

Department of Public Instruction - Budget No. 201
House Bill No. 1013
Base Level Funding Changes

	Executive Budget Recommendation				House Version				House Changes to Executive Budget Increase (Decrease) - Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
	89.25	\$1,721,161,137	\$812,553,743	\$2,533,714,880	89.25	\$1,721,161,137	\$812,553,743	\$2,533,714,880	0.00	\$0	\$0	\$0
2021-23 Ongoing Funding Changes												
Base payroll changes												
Salary increase		\$144,768	\$2,878	\$2,878								\$0
Retirement contribution increase		28,724	307,001	451,769		\$125,879	278,342	404,221		(18,889)	(28,659)	(47,548)
Health insurance increase		1,387	60,914	89,638		1,387	2,942	0		(28,724)	(60,914)	(89,638)
Transfers 3 FTE positions and related salaries of \$600,000 and operating expenses of \$100,000 to the Department of Human Services pursuant to House Bill No. 1416			2,942	4,329	(3.00)	(300,000)	(400,000)	4,329	(3.00)	(300,000)	(400,000)	(700,000)
Adjusts funding for professional fees related to accreditation support		(1,112,000)		(1,112,000)		(1,112,000)	1,112,000	0			1,112,000	1,112,000
Reduces funding for other professional fees		(83,293)		(83,293)		(83,293)		(83,293)				0
Increases funding for information technology fees		288,000		288,000		288,000		288,000				0
Adds funding for Microsoft Office 365 licensing expenses		2,495		2,495		2,495		2,495				0
Adds funding for proposed Capitol building rent model		137,450		137,450				0		(137,450)		(137,450)
Removes funding for ACT Aspire testing fees				0		(780,000)		(780,000)		(780,000)		(780,000)
Adjusts funding for the cost to continue integrated formula payments		14,022,304		14,022,304		(16,868,441)		(16,868,441)		(30,890,745)		(30,890,745)
Adjusts funding for state school aid formula changes pursuant to House Bill No. 1388				0		12,036,512		12,036,512		12,036,512		12,036,512
Adds funding related to the fiscal impact of increased participation in summer school related to House Bill No. 1436				0		1,300,000		1,300,000		1,300,000		1,300,000
Adds funding related to the fiscal impact of House Bill No. 1246 related to eliminating the deduction of tuition paid with federal impact aid				0		3,700,000		3,700,000		3,700,000		3,700,000
Adjusts the funding source for integrated formula payments to increase funding from the state tuition fund/common schools trust fund to provide a total of \$433 million		(55,256,000)	55,256,000	0		(55,256,000)	55,256,000	0				0
Increases funding for special education contract grants to provide a total of \$27 million from the general fund		3,000,000		3,000,000		3,000,000		3,000,000				0

Increases funding from federal funds related to a comprehensive literacy development grant				0				25,676,188	25,676,188					25,676,188	25,676,188
Removes funding for the program grant pool. The House adjusted funding for the program grant pool to provide a total of \$900,000	(1,500,000)			(1,500,000)		(600,000)			(600,000)		900,000			900,000	
Increases funding for adult education matching grants to provide a total of \$5 million				0		600,000			600,000		600,000			600,000	
Adds funding for advanced placement testing previously included in the program grant pool	425,000			425,000					0		(425,000)			(425,000)	
Adds funding for family engagement previously included in the program grant pool	350,000			350,000					0		(350,000)			(350,000)	
Increases funding for leadership professional development to provide a total of \$325,000 from the general fund	125,000			125,000					0		(125,000)			(125,000)	
Removes funding for leadership professional development				0		(200,000)			(200,000)					(200,000)	
Reduces funding for teacher mentoring grants to provide ongoing funding of \$1,806,899 from the general fund	(318,865)			(318,865)					0		318,865			318,865	
Reduces funding for other passthrough grants to provide a total of \$627,300 for various passthrough grants	(110,700)			(110,700)		(110,700)			(110,700)					0	
Adjusts funding for combined program grants and passthrough grants and provides funding from special funds available from carryover				0		(10,233,064)		10,233,064	0		(10,233,064)			10,233,064	0
Reduces funding for PowerSchool to provide a total of \$5,250,000 from the general fund	(250,000)			(250,000)		(250,000)			(250,000)					0	
Increases funding for national board certification to provide a total of \$176,290				0		68,290			68,290		68,290			68,290	
Total ongoing funding changes	0.00	(\$40,105,730)	\$55,629,735	\$15,524,005	(3.00)	(\$64,670,935)	\$92,161,414	\$27,490,479	(3.00)	(\$24,565,205)	\$36,531,679	\$11,966,474			
One-time funding items															
Adds one-time funding from the foundation aid stabilization fund to increase teacher mentoring support to provide a total of \$4,806,899, of which \$1,806,899 is ongoing funding			\$3,000,000	\$3,000,000				\$0			(\$3,000,000)	(\$3,000,000)			
Increases federal funding authority for elementary and secondary school emergency relief (ESSER) funds provided through the federal CARES Act and continued to the 2021-23 biennium, including operating expenses (\$2.5 million) and grants (\$25 million)			27,500,000	27,500,000				0			(27,500,000)	(27,500,000)			
Adjusts the funding source for integrated formula payments to provide additional one-time funding from the foundation aid stabilization fund for integrated formula payments, for a total of \$193 million from the foundation aid stabilization fund	(\$83,000,000)		83,000,000	0				0		83,000,000	(83,000,000)	0			

Other Sections in Department of Public Instruction - Budget No. 201		Executive Budget Recommendation	House Version
Condition on appropriation - Program and passthrough grants line item			Section 8 precludes federal funds from being used for adult education matching grants, school food services matching grants, program grant pool initiatives, and the mentoring program.
Regional education association grants		Section 6 would provide for the distribution of up to \$500,000 from the integrated formula payments line item for the purpose of providing annual grants to regional education associations during the 2021-23 biennium.	Section 9 provides for the distribution of up to \$500,000 from the integrated formula payments line item for the purpose of providing annual grants to regional education associations during the 2021-23 biennium. (This section was part of the base budget.)
Indirect cost allocation		Section 7 would provide that, notwithstanding Section 54-44.1-15, DPI may deposit indirect cost recoveries in its operating account. Section 54-44.1-15 otherwise provides that indirect cost recoveries be deposited in the general fund.	Section 10 provides that, notwithstanding Section 54-44.1-15, DPI may deposit indirect cost recoveries in its operating account. Section 54-4.1-15 otherwise provides that indirect cost recoveries be deposited in the general fund. (This section was part of the base budget.)
Fees deposited into the public instruction fund			Section 11 provides any money collected for GED fees and displaced homemakers deposits, must be deposited in the public instruction fund in the state treasury and may be spent subject to appropriation by the Legislative Assembly.
Exemption - Transfer - Public instruction fund			Section 12 provides if, after the Superintendent of Public Instruction complies with all statutory payment obligations imposed for the 2019-21 biennium, any money remains in the integrated formula payments line item in subdivision 1 of Section 1 of Chapter 38 of the 2019 Session Laws, the Office of Management and Budget must continue \$23,733,064 and transfer the funding to the public instruction fund for the purpose of providing program and passthrough grants during the 2021-23 biennium.
Exemption - Dyslexia screening pilot program			Section 13 provides if, after the Superintendent of Public Instruction complies with all statutory payment obligations imposed for the 2019-21 biennium, any money remains in the integrated formula payments line item in subdivision 1 of Section 1 of Chapter 38 of the 2019 Session Laws, up to \$250,000 must be continued into the 2021-23 biennium to continue a dyslexia screening pilot program.
Salary of the Superintendent of Public Instruction		Section 3 would provide the statutory changes to increase the Superintendent of Public Instruction's salary. The Superintendent's annual salary would increase from the current level of \$125,880 to \$128,398, effective July 1, 2021, and to \$130,966, effective July 1, 2022, to reflect a 2 percent recommended salary increase each year of the biennium.	Section 16 amends Section 15.1-02-02 to provide the statutory changes to increase the Superintendent of Public Instruction's salary. The Superintendent's annual salary would increase from the current level of \$125,880 to \$127,768, effective July 1, 2021, and to \$129,685, effective July 1, 2022, to reflect a 1.5 percent salary increase each year of the biennium.
School health technician certificate			Section 17 amends Section 15.1-02-16 to allow the Superintendent of Public Instruction to develop a certificate for school health technicians.
Elementary school counselors			Section 18 amends Section 15.1-06-19 related to school counselors to require each school district have one school counselor for every 300 students in kindergarten through grade 6.

Other Sections in Department of Public Instruction - Budget No. 201

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Reimbursement for administrative cost-sharing		Section 19 amends Section 15.1-27-16 to provide reimbursement for administrative cost-sharing.
Legislative Management study - School construction funding		Section 20 provides for a Legislative Management study of the feasibility and desirability of using up to 1 percent of common schools trust fund assets annually to be used for school construction grants.
Learning loss, accelerated learning recovery, ESSER funds - Report to Legislative Management		Section 21 requires the Superintendent of Public Instruction to collect school district reports regarding learning loss and gaps, school district plans to accelerate learning recovery, and uses of ESSER funding and to report to the Legislative Management.
Expiration - Administrative cost-sharing		Section 22 provides administrative cost-sharing reimbursement is effective through June 30, 2024.
State school aid program	Section 10 would provide the sum of \$2,112,224,733 included in the integrated formula payments line item is calculated based on a per student payment rate of \$10,036 for both years of the 2021-23 biennium.	
Grants - Passthrough grants distribution	Section 11 would require no more than one-half of the passthrough grants provided to the department may be distributed during the 1st year of the biennium.	
Foundation aid stabilization fund transfer	Section 12 would require the Office of Management and Budget transfer, on a quarterly basis, a total of \$193 million from the foundation aid stabilization fund to the operating fund of DPI for the purpose of providing integrated formula payments.	
State school aid formula changes	Sections 13 and 14 would provide the statutory changes to the state school aid formula included in the executive budget recommendation. Statutory changes include: <ul style="list-style-type: none">• Integrated per student payment rates will remain \$10,036 during both years of the 2021-23 biennium, the same as the 2nd year of the 2019-21 biennium;• Transition maximum and minimum calculations are the same during both years of the 2021-23 biennium as they were during the 2nd year of the 2019-21 biennium; and• Local revenues deducted in the state school aid formula are reduced by the percentage of mills levied in 2020 for sinking and interest relative to the total mills levied in 2020 by the school district for all purposes.	

