 45.67% | 65.17% 46.98% | 61.18% 46.80% |
| Children will take action to meet needs a. Greater than expected progress b. Exited Part c. C within age expectations | Result | Data collected by MDE | 62.53 58.23% | 64.92% 60.18% | 63.31% 60.88% |

M.S. 125A.01–03

Part B/Section 619 of the Individuals with Disabilities Education Act

Financial operations related to this activity will transfer to the Department of Children, Youth, and Families starting on July 1, 2025.

Preschool Special Education

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|------|
| | | | | | FY26 | FY27 |

Expenditures by Fund

| | | | | | | |
|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 3000 - Federal | 5,451 | 5,278 | 5,761 | 6,086 | 6,085 | 6,085 |
| Total | 5,451 | 5,278 | 5,761 | 6,086 | 6,085 | 6,085 |
| Biennial Change | | | | 1,119 | | 323 |
| Biennial % Change | | | | 10 | | 3 |

Expenditures by Category

| | | | | | | |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Grants, Aids and Subsidies | 5,451 | 5,278 | 5,761 | 6,086 | 6,085 | 6,085 |
| Total | 5,451 | 5,278 | 5,761 | 6,086 | 6,085 | 6,085 |

Preschool Special Education

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| 3000 - Federal | | | | | | |
| Balance Forward In | | | | 1 | | |
| Receipts | 5,451 | 5,278 | 5,762 | 6,085 | 6,085 | 6,085 |
| Balance Forward Out | | | 1 | | | |
| Expenditures | 5,451 | 5,278 | 5,761 | 6,086 | 6,085 | 6,085 |
| Biennial Change in Expenditures | | | | 1,119 | | 323 |
| Biennial % Change in Expenditures | | | | 10 | | 3 |

Program: Early Childhood and Family Support**Activity: Family Opportunities****AT A GLANCE**

- The Family Opportunities activity includes programs that support early childhood education and families through workforce development, healthcare, curriculum support, and other education resources.

PURPOSE AND CONTEXT

The Family Opportunities Activity hosts several programs to support early childhood education. Grow Your Own Early Childhood and Family Educator programs and teacher and curriculum grants develop an early childhood education workforce that more closely reflects the state's increasingly diverse student population and ensures all students have equitable access to high-quality early educators. Grants to Reach Out and Read Minnesota encourages early childhood development through a network of health care clinics. Other grants support students through special education programs and savings programs.

SERVICES PROVIDED

Grow Your Own Early Childhood and Family Educator programs provide funds to eligible Minnesota-licensed family childcare or licensed center-based child care programs, school district or charter school early learning programs, Head Start programs, institutions of higher education, and other community partnership nongovernmental organizations to host, build, or expand an early childhood educator preparation program that leads to an individual earning the credential or degree needed to enter or advance in the early childhood education workforce.

Reach Out and Read Minnesota supports education by:

- Integrating children's books and parent education into well-child visits.
- Creating literacy-rich environments at health care clinics by providing books to clinics.
- Working with public health clinics, federally qualified health centers, Tribal sites, community health centers, and clinics that belong to health care systems, as well as independent clinics in underserved areas.
- Training medical professionals on discussing the importance of early literacy with parents of infants, toddlers, and preschoolers.

Family Opportunities supports students and educators through grant programs for:

- Children's Savings Accounts
- Early Childhood Curriculum and Teachers
- Executive Function Across Generations Curriculum
- Metro Deaf School
- Way to Grow

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|--|------------------|
| Number of prekindergarten children receiving individualized instruction. | Quantity | Data collected by MDE | FY2020: 4,165 FY2021: 3,583 FY2022: 3,386 | FY2023: 2,724 |
| Percentage of prekindergarten children who meet their growth goals. | Quality | Data collected by MDE | FY2020: 76% ¹ FY2021: 89% FY2022: 675% | FY2023: 65% |
| Number of K-3 children receiving individualized instruction. | Quantity | Data collected by MDE | FY2020: 13,289 ² FY2021: 123,174 FY2022: 15,163 | FY2023: 16,573 |
| Percentage of K-3 children who meet their growth goals. | Quality | Data collected by MDE | FY2020: 81% FY2021: 76% FY2022: 69% | FY2023: 77% |

¹ Prekindergarten data in 2020 is fall to winter growth instead of the usual fall to spring, since programming was suspended in March 2020 due to the COVID-19 pandemic.

² The COVID-19 pandemic caused a disruption to the regular tutoring services provided by Minnesota Reading Corps, and ultimately impacted the number of students served in the final months of the school year.

M.S. 119A

Financial operations related to Reach Out and Read and Grow Your Own Early Childhood Educators within this activity will transfer to the Department of Children, Youth, and Families starting on July 1, 2025.

Family Opportunities

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base FY26 FY27 | |
|--|----------------|----------------|----------------|------------------|----------------------------|--|
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | | | 1,485 | 803 | | |
| 2001 - Other Misc Special Revenue | | | 2,349 | 2,651 | | |
| Total | | | 3,834 | 3,454 | | |
| Biennial Change | | | | 7,288 | (7,288) | |
| Biennial % Change | | | | | (100) | |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | | | 40 | 171 | | |
| Operating Expenses | | | 5 | 134 | | |
| Grants, Aids and Subsidies | | | 3,789 | 3,149 | | |
| Total | | | 3,834 | 3,454 | | |
| <u>Full-Time Equivalents</u> | | | | | | |
| | | | 0.26 | 0.55 | | |

Family Opportunities

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | | | 4,550 | 3,750 | 500 | 500 |
| Balance Forward In | | | | 53 | | |
| Transfers Out | | | 3,000 | 3,000 | 500 | 500 |
| Cancellations | | | 13 | | | |
| Balance Forward Out | | | 53 | | | |
| Expenditures | | | 1,485 | 803 | | |
| Biennial Change in Expenditures | | | | 2,288 | | (2,288) |
| Biennial % Change in Expenditures | | | | | | (100) |
| 2001 - Other Misc Special Revenue | | | | | | |
| Balance Forward In | | | | 151 | | |
| Transfers In | | | 2,500 | 2,500 | | |
| Balance Forward Out | | | 151 | | | |
| Expenditures | | | 2,349 | 2,651 | | |
| Biennial Change in Expenditures | | | | 5,000 | | (5,000) |
| Biennial % Change in Expenditures | | | | | | (100) |
| Full-Time Equivalents | | | 0.26 | 0.55 | | |

Program: Community Education**Activity: Community Education****AT A GLANCE**

- Every Minnesota school district operates a community education program. For fiscal year (FY) 2023, school districts received \$30.9 million in general community education revenue, \$5.4 million in youth service program revenue, and \$5.1 million in after-school enrichment revenue. For FY 2023, the state share (aid entitlement) of community education revenue was \$146,972 and the local property tax share was \$41.5 million.
- The Education Partnerships Coalition Fund Grant Program seeks to improve educational and developmental outcomes of children and youth within communities experiencing poverty. This grant program funds two neighborhood partnership grants and seven regional neighborhood partnership grants.
- In fiscal year (FY) 2024, the two neighborhood partnership grants received \$2.6 million total or \$1.3 million each. The Northside Achievement Zone and St. Paul Promise Neighborhood are Promise Neighborhoods, a federal designation for eligible neighborhoods that seek to improve educational and developmental outcomes of children and youth in those communities.
- In FY 2024, the seven regional neighborhood partnership grants received \$1.4 million total or \$200,000 each.

PURPOSE AND 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. The 2023 legislature increased the amount of state aid through the level of equalization a community education program can receive beginning in FY 2024.

The Education Partnerships Coalition Fund Grant Program supports neighborhood partnership grants and regional neighborhood partnership grants. The grants fund efforts designed to reduce multigenerational poverty, prepare children for kindergarten, support third grade reading proficiency, and reduce the educational achievement gap.

The provision provides grant funding, technical assistance, capacity building, and professional development for after-school community learning. The funding provides culturally affirming and enriching after-school and summer learning programs for youth

SERVICES PROVIDED

Community education provides services beyond the regular K-12 program. Programs may include:

- Programs for 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.
- Non-vocational, recreational, and leisure activities.

School boards must establish a community education advisory council and, with some exceptions, and must employ a licensed community education director. Each district that provides a community education program must submit an annual report to the Minnesota Department of Education (MDE).

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.

The Minnesota Department of Education calculates aid and property tax levies and processes aid payments for this program.

Neighborhood partnership grants support Minneapolis residents living within the geographic boundaries of the Northside Achievement Zone, and residents of the St. Paul Promise Neighborhood, a 250-square block area in the central neighborhoods of St. Paul. Regional neighborhood partnership grants support organizations serving an entire community or a broad geographic area. The seven organizations receiving regional neighborhood partnership grants in 2024 are:

- Austin Aspires
- Children First
- Generation Next
- Northfield Healthy Communities Initiative
- RiseUp Red Wing
- Rochester Area Foundation – Cradle 2 Career
- United Way of Central Minnesota

Each of the nine funded organizations are expected to:

- Build a continuum of educational family and community supports with schools at the center.
- Develop local infrastructure needed to sustain and scale up proven and effective solutions.
- Use a comprehensive and data-driven approach to increase student success.
- Measure outcomes, such as kindergarten readiness, reading proficiency at third grade, high school graduation, and college and career readiness.

The Minnesota Department of Education (MDE) provides the following services for the grant program:

- Develop application and reporting forms for applicants/recipients.
- Create grant contracts including work plans and budget information.
- Provide guidance as it relates to Minnesota statutes and state policies.
- By December 15 of each odd-numbered year, submit a report on the education partnership program to the Minnesota Legislature describing:
 - Activities funded by the grant;
 - Grant recipients and award;
 - Program performance measures and outcomes; and
 - Recommendations for legislative changes.

RESULTS

MDE does not collect data to show the impact of community education programming other than the number of individuals that received services.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|--------------|-----------------------|------------------|------------------|
| Number of districts submitting general annual report | Quantity | Data collected by MDE | FY2022: 247 | FY2023: 238 |

Individual Education Partnership grantees work towards quantitative measures focused on core activities. Information in the table below is taken from the Education Partnerships Coalition Fund Legislative Report December 2023 (<https://www.lrl.mn.gov/edocs/edocs?oclcnumber=1147875885>).

| Grantee | Performance Highlights |
|---|---|
| Generation Next | Generation Next convened community-based organizations along with Minneapolis and Saint Paul school districts and teacher preparation partners to support and increase pathways into teaching. At an October convening, the partnership welcomed over 40 attendees, representing over 20 organizations. |
| RiseUp Red Wing | In Goodhue County, partners from 15 agencies and organizations came together to impact 8,167 youth. |
| Austin Aspires | Austin Aspires’ staff worked closely with over 800 families to provide access to food support, legal support, transportation services, childcare, medical services, and more. |
| United Way of Central Minnesota | The initiative invests and aligns over \$2 million in community and grant raised funds to impact more than 12,000 youth through a data-informed process to achieve the greatest collective impact across the community. |
| Rochester Area Foundation/Cradle 2 Career | Cradle 2 Career launched a Kindergarten Readiness Cards pilot to address kindergarten transition. Partners distributed 400 cards in English, Arabic, Somali and Spanish to parents through network partners and back-to-school events. |
| Northfield Healthy Community Initiative | Northfield Promise supported the Greenvale Park Community School throughout the 2021-22 school year. A total of 563 youth and 181 family members participated in programming, and 85 volunteers contributed time and resources. |
| Children First | Children First launched a week-long equity-focused Summer Reading Festival, taking learning and reading outdoors to public spaces to kindle the joy of lifelong learning in families and children. Open to all, this free celebration targeted groups who could benefit from additional learning opportunities, building assets, and resiliency for youth and adults. |
| St. Paul Promise Neighborhood | Saint Paul Promise Neighborhood works to close the opportunity gap permanently by ensuring scholars have a safe, supportive, and culturally relevant learning environment during the summer. |
| Northside Achievement Zone (NAZ) | Over half of NAZ early childhood scholars are meeting or exceeding developmental expectations. NAZ third-eighth grade scholars have more consistent attendance than non-NAZ third-eighth grade scholars. |

M.S.124D.18–20; M.S. 124D.99

Community Education

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 3,030 | 4,315 | 31,271 | 14,685 | 14,081 | 14,442 |
| Total | 3,030 | 4,315 | 31,271 | 14,685 | 14,081 | 14,442 |
| Biennial Change | | | | 38,611 | | (17,433) |
| Biennial % Change | | | | 526 | | (38) |
| <u>Expenditures by Category</u> | | | | | | |
| Compensation | | | 208 | 350 | | |
| Operating Expenses | | | 76 | 1,609 | | |
| Grants, Aids and Subsidies | 3,030 | 4,315 | 30,988 | 12,726 | 14,081 | 14,442 |
| Total | 3,030 | 4,315 | 31,271 | 14,685 | 14,081 | 14,442 |
| <u>Full-Time Equivalents</u> | | | | | | |
| | | | 1.75 | 2.08 | | |

Community Education

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 175 | 147 | 92 | 8,722 | 10,232 | 10,465 |
| Levies | 40,634 | 41,544 | 41,580 | 38,697 | 37,763 | 38,280 |
| District Revenue | 40,809 | 41,691 | 41,672 | 47,419 | 47,995 | 48,745 |
| Direct Appropriation | 3,260 | 3,230 | 34,098 | 11,859 | 14,081 | 14,442 |
| Current Year | 158 | 133 | 83 | 7,850 | 9,209 | 9,419 |
| Prior Year | 22 | 17 | 14 | 9 | 872 | 1,023 |
| Balance Forward In | | 1,085 | | 2,826 | | |
| Cancellations | | | 1 | | | |
| Balance Forward Out | 230 | | 2,826 | | | |
| Expenditures | 3,030 | 4,315 | 31,271 | 14,685 | 14,081 | 14,442 |
| Biennial Change in Expenditures | | | | 38,611 | | (17,433) |
| Biennial % Change in Expenditures | | | | 526 | | (38) |
| Full-Time Equivalents | | | 1.75 | 2.08 | | |

Program: Community Education

Activity: Adults with Disabilities

AT A GLANCE

- In fiscal year (FY) 2023, 63 school districts had an Adults with Disabilities program.
- The program is a comprised of both state aid and local levy.

PURPOSE AND CONTEXT

The Adults with Disabilities program funds local community education programs for adults with disabilities. The 2023 legislature increased the amount of revenue a district with an Adults with Disabilities program can receive beginning in FY 2024. Beginning in FY 2024, approved programs may receive revenue equal to the lesser of (1) the actual expenditures for approved programs and budgets; or (2) the greater of (i) \$0.34 times the population of the school district, or (ii) the district’s adults with disabilities revenue for FY 2023. The 2024 legislature modified the program approval requirements for a school district with an Adults with Disabilities program to include a five-year approval from a district’s community education council as well as submitting a statement of assurances to the MDE Commissioners Office regarding the program.

SERVICES PROVIDED

Revenue for most districts is 50 percent state aid and 50 percent local property tax levy.

Programs use the following service strategies:

- Assistance for adults participating in community activities (including one-on-one assistance, braille, and interpreter services);
- Classes specifically for adults with disabilities;
- Outreach to identify adults needing services; and
- Activities to increase public awareness of the roles of people with disabilities.

The Minnesota Department of Education (MDE) calculates and processes aid payments to districts and determines their property tax levy amounts for this program.

RESULTS

Program performance data is not collected by MDE, and school districts are not required to report on the details of their programs. District reporting of funding use is limited to the reporting of expenditures in the Uniform Financial Accounting and Reporting System.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|------------------|------------------|
| Districts participating in program | Quantity | Data collected by MDE | FY2022: 63 | FY2023: 63 |
| Metropolitan Districts participating in program | Quantity | Data collected by MDE | FY2022: 28 | FY2023: 28 |

M.S. 124D.56

Adults with Disabilities

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|------|
| | | | | | FY26 | FY27 |

Expenditures by Fund

| | | | | | | |
|-------------------|------------|------------|------------|--------------|--------------|--------------|
| 1000 - General | 702 | 704 | 710 | 1,416 | 1,517 | 1,534 |
| Total | 702 | 704 | 710 | 1,416 | 1,517 | 1,534 |
| Biennial Change | | | | 720 | | 925 |
| Biennial % Change | | | | 51 | | 44 |

Expenditures by Category

| | | | | | | |
|----------------------------|------------|------------|------------|--------------|--------------|--------------|
| Grants, Aids and Subsidies | 702 | 704 | 710 | 1,416 | 1,517 | 1,534 |
| Total | 702 | 704 | 710 | 1,416 | 1,517 | 1,534 |

Adults with Disabilities

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|--------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 710 | 710 | 710 | 1,494 | 1,519 | 1,536 |
| Levies | | | 669 | 507 | 481 | 451 |
| District Revenue | 710 | 710 | 1,379 | 2,001 | 2,000 | 1,987 |
| Direct Appropriation | 710 | 710 | 710 | 1,416 | 1,517 | 1,534 |
| Current Year | 639 | 639 | 639 | 1,345 | 1,368 | 1,383 |
| Prior Year | 63 | 65 | 71 | 71 | 149 | 151 |
| Cancellations | 8 | 6 | | | | |
| Expenditures | 702 | 704 | 710 | 1,416 | 1,517 | 1,534 |
| Biennial Change in Expenditures | | | | 720 | | 925 |
| Biennial % Change in Expenditures | | | | 51 | | 44 |

Program: Community Education

Activity: Deaf, Deafblind, and Hard-of-Hearing Adults

AT A GLANCE

- In 2023, two sites submitted qualified requests for funds under this program.

PURPOSE AND CONTEXT

The Deaf, Deafblind, and Hard-of-Hearing Adults program provides educational opportunities for adults who are deaf and hard-of-hearing. This program provides assistance with the one-time costs of interpreter and note-taker services for 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 interpreter services for adult learners who are deaf and hard-of-hearing, but to help in unforeseen situations.

The Minnesota Department of Education (MDE) calculates and processes aid payments for this program.

RESULTS

The rate at which sites request funds in consecutive years provides a gauge as to 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 and non-profit providers seek other resources to meet their needs.

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|---------------------|----------------------------|-------------------------|-------------------------|
| Number of educational programs for which interpreter and note-taker services costs were reimbursed | Quantity | Data collected by MDE | FY2021: 60 | FY2023: 2 |

M.S. 124D.57

Deaf, Deafblind, and Hard-of-Hearing Adults

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|-----------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 70 | 70 | 70 | 70 | 70 | 70 |
| Total | 70 | 70 | 70 | 70 | 70 | 70 |
| Biennial Change | | | | 0 | | 0 |
| Biennial % Change | | | | 0 | | 0 |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 70 | 70 | 70 | 70 | 70 | 70 |
| Total | 70 | 70 | 70 | 70 | 70 | 70 |

Deaf, Deafblind, and Hard-of-Hearing Adults

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|-----------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | 70 | 70 | 70 | 70 | 70 | 70 |
| Expenditures | 70 | 70 | 70 | 70 | 70 | 70 |
| Biennial Change in Expenditures | | | | 0 | | 0 |
| Biennial % Change in Expenditures | | | | 0 | | 0 |

Program: Community Education

Activity: School Age Care

AT A GLANCE

- In fiscal year (FY) 2023, school age care revenue was 100% funded by local property tax levies (\$0 state aid) due to low equalization rates.
- The total levy in FY 2023 was \$25.7 million.

PURPOSE AND CONTEXT

School Age Care is a program that helps ensure 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 levy program.

This program supports the objective that every student deserves a world class education and attends a safe and nurturing school.

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 property tax levy equals:

- School age care revenue, times
- The lesser of:
 - One; or,
 - The ratio of (the adjusted net tax capacity of the district the year prior to levy certification, divided by the number of students living in the district for the levy year) to \$2,318.

School Age Care aid equals:

- School age care revenue minus school age care property tax levy.

Because of the low equalizing factor that offsets property taxes with state aid, all revenue has been in the form of local property tax.

The Minnesota Department of Education calculates aid and property tax levies for this program.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|--------------|-----------------------|----------------------------|------------------|
| Number of districts with school age care expenditures | Quantity | Data collected by MDE | FY2021: 165 FY2022: 161 | FY2023: 158 |

M.S. 124D.19; M.S. 124D.22

School Age Care

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual | Actual | Actual | Estimate | Forecast Base | |
|--|--------|--------|--------|----------|---------------|------|
| | FY22 | FY23 | FY24 | FY25 | FY26 | FY27 |

Expenditures by Fund

| | | | | | | |
|-------------------|--|--|--|---|----------|----------|
| 1000 - General | | | | | 1 | 1 |
| Total | | | | | 1 | 1 |
| Biennial Change | | | | 0 | | 2 |
| Biennial % Change | | | | | | |

Expenditures by Category

| | | | | | | |
|----------------------------|--|--|--|--|----------|----------|
| Grants, Aids and Subsidies | | | | | 1 | 1 |
| Total | | | | | 1 | 1 |

School Age Care

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|----------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | | | | | 1 | 1 |
| Levies | 20,403 | 21,880 | 22,595 | 24,339 | 26,763 | 32,982 |
| District Revenue | 20,403 | 21,880 | 22,595 | 24,339 | 26,764 | 32,983 |
| Direct Appropriation | 1 | 1 | | 0 | 1 | 1 |
| Cancellations | 1 | 1 | | | | |
| Expenditures | | | | | 1 | 1 |
| Biennial Change in Expenditures | | | | 0 | | 2 |
| Biennial % Change in Expenditures | | | | | | |

Program: Self Sufficient and Lifelong Learning**Activity: Adult Basic Education**<https://education.state.mn.us/MDE/fam/abe/>**AT A GLANCE**

- 1,296 paid staff (including 865 teachers) and 1,406 volunteers served 47,615 adult learners at an estimated 300 locations in fiscal year (FY) 2023.
- Of all enrollees, more than 51 percent were English learners, 6 percent had never attended school, 25 percent were unemployed, and 17 percent were in correctional facilities.

PURPOSE AND CONTEXT

Adult Basic Education (ABE) is a state and federally funded program that provides adults educational opportunities to acquire and improve the literacy skills they need to become self-sufficient.

This program supports the objective that all students receive a world-class education.

SERVICES PROVIDED**ABE program options:**

- English as a Second Language
- High School Equivalency Diploma (previously called the GED or General Education Development diploma)
- Standard Adult High School Diploma and Traditional High School Diploma
- Basic Skills Education
- Workforce Preparation
- Transition to Postsecondary Education
- U.S. Citizenship and Civics Education
- Family Literacy

ABE is provided at roughly 300 sites in every Minnesota county, plus via online and distance learning options. Sites include public schools, community/technical colleges, prisons/jails, community nonprofit organizations, Career Force centers, libraries, learning centers, and Tribal Nation centers. Programs have voluntarily formed ABE consortia (39 grantees or administrative units) to maximize efficiency and share resources.

The Minnesota Department of Education provides technical support, calculates aid entitlements, and pays aid to districts and consortia.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|--|---------------------|----------------------------|-------------------------|-------------------------|
| Adults who obtained a high school diploma or high school equivalency diploma | Quantity | Data collected by MDE | FY2022: 1,907 | FY2023: 2,224 |
| Adults who entered an integrated education and training program | Quantity | Data collected by MDE | FY2022: 968 | FY2023: 1,066 |
| Participants who made a measurable skill gain | Quality | Data collected by MDE | FY2022: 30.6% | FY2023: 36.6% |
| Participants who were employed six months after exiting ABE | Result | Data collected by MDE | FY2022: 36.2% | FY2023: 36.7% |

M.S. 124D.51; M.S. 124D.518; M.S. 124D.52; M.S. 124D.521; M.S. 124D.522; M.S. 124D.531

Adult Basic Education

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 51,594 | 51,683 | 52,409 | 53,880 | 55,281 | 56,919 |
| 3000 - Federal | 5,131 | 6,973 | 6,013 | 6,042 | 6,297 | 6,297 |
| Total | 56,725 | 58,656 | 58,422 | 59,922 | 61,578 | 63,216 |
| Biennial Change | | | | 2,963 | | 6,450 |
| Biennial % Change | | | | 3 | | 5 |
| <u>Expenditures by Category</u> | | | | | | |
| Grants, Aids and Subsidies | 56,725 | 58,656 | 58,422 | 59,922 | 61,578 | 63,216 |
| Total | 56,725 | 58,656 | 58,422 | 59,922 | 61,578 | 63,216 |

Adult Basic Education

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|---------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Entitlement | 51,763 | 51,793 | 52,652 | 55,647 | 57,053 | 58,716 |
| District Revenue | 51,763 | 51,793 | 52,652 | 55,647 | 57,053 | 58,716 |
| Direct Appropriation | 53,191 | 51,948 | 52,566 | 53,880 | 55,281 | 56,919 |
| Current Year | 46,587 | 46,613 | 47,387 | 48,615 | 49,880 | 51,377 |
| Prior Year | 5,008 | 5,070 | 5,022 | 5,265 | 5,401 | 5,542 |
| Transfers In | | | | 1,468 | 1,468 | 1,468 |
| Transfers Out | | | | 1,468 | 1,468 | 1,468 |
| Cancellations | 1,597 | 265 | 157 | | | |
| Expenditures | 51,594 | 51,683 | 52,409 | 53,880 | 55,281 | 56,919 |
| Biennial Change in Expenditures | | | | 3,012 | | 5,911 |
| Biennial % Change in Expenditures | | | | 3 | | 6 |
| 3000 - Federal | | | | | | |
| Receipts | 5,131 | 6,973 | 6,013 | 6,042 | 6,297 | 6,297 |
| Expenditures | 5,131 | 6,973 | 6,013 | 6,042 | 6,297 | 6,297 |
| Biennial Change in Expenditures | | | | (49) | | 539 |
| Biennial % Change in Expenditures | | | | (0) | | 4 |

Program: Self Sufficient and Lifelong Learning**Activity: High School Equivalency Tests**

<https://education.state.mn.us/MDE/dse/abe/ged/>

AT A GLANCE

- Two High School Equivalency (HSE) tests have been approved: General Education Development (GED) and the High School Equivalency Test (HiSET). GED is already being offered in Minnesota; (HiSET) launched in Minnesota in March 2023.
- 77 GED testing centers, including 11 at state correctional facilities. 7 HiSET Test Centers as of June 2024.
- In fiscal year (FY) 2023, 3,921 examinees took at least one GED test; 2,388 examinees completed all the test modules.
- More than 45% of GED graduates enroll in college within 3 years, according to the GED Testing Service.
- Individuals earning a High School Equivalency (HSE) Diploma are eligible to receive federal financial aid, including Pell Grants, if they meet income requirements.
- Minnesota GED testers outperformed national testers when comparing passing rates. In FY24, more than 79% of Minnesota GED testers passed and earned their HSE Diploma, compared to 75% nationally

PURPOSE AND CONTEXT

This state aid program provides increased access for eligible individuals to complete the General Education Development (GED) battery of tests. Six percent of Minnesotans aged 25-64 lack a high school diploma or its equivalent.

The GED consists of four tests and HiSET consists of five tests that measure outcomes associated with a high school education:

- Successful completion of the GED or HiSET tests results in the awarding of a state of Minnesota GED diploma.
- A high school diploma or High School Equivalency diploma is required by many employers, is accepted by almost all of Minnesota's postsecondary institutions, and serves as evidence to receive grants or scholarships.

This program supports the objective of all students receiving a world-class education and earning a family sustaining wage.

SERVICES PROVIDED

This program provides supplemental funds that are used to pay a portion of the HSE testing fee for eligible Minnesotans.

- For FY 2023, the High School Equivalency testing allocation was \$125,000; for FY 2024, the High School Equivalency testing allocation was \$125,000 plus a one-time fund of \$490,000.
- The High School Equivalency testing allocation currently pays a maximum of \$40 toward a student's GED testing fees (up to \$136 per student). Starting July 2023 with the one-time funding, GED and HiSET testing was free for testers taking their first full test battery temporarily for FY2023 through FY2027 subject to the availability of funds.
- The Minnesota Department of Education (MDE) processes reimbursement payments to the GED Testing Service for GED and with PSI for HiSET so that tests are offered at discounted rates.

RESULTS

| Measure name | Measure type | Measure data source | Historical trend | Most recent data |
|---|---------------------|----------------------------|-------------------------|-------------------------|
| GED and HiSET Test subsidies provided | Quantity | Data collected by MDE | FY2023: 4,143 | FY2024: 7,803 |
| Percentage of GED candidates completing the full battery who passed | Quality | Data collected by MDE | FY2023: 82.6% | FY2024: 79.8% |

M.S. 124D.549; M.S. 124D.55

High School Equivalency Tests

Activity Expenditure Overview

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|--|----------------|----------------|----------------|------------------|---------------|------------|
| | | | | | FY26 | FY27 |
| <u>Expenditures by Fund</u> | | | | | | |
| 1000 - General | 34 | 41 | 281 | 459 | 125 | 125 |
| Total | 34 | 41 | 281 | 459 | 125 | 125 |
| Biennial Change | | | | 664 | | (490) |
| Biennial % Change | | | | 875 | | (66) |
| <u>Expenditures by Category</u> | | | | | | |
| Operating Expenses | 34 | 41 | 281 | 459 | 125 | 125 |
| Total | 34 | 41 | 281 | 459 | 125 | 125 |

High School Equivalency Tests

Activity Financing by Fund

(Dollars in Thousands)

| | Actual FY22 | Actual FY23 | Actual FY24 | Estimate FY25 | Forecast Base | |
|-----------------------------------|----------------|----------------|----------------|------------------|---------------|------------|
| | | | | | FY26 | FY27 |
| 1000 - General | | | | | | |
| Direct Appropriation | 125 | 125 | 615 | 125 | 125 | 125 |
| Balance Forward In | | 91 | | 334 | | |
| Cancellations | | 174 | | | | |
| Balance Forward Out | 91 | | 334 | | | |
| Expenditures | 34 | 41 | 281 | 459 | 125 | 125 |
| Biennial Change in Expenditures | | | | 664 | | (490) |
| Biennial % Change in Expenditures | | | | 875 | | (66) |