

# ELEMENTARY AND SECONDARY EDUCATION - SUMMARY OF KEY RECOMMENDATIONS

## STATE SCHOOL AID

The 2009-11 biennium executive budget recommendation provides funding of \$891,125,879, of which \$805,625,879 is from the general fund and \$85,500,000 is from the state tuition fund for the state school aid program. This level of funding represents an increase of \$110.3 million, of which \$101 million is from the general fund and \$9.3 million is from the state tuition fund, from the 2007-09 legislative appropriation of \$780,765,879.

The executive budget recommendation for the state school aid program follows the recommendations of the North Dakota Commission on Education Improvement, a commission created by the Governor in January 2006 pursuant to an Agreement to Stay Litigation executed by nine North Dakota school districts. The nine districts filed a complaint in district court requesting that the state's public school finance system be declared unconstitutional. The Agreement to Stay Litigation called for the creation of the Commission on Education Improvement to examine the current system of delivering and financing public elementary and secondary education and to provide recommendations on how to improve the current system of delivering and financing public elementary and secondary education. The Commission on Education Improvement was reauthorized by the 2007 Legislative Assembly and directed to make recommendations regarding educational adequacy and other matters that could result in the further improvement of elementary and secondary education in North Dakota.

The executive budget recommendation for the state school aid program:

- Includes a new weighting factor for students considered at risk of failing if they do not receive additional services.
- Includes three separate weighting factors for English language learner students based on the scores achieved on a proficiency test approved by the Department of Public Instruction.
- Discontinues the minimum 160 mill levy offset.
- Provides for minimum and maximum funding increases per student, based on the 2006-07 school year, as follows:

Year	Minimum Percentage of Baseline Funding	Maximum Percentage of Baseline Funding
2006-07 (baseline)	100.0%	100.0%
2007-08	103.5%	107.0%
2008-09	106.0%	110.0%
2009-10 (recommendation)	108.5%	119.0%
2010-11 (recommendation)	111.5%	126.0%

- Provides for the addition of a prekindergarten factor in the main school funding formula for any school district that provides at least one-half day of education to four-year-olds at least two times per week beginning with the 2010-11 school year.

- Includes \$400,000 for base payments to regional education associations and the addition of a factor in the school funding formula for distributing support to school districts participating in regional education associations.
- Continues equity payments guaranteeing a local tax base per student equal to no less than 90 percent of the statewide average tax base per student.
- Continues state support for full-day kindergarten programs.

The recommended funding of \$891,125,879 is summarized as follows:

Per student formula payments	\$837,125,879
Transportation aid payments	38,500,000
Special education - Contracts	15,500,000
Total	\$891,125,879

## ONE-TIME FUNDING

The executive budget includes \$625,000 of one-time general fund appropriations to the Department of Public Instruction for a grant to the North Dakota Geographic Alliance for funds necessary to match funds available from the National Geographic Society (\$125,000) and for one-time programming changes to the department's state automated reporting system computer application used to gather school district information (\$500,000).

## OTHER RECOMMENDATIONS

The executive budget recommendation also provides for:

- **Governor's School program** - Provides \$365,000 from the general fund for support of the Governor's School program, an increase of \$45,000 from the 2007-09 biennium appropriation of \$320,000.
- **National writing projects** - Provides \$108,000 from the general fund for the Red River Valley Writing Project and the Northern Plains Writing Project, the same level of funding provided in the 2007-09 biennium.
- **North Dakota Museum of Art** - Provides \$345,000 from the general fund for support of the North Dakota Museum of Art educational outreach initiative, an increase of \$50,000 from the 2007-09 biennium appropriation of \$295,000.
- **North Dakota LEAD Center** - Provides \$260,000 from the general fund for support of the North Dakota LEAD Center, an increase of \$15,000 from the 2007-09 biennium appropriation of \$245,000.
- **Mentorship grant program** - Provides \$2,300,000 from the general fund for a new mentorship grant program to provide training to new teachers.
- **Instructional coaching** - Provides \$500,000 from the general fund to support three new pilot programs in instructional coaching.

- **Other grants** - Increases federal funding for other grants by approximately **\$13.2 million**, or 5.9 percent, from the 2007-09 appropriation of \$224 million, due to increases in the Early Reading First grant (\$4.5 million), school food and nutrition program (\$3 million), and Title I basic grants (\$9.5 million).
- **Deferred maintenance** - Provides a contingent appropriation from the general fund of \$10 million for deferred maintenance, if the June 30, 2011, general fund balance is projected by the Office of Management and Budget to exceed the official forecast by \$30 million.
- **Property tax relief initiative** - Provides a separate distribution of an estimated \$300 million from the permanent oil tax trust fund through the school funding formula for mill levy reduction and property tax relief. These distributions are to reduce the amount of money school districts need to raise locally through property taxes. Districts will be required to provide a dollar-for-dollar reduction in local taxes for each dollar received.