

**STATE SCHOOL AID, OTHER GRANTS, AND DEPARTMENT OF PUBLIC INSTRUCTION ADMINISTRATION
COMPARISON OF 2003-05 APPROPRIATION AND ESTIMATED EXPENDITURES TO 2005-07 EXECUTIVE BUDGET AND LEGISLATIVE VERSIONS**

	<u>2003-05 Legislative Appropriation \1</u>	<u>2003-05 Estimated Expenditures \3</u>	<u>2005-07 Executive Budget</u>	<u>2005-07 Legislative Appropriation</u>	<u>2005-07 Appropriation Increase (Decrease) Compared to 2003-05 Appropriation</u>	<u>2005-07 Appropriation Increase (Decrease) Compared to 2003-05 Estimated Expenditures</u>	<u>2005-07 Appropriation Increase (Decrease) Compared to 2005-07 Executive Budget</u>
State school aid							
General fund per student payments	\$453,929,990	\$450,709,200	\$476,703,759	\$483,403,759	\$29,473,769	\$32,694,559	\$6,700,000
Limited English proficient student payments	650,000	650,000	650,000	650,000			
Transportation payments	34,800,000	34,732,708	34,800,000	33,500,000	(1,300,000)	(1,232,708)	(1,300,000)
Total state school aid regular distributions - General fund	\$489,379,990	\$486,091,908	\$512,153,759	\$517,553,759	\$28,173,769	\$31,461,851	\$5,400,000
State school aid contingent distributions		3,288,082 ^{\4}				(3,288,082)	
Total state school aid - General fund	\$489,379,990	\$489,379,990	\$512,153,759	\$517,553,759	\$28,173,769	\$28,173,769	\$5,400,000
Other grants - General fund							
Teacher compensation payments	\$51,854,000	\$51,378,738	\$50,912,120	\$50,912,120	(\$941,880)	(\$466,618)	
Teacher compensation contingent distributions		475,262 ^{\5}				(475,262)	
Special education	49,898,695	49,898,695	52,500,000	52,500,000	2,601,305	2,601,305	
Revenue supplement payments	5,000,000	5,000,000	7,500,000	5,000,000			(2,500,000)
Reorganization bonuses	500,000	500,000	500,000	759,000	259,000	259,000	259,000
Joint powers agreement incentives			2,000,000	1,000,000	1,000,000	1,000,000	(1,000,000)
Teacher center network	230,000	230,000	230,000	230,000			
School food services	1,080,000	1,080,000	1,080,000	1,080,000			
Adult education grants	920,000	920,000	920,000	1,055,000	135,000	135,000	135,000
LEAD Consortium	215,000	215,000	236,500	235,000	20,000	20,000	(1,500)
Governor's School	225,000	225,000	270,000	270,000	45,000	45,000	
National writing projects	48,000	48,000	88,000	88,000	40,000	40,000	
Rural art outreach project	125,000	125,000	250,000	250,000	125,000	125,000	
FINDET	33,117	33,117	33,117	33,117			
National board certification	40,000	40,000	40,000	40,000			
Total other grants - General fund	\$110,168,812	\$110,168,812	\$116,559,737	\$113,452,237	\$3,283,425	\$3,283,425	(\$3,107,500)
Total state school aid and other grants - General fund	\$599,548,802	\$599,548,802	\$628,713,496	\$631,005,996	\$31,457,194	\$31,457,194	\$2,292,500
Other grants - Other funds							
Federal grants	\$209,139,127	\$209,139,127	\$204,517,966	\$204,517,966	(\$4,621,161)	(\$4,621,161)	
State tuition fund	69,495,371	69,292,124	71,600,000	71,600,000	2,104,629	2,307,876	
Displaced homemaker program	240,000	240,000	240,000	240,000			
Total other grants - Other funds	\$278,874,498	\$278,671,251	\$276,357,966	\$276,357,966	(\$2,516,532)	(\$2,313,285)	
Total other grants - All funds	\$389,043,310	\$388,840,063	\$392,917,703	\$389,810,203	\$766,893	\$970,140	(\$3,107,500)
Total state school aid and other grants - All funds	\$878,423,300	\$878,220,053	\$905,071,462	\$907,363,962	\$28,940,662	\$29,143,909	\$2,292,500
Agency administration							
Administration (salaries, operating, equipment) - General fund	\$5,216,204	\$5,206,204	\$5,431,444	\$5,437,591	\$221,387	\$231,387	\$6,147
Administration (salaries, operating, equipment) - Other funds	17,184,305	17,184,305	19,518,706	19,541,669	2,357,364	2,357,364	22,963
Total agency administration - All funds	\$22,400,509	\$22,390,509	\$24,950,150	\$24,979,260	\$2,578,751	\$2,588,751	\$29,110
Total Department of Public Instruction - All funds	<u>\$900,823,809</u>	<u>\$900,610,562</u>	<u>\$930,021,612</u>	<u>\$932,343,222</u>	<u>\$31,519,413</u>	<u>\$31,732,660</u>	<u>\$2,321,610</u>

General fund	\$604,765,006	\$604,755,006	\$634,144,940	\$636,443,587	\$31,678,581	\$31,688,581	\$2,298,647
Other funds	296,058,803	295,855,556	295,876,672	295,899,635	(159,168)	44,079	22,963
Total	<u>\$900,823,809</u>	<u>\$900,610,562</u>	<u>\$930,021,612</u>	<u>\$932,343,222</u>	<u>\$31,519,413</u>	<u>\$31,732,660</u>	<u>\$2,321,610</u>
FTE	92.75	92.75	92.75	92.75			

11 2003-05 appropriation - The 2003-05 appropriation amounts:

Include \$40,000 appropriated from the general fund to the Education Standards and Practices Board for the purpose of procuring federal matching grants to provide for the national board certification of teachers.

Do not include \$105,000 of general fund carryover authority from the 2001-03 biennium authorized by the 2003 Legislative Assembly to be used in conjunction with special funds received by the department for the purpose of providing a grant to fund the North Central Council of School TV licensing of educational television programs for classroom use by North Dakota elementary and secondary schools.

Include \$30 million of federal funds appropriated to the Department of Public Instruction for providing grants to school districts authorized in Section 6 of House Bill No. 1013.

12 The number of FTE positions for the 2003-05 biennium has been adjusted to reflect the reduction and transfer of a .5 FTE position relating to information technology services, including electronic mail, file and print server administration, data base administration, storage, application server, and hosting services from the Department of Public Instruction to the Information Technology Department as of November 1, 2003, provided for in Section 10 of House Bill No. 1505.

13 2003-05 estimated expenditures - The 2003-05 estimated expenditures:

Include \$40,000 appropriated from the general fund to the Education Standards and Practices Board for the purpose of procuring federal matching grants to provide for the national board certification of teachers.

Do not include \$105,000 of general fund carryover authority from the 2001-03 biennium authorized by the 2003 Legislative Assembly to be used in conjunction with special funds received by the department for the purpose of providing a grant to fund the North Central Council of School TV licensing of educational television programs for classroom use by North Dakota elementary and secondary schools.

Include \$30 million of federal funds appropriated to the Department of Public Instruction for providing grants to school districts authorized in Section 6 of House Bill No. 1013.

14 Contingent state school aid distributions - Senate Bill No. 2421 (2003), as amended by the 2005 Legislative Assembly in House Bill No. 1311, provides that if any funds appropriated for per student and transportation aid payments remain unspent after all statutory obligations are met, the Department of Public Instruction shall distribute the funds as follows:

The first \$119,910 for the purpose of reimbursing eligible school districts that received reduced amounts of state aid during the second year of the 2003-05 biennium because the district's general fund levy fell below 140 mills as the result of a reorganization or the dissolution of a contiguous district.

The next \$250,000 for providing reimbursements to the chief administrators of joint powers agreements.

The next \$1 million for providing reorganization bonuses, pursuant to North Dakota Century Code Section 15.1-12-11.1, to school districts having reorganizations effective after July 1, 2003, and before July 1, 2005.

Any remaining amounts as additional per student payments on a prorated basis according to the average daily membership of school districts during the 2004-05 school year.

15 Contingent teacher compensation payments - Senate Bill No. 2421 (2003) provides that if any funds appropriated for teacher compensation payments remain unspent after all statutory obligations are met, the Department of Public Instruction shall distribute "hold harmless" payments to school districts. The payments will be calculated as follows:

The department must calculate the difference between the following:

Option A - The total payments the district will receive during the 2003-05 biennium for per student payments at the rates of \$2,509 and \$2,623 and teacher compensation payments, as appropriated by the Legislative Assembly.

Option B - The total payments the district would have received during the 2003-05 biennium for per student payments if the rates had included the total amount appropriated for teacher compensation payments.

If the amount a district would have received under Option B above exceeds the amount a district is estimated to receive under Option A, the department must calculate the difference and pay that amount to the district on or before June 30, 2005. If sufficient funds are available to make all of the payments required by this section, the department shall prorate the available amount among the eligible districts.

If any money remains after completing the payment requirements of subsections 1 and 2, the department shall use the remaining money to provide additional per student payments on a prorated basis according to the average daily membership of school districts during the 2004-05 school year.