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Education

http://education.state.mn.us/mde/index.html

Agency Profile

Mission:

Leading for educational excellence. Every day for Everyone.

Statewide Outcome(s):

Education supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

Minnesota Department of Education (MDE) strives to improve educational achievement by establishing clear standards, measuring performance, assisting educators, and increasing opportunities for lifelong learning. MDE strives to be an innovative education agency, assisting schools, families, and other education providers with exemplary services that result in high academic achievement for all students, pre-kindergarten to grade 12, and adult learners.

Strategies:

MDE focuses to improve teacher quality by developing teacher and principal evaluations as a model for individual districts. The new accountability system measures overall student performance and allows for a fairer, more accurate and supportive model. Regional centers of excellence provide strategic support and strategies to schools identified under the accountability model. Quality early education makes a profound difference in students. MDE has a strategic focus on early education by creating an Office of Early Learning, aligning with other agencies through the Children's Cabinet, and led a private/public collaboration to submit a successful Race to the Top Grant which directs $45 million to targeted early education. MDE successfully submitted a federal grant to design and implement high quality charter schools. In conjunction with the Office of Higher Education, MDE staged the first college application week. In order to strategically deliver resources to districts MDE has convened a working group on education finance reform that works with stakeholders to successfully develop a finance model that is built for the changing needs of Minnesota students and families.

Measuring Success:

MDE is able to measure accomplishments of students through our Multiple Measurements Rating (MMR) which measures; proficiency, growth, achievement gap, and graduation rates. Through the MMR the agency is able to target resources and strategies, while still working with communities to help provide the best outcomes for individual schools. Minnesota was included in the first group of states to have a successful No Child Left Behind (NCLB) waiver and through our new accountability system have already been able to identify increased achievement overall, while still identifying areas most in need. Minnesota has long had one of the worst achievement gaps in the country which is measured through the National Assessment of Educational Progress (NAEP). The goal of the MMR, and the accountability system is to close the achievement gap while still increasing proficiency.

Education
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$15,190,626	$84,945	$1,583,496	$16,859,067
Current Law Expenditures (FY 2014-15)	$15,142,645	$76,663	$1,570,929	$16,790,238
Governor's Recommended Expenditures (FY2014-15)	$15,485,417	$76,663	$1,570,929	$17,133,010
$ Change from FY 2014-15 Current Law to Governor's Rec	$342,772	$0	$0	$342,772
% Change from FY 2014-15 Current Law to Governor's Rec	2%	0%	0%	2%

Education
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
BALANCE FORWARD IN	$0	$6,520	$235	$6,755
REVENUE	$0	$29,447	$1,570,958	$1,600,405
TRANSFERS IN	$824	$48,985		$49,809
APPROPRIATION	$15,485,474	$0	$0	$15,485,474
SOURCES OF FUNDS	**$15,486,298**	**$84,952**	**$1,571,193**	**$17,142,444**
BALANCE FORWARD OUT		$1,866	$266	$2,132
TRANSFERS OUT	$880	$6,424		$7,304
EXPENDITURES	$15,485,417	$76,663	$1,570,929	$17,133,010
PAYROLL EXPENSE	$28,076	$7,698	$37,736	$73,511
OPERATING EXPENSES	$50,000	$9,522	$54,262	$113,784
OTHER FINANCIAL TRANSACTIONS	$841	$2	$3,573	$4,416
GRANTS, AIDS AND SUBSIDIES	$15,406,358	$59,441	$1,475,358	$16,941,157
CAPITAL OUTLAY-REAL PROPERTY	$142			$142
USES OF FUNDS	**$15,486,297**	**$84,953**	**$1,571,195**	**$17,142,445**

Education

Governor's Changes

(Dollars in Thousands)

		FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium

Basic Formula Simplification and Investment

The Governor recommends increasing the General Education basic formula by 1% in FY 2014. The per pupil formula would increase $52, from $5,224 in FY 2013 to $5,276 in FY 2014. The Governor also recommends the following changes to the general education formula beginning in FY 2015 to increase transparency, equity and flexibility of funding to school districts. 1) Simplify student weightings by changing grades 1 - 6 and handicapped kindergarten to 1.0, grades 7 - 12 to 1.2, and kindergarten to 0.55. 2) Eliminate marginal cost pupil units and establish a separate declining enrollment component of the formula. 3) Change the referendum levy calculations for districts from a resident student to a served student formula. 4) Adjust per student allowances to neutralize the impact of student accounting simplification on district revenues. 5) Simplify equity revenue with a two-part formula including a sliding scale allocation ranging from $100 per student for districts with no referendum revenue to zero for districts with referendum revenue of $2,000 per student or above and a uniform allocation of $56 per student. Calculate equity revenue for charter schools based on actual referendum revenue received rather than state averages. 6) Increase flexibility of basics skills funding for school districts by rolling extended time revenue into the compensatory formula and increasing discretionary spending from 5% to 15% of compensatory revenue. 7) Adjust levy calculations to limit the impact of above changes on property taxes. 8) Roll gifted and talented revenue into the basic formula. 9) Provide charter schools with $35 per pupil in Safe School aid beginning in FY 2015, which is equivalent to the safe schools levy available to school districts. 10) Eliminate the aid reduction for changes in employer retirement contribution rates with a hold harmless for districts with below average reductions. 11) Adjust transition revenue for FY 2015 and later to ensure that every district receives at least as much revenue under the Governor's recommendations as under current law.

Performance Measures:
Changes to the General Education formula increase transparency, equity, and flexibility of funding for school districts. Increasing the basic formula, together with increases in special education funding, aim to improve education funding adequacy.

General Fund	Expenditure	48,875	69,615	118,490	73,269	73,892	147,161
	Net Change	**48,875**	**69,615**	**118,490**	**73,269**	**73,892**	**147,161**

Optional All Day Kindergarten

The Governor recommends an increase of 0.15 in the pupil unit weight for students enrolled in a free all-day every day kindergarten program, beginning in FY 2015 (from 0.55 to 0.70). For FY 2015, this is an increase of $910 per student enrolled in a free all-day every day kindergarten program. This increase in funding is expected to increase the participation of kindergarten students served in free all-day every day programs from 49% in FY 2012 to 85% in FY 2015.

Performance Measures:
Expanded all-day kindergarten will reduce the achievement gap and increase achievement for all, including an increase in third grade reading proficiency.

General Fund	Expenditure	0	40,221	40,221	49,212	51,691	100,903
	Net Change	**0**	**40,221**	**40,221**	**49,212**	**51,691**	**100,903**

Education

Governor's Changes

(Dollars in Thousands)

		FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium

Special Education Funding

The Governor recommends increasing state special education funding by 13 percent and replacing the current special education-regular and excess cost formulas with a new formula under one appropriation beginning in FY 2015. These new formulas will promote equity among school districts and enable students to be better served. The new special education formula will include a pupil-driven formula that accounts for the incidence and cost related to disabilities as well as poverty concentration and an excess cost formula to make funding more predictable and ensure that funding is targeted to districts with the greatest need. Beginning in FY 2015, all special education costs will be included in excess cost aid calculations, consistent with current practice for tuition billing (e.g., fringe benefits will be added), and aid will be calculated using prior year data. For open-enrolled students, the new formula will require the serving district to pay for 10% of the unreimbursed cost of providing special education and services, which will encourage cost-containment. However, districts with high concentrations of special needs students (those in which more than 70% of students have Individualized Education Programs) are exempt from this requirement.

Performance Measures:
Reforming special education funding seeks to restore equity for school districts, allowing them to adequately serve students with special needs and reduce the cross subsidy of special education costs from unreserved general funds. The new funding formula will encourage cost-containment and promote efficiencies in delivering services to students, which is intended to increase student achievement.

General Fund	Expenditure	0	124,801	124,801	158,922	167,215	326,137
	Net Change	**0**	**124,801**	**124,801**	**158,922**	**167,215**	**326,137**

Early Learning Scholarships

The Governor recommends increasing access to high quality early childhood education programming by expanding the Early Learning Scholarship program created in 2011. The goal of the scholarship program is to improve student outcomes by providing children ages three to five with high-needs access to high-quality early learning opportunities. The scholarships provide income-eligible families financial support for their child to attend programs rated by the Parent Aware Quality Rating and Improvement System.

Performance Measures:
Minnesota faces one of the largest achievement gaps across the nation. Research has shown that the achievement gap not only starts early in the development of a child, but addressing it early has a substantial long term positive impact compared to students who did not receive the same opportunity . This investment would close the achievement gap by addressing it at the beginning of a child's educational career.

General Fund	Expenditure	22,000	22,000	44,000	22,000	22,000	44,000
	Net Change	**22,000**	**22,000**	**44,000**	**22,000**	**22,000**	**44,000**

Education

Governor's Changes

(Dollars in Thousands)

		FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium

Teacher Growth and Evaluation

The Governor recommends revising statutes to clarify, define, and support teacher growth and evaluation systems. In FY 2014, local districts will begin receiving funding on a pilot grant basis, and in beginning FY 2015, school districts not participating in the Q-Comp program will receive teacher growth and evaluation aid of $22 per student. Additionally, the proposal would designate resources in FY 2014 to the Department of Education for the purpose of providing support for teacher evaluation systems to local districts by developing a model evaluation system that would be used by local districts if there was not an evaluation model in place.

Performance Measures:
This investment helps to alleviate the impacts of the mandate incurred by local districts who will have to implement a teacher evaluation system.

General Fund	Expenditure	1,433	8,568	10,001	10,133	9,900	20,033
	Net Change	**1,433**	**8,568**	**10,001**	**10,133**	**9,900**	**20,033**

Regional Centers of Excellence

The Governor recommends expanding the state's Regional Centers of Excellence from 3 to 9 centers statewide. The regional centers were initiated in the spring of 2012 with the No Child Left Behind (NCLB) waiver to provide high quality support and technical assistance to the state's Priority and Focus schools. Expanding the centers would allow the Department of Education to provide support and disseminate evidence-based best practices to all schools in the state. The centers will provide support to teachers and principals as evaluation models are implemented.The centers will also build local and regional relationships between institutions of higher education, service cooperatives, community and professional organizations, and public schools.

Performance Measures:
Expanding the Regional Centers of Excellence with state funds allows the Department of Education to provide support to all districts within the state, regardless of Federal status.

General Fund	Expenditure	1,500	3,000	4,500	4,500	4,500	9,000
	Net Change	**1,500**	**3,000**	**4,500**	**4,500**	**4,500**	**9,000**

Bullying Prevention: School Climate Center

The Governor recommends continuing the Prevention of School Bullying task force efforts. This proposal would establish a multi-agency school climate center at the Department of Education in order to develop standards for prevention, intervention and support around issues of harassment and intimidation. The center, staffed by a director and a training coordinator, would promote best practices and provide training for schools and communities to improve school climate and school safety.

Performance Measures:
The School Climate Center will provide guidance to local districts on how to create safe and supportive school communities. The Center will host conferences and provide trainings to local district staff, which are intended to improve school environments for students.

General Fund	Expenditure	500	500	1,000	500	500	1,000
	Net Change	**500**	**500**	**1,000**	**500**	**500**	**1,000**

Education

Governor's Changes

(Dollars in Thousands)

		FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium

English Language Learners 5 to 7 Years

The Governor recommends extending funding for English language learner (ELL) students from 5 years to 7 years. State aid is provided to school districts to recognize the additional cost of educating ELL students. The current formula allows a pupil to generate ELL aid for up to 5 years. Studies show that it takes an average of 7 years for an ELL pupil to pass the emerging academic test and develop the skills to fully participate in the classroom along with native English speaking students.

Performance Measures:
Providing additional funding for school districts to assist ELL students addresses the achievement gap.

General Fund	Expenditure	4,002	4,856	8,858	4,874	4,881	9,755
	Net Change	**4,002**	**4,856**	**8,858**	**4,874**	**4,881**	**9,755**

Integration Aid

The Governor recommends a new Integration Aid formula beginning in FY 2014. The current formula ends in FY 2013 and funding under the current formula varies widely among districts. Under the current formula, some districts with low concentrations of students of color receive higher levels of Integration Aid than districts with high concentrations. The proposed formula would allocate Integration Aid on a per-pupil basis according to minority concentration and local district progress on closing the achievement gap. Districts would be guaranteed to receive at least 90 percent of their FY 2013 per pupil funding level.

Performance Measures:
The new formula will promote accountability and will be linked to students' progress in each school district on closing the achievement gap.

General Fund	Expenditure	(2,961)	(2,764)	(5,725)	(1,965)	(784)	(2,749)
	Net Change	**(2,961)**	**(2,764)**	**(5,725)**	**(1,965)**	**(784)**	**(2,749)**

Literacy Incentive Aid

The Governor recommends changing the Literacy Aid formula beginning in FY 2015. Under the new formula, funds would be allocated based on reading growth and high school graduation rate rather than on reading growth and reading proficiency.

Performance Measures:
While third grade reading proficiency is an important benchmark, this proposal seeks to provide greater balance in promoting and rewarding students' continued growth and achievement at all grade levels.

General Fund	Expenditure	0	(43)	(43)	(701)	(1,056)	(1,757)
	Net Change	**0**	**(43)**	**(43)**	**(701)**	**(1,056)**	**(1,757)**

Education

Governor's Changes

(Dollars in Thousands)

		FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium

Clarification of Kindergarten Early Entrance Requirements

The Governor recommends the Department of Education clarify and provide criteria for school districts on the admissions policies for children younger than 5 years old starting kindergarten. The criteria developed will help ensure the district's policy is appropriate and ensures a students' success in kindergarten and subsequent progression to first grade the next year.

Performance Measures:
Clarifying kindergarten enrollment policies will reduce the number of students enrolled in kindergarten prior to being developmentally ready. As a result, fewer students will be held back for a second year of kindergarten.

General Fund	Expenditure	(1,271)	(1,540)	(2,811)	(1,540)	(1,540)	(3,080)
	Net Change	**(1,271)**	**(1,540)**	**(2,811)**	**(1,540)**	**(1,540)**	**(3,080)**

Amend Charter School Lease Aid

The Governor recommends amending the lease aid formula for charter schools. A clause would be added to change the formula for schools leasing from governmental entities and affiliated building corporations that do not carry original debt on the facility. In any facilities purchased or constructed with public funds, there would be no continued payment of public funds that would create a profit. Instead, the formula would approximate costs to maintain the building and would create a capital reserve fund for capital maintenance projects, resulting in a state cost-savings.

Performance Measures:
Amending the charter school lease aid formula will ensure that public funds will not create a profit for public or private entities that did not support the purchase or construction of facilities used by charter schools.

General Fund	Expenditure	(839)	(1,016)	(1,855)	(1,016)	(1,016)	(2,032)
	Net Change	**(839)**	**(1,016)**	**(1,855)**	**(1,016)**	**(1,016)**	**(2,032)**

Post-Secondary Scholarships - Early Graduation

The Governor recommends repealing the Early Graduation Achievement Scholarship Program, which awards scholarships of $2,500, $5,000, or $7,500 to early-graduating high school students. The scholarship amounts increase the earlier the student graduates from their secondary institution. This proposal would result in a state cost-savings.

Performance Measures:
Ending the scholarship program will promote governmental efficiencies. The program has a low participation rate, and MDE resources can be targeted at programs with higher demand and greater need.

General Fund	Expenditure	(145)	(283)	(428)	(475)	(716)	(1,191)
	Net Change	**(145)**	**(283)**	**(428)**	**(475)**	**(716)**	**(1,191)**

Education

Governor's Changes

(Dollars in Thousands)

		FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium

Career & Technical Education Levy Modification

The Governor recommends modifying the existing career and technical levy funding formula. Current law allows school districts to levy for certain career and technical education program expenditures, including teacher salaries. An increasing number of small districts are sharing the services of career and technical education teachers as a way to provide the curriculum on a part-time basis. The current funding formula requires the district that holds the teacher contract levy 100 percent of the salary expenditures. The new formula will allow the district that has the teacher through a contract agreement to levy for their share of the expenditures.

Performance Measures:
The proposed changes to the Career & Technical levy formula increases funding equity for school districts that share career & technical services.

General Fund	Expenditure	0	0	0	0	0	0
	Net Change	**0**	**0**	**0**	**0**	**0**	**0**

MN Foundation for Student Organizations

The Governor recommends ensuring funding for the Minnesota Foundation for Student Organizations within the existing student organizations' appropriations. The Minnesota Foundation for Student Organizations is tasked in statute to provide oversight and direction for secondary and postsecondary student organizations, but is currently unfunded. This proposal supports the agreement between the Foundation and student organizations that would redirect some of the organizations' funds back to the Foundation. This proposal would also allow the Department of Education to direct funding for student organizations to the Foundation in one single grant, rather than as eleven individual grants.

Performance Measures:
Funding the Foundation will enable it to fulfill its role to provide oversight and guidance. Providing a single grant for student organization funding will promote efficiency.

General Fund	Expenditure	0	0	0	0	0	0
	Net Change	**0**	**0**	**0**	**0**	**0**	**0**

Commissioner Approval of Charter Facility Lease

The Governor recommends requiring charter school leases be approved by the Department of Education prior to execution. The proposal would also require all leases to have an escape clause in the event that the charter's contract is not renewed or terminated. This proposal would protect state funds from continuing to pay for a charter school's lease agreement if the charter school were to close.

Performance Measures:
Requiring commissioner approval of charter school leases will prevent government resources from being spent unnecessarily. State funds will be saved if a charter school's contract is terminated or not renewed prior to the end of its lease obligation.

General Fund	Expenditure	0	0	0	0	0	0
	Net Change	**0**	**0**	**0**	**0**	**0**	**0**

Education

Governor's Changes

(Dollars in Thousands)

		FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium

Summer Food Replacement Aid Change

The Governor recommends simplifying the method of fund disbursement to summer food service sponsors. The current method requires reimbursements to be made at different rates according to the type of meal served, such as breakfast, lunch, or supplemental. This proposal would provide for reimbursements based on total meals served by each provider from the end of the school year to the beginning of the following school year on a prorated basis.

Performance Measures:
Changing the reimbursement practice will simplify the way that providers are paid for food service, and will make the reimbursement process more efficient

General Fund	Expenditure	0	0	0	0	0	0
	Net Change	**0**	**0**	**0**	**0**	**0**	**0**

Special Education Paperwork Reduction

The Governor recommends that the Department of Education develop model Individuals with Disabilities Education Act (IDEA) paperwork that would be available free of charge to schools. The model paperwork would be provided through an online system created and maintained by the Department of Education. Currently, many districts contract with outside vendors to obtain IDEA paperwork for special needs students. However, many vendors profit from selling packages that include forms not required by law, creating more work for teachers, greater costs for districts, and less transparency for parents. IDEA paperwork offered by the Department of Education will streamline and simplify paperwork requirements as well as provide cost-savings for local districts.

Performance Measures:
IDEA paperwork offered by MDE will streamline and simplify paperwork requirements as well as provide cost-savings for local districts.

General Fund	Expenditure	1,500	263	1,763	0	0	0
	Net Change	**1,500**	**263**	**1,763**	**0**	**0**	**0**

Education Shift Buyback

The Governor recommends repaying our debt to schools by the end of the FY 2016-17 biennium. $481 million in FY2016 will bring our school aid payment ratio to 88.5:11.5. $771 million in FY 2017 will bring our school aid payments back to the 90:10 ratio established in law, and will buy back 100% of the property tax recognition shift, allowing districts to return to the practice of recognizing their May property tax revenue in the following fiscal year.

Performance Measures:
The state's outstanding fiscal obligation to school districts and charter schools will be eliminated, demonstrating improved financial management by the state and improving school district and charter school cash flow.

General Fund	Expenditure	0	0	0	481,000	770,683	1,251,683
	Net Change	**0**	**0**	**0**	**481,000**	**770,683**	**1,251,683**

Net All Change Items	General Fund	74,594	268,178	342,772	798,713	1,100,150	1,898,863
	Net Change	**74,594**	**268,178**	**342,772**	**798,713**	**1,100,150**	**1,898,863**

Education
All Funds FTE by Program

Program	Current FY 2013	Forecast Base FY 2015	Governor's Recommendation FY 2015
Program: Agency Operations	438.6	380.7	393.2
Program: General Education	0.4	0.4	0.4
Program: School Choice	0.0	0.0	0.0
Program: Special Student & Teacher	0.0	0.0	0.0
Program: Early Childhood & Family Supp	1.0	1.0	4.0
Education	439.9	382.1	397.6

Education
Revenue Summary
(Dollars in Thousands)

		Biennium FY14-15			
		General Fund	**Other State Funds**	**Federal Funds**	**All Funds**
Non Dedicated	TAXES	0			0
	DEPARTMENTAL EARNINGS	3,585			3,585
	ALL OTHER	0			0
	Subtotal	3,585			3,585
Dedicated	TAXES	0			0
	FEDERAL GRANTS		0	1,570,958	1,570,958
	DEPARTMENTAL EARNINGS		11,074		11,074
	INVESTMENT INCOME		86		86
	ALL OTHER	0	18,287	0	18,287
	Subtotal	0	29,447	1,570,958	1,600,405
	Total	**3,585**	**29,447**	**1,570,958**	**1,603,990**

Education
Agency Operating
http://education.state.mn.us/mde/index.html

Statewide Outcome(s):

Agency Operating supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

This program provides the infrastructure for services and assistance to students, teachers, parents, and school districts provided by MDE. This program exists to fulfill the agency mission: to improve educational achievement by establishing clear standards, measuring performance, assisting educators, and increasing opportunities for lifelong learning.

Strategies:

This program provides the infrastructure for services and assistance to students, teachers, parents, and school districts provided by MDE. Education services are provided by the following offices.

The Office of Academic Standards and Effectiveness is responsible for setting and implementing academic standards.

The Education Licensing Division issues educator licenses.

The Charter School Center implements charter school policies.

MN.IT@Education develops and operates state-level IT system for education data and resource deployment.

The Office of Early Learning is responsible for ensuring young children and their families are positioned for school success.

The Safety, Health, and Nutrition Division provides nutritious meals for students in schools and assists schools in creating safe and healthy learning environments.

State Library Services develops and extends statewide library services and administering the Minnesota Braille and Talking Book Library located in Faribault; and managing competitive and application regional grant programs.

The Office of Equity and Innovation and High School/Dual Credit/Alternative Learning/Online Learning Division are responsible for school choice programs, expanded online learning, Indian education programs, alternative rigorous coursework for college and career readiness, alternative programs to meet student needs, and expanded high school learning initiatives.

The Special Education Policy Division oversees district special education services.

The Adult Basic Education Division administers adult education programs that target overage and under credited populations.

The School Support Division supports schools in the state identified as persistently lowest achieving. Through the unprecedented resources and accountability provided under the Title I School Improvement Grant (SIG), the division seeks to create a system of support for eligible schools to implement dramatic turnaround efforts to boost student achievement.

School Finance is responsible for distribution of formula and competitive grant and aid programs, calculating state aid and distributing aid payments to school districts and charter schools, and calculating school district property tax levy limitations.

Research and Assessment is responsible for the development and implementation of a coherent assessment system that measures student knowledge and skills on Minnesota Academic Standards and the Minnesota English Language Proficiency Standards. The system meets state and federal requirements and provides timely information that educators can use to inform curricular and instructional decisions that improve student achievement.

Compliance and Assistance is responsible for monitoring school district and MDE compliance with certain state and federal education laws. The division provides training and resources to assist school districts, parents, and the department in maintaining compliance. The division also implements the Student Maltreatment Program and oversees rulemaking and data practices for MDE.

The Career and Technical Education, Community Education, and Service Learning Division administers the Carl Perkins federal grant program for career and technical education programs, transition-disabled CTE programs, community education programs, and service learning programs.

The Student Support Division administers programs that provide systematic early identification, intervention, referral and support when health care and social supports are needed for students and their families and works to remove barriers that disturb, interrupt or distract learners.

Administration activities are provided in the area of providing leadership and policy direction for the agency, information technology services to all agency programs, agency fiscal (MAPS budget and spending plan), and human resource direction.

These offices and activities provide the following services to the preK-12 education community:

- Academic Standards
- Adult and Career Education
- Career and Technical Education
- Charter Schools
- Compliance and Assistance for Special Education Students
- Consolidated Federal Programs
- Early Learning Services
- Educator Licensing and Teacher Quality
- Education Innovation
- English Language Learners/Limited English Proficiency (LEP)
- Food and Nutrition Services
- High School Improvement
- Indian Education
- Library Development and Services
- Minnesota Braille and Talking Book Library
- Research and Assessment
- Safe and Healthy Learners
- School Choice
- School Finance
- School Improvement
- School Technology
- Special Education
- Turnaround Schools

Results:

As a result of the hard work and dedication of MDE staff, MDE has reached many education milestones including being a Race to the Top Early Learning Challenge winner and being one of the first states granted a federal waiver from the No Child Left Behind law. This allowed staff to focus on better programs for our earliest and most vulnerable learners and to create a new accountability system which will allow districts to accurately measure their performance and target their improvement efforts to improving student proficiency and growth, as well as closing the achievement gap and improving graduation rates.

Performance Measures	Previous	Current	Trend
Teacher Licensure Applications Processed	18,353	22,284	Increasing

Performance Measures Notes:

Previous year data from FY 2009, current year data from FY 2011.

Program: Agency Operations
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$37,695	$17,253	$105,917	$160,866
Current Law Expenditures (FY 2014-15)	$37,660	$17,474	$104,789	$159,923
Governor's Recommended Expenditures (FY2014-15)	$45,673	$17,474	$104,789	$167,936
$ Change from FY 2014-15 Current Law to Governor's Rec	$8,013	$0	$0	$8,013
% Change from FY 2014-15 Current Law to Governor's Rec	21%	0%	0%	5%

Program: Agency Operations
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
BALANCE FORWARD IN	$0	$6,520	$235	$6,755
REVENUE	$0	$19,243	$104,818	$124,061
TRANSFERS IN	$824			$824
APPROPRIATION	$45,728	$0	$0	$45,728
SOURCES OF FUNDS	**$46,552**	**$25,763**	**$105,053**	**$177,368**
BALANCE FORWARD OUT		$1,866	$266	$2,132
TRANSFERS OUT	$880	$6,424		$7,304
EXPENDITURES	$45,673	$17,474	$104,789	$167,936
PAYROLL EXPENSE	$27,336	$7,698	$37,329	$72,363
OPERATING EXPENSES	$17,443	$9,512	$35,700	$62,654
OTHER FINANCIAL TRANSACTIONS	$0	$2		$2
GRANTS, AIDS AND SUBSIDIES	$753	$262	$31,761	$32,776
CAPITAL OUTLAY-REAL PROPERTY	$142			$142
USES OF FUNDS	**$46,553**	**$25,764**	**$105,055**	**$177,371**

Education
General Education - General Education
http://education.state.mn.us/MDE/SchSup/SchFin/GenEd/

Statewide Outcome(s):

General Education supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

The purpose of general education revenue is to promote a general and uniform, thorough and efficient system of public schools throughout the state by providing equitable core funding for students. General education revenue is the largest single item of state general fund spending and also the largest resource available to school districts. General education revenue is provided for all public school students in kindergarten through grade 12 and for prekindergarten students with disabilities. In addition to students attending schools operated by school districts, this includes charter school students, students in grades 11 and 12 attending Minnesota higher education institutions under the Post-Secondary Enrollment Options (PSEO) program, students enrolled in private, nonsectarian schools that have contracted with a public school district to provide educational services (contract alternative),and students attending public schools on a part-time basis while also attending nonpublic schools (shared time).

Strategies:

General education revenue is the primary source of general operating funds for school districts and charter schools. In FY 2013, it accounts for 81 percent of school district general fund state aid and levy revenues. Components of general education revenue, as specified in Minnesota Statues (M.S.) 126C.10 (https://www.revisor.mn.gov/statutes/?id=126C.10), include:

- **basic revenue** provides all districts with a uniform allocation per pupil unit
- **compensatory revenue** is based on the concentration of poverty in a school building
- **English learner revenue** is based on the number & concentration of English language learners enrolled in the district
- **extended time revenue** provides districts with additional revenue to fund extended day, extended week, summer school, and other programming authorized under the learning year program.
- **gifted and talented revenue** provides districts with additional revenue for identifying gifted and talented students, providing education programs for these students or providing staff development for teachers to best meet the needs of these students.
- **secondary sparsity revenue and elementary sparsity revenue** fund the added costs of operating small schools that are too isolated to reduce costs by cooperating or consolidating.
- **small schools** revenue provides additional revenue for school districts with fewer than 1,000 pupil units
- **transportation sparsity revenue** funds the added cost of pupil transportation in areas with low population density
- **total operating capital revenue** is reserved for facilities and equipment purposes
- **equity revenue** provides additional revenue targeted primarily to districts with referendum revenue per pupil unit below the 95th percentile for the region where the district is located (metro or rural).
- **transition revenue** provides funds to mitigate the loss of general education revenue that districts experienced from changes enacted by the 2003 legislature
- **alternative teacher compensation (Qcomp) revenue** provides additional funds for districts with an approved alternative teacher professional pay system

Operating referendum revenue under M.S. 126C.17 (https://www.revisor.mn.gov/statutes/?id=126C.17) is not a defined component of general education revenue, but is included, along with the postsecondary option program, shared time aid, and private alternative school aid in the legislative appropriation for general education aid. Additional funds include investment earnings generated by land sales, mining royalties, timber sales, lakeshore and other leases on School Trust land.

Details of the formulae used to allocate general education revenue are shown in Financing Education in Minnesota, 2012-13 and Minnesota School Finance: A Guide for Legislators. Additional information at an

individual school district or charter school level about this and many other programs can be found at Data Reports and Analytics on the MDE website.

Most general education revenue is unrestricted, and can be used for any school operating purpose. Programs supported by general education revenue include regular instruction, vocational instruction, special education, instructional support services, pupil support services, operations and maintenance of school facilities, pupil transportation, district and school administration, district support services, and capital expenditures.

Exceptions to the unrestricted use are as follows:

- *Class-size reduction* (M.S. 126C.12). The additional basic revenue generated by the portion of the pupil unit weight for regular kindergarten students exceeding 0.5 and the portion of the pupil unit weight for students in grades 1 – 6 exceeding 1.0 is reserved for class-size reduction, beginning with kindergarten through grade three.
- *Staff development* (M.S. 122A.61). An amount equal to two percent of basic revenue ($104.48 per pupil unit in FY 2013) must be reserved for staff development. This requirement is waived for school districts in statutory operating debt and may be waived by a majority vote of the school board and the teachers in any district. (Note: The requirement is waived for all districts for FY 2010 through FY 2013 only.)
- *Gifted and talented* (M.S. 126C.10, Subd. 2b). This revenue must be used for gifted and talented programs.
- *Basic skills* (M.S. 126C.15). This revenue, which includes compensatory education revenue and English learner revenue, must be used to meet the educational needs of students who enroll underprepared to learn and whose progress toward meeting state or local content or achievement standards is below the level that is appropriate for learners of their age. Compensatory revenue must be allocated to the buildings where the children generating the revenue are served; however, an amount up to five percent of the prior year's revenue may be allocated according to a local plan approved by the commissioner.
- *Operating capital* (M.S. 126C.10, Subd. 13, 14). This revenue must be used for facilities, equipment, or for personnel costs directly related to the acquisition, operation, and maintenance of telecommunications systems, computers, related equipment, and software.

Funding is based primarily on the average daily membership (ADM) of students in pre-kindergarten through grade 12. ADM is computed by dividing the sum of the number of students enrolled each school day (student membership) by the number of days school is in session. To reflect cost differences, the ADM is weighted by grade level to determine the number of pupil units:

- Disabled Pre-K 1.250; Regular Kindergarten 0.612; Disabled Kindergarten 1.000;
- Grades 1 – 3 1.115; Grades 4 - 6 1.060; Grades 7 – 12 1.300

Most revenues are computed using adjusted marginal cost pupil units (AMCPU). "Adjusted" means that the resident pupil units have been adjusted by adding the pupil units generated by nonresident students served in the district under alternative attendance programs such as open enrollment and subtracting the pupil units generated by resident students served in another district under an alternative attendance program. "Marginal cost" means that pupil units are computed using a mix of current and prior year data, recognizing that school districts have fixed costs that do not decline in direct proportion to enrollment decline. AMCPU equals the greater of the adjusted pupil units for the current year or 77 percent of the adjusted pupil units for the current year plus 23 percent of the adjusted pupil units for the prior year.

Referendum revenue is funded with a mix of local property taxes, state referendum equalization aid, and state tax base replacement aid. Operating capital revenue, alternative teacher compensation revenue, equity revenue, and transition revenue are also funded with a mix of state aid and local property taxes. All other components are funded entirely with state aid. Spreadsheets showing general education revenue by component for FY 1996 through FY 2013 for individual districts and the state can be found at Financial Trends on the MDE web site.

Results:

Performance Measures	Previous	Current	Trend
Basic revenue per student in ADM adjusted for inflation*	5,951	5,616	Decreasing
Referendum revenue per student in ADM adjusted for inflation*	882	965	Increasing
Avg Referendum levy per $100,000 of Refer. Market Value	133	176	Increasing
Disparity in revenue per student**	26.6%	30.9%	Worsening
Disparity in tax rate to raise avg referendum revenue / student***	98%	117%	Worsening
Avg student / teacher ratio excl. special education teachers****	19.0	19.2	Worsening
Graduation Rate	74.3	76.9	Stable
Achievement Gap - reading proficiency gap between white and black students in all grades	32.9	29.2	Improving

Performance Measures Notes:

* Inflation adjustment calculated using Consumer Price Index (CPI). Amounts shown in 1999 dollars.

** Percentage difference between the 5th and 95th percentiles of basic plus equity plus referendum revenue per pupil unit. MS 127A.51 requires MDE to report annually on this measure of revenue disparities resulting from the operating referendum levy.

*** Percentage difference between the 5th and 95th percentiles of tax rates needed to raise the state average amount of referendum revenue per student. This statistic measures the effectiveness of the state's referendum equalization program in mitigating the impact of property wealth disparities among school districts. Under the current equalization system for FY 2013, a district with low referendum market value (RMV) per student would need to levy a tax rate more than double the tax rate in a district with high RMV per student ($220 per $100,000 of RMV versus $102 per $100,000 of RMV to raise $896 per pupil unit).

****Current data is from FY 2012. Compensation for teachers and other district staff constitutes the districts' largest operating cost.

Program: General Education
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$5,736,642	$5,896,423	$11,633,065	$5,999,386	$6,089,395	$12,088,781
Governor's Recommendation	$5,736,642	$5,896,423	$11,633,065	$6,061,970	$6,223,882	$12,285,852
Dollar Change from Base	$0	$0	$0	$62,584	$134,487	$197,071
Percent Change from Base	0%	0%	0%	1%	2%	2%
Base Appropriation	$5,366,915	$6,915,024	$12,281,939	$5,982,052	$6,073,050	$12,055,102
Governor's Recommendation	$5,366,915	$6,915,024	$12,281,939	$6,034,196	$6,194,394	$12,228,590
Dollar Change from Base	$0	$0	$0	$52,144	$121,344	$173,488
Percent Change from Base	0%	0%	0%	1%	2%	1%
Base Levy	$989,020	$994,653	$1,983,673	$1,010,550	$1,038,911	$2,049,461
Governor's Recommendation	$989,020	$994,653	$1,983,673	$1,010,550	$1,034,151	$2,044,701
Dollar Change from Base	$0	$0	$0	$0	(4,760)	(4,760)
Percent Change from Base	0%	0%	0%	0%	0%	0%
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$24,294	$24,461	$48,755	$24,482	$24,503	$48,985
Governor's Recommendation	$24,294	$24,461	$48,755	$24,482	$24,503	$48,985
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Program: General Education
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$5,736,642	$5,896,423	$11,633,065	$6,061,970	$6,223,882	$12,285,852
Levies	$989,020	$994,653	$1,983,673	$1,010,550	$1,034,151	$2,044,701
District Revenue	**$6,725,662**	**$6,891,076**	**$13,616,738**	**$7,072,520**	**$7,258,033**	**$14,330,553**
Appropriation						
Current Year	$3,705,980	$4,884,362	$8,590,342	$5,022,135	$5,154,558	$10,176,693
Prior Year	$1,660,934	$2,030,662	$3,691,596	$1,012,061	$1,039,836	$2,051,897
State Aid	**$5,366,914**	**$6,915,024**	**$12,281,938**	**$6,034,196**	**$6,194,394**	**$12,228,590**
Federal Funds						
Other Funds	$24,294	$24,461	$48,755	$24,482	$24,503	$48,985
Sources of Funds	**$5,391,208**	**$6,939,485**	**$12,330,693**	**$6,058,678**	**$6,218,897**	**$12,277,575**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS	$0		$0			
GRANTS, AIDS AND SUBSIDIES	$5,391,209	$6,939,485	$12,330,694	$6,058,678	$6,218,897	$12,277,575
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$5,391,209**	**$6,939,485**	**$12,330,694**	**$6,058,678**	**$6,218,897**	**$12,277,575**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
General Education – E-12 Education Shifts (information only)

Minnesota Statutes (M.S.) 123B.75 and 16A.152

Statewide Outcome(s):

Context:

The E-12 Education shifts are accounting mechanisms that have helped balance the state's budget during periods of state budget crisis. Shifting state general fund education payments into future years benefits the state and its citizens by allowing the state to balance the state budget without making severe cuts to state services.

Strategies:

There are two types of education shifts utilized by the state.

Aid Payment Shift

Since most school revenue is tied to current year data, including the number and characteristics of students served by the district and expenditures for special education, a portion of the funding must be held back until final student data is available to avoid over payments. The consensus is that ten percent hold back is prudent. Therefore, in years when there is not an aid payment shift, state appropriations for formula-driven school aids equal 90 percent of current year entitlement plus ten percent of adjusted prior year entitlement.

90 Percent Current Year + 10 Percent Prior Year = Entitlement

However, beginning in the early 1980s, larger holdbacks have been enacted to help balance the state budget. Most of the savings to the state occur in the year that the current aid percentage is reduced, when the sum of the current year aid percent and the prior year final aid percent is less than 100 percent. However, additional shift savings occur in subsequent years as state aid entitlements increase. Because school districts recognize revenues using a modified accrual basis of accounting, aid payment shifts do not reduce school revenues, aside from lost interest earnings. The table below shows the current and final aid payment percentages and shift costs or savings for each year since FY 2002:

Fiscal Year	Prior Year Final Payment Percent	Current Year Payment Percent	(Savings)/Cost ($ in Millions)	Cumulative Aids Shift ($ in Millions)
2002	10.0	90.0	-	-
2003	10.0	83.0	(462.1)	(462.1)
2004	17.0	80.0	(184.0)	(646.1)
2005	20.0	84.3	247.0	(399.1)
2006	15.7	90.0	399.1	-
2007	10.0	90.0	-	-
2008	10.0	90.0	-	-
2009	10.0	90.0	-	-
2010	10.0	73.0	(1,067.7)	(1,067.7)
2011	27.0	70.0	(311.6)	(1,379.3)
2012	30.0	64.3	(436.8)	(1,816.1)
2013	35.7	64.3	(57.3)	(1,873.4)
2014	35.7	64.3	(38.1)	(1,911.5)
2015	35.7	64.3	(37.2)	(1,948.7)

Property Tax Recognition Shift

While property taxes are paid on a calendar year basis, school districts operate on a fiscal year (FY) that runs from July 1 to June 30. The first half of the property taxes payable for the calendar year are due in May and the second half are due in October or November.

May 15th Payment + October 15th Payment = Levy

Prior to FY 1983, all of the school districts' May property tax collections were held and recognized as revenue in the following fiscal year, beginning July 1. Beginning in FY 1983, the revenue recognition policy was changed so that a portion of the spring proceeds were recognized as revenue in the fiscal year of collection. The shift provision was structured to be revenue neutral to school districts by adjusting state aid payments by the difference between the current year's early levy recognition amount and the previous year's early levy recognition amount. This accounting change provided the state with one-time savings in state aid appropriations, without reducing the overall revenue recognized by a school district.

In the period FY 1983-1993, the state experienced cumulative savings of $688.1 million from this revenue shift. Beginning in FY 1994, the early recognition of school levies was gradually reduced, and the amount previously deducted from state aid payments was repaid to school districts over a six-year period. Beginning in FY 2003, the early recognition of property tax levies was reinstituted. Beginning in FY 2012, the methodology for early recognition calculations was changed to use gross levies before credits rather than net levies after credits, which slightly increased the total amount shifted. The table below shows the early recognition percentages and shift costs or savings for each year since FY 2003.

Fiscal Year	Early Recognition Percent	Appropriation decrease / (Increase) ($ in Millions)	Methodology Change for FY 11: FY 12 budget impact	Cumulative Reduction
2003	-	-	-	-
2004	48.6	(230.5)	-	(230.5)
2005	48.6	(21.9)	-	(252.4)
2006	-	252.4	-	-
2007	-	-	-	-
2008	-	-	-	-
2009	-	-	-	-
2010	-	-	-	-
2011	48.6	(515.5)	(12.9)	(528.4)
2012	48.6	(8.9)	-	(537.3)
2013	48.6	(25.6)	-	(562.9)
2014	48.6	(23.5)	-	(586.4)
2015	48.6	(19.5)	-	(605.9)

Repayment of Education Shifts

To emphasize the importance of buying back the shift when the state’s financial health improved, a statute wasadopted that automatically appropriated positive forecast balances to shift repayment (M.S. 16A.152, Subd. 2).

Education
Other General Education - Enrollment Options Transportation

http://education.state.mn.us/MDE/SchSup/SchFin/index.html

Statewide Outcome(s):

Enrollment Options Transportation supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

Students may have barriers to education opportunities due to transportation costs. This state aid program helps families with income below the federal poverty guidelines whose students participate in the postsecondary enrollment options, school district enrollment options, and charter school programs by providing state aid to school districts and postsecondary institutions that reimburse families for transportation expenses associated with these programs. This program is part of MDE's efforts to expand education options for students and families.

Strategies:

School districts, charter schools and postsecondary institutions provide data to MDE and receive reimbursement of $0.15 per mile with a limit of 250 miles per week, except for students participating in the postsecondary enrollment options when the postsecondary institution is more than 25 miles from the student's home or school.

The state aid removes economic barriers to choosing education options that require family costs for transportation.

Results:

Estimated costs are expected to increase slightly. This is due primarily to the program growing as more families qualify for the program.

Performance Measures	Previous	Current	Trend
Students served	59	105	Increasing
Average reimbursement per family per year	$462.56	$357.46	Decreasing

Performance Measures Notes:

Previous year data is FY 2010 and current year data is FY 2011.

The amounts in the narrative may differ from the fiscal summary due to year-end closing and forecast changes.

Budget Activity: Enrollment Options Transport
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$0	$40	$40	$44	$48	$92
Governor's Recommendation	$0	$40	$40	$44	$48	$92
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$37	$40	$77	$44	$48	$92
Governor's Recommendation	$37	$40	$77	$44	$48	$92
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Enrollment Options Transport
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$0	$40	$40	$44	$48	$92
Levies						
District Revenue	**$0**	**$40**	**$40**	**$44**	**$48**	**$92**
Appropriation						
Current Year	$0	$40	$40	$44	$48	$92
Prior Year	$0		$0			
State Aid	**$0**	**$40**	**$40**	**$44**	**$48**	**$92**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$37**	**$40**	**$77**	**$44**	**$48**	**$92**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$37	$40	$77	$44	$48	$92
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$37**	**$40**	**$77**	**$44**	**$48**	**$92**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Other General Education - Abatement Revenue

http://education.state.mn.us/MDE/SchSup/SchFin/index.html

Statewide Outcome(s):

Abatement Revenue supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

This state aid and local levy program maintains equity for students and taxpayers by replacing revenue to which the district was entitled but did not receive due to abatements. An “abatement” occurs when property taxes on a real estate parcel are decreased after the district certifies levy revenue. All eligible school districts in Minnesota participate in this program. MDE seeks to replace the revenue in the same proportion of aid and levy as the original entitlement. Abatement revenue is provided to school districts to prevent permanent revenue losses as certified by the county auditors.

Strategies:

Abatement aid and levy is calculated annually based on abatements reported by counties to the Minnesota Department of Education (MDE). Relevant statutes directing the calculation of abatement aid and levy are M.S. 126C.46 and M.S 127A.49, subd. 2. Abatements are reported to MDE by counties in the spring of each year: aid is paid in the following fiscal year and levy is included in taxes payable in the next calendar year.

This revenue assures that education programs provided by the school district will not be disrupted due to loss of revenue.

Results:

School districts do not incur permanent revenue loss as a result of property tax abatements.

Performance Measures	Previous	Current	Trend
District revenue loss prevented	$10.5M	$15.9M	Improving

Performance Measures Notes:

Previous year data is FY 2012 and current year data is FY 2013.

Budget Activity: Abatement Revenue
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$1,648	$2,216	$3,864	$3,185	$3,266	$6,451
Governor's Recommendation	$1,648	$2,216	$3,864	$3,185	$3,266	$6,451
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$1,406	$2,417	$3,823	$3,015	$3,252	$6,267
Governor's Recommendation	$1,406	$2,417	$3,823	$3,015	$3,252	$6,267
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy	$8,875	$13,765	$22,640	$18,390	$20,467	$38,857
Governor's Recommendation	$8,875	$13,765	$22,640	$18,390	$20,467	$38,857
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Abatement Revenue
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$1,648	$2,216	$3,864	$3,185	$3,266	$6,451
Levies	$8,875	$13,765	$22,640	$18,390	$20,467	$38,857
District Revenue	**$10,523**	**$15,981**	**$26,504**	**$21,575**	**$23,733**	**$45,308**
Appropriation						
Current Year	$1,060	$1,829	$2,889	$2,628	$2,695	$5,323
Prior Year	$346	$588	$934	$387	$557	$944
State Aid	**$1,406**	**$2,417**	**$3,823**	**$3,015**	**$3,252**	**$6,267**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$1,406**	**$2,417**	**$3,823**	**$3,015**	**$3,252**	**$6,267**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$1,406	$2,417	$3,823	$3,015	$3,252	$6,267
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$1,406**	**$2,417**	**$3,823**	**$3,015**	**$3,252**	**$6,267**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Other General Education - Consolidation Transition

http://education.state.mn.us/MDE/SchSup/SchFin/index.html

Statewide Outcome(s):

Consolidation Transition supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

The goal of voluntary school district reorganization through district consolidation is the expansion of programs and services to student and families in an environment of financial stability. The consolidation transition state aid program supports districts that have recently consolidated by providing funds for reorganization costs. Students and communities in eligible districts are served by this program.

Strategies:

By incenting districts to consolidate, voluntary school district reorganizations help to expand programs and services to students and families at a lower cost. The elimination of financially inefficient school districts will result in larger and more cost-efficient school districts. State aid is available for two years after consolidation and is calculated based on the formula in Minnesota Statues (M.S.) 123A.485. State aid provides funding for costs associated with district consolidation, retirement incentives, reduction of operating debt, and expansion of learning opportunities.

The primary reason districts consolidate is usually financial; however, school districts that have consolidated through this program have reported that the consolidation has provided additional opportunities to meet student academic needs, has increased efficiency in district operations, and has improved the likelihood of long-term financial health of the newly formed district. The potential cost efficiencies that could be attributed to this program vary by district due to the unique financial, operating and facility characteristics of the combining districts.

Results:

There were two consolidations between FY 2006-2008 and five between FY 2009-2011. While the number of consolidations is easy to calculate, the true performance measure is in the satisfaction and achievement of the districts that consolidated which we do not evaluate.

Performance Measures	Previous	Current	Trend
Number of Consolidations	2	5	Increasing

Performance Measures Notes:

Previous measurement is FY 2006-2008 and current is FY 2009-2011.

Budget Activity: Consolidation Transition
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$0	$300	$300	$505	$480	$985
Governor's Recommendation	$0	$300	$300	$505	$480	$985
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$145	$248	$393	$469	$484	$953
Governor's Recommendation	$145	$248	$393	$469	$484	$953
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Consolidation Transition
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$0	$300	$300	$505	$480	$985
Levies						
District Revenue	**$0**	**$300**	**$300**	**$505**	**$480**	**$985**
Appropriation						
Current Year	$0	$248	$248	$417	$396	$813
Prior Year	$145	$0	$145	$52	$88	$140
State Aid	**$145**	**$248**	**$393**	**$469**	**$484**	**$953**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$145**	**$248**	**$393**	**$469**	**$484**	**$953**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$145	$248	$393	$469	$484	$953
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$145**	**$248**	**$393**	**$469**	**$484**	**$953**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Other General Education - Nonpublic Pupil

http://education.state.mn.us/MDE/SchSup/SchFin/Nonpublic/

Statewide Outcome(s):

Nonpublic Pupil supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

This program exists to ensure equitable access to secular study materials and pupil support services for those students who choose nonpublic education. By providing nonpublic students with equitable access to secular study materials and pupil support services, the nonpublic pupil aid program improves student achievement and helps prepare nonpublic students to compete in the global economy.

Strategies:

This state aid program provides every pupil in the state with equitable access to secular study materials and pupil support services. Services under this program are provided to Minnesota students attending nonpublic schools including home schools.

A school district in which a nonpublic school is located receives state aid based on a formulas provided in Minnesota Statutes (M.S.) 123B.42 and 123b.44 to reimburse the school district for costs of services to nonpublic students. There are three basic categories of nonpublic pupil aid supporting the following services:

- Textbooks, Individualized Instructional Materials, and Standardized Tests
- Health Services
- Guidance and Counselor Services

Results:

Participation is measured by the percentage of nonpublic students applying for access to the program for textbooks or other educational materials, health services and guidance/counselor services.

Performance Measures	Previous	Current	Trend
Access to textbooks	83%	84%	Stable
Access to health services	78%	79%	Stable
Access to guidance and counselor services	88%	88%	Stable

Performance Measures Notes:

Previous year data is FY 2010 and current year data is FY 2011.

Budget Activity: Nonpublic Pupil
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$15,770	$15,533	$31,303	$15,826	$16,148	$31,974
Governor's Recommendation	$15,770	$15,533	$31,303	$15,826	$16,148	$31,974
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$14,302	$18,444	$32,746	$15,775	$16,092	$31,867
Governor's Recommendation	$14,302	$18,444	$32,746	$15,775	$16,092	$31,867
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Nonpublic Pupil
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$15,770	$15,533	$31,303	$15,826	$16,148	$31,974
Levies						
District Revenue	**$15,770**	**$15,533**	**$31,303**	**$15,826**	**$16,148**	**$31,974**
Appropriation						
Current Year	$10,141	$12,815	$22,956	$13,057	$13,323	$26,380
Prior Year	$4,161	$5,629	$9,790	$2,718	$2,769	$5,487
State Aid	**$14,302**	**$18,444**	**$32,746**	**$15,775**	**$16,092**	**$31,867**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$14,302**	**$18,444**	**$32,746**	**$15,775**	**$16,092**	**$31,867**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$14,302	$18,444	$32,746	$15,775	$16,092	$31,867
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$14,302**	**$18,444**	**$32,746**	**$15,775**	**$16,092**	**$31,867**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Other General Education - Nonpublic Transportation

http://education.state.mn.us/MDE/SchSup/SchFin/Nonpublic/

Statewide Outcome(s):

Nonpublic Transportation supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

To provide expanded school choice options for students, this state aid program ensures that nonpublic school students receive the same level of transportation services as public school students receive and that the school districts are able to provide this transportation without significant cross-subsidy from the district's general fund. This program serves Minnesota students attending nonpublic schools.

Strategies:

School districts must provide equal transportation within the district for public and nonpublic school students. This means that the district where a nonpublic pupil resides must provide transportation for the nonpublic pupil within the district in like manner as that provided to the public school student residing in the district.

If the district transports nonpublic students to a school in another district because there is not a suitable nonpublic school located within the district, the nonpublic school or the parents pay the cost of transportation outside the district boundaries.

Public schools must also provide nonpublic school pupils with transportation within district boundaries between the private school and public school or neutral site for health and secondary guidance and counseling services provided to nonpublic school pupils. The public school district must also transport nonpublic school students on late activity bus routes if it provides that service for public school students.

Results:

Performance Measures	Previous	Current	Trend
Percentage of nonpublic students transported	69.8%	69.7%	Stable

Performance Measures Notes:

Previous year data is FY 2010 and current year data is FY 2011.

Budget Activity: Nonpublic Transportation
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$18,793	$19,293	$38,086	$19,563	$19,744	$39,307
Governor's Recommendation	$18,793	$19,293	$38,086	$19,563	$19,744	$39,307
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$17,784	$22,626	$40,410	$19,516	$19,712	$39,228
Governor's Recommendation	$17,784	$22,626	$40,410	$19,516	$19,712	$39,228
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Nonpublic Transportation
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$18,793	$19,293	$38,086	$19,563	$19,744	$39,307
Levies						
District Revenue	**$18,793**	**$19,293**	**$38,086**	**$19,563**	**$19,744**	**$39,307**
Appropriation						
Current Year	$12,084	$15,917	$28,001	$16,140	$16,289	$32,429
Prior Year	$5,700	$6,709	$12,409	$3,376	$3,423	$6,799
State Aid	**$17,784**	**$22,626**	**$40,410**	**$19,516**	**$19,712**	**$39,228**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$17,784**	**$22,626**	**$40,410**	**$19,516**	**$19,712**	**$39,228**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$17,784	$22,626	$40,410	$19,516	$19,712	$39,228
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$17,784**	**$22,626**	**$40,410**	**$19,516**	**$19,712**	**$39,228**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Other General Education - Compensatory Pilot Grants

http://education.state.mn.us/MDE/SchSup/SchFin/GenEd/CompRev/

Statewide Outcome(s):

Compensatory Pilot Grants supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

This pilot grant program was established in 2005 for two purposes: (1) to evaluate whether allowing districts greater flexibility in allocating compensatory revenue among school sites based on student performance would be an effective strategy for improving overall student performance, and (2) to direct additional compensatory revenue to selected large suburban districts to correct perceived inequities in the compensatory revenue formula. In general, school districts are required to allocate at least 95 percent of compensatory revenue to the school site generating the revenue. This pilot program provides grant funding and allows selected school districts to allocate compensatory revenue received under Minnesota Statute (M.S.) 126C.10, Subd. 3, and the grants among their school buildings according to each building's school performance measures.

The 2011 legislature established a one-time compensatory pilot project formula program to allocate additional funding to districts with large pupil unit counts and relatively low regular compensatory education revenue per compensatory pupil unit.

Strategies:

The pilot grant program was initially limited to five school districts; Anoka Hennepin~~,~~ Osseo, Robbinsdale, Rochester, and South Washington. Brooklyn Center was added to the program in fiscal year 2008 and Albert Lea was added to the program in fiscal year 2012.

School districts participating in the grant program are required to submit to the commissioner an application and board-approved plan that includes the following information:

- identification of the test results that will be used to assess student performance;
- description of the method the district will use to distribute the compensatory revenue; and
- summarization of the evaluation procedure the district will use to determine if the redistribution of compensatory revenue results in an improvement of measurable student performance.

The formula aid program was funded for fiscal year 2013 only. Districts among the top 20 in terms of pupil units and regular compensatory revenue per compensatory pupil unit below $1,400 received formula aid equal to the difference between $1,400 times the compensatory revenue pupil units and the regular compensatory education revenue.

Results:

The Minnesota Department of Education submitted a report to the legislature in February 2008 on the effectiveness of the pilot grant projects. The report findings were inconclusive as to the impact the pilot projects have had on student achievement. While some of the participating schools have experienced a positive impact as a result of their efforts, results of the test data used to assess the effectiveness of program initiatives are inconsistent.

Performance Measures	Previous	Current	Trend

Performance Measures Notes:

Click here to enter text.

Budget Activity: Compensatory Pilot Grants
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$17,448			$17,448
Current Law Expenditures (FY 2014-15)	$7,364			$7,364
Governor's Recommended Expenditures (FY2014-15)	$7,364			$7,364
$ Change from FY 2014-15 Current Law to Governor's Rec	$0			$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: Compensatory Pilot Grants
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$7,364			$7,364
SOURCES OF FUNDS	**$7,364**			**$7,364**
EXPENDITURES	$7,364			$7,364
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES	$7,364			$7,364
USES OF FUNDS	**$7,364**			**$7,364**

Education
Other General Education - Special Provisions for Select Districts

http://education.state.mn.us/MDE/SchSup/SchFin/index.html

Statewide Outcome(s):

Special Provisions for Select Districts supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

Every school district in Minnesota is unique. This program addresses specific financial circumstances for individual school districts due to distinctive characteristics or situations.

Strategies:

One-Room School House

This program provides aid of $65,000 each year to the Warroad school district to assist with expenses related to the Angle Inlet school. This program was implemented in FY 1995 for the Warroad school district to open and operate a one-room schoolhouse at Angle Inlet. This program funds a historic Minnesota institution and protecting it is important to Minnesota's history and culture. Angle Inlet is located in an extremely isolated and remote portion of the state on the Red Lake reservation. As such, there is no property tax base to draw from. The Angle Inlet school is vital to ensuring students in this remote location receive quality educational services.

Disaster Funds (M.S. 12A.06)

This program provides aid to School Districts experiencing a natural disaster. Disaster enrollment impact aid assists districts with loss of revenue experienced when pupil units decline after a disaster. Disaster relief facilities grants assist districts with costs associated with facility damage that is not reimbursed by FEMA or district insurance. Disaster relief operating grants assist districts with additional operating costs associated with the disaster, and pupil transportation aid assists districts with increased pupil transportation costs due to expanded busing or change in routes due to the disaster.

Results:

The Angle Inlet school continues to provide education services to its community despite its remote location. School districts that experience declared natural disasters receive state assistance to help with unexpected costs or revenue loss.

Performance Measures	Previous	Current	Trend

Performance Measures Notes:

Budget Activity: Spec Prov For Select Districts
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$1,407	$0		$1,407
Current Law Expenditures (FY 2014-15)	$130			$130
Governor's Recommended Expenditures (FY2014-15)	$130			$130
$ Change from FY 2014-15 Current Law to Governor's Rec	$0			$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: Spec Prov For Select Districts
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$130			$130
SOURCES OF FUNDS	**$130**			**$130**
EXPENDITURES	$130			$130
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES	$130			$130
USES OF FUNDS	**$130**			**$130**

Education
School Choice Programs - Charter School Lease Aid

http://education.state.mn.us/MDE/StuSuc/EnrollChoice/CharterSch/;

Statewide Outcome(s):

Charter School Lease Aid supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

This state aid program provides funding to charter schools to lease appropriate facilities for instructional purposes. Unlike school districts, which have a property tax base from which they can levy funds to pay for facilities, charter schools do not receive property tax revenue. Instead, to provide a funding source for charter school facility needs, the state provides charter school lease aid. This program is funded from general fund appropriations.

Strategies:

Charter schools submit applications for lease aid that are reviewed and approved or denied based on reasonableness of price given current market conditions, appropriateness of the lease considering space needs and financial position of the school, and conformity of the lease to rules and laws. Authorizers are approved by the Commissioner of Education to provide oversight. The application for approval as a charter school authorizer must demonstrate the applicant's ability to implement the procedures and satisfy the criteria for chartering a school.

State aid is calculated based on the formula in Minnesota Statutes (M.S.) 124D.11, subd. 4 (https://www.revisor.mn.gov/statutes/?id=124D.11), which provides the lesser of 90 percent of net lease costs or the product of the pupil units served by the school in the current year multiplied by $1,200.

Results:

	Previous	Current	Trend
Charter Schools Receiving Lease Aid	129	148	Increasing

Performance Measures Notes:

Previous performance measure is for FY 2010, current performance measure is for FY 2011.

Budget Activity: Charter School Lease Aid
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$46,903	$50,226	$97,129	$54,871	$59,825	$114,696
Governor's Recommendation	$46,903	$50,226	$97,129	$53,855	$58,809	$112,664
Dollar Change from Base	$0	$0	$0	(1,016)	(1,016)	(2,032)
Percent Change from Base	0%	0%	0%	(2%)	(2%)	(2%)
Base Appropriation	$42,626	$58,181	$100,807	$54,058	$58,958	$113,016
Governor's Recommendation	$42,626	$58,181	$100,807	$53,219	$57,942	$111,161
Dollar Change from Base	$0	$0	$0	(839)	(1,016)	(1,855)
Percent Change from Base	0%	0%	0%	(2%)	(2%)	(2%)
Base Levy			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Federal Funds	$2,235	$5,649	$7,884	$6,339	$6,339	$12,678
Governor's Recommendation	$2,235	$5,649	$7,884	$6,339	$6,339	$12,678
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Charter School Lease Aid
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$46,903	$50,226	$97,129	$53,855	$58,809	$112,664
Levies						
District Revenue	**$46,903**	**$50,226**	**$97,129**	**$53,855**	**$58,809**	**$112,664**
Appropriation						
Current Year	$30,159	$41,437	$71,596	$44,430	$48,517	$92,947
Prior Year	$12,468	$16,744	$29,212	$8,789	$9,425	$18,214
State Aid	**$42,627**	**$58,181**	**$100,808**	**$53,219**	**$57,942**	**$111,161**
Federal Funds	$2,235	$5,648	$7,883	$6,339	$6,339	$12,677
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$44,862**	**$63,829**	**$108,691**	**$59,558**	**$64,281**	**$123,838**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS	$0		$0			
GRANTS, AIDS AND SUBSIDIES	$44,861	$63,830	$108,691	$59,558	$64,281	$123,839
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$44,861**	**$63,830**	**$108,691**	**$59,558**	**$64,281**	**$123,839**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
School Choice Programs - Integration Revenue

http://education.state.mn.us/MDE/SchSup/SchFin/Integ/

Statewide Outcome(s):

Integration Revenue supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

This program exists to ensure children experience their education with other racial groups. Studies have shown that students who attend integrated schools are less likely to develop prejudice as adults. The program is also intended to close the achievement gap. This program serves K-12 students attending public schools or districts eligible under the Desegregation Rule 3535.0100-180. Integration revenue is used to support implementation of cross-district programs or programs designed to create racial balance at a qualified school site. Integration revenue is funded through local levy (30 percent) and state aid (70 percent).

Strategies:

Integration Revenue supports the implementation of programs and initiatives intended to address the following two goals: for students to have increased and sustained contact with students from other racial groups and to provide improved educational opportunities and outcomes designed to close the academic achievement gap.

Schools identified as having a higher percentage of protected class students when compared with other schools within their district must develop a plan to create racial balance at that school site. Eligible districts also include districts adjoining a racially isolated district as defined by the Rule and districts which volunteer to work with such a district on cross-district programming.

MDE establishes guidelines and provides technical assistance to school districts to ensure that their integration revenue-supported expenditures are aligned with the goals of the integration statue. Use of integration revenue must also be consistent with the school board-approved integration plan required for receipt of integration revenue and can include, but is not limited to, the following strategies: cooperative transportation, incentives for low income students to transfer to non-racially isolated districts, developing cooperative magnet schools or programs, recruiting teachers of color, shared extracurricular activities, and providing smaller class sizes. Strategies included in an approved plan must address the goals of the integration revenue program.

Results:

MDE provides technical assistance on development and evaluation of integration plans and oversight on expenditure of revenue. We have established budget guidelines, tracking systems, and reporting requirements to provide oversight and guidance on the use of funds.

Districts have not previously generated the data needed to confirm that they have met either of program goals of increasing students' contact with other racial groups or closing the achievement gap. MDE is developing an evaluation process in order to report on these goals. This evaluation process is designed to provide a consistent, standardized format for determining the extent to which each district has met the goals of this program and the extent to which the funding has enabled districts as a whole to meet these two goals.

Performance Measures	Previous	Current	Trend
1. MDE has established accessible, clear and consistent budget guidelines aligned with the integration statute and posted to the MDE website.	No	Yes	Improving
2. Districts submit integration budgets and reports on expenditures by an established deadline or request an extension.	No	Yes	Improving

Performance Measures	Previous	Current	Trend
3. Percent of districts reporting progress toward integration plan goals.	3%	N/A	N/A

Performance Measures Notes:

1. Previous Data: Prior to 2010 / Current Data: 2011
2. Previous Data: Prior to 2010 / Current Data: 2011
3. Previous Data: Prior to 2010 / Current Data 2011. MDE is currently developing a new evaluation and reporting process that will dramatically increase the number of participating districts providing evaluation reports to MDE, which will help the department better understand program outcomes.

Budget Activity: Integration Revenue
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$65,090	$64,863	$129,953	$68,184	$68,691	$136,875
Governor's Recommendation	$65,090	$64,863	$129,953	$64,595	$66,103	$130,698
Dollar Change from Base	$0	$0	$0	(3,589)	(2,588)	(6,177)
Percent Change from Base	0%	0%	0%	(5%)	(4%)	(5%)
Base Appropriation	$61,120	$76,749	$137,869	$75,976	$68,603	$144,579
Governor's Recommendation	$61,120	$76,749	$137,869	$73,015	$65,839	$138,854
Dollar Change from Base	$0	$0	$0	(2,961)	(2,764)	(5,725)
Percent Change from Base	0%	0%	0%	(4%)	(4%)	(4%)
Base Levy	$28,530	$28,549	$57,079	$28,549		$28,549
Governor's Recommendation	$28,530	$28,549	$57,079	$27,683		$27,683
Dollar Change from Base	$0	$0	$0	(866)		(866)
Percent Change from Base	0%	0%	0%	(3%)		(3%)
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Integration Revenue
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$65,090	$64,863	$129,953	$64,595	$66,103	$130,698
Levies	$28,530	$28,549	$57,079	$27,683		$27,683
District Revenue	**$93,620**	**$93,412**	**$187,032**	**$92,278**	**$66,103**	**$158,381**
Appropriation						
Current Year	$41,853	$53,512	$95,365	$53,291	$54,535	$107,826
Prior Year	$19,272	$23,237	$42,509	$19,724	$11,304	$31,028
State Aid	**$61,125**	**$76,749**	**$137,874**	**$73,015**	**$65,839**	**$138,854**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$61,125**	**$76,749**	**$137,874**	**$73,015**	**$65,839**	**$138,854**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$61,120	$76,749	$137,869	$73,015	$65,839	$138,854
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$61,120**	**$76,749**	**$137,869**	**$73,015**	**$65,839**	**$138,854**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
School Choice Programs - Interdistrict Desegregation Transportation

http://education.state.mn.us/MDE/SchSup/SchFin/Integ/

Statewide Outcome(s):

Interdistrict Desegregation Transportation supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

This program exists to further the dual goals of Minnesota's integration program; increased contact with students of other races and to close the achievement gap. Transportation is necessary to integrate segregated schools. This program serves public school's students attending interdistrict desegregation or integration schools or programs and low-income Minneapolis students attending suburban districts under the Choice is Yours (CIY) program.

Strategies:

The purpose of this state aid program is to promote interdistrict desegregation and integration programs among school districts which are designed to close the achievement gap, by providing state aid to cover unreimbursed student transportation costs.

Transportation is provided between the student's home or school and the interdistrict program or school. School districts have entered into joint powers agreements to develop desegregation/integration programs and/or schools. Existing programs include the East Metro Integration District (6067), West Metropolitan Education Program District (WMEP) (6069), and the North West Suburban Integration School District (6078). Other programs exist to promote desegregation/integration experiences in more than 100 school districts.

Results:

Performance Measures	Previous	Current	Trend
Number of students that open enrolled and were provided desegregation transportation on a daily basis.*	3,440	4,695	Increasing

Performance Measures Notes:

*Previous: FY 2007 / Current: FY 2011

Budget Activity: Interdist Deseg Transportation
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$27,228			$27,228
Current Law Expenditures (FY 2014-15)	$30,188			$30,188
Governor's Recommended Expenditures (FY2014-15)	$30,188			$30,188
$ Change from FY 2014-15 Current Law to Governor's Rec	$0			$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: Interdist Deseg Transportation
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$30,188			$30,188
SOURCES OF FUNDS	**$30,188**			**$30,188**
EXPENDITURES	$30,188			$30,188
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES	$30,188			$30,188
USES OF FUNDS	**$30,188**			**$30,188**

Education
Indian Programs - Success for the Future

http://education.state.mn.us/MDE/StuSuc/IndianEd/

Statewide Outcome(s):

Success for the Future supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

This program exists to increase the academic achievement, decrease the dropout rate, and improve the school climate for American Indian students. The program serves 4,850 American Indian students in the urban areas and 4,000 in rural suburban areas in 26 public school districts, four tribal schools, and one charter school. This activity is funded through the general fund.

Strategies:

Success for the Future is a state grant program that provides funding to grantees that develop comprehensive and collaborative plans to support academic achievement, decrease the dropout rate, and improve the school climate for American Indian students in a culturally appropriate manner.

Success for the Future provides the following program services: targeted retention programs, academic and counseling services, advocacy and liaison services, innovative curriculum based on technology, and best practices in teaching for American Indian students. In the fall of 2010, MDE trained Success for the Future Indian Education coordinators in the ACT's College and Career readiness system (known as "Explore and Plan").

Results:

The program serves nearly half the state's enrolled American Indian students and enables participating students to take part in advanced placement and a variety of college readiness programs.

Performance Measures	Previous	Current	Trend
1. Percentage of Statewide Enrolled American Indian Students Served by SFTF	45%	46%	Stable
2. Statewide number of American Indian Students who take the ACT	232	211	Worsening
3. American Indian Students receiving a 3 or better on an AP exam	76 of 164 (46%)	77 of 168 (45%)	Stable

Performance Measures Notes:

1. Previous: FY2010 / Current: FY2012
2. Previous: FY2011 / Current: FY2012
3. Previous: FY2010 / Current: FY2011
4. Previous: FY2010 / Current: FY2011

Budget Activity: Success For The Future
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$2,137	$2,137	$4,274	$2,137	$2,137	$4,274
Governor's Recommendation	$2,137	$2,137	$4,274	$2,137	$2,137	$4,274
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$2,013	$2,526	$4,539	$2,137	$2,137	$4,273
Governor's Recommendation	$2,013	$2,526	$4,539	$2,137	$2,137	$4,273
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Success For The Future
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$2,137	$2,137	$4,274	$2,137	$2,137	$4,274
Levies						
District Revenue	**$2,137**	**$2,137**	**$4,274**	**$2,137**	**$2,137**	**$4,274**
Appropriation						
Current Year	$1,375	$1,764	$3,139	$1,764	$1,764	$3,528
Prior Year	$638	$762	$1,400	$373	$373	$746
State Aid	**$2,013**	**$2,526**	**$4,539**	**$2,137**	**$2,137**	**$4,274**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$2,013**	**$2,526**	**$4,539**	**$2,137**	**$2,137**	**$4,274**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$2,013	$2,526	$4,539	$2,137	$2,137	$4,273
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$2,013**	**$2,526**	**$4,539**	**$2,137**	**$2,137**	**$4,273**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Indian Programs - Indian Teacher Preparation

http://education.state.mn.us/MDE/StuSuc/IndianEd/

Statewide Outcome(s):

Indian Teacher Preparation supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

This program exists to increase the number of American Indian teacher candidates. Increasing the amount of American Indian teachers is important because American Indians have been historically underrepresented in the teacher ranks. The program seeks to improve teacher quality by diversifying the pool of Minnesota teachers in order to increase all students' cultural awareness, experiences, and exposure to a diverse population of teachers. The demographic trend for students is shifting; having a diverse teacher population helps to ensure that all Minnesotans have access to a quality education.

Strategies:

The state-funded Indian Teacher Training Grant program assists American Indian people to become teachers and provides additional education for American Indian teachers. This program provides a source of certified American Indian teachers to specific school districts with significant concentrations of American Indian students. The program provides resources to American Indians in the form of grants and loans to complete a teacher preperation program. These loans are forgiven though service at a participating school district.

Augsburg College, Bemidji State University, and the University of Minnesota-Duluth each partner in this initiative with one of the following districts: Minneapolis, St. Paul, Red Lake, Moorhead, and Duluth Public Schools. Individuals participating in the program range from teachers working on additional licensure programs to undergraduate students.

Results:

There have been sixty graduates from this program since its inception in 1979. A total of 90 American Indians have taken part in the program since 2011. In the 2011-2012 school year, there were a total of 22 students participating in the Minnesota Indian Teacher Preparation program.

Performance Measures	Previous	Current	Trend
Eligible Institutions*	4	4	Stable
New Student Participants**	18	4	Worsening
Graduates***	6	3	Worsening

Performance Measures Notes:

* Previous: FY 2009 / Current: FY 2012
** Previous: FY2009 / Current: FY 2012
*** Previous: FY 2009 / Current: FY 2012

Budget Activity: Indian Teacher Preparation
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$371			$371
Current Law Expenditures (FY 2014-15)	$380			$380
Governor's Recommended Expenditures (FY2014-15)	$380			$380
$ Change from FY 2014-15 Current Law to Governor's Rec	$0			$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: Indian Teacher Preparation
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$380			$380
SOURCES OF FUNDS	**$380**			**$380**
EXPENDITURES	$380			$380
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES	$380			$380
USES OF FUNDS	**$380**			**$380**

Education
Indian Programs - Tribal Contract Schools

http://education.state.mn.us/MDE/StuSuc/IndianEd/

Statewide Outcome(s):

Tribal Contract Schools supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

The program began to ensure tribal schools had adequate funds to provide an adequate and uniform education to their students, as required by the Minnesota Constitution. Participants include the four tribal schools in the state: Bug-O-Nay-Ge-Shig School, Leech Lake; Circle of Life School, White Earth; Nay Ah Shing School, Mille Lacs; and Ojibwe School, Fond du Lac.

Strategies:

This state aid program provides funding to promote equal education opportunity for students enrolled in tribal contract schools (as compared to public schools) by providing state funds to schools based on the difference between the amount of aid provided by the federal government and the state per pupil aid amount. The funds are designed to provide general education services. The schools report student data and have adopted graduation standards and state testing according to their comprehensive education plans.

Results:

Participant performance is not tracked by MDE. Tribal schools are not public schools. Therefore, MDE does not have the ability to require tribal schools to submit assessment data related to this program.

Performance Measures	Previous	Current	Trend
October 1 Enrollment in Tribal Contract Schools*	816	792	Decreasing

Performance Measures Notes:

*Previous: FY2009 / Current: FY2012

Budget Activity: Tribal Contract Schools
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$1,690	$1,957	$3,647	$2,066	$2,183	$4,249
Governor's Recommendation	$1,690	$1,957	$3,647	$2,066	$2,183	$4,249
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$1,687	$2,218	$3,905	$2,047	$2,162	$4,209
Governor's Recommendation	$1,687	$2,218	$3,905	$2,047	$2,162	$4,209
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Tribal Contract Schools
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$1,690	$1,957	$3,647	$2,066	$2,183	$4,249
Levies						
District Revenue	**$1,690**	**$1,957**	**$3,647**	**$2,066**	**$2,183**	**$4,249**
Appropriation						
Current Year	$1,087	$1,615	$2,702	$1,705	$1,801	$3,506
Prior Year	$600	$603	$1,203	$342	$361	$703
State Aid	**$1,687**	**$2,218**	**$3,905**	**$2,047**	**$2,162**	**$4,209**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$1,687**	**$2,218**	**$3,905**	**$2,047**	**$2,162**	**$4,209**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS	$600	$603	$1,203	$342	$361	$703
GRANTS, AIDS AND SUBSIDIES	$1,087	$1,615	$2,702	$1,705	$1,801	$3,506
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$1,687**	**$2,218**	**$3,905**	**$2,047**	**$2,162**	**$4,209**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Indian Programs - Tribal Early Childhood Programs

http://education.state.mn.us/MDE/StuSuc/IndianEd/

Statewide Outcome(s):

Tribal Early Childhood Programs supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

This program exists to ensure Early Childhood and Family Education (ECFE) services are available for parents who live in tribal communities and who will send their children to tribal school. These programs deliver ECFE services with an added emphasis on preserving American Indian culture. For more information on the purposes of the Early Childhood Family Education (ECFE) program, please see the ECFE budget narrative.

Strategies:

This state aid program provides funding to four eligible tribal schools to enhance the ability of American Indian parents to provide for their children's optimal learning and development through education and support that emphasizes cultural values and learning from birth to kindergarten age. The programs use culturally appropriate materials and strategies to deliver the basic ECFE program with an added emphasis on preserving American Indian culture. The programs require the direct presence and substantial involvement of the children's parents.

Results:

Performance Measures	Previous	Current	Trend
N/A*	N/A	N/A	N/A

Performance Measures Notes:

* Participant performance is not tracked by MDE. Tribal schools are not public schools. Therefore, MDE does not have the ability to require tribal schools to submit assessment data related to this program.

Budget Activity: Tribal Early Childhood Program
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$136			$136
Current Law Expenditures (FY 2014-15)	$136			$136
Governor's Recommended Expenditures (FY2014-15)	$136			$136
$ Change from FY 2014-15 Current Law to Governor's Rec	$0			$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: Tribal Early Childhood Program
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$136			$136
SOURCES OF FUNDS	**$136**			**$136**
EXPENDITURES	$136			$136
PAYROLL EXPENSE				
OTHER FINANCIAL TRANSACTIONS	$136			$136
USES OF FUNDS	**$136**			**$136**

Education
Innovation and Accountability Programs - Assessments

http://education.state.mn.us/MDE/SchSup/TestAdmin/

Statewide Outcome(s):

Statewide Testing supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

Having accurate, timely and meaningful assessment information available to educators and decision makers is fundamental to having a well-educated state. As demand for information about student achievement increases, accurate, efficient evaluations of student performance are more critical than ever. Statewide assessments inform parents, teachers, and the public on the achievement of students against the Minnesota Academic Standards, or other standards for special populations. Testing serves approximately 62,000 students per grade, 60,000 English language learners, 6,200 students with disabilities that are persistently low performing, and 4,500 students with severe cognitive disabilities. The program is funded through the general fund.

Strategies:

Title I Assessments for Reading, Mathematics, and Science. Statewide Assessments measure student achievement in reading, science and mathematics through the Minnesota Comprehensive Assessments (MCA) and Minnesota Test of Academic Skills (MTAS) and in reading and mathematics through the MCA-Modified.

Title III Assessments for English Language Proficiency. Students defined as English Learners participate in the ACCESS for ELLs (Assessing Comprehension and Communication in English State-to-State for English Language Learners) assessment as part of the World-Class Instructional Design and Assessment (WIDA) consortia.

Diploma Assessments for Graduation. All students must fulfill the requirement of the Graduation-Required Assessment for Diploma (GRAD).

A priority for our division throughout the development of these assessments and protocols for administration is involvement of Minnesota educators and stakeholders.

Statewide Testing conducts the following activities with separate professional measurement organizations:

- **Item Development and Test Construction**; ensure assessments align to Minnesota Academic Standards and adhere to psychometric requirements.
- **Administration**; monitoring administration of Minnesota statewide assessments, includes creation of manuals and user guides for district use.
- **Scoring and Reporting**; monitoring of scoring processes and quality assurance of reports.
- **Quality Control Review**; an analysis by an independent, third party auditor to confirm that scores and results have been correctly assigned.
- **Alignment Studies**; an independent review to ensure tests are measuring the content and skills of the standards.

More information for these specific assessments can be found at the Minnesota Tests page (http://education.state.mn.us/MDE/SchSup/TestAdmin/MNTests/index.html).

Results:

Performance Measures	Previous	Current	Trend
1. Percent of 3-8 grade math assessments administered online and provided immediate results	75%	88%	Improving
2. Percent of reading and mathematics tests invalidated because of improper test administration	0.84 (rate/1,000)	0.71 (rate/1,000)	Improving

Performance Measures Notes:

1. Previous: 2011, Current: 2012
2. Previous: 2011, Current: 2012

Budget Activity: Assessments
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$30,300		$18,682	$48,981
Current Law Expenditures (FY 2014-15)	$30,300		$16,494	$46,794
Governor's Recommended Expenditures (FY2014-15)	$30,300		$16,494	$46,794
$ Change from FY 2014-15 Current Law to Governor's Rec	$0		$0	$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%		0%	0%

Budget Activity: Assessments
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
REVENUE			$16,494	$16,494
APPROPRIATION	$30,300		$0	$30,300
SOURCES OF FUNDS	**$30,300**		**$16,494**	**$46,794**
EXPENDITURES	$30,300		$16,494	$46,794
PAYROLL EXPENSE				
OPERATING EXPENSES	$30,300		$16,494	$46,794
USES OF FUNDS	**$30,300**		**$16,494**	**$46,794**

Education
Special Student & Teacher Programs – Advanced Placement/International Baccalaureate (AP/IB)

http://education.state.mn.us/MDE/EdExc/RigorHigh/index.html

Statewide Outcome(s):

AP/IB supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

In a time when college costs are increasing, and the need for high school students to be college ready is critical, it's important to provide an opportunity for high school students to be better prepared for college and to earn college credit and/or advanced standing, thus saving students and parents time and money during postsecondary education. The AP/IB programs provide increased academic rigor as well as offer sound curricular design, accountability, comprehensive external assessment, feedback to students and teachers, and the opportunity for high school students to compete academically on a global level. This program is funded through the general fund.

Strategies:

This state program provides financial incentives for schools to begin or expand their Advanced Placement (AP) and International Baccalaureate (IB) programs and to promote rigorous, challenging courses of study as part of the regular offerings for students in secondary schools by providing funding for teacher training and student exam fees. Most of Minnesota's public and private colleges and universities have credit awarding policies for AP and IB course credits for exams taken by students.

Results:

The data in both AP and IB indicate steady growth in exam participation, and the population of exam takers is increasingly diverse. As the diversity and size of the pool of exam takers grows, overall student proficiency levels have increased (AP) or only dipped slightly (IB). Teacher training that provides strategies to support more students to be successful in AP and IB classes is demonstrating positive results.

Performance Measures	Previous	Current	Trend
Number of Advanced Placement (AP) exams taken	53,239	56,942	Improving
Percent of AP exams –"proficient" or above	64.1%	64.9%	Improving
Number of AP teachers trained	647	852	Improving
Number of International Baccalaureate (IB) exams taken	4,970	5,402	Improving
Number of IB exams–"proficient" or above	64%	63.6%	Worsening
Number of IB teachers trained	1,018	1,294	Improving

Performance Measures Notes:

Previous: FY 2010 / Current: FY 2011

The overall diversity of the AP testing population in public schools increased; the exam participation rate of black students increased by 17.8 percent and the exam participation rate of Hispanic students increased by almost 25 percent in 2011, higher than the exam participation rate for all students. At the same time, the percentage of black students earning a three or above on an AP exam increased by 19.5 percent, while the number of Hispanic students earning a three or higher increased by 26.9 percent. Additionally, the number of students of color in International Baccalaureate (IB) taking IB exams increased by 21.6 percent in 2011 over the previous year, while the percentage of these students earning a four or above on these exams increased by 29.6 percent.

Budget Activity: Adv Placement/Intl Bacc
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$13,000			$13,000
Current Law Expenditures (FY 2014-15)	$13,000			$13,000
Governor's Recommended Expenditures (FY2014-15)	$13,000			$13,000
$ Change from FY 2014-15 Current Law to Governor's Rec	$0			$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: Adv Placement/Intl Bacc
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$13,000			$13,000
SOURCES OF FUNDS	**$13,000**			**$13,000**
EXPENDITURES	$13,000			$13,000
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES	$13,000			$13,000
USES OF FUNDS	**$13,000**			**$13,000**

Education
Special Student and Teacher Programs - Collaborative Urban Educator

Statewide Outcome(s):

Collaborative Urban Educator supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

This program addresses the need to recruit and train educators prepared to meet the educational needs of the urban school and a diverse student population. The program is funded through the general fund.

Strategies:

The collaborative urban educator program funds three programs: the Southeast Asian Teacher program at Concordia University, St. Paul; the collaborative urban educator program at the University of St. Thomas; and the Center for Excellence in Urban Teaching at Hamline University. CUE provides professional development to school district staff enhancing skills and abilities to meet the educational needs of urban learners and a diverse student population.

Results:

To date, 332 persons have completed CUE programs, earning licenses in special education, elementary education, mathematics, and science. The current cohort of 23 persons is earning licensure in the high needs area of special education. With a retention rate in education nearing 88 percent, CUE alumni have taught an estimated 45,000 students and are currently teaching in 126 schools in 16 Minnesota districts.

Performance Measures	Previous	Current	Trend
Concordia	6 graduates	2 graduates	Decreasing
St. Thomas	N/A	22 graduates	N/A
Hamline	N/A	62 scholarships	N/A

Performance Measures Notes:

Current performance measure is for 2011/2012 school year, previous is for 2010/2011. Information is what was given from the schools to MDE.

Budget Activity: Collaborative Urban Educator
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$1,056			$1,056
Current Law Expenditures (FY 2014-15)	$1,056			$1,056
Governor's Recommended Expenditures (FY2014-15)	$1,056			$1,056
$ Change from FY 2014-15 Current Law to Governor's Rec	$0			$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: Collaborative Urban Educator
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$1,056			$1,056
SOURCES OF FUNDS	**$1,056**			**$1,056**
EXPENDITURES	$1,056			$1,056
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES	$1,056			$1,056
USES OF FUNDS	**$1,056**			**$1,056**

Education
Special Student and Teacher Programs - Literacy Incentive Aid

http://education.state.mn.us/MDE/EdExc/ReadWell/

Statewide Outcome(s):

Literacy Incentive Aid supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

Reading well by third grade is one of many developmental milestones in a child's educational experience and has been found to be a major predictor of future success. Providing quality curriculum, instruction, and assessments such that more students are reading at grade level in third grade will improve students' performance throughout their educational careers.

Strategies:

Beginning in the 2012-13 school year, schools are eligible for additional aid based on how well students in the third grade read (called "Proficiency Aid"), and how much progress is being made between the third and fourth grades in reading skills (called "Growth Aid"). Proficiency aid is calculated by multiplying $85 times the average percentage of students in a school that meet or exceed proficiency over the current year and previous two years on the third grade reading portion of the Minnesota Comprehensive Assessment, multiplied by the number of students enrolled at the school in the previous year. Similarly, Growth aid is calculated by multiplying $85 times the percentage of students that make medium or high growth on the fourth grade reading Minnesota Comprehensive Assessment multiplied by the previous year's student count. [Minnesota Statue (M.S.) 124D.98]

In addition, each public school district and charter school serving grades K-3 has to develop local literacy plans which are posted on each district webpage. The information is intended to guide schools and districts as they work toward meeting the requirement of all students reading well by the end of third grade.

Results:

Although Literacy Incentive Aid is a new categorical aid, all districts have submitted literacy plans, which is a first step in improving early learning.

Performance Measures	Previous	Current	Trend
Third Grade Proficiency*	76.3%	78.5%	Improving
Fourth Grade Growth**	N/A	79.9%	N/A

Performance Measures Notes:

* Previous Measure: FY 2010 / Current Measure: FY 2011. Proficiency measures percentage of students reading proficiently in third grade.

** Previous Measure: FY 2010 / Current Measure: FY 2011. Growth measures percentage of students with high or medium skills growth from third to fourth grade. Data measuring skills growth was not tracked prior to FY 2011, but will be in the future.

Budget Activity: Literacy Incentive Aid
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$40,083			$40,083
Current Law Expenditures (FY 2014-15)	$106,195			$106,195
Governor's Recommended Expenditures (FY2014-15)	$106,152			$106,152
$ Change from FY 2014-15 Current Law to Governor's Rec	(43)			(43)
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: Literacy Incentive Aid
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$106,152			$106,152
SOURCES OF FUNDS	**$106,152**			**$106,152**
EXPENDITURES	$106,152			$106,152
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES	$106,152			$106,152
USES OF FUNDS	**$106,152**			**$106,152**

Education
Special Student and Teacher Programs - ServeMinnesota

Statewide Outcome(s):

ServeMinnesota Innovation supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

ServeMinnesota is the Minnesota recipient of federal AmeriCorps funding. The program exists to recruit and support individuals to improve the lives of Minnesota by creating positive social change. ServeMinnesota education initiatives utilize proven learning methods to help thousands of students achieve grade level proficiency in reading and math. By promoting service and volunteerism, ServeMinnesota helps create engaged and motivated communities.

Strategies:

ServeMinnesota mobilizes Minnesotans to solve the state's biggest problems through service and volunteerism in the following ways:

- ***AmeriCorps Matching Funds and Program Administration.*** The state general fund appropriation provides the required local match for federal AmeriCorps dollars. ServeMinnesota also administers a portfolio of 12 AmeriCorps programs with more than 1,200 AmeriCorps members providing direct service in five priority areas: education, the environment, healthy futures, veterans, and economic opportunity. More than 650 sites across the state are hosting an AmeriCorps member in FY 2012. In exchange for providing a year of community service, ServeMinnesota members receive a stipend, health benefits and a higher education award.

- ***Minnesota Reading Corps.*** ServeMinnesota also oversees the Minnesota Reading Corps. Minnesota Reading Corps launched in 2003, serving preschool children in four Head Start agencies. The early results showed the program model was effective. The program quickly expanded to serve children age 3-grade 3 in many more locations throughout Minnesota. This state program complements the federal AmeriCorps program The services provided by students can range from mentoring and tutoring, service activities, mediation services to decrease violence, park safety, construction and rehabilitation of homes, environmental projects, and other community service projects.

Results:

By using innovative, evidence-based practices and personalized tutoring, Minnesota Reading Corps has demonstrated proven results to help close Minnesota's growing achievement gap. The program has grown each year to become the largest state AmeriCorps program in the country. Since 2003, Minnesota Reading Corps has grown from serving 250 children to about 20,000. There are over 750 Minnesota Reading Corps tutors currently serving in 500 Head Start centers, preschools, and elementary schools throughout the state. The program has plans to place more than 1,000 tutors in over 600 sites during the 2012-2013 school year.1

In 2011, nearly 80 percent of Minnesota Reading Corps participants achieved more than a year's worth of progress in one year's time, exceeding state and national averages and dramatically surpassing what would have typically been expected. Studies show that by increasing investments in quality early childhood literacy interventions, the whole community can anticipate a return of up to $12 for every $1 invested.

Performance Measures	Previous	Current	Trend
ServeMinnesota Members	841	1,297	Increasing
Reading Corps student served**	250	20,000	Increasing
Reading MCA pass rates for Reading Corps students***	N/A	80%	N/A

Performance Measures Notes:

* Previous: FY 2009 / Current: FY 2011

**Previous: FY 2003 / Current: FY 2011

***Current data shown is from FY 2011. Data on MCA pass rates was not previously collected, but will be in the future.

[1] Source: Minnesota Reading Corps website http://www.serveminnesota.org/programs/minnesota-reading-corps and http://minnesotareadingcorps.org/. Data reported on the ServeMinnesota Annual Report at http://www.serveminnesota.org/

Budget Activity: Youthworks
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$1,800			$1,800
Current Law Expenditures (FY 2014-15)	$1,800			$1,800
Governor's Recommended Expenditures (FY2014-15)	$1,800			$1,800
$ Change from FY 2014-15 Current Law to Governor's Rec	$0			$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: Youthworks
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$1,800			$1,800
SOURCES OF FUNDS	**$1,800**			**$1,800**
EXPENDITURES	$1,800			$1,800
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES	$1,800			$1,800
USES OF FUNDS	**$1,800**			**$1,800**

Education
Special Student & Teacher Programs - Student Organizations

Statewide Outcome(s):

Student Organizations supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

The Minnesota Foundation of Student Organizations (MFSO) exists to promote career and technical student organizations that provide student opportunities for applied leadership, personal development, community service, and career preparation that allow students to enter the workforce with the skills needed to be a leader in Minnesota. The student organizations under oversight of the MFSO are funded through the general fund.

Strategies:

The Minnesota Foundation for Student Organizations (MFSO) promotes and supports career and technical student organizations as they work to provide student opportunities for leadership, personal development, community service and career preparation in the following ways:

1. MFSO provides operating grants to student career and technical organizations to support their ongoing activities. Student organizations currently funded by the Foundation for Student Organizations include:
    - HOSA - Health Occupations Students of America
    - FCCLA-HERO – Service Occupations
    - FCCLA – Family & Consumer Science Occupations
    - FFA – Agriculture and Agribusiness Education
    - PAS - Post Secondary Agricultural Students
    - BPA – Business Occupations (Postsecondary)
    - BPA – Business Occupations (Secondary)
    - DECA – Marketing Occupations
2. MFSO develops public-private partnerships for funding and to create opportunities for student members as well as a pipeline to future skilled employees for Minnesota businesses.
3. MFSO serves as the body for coordinating joint activities and outreach among its member student organizations.

The foundation was established by the legislature in 1996 and is directed by a 23 member foundation board formed in January 1998.

Results:

Despite pressures that are limiting career and technical education program opportunities in schools, participation in career and technical education student organizations continues to rise.

Performance Measures	Previous	Current	Trend
Membership in career and technical education student organizations*	16,800	19,041	Improving

Performance Measures Notes:

*Previous: FY 2006 / Current: FY 2011

Budget Activity: Student Organizations
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$1,450			$1,450
Current Law Expenditures (FY 2014-15)	$1,450			$1,450
Governor's Recommended Expenditures (FY2014-15)	$1,450			$1,450
$ Change from FY 2014-15 Current Law to Governor's Rec	$0			$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: Student Organizations
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$1,450			$1,450
SOURCES OF FUNDS	**$1,450**			**$1,450**
EXPENDITURES	$1,450			$1,450
PAYROLL EXPENSE				
OPERATING EXPENSES	$81			$81
GRANTS, AIDS AND SUBSIDIES	$1,369			$1,369
USES OF FUNDS	**$1,450**			**$1,450**

Education
Special Student and Teacher Programs – EXPLORE and PLAN (EPAS)

http://education.state.mn.us/MDE/EdExc/CollegePlan/

Statewide Outcome(s):

EPAS supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

With the value of a college degree continually increasing, it's important to identify students' college readiness as early as possible to ensure that students and their families have both adequately planned for and are prepared to transition from high school to college. This state-supported program provides college readiness information as early as eighth grade, allowing for appropriate course planning and necessary interventions to support student success.

Strategies:

This state aid program, EXPLORE and PLAN (EPAS) is aimed at preparing high school students for postsecondary education options through the American College Testing (ACT) program's College and Career Readiness System. School districts and charter schools voluntarily participate in the EXPLORE (grade eight) and PLAN (grade ten) assessments funded by the state. These assessments are aligned with the ACT test, taken voluntarily by over 70 percent of Minnesota seniors as a college entrance requirement.

The ACT's College and Career Readiness System provides a longitudinal, aligned approach to educational and career planning, assessment, instructional support and evaluation. The system focuses on the higher order thinking skills students develop in grades K-12 that are important for success both during and after high school and provides benchmarks to assist parents, students and educators in college and career planning. The College and Career Readiness System achievement assessment includes English, reading, mathematics, science, as well as sections addressing individual interests and course planning.

Results:

The number of students participating in the assessment system continues to increase while the number of students meeting all four benchmarks of college readiness continues to grow between grade eight and grade 11. Data indicates more Minnesota students are better prepared for college and careers.

Performance Measures	Previous	Current	Trend
1. EXPLORE- number of students tested	40,076	40,861	Stable
2. EXPLORE- percent of students meeting all four benchmarks	20%	17%	Worsening
3. PLAN- number of students tested	54,638	54,652	Stable
4. PLAN - percent of students meeting all four benchmarks	22%	25%	Improving
5. ACT- percent of students meeting all four benchmarks	36%	36%	Stable
6. ACT- percent of students testing (voluntary)	72%	74%	Improving
7. Minnesota average composite score national rank for states testing 50 percent or more of graduating seniors	1	1	Stable
8. Percent of students enrolled in postsecondary institutions	68%	70.5%	Improving

Performance Measures Notes:

Measures #1 – #7: Previous Data: FY 2010-11 / Current Data: 2011-12

Measure #8: Previous Data: 2006 / Current Data: 2010

Budget Activity: Educ Plng & Assess Systems
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$1,658			$1,658
Current Law Expenditures (FY 2014-15)	$1,658			$1,658
Governor's Recommended Expenditures (FY2014-15)	$1,658			$1,658
$ Change from FY 2014-15 Current Law to Governor's Rec	$0			$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: Educ Plng & Assess Systems
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$1,658			$1,658
SOURCES OF FUNDS	**$1,658**			**$1,658**
EXPENDITURES	$1,658			$1,658
PAYROLL EXPENSE				
OPERATING EXPENSES	$1,658			$1,658
USES OF FUNDS	**$1,658**			**$1,658**

Education
Special Student & Teacher Programs - Early Childhood Literacy

http://education.state.mn.us/MDE/StuSuc/LifelongLiteracy/

Statewide Outcome(s):

Early Childhood Literacy supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

This program will contribute to reducing Minnesota's achievement gap and create substantial gains in the number of students meeting literacy standards by the end of third grade. This program focuses on the whole child, including social emotional development, health, family engagement, and transitions – all-important components for building early literacy success.

Research rigorously demonstrates that high-quality early learning programs can improve school readiness, particularly for disadvantaged children. In addition, research has proven that a high-quality early learning program for one or two years can generate longer-term gains in academic achievement as well as improvements on other educational outcomes such as grade retention, special education referrals, and high school graduation.

The program is funded with a combination of state aid, federal funds, and private donations.

Strategies:

Early childhood literacy grants support research-based literacy programs in Head Start and other preschool classrooms. The purpose of the program is to increase the literacy skills of Head Start / preschool children and to increase families' participation in providing early literacy experiences to their children.

The grants are used to fund the Minnesota Reading Corps (MRC), which places AmeriCorps members in early childhood, after-school, and school-based settings to work with children age three to grade three. MRC provides trained tutors for children and focus on integrating talking, reading, and writing into all classroom activities. Tutors also provide supplemental literacy skills tutoring for children kindergarten to third grade. AmeriCorps members are trained in research-based tutoring techniques and assessments developed by the University of Minnesota. Additionally, they regularly monitor each student's progress. As the program develops at each site, AmeriCorps members also recruit community volunteers to expand the capacity of the program to reach more children.

Results:

The Pre-K MRC members are embedded in the classrooms to provide a literacy rich environment to all students and small group and individual interventions to students identified as needing supplemental support to develop specific literacy skills. Student literacy data is gathered three times a year (fall, winter, spring) using the Individual Growth and Development Indicators (IGDI's); the spring IGDI's are completed in May. Individual sites and their MRC Master Coaches examine spring growth data by classroom and adjust interventions. An annual report is submitted that summarizes student growth on each of the five IGDI measures and reports the percentage of students who begin the year below target and end the year at or above target on each measure. This year's data show that more children than ever before who have participated in MRC program are on target to read at grade level by third grade. This data shows significant gains in all areas.

Performance Measures	Previous	Current	Trend
1. Percent increase in participating Pre-Kindergarten students meeting proficiency targets for alliteration, letter naming, letter sounds, picture naming and rhyming from Fall of 2011 to Fall of 2012	Alliteration = 49% Letter naming = 73% Letter Sound = 56% Picture naming= 67% Rhyming= 56%	Alliteration =59% Letter naming =78% Letter Sound = 68% Picture naming= 72% Rhyming = 64%	Improving
2. Number of Preschools served (including Head Start classrooms, district pre-k programs and community-based pre-schools)	68	148	Improving
3. Number of pre-school students served	4,388	6,443	Improving
4. Percent increase on number of Pre-Kindergarten students demonstrating growth **on all five measures** (see page 23 of 2010-2011 Evaluation Summary)	N/A	54.86%	N/A

Performance Measures Notes:

1. Previous: 2009-10, Current: 2010-2011
2. Previous: 2009-10, Current: 2010-2011
3. Previous: Fall 2010, Current: Fall 2011
4. Previous: Not tracked, Current: 2010-2011
5. Previous: 2009-10, Current: 2010-2011

Please see 2010-2011 Evaluation Summary for further detail: http://minnesotareadingcorps.org/about/evaluation-reports

Budget Activity: Early Childhood Literacy
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$8,250			$8,250
Current Law Expenditures (FY 2014-15)	$8,250			$8,250
Governor's Recommended Expenditures (FY2014-15)	$8,250			$8,250
$ Change from FY 2014-15 Current Law to Governor's Rec	$0			$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: Early Childhood Literacy
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$8,250			$8,250
SOURCES OF FUNDS	**$8,250**			**$8,250**
EXPENDITURES	$8,250			$8,250
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES	$8,250			$8,250
USES OF FUNDS	**$8,250**			**$8,250**

Education
Special Student & Teacher Programs - Elementary and Secondary Education Act

http://education.state.mn.us/MDE/SchSup/ESEA/FedAcc/

Statewide Outcome(s):

ESEA supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

The Elementary & Secondary Education (ESEA) is the principal federal law that provides funds for supplemental services to promote academic growth for all students. The program exists to provide financial incentive to states to focus resources to driving academic achievement of their most economically disadvantaged subgroups of student. Districts are required to use these ESEA funds to provide additional services to students that are at risk of not meeting the state's academic content standards.

Strategies:

The Elementary and Secondary Education Act (ESEA) is the principal federal law affecting education from kindergarten through high school. The purpose of ESEA is to increase accountability for results; emphasize what works based on scientific research; expand parental options; and expand local control and flexibility. The Act consists of various programs designed to ensure the academic success of at risk students. The most notable are:

- Title I which includes supplemental services around evidenced based learning to promote academic growth. This program also includes the requirement used for holding schools and district accountable.
- Title II High Quality Teachers and Principals which promotes professional development for teachers and principals to ensure high quality professionals.
- Title III Language Instruction for Limited English Proficient and Immigrant Students which provides professional development for teachers working with English Language Learners.
- Title IV 21st Century Schools which promote after school programs for at risk students.
- Title V Promoting Informed Parental Choice and Innovative Programs which includes funding for charter schools and other choice programs.

In February 2012, the U.S. Department of Education approved Minnesota's request for ESEA Flexibility, which now allows the state to hold schools accountable through the Multiple Measurement Rating (MMR) and Focus Rating (FR). The state now measures schools on multiple indicators of success and uses those ratings in a system of recognition, accountability and support.

Using the MMR, schools will be measured by proficiency, growth, achievement gap, and graduation rates. Prior to the waiver schools were only measured on proficiency. Based on their scores, schools will be divided into the following categories:

- Reward Schools: Top 15 percent of schools will be publicly recognized for their great work.
- Priority Schools: Bottom five percent of schools will work directly with the state to develop and implement a turnaround plan that will dramatically change the way the school operates.
- Focus Schools: ten percent of schools with the greatest contribution to state achievement gaps. Focus schools will work with their districts with assistance from MDE to develop and implement an improvement plan that will directly address the specific needs of low-performing student subgroups.

Results:

With the successful waiver application, Minnesota was one of the first states to update accountability measures. Regional Centers of Excellence will provide a key role in working with identified schools, identifying best practices, and working with schools and communities to provide an improved education.

Performance Measures	Previous	Current	Trend
Total number of schools with improving MMR rating scores	N/A	474	N/A
Total number of schools with declining MMR rating changes	N/A	1,060	N/A
Total number of schools with improving Focus rating changes	N/A	854	N/A
Total number of schools with declining Focus rating changes	N/A	574	N/A

Performance Measures Notes:

Previous Data: N/A / Current Data: Change between FY2010-2011 to FY2011-2012. To determine overall trend, these data points measure the change in the number of schools with different types of scores between school years. Because MDE only has one set of data points to determine how schools' MMR and Focus ratings are changing (change from 2010-2011 to 2011-2012), we do not have previous data from which we can determine a trend. Going forward, MDE will track this to determine the statewide trend in changing ratings.

Budget Activity: Elem Sec Educ Act Programs
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)			$419,421	$419,421
Current Law Expenditures (FY 2014-15)			$426,762	$426,762
Governor's Recommended Expenditures (FY2014-15)			$426,762	$426,762
$ Change from FY 2014-15 Current Law to Governor's Rec			$0	$0
% Change from FY 2014-15 Current Law to Governor's Rec			0%	0%

Budget Activity: Elem Sec Educ Act Programs
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
REVENUE			$426,762	$426,762
SOURCES OF FUNDS			**$426,762**	**$426,762**
EXPENDITURES			$426,762	$426,762
PAYROLL EXPENSE				
OTHER FINANCIAL TRANSACTIONS			$117	$117
GRANTS, AIDS AND SUBSIDIES			$426,645	$426,645
USES OF FUNDS			**$426,762**	**$426,762**

Education
Other Federal Programs

http://education.state.mn.us/MDE/SchSup/SchFin/FedAid/

Statewide Outcome(s):

Other Federal Programs supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

Four programs make up Other Federal Programs: Byrd Scholarship, Homeless Children, Career and Technical Education (CTE) Grants, and ARRA homeless youth grants. They aim to promote CTE, provide scholarships, and aid homeless youth.

Strategies:

ARRA Homeless Youth - aims to ensure that homeless children are able to enroll in, attend, and succeed in school.

Byrd Scholarship - The purpose of the Byrd Honors Scholarship Program is to provide scholarships for study at institutions of higher education to outstanding high school graduates who show promise of continued excellence, in an effort to recognize and promote student excellence and achievement.

Career and Technical Education Grants - The purpose of this grant program is to develop more fully the academic, career, and technical skills of secondary and postsecondary students who elect to enroll in vocational and technical programs. Under a new state plan for career and technical education, secondary schools and postsecondary institutions must jointly plan for the use of these funds to develop and implement programs of study spanning at least grades 11 through 14.

Homeless Children - This program provides funding to ensure that homeless children and youth have equal access to the same free, appropriate public education as other children and to provide activities for and services to ensure that these children enroll in, attend, and achieve success in school.

Results:

Performance Measures	Previous	Current	Trend
NCLB Graduation Rate of CTE Concentrators*	95.36%	96.50%	Improving

Performance Measures Notes:

* Previous Data: 2008-09 / Current Data: 2010-11. Under the federal Carl D. Perkins Career and Technical Education Act, the State negotiates annual performance with the US Department of Education in eight performance categories. New calculations pertaining to academic performance (reading and mathematics) of career and technical education concentrators (students who concentrate their coursework in career and technical education) began with the 2011-2012 year for which data will be available late in 2012. Evidence continues to show strong correlation between career and technical education concentration (240 hours or more of CTE coursework within one career field) and graduation, using the NCLB graduation calculation for the subset of career and technical education concentrators: 95.36 percent in 2008-2009, 96.40 percent in 2009-2010, 96.50 percent in 2010-2011.

Budget Activity: Other Federal Programs
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)			$118,763	$118,763
Current Law Expenditures (FY 2014-15)			$15,693	$15,693
Governor's Recommended Expenditures (FY2014-15)			$15,693	$15,693
$ Change from FY 2014-15 Current Law to Governor's Rec			$0	$0
% Change from FY 2014-15 Current Law to Governor's Rec			0%	0%

Budget Activity: Other Federal Programs
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
REVENUE			$15,693	$15,693
SOURCES OF FUNDS			**$15,693**	**$15,693**
EXPENDITURES			$15,693	$15,693
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES			$15,693	$15,693
USES OF FUNDS			**$15,693**	**$15,693**

Education
Special Education Programs - Regular Special Education

http://education.state.mn.us/MDE/StuSuc/SpecEdProg/index.html

Statewide Outcome(s):

Special Education - Regular supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

It is critically important to meet requirements to provide a Free, Appropriate Public Education (FAPE) as that is the first, primary purpose of the Individuals with Disabilities Education Act (IDEA)– to ensure that all children with disabilities have available to them a FAPE that emphasizes special education and related services designed to meet their unique needs and prepare them for further education, employment and independent living. A hard fought history of special education took us from exclusion and segregated services to inclusion and access to general education. Students have a right to an education, with specially designed instruction in conformity with the requirements of an Individualized Education Program (IEP). From the inception of the Education for all Handicapped Act in 1975 to require services for unserved and underserved students and some MN laws prior to that, state child count and costs have grown. We now serve 13 disability areas, with services from birth to 21. A majority of the costs are for staff, services, and support.

Strategies:

This state aid and federal IDEA funded program provides specially designed instruction and related services for children and youth with disabilities ages birth – 21. The program specifically helps students with disabilities achieve results in the general curriculum and make progress toward graduation per individualized goals. Goals of special education are to provide Free Appropriate Public Education (FAPE) in the least restrictive environment and to increase special education student graduation, performance on statewide assessments, and improvement of coordinated services for students receiving support from multiple agencies

Students 3-21 must meet two general criteria to be eligible for special education services:

1) be found eligible through a multi-disciplinary assessment as having a disability; and
2) be in need of specifically designed instruction and related services.

Special education is specially designed instruction that helps students with disabilities achieve results in the general curriculum and make progress toward graduation per individualized goals. The Division of Special Education Policy and the Division of Compliance and Assistance work with school districts and cooperatives to implement self-assessment and improvement procedures related to program evaluation and to due process compliance.

Special education aid is based on approved expenditures in the current fiscal year. Special education initial aid equals the sum of the following amounts:

- *Salary* - 68% of the salary of each essential staff providing direct instructional and related services to students (both special education and transition disabled programs);
- *Contracted Services* – 52 percent of the amount of a contract for instruction and services that are supplemental to a district's education program for students with disabilities. 52 percent of the difference between the amount of the contract and the general education revenue of the district for that pupil for the fraction of the school day the student receives services that are provided in place of services of the district's program (both special education and transition disabled programs). For transition disabled programs only, 52% of the cost of vocational evaluation;
- *Supplies and Equipment: Special education programs* – 47 percent of the cost of supplies and equipment not to exceed an average of $47 per student with a disability,
- *Supplies and Equipment: Transition disabled programs* – 47 percent of the cost of supplies not to exceed an average of $47 per student with disability. 47 percent of the cost of equipment;
- *Travel* - for transition disabled programs only, 47 percent of the costs of necessary travel between instructional sites by transition program teachers.

- *Bus Depreciation* – 100 percent of the cost of regular buses over eight years and Type III buses over five years that are used the majority of time providing special transportation services; and,
- *Transportation* – 100 percent of the cost of special transportation services.

The state total special education aid is capped in law, and the aid for each district is adjusted to limit the total aid to the statewide cap amount. For FY 2012 and later fiscal years, the state total special education aid equals the state total special education aid for the preceding fiscal year times the program growth factor times the greater of one, or the ratio of the state total average daily membership (ADM) for the current fiscal year to the state total ADM for the preceding fiscal year. The program growth factor is 1.046 for FY 2012 and later years.

Results:

Performance Measures	Previous	Current	Trend
1. Child count (birth-21)	124,580	128,430	Increasing
2. Graduation rates of students with disabilities	85.3%	86.6%	Improving
3. Performance on statewide assessments by students with disabilities – Reading (partially or fully met expectations)	68.1%	70.2%	Improving
4. Adjustment factor to limit state total aid to statutory cap	85.3%	90.1%	Improving
5. State average special education cross subsidy per student in ADM	$670	$631	Improving
6. Gap between 95th and 5th percentiles of special education cross subsidy per student in ADM	$674	$758	Worsening

Performance Measures Notes:

1. Previous Data: FY2010 / Current Data: FY2011.
2. Previous Data: 2008-2009 school year / Current Data: 2009-2010 school year. Later data is not yet available.
3. Previous Data: 2010-2011 school year / Current Data: 2011-2012 school year.
4. Previous Data: FY 2009 / Current Data: FY 2013 (estimate).
5. Previous Data: FY 2009 / Current Data: FY 2013 (estimate). The cross subsidy is the amount of special education cost not funded by state or federal special education aid or the portion of general education revenue attributable to special education students served primarily outside of the regular classroom. School districts use unreserved general fund resources to cover these unfunded special education costs.
6. Previous Data: FY 2009 / Current Data: FY 2013 (estimate). There is significant variation among school districts in the amount of unreserved general fund revenue per student needed to cover unfunded special education costs. All else equal, districts having relatively large special education cross subsidies per student are at a competitive disadvantage compared with other districts in providing regular education programs.

Budget Activity: Special Education
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$938,684	$986,712	$1,925,396	$1,036,920	$1,089,110	$2,126,030
Governor's Recommendation	$938,684	$986,712	$1,925,396	$1,036,920	$1,240,383	$2,277,303
Dollar Change from Base	$0	$0	$0	$0	$151,273	$151,273
Percent Change from Base	0%	0%	0%	0%	14%	7%
Base Appropriation	$874,033	$1,143,094	$2,017,127	$1,027,439	$1,079,278	$2,106,717
Governor's Recommendation	$874,033	$1,143,094	$2,017,127	$1,027,439	$1,204,079	$2,231,518
Dollar Change from Base	$0	$0	$0	$0	$124,801	$124,801
Percent Change from Base	0%	0%	0%	0%	12%	6%
Base Levy			$0			
Governor's Recommendation			$0	$0		$0
Dollar Change from Base				$0		$0
Percent Change from Base			0%			
Federal Funds	$170,514	$182,636	$353,150	$173,000	$173,000	$346,000
Governor's Recommendation	$170,514	$182,636	$353,150	$173,000	$173,000	$346,000
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Special Education
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$938,684	$986,712	$1,925,396	$1,036,920	$1,240,383	$2,277,303
Levies				$0		$0
District Revenue	**$938,684**	**$986,712**	**$1,925,396**	**$1,036,920**	**$1,240,383**	**$2,277,303**
Appropriation						
Current Year	$584,609	$789,019	$1,373,628	$829,746	$996,905	$1,826,651
Prior Year	$289,424	$354,075	$643,499	$197,693	$207,174	$404,867
State Aid	**$874,033**	**$1,143,094**	**$2,017,127**	**$1,027,439**	**$1,204,079**	**$2,231,518**
Federal Funds	$170,514	$182,636	$353,150	$173,000	$173,000	$346,000
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$1,044,999**	**$1,325,730**	**$2,370,729**	**$1,200,439**	**$1,377,079**	**$2,577,518**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES	$490	$0	$490			
OTHER FINANCIAL TRANSACTIONS	$0		$0			
GRANTS, AIDS AND SUBSIDIES	$1,044,057	$1,325,730	$2,369,787	$1,200,439	$1,377,079	$2,577,518
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$1,044,547**	**$1,325,730**	**$2,370,277**	**$1,200,439**	**$1,377,079**	**$2,577,518**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Special Education Programs - Children with Disabilities

http://education.state.mn.us/MDE/JustParent/SpecEdStu/

Statewide Outcome(s):

Children with Disabilities supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

This state aid program ensures that individuals who are placed in a residential facility and for whom no district of residence can be determined receive a free and appropriate education, as required by state and federal law. Students may not have a district of residence for several reasons: they may be placed under care in a state institution, a licensed residential facility, or a foster facility and no district of residence can be determined.

Strategies:

The physical school district in which a residential facility resides is responsible for providing a free, appropriate public education (FAPE) to special education students residing in that facility. Typically, a district will be reimbursed by the student's resident district for costs of providing special education services. If the student has no resident district, there is no way for districts to get reimbursed for the cost of services. Without this source of state funding to districts, students at residential facilities would be at risk of receiving inadequate special education services and districts in which residential facilities physically reside would be forced to assume a large budget burden.

Under this program, districts may be reimbursed for costs associated with serving those students for whom no district of residence can be determined. Pupils are eligible if no districts of residence can be determined because;

- parental rights have been terminated by court order,
- the parent or guardian is not living within the state,
- no other district of residence can be established; or,
- the parent or guardian having legal custody is an inmate of a Minnesota correctional facility or is a resident of a halfway house under the supervision of the commissioner of corrections.

Results:

MDE uses a general set of performance measures to determine the impact of the state's special education program as a whole. As a result, the measures here reflect the impact of MDE's entire special education program, including, but not limited to, the Children with Disabilities program.

Performance Measures	Previous	Current	Trend
Child count (birth-21)	124,580	128,430	Worsening
Graduation rates of students with disabilities	85.3%	86.6%	Improving
Performance on statewide assessments by students with disabilities – Reading (partially or fully met expectations)	68.1%	70.2%	Improving

Performance Measures Notes:

*Previous – 2010, Current - 2011
** Previous – 2008-09 school year, Current – 2009-2010 school year. Later data is not yet available.
***Assessment Performance: Previous – 2010-2011 school year, Current – 2011-2012 school year.

Budget Activity: Special Ed Child W Disability
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$3,057		$2,736	$5,793
Current Law Expenditures (FY 2014-15)	$3,407		$2,399	$5,806
Governor's Recommended Expenditures (FY2014-15)	$3,407		$2,399	$5,806
$ Change from FY 2014-15 Current Law to Governor's Rec	$0		$0	$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%		0%	0%

Budget Activity: Special Ed Child W Disability
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
REVENUE			$2,400	$2,400
APPROPRIATION	$3,407		$0	$3,407
SOURCES OF FUNDS	**$3,407**		**$2,400**	**$5,807**
EXPENDITURES	$3,407		$2,399	$5,806
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES	$3,407		$2,399	$5,806
USES OF FUNDS	**$3,407**		**$2,399**	**$5,806**

Education
Travel for Home-Based Services

http://education.state.mn.us/MDE/SchSup/SchFin/Trans/

Statewide Outcome(s):

Home-Based Services supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

This state aid activity provides funding to assist school districts with travel costs for early childhood special education (ECSE) staff in delivering services to children and their families in home and community early childhood education program settings. This program exists to assure that all individuals from birth to five years of age with disabilities, and their families, have access to ECSE intervention services. For very young children, services may consist of parent consultation and training, as well as direct services to the child. By providing these services in the home, parents are more likely to participate due to the lack of disruption for the family. By providing ECSE interventions services, services can help ensure a child is ready for kindergarten and in some cases intervention can avert special education classification at the elementary level.

Strategies:

This state aid program provides reimbursement to districts for the cost of travel so that early childhood special education staff can provide services in the home or community-based programs for children under five. Under current law, the state must pay each district one-half of the sum actually expended by a district based on mileage for necessary travel of essential personnel providing home-based or community-based services to children with a disability under age five and their families

This program provides for special education and related services by assisting the districts with the costs of providing services in the student's home.

Results:

The number of children, from birth to five years of age, identified as having disabilities and receiving special education services increased from 9,438 in FY 2000 to 12,866 in FY 2009 to 20,438 in FY 2011. The majority of these services are provided in the child's home or in a center-based site in the community.

Performance Measures	Previous	Current	Trend
1. Percent of infants and toddlers with IFSPs who primarily receive early intervention services in the home or community-based settings.	95.3%	95.9%	Stable
2. Percent of children ages 3 – 5 with disabilities who participate in regular early childhood programs and receive the majority of their special education services in that setting.	48.3%	51.54%	Improving

Performance Measures Notes:

1. Previous Data: 12/1/2010 / Current Data: 12/1/ 2011.
2. Previous Data: 12/1/2010 / Current Data: 12/1/ 2011.

Budget Activity: Special Ed - Home Based Svs
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$321	$321	$642	$327	$335	$662
Governor's Recommendation	$321	$321	$642	$327	$335	$662
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$314	$379	$693	$326	$334	$660
Governor's Recommendation	$314	$379	$693	$326	$334	$660
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Special Ed - Home Based Svs
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$321	$321	$642	$327	$335	$662
Levies						
District Revenue	**$321**	**$321**	**$642**	**$327**	**$335**	**$662**
Appropriation						
Current Year	$207	$265	$472	$270	$277	$547
Prior Year	$107	$114	$221	$56	$57	$113
State Aid	**$314**	**$379**	**$693**	**$326**	**$334**	**$660**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$314**	**$379**	**$693**	**$326**	**$334**	**$660**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$314	$379	$693	$326	$334	$660
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$314**	**$379**	**$693**	**$326**	**$334**	**$660**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Special Education - Court Placed Special Education Revenue

http://education.state.mn.us/MDE/SchSup/SchFin/SpecEd/StateFund/

Statewide Outcome(s):

Court Placed Special Education supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

This state aid program provides funding for school districts to pay the costs of providing special education programs to non-Minnesota students with disabilities when the providing school district is unable to collect tuition from the responsible state or agency.

Strategies:

By reimbursing the districts it mitigates school district costs related to providing services to non-Minnesota students with disabilities. To be eligible, the serving district must document that they have admittance procedures designed to identify the agency responsible for the education costs and must show a good faith effort to get commitment for payment of tuition from the agency prior to admitting the student into the program.

Results:

Performance Measures	Previous	Current	Trend
Non-resident average daily membership placed in MN by the courts for services not paid by the resident non-MN district or resident state	3.85	2.9	Improving

Performance Measures Notes:

Previous Performance Measure: FY 2009 / Current Performance Measure: FY 2011

Budget Activity: Special Ed Court Placed
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$86			$86
Current Law Expenditures (FY 2014-15)	$109			$109
Governor's Recommended Expenditures (FY2014-15)	$109			$109
$ Change from FY 2014-15 Current Law to Governor's Rec	$0			$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: Special Ed Court Placed
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$109			$109
SOURCES OF FUNDS	**$109**			**$109**
EXPENDITURES	$109			$109
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES	$109			$109
USES OF FUNDS	**$109**			**$109**

Education
Special Education Programs - Out of State Tuition

http://education.state.mn.us/MDE/SchSup/SchFin/SpecEd/StateFund/

Statewide Outcome(s):

Special Education Programs – Out of State Tuition supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

Some states do not have reciprocity agreements with the State of Minnesota to reimburse the cost of education for students with disabilities that are placed in care and treatment facilities in that state. By ensuring adequate funding for special education services provided to students in an out of state care and treatment facility, this program helps to ensure that students with disabilities receive the most appropriate education to enable them to succeed to their highest potential.

Strategies:

This state aid program provides education funding for Minnesota resident students placed in care and treatment facilities by court action in a state that does not have a reciprocity agreement with the state of Minnesota. Minnesota school districts are assured that costs of education will be reimbursed when students with disabilities are placed in care and treatment facilities in states without reciprocity.

When a Minnesota student is placed in an out of state care and treatment facility, those out of state care and treatment facilities submit tuition bills to the Minnesota resident district based on the costs of providing education. The resident district submits the tuition bills to MDE and the department calculates aid revenue for reimbursement to the district.

Results:

Performance Measures	Previous	Current	Trend
Average daily membership placed out-of-state for care and treatment	61.3	41.11	Improving

Performance Measures Notes:

Previous – FY 2009 / Current – FY 2011

Budget Activity: Special Ed Out State Tuition
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$589			$589
Current Law Expenditures (FY 2014-15)	$500			$500
Governor's Recommended Expenditures (FY2014-15)	$500			$500
$ Change from FY 2014-15 Current Law to Governor's Rec	$0			$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: Special Ed Out State Tuition
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$500			$500
SOURCES OF FUNDS	**$500**			**$500**
EXPENDITURES	$500			$500
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES	$500			$500
USES OF FUNDS	**$500**			**$500**

Education
Other Federal Special Education Programs

http://education.state.mn.us/MDE/SchSup/SchFin/SpecEd/

Statewide Outcome(s):

Federal Special Education Programs supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

Special Education – Deaf/Blind

Deafblindness is the special education categorical area with the fewest number of students. The December 2011 unduplicated child count includes 67 children. There is no teacher licensure for this area, and teachers serving these children require additional resources, skills and knowledge to support these children in receiving a free, appropriate public education. Because there is not a significant depth of knowledge among educators, it is critical to provide technical assistance, consulting services, targeted professional development for specialized services and supports to families of students with this unique disability.

The Deaf-Blind Technical Assistance grant provides support to initiate and improve statewide educational services for children who are deaf-blind from birth through age 21. The focus of the grant is to provide a range of technical assistance and support to Minnesota schools and families of children who are deaf-blind. Technical assistance and professional development activities are focused on building the capacity of teachers, service providers, and families to provide effective services and improve outcomes for students who are deaf-blind.

Strategies:

Special Education – Deaf/Blind P.L. 108-446 IDEA

The Deaf-Blind Technical Assistance grant provides support to initiate and improve statewide educational services for children who are deaf-blind from birth through age 21. The focus of the grant is to provide a range of technical assistance and support to Minnesota schools and families of children who are deaf-blind. Technical assistance and professional development activities are focused on building the capacity of teachers, service providers, and families to provide effective services and improve outcomes for students who are deaf-blind using the following strategies:

- **Providing technical assistance** to school teams, including parents and administrators.
- **Supporting parents** by providing training and information that enhances the role of parents as informed partners and active participants in the education of their children.

It enhances state and local capacity and facilitates the achievement of systemic change to improve services and results for children who are Deaf-Blind. Key partners include multiple national technical assistance centers, Regional Low Incidence Facilitators, advocacy groups, and schools and families.

Results:

This program contributes to federal indicators of improving graduation rates, decreasing dropout rates, increased participation in the Minnesota Comprehensive Assessments, and increased proficiency rates on the MCAs.

Performance Measures	Previous	Current	Trend
Student/families impacted by targeted technical assistance*	51	62	Increasing
Referral and identification of deaf/blind students**	18	22	Increasing
Participation in statewide assessment (MCA and MTAS)	26	33	Improving
Number partially meeting proficiency in Math MCA and MTAS	5	7	Improving

Performance Measures	Previous	Current	Trend
Number partially meeting proficiency in Reading MCA and MTAS	3	10	Improving
Number meeting or exceeding proficiency in Math MCA and MTAS	8	8	Stable
Number meeting or exceeding proficiency in Reading MCA and MTAS	14	15	Improving
Percent of deafblind students dropping out*	4.2%	8%	Decreasing
Percent of DB students graduating**	100%	75%	Decreasing

Performance Measures Notes:

Previous: 2009-2010 school year, Current: 2010-2011 school year

* This represents an increase from one student to two students dropping out. The nature of the low incidence creates challenges in data.
** This represents two of two potential graduates in 2009-2010 and three of four potential graduates in 2010-2011. The nature of low incidence disability creates challenges in data.

Budget Activity: Other Federal Sp Ed Programs
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)			$402	$402
Current Law Expenditures (FY 2014-15)			$453	$453
Governor's Recommended Expenditures (FY2014-15)			$453	$453
$ Change from FY 2014-15 Current Law to Governor's Rec			$0	$0
% Change from FY 2014-15 Current Law to Governor's Rec			0%	0%

Budget Activity: Other Federal Sp Ed Programs
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
REVENUE			$453	$453
SOURCES OF FUNDS			**$453**	**$453**
EXPENDITURES			$453	$453
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES			$453	$453
USES OF FUNDS			**$453**	**$453**

Education
Facilities & Technology - Health and Safety Revenue

http://education.state.mn.us/MDE/SchSup/DataSubLogin/HealthSafety/

Statewide Outcome(s):

Health and Safety Revenue supports the following statewide outcome(s).

Minnesotans are healthy.

Minnesotans have the education and skills needed to achieve their goals.

People in Minnesota are safe.

Context:

Students need a safe place to learn and staff needs a safe place to work. Health and Safety Revenue is a dedicated source of revenue used to address a school district's compliance with state and federal regulations identified in Minnesota Statute (M.S.) 123B.57 that impact the safety and/or health of school district students and staff.

Strategies:

School districts and intermediate districts (through the member district) are eligible to access this levy and aid for use in buildings that are owned or being acquired by the district. School districts and intermediate districts propose projects which are reviewed by the Minnesota Department of Education (MDE) to determine qualification based on statute. School district levy and aid are calculated based on the equalized formula M.S. 123B.57. Due to a low equalization factor implemented in FY 2003, only districts with very low property wealth receive state aid. Projects that qualify include:

- asbestos management
- hazardous substance abatement,
- fire and life safety,
- environmental health and safety management,
- physical hazard control, and
- indoor air quality

In 2003 the program was modified to transfer funding for large projects (over $500,000) from the health and safety program to the alternative facilities program under M.S. 123B.59. These projects are still approved within health and safety; however districts are able to issue bonds or levy to fund the large projects over an extended period of time. This has resulted in a decrease in expenditures made under the health and safety program. The state aid portion of the program is 0.15 percent of total health and safety revenue.

MDE partners with the State Fire Marshal's Office which inspects school district buildings once every three years to identify fire code violations that districts may secure Health and Safety revenue to correct.

FY 2011 Health & Safety Expenditures Categories:

- Asbestos 17.4 percent,
- Fire and Life Safety 22.7 percent,
- Environmental Health and Safety Management 25.6 percent,
- Hazardous Substances 7.7 percent,
- Physical Hazards 20.3 percent,
- Indoor Air Quality 6.3 percent.

Results:

MDE does not collect data regarding facility conditions or unmet maintenance needs. School districts that do not qualify for aid but have low property wealth may need to perform maintenance in stages and levy for necessary projects over a period of two or more years or delay projects.

Performance Measures	Previous	Current	Trend
Districts receiving revenue for approved projects	323	326	Stable
Districts receiving state aid	9	6	Stable
State aid as a percentage of revenue	.19%	.17%	Stable

Performance Measures Notes:

Previous data is from FY 2009 and current data is from FY 2011.

Budget Activity: Health & Safety Revenue
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$81	$194	$275	$505	$423	$928
Governor's Recommendation	$81	$194	$275	$505	$423	$928
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$92	$189	$281	$450	$437	$887
Governor's Recommendation	$92	$189	$281	$450	$437	$887
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy	$45,671	$51,510	$97,181	$53,000	$54,000	$107,000
Governor's Recommendation	$45,671	$51,510	$97,181	$53,000	$54,000	$107,000
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Health & Safety Revenue
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$81	$194	$275	$505	$423	$928
Levies	$45,671	$51,510	$97,181	$53,000	$54,000	$107,000
District Revenue	**$45,752**	**$51,704**	**$97,456**	**$53,505**	**$54,423**	**$107,928**
Appropriation						
Current Year	$53	$161	$214	$417	$349	$766
Prior Year	$39	$28	$67	$33	$88	$121
State Aid	**$92**	**$189**	**$281**	**$450**	**$437**	**$887**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$92**	**$189**	**$281**	**$450**	**$437**	**$887**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$92	$189	$281	$450	$437	$887
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$92**	**$189**	**$281**	**$450**	**$437**	**$887**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Facilities & Technology - Debt Service Equalization Revenue

Minnesota Statute (M.S.) 123B.53

Statewide Outcome(s):

Debt Service Equalization Revenue supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

Debt equalization revenue was implemented to help ensure that all school districts, regardless of property wealth, can provide adequate education facilities for their students by helping to offset property owner's relatively high tax burden in areas with low to moderate tax bases. Without the state aid contribution to assist in paying off the debt associated with bond issuance, school districts with low to moderate tax base per pupil may be unable to provide adequate facilities, or will require a substantially higher property owner tax burden than districts with higher tax bases.

Strategies:

Property tax levies and state aid are calculated to fund school district debt service payments. State aid for eligible debt service obligations is calculated based on the two-tier formula in Minn. Stat. § 123B.53. To assure that funds will be available to make payments in spite of delinquencies and abatements, districts levy 105% of the levy portion required to fund debt service payments.

School districts must receive approval from a majority of those voting in a school bond referendum before issuing bonds to construct, acquire, or improve school facilities. Since initial implementation, the state aid portion of the revenue has declined, due to property valuation increases and a static equalization factor.

Legislative overhaul of the debt service equalization formula was accomplished in 2001. A new two-tiered equalization formula was created to target districts with low to moderate tax bases and/or districts with a relatively high debt burden. In FY 2011 falling adjusted net tax capacities (ANTCs) prompted an increase in debt service aid. Though debt service aid increased from FY 2010 to FY 2011, in percentage terms, the state's share of eligible debt service revenue has decreased from 6.1 percent in FY 2003 to a fraction of one percent in FY 2011.

Results:

The Minnesota Department of Education does not collect data regarding unmet facility needs.

Performance Measures	Previous	Current	Trend
Percent of districts ineligible for Tier 1 debt service equalization aid because the tax base per student exceeds statutory Tier 1 equalizing factor.	64%	95%	Worsening
Districts receiving debt service equalization state aid.	104	50	Worsening

Performance Measures Notes:

Previous data is from FY 2005 and current data is from FY 2013.

Budget Activity: Debt Service Equalization
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$13,755	$17,626	$31,381	$19,945	$25,651	$45,596
Governor's Recommendation	$13,755	$17,626	$31,381	$19,945	$25,670	$45,615
Dollar Change from Base	$0	$0	$0	$0	$19	$19
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$11,449	$19,452	$30,901	$19,539	$24,653	$44,192
Governor's Recommendation	$11,449	$19,452	$30,901	$19,539	$24,669	$44,208
Dollar Change from Base	$0	$0	$0	$0	$16	$16
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy	$771,387	$781,896	$1,553,283	$771,133	$757,235	$1,528,368
Governor's Recommendation	$771,387	$781,896	$1,553,283	$771,133	$757,216	$1,528,349
Dollar Change from Base	$0	$0	$0	$0	(19)	(19)
Percent Change from Base	0%	0%	0%	0%	0%	0%
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Debt Service Equalization
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$13,755	$17,626	$31,381	$19,945	$25,670	$45,615
Levies	$771,387	$781,896	$1,553,283	$771,133	$757,216	$1,528,349
District Revenue	**$785,142**	**$799,522**	**$1,584,664**	**$791,078**	**$782,886**	**$1,573,964**
Appropriation						
Current Year	$8,845	$14,542	$23,387	$16,455	$21,179	$37,634
Prior Year	$2,604	$4,910	$7,514	$3,084	$3,490	$6,574
State Aid	**$11,449**	**$19,452**	**$30,901**	**$19,539**	**$24,669**	**$44,208**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$11,449**	**$19,452**	**$30,901**	**$19,539**	**$24,669**	**$44,208**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$11,449	$19,452	$30,901	$19,539	$24,669	$44,208
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$11,449**	**$19,452**	**$30,901**	**$19,539**	**$24,669**	**$44,208**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Facilities and Technology - Alternative Facilities Revenue

Minnesota Statute: 123B.59

Statewide Outcome(s):

Alternative Facilities Revenue supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

School districts, students, and taxpayers are better served through healthy, well-maintained facilities, and through extension of facility life. This program allows large school districts to complete deferred maintenance, health and safety, and disabled accessibility projects that cannot be completed with other available funds and small school districts to address large scale health and safety projects.

Strategies:

Alternative facilities revenue allows large districts to complete projects that will maintain and extend the life of facilities. The following districts are currently eligible and participating in the 1A (large district) program. 1A districts must meet one of the following criteria to be eligible:

- have at least 1.85 million square feet of space and an average building age of at least 15 years; or
- have at least 1.5 million square feet of building space and average building age of at least 35 years.

Anoka-Hennepin	Duluth	Mounds View	Roseville	Bloomington
Elk River	North St. Paul	South Washington	Burnsville	Hopkins
Osseo	St. Cloud	Chaska	Lakeville	Robbinsdale
St. Paul	Eden Prairie	Minneapolis	Rochester	Stillwater
White Bear Lake	Minnetonka	Rosemount	Edina	

To receive alternative bonding revenue, 1A districts must submit a ten-year facility plan to the Minnesota Department of Education (MDE) for approval. The plan must describe eligible projects and the district's timetable for undertaking them. Eligible projects are for deferred maintenance, health and safety, and disabled accessibility. Once MDE approval is obtained, the district must decide if it will:

- issue bonds to finance improvements and retire them over time with a debt service levy;
- make an annual general fund (pay-as-you go) levy to fund projects on an annual basis; or
- some combination of these two options.

Alternative facilities revenue provides limited access to all other school districts only for an approved health and safety project of $500,000 or more per building. This limited expansion of the program, effective for FY 2005 and later, allows all other school districts (1B districts) to spread the cost of approved large health and safety projects over a span of years so as not to unduly increase property tax burdens.

Voter approval is not required to access this revenue. This program is funded by a combination of state aid and local property tax levies. School district debt service levies under this program qualify for Tier 1 debt service equalization. Annual school district general fund (pay-as-you-go) levies under this program qualify for health and safety aid.

Seven of the 25 large 1A districts also qualify for alternative facilities aid. Aid is based on the lesser of the current annual debt service cost for alternative facility or the certified debt service levy for the program for taxes payable in 1997 if a district issued bonds. For districts certifying an annual levy, the amount is limited to the lesser of the district's annual levy or one-sixth of the levy certified for taxes payable in 1998.

Results:

MDE does not collect data on the condition of school district facilities. The intention of facility funding is to provide a revenue stream for facility maintenance. MDE can only report on how much state aid and district property tax is being utilized by districts.

Performance Measures	Previous	Current	Trend
Debt Revenue, Large (1A) districts*	$47.8 mil	$96.1 mil	Increasing
General Fund Levy, Large (1A) districts*	$36.0 mil	$60.6 mil	Increasing
Debt Revenue, All Other Districts (1B)*	$4.4 mil	$24.5 mil	Increasing
General Fund Levy, All Other Districts (1B)*	$0.0 mil	$1.7 mil	Increasing
Average Health and Safety and Alternative Facility Revenue per adjusted pupil unit in the 25 eligible districts.**	$428	$426	Stable
Average Health and Safety and Alternative Facility Revenue per adjusted pupil unit in ineligible districts.**	$199	$226	Increasing
Percent of revenue accessed by ineligible district compared to 25 eligible districts.**	46.40%	53.10%	Increasing

Performance Measures Notes:

*The previous data is from FY 2005 and current data is from FY 2011.

** The previous data is from FY 2010 and current data is from FY 2013.

Budget Activity: Alternative Facilities
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$19,287	$19,287	$38,574	$19,287	$19,287	$38,574
Governor's Recommendation	$19,287	$19,287	$38,574	$19,287	$19,287	$38,574
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$18,187	$22,797	$40,984	$19,287	$19,287	$38,574
Governor's Recommendation	$18,187	$22,797	$40,984	$19,287	$19,287	$38,574
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Alternative Facilities
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$19,287	$19,287	$38,574	$19,287	$19,287	$38,574
Levies						
District Revenue	**$19,287**	**$19,287**	**$38,574**	**$19,287**	**$19,287**	**$38,574**
Appropriation						
Current Year	$12,402	$15,912	$28,314	$15,912	$15,912	$31,824
Prior Year	$5,786	$6,885	$12,671	$3,375	$3,375	$6,750
State Aid	**$18,188**	**$22,797**	**$40,985**	**$19,287**	**$19,287**	**$38,574**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$18,188**	**$22,797**	**$40,985**	**$19,287**	**$19,287**	**$38,574**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$18,187	$22,797	$40,984	$19,287	$19,287	$38,574
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$18,187**	**$22,797**	**$40,984**	**$19,287**	**$19,287**	**$38,574**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Facilities and Technology - Deferred Maintenance

http://education.state.mn.us/MDE/SchSup/SchFin/

Statewide Outcome(s):

Deferred Maintenance Revenue supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

School districts, students, and taxpayers are better served through healthy, well-maintained facilities, and through extension of facility life. Having a dedicated revenue source for deferred maintenance allows districts to schedule required capital projects essential to extending facility life. The deferred maintenance program was initiated by the 2005 legislature and was intended to decrease the level of disparity on a per pupil basis for facility maintenance and upkeep between districts that are eligible for alternative facility revenue and other school districts in the state.

Strategies:

Deferred maintenance revenue is an equalized aid and levy program providing dedicated funding for deferred facility maintenance revenue to school districts ineligible to participate in the alternative facilities bonding and levy program under Minnesota Statute (M.S.) 123B.59, subd. 1(a). This program, lessens, but does not close the disparity of funding on a per pupil basis for facility maintenance and upkeep between the 25 districts that are eligible for alternative facility revenue M.S. 123B.59 subd. 1(a), and other school districts in the state.

This is an equalized aid and levy program that began in FY 2008. Districts must levy their local share to participate in this program and receive aid, if eligible.

- Deferred maintenance revenue for eligible districts equals the product of $60 times the adjusted marginal cost pupil units for the school year times the lesser of one or the ratio of the district's average age of buildings space to 35 years.
- Districts may levy an amount not more than the product of the deferred maintenance revenue for the fiscal year times the lesser of one or the ratio of the adjusted net tax capacity per adjusted marginal cost pupil unit to $5,900.
- Deferred maintenance aid equals the deferred maintenance revenue minus the deferred maintenance levy times the ratio of the actual amount levied to the permitted levy.

Results:

MDE does not collect data on the condition of school district facilities. The intention of facility funding is to provide a revenue stream for facility maintenance. MDE can only report on how much state aid and district property tax is being utilized by districts.

Performance Measures	Previous	Current	Trend
Average Health and Safety and Alternative Facility Revenue per adjusted pupil unit in the 25 districts eligible for Alternative Facilities Revenue for deferred maintenance projects	$428	$426	Stable
Average Health and Safety, Deferred Maintenance and Alternative Facility Revenue per adjusted pupil unit in districts not eligible for Alternative Facilities Revenue for deferred maintenance projects	$199	$226	Increasing
Percent of revenue accessed by districts not eligible for Alternative Facilities Revenue compared to 25 eligible districts	46.4%	53.1%	Increasing

Performance Measures Notes:

Previous data is from FY 2010 and current data is from FY 2013.

The 25 large districts eligible for deferred maintenance funding under the alternative facilities program are not subject to a cap on non-voter approved deferred maintenance revenue, while all other districts are limited to the amount allowable under the deferred maintenance revenue formula (up to $60 per pupil unit, depending on average building age). Assuming that deferred maintenance needs are similar for the two groups of districts, the gap in funding between the 25 large districts and all other districts is an indicator of the unmet need for deferred maintenance funding in the smaller districts.

Budget Activity: Deferred Maintenance
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$2,549	$3,555	$6,104	$3,706	$3,829	$7,535
Governor's Recommendation	$2,549	$3,555	$6,104	$3,706	$3,922	$7,628
Dollar Change from Base	$0	$0	$0	$0	$93	$93
Percent Change from Base	0%	0%	0%	0%	2%	1%
Base Appropriation	$2,287	$3,842	$6,129	$3,680	$3,807	$7,487
Governor's Recommendation	$2,287	$3,842	$6,129	$3,680	$3,884	$7,564
Dollar Change from Base	$0	$0	$0	$0	$77	$77
Percent Change from Base	0%	0%	0%	0%	2%	1%
Base Levy	$23,570	$23,051	$46,621	$22,698	$22,901	$45,599
Governor's Recommendation	$23,570	$23,051	$46,621	$22,698	$22,990	$45,688
Dollar Change from Base	$0	$0	$0	$0	$89	$89
Percent Change from Base	0%	0%	0%	0%	0%	0%
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Deferred Maintenance
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$2,549	$3,555	$6,104	$3,706	$3,922	$7,628
Levies	$23,570	$23,051	$46,621	$22,698	$22,990	$45,688
District Revenue	**$26,119**	**$26,606**	**$52,725**	**$26,404**	**$26,912**	**$53,316**
Appropriation						
Current Year	$1,640	$2,933	$4,573	$3,058	$3,236	$6,294
Prior Year	$647	$909	$1,556	$622	$648	$1,270
State Aid	**$2,287**	**$3,842**	**$6,129**	**$3,680**	**$3,884**	**$7,564**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$2,316**	**$3,842**	**$6,158**	**$3,680**	**$3,884**	**$7,564**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$2,287	$3,842	$6,129	$3,680	$3,884	$7,564
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$2,287**	**$3,842**	**$6,129**	**$3,680**	**$3,884**	**$7,564**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Facilities & Technology - Equity in Telecommunications Access

http://education.state.mn.us/MDE/SchSup/SchTech/

Statewide Outcome(s):

Equity in Telecommunications Access Aid supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Context:

Students across Minnesota should have equal access to technology. Students that have limited access to technology may experience what is known as the digital divide. The goal of the Equity in Telecommunications Access program is to expand telecommunication and internet access to all public and nonpublic schools in Minnesota.

Strategies:

This program provides funding on a reimbursement basis for qualifying telecommunication and internet access with the goal of providing each eligible school and school district with T1 transmission. Nonpublic schools, excluding home schools, may access revenue by annually submitting a request to the school district in which they are located.

Costs eligible for reimbursement under this program are limited to the following:

- ongoing or recurring telecommunications/internet access costs associated with internet access, data lines, and video links providing: a) the equivalent of one data line, video link, or integrated data/video link for each elementary school, middle school, or high school under section 120A.05, subdivisions 9, 11, and 13; or b) the equivalent of one data line or video circuit, or integrated data/video link for each district and ongoing internet access service fees;
- recurring costs of contractual or vendor-provided maintenance on the school district's wide area network;
- recurring costs of cooperative, shared arrangements for regional delivery of telecommunications/internet access between school districts, postsecondary institutions, and public libraries; and
- service provider installation fees for installation of new telecommunications lines or increased bandwidth.

Funding is based on the formula in Minnesota Statute (M.S.) 125B.26. Districts must apply for the federally funded e-rate program. Costs eligible for reimbursement are adjusted for e-rate revenue received.

Results:

The Minnesota Department of Education (MDE) does not collect information regarding connectivity of individual schools.

Performance Measures	Previous	Current	Trend
Number of public schools receiving aid	298	300	Stable
Number of public schools not receiving aid	195	186	Stable

Performance Measures Notes:

Previous data is from FY 2009 and current data is from FY 2012.

Schools and school districts that are not a member of a telecommunication cluster having eligible costs not exceeding the $15 per AMCPU threshold outlined in statute do not qualify for aid.

Budget Activity: Telecommunications Access
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$7,500			$7,500
Current Law Expenditures (FY 2014-15)	$7,500			$7,500
Governor's Recommended Expenditures (FY2014-15)	$7,500			$7,500
$ Change from FY 2014-15 Current Law to Governor's Rec	$0			$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: Telecommunications Access
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$7,500			$7,500
SOURCES OF FUNDS	**$7,500**			**$7,500**
EXPENDITURES	$7,500			$7,500
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES	$7,500			$7,500
USES OF FUNDS	**$7,500**			**$7,500**

Education
Nutrition Programs - School Lunch
http://education.state.mn.us/MDE/SchSup/FNS/SNP/

Statewide Outcome(s):
School Lunch supports the following statewide outcome(s).

Minnesotans are healthy.

Minnesotans have the education and skills needed to achieve their goals.

Context:
Providing nutritious lunches during the school day helps meet children's nutritional needs and fosters lifelong healthy eating habits. Research has shown that students who are fed nutrient appropriate meals perform better in the classroom, have better test results and better school attendance.

The federal government provides funding for NSLP. The afterschool snack component of the NSLP provides reimbursement for snacks served to children in afterschool educational and enrichment programs. The state of Minnesota provides an additional 12 cents per lunch to schools to keep lunch prices affordable (124D.111). This activity is funded through general fund appropriations.

Strategies:
The National School Lunch Program (NSLP) provides nutritionally balanced, low-cost or free lunches to children in public and nonpublic schools and residential child care settings.

School lunches must meet federal nutrition requirements, but decisions about what specific foods to serve and how they are prepared are made by local schools.

Any child at a participating school may purchase a meal through the National School Lunch Program.
- Children from families with incomes at or below 130 percent of the poverty level are eligible for free meals.
- Children from families with incomes between 130 percent and 185 percent of the poverty level are eligible for reduced price meals, for which students can be charged no more than 40 cents.
- Children from families with incomes over 185 percent of poverty pay a full price, though their meals are still subsidized to some extent, ranging from 27 cents to 35 cents per lunch. Schools set their own prices for full price (paid) meals, but must operate their meal services as non-profit programs.

Afterschool snacks are provided to children on the same income eligibility basis as school meals. However, programs that operate in areas where at least 50 percent of students are eligible for free or reduced price meals may serve all their snacks for free.

Federal cash reimbursement rates for school year 2012-2013 are as follows:
- Free lunch ranges from $2.86 to $2.94 per lunch;
- Reduced price lunch ranges from $2.46 to $2.54 per lunch;
- Free snack is 78 cents per snack; and
- Reduced price snack is 39 cents per snack.

Results:
MDE conducts administrative reviews of school lunch and afterschool snack programs and provides technical assistance and resource materials to schools and residential child care settings (group homes, juvenile correctional facilities). Currently schools are reviewed once every five years for compliance with USDA standards and regulations. Beginning school year 2014-2015, schools will be reviewed once every three years.

Performance Measures	Previous	Current	Trend
Percent of lunches sold that are free or reduced price	42%	43%	Stable
Percent of schools needing additional monitoring reviews to assure compliance	10%	8%	Improving

Performance Measures Notes:

1. USDA, Food Programs Reporting System (FPRS) compares Previous: FY 2010 / Current: FY 2011
2. MDE Food and Nutrition Services Data Files compares Previous: FY 2010 / Current: FY 2011

Budget Activity: School Lunch
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$24,282		$282,879	$307,161
Current Law Expenditures (FY 2014-15)	$25,262		$303,659	$328,921
Governor's Recommended Expenditures (FY2014-15)	$25,262		$303,659	$328,921
$ Change from FY 2014-15 Current Law to Governor's Rec	$0		$0	$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%		0%	0%

Budget Activity: School Lunch
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
REVENUE			$303,659	$303,659
APPROPRIATION	$25,262		$0	$25,262
SOURCES OF FUNDS	**$25,262**		**$303,659**	**$328,921**
EXPENDITURES	$25,262		$303,659	$328,921
PAYROLL EXPENSE				
OTHER FINANCIAL TRANSACTIONS	$0		$318	$318
GRANTS, AIDS AND SUBSIDIES	$25,262		$303,341	$328,603
USES OF FUNDS	**$25,262**		**$303,659**	**$328,921**

Education
Nutrition Programs - School Breakfast

http://education.state.mn.us/MDE/SchSup/FNS/SNP/

Statewide Outcome(s):

School Breakfast supports the following statewide outcome(s).

Minnesotans are healthy.

Minnesotans have the education and skills needed to achieve their goals.

Context:

Providing nutritious breakfasts to school children helps meet children's nutritional needs and fosters lifelong healthy eating habits. Research has shown that students who are fed nutrient appropriate meals perform better in the classroom, have better test results and better school attendance.

The federal government provides funding for the School Breakfast Program (SBP), which is augmented with state funding from general fund appropriations.

Strategies:

The national School Breakfast Program (SBP) provides cash assistance to states to operate nonprofit breakfast programs in schools and residential child care settings. Each school year, public and nonpublic schools that participate in the federal school breakfast program are eligible for the state breakfast program. The state reimburses each participating school 30 cents for each reduced price breakfast and 55 cents for each fully paid breakfast. A school that receives state school breakfast aid must make breakfast available without charge to all participating students who qualify for free or reduced price meals (124D.1158).

A district must offer a school breakfast program in every school building in which at least 33 percent of the school lunches served during the second preceding school year were served free or at a reduced price. Schools in which fewer than 25 pupils are expected to participate, or schools that do not participate in the national school lunch program are exempted from the statutory requirement (124D.117).

School breakfasts must meet federal nutrition requirements, but decisions about what specific foods to serve and how they are prepared are made by local schools.

Any child at a participating school may purchase a meal through the SBP.

- Children from families with incomes at or below 130 percent of the federal poverty level are eligible for free meals.
- Children from families with incomes between 130 percent and 185 percent are eligible for reduced price meals, for which students can be charged no more than 30 cents.
- Children from families over 185 percent of federal poverty pay full price, though their breakfasts are still subsidized at 27 cents each. Schools set their own prices for breakfasts served to students who pay the full meal price (paid), though they must operate their meal services as non?profit programs.

Schools may qualify for higher "severe need" reimbursements if 40 percent or more of their lunches are served free or at a reduced price in the second preceding year. Severe need payments are up to 30 cents higher than the normal reimbursements for free and reduced price breakfasts. About 79 percent of the breakfasts served nationally in the SBP receive severe need payments.

Federal cash reimbursement rates for school year 2012-2013 are as follows: free breakfast at $1.55; reduced price breakfast at $1.25; severe need free breakfast at $1.85; severe need reduced price breakfast at $1.55.

Results:

MDE conducts administrative reviews of school breakfast programs and provides technical assistance and resource materials to schools and residential child care settings. Currently schools are reviewed once every five years for compliance with USDA standards and regulations. Beginning school year 2014-15, schools will be reviewed once every three years.

Performance Measures	Previous	Current	Trend
Percent of school breakfasts sold that are free or reduced price	73%	74%	Stable
Percent of schools needing additional monitoring reviews to assure compliance	10%	8%	Improving

Performance Measures Notes:

1. USDA, Food Programs Reporting System (FPRS) compares Previous: FY 2010 / Current: FY 2011
2. MDE Food and Nutrition Services Data Files compares Previous: FY 2010 / Current: FY 2011

Budget Activity: School Breakfast
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$10,532		$75,681	$86,213
Current Law Expenditures (FY 2014-15)	$11,792		$79,872	$91,664
Governor's Recommended Expenditures (FY2014-15)	$11,792		$79,872	$91,664
$ Change from FY 2014-15 Current Law to Governor's Rec	$0		$0	$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%		0%	0%

Budget Activity: School Breakfast
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
REVENUE			$79,872	$79,872
APPROPRIATION	$11,792	$0	$0	$11,792
SOURCES OF FUNDS	**$11,792**	**$0**	**$79,872**	**$91,664**
EXPENDITURES	$11,792		$79,872	$91,664
PAYROLL EXPENSE				
OTHER FINANCIAL TRANSACTIONS	$0		$91	$91
GRANTS, AIDS AND SUBSIDIES	$11,792		$79,781	$91,573
USES OF FUNDS	**$11,792**		**$79,872**	**$91,664**

Education
Nutrition Programs - Summer Food Replacement

http://education.state.mn.us/MDE/SchSup/FNS/SFSP/

Statewide Outcome(s):

Summer Food Replacement supports the following statewide outcome(s).

Minnesotans are healthy.

Minnesotans have the education and skills needed to achieve their goals.

Context:

Many Minnesota students rely on school breakfast and lunch programs to get the healthy food they need to meet their nutritional needs. Moreover, research has shown that students who are fed nutrient appropriate meals perform better in the classroom, have better test results and better school attendance. However, when school is done for the summer, students lose access to school breakfast and lunch programs.

The federal government provides funding for the program. In addition, state funds are available to supplement meals and snacks. Minnesota's summer food service replacement aid is funded through general fund appropriations (124D.119).

Strategies:

The Summer Food Service Program (SFSP) provides access to nutritious meals and snacks for children in low-income areas during the summer months. The US Department of Agriculture (USDA) administers SFSP through the Minnesota Department of Education (MDE). Locally, SFSP is run by approved sponsors, including school districts, local government agencies, summer camps, or private nonprofit organizations.

MDE approves meals sites as open, enrolled, or camp sites. Open sites operate in low-income areas where at least half of the children come from families with incomes at or below 185 percent of federal poverty level, making them eligible for free and reduced price school meals. Meals are served free to any child at the open site. Enrolled sites provide free meals to children enrolled in an activity program at the site where at least half of them are eligible for free and reduced price meals. Camps receive payments only for meals served to children who are eligible for free and reduced price meals.

At most sites children receive either one or two reimbursable meals each day. In Minnesota, 58 percent of total meals served is lunch; 31 percent breakfast. Camps and sites that primarily serve migrant children may be approved to serve up to three meals to each child each day.

SFSP reimbursements are based on the number of reimbursable meals served multiplied by the combined operating and administrative rate for that meal. For summer 2012, rates are between $1.89 and $1.93 for breakfast; $3.25 and $3.38 for lunch or supper; 78 cents and 79 cents for snacks - depending on whether meals are vended or prepared on-site.

State summer food service replacement aid supplements breakfast at four cents; lunch or supper at 14 cents; and snacks at ten cents.

MDE reviews summer sites once every three years to ensure compliance with federal regulations. Pre-approval visits and reviews for all new and returning sponsors with corrective action plans are completed each year prior to application approval. MDE provides technical assistance to summer food service sponsors.

Results:

MDE conducts outreach activities with anti-hunger organizations to increase SFSP participation. These outreach activities have proven successful at increasing the number of SFSP sponsors offering summer meals.

Performance Measures	Previous	Current	Trend
Total number meals served	4,564,326	5,487,348	Increasing
Number of sponsors	101	118	Increasing
Number of sites	452	505	Increasing
Percent of schools needing additional monitoring reviews to assure compliance	13.5%	12%	Improving

Performance Measures Notes:

1. USDA, Food Programs Reporting System (FPRS) compares Previous: FY 2010 / Current: FY 2011
2. USDA, Food Programs Reporting System (FPRS) compares Previous: FY 2010 / Current: FY 2011
3. USDA, Food Programs Reporting System (FPRS) compares Previous: FY 2010 / Current: FY 2011
4. MDE Food and Nutrition Services Data Files compares Previous: FY 2010 / Current: FY 2011

Budget Activity: Summer Food
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$271		$11,508	$11,779
Current Law Expenditures (FY 2014-15)	$300		$13,657	$13,957
Governor's Recommended Expenditures (FY2014-15)	$300		$13,657	$13,957
$ Change from FY 2014-15 Current Law to Governor's Rec	$0		$0	$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%		0%	0%

Budget Activity: Summer Food
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
REVENUE			$13,656	$13,656
APPROPRIATION	$300		$0	$300
SOURCES OF FUNDS	**$300**		**$13,656**	**$13,956**
EXPENDITURES	$300		$13,657	$13,957
PAYROLL EXPENSE				
OTHER FINANCIAL TRANSACTIONS	$0		$54	$54
GRANTS, AIDS AND SUBSIDIES	$300		$13,603	$13,903
USES OF FUNDS	**$300**		**$13,657**	**$13,957**

Education
Nutrition Programs - Commodities

http://education.state.mn.us/MDE/SchSup/FNS/FDP/HowPartic/Plan/

Statewide Outcome(s):

Commodities supports the following statewide outcome(s).

Minnesotans are healthy.

Minnesotans have the education and skills needed to achieve their goals.

Context:

The commodity program began in the early 1930's as an outgrowth of federal agriculture policies designed to shore up farm prices and help American farmers suffering from the economic upheaval of the Great Depression. When the National School Lunch Act was passed in 1946, it had as its stated purpose not only to improve the health of children but also to provide a market for agricultural production. The federal government provides funding for the program.

Strategies:

The federal Child Nutrition Commodity Program purchases surplus commodities from domestic agricultural producers to provide nutritious food to the National School Lunch Program, the Child and Adult Care Food Program and the Summer Food Service Program. Purchased commodities must be of domestic origin, and nearly 60 percent of the foods must be determined by USDA to be in surplus at time of purchase.

Schools participating in the National School Lunch Program (NSLP) receive commodity foods, called "entitlement" foods, at a value of 22.75 cents for each lunch served. Schools can also get "bonus" commodities such as meat, cheese, poultry, grains, rice, fruits and vegetables, as they are available through USDA. These foods are offered periodically, but only as they become available through agricultural surpluses. Minnesota schools receive an estimated 26 million pounds of commodity foods each year.

A state revolving fund was established in 2001 for the purpose of depositing cash received for commodity donated foods that have been lost, damaged, recalled or diverted for processing. Minnesota uses the fund to issue payments for the value of the lost, damaged, recalled or diverted commodity donated foods and related costs (124D.1195).

Results:

A variety of nutritious foods continue to be offered to and consumed by children participating in child nutrition programs.

Performance Measures	Previous	Current	Trend
Total dollar amount of commodities received by schools*	$19,338,163	$22,565,060	Increasing

Performance Measures Notes:

1. USDA, Electronic Commodity Ordering System (ECOS) compares Previous: FY 2010 / Current: FY 2011

Budget Activity: Commodities
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)		$12,892	$2,082	$14,974
Current Law Expenditures (FY 2014-15)		$10,134	$2,214	$12,348
Governor's Recommended Expenditures (FY2014-15)		$10,134	$2,214	$12,348
$ Change from FY 2014-15 Current Law to Governor's Rec		$0	$0	$0
% Change from FY 2014-15 Current Law to Governor's Rec		0%	0%	0%

Budget Activity: Commodities
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
REVENUE		$10,134	$2,214	$12,348
SOURCES OF FUNDS		**$10,134**	**$2,214**	**$12,348**
EXPENDITURES		$10,134	$2,214	$12,348
PAYROLL EXPENSE				
OTHER FINANCIAL TRANSACTIONS			$12	$12
GRANTS, AIDS AND SUBSIDIES		$10,134	$2,202	$12,336
USES OF FUNDS		**$10,134**	**$2,214**	**$12,348**

Education
Nutrition Programs - Child and Adult Food Care

http://education.state.mn.us/MDE/SchSup/FNS/CACFPCenter/

Statewide Outcome(s):

Child and Adult Food Care supports the following statewide outcome(s).

Minnesotans are healthy.

Minnesotans have the education and skills needed to achieve their goals.

Context:

The Child and Adult Care Food Program (CACFP) safeguards the health of Minnesotans year-round by helping to ensure that young children and older adults receiving organized care services have access to nutritious meals and snacks. Child care centers, family child care homes, school-age care sites, after-school programs, emergency shelters, adult day care centers may participate in the CACFP. The federal government provides all funding for the program. USDA administers CACFP through MDE.

Strategies:

Eligible public or private nonprofit child care centers, Head Start programs and other institutions which are licensed or approved to provide child care services may participate in CACFP, independently or as sponsored centers. Independent centers and sponsoring organizations enter into agreements with MDE to assume administrative and financial responsibility for CACFP. For-profit centers must receive Title XX funds for at least 25 percent of enrolled children or licensed capacity (whichever is less) or at least 25 percent of the children in care must be eligible for free and reduced price meals. Meals to children are reimbursed at rates based upon a child's eligibility for free, reduced price, or paid meals.

Facility Requirements:

- **A licensed family day care home** must sign an agreement with a sponsoring organization to participate in CACFP. Reimbursements are based upon eligibility for tier I rates (which targets higher levels of reimbursement to low-income areas, providers, or children) or lower tier II rates.
- **Community-based programs** that offer enrichment activities for at-risk children and youth after the regular school day ends can provide free meals and snacks through CACFP if they are located in areas where at least 50 percent of the children are eligible for free and reduced price meals based upon school data.
- **Emergency shelters** providing residential and food services to children and youth experiencing homelessness may participate in CACFP.
- **Public or private nonprofit adult day care facilities** which provide structured, comprehensive services to nonresidential adults who are functionally impaired, or aged 60 and older, may also participate in CACFP.

USDA makes state administrative funds available to state agencies for administrative expenses incurred in supervising and giving technical assistance to participating programs and complying with federal audit requirements.

Particularly for child care centers and family child care homes, participation in the CACFP plays a vital role in making child care more affordable for low-income families, in addition to meeting the nutritional needs of children and teaching them lifelong healthy eating habits.

Results:

One-third of all child care centers and licensed family child care home sponsors are reviewed each year to ensure compliance with USDA regulations. Corrective actions are issued to bring child care centers and family child care sponsors into compliance. Workshops are offered throughout the state on USDA regulations.

Performance Measures	Previous	Current	Trend
1. Total meals served, all settings	53,075,884	52,919,130	Decreasing
2. Number of participating child care centers	311	306	Decreasing
3. Number of participating family day care homes	10,269	9,971	Decreasing
4. Number of participating adult day care centers	21	21	Stable
5. Number of participating emergency shelters	10	10	Stable

Performance Measures Notes:

1. Previous Measure: FY 2010 / Current Measure: FY 2011. USDA Food Programs Reporting System (FPRS)
2. Previous Measure: FY 2010 / Current Measure: FY 2011. USDA FPR.
3. Previous Measure: FY 2010 / Current Measure: FY 2011. USDA FPR.
4. Previous Measure: FY 2010 / Current Measure: FY 2011. USDA FPR.
5. Previous Measure: FY 2010 / Current Measure: FY 2011. USDA FPR.

Budget Activity: Child & Adult Food Care
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)		$10	$134,226	$134,236
Current Law Expenditures (FY 2014-15)		$10	$181,651	$181,661
Governor's Recommended Expenditures (FY2014-15)		$10	$181,651	$181,661
$ Change from FY 2014-15 Current Law to Governor's Rec		$0	$0	$0
% Change from FY 2014-15 Current Law to Governor's Rec		0%	0%	0%

Budget Activity: Child & Adult Food Care
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
REVENUE		$10	$181,651	$181,661
SOURCES OF FUNDS		**$10**	**$181,651**	**$181,661**
EXPENDITURES		$10	$181,651	$181,661
PAYROLL EXPENSE				
OPERATING EXPENSES		$10		$10
OTHER FINANCIAL TRANSACTIONS			$1,431	$1,431
GRANTS, AIDS AND SUBSIDIES			$180,220	$180,220
USES OF FUNDS		**$10**	**$181,651**	**$181,661**

Education
Nutrition Programs - Kindergarten Milk

http://education.state.mn.us/MDE/SchSup/FNS/MilkProg/

Statewide Outcome(s):

Kindergarten Milk supports the following statewide outcome(s).

Minnesotans are healthy.

Minnesotans have the education and skills needed to achieve their goals.

Context:

Providing milk during the school day helps meet children's nutritional needs and fosters lifelong healthy eating habits. Research has shown that students who are fed nutrient appropriate meals perform better in the classroom, have better test results and better school attendance.

The School Milk Program is funded through state general fund appropriations. The Special Milk Program is funded through the U.S. Department of Agriculture.

Strategies:

The **School Milk Program** provides school districts with added resources so that all kindergarten students in public and nonpublic schools may have access to milk on a daily basis.

The federally-funded **Special Milk Program (SMP)** provides milk to children in schools and residential child care settings that do not participate in other federal meal programs. Schools that participate in the federal SMP may also participate in the state School Milk Program.

1. In the **School Milk Program**, the Minnesota Department of Education (MDE) reimburses public and nonpublic schools 20 cents for each half-pint of milk served to kindergarten students who are not part of a reimbursed school lunch or breakfast (124D.118).
2. In the **Special Milk Program**, the federal government, through MDE, reimburses schools and nonprofit child care sites that do not participate in other federal meal programs 19.25 cents for each half-pint of milk served to children. Schools in the National School Lunch or School Breakfast Programs may also participate in the Special Milk Program to provide milk to children in half-day pre-kindergarten and kindergarten programs where children do not have access to the school meal programs.

MDE conducts administrative reviews of child nutrition programs and provides technical assistance and resource materials to schools and residential child care settings (group homes, juvenile correctional facilities).

Results:

Performance Measures	Previous	Current	Trend
Total state school milk half-pints served	5,180,601	5,072,378	Stable
Total federal special milk program half-pints served	4,269,490	3,925,123	Decreasing
Percent of schools needing additional monitoring reviews to ensure compliance	10%	8%	Improving

Performance Measures Notes:

1. MDE, Cyber-Linked Interactive Claims System (CLiCS) compares Previous FY 2010 / Current FY 2011
2. USDA, Food Programs Reporting System (FPRS) compares Previous: FY 2010 / Current: FY 2011
3. MDE Food and Nutrition Services Data Files compares Previous: FY 2010 / Current: FY 2011

Budget Activity: Kindergarten Milk
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$2,008		$1,576	$3,585
Current Law Expenditures (FY 2014-15)	$2,048		$1,604	$3,652
Governor's Recommended Expenditures (FY2014-15)	$2,048		$1,604	$3,652
$ Change from FY 2014-15 Current Law to Governor's Rec	$0		$0	$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%		0%	0%

Budget Activity: Kindergarten Milk
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
REVENUE			$1,604	$1,604
APPROPRIATION	$2,048		$0	$2,048
SOURCES OF FUNDS	**$2,048**		**$1,604**	**$3,652**
EXPENDITURES	$2,048		$1,604	$3,652
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES	$2,048		$1,604	$3,652
USES OF FUNDS	**$2,048**		**$1,604**	**$3,652**

Education
Libraries Programs - Basic Support
http://education.state.mn.us/MDE/SchSup/FNS/MilkProg/

Statewide Outcome(s):

Basic Support supports the following statewide outcome(s).

A thriving economy that encourages business growth and employment opportunities.

Minnesotans have the education and skills needed to achieve their goals.

Context:

Minnesota's public libraries help bridge the divide between those who have access to information and those who do not by providing free and equal access to information for people of all ages and backgrounds statewide. According to the American Library Association (http://www.ala.org/advocacy), families nationally that make less than $15,000 annually are two to three times more likely to rely on library computers than those earning more than $75,000. Public libraries offer computers and high-speed broadband access as well as the expertise of trained staff to help Minnesotans develop 21st Century literacy skills. Public library resources support workforce development, digital literacy, small business and community economic development, e-government activities, education, and lifelong learning.

Strategies:

Regional library basic system support provides state aid to regional library systems to benefit Minnesotans through the provision of interlibrary resource sharing programs, shared automation, and coordinated services to member libraries. Regional library basic system support serves Minnesota residents through 12 regional public library systems whose branch or member libraries include 359 public library buildings statewide. Participation in regional public library systems includes all Minnesota counties and serves almost all of the state's residents.

State funding and federal Library Services and Technology Act (LSTA) funding promote cost-effective services through cooperation, collaboration, and resource-sharing statewide. State regional library basic system support is state aid distributed by statutory formula using population, square mileage, equalized valuation of property and a basic amount per system as outlined in Minnesota Statutes (M.S.) 134.34 and M.S. 134.355. The federal LSTA funding program provides population-based grants to states with a State Library Administrative Agency (the Division of State Library Services of the Minnesota Department of Education). State and federal funding for public libraries provide about 20 percent of the total investment in library services.

Minnesotans use public libraries for information and self-sufficiency including access to resources for education, self-development, career development and personal interests. This activity provides the following services to strengthen the ability of public libraries across the state to provide services to citizens:

- provides incentives for counties and cities to work together in regional public library systems extending service to all at the most reasonable cost;
- distributes funding between cooperating jurisdictions;
- encourages the sharing of library materials within each region and statewide through library-to-library lending and reciprocal borrowing and returning;
- maintains and improves the infrastructure for reading and lifelong learning through collaborative library programs, materials, and outreach to culturally diverse communities;
- targets library services to individuals of diverse geographic, cultural and socioeconomic backgrounds, individuals with disabilities, and people with limited functional literacy or information skills;
- encourages library and information services to underserved urban and rural communities, including children from families living in poverty.

Results:

According to the 2011 public library annual reports submitted to the Division of State Library Services, Minnesotans visited their public libraries 27,418,144 times in 2012, which is an average of 527,272 visits per week or the equivalent of over five visits per person annually (based upon the 2010 U.S. Census state population of 5,303,925). This is over five times the 5,030,516 total home games attendance in 2011-2012 at Twins, Vikings, Minnesota Wild, and Timberwolves games according to their websites.

Regional public library systems through their branch or member libraries provided programs that promote community development through:

- early childhood literacy programs provided in collaboration with local early childhood and other community groups;
- homework help programs;
- resources for homeschoolers and distance learners;
- high-speed broadband internet access to e-government, the Electronic Library for Minnesota (ELM) and other databases, and other e-resources;
- 63,655,724 reference questions or the equivalent of 12 questions per Minnesotan annually were answered by trained library staff;
- 359 public library buildings offered evening and weekend hours for access to resources for workforce development, education, lifelong learning, etc.

According to the 2011 *Library Return on Investment Study* completed by the University of Minnesota – Duluth's, Labovitz School of Business and Economics Bureau of Business and Economic Research, available at http://www.crplsa.info/display/home/2012/02/22/ROI+Report+Available, the Return on Investment (ROI) in 2010 of Minnesota's regional public library systems and its branch or member libraries was calculated at $4.62 in annual return per dollar of public tax support.

Performance Measures	Previous	Current	Trend
1. Number of children and young adults participating in library programs such as story times, homework help and summer reading programs will increase.	953,881	970,000	Increasing
2. Number of adults participating in library-provided programs such as digital literacy, resume-writing and job seeking skills, small business development, and lifelong learning will increase.	320,576	350,000	Increasing

Performance Measures Notes:

1. Previous: FY 2010 / Current: FY 2012
2. Previous: FY 2010 / Current: FY 2012

Budget Activity: Basic Support & Fed Grants
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$13,570	$13,570	$27,140	$13,570	$13,570	$27,140
Governor's Recommendation	$13,570	$13,570	$27,140	$13,570	$13,570	$27,140
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$12,797	$16,040	$28,837	$13,570	$13,570	$27,140
Governor's Recommendation	$12,797	$16,040	$28,837	$13,570	$13,570	$27,140
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Federal Funds	$325	$450	$775	$450	$450	$900
Governor's Recommendation	$325	$450	$775	$450	$450	$900
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Other Funds	$3,000	$3,000	$6,000	$0	$0	$0
Governor's Recommendation	$3,000	$3,000	$6,000	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Basic Support & Fed Grants
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$13,570	$13,570	$27,140	$13,570	$13,570	$27,140
Levies						
District Revenue	**$13,570**	**$13,570**	**$27,140**	**$13,570**	**$13,570**	**$27,140**
Appropriation						
Current Year	$8,726	$11,196	$19,922	$11,196	$11,196	$22,392
Prior Year	$4,071	$4,844	$8,915	$2,374	$2,374	$4,748
State Aid	**$12,797**	**$16,040**	**$28,837**	**$13,570**	**$13,570**	**$27,140**
Federal Funds	$325	$450	$775	$450	$450	$900
Other Funds	$3,000	$3,000	$6,000	$0	$0	$0
Sources of Funds	**$16,122**	**$19,490**	**$35,612**	**$14,020**	**$14,020**	**$28,040**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$16,122	$19,490	$35,612	$14,020	$14,020	$28,040
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$16,122**	**$19,490**	**$35,612**	**$14,020**	**$14,020**	**$28,040**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Libraries Programs - Multicounty Multitype
http://education.state.mn.us/MDE/StuSuc/Lib/StateLibServ/MultiLibSys/index.html

Statewide Outcome(s):

Multicounty Multitype supports the following statewide outcome(s).

A thriving economy that encourages business growth and employment opportunities.

Minnesotans have the education and skills needed to achieve their goals.

Context:

The multicounty multitype library cooperation systems promote the sharing of library-related resources including opportunities for continuing education for library staff, supporting long-range planning for cooperative programs, and increasing communication across all types of libraries. The multicounty multitype library cooperation systems have a critical role for school libraries by encouraging the expansion of 21st century skills for school media specialists/school librarians and teachers to support student achievement through programs such as the Metronet Information Literacy Initiative (MILI).

Operating grant funding is established in M.R. 3530.2500, which allocates 60 percent of the state appropriation ($1.3 million) equally among the systems, 20 percent in an equal amount per capita, and 20 percent in an equal amount per square mile. The multicounty multitype library cooperation systems do not receive other funds except through grants and cost-recovery fees for attendance at workshops and other continuing education activities.

Strategies:

State aid improves library services through seven multicounty, multitype library cooperation systems serving school, public, academic, non-profit special and agency libraries within defined multiple county regions. This activity benefits Minnesotans by focusing primarily on services for school and special libraries in the state of Minnesota through the multicounty, multitype library cooperation systems. Currently, approximately 1,900 members with almost 2,200 library outlets of all types in Minnesota work together through their multitype systems. The multicounty, multitype library cooperation systems are in M.S. 134.351-354 and M.R. 3530.2200-2600.
This program provides support to improve library services through;

- developing and implementing strategic plans that address the needs of the region with available library and information resources;
- providing communication systems among participating libraries;
- operating and improving delivery services to facilitate resource sharing among participating libraries;
- assisting with training on and development of electronic resources; and,
- helping with the organization and promotion of opportunities for continued staff development and expertise in new technologies and other services for the public.

Results:

The multicounty multitype library cooperation systems collaborate and share best practices for programs providing professional development opportunities in order to enhance student learning. These include:

- Minnesota History Days with the Minnesota Historical Society;
- Camp Read-A-Lot with regional public library systems and teacher-librarians from local school districts;
- Metronet's Metro Information Literacy Initiative (MILI).

For example, the joint Southwest Area Multicounty Multitype Interlibrary Exchange (SAMME) – Plum Creek Library System's Camp Read-A-Lot was held in Marshall in August 2012, and had 90+ public and school librarians and teachers registered. The joint Metronet - Metropolitan Library Service Agency (MELSA) Camp Read-A-Lot had 228 registrations in FY 2011.

The Metronet MILI program expanded in FY 2011 with the addition of a “MILI, Jr.” program for teachers and school librarians in Grades K-5. Participation in the MILI training program requires a school district to have a licensed school media specialist/school librarian. See the curriculum piloted in the Spring Lake Park School District: http://metronetmili.pbworks.com/w/page/42238164/11-12%20MILI%20Junior%20home for the MILI, Jr. program.

Performance Measures	Previous	Current	Trend
The number of Camp Read-A-Lot locations	2	3	Improving

Performance Measures Notes:

Previous: FY 2010 / Current: FY 2011-2012

Budget Activity: Multicounty Multitype
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$1,300	$1,300	$2,600	$1,300	$1,300	$2,600
Governor's Recommendation	$1,300	$1,300	$2,600	$1,300	$1,300	$2,600
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$1,226	$1,537	$2,763	$1,300	$1,300	$2,600
Governor's Recommendation	$1,226	$1,537	$2,763	$1,300	$1,300	$2,600
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Multicounty Multitype
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$1,300	$1,300	$2,600	$1,300	$1,300	$2,600
Levies						
District Revenue	**$1,300**	**$1,300**	**$2,600**	**$1,300**	**$1,300**	**$2,600**
Appropriation						
Current Year	$836	$1,073	$1,909	$1,073	$1,073	$2,146
Prior Year	$390	$464	$854	$227	$227	$454
State Aid	**$1,226**	**$1,537**	**$2,763**	**$1,300**	**$1,300**	**$2,600**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$1,226**	**$1,537**	**$2,763**	**$1,300**	**$1,300**	**$2,600**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES	$119	$0	$119	$0	$0	$0
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$1,107	$1,537	$2,644	$1,300	$1,300	$2,600
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$1,226**	**$1,537**	**$2,763**	**$1,300**	**$1,300**	**$2,600**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Libraries Programs - Electronic Library Minnesota

http://education.state.mn.us/MDE/StuSuc/Lib/StateLibServ/LSTA/index.html

Statewide Outcome(s):

Electronic Library Minnesota supports the following statewide outcome(s).

A thriving economy that encourages business growth and employment opportunities.

Minnesotans have the education and skills needed to achieve their goals.

Context:

Minnesota's libraries deliver critical services statewide to a diverse population with changing demographics. Minnesota's communities look to their academic, public, school and non-profit special libraries to provide access to increasingly more sophisticated library services and resources beyond more traditional models such as books or children's programming.

The general fund appropriation for the Electronic Library for Minnesota (ELM) enables Minnesotans to have more equitable access to a group of databases and other electronic resources, whether in classrooms, school media centers, public libraries, at work, and from home. For families and children with geographical or socio-economic barriers, access to online resources in multiple environments can help reduce some of the disparities caused by these barriers.

Access to online resources at school, work, home and in a library was identified as a priority for Minnesotans in the study *(LSTA 2013-2017 Five Year Plan: Focus Groups/Interview Summary and Survey Results, June 2012)* done by Minnesota Management Analysis & Development for the Division of State Library Services of the Minnesota Department of Education (MDE). In the study, database access was among the highest ranking (84 percent) uses of computers in all types of libraries. For public school libraries (74 percent) and academic libraries (95 percent), database use was ranked among the top three uses of computers in these libraries.

Strategies:

ELM provides students, parents, teachers, and citizens statewide access to a basic set of database resources, full-text articles in magazines and newspapers, and other materials needed for education, health, research, business, and lifelong learning. ELM resources are available through the MnKnows (http://ww.mnknows.org/) and the ELM (http://ww.elm4you.org) electronic portals. The state investment leverages an increased purchasing power by statewide licensing of electronic databases and ensures all students have equitable access to a broad range of electronic resources to assist them in meeting educational standards.

By consolidating funds, database selection, licensing contract negotiations, and staff time to support database licenses through an interagency agreement between the Division of State Library Services of the Minnesota Department of Education (MDE) and Minitex Library Information Network of the Office of Higher Education and the University of Minnesota-Twin Cities, the State is able to acquire statewide database licenses at significantly-reduced cost. As a result of these efforts, academic, public, school, and non-profit libraries and their customers have access to these resources at their library, school, business, or home.

In the Management Analysis & Development study, database training was identified by 64 percent as among the most popular types of training offered in libraries. To support training developed to maximize the impact of the investment in ELM, The Division of State Library Services allocates federal Library Services and Technology Act (LSTA) funds for an additional interagency agreement with Minitex to develop ELM training for library staff.

Results:

ELM provides a wide range of online resources that serve multiple functions such as classroom support, workforce development, academic and professional research, and lifelong learning.

Performance Measures	Previous	Current	Trend
ELM resources are integrated into school curricula to meet state and national standards.*	Social Studies Standards	Social Studies Standards STEM standards	Improving
Minitex provides training for school and public library staff to assist library customers in accessing ELM resources.	2,221 attendees	Est. 2,500 attendees	Improving

Performance Measures Notes:

Current: FY 2013, Previous: FY 2012

Budget Activity: Electronic Library Minnesota
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$1,800			$1,800
Current Law Expenditures (FY 2014-15)	$1,800			$1,800
Governor's Recommended Expenditures (FY2014-15)	$1,800			$1,800
$ Change from FY 2014-15 Current Law to Governor's Rec	$0			$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: Electronic Library Minnesota
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$1,800			$1,800
SOURCES OF FUNDS	**$1,800**			**$1,800**
EXPENDITURES	$1,800			$1,800
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES	$1,800			$1,800
USES OF FUNDS	**$1,800**			**$1,800**

Education
Libraries Programs - Regional Library Telecommunication

http://education.state.mn.us/MDE/StuSuc/Lib/StateLibServ/RegionalLibrarySystems/index.htm

Statewide Outcome(s):

Regional Library Telecommunication supports the following statewide outcome(s).

A thriving economy that encourages business growth and employment opportunities.

Minnesotans have the education and skills needed to achieve their goals.

Context:

Regional public library systems and their branch or member libraries provide broadband access to over 350 public library buildings statewide. In Greater Minnesota a public library building may provide the only free high-speed broadband access in a community. As businesses, schools and governmental entities require the use of the internet for employment applications, unemployment applications, school assignments and contacts between schools and parents and other e-government resources, public libraries are where people go for access that they might not have at home or that require a level of high-speed broadband that they cannot afford or obtain. This free high-speed broadband access increases equity of access to electronic resources statewide.

Regional Library Telecommunications Aid (RLTA) is funded through general fund appropriations (Minnesota Statutes (M.S.) 134.355, Subd. 8-10). State funds are allocated based on actual cost pro-rated downwards to the amount of funding available to support the regional public library systems services and their system-level automation system. RLTA provides support for public libraries in all Minnesota counties.

Strategies:

The Regional Library Telecommunications Aid (RLTA) program provides state aid to twelve regional public library systems to equalize data and video access costs and other related costs to improve or maintain electronic access of participating public libraries to the state information infrastructure and to facilitate resource sharing. RLTA facilitates optimal access and connections to the statewide electronic infrastructure and supports equity of access to electronic resources. Among the activities supported through connectivity are:

- automation activities for cost-effectiveness in resource sharing;
- connectivity necessary to access licensed online full-text databases via the Electronic Library for Minnesota (ELM);
- access to the internet necessary for e-government, workforce development centers, immigration services, tax filing, and legal and medical electronic resources;
- interconnectivity and interoperability with school districts, post-secondary education, etc.;
- community access to high-speed Internet links; and,
- integration of new technology and training.

Results:

Minnesotans used their public libraries to access the internet over 7.1 million times in 2010. RLTA funds pay for public library access to the Electronic Library for Minnesota (ELM) which provides Minnesotans free access to a selection of online full-text newspaper and journals, and to MnLINK, which makes the resources of academic, public, and some school and non-profit libraries available for resource sharing statewide.

Performance Measures	Previous	Current	Trend
Percent of eligible actual costs incurred by public libraries that are reimbursed by Regional Library Telecommunications Aid.	96%	64%	Worsening

Performance Measures Notes:

Previous year: FY 2008 / Current year: FY 2013

Budget Activity: Reg Library Telecommunication
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$2,300	$2,300	$4,600	$2,300	$2,300	$4,600
Governor's Recommendation	$2,300	$2,300	$4,600	$2,300	$2,300	$4,600
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$2,153	$2,719	$4,872	$2,300	$2,300	$4,600
Governor's Recommendation	$2,153	$2,719	$4,872	$2,300	$2,300	$4,600
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Reg Library Telecommunication
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$2,300	$2,300	$4,600	$2,300	$2,300	$4,600
Levies						
District Revenue	**$2,300**	**$2,300**	**$4,600**	**$2,300**	**$2,300**	**$4,600**
Appropriation						
Current Year	$1,479	$1,898	$3,377	$1,898	$1,898	$3,796
Prior Year	$674	$821	$1,495	$402	$402	$804
State Aid	**$2,153**	**$2,719**	**$4,872**	**$2,300**	**$2,300**	**$4,600**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$2,153**	**$2,719**	**$4,872**	**$2,300**	**$2,300**	**$4,600**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$2,153	$2,719	$4,872	$2,300	$2,300	$4,600
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$2,153**	**$2,719**	**$4,872**	**$2,300**	**$2,300**	**$4,600**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Early Childhood and Family Support - Early Childhood Family Education

http://education.state.mn.us/MDE/StuSuc/EarlyLearn/ECFE/

Statewide Outcome(s):

Early Childhood Family Education supports the following statewide outcome(s).

Minnesotans are healthy.

Minnesotans have the education and skills needed to achieve their goals.

Strong and stable families and communities.

Context:

The purpose of the program is to provide parenting education to support children's learning and development. All families with children birth to kindergarten are eligible for services.

Strategies:

There are three strategies aimed at providing parent education.

Early Childhood Family Education

All families with children ages birth to kindergarten are eligible for ECFE. Expectant parents and family relatives may also participate. The early childhood family education (ECFE) program is funded by state aid and local levy. Programs typically include the following components in supporting parents:

- parent discussion groups
- parent-child activities
- play and learning activities that promote children's development
- home visits
- special events for the entire family
- information on community resources

Educate Parents Partnership

The Minnesota Department of Education (MDE) coordinates a partnership with early childhood organizations, including, but not limited to, early childhood family education, child care resource and referral, and interagency early intervention committees. Parents of newborns are provided informational materials and contacts on a broad range of subjects prior to hospital discharge. MDE has developed a Website (http://mnparentsknow.info) that provides information and links to resources on child development, parent education, child care, and consumer safety. This program is funded by state aid.

Parent-Child Home Program

This is a grant program that funds an evidence-based literacy home visiting model. This grant program received a one-time appropriation of $250,000 in FY 2013.

Results:

Performance Measures	Previous	Current	Trend
Parent participation in regular parent/child weekly sessions*.	92,773	89,515	Worsening
Classes offered for parents of children under three years**.	27%	29%	Improving

Performance Measures	Previous	Current	Trend
Referrals from ECFE to community resources and partner organizations.	19,488	19,343	Stable
Referrals made on the MN Parents Know website to Help Me Grow (Infant and Toddler Intervention and Preschool Special Education) for babies and young children with developmental concerns.	739	2,263	Increasing
Access to parent information provided through MN Parents Know website. • Podcasts • Webinars • Enews	10,000 downloads/month 1,851 participants/ yr 616/month	15,000 downloads/month 3,916 participants/ yr 97,000/month	Improving

Performance Measures Notes:

ECFE Prior year data is FY 2009 and current year data is FY 2010. MN Parents Know prior year data is FY 2011 and current year data is FY 2012.

*Decreased parent participation likely due to smaller class sizes for infants and toddlers, serving families with higher needs, and decreased class offerings for parents (12,556 in FY 2010 and 12,720 in FY 2009).

**State guidance refocused parenting education programs on providing classes for parents with children ages birth to three years.

There are no performance measures for the Parent Child Home Program.

Budget Activity: Early Child Family Ed
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$22,659	$22,254	$44,913	$22,623	$23,057	$45,680
Governor's Recommendation	$22,659	$22,254	$44,913	$22,623	$23,057	$45,680
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$21,120	$26,700	$47,820	$22,558	$22,981	$45,539
Governor's Recommendation	$21,120	$26,700	$47,820	$22,558	$22,981	$45,539
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy	$21,847	$21,955	$43,802	$22,135	$22,135	$44,270
Governor's Recommendation	$21,847	$21,955	$43,802	$22,135	$22,135	$44,270
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Federal Funds	$203		$203			
Governor's Recommendation	$203		$203			
Dollar Change from Base	$0		$0			
Percent Change from Base	0%		0%			
Other Funds	$0	$35	$35	$30	$30	$60
Governor's Recommendation	$0	$35	$35	$30	$30	$60
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Early Child Family Ed
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$22,659	$22,254	$44,913	$22,623	$23,057	$45,680
Levies	$21,847	$21,955	$43,802	$22,135	$22,135	$44,270
District Revenue	**$44,506**	**$44,209**	**$88,715**	**$44,758**	**$45,192**	**$89,950**
Appropriation						
Current Year	$14,578	$18,369	$32,947	$18,673	$19,031	$37,704
Prior Year	$6,542	$8,081	$14,623	$3,885	$3,950	$7,835
State Aid	**$21,120**	**$26,450**	**$47,570**	**$22,558**	**$22,981**	**$45,539**
Federal Funds	$203	$0	$203	$0	$0	$0
Other Funds	$0	$35	$35	$30	$30	$60
Sources of Funds	**$21,350**	**$26,735**	**$48,085**	**$22,588**	**$23,011**	**$45,599**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES	$22	$54	$76	$49	$49	$98
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$21,301	$26,681	$47,982	$22,539	$22,962	$45,501
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$21,323**	**$26,735**	**$48,058**	**$22,588**	**$23,011**	**$45,599**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Early Childhood and Family Supp - School Readiness

http://education.state.mn.us/MDE/StuSuc/EarlyLearn/SchReadiK/

Statewide Outcome(s):

School Readiness supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Strong and stable families and communities.

Context:

The purpose of the school readiness program is to prepare children to enter kindergarten by creating greater access to educational opportunities for children with high needs and to make progress on closing the achievement gap upon school entrance. The state funded program is established through the school district and serves children age three years to kindergarten entrance.

Strategies:

The school readiness program provides comprehensive program content and intentional instructional practice aligned with early learning standards to prepare children three and up for kindergarten. Beginning in FY 2011 school districts are required to use school readiness aid for at-risk students (ELL, free or reduced lunch, homeless, IEP, or identified through health and developmental screening).

Most school-based classroom programs are two and a half hours in length and meet one day to five days per week dependent on other funds available in the district. Program models include:

- Assessing each child's skills with a comprehensive assessment instrument when a child enters and leaves the program to inform program planning.
- Coordinating kindergarten transitions with parents and kindergarten teachers.
- Ensuring teachers have knowledge in early childhood curriculum content, assessment, and instruction.
- Integrating early childhood special education in school readiness classrooms.
- Coordinating referrals and follow-up to early childhood screening.
- Consulting and staff development for child care providers.
- Offering comprehensive family literacy and English language learner programs.

Districts receive aid based on a formula that includes the number of four year olds in the district and the number of pupils enrolled in the school district from families eligible for the free or reduced school lunch program. State aid for school readiness has changed little over the past ten years, and is currently funded at a base level of $10.095 million per year. Based on total state aid of $10,095 million and participation of 55,940 children and parents, state aid funded an average of approximately $180 per participant in FY 2009.

Results:

MDE assesses the school readiness of a random sample of entering kindergarteners on the skills, knowledge, behaviors and accomplishments that children should know and can do. Research demonstrates that young children from high quality early childhood programs enter kindergarten at a higher rate of proficiency than those from lower quality programs.

Performance Measures	Previous	Current	Trend
Kindergarteners demonstrating proficiency	60%	67.7%	Improving
**Preschoolers served 3 year olds 4 year olds	 10.9% 26.6%	 9.3% 25.9%	Decreasing

Performance Measures Notes:

Previous year data is FY 2011 and current year data is FY 2012.

**School readiness aid has not increased to accommodate the increase in program costs and therefore the number of students served is declining.

Budget Activity: School Readiness
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$10,095	$10,095	$20,190	$10,095	$10,170	$20,265
Governor's Recommendation	$10,095	$10,095	$20,190	$10,095	$10,170	$20,265
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$9,444	$11,932	$21,376	$10,095	$10,157	$20,252
Governor's Recommendation	$9,444	$11,932	$21,376	$10,095	$10,157	$20,252
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: School Readiness
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$10,095	$10,095	$20,190	$10,095	$10,170	$20,265
Levies						
District Revenue	**$10,095**	**$10,095**	**$20,190**	**$10,095**	**$10,170**	**$20,265**
Appropriation						
Current Year	$6,492	$8,329	$14,821	$8,329	$8,391	$16,720
Prior Year	$2,952	$3,603	$6,555	$1,766	$1,766	$3,532
State Aid	**$9,444**	**$11,932**	**$21,376**	**$10,095**	**$10,157**	**$20,252**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$9,444**	**$11,932**	**$21,376**	**$10,095**	**$10,157**	**$20,252**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$9,444	$11,932	$21,376	$10,095	$10,157	$20,252
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$9,444**	**$11,932**	**$21,376**	**$10,095**	**$10,157**	**$20,252**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Early Childhood & Family Support - Kindergarten Readiness Assessment

http://education.state.mn.us/MDE/StuSuc/EarlyLearn/SchReadiK/

Statewide Outcome(s):

Kindergarten Readiness Assessment supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Strong and stable families and communities.

Context:

Research has shown, and continues to show, that there is a critical relationship between early childhood experiences, school success, and positive life-long outcomes. One predictor of success is whether or not a student is ready for kindergarten. The Kindergarten Readiness Assessment program is a readiness assessment that is administered to a representative sample of incoming kindergarteners. The study is designed to show kindergarten readiness and track readiness trends over time.

Strategies:

To ensure the results are reliable and can be generalized to the entire population of Minnesota kindergarteners, the study uses a representative statewide sample of ten percent of all incoming kindergarteners as assessed on their kindergarten readiness skills within the first eight weeks of school. Participation by schools is voluntary.

Kindergarten teachers observe children in the classrooms and record their observations and children's performance on 32 indicators across five domains of child development: language/literacy, mathematical thinking, personal/social; physical, and arts. Results are compiled, analyzed and given to participating school sites. Aggregate results are used to inform school administrators, teachers, parents, early childhood teachers, child care providers, policymakers, and the public about progress towards the goal of ensuring that children are ready for kindergarten. It is expected that results will be used to plan children's transition from home to school, prepare for teacher conferences, and improve instruction and services to families.

Results:

Analysis done in Minnesota concludes that the results of the Kindergarten Readiness Study are predictive of the Minnesota Comprehensive Assessment (MCA) proficiency outcomes at grade three, especially in reading and math, and that kindergarteners attaining overall proficiency were at least twice as likely to exceed standards on both MCA reading and math scores in third grade compared to kindergarteners who did not attain overall proficiency. Kindergarteners not attaining overall proficiency were more than twice as likely to have been in special education or retained by third grade, even when holding constant gender, race/ethnicity, parent education, income or Individual Education Program (IEP) status compared to kindergarteners who did attain overall proficiency.

Performance Measures	Previous	Current	Trend
Schools recruited to participate in assessments	9.2%	8.6%	Stable
Participating principals reporting satisfaction with delivery of the study.	84%	89%	Improving
Participating teachers reporting satisfaction with delivery of the study	92%	90%	Stable

Performance Measures Notes:

Previous year data is from FY 2010 and current year data is from 2011.

Budget Activity: Kindergarten Readiness
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$529			$529
Current Law Expenditures (FY 2014-15)	$562			$562
Governor's Recommended Expenditures (FY2014-15)	$562			$562
$ Change from FY 2014-15 Current Law to Governor's Rec	$0			$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: Kindergarten Readiness
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$562			$562
SOURCES OF FUNDS	**$562**			**$562**
EXPENDITURES	$562			$562
PAYROLL EXPENSE	$141			$141
OPERATING EXPENSES	$421			$421
USES OF FUNDS	**$562**			**$562**

Education
Early Childhood & Family Supp - Access to Quality Early Learning

http://education.state.mn.us/MDE/StuSuc/EarlyLearn/

Statewide Outcome(s):

Access to Quality Early Learning supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Strong and stable families and communities.

Context:

Access to Quality Early Learning seeks to improve outcomes for children with high needs by increasing access to quality early learning programs. A large and growing body of research supports the critical relationship between quality early childhood learning experiences and successful life-long outcomes. In recognition of this, the Minnesota Department of Education promotes policies and programs that support high quality early learning programs and reduces the barriers for accessing those programs by families and children with high needs.

Strategies:

In order to support the access of quality early learning programs by families and children with high needs, the Minnesota Department of Education has in FY 2012 implemented the following strategies:

- Early Childhood Scholarships – Providing scholarships to families and children with high needs in order to assist families in accessing high quality early learning programs and reducing barriers.
- Early Learning Challenge - Developing an early childhood education and care system that supports early learning programs and promotes high quality program standards.

Results:

While many factors contribute to families and children's ability to access high quality early learning programs, the Department monitors children with high needs' access to quality early learning programs with two broad measures listed in the state's Race to the Top – Early Learning Challenge application.

Performance Measures	Previous	Current	Trend
Children with high needs enrolled in a high quality early learning program.*	NA	17.0%	NA
Children with high needs being rated as proficient on the Minnesota Kindergarten Entry Assessment.**	NA	65.2%	NA

Performance Measures Notes:

*Children with high needs served by highly rated programs receiving public funds including school-based prekindergarten, Head Start, Early Childhood Special Education and early learning programs receiving payments from the Child Care Assistance Program as estimated by the Parent Aware evaluation team and reported in the 2010 Parent Aware evaluation report. For this purpose, high quality is defined as having a three or four-star Parent Aware Rating.

**Children from families with an income of less than 250 percent of federal poverty guidelines rated as "proficient" on the Minnesota Kindergarten Entry Assessment in 2011.

Early Childhood Scholarships and the Early Learning Challenge are strategies that the Department began implementing in FY 2012, and as such have no previous data to compare.

Budget Activity: Access to Quality Early Learning
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$2,000		$4,415	$6,415
Current Law Expenditures (FY 2014-15)	$6,000		$21,844	$27,844
Governor's Recommended Expenditures (FY2014-15)	$50,000		$21,844	$71,844
$ Change from FY 2014-15 Current Law to Governor's Rec	$44,000		$0	$44,000
% Change from FY 2014-15 Current Law to Governor's Rec	733%		0%	158%

Budget Activity: Access to Quality Early Learning
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
REVENUE			$21,844	$21,844
APPROPRIATION	$50,000		$0	$50,000
SOURCES OF FUNDS	**$50,000**		**$21,844**	**$71,844**
EXPENDITURES	$50,000		$21,844	$71,844
PAYROLL EXPENSE	$600			$600
OTHER FINANCIAL TRANSACTIONS			$1,550	$1,550
GRANTS, AIDS AND SUBSIDIES	$49,400		$20,294	$69,694
USES OF FUNDS	**$50,000**		**$21,844**	**$71,844**

Education
Early Childhood & Family Support - Health and Developmental Screening

http://education.state.mn.us/MDE/StuSuc/EarlyLearn/EarlyChildScreen/

Statewide Outcome(s):

Health and Developmental Screening supports the following statewide outcome(s).

Minnesotans are healthy.

Minnesotans have the education and skills needed to achieve their goals.

Strong and stable families and communities.

Context:

Early childhood health and developmental screening promotes educational readiness and improved health of young children through the early detection of factors that may impede children's learning, growth, and development. Every school board must provide for a mandatory program of early childhood health and developmental screening for children once before school entrance targeting children between the ages of three to four years. Charter schools may choose to provide early childhood screening. Districts receive state aid for every child screened prior to kindergarten entrance or within 30 days after first entering kindergarten.

Strategies:

A screening program must include the following components: developmental assessments, hearing and vision screening or referral, immunization review and referral, the child's height and weight, identification of risk factors that may influence learning, an interview with the parent about the child, and referral for assessment, diagnosis, and treatment when potential needs are identified. A district may offer additional components such as nutritional, physical and dental assessments, review of family circumstances that might affect development, blood pressure, laboratory tests, and health history.

Results:

Performance Measures	Previous	Current	Trend
Three-year-old children receiving health and developmental screening.*	41%	40%	Worsening
Access to screening for diverse populations by providing interpreter assistance.	39%	42%	Improving
Referrals for further evaluation, assessment or support made for children identified as having possible health and/or development problems or needs.**	25,809	27,344	Increasing

Performance Measures Notes:

Current Year data is FY 2012 and previous year data is FY 2011.
*Minnesota's changing demographics and New American populations provides challenges for districts to identify children eligible for health and developmental screening. Expanded cross-system partnerships, social media messaging and other innovations to promote screening to families have been developed and it is expected these strategies will help increase awareness about the screening program.
**Referrals are for the total number of possible problems or needs identified at the time of screening and do not reflect numbers of children as children may have more than one problem. Deemed improving because children are now receiving the evaluations and assistance they need.

Budget Activity: Health & Developmental Screen
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$3,472	$3,442	$6,914	$3,363	$3,315	$6,678
Governor's Recommendation	$3,472	$3,442	$6,914	$3,363	$3,315	$6,678
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$3,299	$4,079	$7,378	$3,377	$3,323	$6,700
Governor's Recommendation	$3,299	$4,079	$7,378	$3,377	$3,323	$6,700
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Health & Developmental Screen
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$3,472	$3,442	$6,914	$3,363	$3,315	$6,678
Levies						
District Revenue	**$3,472**	**$3,442**	**$6,914**	**$3,363**	**$3,315**	**$6,678**
Appropriation						
Current Year	$2,233	$2,840	$5,073	$2,775	$2,735	$5,510
Prior Year	$1,066	$1,239	$2,305	$602	$588	$1,190
State Aid	**$3,299**	**$4,079**	**$7,378**	**$3,377**	**$3,323**	**$6,700**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$3,299**	**$4,079**	**$7,378**	**$3,377**	**$3,323**	**$6,700**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$3,299	$4,079	$7,378	$3,377	$3,323	$6,700
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$3,299**	**$4,079**	**$7,378**	**$3,377**	**$3,323**	**$6,700**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Early Childhood & Family Support - Head Start

http://education.state.mn.us/MDE/StuSuc/EarlyLearn/

Statewide Outcome(s):

Head Start supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Strong and stable families and communities.

Context:

The Head Start Program uses state and federal funds to promote school readiness of low income children by enhancing cognitive, social, and emotional development in a supportive learning environment and through comprehensive health, educational, and nutritional services. The Head Start Approach to School Readiness means that children are ready for school, families are ready to support their children's learning, and schools are ready for children. Head Start views school readiness as children possessing the skills, knowledge, and attitudes necessary for success in school and for later learning and life.

Strategies:

Head Start primarily serves three and four-year-olds from low-income families. Some programs serve infants, toddlers, and pregnant mothers in Early Head Start. Programs predominately serve children from families at or below the federal poverty level.

Federal regulations require all Head Start programs to establish school readiness goals defined as the expectations of children's status and progress across domains of language and literacy development, cognition, and general knowledge, approaches to learning, physical health and well-being and motor development, and social and emotional development that will improve readiness for kindergarten. Programs operate a center-based, home-based, and/or combination option. Other collaborative partners include public health, early childhood screening, early childhood special education, early childhood family education, school readiness, adult basic education, family literacy, public school kindergarten, and self-sufficiency programs.

Federal funds flow directly to 36 Head Start programs located in Minnesota. State aid uses the existing infrastructure to allocate the aid based equally on the program share of federal Head Start funds and the proportion of eligible children in the program service area who are not currently being served.

Results:

Minnesota Head Start Association with assistance from Minnesota Department of Education convened a group of Head Start Education Coordinators to improve the quality of the child assessment data collected in Head Start Programs.

Performance Measures	Previous	Current	Trend
*Head Start Progress Ratings			
Fall	N/A	17%	N/A
Winter		29%	
Spring		77%	
Children served under 5 years old	21%	23%	Improving

Performance Measures Notes:

Children served previous data is from FY 2011 and current year data is from FY 2012.

*The University of Minnesota Human Capital Research Collaborative conducted the analysis of the data. This is the first time this data was collected. Current year data is FY 2011 and FY 2012 data will be available late fall.

Head Start teachers rate children in the fall to gather baseline data, in the winter to measure progress and at the end of the school year to show final results. The progress rating indicates the percent of participating children that rated at least 75 percent of possible points using Work Sampling On-Line, an assessment that is a predictor of Minnesota Comprehensive Assessment Grade Three proficiency.

Budget Activity: Head Start
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$40,200			$40,200
Current Law Expenditures (FY 2014-15)	$40,200			$40,200
Governor's Recommended Expenditures (FY2014-15)	$40,200			$40,200
$ Change from FY 2014-15 Current Law to Governor's Rec	$0			$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: Head Start
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$40,200			$40,200
SOURCES OF FUNDS	**$40,200**			**$40,200**
EXPENDITURES	$40,200			$40,200
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES	$40,200			$40,200
USES OF FUNDS	**$40,200**			**$40,200**

Education
Early Childhood & Family Support - Infants and Toddlers Part C

http://education.state.mn.us/MDE/SchSup/EarlyLearnProg/PartCPreSSpecEd/

Statewide Outcome(s):

Infant and Toddlers Part C supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Strong and stable families and communities.

Context:

Research shows that when children with developmental delays are receiving early intervention they are less likely to need special education services at age three or beyond. The Part C - Infants and Toddlers program is federally regulated and provides individualized family-centered services to eligible children and their families. Part C services are provided through federal funds, state special education aid and general education revenue.

Strategies:

Infants and Toddlers Part C serves eligible infants and toddlers with disabilities birth to age three and their families.

Early intervention services are offered in conformity with an individual family services plan (IFSP) and are most often provided in the home, child care, or other early childhood education settings. School districts are responsible for the evaluation of children referred and for the provision of the early intervention services.

Federal Part C funds support 12 Interagency Early Intervention Committees (IEICs) through the IEIC annual application planning process. IEICs are responsible for the development, coordination, and implementation of comprehensive local interagency early childhood intervention services for young children with disabilities and their families. IEIC members include representatives of school districts, county human service agencies, county boards, early childhood family education programs, parents of young children with disabilities under age 12, and health care providers.

Additional components of the Part C state and local system to enhance quality and accountability include:

- local staff development, opportunities for occupational therapists, ECSE staff, speech pathologists, physical therapists, physicians, nurses, nutritionists, and child care providers;
- technical assistance to local areas through the Minnesota Technical Assistance for Family Support, Early Hearing Detection and Intervention Network, center for inclusive child care, and the Autism Network, Center of Excellence for Young Children with Disabilities;
- the development of Web-based applications to serve as a resource for parents and teachers;
- the central directory and 800 number which provides parents with referral and resource information;
- local and state interagency agreements that include procedures for intra- and interagency dispute resolution, complaints, agency roles and responsibilities for child find services, service coordination, financial commitments, and data collection;
- due process procedures for families and service providers; and
- coordination with child care providers and other early childhood service providers to improve Child Find.

Results:

In 2010–11, infants and toddlers with delays or disabilities who received services under the Part C of the Individuals with Disabilities Education Act (IDEA) showed greater than expected developmental progress. Many children exited the program functioning within age expectations, and most made progress.

Performance Measures	Previous	Current	Trend
Percent of infants and toddlers birth to 3 with IFSPs	2.15%	2.37%	Improving
Percent of families participating in Part C who report that early intervention services have helped the family help their children develop and learn.	92%	87%	Worsening
Children demonstrate positive relationships (A) Greater than expected progress (B) Exited Part C within age expectations	 63% 42%	 63% 44%	 Stable Improving
Children acquire and use knowledge and skills (A) Greater than expected progress (B) Exited Part C within age expectations	 65% 42%	 65% 41%	 Stable Stable
Children take action to meet needs (A) Greater than expected progress (B) Exited Part C within age expectations	 67% 44%	 66% 46%	 Stable Improving

Performance Measures Notes:

Current year: FY 2010, Previous year FY 2009

Additional information on these and other performance measures is available within Minnesota's Part C Annual Performance Report at http://education.state.mn.us/MDE/Welcome/AdvBCT/ICC/index.html

Budget Activity: Infant & Toddler Intervention
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)			$15,789	$15,789
Current Law Expenditures (FY 2014-15)			$14,000	$14,000
Governor's Recommended Expenditures (FY2014-15)			$14,000	$14,000
$ Change from FY 2014-15 Current Law to Governor's Rec			$0	$0
% Change from FY 2014-15 Current Law to Governor's Rec			0%	0%

Budget Activity: Infant & Toddler Intervention
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
REVENUE			$14,000	$14,000
SOURCES OF FUNDS			**$14,000**	**$14,000**
EXPENDITURES			$14,000	$14,000
PAYROLL EXPENSE			$278	$278
OPERATING EXPENSES			$384	$384
GRANTS, AIDS AND SUBSIDIES			$13,338	$13,338
USES OF FUNDS			**$14,000**	**$14,000**

Education
Early Childhood & Family Support - Preschool Special Education B/619

http://education.state.mn.us/MDE/SchSup/EarlyLearnProg/PartCPreSSpecEd/

Statewide Outcome(s):

Preschool Special Education supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Strong and stable families and communities.

Context:

Research shows that when children with developmental delays are receiving early intervention they are less likely to need special education services at Kindergarten or beyond. Preschool Special Education (Part B, Section 619 of the Individuals with Disabilities Education Act) is federally regulated and provides individualized education services to young children with disabilities ages three through five. Funding for services is a combination of federal funds, state special education aid and general education revenue.

Strategies:

Preschool special education services are offered in conformity with an individual education program (IEP) plan. School districts must provide services in the least restrictive environment for each child, which means that many children receive services in child care, Head Start, School Readiness or other early childhood education settings.

Services often include special instruction, speech and occupational therapy, and transportation. Federal funds support professional development opportunities promoting evidence-based practices through the Centers of Excellence.

Results:

In 2010–2011, many preschool children with delays or disabilities who received services under the Part B/Section 619 of the Individuals with Disabilities Education Act (IDEA) showed greater than expected developmental progress. Many children exited the program functioning within age expectations, and most made progress.

Performance Measures[1]	Previous	Current	Trend
Children will demonstrate positive relationships			
(A) Greater than expected progress	79%	76%	Worsening
(B) Exited Part C within age expectations	51%	53%	Improving
Children will acquire and use knowledge and skills			
(A) Greater than expected progress	78%	75%	Worsening
(C) Exited Part C within age expectations	52%	54%	Improving
Children will take action to meet needs			
(A) Greater than expected progress	80%	76%	Worsening
(B) Exited Part C within age expectations	66%	65%	Stable

Performance Measures Notes:

Previous data is from federal FY 2009 and current year is from federal FY 2010.

Additional information on these and other performance measures is available within Minnesota's Part B Annual Performance Report at http://education.state.mn.us/MDE/SchSup/SpecEdComp/index.html

Budget Activity: Preschool Special Ed
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)			$14,002	$14,002
Current Law Expenditures (FY 2014-15)			$13,000	$13,000
Governor's Recommended Expenditures (FY2014-15)			$13,000	$13,000
$ Change from FY 2014-15 Current Law to Governor's Rec			$0	$0
% Change from FY 2014-15 Current Law to Governor's Rec			0%	0%

Budget Activity: Preschool Special Ed
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
REVENUE			$13,000	$13,000
SOURCES OF FUNDS			**$13,000**	**$13,000**
EXPENDITURES			$13,000	$13,000
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES			$13,000	$13,000
USES OF FUNDS			**$13,000**	**$13,000**

Education
Community Education - Community Education

http://education.state.mn.us/MDE/SchSup/SchFin/CommEd/

Statewide Outcome(s):

Community Education supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Strong and stable families and communities.

Context:

The state and local school districts have invested significant resources in school district facilities. The majority of facilities go unused after school hours. Communities have a need to provide educational opportunities for adults and/or youth programs to engage young people in the community and provide structured activities after school hours. The community education programs are intended to maximize the community's use of public schools and to promote the use of school facilities beyond the regular school day. Community education programs provide lifelong learning opportunities for all community members and access to school facilities for public use.

Strategies:

The state community education program began in 1971 and is funded through both aid and levy. School boards must establish a community education advisory council and, with some exceptions, must employ a licensed community education director. Together they determine how best to use school facilities and community resources to meet the needs of their community.

Community education provides services beyond the regular K-12 program and may include:

- adults with disabilities;
- adult basic education (ABE);
- youth development;
- youth service;
- early childhood family education (ECFE);
- school-age care;
- summer programs for elementary and secondary pupils;
- youth after-school enrichment programs
- school readiness programs; and
- non-vocational, recreational, and leisure activities.

Every Minnesota school district operates a community education program. Programs serve children and adults of all ages.

Results:

MDE has had no staff dedicated to community education since 2001. Data are reported by school districts. MDE shares reported data with the Minnesota Community Education Association who undertakes efforts to improve community education for its participating members. MDE collects no data to show impact of the programming other than the number of individuals that received services.

Performance Measures	Previous	Current	Trend
Duplicated Head Count	2.38 million	2.38 million	Stable

Performance Measures Notes:

Previous data is from FY 2009 and current data is from FY 2011.

Participants reported does not include those reported separately under ECFE, ABE, and early childhood screening. Community Education participation numbers are self-reported by districts in the Community Education Annual Report. FY 2009 numbers reflect 265 districts reporting. FY 2011 numbers reflect 290 districts reporting. Individuals may be counted more than once if they participated in multiple services.

Budget Activity: Community Education
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$478	$890	$1,368	$939	$1,070	$2,009
Governor's Recommendation	$478	$890	$1,368	$939	$1,070	$2,009
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$442	$905	$1,347	$930	$1,047	$1,977
Governor's Recommendation	$442	$905	$1,347	$930	$1,047	$1,977
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy	$38,374	$37,765	$76,139	$38,163	$38,196	$76,359
Governor's Recommendation	$38,374	$37,765	$76,139	$38,163	$38,196	$76,359
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Community Education
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$478	$890	$1,368	$939	$1,070	$2,009
Levies	$38,374	$37,765	$76,139	$38,163	$38,196	$76,359
District Revenue	**$38,852**	**$38,655**	**$77,507**	**$39,102**	**$39,266**	**$78,368**
Appropriation						
Current Year	$308	$735	$1,043	$775	$883	$1,658
Prior Year	$134	$170	$304	$155	$164	$319
State Aid	**$442**	**$905**	**$1,347**	**$930**	**$1,047**	**$1,977**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$442**	**$905**	**$1,347**	**$930**	**$1,047**	**$1,977**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$442	$905	$1,347	$930	$1,047	$1,977
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$442**	**$905**	**$1,347**	**$930**	**$1,047**	**$1,977**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Community Education - Adults with Disabilities

http://education.state.mn.us/MDE/SchSup/SchFin/CommEd/

Statewide Outcome(s):

Adults with Disabilities supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Strong and stable families and communities.

Context:

Adults with disabilities are more likely to be isolated and disconnected from the community. Supporting and engaging adults with disabilities will benefit the individual and the community by providing the individual the skills to be more independent and self-sufficient, requiring fewer community resources to economically support in the future.

Strategies:

The adults with disabilities program is a state aid and levy program that provides revenue to a select number of school districts to support community education programs and services for adults with disabilities.

Community education programs locally administer programs funded through adults with disabilities revenue. Approved programs may receive revenue equal to the lesser of $60,000 or actual expenditures; 50 percent aid and 50 percent levy.

Thirty of the 67 supported school districts are in the seven-county metropolitan area. Programs use the following service strategies:

- services enabling adults to participate in community activities, including one-on-one assistance, Braille and interpreter services
- classes specifically for adults with disabilities
- outreach to identify adults needing services
- activities to increase public awareness of the roles of people with disabilities

Results:

This stable source of community education funding has been primarily available to the same districts that accessed the funding stream at the program's inception in 1989. Program performance data are not reported to the Minnesota Department of Education.

Performance Measures	Previous	Current	Trend
Participating districts	67	67	Stable

Performance Measures Notes:

Previous year data is from FY 2005 and current year data is from 2011.

Budget Activity: Adults W Disabilities
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$710	$710	$1,420	$710	$710	$1,420
Governor's Recommendation	$710	$710	$1,420	$710	$710	$1,420
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$654	$839	$1,493	$710	$710	$1,420
Governor's Recommendation	$654	$839	$1,493	$710	$710	$1,420
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy	$670	$670	$1,340	$670	$670	$1,340
Governor's Recommendation	$670	$670	$1,340	$670	$670	$1,340
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Adults W Disabilities
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$710	$710	$1,420	$710	$710	$1,420
Levies	$670	$670	$1,340	$670	$670	$1,340
District Revenue	**$1,380**	**$1,380**	**$2,760**	**$1,380**	**$1,380**	**$2,760**
Appropriation						
Current Year	$457	$586	$1,043	$586	$586	$1,172
Prior Year	$197	$253	$450	$124	$124	$248
State Aid	**$654**	**$839**	**$1,493**	**$710**	**$710**	**$1,420**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$654**	**$839**	**$1,493**	**$710**	**$710**	**$1,420**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$654	$839	$1,493	$710	$710	$1,420
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$654**	**$839**	**$1,493**	**$710**	**$710**	**$1,420**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Community Education - Hearing Impaired Adults

http://education.state.mn.us/MDE/EdExc/SpecEdClass/DisabCateg/HardHear/

Statewide Outcome(s):

Hearing Impaired Adults supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Strong and stable families and communities.

Context:

Individuals who are deaf or hard-of hearing experience barriers to education opportunities. Access to education programs for persons with disabilities is assured by the American with Disabilities Act (ADA). The hearing impaired adults program was developed to provide educational opportunities for deaf and hard-of hearing adults.

Strategies:

This program covers one-time interpreter or note-taker services for deaf and hard of hearing adults participating in school district adult education classes, adult technical college programs, or non-vocational programs operated by public or private community agencies. The intent of the program is to reimburse adult education programs for unanticipated costs, therefore funding varies from year to year.

The average cost for an hour of American Sign Language interpretation ranges between $50 and $100. Reimbursement available is prorated to not exceed the annual state appropriation which has been $70,000 for the past decade.

This program:

- targets adult students with hearing impairments;
- provides access to vocational education programs and programs promoting educational growth and development; and
- enhances and encourages lifelong learning.

Since the annual demand approximates the funding available, the state has not undertaken a campaign to promote this funding stream. MDE has altered the process to distribute funds to applicants. MDE now reimburses expenditures on a prorated basis rather than distributing the funds on a first come-first served basis.

Results:

The rate at which sites request funds in consecutive years provides a gauge whether providers are anticipating, and budgeting for, support for individuals with hearing impairments. It is difficult to draw assumptions regarding the true statewide demand for services, since most districts or non-profit providers seek other resources to meet their needs as well.

Performance Measures	Previous	Current	Trend
Supported Events	290	244	Decreasing
Expenditures Reimbursed	86.7%	100%	Increasing

Performance Measures Notes:

The number of supported events varies significantly from year to year. Previous year data is from FY 2009 and current year data is from FY 2010.

The appropriation for this program is capped at $70,000. Demand exceeded the appropriation in four of the previous eight years; the proration averaged was 86.7 percent for those four years. Current year is FY 2011 where proration was not necessary.

Budget Activity: Hearing Impared Adults
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$135			$135
Current Law Expenditures (FY 2014-15)	$140			$140
Governor's Recommended Expenditures (FY2014-15)	$140			$140
$ Change from FY 2014-15 Current Law to Governor's Rec	$0			$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: Hearing Impared Adults
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$140			$140
SOURCES OF FUNDS	**$140**			**$140**
EXPENDITURES	$140			$140
PAYROLL EXPENSE				
GRANTS, AIDS AND SUBSIDIES	$140			$140
USES OF FUNDS	**$140**			**$140**

Education
Community Education - School Age Care
http://education.state.mn.us/MDE/SchSup/FNS/CACFPCenter/

Statewide Outcome(s):

School Age Care supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Strong and stable families and communities.

People in Minnesota are safe.

Context:

School age care is a program for children with disabilities or children who experience problems of a temporary nature from kindergarten through grade six to expand student's learning opportunities when school is not in session. This program exists to ensure that all students, regardless of disability or family problems, have equal access to after-school care and summer educational programming. Without this program schools would be reluctant to fund participation by students with disabilities because after-school care and summer programs are not essential elements of FAPE and usually carry significant costs for participation for a student with disabilities. For students experiencing family problems at home, this program ensures they have a safe after-school and summer environment regardless of their family's ability to pay.

Strategies:

Local school boards must develop the standards for the program, which must include the following components:

- adult supervised activities while school is not in session;
- parent involvement in program design and direction;
- partnerships with K-12 system and other public, private, or nonprofit entities;
- opportunities for trained secondary school pupils to work with younger children as part of a community service program; and
- access to available school facilities when otherwise not in use as part of the operation of the school.

School age care revenue is an equalized levy and aid program equal to the annual eligible costs of providing school age care services. The levy is equalized at a rate of $2,433 of adjusted net tax capacity per resident pupil unit. Districts with a per-pupil tax capacity less than this amount are eligible to receive state aid. Currently all school districts accessing this revenue have tax capacities sufficient to generate 100% of their school age care revenue.

Results:

Performance Measures	Previous	Current	Trend
Number of Participating Districts*	79	225	Increasing
Percent of before and after school program revenue from tuition and fees**	87%	87%	Stable

Performance Measures Notes:

*Previous data is from FY 1994 the start of the program and current data is from FY 2011.
** Previous data is from FY 2009 and current data is from FY 2011.

Budget Activity: School Age Care
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$0	$1	$1	$1	$1	$2
Governor's Recommendation	$0	$1	$1	$1	$1	$2
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$0	$1	$1	$1	$1	$2
Governor's Recommendation	$0	$1	$1	$1	$1	$2
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy	$14,096	$14,800	$28,896	$15,540	$16,317	$31,857
Governor's Recommendation	$14,096	$14,800	$28,896	$15,540	$16,317	$31,857
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Federal Funds			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: School Age Care
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$0	$1	$1	$1	$1	$2
Levies	$14,096	$14,800	$28,896	$15,540	$16,317	$31,857
District Revenue	**$14,096**	**$14,801**	**$28,897**	**$15,541**	**$16,318**	**$31,859**
Appropriation						
Current Year	$0	$1	$1	$1	$1	$2
Prior Year	$0	$0	$0	$0	$0	$0
State Aid	**$0**	**$1**	**$1**	**$1**	**$1**	**$2**
Federal Funds						
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$0**	**$1**	**$1**	**$1**	**$1**	**$2**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES						
OTHER FINANCIAL TRANSACTIONS						
GRANTS, AIDS AND SUBSIDIES	$0	$1	$1	$1	$1	$2
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$0**	**$1**	**$1**	**$1**	**$1**	**$2**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Self Sufficient and Lifelong Learning - Adult Basic Education

http://education.state.mn.us/MDE/StuSuc/AdultEd/

Statewide Outcome(s):

Adult Basic Education supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their goals.

Strong and stable families and communities.

Context:

Census data from the 2010 census indicate that 327,891 working-age adult Minnesotans (18 – 64) have either not completed high school (238,581), have no college education and speak English poorly or not at all (58,170) or have not completed high school and speak English poorly or not at all (31,203). Another 384,972 adults have no post-secondary education and are working but living in families with combined incomes less than a living wage. Many of those Minnesotans, despite having a high school diploma, have below high school level literacy skills.

Strategies:

This state and federal funded program provides education opportunities for adults who lack basic academic skills and whose low educational levels are barriers to employment, self-sufficiency, and postsecondary training.

Adults are eligible to participate in adult basic education programs when they are at least 16 years old, are not enrolled in school (formally withdrawn or dropped out), and function below the high school completion level in basic skills and/or English language skills.

ABE program options include the following program types:

- ***GED (General Education Development Diploma)*** - high school equivalency program (a GED online preparation program is available, as well as, in-class preparation)
- ***Adult Diploma*** - programs for adults leading to a Minnesota high school diploma
- ***English as a Second Language (ESL)*** - for students whose native language is not English
- ***Basic Skills Education*** - for students who need to brush-up on some specific basic skills, such as math or reading (typically related to their employment needs)
- ***Workforce Preparation*** - literacy skills related to students' need to obtain, retain, or improve their employment. Instruction uses work-related content, often delivered at the learner's work site or within a post-secondary training institution (e.g.- Minnesota FastTRAC program)
- ***Transition to Postsecondary Education*** - programs for college readiness including free remedial classes for college-bound adults. Typically contextualized for specific occupation areas.
- ***Family Literacy*** - features instruction for adults in academic basic literacy skills, parenting, and also provides learning opportunities for their pre-school children
- ***U.S. Citizenship and Civics*** - programs for legal noncitizens (immigrants and refugees) to attain English and civic knowledge necessary for U.S. citizenship and civic participation.

Results:

Minnesota Adult Basic Education (ABE) programs are measured through a national system of performance outcomes including educational gain, GED and high school diploma acquisition, and follow-up outcomes including employment and/or transition to post-secondary education. Minnesota has exceeded its federally negotiated performance targets for the past six years and earned the state over $5 million in ABE performance incentive awards. Over 70,000 Minnesota adults participated in ABE during 2011-12. Performance on key variables including GED attainment, high school diploma attainment, and a variety of follow-up measures noted below are continuing to increase as well as ABE service level indicators.

Performance Measures	Previous	Current	Trend
Clients who left public assistance	579	867	Improving
Clients who entered post-secondary	9,659	12,356	Improving
Clients who gained or bettered employment	12,678	14,388	Improving
Clients who are better able to assist their children in school	11,879	12,044	Improving

Performance Measures Notes:

Current performance data is for 2011-2012, previous is for 2009-2010 (biennial comparison). The average annual per student cost is increasing due to a higher proportion of enrolling students at the lowest literacy levels. These students are provided more intensive, and costly, services.

Budget Activity: Adult Basic Education
Current, Base and Governor's Recommended Expenditures - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Expenditures (FY 2014-15)
Base Entitlement	$45,352	$46,207	$91,559	$47,130	$48,072	$95,202
Governor's Recommendation	$45,352	$46,207	$91,559	$47,130	$48,072	$95,202
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Appropriation	$42,526	$54,311	$96,837	$46,969	$47,907	$94,875
Governor's Recommendation	$42,526	$54,311	$96,837	$46,969	$47,907	$94,875
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Base Levy			$0			
Governor's Recommendation			$0			
Dollar Change from Base						
Percent Change from Base			0%			
Federal Funds	$4,973	$5,031	$10,004	$5,031	$5,031	$10,062
Governor's Recommendation	$4,973	$5,031	$10,004	$5,031	$5,031	$10,062
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%
Other Funds	$0	$0	$0	$0	$0	$0
Governor's Recommendation	$0	$0	$0	$0	$0	$0
Dollar Change from Base	$0	$0	$0	$0	$0	$0
Percent Change from Base	0%	0%	0%	0%	0%	0%

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Budget Activity: Adult Basic Education
Sources and Uses - MDE
(Dollars in Thousands)

	FY12	FY13	Biennium (FY 2012-13)	FY14	FY15	Biennium (FY 2014-15)
Entitlement	$45,352	$46,207	$91,559	$47,130	$48,072	$95,202
Levies						
District Revenue	**$45,352**	**$46,207**	**$91,559**	**$47,130**	**$48,072**	**$95,202**
Appropriation						
Current Year	$29,162	$38,121	$67,283	$38,883	$39,660	$78,543
Prior Year	$13,364	$16,190	$29,554	$8,086	$8,247	$16,333
State Aid	**$42,526**	**$54,311**	**$96,837**	**$46,969**	**$47,907**	**$94,876**
Federal Funds	$4,973	$5,031	$10,004	$5,031	$5,031	$10,062
Other Funds	$0	$0	$0	$0	$0	$0
Sources of Funds	**$47,499**	**$59,342**	**$106,841**	**$52,000**	**$52,938**	**$104,938**
Expenditures						
PAYROLL EXPENSE						
OPERATING EXPENSES	$245		$245			
OTHER FINANCIAL TRANSACTIONS	$7	$9	$16	$0	$0	$0
GRANTS, AIDS AND SUBSIDIES	$47,247	$59,332	$106,580	$51,999	$52,937	$104,937
CAPITAL OUTLAY-REAL PROPERTY						
Uses of Funds	**$47,499**	**$59,342**	**$106,841**	**$51,999**	**$52,937**	**$104,937**

FY 2012 Current Year percentage was 64.3, Prior Year 30. FY 2013 Current Year percentage is 82.5, Prior Year is 35.7.
FY 2014 - FY 2017 Current Year percentage is 82.5, Prior Year is 17.5

Education
Self Sufficiency & Lifelong Learning - GED Tests

http://education.state.mn.us/MDE/StuSuc/AdultEd/

Statewide Outcome(s):

GED Tests supports the following statewide outcome(s).

Minnesotans have the education and skills needed to achieve their personal and employment goals.

Strong and stable families and communities.

Context:

Ten percent of Minnesotans over 18 years old lack a high school diploma or General Educational Development (GED). The percent of Minnesota adults without high school equivalency varies by ethnic group: Hispanic – 40 percent, Native American – 37 percent, Black – 21 percent, Asian – 14 percent, White – 13 percent. This state aid program provides increased access for eligible individuals to complete the GED battery of tests by paying a portion of the student's testing fees.

Strategies:

This program provides a $40 subsidy per complete test battery for low income GED test takers. To be eligible to take the GED exam and have the cost subsidized by the state, an individual must meet four criteria:

- 19 years of age or obtain a waiver (for ages 16, 17 and 18) from the MDE,
- A Minnesota resident and have been so for at least 90 days,
- Not currently enrolled in a program leading to a high school diploma,
- Not have the testing fee paid by another government agency.

As a result of this subsidy, which is paid quarterly to testing centers until depleted, fees for individual GED examinees are reduced. There are 55 testing centers in Minnesota including nine at state correctional facilities. The GED examination consists of a battery of five tests that measure major and lasting outcomes associated with a high school education. The five tests (social studies; science; language arts reading; language arts writing; and mathematics) employ a multiple-choice format with the two-part mathematics test also using alternative format questions. The writing skills test requires an essay.

The average GED test fee per participant is $95. The state covers $40 per test (42 percent); however the pool of funds is typically depleted during the third or fourth quarter of test center operation. Once the subsidy is depleted, the cost of the GED is increased by testing centers to cover the cost of managing and proctoring the exam.

Results:

One out of every ten high school credentials issued in Minnesota last year was issued through Adult Basic Education programming and includes GED diplomas and adult high school diploma attainment.

Performance Measures	Previous	Current	Trend
GED candidates tested (any amount of GED tests)	9,455	9,759	Improving
GED candidates completing all five GED tests	(70%)	(71%)	Stable
GED candidates passing all five GED tests	(83%)	(83%)	Stable

Performance Measures Notes:

Current year is calendar year 2011, previous is 2010.

Budget Activity: GED Tests
Current, Base and Governor's Recommended Expenditures
(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	$250			$250
Current Law Expenditures (FY 2014-15)	$250			$250
Governor's Recommended Expenditures (FY2014-15)	$250			$250
$ Change from FY 2014-15 Current Law to Governor's Rec	$0			$0
% Change from FY 2014-15 Current Law to Governor's Rec	0%			0%

Budget Activity: GED Tests
Sources and Uses
(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	**Other State Funds**	**Federal Funds**	**Total Funds**
APPROPRIATION	$250			$250
SOURCES OF FUNDS	**$250**			**$250**
EXPENDITURES	$250			$250
PAYROLL EXPENSE				
OTHER FINANCIAL TRANSACTIONS	$2			$2
GRANTS, AIDS AND SUBSIDIES	$248			$248
USES OF FUNDS	**$250**			**$250**

DEPT OF EDUCATION

FEDERAL FUNDS SUMMARY

Federal Award Name and Brief Purpose	New Grant	2012 Actual	2013 Budget	2014 Base	2015 Base	Required State Match/MOE		Statewide Outcome
Total Federal Funds		**779,472**	**804,869**	**783,801**	**787,646**			
FNS-Breakfast E370450 School Breakfast Program funds to reimburse participating public and nonprofit private schools, of high school grade and under and residential child care institutions, for breakfasts to eligible children.	**on-**	**37,480**	**38,200**	**39,346**	**40,526**	**yes**	**no**	**Educatio**
FNS-Lunch E370460 School lunch program to reimburse participating public and nonprofit private schools, of high school grades or under, including residential child care institutions, for lunches meeting the nutritional requirements to eligible children.	**on-**	**135,136**	**142,300**	**146,569**	**150,966**	**yes**	**no**	**Educatio**
FNS-Special Milk E370470 To encourage the consumption of milk by children in public and private nonprofit schools of high school grade and under, public and private nonprofit nursery schools, and child-care centers. Milk served free to eligible needy children is reimbursed at the average cost of a half pint of milk.	**on-**	**798**	**779**	**802**	**802**	**yes**	**no**	**Educatio**
FNS-CACFP Commodities E370480 To initiate and maintain nonprofit food service programs for children and elderly or impaired adults enrolled in nonresidential day care facilities, children attending afterschool care programs in low-income areas, and children residing in emergency shelters.	**on-**	**1,024**	**1,059**	**1,091**	**1,123**	**no**	**no**	**Educatio**
FNS-CACFP Audit E370490 To initiate and maintain nonprofit food service programs for children and elderly or impaired adults enrolled in nonresidential day care facilities, children attending afterschool care programs in low-income areas, and children residing in emergency shelters.	**on-**	**804**	**1,110**	**1,110**	**1,110**	**no**	**no**	**Educatio**
FNS-CACFP Food Service E370500 To initiate and maintain nonprofit food service programs for children and elderly or impaired adults enrolled in nonresidential day care facilities, children attending afterschool care programs in low-income areas, and children residing in emergency shelters.	**on-**	**52,598**	**68,100**	**78,100**	**88,100**	**no**	**no**	**Educatio**
FNS-CACFP Sponsor Admin E370510 To initiate and maintain nonprofit food service programs for children and elderly or impaired adults enrolled in nonresidential day care facilities, children attending afterschool care programs in low-income areas, and children residing in emergency shelters.	**on-**	**6,129**	**7,400**	**7,600**	**7,851**	**no**	**no**	**Educatio**

DEPT OF EDUCATION

FEDERAL FUNDS SUMMARY

Federal Award Name and Brief Purpose	New Grant	2012 Actual	2013 Budget	2014 Base	2015 Base	Required State Match/MOE		Statewide Outcome
FNS-Summer Food Service Program State Admin Expenses E370530 Nonprofit food service programs for low-income children during the summer months and at other approved times, when schools are out of session or are closed for vacation.	on-going	100	205	221	228	no	no	Education
FNS-State Admin Expense E370540-E370541 Administrative funds to supervise and give technical assistance to local schools, school districts and institutions with their Child Nutrition Programs.	on-	3,101	4,801	4,920	5,041	yes	no	Educatio
FNS-Fresh Fruits & Vegetables E370560-E370561 Selected low-income public and nonprofit private elementary schools are reimbursed for produce served to school children outside of the lunch or breakfast food service periods.	on-going	2,578	3,019	3,118	3,213	no	no	Education
FNS-Summer Food Program Sponsor Admin E370570 Initiate and maintain nonprofit food service programs for low-income children during the summer months and at other approved times, when schools are out of session or are closed for vacation.	on-going	466	545	561	578	yes	no	Education
FNS-Summer Food Program E370580 Initiate and maintain nonprofit food service programs for low-income children during the summer months and at other approved times, when schools are out of session or are closed for vacation.	on-	4,512	5,986	6,166	6,351	no	no	Educatio
Striving Readers Comprehensive Literacy Program State Form Grant 417 To advance literacy skills, including pre-literacy skills, reading and writing for students from birth through grade 12, including limited-English-proficient students and students with disabilities.	ended	48	44	0	0	no	no	Education
Adult Basic Education E370610-E370612 Programs for adult education and literacy services, including workplace literacy services, family literacy services, and English literacy and integrated English literacy-civics education programs. Participation is limited to adults and out-of-school youths aged 16 and older who do not have a high school diploma or equivalent.	on-	5,716	6,098	6,098	6,098	yes	yes	Educatio
ESEA – Migrant Education E370620-E370622 To ensure that migratory children have the opportunity to meet the same challenging State content and performance standards that all children are expected to meet.	on-going	1,936	2,373	2,650	2,650	no	no	Education

DEPT OF EDUCATION

FEDERAL FUNDS SUMMARY

Federal Award Name and Brief Purpose	New Grant	2012 Actual	2013 Budget	2014 Base	2015 Base	Required State Match/MOE		Statewide Outcome
Title I Neglected & Delinquent E370640-E370641 To help provide educational continuity for neglected and delinquent children and youth in State-run institutions for juveniles and in adult correctional institutions, so that these youth can make successful transitions to school or employment once they are released.	on-going	225	300	300	300	no	no	Education
Deaf & Blind E370650 Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	on-	176	226	226	226	no	no	Educatio
Special Education – State Personnel Dev E370660-E370662 Reform and improve systems for school personnel preparation and professional development in early intervention, educational and transition services, to improve results for children with disabilities.	on-going	1,374	1,862	1,521	1,521	no	no	Education
Institute of Museum & Library Services – Grants to States E370670 Promote improvement in library services in all types of libraries to better serve the public by facilitating access to resources for the purpose of cultivating an educated and informed citizenry and encouraging resource sharing among libraries for the purpose of achieving economical and efficient delivery of library services to the public.	on-going	2,830	2,725	2,725	2,725	yes	yes	Education
Rural & Low Income Schools E370680-E370681 Provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools.	on-going	313	447	447	447	no	no	Education
Early Childhood – Special Education Preschool Grant Part B E370700-E370702 Provide special education and related services to children with disabilities ages 3 through 5 years, and at a State's discretion, to 2- year- old children with disabilities who will reach age three during the school year.	on-going	6,282	7,395	7,404	7,404	no	yes	Education
Early Childhood – Special Education Infants & Toddlers Grant Part C E370710-E370712 Implement and maintain a Statewide, comprehensive, coordinated, multidisciplinary, interagency system to make available early intervention services to infants and toddlers with disabilities and their families.	on-going	7,069	7,975	7,975	7,975	no	yes	Education

DEPT OF EDUCATION

FEDERAL FUNDS SUMMARY

Federal Award Name and Brief Purpose	New Grant	2012 Actual	2013 Budget	2014 Base	2015 Base	Required State Match/MOE		Statewide Outcome
Homeless Children E370750-E370752 Ensure that all homeless children and youth have equal access to the same free, appropriate public education available to other children.	on-going	643	936	936	936	no	no	Education
Head Start E370770 Promote school readiness by enhancing the social and cognitive development of low-income children, including children on federally recognized reservations and children of migratory farm workers, through the provision of comprehensive health, educational, nutritional, social and other services; and to involve parents in their children's learning and to help parents make progress toward their educational, literacy and employment goals.	on-	116	132	132	132	yes	no	Educatio
Charter School Facilities E370781-E370782 To provide matching funds to states to establish or enhance and administer per-pupil facilities aid programs in order to help charter schools obtain adequate facilities.	ending	0	839	0	0	yes	no	Educatio
Charter Schools E370790-E370793 Support the planning, development, and initial implementation of charter schools and the dissemination of information on charter schools.	on-	2,278	5,089	6,653	6,653	no	no	Educatio
ESEA Title 1 E370800-E370802 Assist local educational agencies (LEAs) and schools to improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging State academic achievement standards.	on-	128,292	159,543	159,544	159,544	no	no	Educatio
Special Education–Children with Disabilities E370810-E370816 Formula grant to provide special education & related services needed to eligible children as authorized under IDEA.	on-going	168,955	201,775	190,691	190,691	no	yes	Education
Advanced Placement Incentive E370830-E370831 Support efforts to increase access to advanced placement classes and tests for low-income students and to cover part or all of the cost of test fees for low-income students enrolled in advanced placement courses.	ending	1,173	826	0	0	yes	yes	Education

DEPT OF EDUCATION

FEDERAL FUNDS SUMMARY

Federal Award Name and Brief Purpose	New Grant	2012 Actual	2013 Budget	2014 Base	2015 Base	Required State Match/MOE		Statewide Outcome
ESEA – 21st Century Community Learning E370840-E370842 Create community learning centers that provide academic enrichment opportunities for children, particularly students who attend high-poverty and low-performing schools to help students meet state and local student standards in core academic subjects and offers literacy and other educational services to the families of participating children.	on-going	10,580	13,846	13,846	13,846	no	no	Education
ESEA – State Assessments E370850-E370851 Support the development of the additional State assessments and standards required by Section 1111(b) of the Elementary and Secondary Education Act (ESEA), as amended; and (2) if a State has developed the assessments and standards required by Section 1111(b), then to support the administration of those assessments or to carry out other activities related to ensuring that the State's schools and local education agencies are held accountable for results.	on-	6,284	5,770	5,402	5,402	no	no	Educatio
USDE Contract – NAEP E370860 Coordinate state's participation in the federally required assessments of the National Assessments Governing Board.	on-	304	331	347	360	no	no	Educatio
ESEA – English Language Acquisition E370870-E370872 Ensure that limited English proficient children (LEP) and youth, including immigrant children and youth, attain English proficiency and meet the same challenging State academic content and student academic achievement standards.	on-going	7,573	8,976	8,976	8,976	no	yes	Education
ESEA – Title II Improving Teacher Quality/Effective Teachers and Leaders E370880-E370882 To improve teacher and principal quality and increasing the number of highly qualified teachers in the classroom and highly qualified principals and assistant principals in schools and hold local educational agencies and schools accountable for improvements in student academic achievement.	on-going	27,443	33,424	33,424	33,424	no	no	Education
ESEA Migrant Consortium E370910 Participate in consortia that provide high-quality project designs and services to improve the interstate or intrastate coordination of migrant education programs by addressing key needs of migratory children who have their education interrupted.	on-	57	69	66	66	no	no	Educatio

DEPT OF EDUCATION **FEDERAL FUNDS SUMMARY**

Federal Award Name and Brief Purpose	New Grant	2012 Actual	2013 Budget	2014 Base	2015 Base	Required State Match/MOE		Statewide Outcome
Comprehensive School Health Programs E370920 To improve the health and well-being of youth and prepare them to be healthy adults and help schools prevent sexual risk behaviors that result in HIV infection, especially among youth who are at highest risk.	on-going	475	378	378	378	no	no	Education
Carl Perkins Act – Vocational Education E3700930-E370934 Develop more fully the academic, career, and technical skills of secondary and postsecondary students who elect to enroll in career and technical education programs.	on-going	6,732	8,503	8,478	8,478	yes	yes	Education
USDE Contract – PBDMI E370940 To improve and institutionalize ED*Facts* reporting processes within the state.	on-	44	50	54	57	no	no	Educatio
ESEA – Voluntary Public School Choice E370960-E370962 Eligible entities use the grant funds for: (1) planning or designing a program (for not more than 1 year); (2) the cost of making tuition transfer payments to public elementary schools or secondary schools to which students transfer under the program; (3) the cost of capacity-enhancing activities that enable high-demand public elementary schools or secondary schools to accommodate transfer requests under the program; (4) the cost of carrying out public education campaigns to inform students and parents about the program; and (5) other costs reasonably necessary to implement the program.	on-going	1,903	1,691	1,691	1,691	yes	no	Education
Learn & Serve America School Based Prog E370970 Encourage elementary and secondary schools and community-based agencies to create, develop, and offer service- learning opportunities for school- age youth; educate teachers about service- learning and incorporate service-learning opportunities into classrooms to enhance academic learning; coordinate adult volunteers in schools; and introduce young people to a broad range of careers and encourage them to pursue further education and training.	ended	185	45	0	0	yes	no	Education
ESEA – Math & Science Partnerships E370981-E370983 To improve the academic achievement of students in mathematics and science.	on-going	1,946	1,561	1,580	1,580	no	no	Education

DEPT OF EDUCATION

FEDERAL FUNDS SUMMARY

Federal Award Name and Brief Purpose	New Grant	2012 Actual	2013 Budget	2014 Base	2015 Base	Required State Match/MOE		Statewide Outcome
ESEA – School Improvement Grants E370990-E370991 Competitive subgrants to local educational agencies (LEAs) that demonstrate the greatest need for the funds and the strongest commitment to use the funds to provide adequate resources in order to raise substantially the achievement of students in their lowest-performing schools.	on-going	1,344	8,622	5,912	5,912	no	no	Educatio n
ARRA Data Systems for 21st Century E371010 Create comprehensive P-20 systems that permit the generation and use of accurate and timely data, support analysis and informed decision-making at all levels of the education system, increase the efficiency with which data may be analyzed to support the continuous improvement of education services and outcomes, facilitate research to improve student academic achievement and close achievement gaps, support education accountability systems, and simplify the processes to make education data transparent through Federal and public reporting.	ending	5,526	5,433	800	0	yes	no	Educatio
ARRA Title I E371020-E371021 Improve the teaching and learning of children failing, or most at-risk of failing, to meet challenging State academic achievement standards.	ended	15,352	482	0	0	no	no	Educatio
ARRA Head Start Advisory E371060-E371061 Improve coordination and collaboration among early childhood education and care programs and services in the state through activities of the State Early Childhood Advisory Council.	ending	701	269	0	0	yes	no	Educatio
ARRA School Improvement E371090-E371091 Competitive subgrants to local educational agencies (LEAs) that demonstrate the greatest need for the funds and the strongest commitment to use the funds to provide adequate resources in order to raise substantially the achievement of students in their lowest-performing schools.	ending	12,715	8,641	4,536	0	no	no	Educatio
Education Jobs Funding E371110-E371112 Assist local educational agencies (LEAs) in saving or creating education jobs for school year 2010-2011.	ended	80,169	23,284	0	0	no	yes	Educatio
Enhanced Assessment Grant – Improving Validity of Assessment Results for ELLs with Disabilities E371320 Address the validity of assessment results of ELLs with disabilities in statewide accountability assessments.	ended	929	270	128	0	no	no	Educatio n

DEPT OF EDUCATION

FEDERAL FUNDS SUMMARY

Federal Award Name and Brief Purpose	New Grant	2012 Actual	2013 Budget	2014 Base	2015 Base	Required State Match/MOE		Statewide Outcome
FNS-Team Nutrition Training Grants E371400-E371401 To improve children's lifelong eating and physical activity habits by using the principles of the Dietary Guidelines for Americans and the USDA Food Guidance System.	on-going	89	166	176	170	no	no	Education
Race to the Top Early Learning E371420-E371422 To improve the quality of early childhood programs and to close the achievement gap for high-need children.	one time	299	10,515	20,515	13,529	no	no	Education
FNS-Healthy Hunger Free Kids E371490 To provide Federal financial aid to State agencies for costs incurred to operate the Supplemental Nutrition Assistance Program.	on-	0	454	586	586	no	no	Educatio
ESEA – Drug & Violence E370730-E370731 Provide a disciplined environment conducive to learning, by preventing violence in and around schools and strengthening programs that prevent the illegal use of alcohol, tobacco, and drugs, involve parents, and are coordinated with related Federal, State, and community efforts and resources.	ended	332	0	0	0	no	no	Educatio
ESEA – Drug & Violence E370740-E370741 Provide programs and activities that prevent illegal drug use and violence targeted to populations that need special services or additional resources, such as youth in juvenile detention facilities, runaway or homeless children and youth, pregnant and parenting teens and school dropouts and are coordinated with related Federal, State, and community efforts and resources.	ended	101	0	0	0	no	no	Educatio
ESEA – Enhancing Technology State Grants E370820-E370822 Formula grant to (a) improve student academic achievement through the use of technology in schools; (b) assist all students in becoming technologically literate by the end of eighth grade; and (c) encourage the effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods.	ended	594	0	0	0	no	no	Education
Building State Capacity for Preventing Youth Substance Abuse E370950 Enhance the prevention of illegal use of drugs and violence among, and promote safety and discipline for, students at all educational levels; and to support programs to reduce alcohol abuse among secondary school students.	ended	83	0	0	0	no	no	Education

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FEDERAL FUNDS SUMMARY

Federal Award Name and Brief Purpose	New Grant	2012 Actual	2013 Budget	2014 Base	2015 Base	Required State Match/MOE		Statewide Outcome
ARRA IDEA Part B E371030-E371031 Provide a free appropriate public education to all children with disabilities.	ended	19,997	0	0	0	no	yes	Educatio
ARRA Title II Tech E371080 Formula grants to (a) improve student academic achievement through the use of technology in schools; (b) assist all students in becoming technologically literate by the end of eighth grade; and (c) encourage the effective integration of technology with teacher training and curriculum development to establish successful research-based instructional methods.	ended	23	0	0	0	no	no	Educatio
ESEA – Migrant MSIX Data Quality E371330 To participate in consortia that provide high-quality project designs and services to improve the interstate or intrastate coordination of migrant education programs by addressing key needs of migratory children who have their education interrupted.	ended	2	0	0	0	no	no	Educatio
Even Start Family Literacy E370761-E370762 Help break the cycle of poverty and illiteracy and improve the educational opportunities of low-income families, by integrating early childhood education, adult literacy or adult basic education, and parenting education into a unified family literacy program.	ended	207	0	0	0	yes	no	Educatio
ARRA McKinney Vento E371070 Ensure that all homeless children and youth have equal access to the same free, appropriate public education available to other children, the Education for Homeless Children and Youth program provides assistance to States, Outlying Areas, and the Bureau of Indian Education (BIE).	ended	4	0	0	0	no	no	Educatio
Byrd Honors Scholarships E370720 Provide scholarships to support postsecondary education to outstanding high school seniors who show promise of continued academic achievement in an effort to recognize and promote student excellence and achievement.	ended	134		0	0	no	no	Educatio
ARRA Stabilization Fund E371100 Support and restore funding for elementary, secondary, and postsecondary education and, as applicable, early child hood education programs and services.	ended	410	0	0	0	no	yes	Educatio
ARRA Preschool Part B E371040 Provide special education and related services to children with disabilities ages 3 through 5 years, and at a State's discretion, to 2-year-old children with disabilities who will reach age three during the school year.	ended	2,040	0	0	0	no	no	Educatio

DEPT OF EDUCATION

FEDERAL FUNDS SUMMARY

Federal Award Name and Brief Purpose	New Grant	2012 Actual	2013 Budget	2014 Base	2015 Base	Required State Match/MOE		Statewide Outcome
ARRA IDEA Infants & Family Part C E371050 Implement and maintain a statewide, comprehensive, coordinated, multidisciplinary, interagency system to make available early intervention services to infants and toddlers with disabilities and their families.	**ended**	**2,743**	**0**	**0**	**0**	**no**	**no**	**Educatio**

MDE Federal Funds Summary Narrative:

Federal Funds make up 10% of Minnesota Department of Education's (MDE) budget and are projected to be $784 and $788 million for State fiscal years 2014 and 2015 respectively. Due to the ending of large one-time funds for the American Recovery and Reinvestment Act (ARRA) and Education Jobs, fiscal year 2013 is significantly higher than subsequent years. Title I and Special Education funding has remained the same or shown a slight increase that is insignificant when compared to the increased cost of providing services to eligible students. Special Education expenditures fluctuated between fiscal years 2012 and 2013 due to some delayed spending of the federal award.

Major programs with Maintenance of Effort (MOE) include Title I, Special Education, English Language Acquisition, and Adult Basic Education (ABE). Title I and ABE require LEAs to spend at least 90% of prior year funding from state and local efforts to avoid a prorated loss of federal funds. For Special Education, states are subject to MOE and are required to spend the same amount of funding as the previous year in order to receive IDEA Parts B and C funds. Food & Nutritional Services, ABE and Carl Perkins also require a state match for the state to receive federal funds.

MDE estimates that about $500M dollars in federal funds will be impacted by sequestration. This amounts to about 23 federal programs. Depending on which programs outside of education are included the impact could be anywhere between an 8.4% to 15% reduction. The reductions would be significant not only to districts but also MDE. Sixty percent of MDE staff is funded through federal funds. Layoff would be inevitable. The amount of indirect funds the agency can use for internal operations (local grant awards, accounts payable and receivable and other operating costs) would also be significantly impacted.