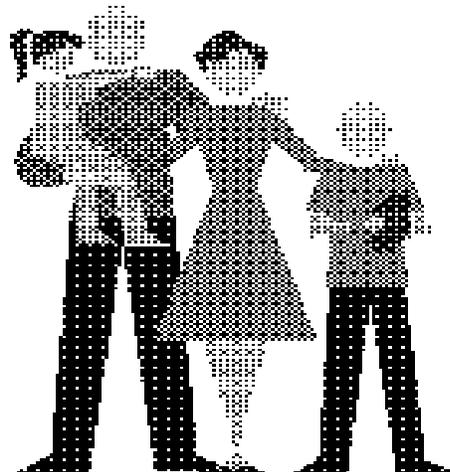


Financing Family & Early Childhood Education 2000-2001

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Financing Family & Early Childhood Education

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The family and early childhood education finance committee, which was established during the 1997 legislative session, allocates state funds for programs in the Office of Community Services within the Minnesota Department of Children, Families and Learning. Most of the state funding in this committee is directed to school districts, counties, and community action agencies. This publication will explain various family and early childhood education state aid formulas, appropriations and will define relevant education finance terms. Statutory or session law citations are listed for each program after its description.

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Minnesota Education Finance Terms & Concepts

General Education Program - The general education program is the method by which school districts receive the majority of their financial support for K-12 education programs. There are no longer any Family and Early Childhood Education programs with aid formulas that are directly linked to the general education aid allowance. However, many of the programs with aid formulas in the Family and Early Childhood Education Finance Committee use a model similar to the general education program when it comes to determining aid and levy.

- A. **Basic Revenue and General Education Levy:** The basic general education formula establishes the minimum level of funding for school districts. General education aid is determined by subtracting the amount raised by the general education levy from the formula allowance times pupil units. Both the basic formula allowance and the general education levy are set each year in legislation.

| <u>School Year</u> | <u>Formula Allowance</u> | <u>Tax Rate</u> |
|--------------------|--------------------------|-----------------|
| 1998-99 | 3,530 (a) | 36.9% |
| 1999-00 | 3,740 (b) | 36.58% |
| 2000-01 | 3,964 (c) | 35.78% |

- (a) The formula allowance for the 1998-99 school year reflects the “roll-out” of training and experience funding from the general education formula. The decrease of \$51 (\$3,581 to \$3,530) is the net result of the \$130 reduction for the roll-out of training and experience and a \$79 increase in the formula.
- (b) The formula allowance for the 1999-00 school year reflects the \$43 “roll-in” of graduation standards revenue and a \$167 increase in the formula.
- (c) The formula allowance for the 2000-01 school year reflects the “roll-in” of \$67 in district cooperation revenue into the general education formula and an increase to fund a higher staff development reserve. The increase of \$224 is a net result of

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\$67 roll-in of district cooperation revenue, an increase of \$39 to the formula for staff development, and \$118 increase in the formula.

“Equalized” Formula - The general education formula, community education formulas and other education formulas are “equalized” formulas meaning the state pays in aid the difference between what is raised by the uniform local levy and the formula allowance.

Districts Off The Formula & Levy Equity - In very high property value per pupil unit school districts, the amount raised by the tax capacity rate of 35.78% x ANTC is a higher figure than pupil units x the formula allowance. These districts are referred to as being “off the formula.” These districts receive no general education aid and the amount raised by the general education levy that exceeds the general education formula allowance times pupil units replaces other categorical aids and credits. This provision is called levy equity. “Off the formula” districts must levy the required tax capacity rate unless that amount would exceed the general education revenue plus any categorical aids and credits. This same concept applies to equalized community education formulas. See example below.

Example: 2000-01 School Year/Community Education Program - Gopherville District

Revenue: \$5.95 x the greater of: (a) 1,335, or (b) the population of the school district.

Levy: .4795 percent (tax rate) times ANTC

Aid: Revenue - Levy

= (\$5.95 x 2,000 school district population) - (.004795 x \$13,500,000 ANTC)

= \$11,900 - \$64,732

= This district will not receive state aid for this program because the amount they raise in levy exceeds the general education formula allowance times pupil units.

Community Service Fund - community education, early childhood family education, adult self-sufficiency and recreation programs within the Department of Children, Families and Learning.

School Year 2000-2001 - A typical school year spans from September or August of 2000 through June of 2001. This school year coincides with state fiscal year 2001.

State Fiscal Year 2001 - The state fiscal year begins July 1, 2000 and ends June 30, 2001.

Categorical Revenues - Additional resources for specific education programs

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Educational Excesses & Deficiency Transfers (Commissioner's Reserve) -At the end of a fiscal year, any excess general fund appropriations to the Department of Children, Families and Learning for programs with aid formulas may be transferred to programs with deficiencies or to programs that could not sufficiently fund a statutory formula. These transfers are made at the end of a fiscal year. Family and Early Childhood Education programs specified in statute that are eligible for transfers, include:

- Early Childhood Family Education (ECFE);
- School Readiness;
- School Age Care/Disabled;
- Community Education;
- Adults with Disabilities;
- GED Test Reimbursement;
- Adult Graduation Aid; and
- Adult Basic Education (ABE).

There are also K-12 education programs eligible for transfers to programs with excesses or deficiencies. Excess appropriations within K-12 programs may not be transferred to deficient programs in the family and early childhood education committee or vice versa.

"90/10" Split or Percentage Payment for Certain Aids - With the exception of the adults with disabilities program, family and early childhood education programs with aid formulas are appropriated state aid at 90 percent of the estimated aid entitlement during the fiscal year of the entitlement. The final (10 percent) payment must be the amount of the actual aid entitlement, after adjustments for final data, minus the payments made during the fiscal year of the entitlement. For example, the estimated aid entitlement from the community education formula for the state fiscal year 2000 is \$15 million. The appropriation for community education aid is not \$15 million but rather 90 percent of \$15 million or \$13.5 million plus the final 10 percent payment from the previous fiscal year.

Pupil Weighting - A weighted count of pupils used to determine revenue in many formulas:

| | | |
|----------------------------------|---|-------------------|
| One Kindergarten Pupil | = | .557 pupil units |
| One Elementary Pupil (grade 1-3) | = | 1.115 pupil units |
| One Elementary Pupil (grade 4-6) | = | 1.06 pupil units |
| One Secondary Pupil (grade 7-12) | = | 1.3 pupil units |

Actual Pupil Units or Pupil Units in Weighted Average Daily Membership (WADM) is the total of the above weighted pupil unit categories for a school district. Pupil units in Average Daily Membership (ADM) is the total headcount of students in a school district. Secondary Pupil Unit ADM is used in the adult graduation formula to determine aid. See page 12 for an example.

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Note: A pre-school pupil with disabilities is counted as 1.25 pupil units for the ratio of hours of service to 825 with a minimum of .28 pupil unit and a maximum 1.25 pupil unit.

Property Tax Levies - Property tax levies are usually determined as part of a formula that includes state aid. The largest property tax levy is part of the general education formula. The general education levy is a major source of revenue for K-12 education programs. Property tax levies are also a major source of revenue for school building programs.

Property Tax Classification Rates - Percentages applied to the market value of property to arrive at the adjusted net tax capacity. For payable 2000 taxes, for example, residential homestead property under \$76,000 has a class rate of 1 percent, the amount over \$76,000 has a class rate of 1.65 percent.

Tax Capacity Rate - The rate of taxation for a specific program. Tax capacity rates are expressed as a percent of the adjusted net tax capacity. Many tax capacity rates are set in law. The tax rate for ECFE, for example, is .5282% of adjusted net tax capacity. For an example of how tax rates are applied in a formula to determine aid, see pages 14 and 15.

Pay 1999 or Payable 1999 Taxes - Taxpayers are required to pay property taxes in May and October in the calendar year after the levies are certified. Property taxes paid in calendar year 2000 will be revenue for school districts during the 2000-01 school year or state fiscal year 2001.

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Adjusted Net Tax Capacity (ANTC) - A uniform measure of property wealth to which statewide levies are applied. ANTC is determined by applying statutorily established property tax class rates to market values that have been equalized by property type for each school district. This equalization process compares estimated market value to actual sales and is intended to neutralize the effect of differing assessment practices. ANTC is an important component of education funding formulas. An example of the application of ANTC for Fiscal Year 2001 or taxes payable in 2000 is in the table below:

| ANTC | Estimated Market Value (EMV) | Actual Sales Price | Ratio (Estimated:Actual) |
|--------------|-------------------------------------|---------------------------|---------------------------------|
| “Area A” | | | |
| Property #1 | \$100,000 | \$100,000 | 1.0 |
| Property #2 | \$115,000 | \$115,000 | 1.0 |
| Property #3 | \$175,000 | \$175,000 | 1.0 |
| Total | \$390,000 | \$390,000 | 1.0 |
| “Area B” | | | |
| Property #1 | \$100,000 | \$111,000 | .90 |
| Property #2 | \$115,000 | \$119,000 | .97 |
| Property #3 | \$175,000 | \$185,000 | .95 |
| Total | \$390,000 | \$415,000 | .94 |

In the example above, Area A and Area B have properties with identical estimated market values. The actual sales prices for the properties in Area B, however, exceed their estimated market value by 6 percent. After adjusting for ANTC, Area B would receive less state aid than Area A even though the EMV for Area A and Area B are identical.

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Property Tax Timetable - Property taxes can be linked to various years. Read across them following columns to find the corresponding terms referring to property taxes and the percent of a calendar year's property taxes that are recognized as revenue in a particular school year (fiscal year):

| <i>COLUMN A</i> | <i>COLUMN B</i> | <i>COLUMN C</i> | | <i>COLUMN D</i> |
|------------------------------------|--|---|--------|---|
| ANTC - Property Value for Year of: | School Board Certifies Levy in Fall of | Property Taxes Payable in Calendar Year | | School District Revenue for School Year |
| 1999 | 2000 | 2001 | 100.0% | 2001-02 |

Column A: This column shows the calendar year of valuation for all taxable properties.

Column B: This column shows when levies are certified by the local school boards. Local school boards will certify levies when they approve the educational tax rates for their budgets using the property tax valuation information from the previous year. A school board may authorize or approve educational tax rates for various programs subject to the maximum levy limitations set by the legislature.

Column C: This column shows when the county treasurer will collect property taxes levied by taxing jurisdictions such as the school board. Taxpayers are required to pay property taxes by May and October in the year after the levies were certified. Prior to the 1999-2000 school year, property taxes collected by the county treasurer were apportioned to different school years. The amount of property tax revenue collected and applied to each school year is determined by the legislature.

Column D: This column shows the school year when property tax revenue will be counted as revenue to school districts.

Community Education Related School District Funds

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ADULT BASIC EDUCATION (ABE)

ABE offers workforce instruction, literacy tutoring, English proficiency for speakers or other languages, citizenship training, work readiness, corrections education and adult education for homeless people. ABE participants, must be over 16 years of age and not attending secondary or elementary education, to earn a high school diploma or equivalency certificate. [124D.52]

| Funding History | Actual Expenditures | | | Budgeted (*Estimate) | |
|----------------------|---------------------|---------------------|---------------------|----------------------|---------------------|
| | FY 1997 | FY 1998 | FY 1999 | FY 2000 | FY 2001* |
| State Aid | \$8,374,000 | \$12,930,000 | \$12,620,000 | \$21,005,000 | \$30,074,000 |
| Levy | \$3,702,000 | \$4,106,000 | \$4,404,000 | \$0 | \$0 |
| Federal Aid | \$2,478,000 | \$3,276,000 | \$3,276,000 | \$3,276,000 | \$3,814,000 |
| Reserve Allocation | \$2,801,000 | \$0 | \$198,000 | \$0 | \$0 |
| Total Revenue | \$17,355,000 | \$20,312,000 | \$20,498,000 | \$24,281,000 | \$33,888,000 |

ADULT BASIC EDUCATION AID FORMULA FOR THE 2000-01 SCHOOL YEAR -

Basic Population Aid = \$1.80 x the greater of: 1) the population of the school district or; (2) 4,000.

After subtracting basic population aid from the available appropriation, 100% of the remaining funds are set-aside for distribution as follows.

Contact Hour Aid = 84 percent of the amount remaining is to be distributed to ABE providers based on the total number of contact hours provided during the prior program year. The method for distributing these funds is based on the estimated number of contact hours provided in the prior year multiplied by a variable dollar rate. Beginning in FY 2002, aid for a program is based on contact hours from the prior year. Prior year contact hour aid growth cannot exceed the greater of: (1) 17 percent or (2) \$20,000.

Limited English

Proficiency (LEP) Aid = 8 percent of the amount remaining is to be distributed to ABE providers based on the school district count of LEP students during the first prior program year. The method for distributing these funds is based on the total count of LEP students reported by the school district in the prior year multiplied by a variable dollar rate.

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Adults over Age 20

with No Diploma Aid=

8 percent of the amount remaining is to be distributed to ABE providers based on the school district population of adults over age 20 with no diploma. The method for distributing these funds is based on the total population of adults over age 20 with no diploma in the school district reported by the census multiplied by a variable dollar rate.

ABE State Aid = Basic Population Aid + Contact Hours Aid + School District Count of LEP Aid + School District Population of Adults with no diploma Aid.

GOPHERVILLE SCHOOL DISTRICT EXAMPLE -

State Aid = (Basic Population Aid: \$1.80 x school district population)
+ (contact hours x variable \$ dollar rate)
+ (LEP x variable \$ dollar rate)
+ (Adult No Diploma x variable \$ dollar rate).

Finally, districts are permitted to “pool” state ABE funds with ABE funds from other districts and form an ABE consortium. Federal adult education funding is also available to districts and consortia and is distributed in accordance with the requirements of the federal Workforce Investment Act (WIA).

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ADULT GRADUATION AID

The Adult Graduation Aid program is designed to attract and retain pupils, age 21 and over, who have not completed high school and provide opportunities for them to earn high school diplomas. The Adult Graduation Aid program is offered at Area Learning Centers and admission to this program is free for up to two years or until the adult learner completes the required course work. [124D.54]

| Funding History | Actual Expenditures | | | Budgeted (*Estimate) | |
|--------------------|---------------------|-------------|-------------|----------------------|-------------|
| | 1997 | 1998 | 1999 | 2000 | 2001* |
| State Aid | \$2,245,000 | \$2,245,000 | \$2,546,000 | \$2,780,000 | \$3,058,000 |
| Levy | \$0 | \$0 | \$0 | \$0 | \$0 |
| Reserve Allocation | \$67,000 | \$0 | \$61,000 | \$0 | \$0 |
| Total Revenue | \$2,312,000 | \$2,245,000 | \$2,607,000 | \$2,780,000 | \$3,058,000 |

ADULT GRADUATION AID FORMULA FOR THE 1999-2000 SCHOOL YEAR -

Adult Graduation Aid = $\$2,338 \times 1.3 \times \text{Average Daily Membership (ADM)}$

GOPHERVILLE SCHOOL DISTRICT EXAMPLE -

Average Daily Membership (ADM) = 35
 Fixed Dollar Rate = \$2,338
 Secondary Pupil Unit Weighting = 1.3

Adult Graduation Revenue = $\$2,338 \times 1.3 \times 35$

Adult Graduation Aid = \$106,379

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ADULTS WITH DISABILITIES

As a part of the Community Education program, districts may offer programs for adults with disabilities. The adults with disabilities program supports an array of activities such as: increasing public awareness of the roles of people with disabilities; classes specifically for adults with disabilities, outreach & marketing strategies to identify and encourage adults needing service; and services that meet consumer needs and enhance the role and contribution of people with disabilities in communities. [124D.19, subd 7 & 8, 124D.56]

| Funding History | Actual Expenditures | | | Budget (*Estimate) | |
|-----------------|---------------------|-------------|-------------|--------------------|-------------|
| | 1997 | 1998 | 1999 | 2000 | 2001 |
| State Aid | \$646,000 | \$670,000 | \$670,000 | \$670,000 | \$670,000 |
| Levy | \$646,000 | \$670,000 | \$670,000 | \$670,000 | \$670,000 |
| Total Revenue | \$1,292,000 | \$1,340,000 | \$1,340,000 | \$1,340,000 | \$1,340,000 |

ADULTS WITH DISABILITIES AID FORMULA FOR THE 2000-01 SCHOOL YEAR -

Adults with Disabilities Revenue: Districts may receive revenue equal to the lesser of:
(a) \$60,000 or (b) the actual program expenditures.

Adults with Disabilities State Aid: Districts may receive program aid equal to the lesser of:
(a) one half of the actual expenditures or (b)\$30,000.

Adults with Disabilities Levy: Districts may levy up to the amount of state aid (\$30,000) provided.

GOPHERVILLE SCHOOL DISTRICT EXAMPLE -

Adults with Disabilities Program Cost = \$50,000
 Adults with Disabilities Program Revenue = \$50,000
 Adults with Disabilities Program Aid = \$25,000
 Adults with Disabilities Program Levy = \$25,000

A district may receive money from public and private sources to supplement revenue. Aid may not be reduced as a result of receiving additional funding from other sources.

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COMMUNITY EDUCATION

Community education programs provide learning and involvement opportunities for people of all ages including providing school districts residents with the opportunity to utilize educational facilities and programs during non-school hours. Community Education programs may also be offered to K-12 students during the summer and other non-school times. Districts may charge fees for community education activities. Community Education revenue may also be used for educational programming including: adults with disabilities, school age care, ABE and ECFE. [124D.20. Subd. 1-10]

| Funding History | Actual Expenditures | | | Budgeted (*Estimate) | |
|--------------------|---------------------|--------------|--------------|----------------------|--------------|
| | 1997 | 1998 | 1999 | 2000 | 2001* |
| Source | | | | | |
| State Aid | \$2,373,000 | \$1,762,000 | \$1,604,000 | \$15,528,000 | \$15,546,000 |
| Levy | \$28,860,000 | \$29,873,000 | \$30,168,000 | \$16,710,000 | \$17,448,000 |
| Reserve Allocation | \$0 | \$0 | (\$282,000) | \$0 | \$0 |
| Total Revenue | \$31,233,000 | \$31,635,000 | \$31,490,000 | \$32,238,000 | \$32,994,000 |

COMMUNITY EDUCATION AID FORMULA FOR THE 2000-01 SCHOOL YEAR -

Community Education Revenue is \$5.95 times the population of the district (per capita) or 1,335, whichever is greater. A district is eligible for an additional \$1.00 per capita if it is implementing a youth development plan and youth service program.

A district must levy a tax capacity rate of .4795 % to be eligible for the full community education revenue.

GOPHERVILLE SCHOOL DISTRICT EXAMPLE -

Number of District Residents = 7,000
 Adjusted Net Tax Capacity (ANTC) = \$4,500,000
 Community Education Revenue and Youth Service Revenue = \$5.95 + \$1 per capita

Total Community Education Revenue = (Community Education Revenue + Youth Service) x the greater of: (a) the district population, or (b) 1,335.
 = (\$5.95 + \$1.00) x 7,000
 = \$6.95 x 7,000
 = \$48,650

Total Community Education Levy = .004795% x ANTC
 = .004795 x \$4,500,000
 = \$21,576

Community Education Aid = Community Education Revenue - Community Ed Levy
 = \$48,650 - \$21,576 = or \$27,074

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EARLY CHILDHOOD FAMILY EDUCATION (ECFE)

As a part of the Community Education program, districts may offer an ECFE program and educational services to families with children between birth and kindergarten. The revenue for ECFE programs is \$113.50 times the number of children under age five in the school district or the minimum base of 150 children, whichever is greater. In state fiscal year 2001 (2000-01 school year), school districts that offer this program through community education will receive an additional \$2.46 of state aid, to be added to \$113.50 per capita revenue formula allocation. School districts are also required to establish a reasonable sliding fee scale for ECFE classes [124D.13, subd 1-7]

| Funding History | Actual Expenditures | | | Budgeted (*Estimate) | |
|--------------------|---------------------|--------------|--------------|----------------------|--------------|
| | 1997 | 1998 | 1999 | 2000 | 2001* |
| State Aid | \$14,363,000 | \$15,832,000 | \$13,899,000 | \$20,779,000 | \$21,142,000 |
| Levy | \$18,918,000 | \$20,316,000 | \$23,763,000 | \$18,323,000 | \$19,128,000 |
| Reserve Allocation | \$0 | \$0 | \$24,000 | \$0 | \$0 |
| Total Revenue | \$33,281,000 | \$36,148,000 | \$37,686,000 | \$39,102,000 | \$40,270,000 |

EARLY CHILDHOOD FAMILY EDUCATION AID FORMULA FOR THE 2000-01 SCHOOL YEAR

Early Childhood Family Education revenue equals:

\$113.50 x the greater of: (a) 150, or (b) number of children under age 5 in the district

Additional State Aid Equals:

\$2.46 x the greater of: (a) 150, or (2) number of children under age 5 in the district.

A district must levy a tax rate of .5282% to be eligible for the full ECFE revenue and may also levy an additional \$1.60 per child under age 5 (or minimum of 150) for a home visiting program.

GOPHERVILLE SCHOOL DISTRICT EXAMPLE -

Number of children under age 5 = 376

Adjusted Net Tax Capacity = \$4,500,000

ECFE Revenue = \$113.50 x 376
= \$42,676

ECFE Levy = .5282% x ANTC
= .005282 x \$4,500,000
= \$23,769

ECFE Aid = ECFE revenue - ECFE levy
= \$42,676 - \$23,769
= \$18,907

Additional ECFE State Aid = \$18,907 + (\$2.46 x 376)
= \$18,907 + \$925 or \$19,832

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SCHOOL READINESS (FORMERLY LEARNING READINESS)

Districts may establish a School Readiness program for children ages 3.5 to 5 years. The purpose of this program is to enable children to prepare themselves to enter school with the necessary skills, behavior and family stability to be able to excel. [124D.15; 124D.16]

| Funding History | Actual Expenditures | | | Budgeted | |
|--------------------|---------------------|--------------|--------------|--------------|--------------|
| | 1997 | 1998 | 1999 | 2000 | 2001 |
| State Aid | \$9,968,000 | \$10,308,000 | \$10,393,000 | \$10,395,000 | \$10,395,000 |
| Levy | \$0 | \$0 | \$0 | \$0 | \$0 |
| Reserve Allocation | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Revenue | \$9,968,000 | \$10,308,000 | \$10,393,000 | \$10,395,000 | \$10,395,000 |

SCHOOL READINESS AID FORMULA FOR THE 2000-01 SCHOOL YEAR -

School Readiness Aid = 50% of total aid x the ratio of the number of 4 year old children in the district to the number of 4 year old children in the state.

50% of total aid x the ratio of the number of pupils in the district from families eligible for free and reduced school lunch to the number of pupils in the state from families eligible for free and reduced school lunch.

GOPHERVILLE SCHOOL DISTRICT EXAMPLE -

Number of 4 year old children in the district = 109

Number of 4 year children in the state = 71,000

Number of pupils in the district from families eligible for free & reduced lunches = 288

Number of pupils in the state from families eligible for free & reduced lunches = 213,000

Total School Readiness (SR) State-wide Aid for the 1999-2000 school year = \$10,395,000

Total SR Aid for Gopherville School District

$$= [(109/71,000) \times \$10,395,000 \times 50\%] + [(288/213,000) \times \$10,395,000 \times 50\%]$$

$$= \$7,979 + \$7,027 \text{ or } \$15,006$$

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SCHOOL AGE CARE/DISABLED

Districts with a Community Education program may offer a School Age Care Program for children in kindergarten through grade 6 for the purposes of expanding learning opportunities. Districts are eligible for school age care revenue for the additional cost of providing services to children with disabilities or to children experiencing family or related problems of a temporary nature who participate in the school age care program. [124D.19, subd. 11, 124D.22]

| Funding History | Actual Expenditures | | | Budgeted (*Estimate) | |
|--------------------|---------------------|-------------|-------------|----------------------|-------------|
| | 1997 | 1998 | 1999 | 2000 | 2001* |
| State Aid | \$374,000 | \$344,000 | \$300,000 | \$271,000 | \$242,000 |
| Levy | \$2,580,000 | \$3,056,000 | \$3,347,000 | \$4,221,000 | \$4,846,000 |
| Reserve Allocation | (\$4,000) | \$0 | \$2,000 | \$0 | \$0 |
| Total Revenue | \$2,950,000 | \$3,400,000 | \$3,649,000 | \$4,492,000 | \$5,088,000 |

SCHOOL AGE CARE AID FORMULA FOR THE 2000-01 SCHOOL YEAR -

School Age Care Revenue= approved additional cost of providing services to children with disabilities or children experiencing family or related problems of a temporary nature who participate in a school age care program.

School Age Care Levy= school age care revenue x (a) the lesser of one; or (b) the ratio of the district's Adjusted Net Tax Capacity (ANTC) per Pupil unit to \$3,280.

School Age Care Aid = school age care revenue - school age care levy

GOPHERVILLE SCHOOL DISTRICT EXAMPLE -

Adjusted Net Tax Capacity (ANTC) = \$21,000,000
 Pupil Units = 7,000
 ANTC/Pupil Units = \$21,000,000/7,000 equals \$3,000

Equalizer = \$3,280

School Age Care Levy Share = 3,000/\$3,280
 =.91463

School Age Care Revenue = \$29,000

School Age Care Levy = \$29,000 x .9146341
 = \$26,524

School Age Care Aid =\$29,000 - \$26,524 or \$2,476

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Other Funds, 2000-2001

1. ***GED Test Fee*** - A reimbursement of 60% of the costs of GED test fees but no more than \$20 per individual. [124D.55]

2. ***Health Screening Aid*** - School districts are reimbursed \$40 per child for a developmental screening of children before they enter kindergarten is provided. [123.701]

3. ***Violence Prevention Grants*** - Violence prevention education grants are to develop and implement or continue a violence prevention program for students in kindergarten through grade 12 that can be integrated into the existing curriculum. Grant amounts may not exceed \$3 per actual pupil unit in the district in the prior year. [120B.23, subd. 1-4]

Other Categorical Funds

Basic Sliding Fee (B.S.F.) Child Care Assistance

Short Description

BSF child care helps pay the child care costs of low income families who are not receiving MFIP child care assistance. [119B.03]

Five Year Funding History

| Sources | Actual Expenditures | | | Budgeted (*Estimate) | |
|----------------------|---------------------|---------------------|---------------------|----------------------|---------------------|
| | FY 1997 | FY 1998 | FY 1999 | FY 2000(a) | FY 2001(b)* |
| State Aid | \$24,751,000 | \$41,415,000 | \$53,087,000 | \$21,621,000 | \$22,377,000 |
| Federal CCDF | \$13,842,000 | \$15,885,000 | \$14,035,000 | \$16,827,000 | \$16,749,000 |
| Federal TANF | \$0 | \$0 | \$0 | \$37,985,000 | \$40,525,000 |
| Special Rev. | \$0 | \$0 | \$0 | \$0 | \$1,600,000 |
| County Contrib. | \$5,078,000 | \$4,179,000 | \$4,912,000 | \$2,914,000 | \$2,914,000 |
| Total Revenue | \$43,671,000 | \$61,479,000 | \$72,034,000 | \$79,347,000 | \$84,165,000 |

CCDF = Federal Child Care Development Fund. TANF = Temporary Assistance for Needy Families allocated by the Legislature. TANF funds are transferred to CCDF.

(a) FY 2000 & FY 2001 budget numbers are as of the end of the 2000 session. Any unspent appropriation in FY 2000 may be carried forward into FY 2001; (b): The BSF/TY Child Care set-aside is included in the FY 1999 appropriation but excluded in the FY 2000 and 2001 appropriations.

Grantees -- Counties

How the dollars are allocated to Grantees

State and federal dollars are allocated on a calendar year basis. Each county's guaranteed floor shall equal 90 percent of the allocation received in the preceding calendar year. Any remaining funds are allocated accordingly:

- One-fourth of the funds shall be allocated in proportion to each county's total expenditures for basic sliding fee child care program reported during the most recent fiscal year.
- One-fourth of the funds shall be allocated based on the number of families participating in the transition year child care program during the most recent reporting period
- One-fourth of the funds shall be allocated in proportion to each county's most recently reported first, second and third priority waiting list.
- One-fourth of the funds shall be allocated in proportion to each county's most recently reported waiting list

MFIP Child Care Assistance (includes Transition Year Child Care)

| | | | | | |
|---|----------------------------|----------------|----------------|-----------------------------|-----------------|
| Short Description | | | | | |
| The MFIP child care program helps MFIP cash assistance families and MFIP Transition year families pay for child care. [119B.05] | | | | | |
| Five Year Funding History | | | | | |
| | <i>Actual Expenditures</i> | | | <i>Budgeted (*Estimate)</i> | |
| Sources | FY 1997 | FY 1998 | FY 1999 | FY 2000 (a) | FY 2001* |
| State Aid | \$19,978,000 | \$28,205,000 | \$46,288,000 | \$66,524,000 | \$78,606,000 |
| Federal CCDF | \$20,191,000 | \$22,076,000 | \$34,506,000 | \$34,888,000 | \$32,005,000 |
| Total Revenue | \$40,169,000 | \$50,281,000 | \$80,794,000 | \$101,412,000 | \$110,611,000 |
| <p>CCDF= Federal Child Care Development Fund Note: The set-aside for MFIP Social Services Child Care in FY 2001 is excluded from funding table.</p> <p>(a) FY 2000 and FY 2001 budget numbers are as of the end of the 2000 session.</p> | | | | | |
| Grantees -- Counties | | | | | |
| How the dollars are allocated to Grantees | | | | | |
| Counties are reimbursed monthly | | | | | |

Minnesota Economic Opportunity Grant (MEOG)

Short Description

MEOG funds provide assistance to community action agencies, tribal governments and migrant & seasonal farm worker organizations to help mitigate the effects of poverty by providing low-income citizens with opportunities to obtain skills, knowledge and motivation to become self-sufficient. [119A.374 through 119A.376]

Five Year Funding History

| Sources | <i>Actual Expenditures</i> | | | <i>Budgeted</i> | |
|---------------|----------------------------|--------------|--------------|-----------------|--------------|
| | FY 1997 | FY 1998 | FY 1999 | FY 2000 | FY 2001 |
| State Aid | \$6,391,000 | \$8,712,000 | \$8,856,000 | \$8,514,000 | \$8,514,000 |
| Federal CSBG | \$5,800,000 | \$5,800,000 | \$5,900,000 | \$5,900,000 | \$5,900,000 |
| Total Revenue | \$12,191,000 | \$14,512,000 | \$14,756,000 | \$14,414,000 | \$14,414,000 |

CSBG = the Federal Community Services Block Grant.

Grantees -- Community Action Agencies (CAA), tribal governments and migrant & seasonal farmworker organizations.

How the dollars are allocated to Grantees

Total allocations for each grantee are based on the following factors:

- Base funding amounts for CAA's and tribal governments are determined by population. CAA's and tribal governments with low-income populations up to 3,999, the base is \$25,000; populations between 4,000 to 23,999, the base is \$50,000; and populations of 24,000 and over, the base is \$100,000.
- All the remaining MEOG funding available after the base funding has been determined must be allocated to each agency and Indian Reservations in proportion to the size of the poverty in the programs' service area compared to the size of the population of the state.
- Allocations of funds to migrant & seasonal farmworker organizations may not exceed 3 percent of the total annual money available.

Head Start Funding

Short Description

The Head Start program is an anti-poverty program for young, low-income children, ages birth to five, and their low-income families. This program is designed to meet the emotional, social, health, nutritional and psychological needs of low-income children and promotes economic self sufficiency of the parents. [119A.50]

Five Year Funding History

| Sources | <i>Actual Expenditures</i> | | | <i>Budgeted</i> | |
|---------------|----------------------------|--------------|--------------|-----------------|--------------|
| | FY 1997 | FY 1998 | FY 1999 | FY 2000 | FY 2001 |
| State Aid | \$11,273,000 | \$18,237,000 | \$18,763,000 | \$18,375,000 | \$18,375,000 |
| Federal Aid | \$43,700,000 | \$46,900,000 | \$53,650,000 | \$58,800,000 | \$64,163,000 |
| Total Revenue | \$54,973,000 | \$65,137,000 | \$72,413,000 | \$77,175,000 | \$82,538,000 |

Note: Federal Head Start funds are awarded directly to the grantees and do not pass through a state agency.

Grantees -- There are 34 Head Start grantees including: 23 community action agencies, and 3 single purpose agencies, 1 school district, and Indian Reservation Governments.

How the dollars are allocated to Grantees

State funds are allocated based on two elements: (1) grantees' share of federal Head Start funds; and, (2) grantees' proportion of eligible children in the grantee service area who are not being currently served.

Up to 11 percent of the funds may be appropriated annually for grants to local Head Start providers to provide funds for innovative programs designed to target Head Start resources to particular at risk-groups of children or to provide services, in addition to those currently allowed, under Head Start Regulations. These funds are awarded on a competitive basis.

Child Care Development Grants

Short Description

The Child Care Development Program helps develop the quality and availability of child care to Minnesota families. The program provides grants to both public and private agencies to: (1) Child Care Resource and Referral (CCR&R) services to help families access appropriate child care, build the supply and quality child care, and coordinate child care resources and information; and, (2) develop specific child care services through a grants program which funds start-up, expansion and improvement of child care services. [119B.21, subd. 2]

Five Year Funding History

| Sources | <i>Actual Expenditures</i> | | | <i>Budgeted</i> | |
|---------------|----------------------------|-------------|-------------|-----------------|-------------|
| | FY 1997 | FY 1998 | FY 1999 | FY 2000 | FY 2001 |
| State Aid | \$2,013,000 | \$4,980,000 | \$2,753,000 | \$1,865,000 | \$1,865,000 |
| Federal CCDF | \$4,010,000 | \$5,000,000 | \$7,101,000 | \$7,063,000 | \$7,380,000 |
| Federal TANF | \$0 | \$0 | \$0 | \$1,130,000 | \$505,000 |
| Total Revenue | \$6,023,000 | \$9,980,000 | \$9,854,000 | \$10,058,000 | \$9,750,000 |

CCDF = the Child Care Development Fund Block Grant. TANF = the Temporary Assistance for Needy Families block grant allocated by the legislature. TANF is transferred to CCDF.

Grantees -- Child Care Resource and Referral Programs, family child care providers, child care centers, early childhood training institutions, and other community-based agencies.

How the dollars are allocated to Grantees

CC&R grant allocations, child care service development, and family child care technical assistance grant allocations are based on the following factors:

- The number of children under 13 years of age needing child care in the region;
- The region served by the program;
- The ratio of children under 13 years of age needing care to the number of licensed spaces in the program;
- The number of licensed child care providers and school age child care programs in the region;
- other factors determined by the commissioner.

At least 90 percent of state funds for child care service development grants and family child care technical assistance grants must be distributed to regions served by the CCR&R programs for expanding and improving child care services. Up to 10 percent of the funds may be used by the commissioner for statewide child care development initiatives, training initiatives, collaborative programs, and research and data collection.

Family Service Collaboratives Grants

Short Description

The Family Service Collaboratives program assists local communities to work with children and families, by creating an integrated local service delivery system for children and their families that coordinate service across agencies and is client centered. [124D.23]

Five Year Funding History

| Sources | Actual Expenditures | | | Budgeted | |
|---------------|---------------------|----------------|----------------|----------------|----------------|
| | <i>FY 1997</i> | <i>FY 1998</i> | <i>FY 1999</i> | <i>FY 2000</i> | <i>FY 2001</i> |
| State Aid | \$9,528,000 | \$7,339,000 | \$6,798,000 | \$4,777,000 | \$2,435,000 |
| Federal Aid | \$20,000,000 | \$32,000,000 | \$40,000,000 | \$40,000,000 | \$40,000,000 |
| Total Revenue | \$29,528,000 | \$39,339,000 | \$46,798,000 | \$44,777,000 | \$42,435,000 |

LCTS is an acronym for Local Collaborative Time Study Funds. LCTS funds are awarded directly to collaboratives through the Department of Human Services.

Grantees -- Family service collaborative partners consist of a minimum of one school district, one county, one public health entity, and one community action agency. One partner acts as a fiscal agent for the collaborative.

How the dollars are allocated to Grantees

Collaboratives will submit an integrated local service directory plan to the Children's Cabinet for approval and funding. Collaboratives are funded for a five year period from their date of implementation. Funding remains constant for the first three years, then declines by a third in each of the last two years.

Hearing Impaired Adults Funding

| | | | | | |
|--|---------------------------------|-----------|-----------|--------------------|-----------|
| Short Description | | | | | |
| Hearing Impaired Adults state funds provide interpreters or note-takers services for adults with hearing impairments wishing to continue their education on a part-time basis. [124D.57] | | | | | |
| Five Year Funding History | | | | | |
| | ----- Actual Expenditures ----- | | | ---- Budgeted ---- | |
| | FY 1997 | FY 1998 | FY 1999 | FY 2000 | FY 2001 |
| State Aid Total | \$ 70,000 | \$ 70,000 | \$ 70,000 | \$ 70,000 | \$ 70,000 |
| Grantees -- Local school district adult education programs, adult technical college programs, and vocational educational programs sponsored by public/private community agencies. | | | | | |
| How the dollars are allocated | | | | | |
| Reimbursement basis | | | | | |

Way To Grow Grants

| | | | | | |
|---|---------------------------------|------------|------------|----------------------|------------|
| Short Description | | | | | |
| The Way to Grow program promotes the overall development and school readiness of children prebirth to age 6 by coordinating and improving access to community and neighborhood based services that support and assist all parents in meeting the health and developmental needs of their children at the earliest possible age. [124D.17] | | | | | |
| Five Year Funding History | | | | | |
| | ----- Actual Expenditures ----- | | | ----- Budgeted ----- | |
| | FY 1998 | FY 1999 | FY 1999 | FY 2000 | FY 2001 |
| State Aid Total | \$ 475,000 | \$ 475,000 | \$ 475,000 | \$ 475,000 | \$ 475,000 |
| Other Funds (not included in table above) -- Fifty percent cash match is required for all programs. | | | | | |
| Grantees -- School districts, non-profit organizations, community action agencies, two or more governmental units organized under joint powers of agreement. | | | | | |
| How the dollars are allocated | | | | | |
| Five existing Way to Grow providers are allocated funds. | | | | | |

Food Shelf Funding

| | | | | | |
|---|---------------------------------|-------------|-------------|----------------------|-------------|
| Short Description | | | | | |
| The Food Shelf program provides funding to the Minnesota Food Shelf Association to distribute to food shelves. [119A.44] | | | | | |
| Five Year Funding History | | | | | |
| | ----- Actual Expenditures ----- | | | ----- Budgeted ----- | |
| | 1997 | 1998 | 1999 | 2000 | 2001 |
| State Aid Total | \$687,000 | \$1,228,000 | \$1,228,000 | \$1,228,000 | \$1,278,000 |
| Other Funds -- None | | | | | |
| Grantees | | | | | |
| MN Food Shelf Association | | | | | |
| How are the dollars allocated | | | | | |
| Funding is distributed to food shelf programs in proportion to the number of individuals served by each food shelf program. | | | | | |

Adolescent Parenting Grants

| | | | | | | |
|--|------|---------------------------------|-----------|--------------|----------------------|---------|
| Short Description | | | | | | |
| The purpose of this program is to improve the health and developmental outcome of children and adolescent parents. Participants in this program may be expectant parents, custodial parents, non custodial parents who are students age 21 or younger enrolled in a school district with an approved adolescent parenting program with children under age 5 that have not yet enrolled in kindergarten [1999 Laws of Minnesota, Chapter 162, Article 2]. | | | | | | |
| Five Year Funding History | | | | | | |
| | | ----- Actual Expenditures ----- | | | ----- Budgeted ----- | |
| | | FY 1997 | FY 1998 | FY 1999 | FY 2000 | FY 2001 |
| State Aid Total | \$ 0 | \$400,000 | \$400,000 | \$1,000,000* | \$0* | |
| * note = biennial appropriation | | | | | | |
| Other Funds -- None | | | | | | |
| Grantees – Minnesota school districts, groups of school districts, alternative learning programs or family service collaboratives | | | | | | |
| How are the dollars allocated to Grantees Competitive | | | | | | |

After School Enrichment Grants

| | | | | | | |
|---|-------------|---------------------------------|-------------|-------------|----------------------|---------|
| Short Description | | | | | | |
| The After School Enrichment Grant program aims to increase the involvement of at-risk youth in before-school, after-school and summer programming through partnerships that effectively utilize and build on existing community resources. [M.S. 124D.33] | | | | | | |
| Five Year Funding History | | | | | | |
| | | ----- Actual Expenditures ----- | | | ----- Budgeted ----- | |
| | | FY 1997 | FY 1998 | FY 1999 | FY 2000 | FY 2001 |
| State Aid Total | \$5,031,00 | \$4,795,000 | \$4,794,000 | \$5,060,000 | | |
| | \$5,060,000 | | | | | |
| Grantees -- community or non-profit organizations, individually or in collaboration | | | | | | |
| How are the dollars allocated to Grantees Funds are targeted to youth who are not involved in after-school programming and/ or struggling with academic success and/or have been involved with the criminal justice system. Neighborhoods in Minneapolis and St. Paul have also been identified in statute as priority funding areas. | | | | | | |

Male Responsibility Grants

Short Description

The Male Responsibility program provides support for the reduction in teen pregnancy and promotes fathering skills and education on the responsibilities of parenthood to youth. [119D.33]

Five Year Funding History

| | ----- Actual Expenditures ----- | | | ----- Budgeted ----- | |
|-----------------|---------------------------------|-----------|-----------|----------------------|----|
| | 1997 | FY 1998 | FY 1999 | FY 2000 | FY |
| 2001 | | | | | |
| State Aid Total | \$500,000 | \$250,000 | \$250,000 | \$250,000 | |
| \$250,000 | | | | | |

Other Funds -- None

Grantees – School districts, youth or parenting programs that collaborate with school districts.

How are the dollars allocated to Grantees

Competitive. A fifty percent non-state match is required

Other Family and Early Childhood Education Funds

Child Care Assistance Program Integrity Fund

State FY 2001 TANF appropriation is \$175,000. Funds for this program will allow CFL to supervise child care assistance programs administered by the counties by providing technical assistance including training and other support services to assist counties in planning for and implementing child care assistance programs. Program funding also establishes program integrity and fraud investigations hearings. [119B.02]

At-Home Infant Child Care Program (AHIC)

State FY 2001 allocation may be equal to up to 7 percent of the annual state appropriation for the Basic Sliding Fee program. This program allows families with infant children to receive a portion of their regular basic sliding fee child care subsidy, for up to 12 months, while staying at home with their infant children. [119.061]

Transitional Housing

State FY 2001 allocation is \$1,988,000. The Transitional Housing program provides homeless families and individuals a stable place to live and support services to learn self sufficiency skills. Housing and redevelopment authorities (HRAs), community action agencies (CAA), and other eligible non profit organizations may apply for these funds through a competitive request for proposal process. Although there is no allocation formula for transitional housing funds in statute, there is a requirement that at least one transitional housing programs be funded in the non-metropolitan area and at least two programs be funded in the seven-county metropolitan. In addition, \$1.9 million from TANF is also available in FY 2001. The TANF funds earmarked for transitional housing are limited to participants with an household income at or below 200 percent of the federal poverty guidelines and are allowed a maximum of up to 4 months of housing and must pay a portion of their rent. [119A.43 and Laws 2000, Ch. 489, Art. 4]

Emergency Services Grants

State FY 2001 allocation is \$972,000. The Emergency Services Grant program provides funds to cover operating costs, staff costs for case management, essential services for homeless persons and prevention activities [Minnesota Laws of 1997, Chapter 162, Article 3, Section 7].

Alcohol Impaired Driver Special Revenue Funds

State FY 2001 special revenue allocation is \$200,000 plus any carryover. Funds are designated for two purposes: (1) a match for a community collaborative project for youth and children by a regional organization; and (2) culturally appropriate substance abuse prevention grants for American Indian Youth. The first grant requires a two to one match of non-state dollars. [171.29, subd. 2 and 1999 Laws of Minnesota, Chapter 205, article 3.]

Abused Children Program

State FY 2001 allocation is \$945,000. The Abused Children Program awards grants to programs which provide abused children's services. Public or private non profit agencies may apply for these funds. Federal funds are also available under the Victims of Crime Act. [119A.20, 119A.21]

Children's Trust Fund

State FY 2001 allocation is \$225,000. The Children's Trust Fund is designed to help prevent child abuse and provide education, resources to local prevention organizations. In addition, special revenue funds of approximately \$667,000 annually is generated from a \$3 surcharge on birth certificates and interest earned on a trust account. Private non-profit and public agencies may apply for competitive Children's Trust Fund grants. Federal funds are also available. [119.12]

Lead Hazard Reduction Grant Program

State FY 2000-01 biennial general fund allocation is \$500,000. This grant to CLEARCorp is to be used for swab team services in geographic areas of the state where residents have a high risk of elevated blood levels. [119A.46]

Family Assets for Independence Program

State FY 2000-01 biennial allocation is \$500,000 to Ramsey Action Programs for matching grants to fiduciary organizations for the Family Assets for Independence program. This funding will provide a life-time savings match for low-income families to achieve an education, buy a home or start a business. The state will match \$1.50 for every \$1 of private money withdrawn from the family assets account. Federal demonstration grant funds may also be available [Laws 1999, Chapter 205, Article 4, section 8-11].

Family Visitation Facilities/Parenting Time Centers Program

State FY 2001 general fund and special revenue allocations for Family Visitation facilities are \$296,000. Family Visitation Facilities provide a facility for a healthy environment for parents that separated or divorced and for parents of children in foster homes to visit with their children. Local non profits may apply for these funds to use existing facilities as family visitation centers. [119A.37]

ABE Supplemental Service Grants

State FY 2001 general fund allocation of \$700,000 for grants to non profit organizations to provide services that are not offered by a district ABE program such as staff development and training for volunteers. [2000 Laws of MN, Ch. 489, Article 1, sec.17]

Cooperative Language Instruction Grants

State FY 2001 appropriation of \$250,000 from federal TANF funds for grants for the establishment of cooperative programs to teach English as a second language to adults and their children. Instruction shall be provided through prekindergarten programs, elementary and secondary schools, and the ABE program. At least two grants in the seven-county area and one grant outside the seven-county metro area shall be made. [2000 Laws of MN, Ch. 489, Article 1, sec.38]

Intensive ESL Grants

State FY 2001 appropriation of \$1,100,000 from federal TANF funds for a reimbursement grant program to fund intensive English as a second language (ESL) programs for TANF eligible adults who participate in the MFIP program. [2000 Laws of MN, Ch. 489, Article 1, sec.39]