

**STATE SCHOOL AID, OTHER GRANTS, AND DEPARTMENT OF PUBLIC INSTRUCTION ADMINISTRATION
COMPARISON OF 2001-03 APPROPRIATION AND ESTIMATED EXPENDITURES TO 2003-05 EXECUTIVE BUDGET AND LEGISLATIVE VERSIONS**

					2003-05 Appropriation Increase (Decrease) Compared to 2001-03 Appropriation	2003-05 Appropriation Increase (Decrease) Compared to 2001-03 Estimated Expenditures	2003-05 Appropriation Increase (Decrease) Compared to 2003-05 Executive Budget
	2001-03 Appropriation ¹	2001-03 Estimated Expenditures ²	2003-05 Executive Budget	2003-05 Appropriation			
State school aid							
Statutory per student payments	\$522,264,541	\$521,908,813	\$534,667,340	\$555,800,961	\$33,536,420	\$33,892,148	\$21,133,621
Less mill deduct and excess fund balance deduct	84,942,893	84,775,142	92,460,350	101,870,971	16,928,078	17,095,829	9,410,621
General fund per student payments	<u>\$437,321,648</u>	<u>\$437,133,671</u>	<u>\$442,206,990</u>	<u>\$453,929,990</u>	<u>\$16,608,342</u>	<u>\$16,796,319</u>	<u>\$11,723,000</u>
Limited English proficient student payments	650,000	586,765	650,000	650,000		63,235	
Transportation payments	36,000,000	34,972,560	35,200,000	34,800,000	(1,200,000)	(172,560)	(400,000)
Total state school aid regular distributions - General fund	<u>\$473,971,648</u>	<u>\$472,692,996</u>	<u>\$478,056,990</u>	<u>\$489,379,990</u>	<u>\$15,408,342</u>	<u>\$16,686,994</u>	<u>\$11,323,000</u>
State school aid contingent distributions		1,278,652 ³				(1,278,652)	
Total state school aid - General fund	<u>\$473,971,648</u>	<u>\$473,971,648</u> ⁴	<u>\$478,056,990</u>	<u>\$489,379,990</u>	<u>\$15,408,342</u>	<u>\$15,408,342</u>	<u>\$11,323,000</u>
Other grants - General fund							
Teacher compensation payments	\$35,036,000	\$34,790,970	\$66,277,000	\$51,854,000	\$16,818,000	\$17,063,030	(\$14,423,000)
Teacher compensation contingent distributions		245,030 ⁵				(245,030)	
Special education	49,898,695	49,898,695 ⁴	49,898,695	49,898,695			
Revenue supplement payments	2,200,000		3,200,000	5,000,000	2,800,000	2,800,000	1,800,000
Reorganization bonuses and joint powers incentives	1,665,000	1,314,000	1,000,000	500,000	(1,165,000)	(814,000)	(500,000)
Hold harmless payments			1,200,000				(1,200,000)
Teacher center network	220,000	217,690	220,000	230,000	10,000	12,310	10,000
School food services	1,080,000	1,080,000	1,080,000	1,080,000			
Adult education grants	900,000	900,000	900,000	920,000	20,000	20,000	20,000
Leadership in educational administration development consortium	215,000	212,742	215,000	215,000		2,258	
Governor's School	205,000	205,000	225,000	225,000	20,000	20,000	
Geographic education	100,000	100,000			(100,000)	(100,000)	
National board certification	41,500	23,000			(41,500)	(23,000)	
National writing project				48,000	48,000	48,000	48,000
Rural art outreach project				125,000	125,000	125,000	125,000
FINDET	33,117	32,770	33,117	33,117		347	
Total other grants - General fund	<u>\$91,594,312</u>	<u>\$91,219,897</u>	<u>\$124,248,812</u>	<u>\$110,128,812</u>	<u>\$18,534,500</u>	<u>\$18,908,915</u>	<u>(\$14,120,000)</u>
Total state school aid and other grants - General fund	<u>\$565,565,960</u>	<u>\$565,191,545</u>	<u>\$602,305,802</u>	<u>\$599,508,802</u>	<u>\$33,942,842</u>	<u>\$34,317,257</u>	<u>(\$2,797,000)</u>
Other grants - Other funds							
Federal grants	\$156,527,146	\$151,956,058	\$178,989,127	\$179,139,127	\$22,611,981	\$27,183,069	\$150,000
State tuition fund	67,239,025	67,239,025	69,495,371	69,495,371	2,256,346	2,256,346	
Displaced homemaker program	240,000	240,000	240,000	240,000			
Total other grants - Other funds	<u>\$224,006,171</u>	<u>\$219,435,083</u>	<u>\$248,724,498</u>	<u>\$248,874,498</u>	<u>\$24,868,327</u>	<u>\$29,439,415</u>	<u>\$150,000</u>
Total other grants - All funds	<u>\$315,600,483</u>	<u>\$310,654,980</u>	<u>\$372,973,310</u>	<u>\$359,003,310</u>	<u>\$43,402,827</u>	<u>\$48,348,330</u>	<u>(\$13,970,000)</u>
Total state school aid and other grants - All funds	<u>\$789,572,131</u>	<u>\$784,626,628</u>	<u>\$851,030,300</u>	<u>\$848,383,300</u>	<u>\$58,811,169</u>	<u>\$63,756,672</u>	<u>(\$2,647,000)</u>

Agency administration (excluding Division of Independent Study)

Administration (salaries, operating, equipment) - General fund	\$6,197,694	\$6,069,230	\$5,859,233	\$5,216,204	(\$981,490)	(\$853,026)	(\$643,029)
Administration (salaries, operating, equipment) - Other funds	18,767,388	18,822,226	17,256,144	17,184,305	(1,583,083)	(1,637,921)	(71,839)
Total agency administration - All funds	<u>\$24,965,082</u>	<u>\$24,891,456</u>	<u>\$23,115,377</u>	<u>\$22,400,509</u>	<u>(\$2,564,573)</u>	<u>(\$2,490,947)</u>	<u>(\$714,868)</u>

Total Department of Public Instruction - All funds

	<u>\$814,537,213</u>	<u>\$809,518,084</u>	<u>\$874,145,677</u>	<u>\$870,783,809</u>	<u>\$56,246,596</u>	<u>\$61,265,725</u>	<u>(\$3,361,868)</u>
General fund	\$571,763,654	\$571,260,775	\$608,165,035	\$604,725,006	\$32,961,352	\$33,464,231	(\$3,440,029)
Other funds	242,773,559	238,257,309	265,980,642	266,058,803	23,285,244	27,801,494	78,161
Total	<u>\$814,537,213</u>	<u>\$809,518,084</u>	<u>\$874,145,677</u>	<u>\$870,783,809</u>	<u>\$56,246,596</u>	<u>\$61,265,725</u>	<u>(\$3,361,868)</u>

FTE	95.25	95.25	93.25	93.25	(2.00)	(2.00)	
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- 11 2001-03 appropriation - The 2001-03 appropriation amounts include \$125,714, of which \$43,860 is from the general fund, for the agency's share of the \$5 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for classified employees, and \$10,000,000 of federal funds authorized by the 2003 Legislative Assembly for the 2001-03 biennium.

The 2001-03 appropriation amounts do not include a reduction of \$6,003,518 relating to the 1.05 percent budget allotment ordered by Governor Hoeven in July 2002. Pursuant to Article X, Section 24, of the Constitution of North Dakota, the portion of the budget allotment relating to state school aid and special education payments, \$5,500,639, was restored from the foundation aid stabilization fund. In addition, the 2001-03 appropriation amounts do not include additional other funds spending authority of \$5,483,750 authorized by the Emergency Commission through March 2002.

- 12 2001-03 estimated expenditures - The amounts shown have been adjusted to reflect:

A reduction of \$6,003,518 relating to the 1.05 percent budget allotment ordered by Governor Hoeven in July 2002. Due to the budget allotment, the general fund support for state school aid and special education payments was reduced by \$5,500,639; however, the funding was replaced with money available in the foundation aid stabilization fund pursuant to Article X, Section 24, of the Constitution of North Dakota, and is reflected as general fund expenditures on this schedule for comparative purposes. An additional \$5,483,750 of other funds spending authority for salaries and wages, operating expenses, and other grants are authorized by the Emergency Commission through March 2002.

- 13 Contingent state school aid distributions - House Bill No. 1344 (2001) provides that if any of the funds appropriated by the 2001 Legislative Assembly for per student state school aid and transportation aid remain unspent after all statutory obligations have been met, the remaining funds shall be distributed as follows:

The first \$2 million as payments for declining enrollment experienced during the period 1997-98 to 2000-01.

The second \$2 million as "hold harmless" payments to districts that receive less during the 2001-03 biennium in state aid and teacher compensation payments than they would have received if the amount appropriated for teacher compensation payments had been added to the state aid appropriation.

Any remaining amount as additional per student payments.

- 14 State school aid and special education - The estimated total state school aid and special education payments for the 2001-03 biennium are \$523,870,343, of which approximately \$5,500,639 will be paid from the foundation aid stabilization fund. The general fund support for state school aid and special education payments was reduced by \$5,500,639 through the 1.05 percent budget allotment ordered by Governor Hoeven in July 2002; however, the funding was replaced with money available in the foundation aid stabilization fund pursuant to Article X, Section 24, of the Constitution of North Dakota.

- 15 Teacher compensation contingent distributions - House Bill No. 1344 (2001) provides that any end-of-biennium undistributed balance in the teacher compensation payments appropriation will be distributed as additional per student payments.