

**FOUNDATION AID, OTHER GRANTS, DEPARTMENT OF PUBLIC INSTRUCTION ADMINISTRATION, AND DIVISION OF INDEPENDENT
STUDY COMPARISON OF 2001-03 EXECUTIVE BUDGET TO 1999-2001 APPROPRIATION AND ESTIMATED EXPENDITURES**

	1999-2001 Appropriation\1	1999-2001 Estimated Expenditures\2	2001-03 Executive Budget	2001-03 Executive Budget Increase (Decrease) Compared to 1999-2001 Estimated Expenditures	2001-03 Executive Budget Increase (Decrease) Compared to 1999-2001 Appropriation
Foundation aid					
Statutory per student payments	\$520,678,909	\$516,406,104	\$532,704,091	\$16,297,987	\$12,025,182
Less mill deduct (32 mills) and excess fund balance deduct	78,072,650	78,069,217	83,611,330	5,542,113	5,538,680
General fund per student payments	\$442,606,259	\$438,336,887	\$449,092,761	\$10,755,874	\$6,486,502
Limited English proficient student payments	400,000	400,000	450,000	50,000	50,000
Transportation payments	36,000,000	35,146,101	36,000,000	853,899	
Total foundation aid regular distributions - General fund	\$479,006,259	\$473,882,988	\$485,542,761	\$11,659,773	\$6,536,502
Foundation aid contingent distributions		5,123,271 \3		(5,123,271)	
Total foundation aid - General fund	\$479,006,259	\$479,006,259	\$485,542,761	\$6,536,502	\$6,536,502
Other grants - General fund					
Special education	\$46,600,000	\$46,600,000	\$51,260,000	\$4,660,000	\$4,660,000
ADM and declining enrollment payments (1999 SB 2162)	3,500,000	3,500,000		(3,500,000)	(3,500,000)
Supplemental payments	3,100,000	2,679,162 \4	3,450,000	770,838	350,000
Teacher center network	210,000	210,000	210,000		
School food services	1,080,000	1,080,000	1,080,000		
Adult education grants	900,000	900,000	900,000		
Educational Telecommunications Council grants	6,000,000	6,000,000	\5	(6,000,000)	(6,000,000)
LEAD consortium	200,000	200,000	200,000		
Governor's school	145,000	145,000	205,000	60,000	60,000
Geographic education	50,000	50,000	50,000		
SENDIT computer network	496,669	496,669	\6	(496,669)	(496,669)
National board certification	20,000	20,000	33,000	13,000	13,000
Quality schools commission			575,192 \7	575,192	575,192
FINDET	23,780	23,780	33,117	9,337	9,337
Total other grants - General fund	\$62,325,449	\$61,904,611	\$57,996,309	(\$3,908,302)	(\$4,329,140)
Total foundation aid and other grants - General fund	\$541,331,708	\$540,910,870	\$543,539,070	\$2,628,200	\$2,207,362
Other grants - Other funds					
Federal grants	\$134,530,636	\$135,290,636	\$146,527,146	\$11,236,510	\$11,996,510
State tuition fund	53,528,217	57,275,123	67,239,025 \8	9,963,902	13,710,808
Displaced homemaker program	229,247	229,247	240,000	10,753	10,753
SENDIT computer network	50,000	50,000		(50,000)	(50,000)

	1999-2001 Appropriation ¹	1999-2001 Estimated Expenditures ²	2001-03 Executive Budget	2001-03 Executive Budget Increase (Decrease) Compared to 1999-2001 Estimated Expenditures	2001-03 Executive Budget Increase (Decrease) Compared to 1999-2001 Appropriation
Total other grants - Other funds	\$188,338,100	\$192,845,006	\$214,006,171	\$21,161,165	\$25,668,071
Total other grants - All funds	\$250,663,549	\$254,749,617	\$272,002,480	\$17,252,863	\$21,338,931
Total foundation aid and other grants - All funds	\$729,669,808	\$733,755,876	\$757,545,241	\$23,789,365	\$27,875,433
Agency administration (excluding Division of Independent Study)					
Administration (salaries, operating, equipment) - General fund	\$4,860,228	\$5,114,771 ¹²	\$6,487,498	\$1,372,727	\$1,627,270
Administration (salaries, operating, equipment) - Other funds	11,724,030	12,530,533 ¹²	18,565,534	6,035,001	6,841,504
Total agency administration - All funds	\$16,584,258	\$17,645,304 ¹²	\$25,053,032	\$7,407,728	\$8,468,774
Division of Independent Study					
Salaries, operating, equipment - General fund	\$861,973	\$677,830 ¹²	\$767,916	\$90,086	(\$94,057)
Salaries, operating, equipment - Other funds	4,207,043	4,377,009 ¹²	4,418,250	41,241	211,207
Capital projects - General fund			27,500	27,500	27,500
Capital projects - Other funds			27,500	27,500	27,500
Total Division of Independent Study - All funds ⁹	\$5,069,016	\$5,054,839 ¹²	\$5,241,166	\$186,327	\$172,150
Total Department of Public Instruction - All funds	\$751,323,082	\$756,456,019	\$787,839,439	\$31,383,420	\$36,516,357
General fund	\$547,053,909	\$546,703,471	\$550,821,984	\$4,118,513	\$3,768,075
Other funds	204,269,173	209,752,548	237,017,455	27,264,907	32,748,282
Total	<u>\$751,323,082</u>	<u>\$756,456,019</u>	<u>\$787,839,439</u>	<u>\$31,383,420</u>	<u>\$36,516,357</u>
FTE	131.95	131.95	131.95		

¹ 1999-2001 appropriation - The 1999-2001 appropriation amounts include \$191,664, of which \$67,082 is from the general fund, for the agency's share of the \$5.4 million funding pool appropriated to the Office of Management and Budget (OMB) for special market equity adjustments for classified employees and \$7,902, of which \$1,182 is from the general fund, for the agency's share of the \$1.4 million funding pool appropriated to OMB for assisting agencies in providing \$35 per month minimum salary increases in July 1999 and July 2000.

The 1999-2001 appropriation amounts do not include additional other funds spending authority of \$1,736,469 authorized by the Emergency Commission during the 1999-2001 biennium and general fund spending authority of \$70,400 carried over from the 1997-99 biennium pursuant to Section 12 of 1999 Senate Bill No. 2013.

¹² 1999-2001 estimated expenditures - The amounts shown have been adjusted to reflect the following amounts:

\$70,400 from the general fund for operating expenses carried over from the 1997-99 biennium pursuant to Section 12 of 1999 Senate Bill No. 2013.

\$976,469 from other funds for salaries and wages, operating expenses, and equipment authorized by the Emergency Commission.

\$760,000 from other funds for grants authorized by the Emergency Commission.

\$3,746,906 from the state tuition fund anticipated to be distributed in addition to the legislative appropriation.

(\$420,838) from the general fund for supplemental payment grants not anticipated to be distributed during the 1999-2001 biennium.

- ¹³ Contingent foundation aid distributions - Senate Bill No. 2162 (1999) provides that if any of the funds appropriated by the 1999 Legislative Assembly for foundation aid remain unspent after all statutory obligations have been met, the remaining funds shall be distributed as follows:
1. The first \$1 million as supplemental payments on the basis of average daily membership (ADM).
 2. The second \$1 million to assist school districts that have experienced declining enrollment.
 3. The next \$2 million to school districts eligible to receive reorganization bonuses pursuant to Senate Bill No. 2441.
 4. Any remaining amount as supplemental payments on the basis of ADM.
- ¹⁴ Supplemental payments - The 1999 Legislative Assembly appropriated \$3.1 million for supplemental payments to school districts that are below the statewide average taxable property valuation per student and below the statewide average educational expenditure per student, as provided in North Dakota Century Code Section 15-40.1-07.8. The formula provided in Section 15-40.1-07.8 does not provide a mechanism to distribute any appropriated funds remaining unspent after the formula distributions.
- The department estimates that \$420,838 will remain unspent at the end of the 1999-2001 biennium, primarily as a result of the Grand Forks district not qualifying for payments due to educational expenditures per student being in excess of the state average. In the three previous fiscal years, the Grand Forks district qualified for payments of \$336,000 to \$412,000 per year.
- ¹⁵ Educational Telecommunications Council grants - The 2001-03 biennium executive recommendation includes \$3.5 million from the general fund for Educational Telecommunications Council grants. The appropriation is included in the executive budget for the Information Technology Department.
- ¹⁶ SENDIT computer network - The 2001-03 biennium executive recommendation includes \$1,973,669 from the general fund for grants to the SENDIT network. The appropriation is included in the executive recommendation for the Information Technology Department.
- ¹⁷ Quality Schools Commission - This amount is to be transferred to the quality schools fund and is appropriated to the Quality Schools Commission for the 2001-03 biennium for expenses of the commission in implementing a quality assessment process for North Dakota elementary and secondary schools.
- ¹⁸ State tuition fund - The executive recommendation includes the distribution of \$67.2 million from the state tuition fund, \$13.7 million more than the amount appropriated by the 1999 Legislative Assembly. The 2001-03 executive recommendation amount is based on the assumption that the Board of University and School Lands will distribute all income relating to tobacco settlement moneys which have been or will be deposited in the common schools trust fund.
- ¹⁹ Division of Independent Study - The amounts shown for the Division of Independent Study do not include grants distributed by the division. Grants distributed by the division are included in the "other grants" section of this schedule.