

The background of the cover features a large, faint seal of the State of Minnesota. The seal is circular and contains the text "THE STATE OF MINNESOTA" around the top and "L'ETOILE DU NORD" (The Star of the North) around the bottom. In the center of the seal is a Native American figure holding a bow and arrow, with a star above his head.

1990-91
PROPOSED
BIENNIAL
BUDGET

EDUCATION AIDS AND
THE DEPARTMENT OF EDUCATION

PRESENTED BY
GOVERNOR RUDY PERPICH TO THE 76TH LEGISLATURE
STATE OF MINNESOTA

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EDUCATION

In 1985, the Minnesota legislature adopted the following mission for public education:

The purpose of public education is to help individuals acquire knowledge, skills, and positive attitudes toward self and others that will enable them to solve problems, think creatively, continue learning, and develop maximum potential for leading productive, fulfilling lives in a complex and changing society.

SOCIAL TRENDS

Significant state, national, and world-wide trends are affecting the progress of the public education system in realizing that mission. Some of the most significant trends are:

- o The nation is in transition from an economy based on agriculture and industry/manufacturing to an economy based on service and information. As a result, the skills that learners need to develop in preparing for a satisfying and productive adulthood include greater problem solving, analyzing, and decision-making skills, and the skills necessary to work with high-technology tools such as computers.
- o An increasing proportion of the preschool and school-age population comprises learners experiencing difficulties in formal learning situations. These students require non-traditional instructional designs, non-traditional motivational factors, and a comprehensive range of support services such as drug counseling, breakfast, and latch key programs. To help address the problems faced by this population, schools need to develop new and different partnerships with various public and private social service agencies.
- o At least partially as a result of the two trends discussed above, today's society includes an increasing number of adults who need retraining to maintain a living wage. In order to serve the learning needs of these adults, schools need to develop multifaceted partnerships with business and industry, employment services, community and adult education, technical institutes, community colleges, and other training programs. Schools also require individually designed education programs conducted by teachers with the skills necessary for working with unemployed and underemployed adults, in addition to school age learners.
- o Other important public policy issues relating to the environment, economic development, and social services require difficult decisions about the allocation of limited public funds. Increasing demands on limited public funds requires educators to be more prudent, efficient, and effective at demonstrating needs and proving benefits and results.
- o The changing demographics of public education requires significant restructuring of school instruction and organization. For example, an increasing number of minorities and students from low income families live in the metropolitan areas, and rural populations are continuing to decline.

- o In today's society, there is an increasing awareness that the development of human capital is a major responsibility of the education system. At the same time, there is an increasing desire for involvement by the community at large in defining the need for change and in defining the solution. As a result, the education system of the future needs to adopt procedures for cyclical renewal that involve more sectors of the community
- o While data regarding a teacher shortage is equivocal, there is no question that by the first decade in the next century at least fifty percent of the current teacher cadre will be replaced. Policy makers will need to assure an adequate supply of qualified teachers. New and continuing teachers will have to develop the skills to provide learning experiences for students whose adult life will change quickly, and whose needs will be dramatically different from those of today's students. These teachers will have to represent the full range of America's diverse racial and cultural make-up and will require greater professional status.

THE CHALLENGE

During the decade of the nineties, policy makers will face the reality that there are no simple answers for accomplishing educational change. The current model of linear and incremental change will have to be modified, and major restructuring of educational instruction and the organization will be necessary. New roles for parents, teachers, students and the state will have to be developed. In addition, the new designs will need to consider: resource availability; community support and involvement; empowerment of teachers in decision making processes; staff development needs; changing relationships among staff, learners, parents, and the community; and development of new instructional and assessment techniques.

RECENT SIGNIFICANT STEPS TOWARD ACHIEVING THE MISSION

Consistent with its mission, and in the context of the legislated mission for public education, the State Board of Education has adopted a vision and a set of learner goals that are providing the leadership and foundation for public schools of the future.

The ongoing evolution of the Planning, Evaluating, and Reporting (PER) process has resulted in definite movement toward the vision. Some of the changes include: community involvement in curriculum planning; district implementation of a curriculum review cycle; curriculum development based on learner outcomes; learning results reported to the community; state development of model learner outcomes and optional test item banks; and adoption of essential outcomes and assessment procedures.

The advent of three major education options has resulted in significant progress toward improved quality. They are: Post-secondary Enrollment Options; High School Graduation Incentives; and Open Enrollment.

The continued development and expansion of effective uses of technology have improved the capability of small districts to broaden their range of options for students and have enhanced the capacity for all schools and teachers to improve the quality of instruction.

Through expanded funding of the Educational Effectiveness Program, teachers in more than 400 schools have participated in seminars and activities designed to provide them with new instructional and leadership skills.

The evolution of organizational alternatives such as site-based management, pairing/sharing, area learning centers, and education district options has caused significant changes in Greater Minnesota school districts by allowing expanded course offerings and improved program quality.

The advent of staff development aid, mentoring initiatives, and the administrative academy are changing staff development in a manner that serves the needs of public education, as well as those of the individual teacher.

Educational opportunities have been broadened through rapid growth of early childhood and family education programs and through increased opportunities for adults in basic skill and adult diploma programs.

Integration/desegregation efforts are aimed at broadening opportunities for minority students, while increasing cultural understanding of majority students.

In addition, recognition is now given to students who are at-risk of not completing secondary schooling, or who face severe health or mental problems. Programs such as alternative education opportunities for dropouts, chemical abuse education, AIDS education, suicide prevention, education of the homeless, and services for minor parents are part of a concerted effort to help learners stay in school.

STEPS TOWARD THE VISION PROPOSED IN THIS BUDGET

CHILDREN INITIATIVES

The Governor's continuing Access to Excellence program begins with assessment of young children and provision of education programs appropriate to their needs. This budget recommends a four-step process to insure a better educational start for all children.

First, the Early Childhood Health and Developmental Screening Program, Budget Activity 0408, will receive an increase of \$2,000 in order to begin reaching younger children and focus efforts on comprehensive health and developmental services for at-risk children. Second, an increase of \$1,000 to Pre-K Programs, Budget Activity 0407, will permit school districts to concentrate on unique learning opportunities for disadvantaged three- to five-year old children and to assure they have a fair chance to succeed when they enter formal schooling. Third, the Early Childhood and Family Education Program (ECFE), Budget Activity 0406 will receive an increase of \$2,900 for school districts to establish programs in communities not yet served, and to serve greater numbers of families, especially at-risk children and their parents. The Minnesota Department of Education (MDE) will receive \$94 in Community and Adult Education, Budget Activity 1201-01, for state leadership in this area.

Fourth, the Governor is proposing \$1,500 for a new Extended Day Grants in-

itiative, Budget Activity 0411, to provide opportunities for public and non-profit agencies to initiate, improve, or expand education programs for children from Kindergarten through Grade 6 to be available before and after school and during vacations.

STUDENT RETENTION AND LIFELONG LEARNING

The Governor's budget also includes a number of initiatives to encourage school completion, to provide programs to serve unique educational needs, and to provide opportunities beyond traditional Kindergarten through Grade 12 programming.

The Community Education Program, Budget Activity 0401, includes \$3,323 for an increment to the basic funding formula, and for additional support of a Youth Service component to permit young people to improve citizenship, work skills, discipline, social interaction and feelings of self-worth through community service. In addition, \$315 is provided for a new Senior Mentor Program, Budget Activity 0410, in which senior citizens will volunteer to tutor and give personal attention to at-risk youth. In order to assist at-risk youth in completing their education, the Transportation Program, Budget Activity 0201, will receive an additional \$1,018 for transportation of custodial parents and their children. Under a new initiative, the Minority Faculty Development Program, Budget Activity 0713, \$1,000 will be available to assist minority students in becoming teachers in the public schools.

As part of the his Lifelong Learning program, the Governor is proposing \$3,800 for an Interagency Adult Literacy Initiative, Budget Activity 0409, to support a new Interagency Adult Learning Council, to provide targeted grants for comprehensive services to priority clients and to assist employers in developing workplace literacy programs. In addition, in Adult Education, Budget Activity 0403, MDE will receive \$200 for state leadership in helping to modernize and upgrade Minnesota's Adult Basic Education program over the next five years. The Governor further recommends increasing the maximum permitted Adult Education levy from 0.8 to 1.6 percent of adjusted gross tax capacity. The budget also includes \$2,000 for increased library access and services in Libraries--Basic Grants, Budget Activity 1001, and Libraries--Cooperation Grants, Budget Activity 1002.

Finally, \$8,700 will be available as part of the Year of the City initiative, Budget Activity 0714. This program will provide assistance to the Minneapolis, St. Paul, and Duluth school districts in addressing the unique needs of inner city students and their families. These schools have a disproportionately high number of students who are at risk of dropping out of school or of achieving at levels far lower than their potential would indicate. This program will provide funds for projects focused on early intervention and prevention services, dropout prevention, and mentorship opportunities for minority and low income students.

INSTRUCTIONAL LEADERSHIP

This budget includes substantial new funds to improve Minnesota schools.

AGENCY: EDUCATION
(Continuation)

1990-91 Biennial Budget

Specifically, the Governor is recommending \$3,735 for a new initiative, Instructional Leadership, Budget Activity 0712, to assist schools and school districts in restructuring instruction, based on what students are expected to learn, and what they are learning, rather than on input measures, such as seat time. The recommendation also includes \$1,500 for continuing development of a Secondary Vocational Restructuring model, Budget Activity 0314. A new initiative for Higher Order Thinking Demonstration Sites, Budget Activity 0717, includes \$1,500 for grants to ten schools to develop models for enhancing student thinking, self concept, and productivity through improved curriculum; instructional strategies; assessment and evaluation; instructional resources; and local staff development. A new initiative, International Education, Budget Activity 0718, will provide \$2,975 to improve student learning about international issues and build on the "Minnesota in the World and the World in Minnesota" project. Included are programs for teacher exchange, curriculum development and dissemination, staff development in geography and world languages, materials development, and grants in environmental education and in elementary world language instruction. The Governor is proposing \$1,000 for Meritorious Schools Grants, Budget Activity 0715, to provide competitive awards to schools meeting specific performance standards.

The Governor is recommending \$1,670 for measuring student achievement at Grade 6 and Grade 10 across the state using standardized tests in Statewide Testing, Budget Activity 0711. In addition, MDE will receive \$80 to participate in a national testing program under Assessment and Program Evaluation, Budget Activity 1201-08. Finally, the Governor is including \$150 in School Curriculum and Instruction and Monitoring, Budget Activity 0716, for MDE to monitor school district implementation of curriculum and instruction laws and rules.

IMPROVED USES OF TECHNOLOGY

In this area, the Governor is recommending \$10,000 in Computers for Teachers and Students, Budget Activity 0710, for schools to begin a program of purchasing instructional hardware and software, with the goal of assuring one computer for every four students across the state within five years. The budget also includes \$2,000 in Technology-Based Network of Schools, Budget Activity 0709, for establishing demonstration sites in the comprehensive use of technology for education.

In recognition of the importance of comprehensive educational data for state and local decision makers, the Governor is recommending new funding of \$3,816 for regional and local implementation of the Integrated Data Base in Regional Management Information Centers, Budget Activity 1112. MDE will also receive \$1,335 for implementing the Integrated Data Base in Education Data Systems, Budget Activity 1202-03.

GENERAL EDUCATION PROGRAM

The Governor recommends that the formula allowance for F.Y. 1991 be set at \$2,800. If the remaining 1989 and 1990 revenue forecasts show positive variances, the Governor may be able to recommend an increase in the General Education formula allowance for F.Y. 1991 at a later date.

Beginning in F.Y. 1991, the Governor is recommending that funding for Special Education Speech Handicapped staff, Learning Disabled staff and Other Essential Personnel, Budget Activity 0301, be moved into a new component of General Education revenue called the Special Programs Reserve, Budget Activity 0101. In addition, the Governor will propose mandating state Special Education program entrance and exit criteria.

DEPARTMENT OF EDUCATION (MDE)

The Governor's recommendation for the MDE administrative budget includes an agency-wide request of \$1,300 for programs no longer eligible for federal block grant funds; \$128 in Indian Education, Budget Activity 1201-06, to transfer the Duluth Indian Education office from federal to state funding; \$200 in District Financial Management and Transportation, Budget Activity 1202-02 to provide information to students, parents, and schools about the variety of educational options available; \$243 to install an automated library system at the Library for the Blind and Physically Handicapped in Library Development and Services, Budget Activity 1202-05; \$86 for an on-line computer-based library catalog system to serve 12 state government libraries, also in Library Development and Services, Budget Activity 1202-05; and \$28 to begin implementing a formal internal audit function in Executive Management, Budget Activity 1202-09.

The Governor's recommendation for the Minnesota State Residential Academies includes \$310 for an extended school year program for sensory impaired students in Program 1203, and \$44 for improving health and safety by adding an on-campus security officer in Academy For the Deaf, Budget Activity 1203-01.

Various initiatives described above also include administrative resources for MDE.

SCHOOL AND RESOURCE CENTER FOR THE ARTS

The Governor's recommendation includes \$1,800 for further implementation of the Resource Center for the Arts, Agency 1204.

APPROPRIATIONS SUMMARY

Allocation of the state General Fund appropriations included in this volume is as follows:

	Biennium F.Y. 1990-91
1. Education Aids and Finance	\$ 3,291,171
2. Minnesota Department of Education	47,614
3. School and Resource Center for the Arts	7,216
TOTAL	\$ 3,346,001

1990-91 BIENNIAL BUDGET

PROGRAM STRUCTURE

AGENCY: EDUCATION

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EDUCATION AIDS AND FINANCE

EDUCATION AIDS APPROPRIATIONS
(\$ in 000's)

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	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>BIENNIUM</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>BIENNIUM</u>
A. STATE GENERAL FUND^a						
01 GENERAL EDUCATION						
01 General Education - Direct	\$ 851,284	\$1,096,460	\$1,947,744	\$1,177,713	\$1,235,564	\$2,413,277
01 General Education - Open	16,793	51,004	67,797			0
01 Subtotal	868,077	1,147,464	2,015,541	1,177,713	1,235,564	2,413,277
03 Exceptional Need		161	161	420	473	893
TOTAL	<u>\$ 868,077</u>	<u>\$1,147,625</u>	<u>\$2,015,702</u>	<u>\$1,178,133</u>	<u>\$1,236,037</u>	<u>\$2,414,170</u>
02 PUPIL TRANSPORTATION						
01 Transportation	\$ 90,477	\$ 86,268	\$ 176,745	\$ 94,356	\$ 99,947	\$ 194,303
-- Desegregation Grants	5,234		5,234			0
03 Postsecondary Enrollment Options	24	50	74	50	50	100
04 School District Enrollment Options		10	10	50	50	100
TOTAL	<u>\$ 95,735</u>	<u>\$ 86,328</u>	<u>\$ 182,063</u>	<u>\$ 94,456</u>	<u>\$ 100,047</u>	<u>\$ 194,503</u>
03 SPECIAL PROGRAMS						
01 Special Education - Regular	\$ 154,155	\$ 157,318	\$ 311,473	\$ 156,507	\$ 104,505	\$ 261,012
02 Special Education - Special Pupil	359	390	749	284	158	442
03 Special Education - Summer School	5,271	5,198	10,469	5,700	5,289	10,989
04 Special Education - Home Travel	36	64	100	51	51	102
05 Special Education - Residential	1,280	1,530	2,810	1,398	1,374	2,772
06 Limited English Proficiency	2,923	3,064	5,987	3,270	3,374	6,644
07 Secondary Vocational Handicapped	4,140	4,524	8,664	5,735	6,745	12,480
09 Secondary Vocational	19,465	12,063	31,528	11,778	11,957	23,735
10 Indian Language & Culture	585	588	1,173	590	590	1,180
11 Indian Education - JOM Replacement	175	175	350	176	176	352
12 Indian Postsecondary Preparation	781	856	1,637	857	857	1,714
13 Indian Teacher Program (SBE)		71	71	71	71	142
14 Secondary Vocational Restructuring			0	750	750	1,500
TOTAL	<u>\$ 189,170</u>	<u>\$ 185,841</u>	<u>\$ 375,011</u>	<u>\$ 187,167</u>	<u>\$ 135,897</u>	<u>\$ 323,064</u>
04 COMMUNITY & FAMILY EDUCATION						
01 Community Education	\$ 2,131	\$ 3,281	\$ 5,412	\$ 4,632	\$ 5,325	\$ 9,957
03 Adult Education	3,132	4,196	7,328	4,872	5,151	10,023
04 Adult Handicapped	459	550	1,009	610	670	1,280
05 Hearing Impaired Adults	60	62	122	70	70	140
06 Early Childhood Family Education	7,268	8,282	15,550	11,365	10,751	22,116
07 Pre-Kindergarten		500	500	996	1,004	2,000
08 Health/Developmental Screening	380	399	779	909	1,919	2,828
09 Interagency Adult Literacy			0	1,000	2,800	3,800
10 Senior Mentor Program			0	315		315
11 Extended Day Grants			0	435	1,065	1,500
TOTAL	<u>\$ 13,430</u>	<u>\$ 17,270</u>	<u>\$ 30,700</u>	<u>\$ 25,204</u>	<u>\$ 28,755</u>	<u>\$ 53,959</u>

EDUCATION AIDS APPROPRIATIONS (Contd.)

PROGRAM CATEGORY	----- HISTORICAL EXPENDITURES -----			----- GOVERNOR'S RECOMMENDATION -----		
	F.Y. 1988	F.Y. 1989	BIENNIUM	F.Y. 1990	F.Y. 1991	BIENNIUM
05 EDUCATION FACILITIES/EQUIPMENT						
01 Capital Expenditure - Regular	\$ 474	\$ 32,798	\$ 33,272	\$ 5,628	\$	\$ 5,628
02 Capital Expenditure - Hazards	47	190	237	9		9
03 Capital Expenditure - Facilities			0	38,001	44,858	82,859
04 Capital Expenditure - Equipment			0	19,417	22,921	42,338
05 Capital Expenditure - Health/Safety			0	8,728	12,336	21,064
06 Maximum Effort School Loan	1,407	1,328	2,735	893	1,565	2,458
11 Secondary School Construction Debt Service			0		2,000	2,000
TOTAL	\$ 1,928	\$ 34,316	\$ 36,244	\$ 72,676	\$ 83,680	\$ 156,356
06 EDUCATION ORGANIZATION/COOPERATION						
01 Education Districts	\$	\$	\$ 0	\$ 2,081	\$ 3,542	\$ 5,623
02 Secondary Vocational Cooperatives			0	235	391	626
05 Program Improvement Grants	316	1,184	1,500			0
TOTAL	\$ 316	\$ 1,184	\$ 1,500	\$ 2,316	\$ 3,933	\$ 6,249
07 ACCESS TO EXCELLENCE						
01 PER Process	\$ 1,016	\$ 1,023	\$ 2,039	\$ 1,038	\$ 1,046	\$ 2,084
04 School District Enrollment Options			0	175	75	250
06 Area Learning Centers	100	150	250	150	150	300
07 Adult Graduation		1,088	1,088	1,223	1,501	2,724
08 Arts Planning Grants	29	46	75	38	38	76
09 Technology-Based Network of Schools			0	1,000	1,000	2,000
10 Computers for Teachers and Students			0		10,000	10,000
11 Statewide Testing			0	835	835	1,670
12 Instructional Leadership (Restructuring)			0	1,500	2,235	3,735
13 Minority Faculty Development			0	425	575	1,000
14 Year of the City -- Education			0	4,350	4,350	8,700
15 Meritorious Schools Grants			0	500	500	1,000
16 School Curriculum & Instr. Monitoring			0	75	75	150
17 Higher Order Thinking Demo Sites			0	1,500		1,500
18 International Education			0	1,000	1,975	2,975
19 Japanese Language Village			0	50		50
TOTAL	\$ 1,145	\$ 2,307	\$ 3,452	\$ 13,859	\$ 24,355	\$ 38,214
08 OTHER EDUCATIONAL PROGRAMS						
01 Tobacco Use Prevention	\$	\$	\$ 0	\$ 565	\$ 672	\$ 1,237
03 School Lunch	4,625	4,625	9,250	4,625	4,625	9,250
04 School Milk		800	800	800	800	1,600
05 Integration Grants	11,557	12,014	23,571	14,514	14,514	29,028
07 Nonpublic Pupil	7,944	7,474	15,418	8,524	8,847	17,371
09 Abatement	5,852	5,685	11,537	5,111	6,019	11,130
TOTAL	\$ 29,978	\$ 30,598	\$ 60,576	\$ 34,139	\$ 35,477	\$ 69,616
10 PUBLIC LIBRARIES						
01 Libraries - Basic Grants	\$ 4,900	\$ 4,975	\$ 9,875	\$ 5,801	\$ 6,093	\$ 11,894
02 Libraries - Cooperation Grants	217	221	438	247	256	503
TOTAL	\$ 5,117	\$ 5,196	\$ 10,313	\$ 6,048	\$ 6,349	\$ 12,397

EDUCATION AIDS APPROPRIATIONS (Contd.)

PROGRAM CATEGORY

----- HISTORICAL EXPENDITURES -----

----- GOVERNOR'S RECOMMENDATION -----

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>BIENNIUM</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>BIENNIUM</u>
11 EDUCATION AGENCY SERVICES						
01 Teacher Assessment (Board of Teaching)	\$ 67	\$ 265	\$ 332	\$ 166	\$ 166	\$ 332
02 Teacher Education (Board of Teaching)	32	238	270	135	135	270
03 Teacher Centers (Board of Teaching)	100	100	200	100	100	200
04 Teacher Mentorship	106	394	500	250	250	500
05 Administrator Academy	167	167	334	168	168	336
06 Handicapped Transition Office	73	80	153	80	80	160
07 Indian Scholarships	1,582	1,582	3,164	1,582	1,582	3,164
08 Community Education Task Force	14	11	25	25		25
09 Adult Education - GED on TV		100	100	100	100	200
10 Adult Education - Basic Skills Evaluation		75	75	75	75	150
11 ECSU Administration	748	748	1,496	749	749	1,498
12 Regional MIS Centers	3,411	3,411	6,822	5,319	5,319	10,638
13 State PER Assistance	300	601	901	601	601	1,202
14 Educational Effectiveness	610	600	1,210	600	600	1,200
15 Curric/Technology Integration	1,341	722	2,063	722	722	1,444
16 Technology Information Dissemination		20	20	20	20	40
17 Metro Open Enrollment		150	150	250	250	500
18 Arts Planning Assistance	36	39	75	38	38	76
19 Academic Excellence Foundation	97	125	222	125	125	250
20 Summer Scholarships (HECB)	214	214	428	214	214	428
21 Health/Wellness Curriculum		30	30	30		30
TOTAL	<u>\$ 8,898</u>	<u>\$ 9,672</u>	<u>\$ 18,570</u>	<u>\$ 11,349</u>	<u>\$ 11,294</u>	<u>\$ 22,643</u>

EDUCATION AIDS APPROPRIATIONS (Contd.)

PROGRAM CATEGORY	----- HISTORICAL EXPENDITURES -----			----- GOVERNOR'S RECOMMENDATION -----		
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>BIENNIUM</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>BIENNIUM</u>
13 DISCONTINUED/NONRECURRING						
01 Teacher Retirement - FICA	\$ 236,720	\$ 35,992	\$ 272,712	\$	\$	\$ 0
02 Arts Education	1,051		1,051			0
03 Chemical Dependency	1,026	133	1,159			0
04 Gifted & Talented	1,367	209	1,576			0
05 Interdistrict Cooperation	2,254	327	2,581			0
07 Summer Programs	8,180		8,180			0
08 Indian School Council		100	100			0
09 Indian Education Grant #166	50	50	100			0
11 Liability Insurance #707		40	40			0
12 School Bus Grant #309	38		38			0
14 Leadership Program #695		20	20			0
15 Bicentennial Competition #423	12		12			0
16 NE Minnesota Technology Consortium		50	50			0
17 NW Minnesota Technology Consortium		100	100			0
18 Computer Use - Teachers		30	30			0
20 Area Learning Center Evaluation		20	20			0
21 Venture Fund Grants	54		54			0
22 Teacher Extended Leaves	139		139			0
23 Integration Cost Study (SBE)		75	75			0
25 Library Catalog System (MDE)		251	251			0
TOTAL	<u>\$ 250,891</u>	<u>\$ 37,397</u>	<u>\$ 288,288</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
 TOTAL GENERAL FUND	 <u>\$1,464,685</u>	 <u>\$1,557,734</u>	 <u>\$3,022,419</u>	 <u>\$1,625,347</u>	 <u>\$1,665,824</u>	 <u>\$3,291,171</u>

^a Appropriation data shown for F.Y. 1988 and F.Y. 1989 are actual or estimated expenditures during the year, including both prior year adjustment payments and current year payments. For many aid programs the current year payments are based on 85% of the estimated annual aid entitlement for the current year. The final adjustment payments made in the following year are based on 100% of the actual aid entitlement computed using school district end-of-year data, minus the 85% current year payments.

The expenditure amounts shown by program may not equal the direct appropriations provided in law due to cancellations, balances forward, or transfers from programs with excess appropriations to programs with deficient appropriations.

The Governor's Recommendations for F.Y. 1990 and F.Y. 1991 are also shown on the 85-15% funding basis.

EDUCATION AIDS APPROPRIATIONS (Contd.)

PROGRAM CATEGORY	----- HISTORICAL EXPENDITURES -----			----- GOVERNOR'S RECOMMENDATION -----		
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>BIENNIUM</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>BIENNIUM</u>
B. <u>OTHER STATE FUNDS</u>						
01 GENERAL EDUCATION						
01 School Endowment	\$ 29,200	\$ 29,000	\$ 58,200	\$ 29,000	\$ 29,000	\$ 58,000
08 OTHER EDUCATIONAL PROGRAMS						
01 Tobacco Use Prevention	633	659	1,292			0
02 Alcohol-Impaired Driver Education	405	1,187	1,592	910	915	1,825
TOTAL OTHER FUNDS	<u>\$ 30,238</u>	<u>\$ 30,846</u>	<u>\$ 61,084</u>	<u>\$ 29,910</u>	<u>\$ 29,915</u>	<u>\$ 59,825</u>
C. <u>FEDERAL FUNDS</u>						
14 FEDERAL FUNDS						
01 Special Education - Handicapped	\$ 22,647	\$ 25,319	\$ 47,966	\$ 25,956	\$ 25,956	\$ 51,912
02 Special Education - Preschool Incentive	2,342	3,380	5,722	3,395	3,395	6,790
03 Special Education - Infants & Toddlers	245	520	765	649	654	1,303
04 Special Education - Deaf/Blind	157	129	286	130	130	260
05 Special Education - Teacher Trng/Leadership	116	124	240	125	125	250
06 Special Education - Hncpd Special Studies	104	51	155	73	70	143
07 Special Education - Handicapped Resident	149	250	399	296	296	592
08 Special Education - Handicapped N/D Resident	316	265	581	265	265	530
09 Special Education - Dsvtgd N/D Resident	954	1,025	1,979	819	835	1,654
10 Special Education - Disadvantaged	42,724	45,561	88,285	47,786	49,000	96,786
11 Migrant Education	1,047	1,300	2,347	1,352	1,352	2,704
12 Transition for Refugee Children	516	504	1,020	506	512	1,018
13 Emergency Immigrant Education	165	126	291	120	120	240
14 Secondary Vocational - Handicapped	287	259	546	270	285	555
15 Secondary Vocational - Disadvantaged	423	338	761	355	370	725
16 Secondary Vocational - Consumer Homemaking	202	203	405	225	225	450
17 Secondary Vocational - Single Parent	306	225	531	250	300	550
18 Secondary Vocational - Sex Equity	72	85	157	120	130	250
19 Secondary Vocational - Student Follow-up	59	57	116	57	58	115
20 Secondary Vocational - Incarcerated Youth	38	50	88	60	80	140
21 Adult Education	1,388	1,433	2,821	1,824	1,824	3,648
22 Adult Education for Homeless		77	77	82		82
23 Homeless Child Education			0	50	50	100
24 Drug Free Schools	1,689	1,996	3,685	2,000	2,000	4,000

EDUCATION AIDS APPROPRIATIONS (Contd.)

PROGRAM CATEGORY

----- HISTORICAL EXPENDITURES -----

----- GOVERNOR'S RECOMMENDATION -----

F.Y. 1988 F.Y. 1989 BIENNIUM

F.Y. 1990 F.Y. 1991 BIENNIUM

C. FEDERAL FUNDS (Contd.)

14 FEDERAL FUNDS (Contd.)

25 School Lunch Program	\$ 37,887	\$ 39,400	\$ 77,287	\$ 39,022	\$ 39,022	\$ 78,044
26 Special Milk Program	630	650	1,280	680	680	1,360
27 School Breakfast Program	2,046	2,001	4,047	2,046	2,046	4,092
28 Nutrition Education Training	8	4	12	2	1	3
29 Child Care Food Program	26,877	28,050	54,927	24,587	24,587	49,174
30 Summer Food Service Program	1,723	1,314	3,037	1,775	1,775	3,550
31 Consolidated Programs (Block Grant)	9,792	6,553	16,345	6,200	6,200	12,400
32 Public Library Aid	2,445	3,068	5,513	2,271	2,176	4,447
33 Teacher Inservice Program	1,059	1,137	2,196	1,262	1,262	2,524
34 Byrd Scholarships	123	140	263	135	135	270
TOTAL FEDERAL FUNDS	<u>\$ 158,536</u>	<u>\$ 165,594</u>	<u>\$ 324,130</u>	<u>\$ 164,745</u>	<u>\$ 165,916</u>	<u>\$ 330,661</u>

AGENCY: Education Aids

1990-91 Biennial Budget

SCHOOL DISTRICT GROSS CERTIFIED LEVIES^a
(\$ in 000's)

PROGRAM CATEGORY	----- HISTORICAL LEVIES -----			----- GOVERNOR'S RECOMMENDATION -----		
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>BIENNIUM</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>BIENNIUM</u>
Calendar Year of Levy	Pay 1987	Pay 1988		Pay 1989	Pay 1990	
01 GENERAL EDUCATION						
01 Foundation/General Education	\$ 956,025	\$1,036,947	\$1,992,972	\$1,096,464	\$1,148,141	\$2,244,604
01 Supplemental		9,008	9,008	8,242	8,654	16,896
01 Special Education			0		57,579	57,579
03 Exceptional Need		124	124	161	170	331
04 Referendum	111,846	133,344	245,190	166,322	200,949	367,271
-- Limit Adjustment	1,052	(7,292)	(6,240)	(4,880)		(4,880)
TOTAL	<u>\$1,068,923</u>	<u>\$1,172,131</u>	<u>\$2,241,054</u>	<u>\$1,266,309</u>	<u>\$1,415,493</u>	<u>\$2,681,802</u>
02 PUPIL TRANSPORTATION						
01 Basic	\$ 68,121	\$ 69,955	\$ 138,076	\$ 72,120	\$ 82,875	\$ 154,995
01 Nonregular	8,765	16,806	25,571	18,576	22,512	41,088
01 Contracts	6,113	6,300	12,413	7,678	6,898	14,576
01 Hazardous	5,730		5,730			0
01 Excess		22,829	22,829	24,029	18,253	42,282
01 Secondary 1-2 Mile	8,296		8,296			0
02 Bus Purchase	4,949	4,464	9,413	6,211	6,211	12,422
02 Leased Facility	38	22	60			0
-- Limit Adjustment	347	(2,213)	(1,866)	(241)	(241)	(482)
TOTAL	<u>\$ 102,358</u>	<u>\$ 118,163</u>	<u>\$ 220,521</u>	<u>\$ 128,373</u>	<u>\$ 136,508</u>	<u>\$ 264,881</u>
03 SPECIAL PROGRAMS						
08 Special Education Current Year	\$ 18,730	\$ 20,504	\$ 39,234	\$ 28,033	\$ 2,695	\$ 30,727
08 Special Education Adjustment		5,399	5,399	12,021	28,223	40,244
TOTAL	<u>\$ 18,730</u>	<u>\$ 25,903</u>	<u>\$ 44,633</u>	<u>\$ 40,054</u>	<u>\$ 30,918</u>	<u>\$ 70,972</u>
04 COMMUNITY & FAMILY EDUCATION						
01 Community Education Basic	\$ 19,336	\$ 20,290	\$ 39,626	\$ 21,477	\$ 23,944	\$ 45,421
01/06 F.Y. 1990 Formula Adjustment			0		1,466	1,466
02 Grandfather	616	651	1,267	652	652	1,304
03 Adult Education Basic	1,918	2,205	4,123	2,539	8,656	11,195
04 Adult Handicapped	378	525	902	539	663	1,202
06 Early Childhood Family Education	10,721	11,642	22,363	12,665	15,115	27,780
-- Limit Adjustment	46	239	285	(42)	(42)	(84)
TOTAL	<u>\$ 33,014</u>	<u>\$ 35,551</u>	<u>\$ 68,566</u>	<u>\$ 37,831</u>	<u>\$ 50,454</u>	<u>\$ 88,285</u>

SCHOOL DISTRICT GROSS CERTIFIED LEVIES (Contd.)

SCHOOL DISTRICT GROSS CERTIFIED LEVIES^a
(\$ in 000's)

PROGRAM CATEGORY	----- HISTORICAL LEVIES -----			----- GOVERNOR'S RECOMMENDATION -----		
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>BIENNIUM</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>BIENNIUM</u>
Calendar Year of Levy	Pay 1987	Pay 1988		Pay 1989	Pay 1990	
05 EDUCATION FACILITIES/EQUIPMENT						
01/04 Basic/Equipment	\$ 109,457	\$ 80,268	\$ 189,724	\$ 33,782	\$ 34,797	\$ 68,578
02/05 Hazardous/Health & Safety	9,948	6,169	16,116	17,957	18,398	36,355
03 Facilities - Capital Expenditure			0	65,573	67,560	133,133
03 Facilities - Debt Service			0	545	545	1,090
09 Coop. Secondary Facility Severance			200	200	200	400
10 Building Lease	2,989		2,989	2,491	114	2,604
10 Energy Loan	3,636	3,323	6,959	3,456	3,456	6,911
10 Building Down Payment			0			0
10 Debt Service	130,128	147,419	277,547	153,727	160,874	314,601
10 Debt Excess	(13,557)	(12,715)	(26,272)	(12,200)	(11,800)	(24,000)
11 School Construction Debt Service			0		2,000	2,000
-- Surplus Bldg #273	198		198			0
-- Capital #097	75	70	145			0
-- Capital #832	250		250			0
-- Limit Adjustment	906	2	909	1,825		1,825
TOTAL	<u>\$ 244,030</u>	<u>\$ 224,535</u>	<u>\$ 468,565</u>	<u>\$ 267,355</u>	<u>\$ 276,143</u>	<u>\$ 543,490</u>
06 EDUCATION ORGANIZATION/COOPERATION						
01 Education Districts	\$	\$	\$ 0	\$ 6,684	\$ 14,303	\$ 20,986
02 Vocational Cooperatives			0	675	1,007	1,682
03 Interdistrict Cooperation	6,731		6,731	3,873	3,000	6,873
04 Intermediate-Special Education & Voc.	12,997	14,694	27,691	16,450	18,365	34,815
-- Int.-Homestead Credit Adjust-PERA	(134)	(134)	(267)			0
05 Program Improvement Grant		272	272	401		401
TOTAL	<u>\$ 19,595</u>	<u>\$ 14,832</u>	<u>\$ 34,427</u>	<u>\$ 28,084</u>	<u>\$ 36,674</u>	<u>\$ 64,757</u>
07 ACCESS TO EXCELLENCE						
10 Computers--Teacher & Student			0		10,000	10,000
TOTAL	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>

SCHOOL DISTRICT GROSS CERTIFIED LEVIES (Contd.)

SCHOOL DISTRICT GROSS CERTIFIED LEVIES^a
(\$ in 000's)

PROGRAM CATEGORY	----- HISTORICAL LEVIES -----			----- GOVERNOR'S RECOMMENDATION -----		
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>BIENNIUM</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>BIENNIUM</u>
	Pay 1987	Pay 1988		Pay 1989	Pay 1990	
Calendar Year of Levy						
08 OTHER EDUCATIONAL PROGRAMS						
06 Desegregation	\$ 5,460	\$ 1,958	\$ 7,417	\$ 7,313	\$ 7,748	\$ 15,060
09 Abatement Adjustment	5,257	3,868	9,125	1,996	1,996	3,992
10 Minneapolis Retirement	920	2,560	3,480	2,360	2,360	4,720
10 St. Paul Retirement	535	551	1,086	584	584	1,167
10 Minneapolis Health Insurance		619	619	318	318	635
10 Unemployment Insurance	3,752	3,752	7,503	4,125	4,125	8,249
10 Operating Debt	1,807	1,240	3,048	562	343	905
10 Judgments	64	48	112	1,059	500	1,559
10 Audit	13	3	16	10	10	20
10 Statutory Operating Debt	5,156	4,033	9,189	226	185	411
-- Homestead Credit Adjust-PERA	(2,990)	(2,990)	(5,980)			0
TOTAL	<u>\$ 19,974</u>	<u>\$ 15,641</u>	<u>\$ 35,615</u>	<u>\$ 18,552</u>	<u>\$ 18,167</u>	<u>\$ 36,718</u>
13 DISCONTINUED/NONRECURRING						
07 Summer Programs	9,053		9,053			0
10 Liability Insurance	10,741		10,741			0
TOTAL	<u>\$ 19,794</u>	<u>\$ 0</u>	<u>\$ 19,794</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
GRAND TOTAL	<u>\$1,526,417</u>	<u>\$1,606,757</u>	<u>\$3,133,174</u>	<u>\$1,786,556</u>	<u>\$1,974,357</u>	<u>\$3,760,913</u>

SCHOOL DISTRICT GROSS CERTIFIED LEVIES (Contd.)

SCHOOL DISTRICT GROSS CERTIFIED LEVIES^a
(\$ in 000's)

PROGRAM CATEGORY	----- HISTORICAL LEVIES -----			----- GOVERNOR'S RECOMMENDATION -----		
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>BIENNIUM</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>BIENNIUM</u>
Calendar Year of Levy	Pay 1987	Pay 1988		Pay 1989	Pay 1990	
SUMMARY BY MAJOR TYPE OF LEVY						
Operating Fund Levies	\$1,276,385	\$1,377,526	\$2,653,911	\$1,518,810	\$1,687,894	\$3,206,704
Nonoperating Fund Levies	<u>244,875</u>	<u>225,198</u>	<u>470,074</u>	<u>267,520</u>	<u>286,279</u>	<u>553,799</u>
School District Revenue	1,521,260	1,602,724	3,123,984	1,786,330	1,974,173	3,760,503
Statutory Operating Debt	5,156	4,033	9,189	226	184	410
TOTAL LEVIES	<u>\$1,526,417</u>	<u>\$1,606,757</u>	<u>\$3,133,174</u>	<u>\$1,786,556</u>	<u>\$1,974,357</u>	<u>\$3,760,913</u>

NOTE: Detail may not add to totals due to rounding.

^a Levy data shown for F.Y. 1988 and F.Y. 1989 are actual amounts certified by school districts based on district estimates of pupil units, expenditures, and other factors driving levy limitations. Limitation adjustments based on actual data are as shown in the year that the adjustments are certified. Levy data shown for F.Y. 1990 are estimated certified levies based on actual levy limitations and projected certification percentages. Levy data shown for F.Y. 1991 are estimated certified levies based on formulas recommended by the Governor, extrapolation of levy trends from recent years, and estimated 1988 adjusted gross tax capacities.

The amounts shown may differ from the amounts reported in the individual program budgets, as the amounts reported in the individual program budgets are based on latest Minnesota Department of Education estimates of final levy authority, including adjustments based on final expenditure and pupil unit data.

GENERAL EDUCATION PROGRAMS (01)

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0105 Staff Development (Information only, also see 0101)	39

GENERAL EDUCATION PROGRAMS

1990-91 Biennial Budget

ACTIVITY : 0101 GENERAL EDUCATION REVENUE
Program : 01 GENERAL EDUCATION PROGRAMS
Agency : EDUCATION AIDS

Citation : M.S. Chapter 124, 124A
MDE Admin.: 1202-01 Education Finance and Analysis
Federal : None

PURPOSE:

To provide Minnesota school districts with general operating revenues so as to ensure that a uniform and effective system of elementary/secondary education is available throughout the state.

DESCRIPTION:

The General Education Revenue Program is the main vehicle for funding elementary/secondary operating costs in Minnesota school districts. It will provide 78% of the operating fund revenues in 1988-89. It is constructed with the intent of providing districts with equal programs, by providing equal revenues per pupil, adjusted for differences in per pupil costs. It also provides property tax equity, in that real property in all districts is levied at the same millage for school purposes under this program, with relatively small exceptions.

The General Education Revenue Program replaced the Foundation Program beginning in 1988-89. The general education formula is similar to the previous foundation formula, but incorporates a number of previously separate categorical formulas and does not include a tier structure. In its final version, the Foundation Program consisted of a basic component and five tiers of equalized levies. It had AFDC pupil units in the basic component, and a fully equalized "cost differential tier" which provided additional revenue for high training and experience of teachers and for small enrollment size. The tiers had decreasing equalization, such that as districts chose to have more revenue, an increasing proportion came from levies rather than state aid.

A. DATA ITEMS USED IN FORMULAS

1. Weighted Average Daily Membership Pupil Units (WADM): Also referred to as Actual Pupil Units. This is the primary measure of school district revenue need. The average daily membership (ADM) is equal to the number of membership days compiled by the students divided by the number of session days. A student is kept in membership until he/she exits from enrollment or has not been accounted for in three weeks.

To reflect differences in cost per student, secondary students (grades 7-12) are weighted at 1.35, versus 1.00 for elementary students. This weighting was changed from 1.40, beginning in 1988-89. Non-handicapped kindergarten students are weighted at a maximum

of 0.5, since the state provides revenue for only one-half day of school. Handicapped pre-kindergarten and kindergarten students are counted for up to one pupil unit; for these students one ADM is equal to the number of hours of service per year in each student's Individual Education Plan (IEP) divided by 875, with a minimum of one-half.

2. AFDC Pupil Units: Students whose families are receiving Aid to Families with Dependent Children are counted for the purpose of providing additional aid to the districts for compensatory education. Although this revenue is not strictly constrained to expenditures for compensatory education, districts must report how the revenue was spent, with the presumption that this is its main purpose. The AFDC count is used as an indication of family and economic problems.

Beginning in 1988-89, extra compensatory revenues are provided only to districts with a concentration of AFDC students. The ratio of AFDC students to actual pupil units (WADM) is used to measure concentration. Districts must have at least a ratio of .06 to qualify. As the ratio increases, districts receive more AFDC pupil units for each AFDC student. The schedule of extra units is:

Ratio of AFDC Students To WADM Pupil Units	Additional AFDC Pupil Units Per AFDC Student
.06 - .0699	.1
.07 - .0799	.2
.08 - .0899	.3
.09 - .0999	.4
.10 - .1999	.5
.11+	.6

For example, if a district has 75 AFDC students and 1,000 WADM, it would be in the range of .07 - .0799, and would receive .2 AFDC pupil units for each AFDC student. Thus, it would receive $(.2 \times 75) = 15$ AFDC pupil units.

3. Formula Allowance: This term refers to the guaranteed level of basic funding per WADM and AFDC pupil unit. Recent amounts are:

1989-90	\$2,800
1988-89	2,755
1987-88	1,720
1986-87	1,690
1985-86	1,585

The definition of formula allowance changed beginning in 1988-89, in that a number of categorical aids were folded into the General Education Revenue. The result was that the formula allowance was significantly increased from 1987-88 to 1988-89.

4. Adjusted Assessed Valuation (AAV): This is the measure of property valuation for each district that is used through 1988-89. It is replaced with the Adjusted Gross Tax Capacity in 1989-90. The AAV is computed by adjusting the assessed valuation of a school district through use of a sales ratio study, conducted by the Department of Revenue. The sales ratio is computed by comparing recent sales of properties in each district with the assessor's market values for the same properties, and

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thus computing the ratio at which properties are being truly assessed. The AAV for each district is computed by dividing the assessed value by the sales ratio of each school district. This provides the property values to be used for computing each district's local effort in property tax. The AAV is then free of variations in local assessing practices and provides a fair measure of ability to raise taxes among the districts.

5. Adjusted Gross Tax Capacity (AGTC): The 1988 Legislature changed the adjusted assessed value to the adjusted gross tax capacity. The new concept, which is similar to AAV, first applies to the 1988 pay 1989 taxes, for the 1989-90 school year. The tax capacity is a specified percentage of market value, depending on the class of property. The "gross" tax capacity is determined prior to changes for the 1989 pay 1990 taxes, which replace Homestead and Agricultural Credit aid with tax reductions to the political subdivisions. The "adjusted" gross tax capacity is determined after application of the sales ratio, just as with the AAV.

B. OVERVIEW OF GENERAL EDUCATION REVENUE

The new general education revenue incorporated the following aids and levies from the previous foundation aid formula:

1. Foundation Aid and Levy,
2. Teacher Retirement and FICA Aid,
3. Chemical Dependency Aid,
4. Gifted and Talented Aid,
5. Interdistrict Cooperation Aid and Levy,
6. Arts Education Aid,
7. Programs of Excellence Grants,
8. Summer Program Aid and Levy, and
9. Liability Insurance Levy.

By incorporating these aids and levies into the general education revenue, the formula allowance was raised from \$1,720 in the foundation formula, to \$2,755 in the general education formula. The basic levy was raised from 22.7 AAV mills to 35.9 AAV mills. The structure was greatly simplified, with less revenue components than with the foundation program and only two levy components.

General education revenue is provided through a combination of aid and property tax levy. Various revenue components are combined to determine the permitted revenue for each district. All districts must levy a required local effort in property tax millage. The equalization aid for each district is then equal to the difference between what is guaranteed in revenue per pupil unit and what the levy yields in each district.

C. GENERAL EDUCATION REVENUE COMPONENTS

The revenue components consist of:

1. Basic Revenue,
2. Compensatory Revenue,
3. Training and Experience Revenue (T & E), and
4. Sparsity Revenue.

All districts receive basic revenue, which is determined by multiplying the formula allowance times the WADM pupil units. The purpose of compensatory, training and experience, and sparsity components is to assist districts with extra costs, generally beyond their control. Access to these components varies according to district characteristics.

1. Basic Revenue: This revenue is equal to the formula allowance times the WADM pupil units.

$$\begin{aligned}\text{Revenue} &= (\text{Formula Allowance} \times \text{WADM pupil units}) \\ 1988-89 \text{ Revenue} &= (\$2,755 \times 1988-89 \text{ WADM pupil units}) \\ 1989-90 \text{ Revenue} &= (2,800 \times 1989-90 \text{ WADM pupil units})\end{aligned}$$

2. Compensatory Revenue: This cost factor is intended to assist districts with the additional costs involved with serving a disadvantaged student population, as evidenced by the concentration of students living in families receiving Aid to Families with Dependent Children welfare benefits. The count of AFDC students is conducted by the Department of Welfare each October, and the previous year's count is used. For districts with sufficient concentration to generate AFDC pupil units, the extra revenue is equal to:

$$\text{Compensatory Revenue} = \text{AFDC Pupil Units} \times \text{Formula Allowance}$$

Although this revenue was initially restricted to uses defined in law related to compensatory education for low achieving students, the 1988 Session made this usage optional. However, districts must report their use of this funding in the financial reporting system.

3. Training and Experience Revenue (T & E): This cost factor provides for the additional costs which a district incurs when it has teachers with high seniority and graduate education. It accepts the convention of paying teachers more when they have more years of experience and graduate degrees and credits. The actual amounts which districts provide in their salary schedules for T & E varies by district, but the index used in the formula relates to the statewide average salaries paid to teachers with different combinations of T & E.

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The index for each district is created once every two years, in the second year of the negotiation period. A matrix is created of all combinations of "steps" and "lanes" (years of experience and graduate work) in which is computed the statewide average salary for each combination. Another matrix is created by dividing the average salary of each step and lane by the average salary of beginning teachers with only a bachelor's degree. To compute the district's T & E index, each teacher is assigned the ratio for their step and lane, and an average ratio for all the district's teachers is computed. This resulting index is mathematically the same as taking the ratio of what the teachers of a district would receive if they were all paid at the statewide average for their step and lane, to the statewide average starting salary for teachers with a bachelor's degree.

The index is then used in the formula:

$$\text{Training and Experience Revenue} = (\text{T \& E Index} - 1.6) \times \$700 \times \text{current WADM pupil units}$$

The formula first subtracts 1.6 from the index, such that only districts with high T & E obtain extra revenue. The concept is that the basic revenue addresses costs below that level.

4. Sparsity Revenue: This revenue is provided to districts with small secondary enrollments that are too isolated to reduce costs by cooperating or consolidating. It provides for the high cost of small class sizes and general costs being spread over fewer pupils. Districts must have an "isolation index" of at least a certain level to qualify; for districts with more than one high school, the computation is performed for each high school separately.

$$\text{Isolation Index} = \text{Square Root of Half of District Area, plus Distance To Nearest High School}$$

Districts (or separate high schools) must have an isolation index of at least 23 to qualify for sparsity revenue. The formula for the revenue is:

$$\frac{\text{Sec. ADM} \times \text{Form. Allow.} \times 400 - \text{Secondary ADM} \times \text{Isolation Index} - 23}{400 + \text{Secondary ADM} \quad 10}$$

The sparsity revenue formula requires that districts must have less than 400 secondary ADM and an isolation index of greater than 23 to receive sparsity revenue.

a. Summary of General Education Revenue Components

The amounts for 1988-89 and 1989-90 in thousands are:

Component	1988-89	1989-90
Basic	\$2,215,090.8	\$2,272,974.6
Compensatory	59,486.5	61,020.7
T & E	15,361.5	15,366.4
Sparsity	4,280.2	4,397.1

D. GENERAL EDUCATION LEVY AND AID

1. General Education Levy: In order for districts to receive the general education revenue, they are required to levy the general education levy. For 1988-89 this was set at 35.9 mills against the adjusted assessed valuation. For 1989-90, it is set at 29.3 percent of the adjusted gross tax capacity.
2. General Education Aid: General Education Aid is "equalization aid" in that it provides revenue in addition to the revenue from the General Education Levy, such that aid and levy add up to the General Education Revenue. That is, due to differing amounts of property valuation among the districts, the General Education Levy will bring in differing amounts per pupil unit. The General Education Aid then ensures that the amount received per pupil unit by the district equals the amount guaranteed by the revenue formula for that district.

$$\text{General Education Revenue} = \text{General Education Aid} + \text{General Education Levy}$$

Or, rearranged:

$$\text{General Education Aid} = \text{General Education Revenue} - \text{General Education Levy}$$

E. ADJUSTMENTS TO GENERAL EDUCATION REVENUE

Two factors affect the total amount of revenue which a district will receive; the fund balance subtraction and the supplemental revenue. These adjustments are taken against both the aid and levy component of the formula.

1. Excess Operating Fund Balance Subtraction: The excess operating fund balance subtraction is intended to limit the state aid and levy to a district which seems to have sufficient revenue as evidenced by a high fund balance. It also promotes the current usage of available revenue. Fund balances are considered in the four operating funds: general, transportation, food service, and community service. A

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subtraction of up to \$150 per pupil unit is made against the amount by which the fund balance exceeds \$600 per WADM pupil unit. The subtraction is taken from both aid and levy. The proportion of the subtraction taken from the general education levy is equal to the proportion of the total general education revenue which comes from the levy.

1988-89 Excess Fund Balance Subtraction equals lesser of:

- (a) 6/30/87 operating fund balance over \$600 per 1986-87 WADM pupil unit, times the same pupil units, or
- (b) \$150 times 1988-89 WADM pupil units

1989-90 Excess Fund Balance Subtraction equals lesser of:

- (a) 6/30/88 operating fund balance over \$600 per 1987-88 WADM pupil unit, times the same pupil units, or
- (b) \$150 times 1989-90 WADM pupil units

2. Supplemental Revenue: This revenue is provided in addition to the General Education Revenue to ensure that all districts each year receive a specified minimum increase of General Education Revenue per WADM pupil unit each year over comparable revenue in 1987-88. Since secondary weighting changed to 1.35 in 1988-89, the 1987-88 weighting is set at 1.35 rather than 1.40 for the comparison. The minimum increase for 1988-89 was set at \$70, while the minimum increase for 1989-90 was set at \$105. The \$35 increase from 1988-89 to 1989-90 is less than the \$45 increase in the formula allowance for the same years. This indicates that in the future, the minimum increase will grow more slowly than the formula allowance, and will cause the Supplemental Revenue to phase out over time.

The revenue is provided to districts as both aid and levy. The proportion of the Supplemental Revenue raised by the Supplemental Levy in each district is the same as the proportion of the General Education Revenue raised by the General Education Levy.

Supplemental Revenue = Supplemental Aid + Supplemental Levy

F. MEASURES AFFECTING AID AND LEVY COMPOSITION

1. Mill Rate Adjustment Aid: For 1988-89 only, a cushion was provided to prevent excessively large increases in levy caused by the transition from the foundation program to the General Education Revenue. With this provision, aid replaced levy when the millage increase for the levy (1987-88 to 1988-89) exceeded two AAV mills. The levies considered are the 1987-88 levies folded into the General Education Levy: Foundation, Summer Programs, Interdistrict Cooperation, and

Liability Insurance. Whenever the 1988-89 General Education Levy called for in the formula exceeded these 1987-88 levies by more than two AAV mills, the state replaced half of the increase above the two mills with aid.

For example, if the increase would have been four mills, the state reduced the actual levy increase to three mills. Additional General Education Aid is then paid during 1988-89 equal to the amount the other one AAV mill would have raised.

2. Levy Equity: This component previously was termed "Revenue Equity." It pertains to districts which have such high adjusted assessed valuation (AAV) per pupil unit that the full General Education Levy raises more than the guaranteed General Education Revenue per WADM pupil unit and puts them "off the formula" in terms of receiving state aid. In the past, such districts were not allowed to levy the full millage required of other districts because doing so would exceed the guaranteed revenue amount. However, the levy equity measure now in effect phases in a rise in the General Education Levy for these districts. The additional revenue raised above the guaranteed General Education formula amount replaces other state aids which otherwise would have been provided to the district. Phased in over a six year period beginning in 1988-89, levy equity will result in almost all districts levying the full General Education Levy. The amount of the resulting levy above the General Education Revenue amount is subtracted from other state aids, and the district is to make an accounting transfer such that the total revenues for all programs equal the formula amounts.

In 1988-89, districts will be one-fourth phased in, and in 1989-90, one-third phased in. When the change is made from AAV to tax capacity, this provision will be translated to the new system.

G. MEASURES AFFECTING DISTRICT EXPENDITURE OF REVENUE

1. Reserved Revenue for Certain Programs: The categorical revenues which were folded into the General Education Program beginning in 1988-89 are contained in a categorical reserve. Districts must spend 2.2% of their Basic General Education Revenue (equal to formula allowance times WADM pupil units) on any of these programs:
 - a. Arts Education,
 - b. Chemical Abuse Education,
 - c. Gifted and Talented Education,
 - d. Interdistrict Cooperation,
 - e. Programs of Excellence,
 - f. Summer Instructional Programs, and
 - g. Exam fees for International Baccalaureate and College Board. Advanced Placement Programs.

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2. Compensatory Education: Legislation passed in 1987 stipulated that the revenues received for AFDC pupil units (equal to AFDC units times formula allowance) must only be used on students who are in need of compensatory education. The law stipulated how the students are identified and what services qualify. However, changes made in 1988 now allow districts to spend these monies on any educational service, with the requirement that expenditures on the qualifying services must be reported in the financial reporting system.
3. Reserved Revenue for Staff Development: Each year a district must set aside \$10 per WADM pupil unit for staff development programs (see Budget Activity 0105).

H. OTHER REPLACEMENTS OF GENERAL EDUCATION REVENUE

The following revenues which are received by the districts are subtracted from General Education Revenue. This is because they are received in varying amounts by districts and are considered to be disqualifying.

1. Endowment Fund Deduction: As stipulated in M.S. 124.09, the School Endowment Fund is apportioned twice a year to all districts on the basis of the previous year's average daily membership. The Fund is composed of earnings from the Permanent School Fund, which consists mostly of real property. If a district receives no General Education Aid because it is "off the formula," the amounts of the Endowment Fund payments are subtracted from other state revenues provided the district.
2. County Apportionment Deduction: Subtractions are made from General Education Revenue for revenues received by the districts for apportionment of county receipts to school districts as listed in M.S. 124.10. The receipts consist of penalties on real estate taxes, taxes on transmission and distribution lines, liquor license fees, fines, estrays, etc. The entire amount of the county apportionment revenue is subtracted from General Education Aid.
3. Taconite Aid: Pursuant to M.S. 294.21 - 294.28 and parts of Chapter 298, certain districts receive from the state a portion of the state proceeds from various taconite taxes. The General Education aid and levy limits of these districts are then reduced by the same amount. Reductions are first made from the levy with a minimum of 50% of the second previous year's taconite receipts being subtracted from the levy limits, with the remainder of the current year's receipts being taken from General Education Aid.

I. SHARED TIME GENERAL EDUCATION AID

General Education Aid is paid to districts for pupils who attend public schools on a part-time basis, while otherwise attending private schools. General Education Aid for shared time pupils equals the amount which would accrue if shared time pupil units, weighted the same as public WADM pupil units, were added to the district's total pupil units used in determining its basic General Education Revenue. Thus, Shared Time Aid is equal to full time equivalent shared time pupil units times the formula allowance. There is no district levy for this revenue.

STATISTICS/EFFECTIVENESS:

Program statistics are shown in Table 1-1 and 1-2.

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TABLE 1-1
GENERAL EDUCATION PROGRAM (ANNUAL ENTITLEMENT BASIS)
(\$ in 000's)

	F.Y. 1988	F.Y. 1989	Current Law F.Y. 1990	F.Y. 1991
I. Pupil Unit and Property Valuation Data				
A. Average Daily Membership (ADM)				
1. Pre-Kindergarten	3,374	3,531	3,642	3,778
2. Kindergarten Handicapped	920	988	974	979
3. Kindergarten Nonhandicapped	60,994	59,801	58,911	59,253
4. Elementary	327,517	342,855	354,279	362,340
5. Secondary	<u>323,315</u>	<u>316,112</u>	<u>313,649</u>	<u>318,878</u>
6. Total ADM	716,120	723,287	731,455	745,228
B. Weighted Average Daily Membership (WADM)				
1. Total WADM, Secondary Weighting @ 1.4	814,949	--	--	--
2. Total WADM, Secondary Weighting @ 1.35	798,783	804,026	811,777	827,209
C. AFDC Pupil Units				
1. Student Counts	58,774	59,357	59,772	61,809
2. AFDC Pupil Units				
a. Basic Pupil Units	29,387	0	0	0
b. Concentration Pupil Units	<u>21,138</u>	<u>21,592</u>	<u>21,793</u>	<u>22,802</u>
c. Total AFDC Pupil Units	50,525	21,592	21,793	22,802
D. Total Pupil Units	865,474	825,618	833,570	850,011
E. Property Valuation				
1. Valuation Year	1985	1986	1987	1988
2. AAV (Adjusted Assessed Valuation)	\$30,881,969.9	\$30,257,784.2	\$31,210,945.3	\$ --
3. AGTC (Adjusted Gross Tax Capacity)	--	--	3,822,521.5	4,099,707.7

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TABLE 1-1 (Contd.)

(\$ in 000's)	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>Current Law</u>	
			<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
II. Foundation Aid Formula Components:				
A. Basic Foundation Revenue				
1. Formula Allowance	\$ 1,720	--	--	--
2. Basic Revenue (Total Pupil Units times Formula Allowance)	1,488,615.9	--	--	--
3. Districts Receiving	435			
B. Basic Maintenance Levy				
1. Basic Mill Rate	22.7	--	--	--
2. Statutory Amount to be Levied	692,000.0	--	--	--
3. Actual Amount Levied	692,102.2	--	--	--
4. Districts Levying	435	--	--	--
C. Basic Foundation Aid (Basic Foundation Revenue minus Basic Maintenance Levy)				
1. Amount	796,513.7	--	--	--
2. Number of Districts				
a. Districts Receiving Aid	435	--	--	--
b. Districts Off the Formula	13	--	--	--
c. Total Districts	435	--	--	--
III. Minimum Aid				
A. State Guarantee				
1. Amount	\$ 886.8	--	--	--
2. Districts	1	--	--	--
B. Aid from State Sources				
1. Basic Foundation Aid	22.2	--	--	--
2. Property Tax Relief Aids	668.5	--	--	--
3. Total Aid from State Sources	690.7	--	--	--
C. Minimum Aid				
1. Amount	196.1	--	--	--
2. Districts	1	--	--	--
IV. Cost Differential Tier Aid and Levy				
A. Cost Differential Tier Revenue				
1. Sparsity Revenue	\$ 5,364.5	--	--	--
2. Districts Receiving	111	--	--	--
3. Training and Experience Revenue	94,707.2	--	--	--
4. Districts Receiving	409	--	--	--

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TABLE 1-1 (Contd.)

(\$ in 000's)	F.Y. 1988	F.Y. 1989	Current Law	
			F.Y. 1990	F.Y. 1991
5. Total Cost Differential Tier Revenue	100,071.7	--	--	--
6. Districts Receiving	414	--	--	--
 B. Cost Differential Tier Levy				
1. Amount	51,021.9	--	--	--
2. Districts	414	--	--	--
 C. Cost Differential Aid				
1. Amount	49,049.8	--	--	--
2. Districts	403	--	--	--
 V. Second Tier Aid and Levy				
A. Second Tier Revenue				
1. Maximum Second Tier Allowance	\$ 150	--	--	--
2. Amount				
a. Amount Prior to Fund Balance Reduction	122,242.4	--	--	--
b. Fund Balance Reduction	(9,163.8)	--	--	--
c. Net After Fund Balance Reduction	113,078.6	--	--	--
3. Districts				
a. Districts with Fund Balance Reductions	113	--	--	--
b. Total Districts Receiving All or Part	363	--	--	--
 B. Second Tier Levy				
1. Amount	52,451.1	--	--	--
2. Districts	363	--	--	--
 C. Second Tier Aid				
1. Amount	60,627.5	--	--	--
2. Districts	356	--	--	--
 VI. Third Tier Aid and Levy				
A. Third Tier Revenue				
1. Maximum Third Tier Allowance	\$ 100	--	--	--
2. Amount	81,494.9	--	--	--
3. Districts	435	--	--	--
 B. Third Tier Levy				
1. Amount	49,273.9	--	--	--
2. Districts	435	--	--	--
 C. Third Tier Aid				
1. Amount	32,221.0	--	--	--
2. Districts	385	--	--	--

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TABLE 1-1 (Contd.)

(\$ in 000's)	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>Current Law</u>	
			<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
VII. Fourth Tier Aid and Levy				
A. Fourth Tier Revenue				
1. Basic Revenue	\$ 81,494.9	--	--	--
2. Training and Experience Revenue	35,515.2	--	--	--
3. Districts	409	--	--	--
4. Total Fourth Tier Revenue	117,010.1	--	--	--
5. Districts	435			
B. Fourth Tier Levy				
1. Amount	94,052.5	--	--	--
2. Districts	435	--	--	--
C. Fourth Tier Aid				
1. Amount	22,957.6	--	--	--
2. Districts	280	--	--	--
VIII. Fifth Tier Aid and Levy				
A. Fifth Tier Revenue				
1. Amount	\$ 5,231.1	--	--	--
2. Districts	81	--	--	--
B. Fifth Tier Levy				
1. Amount	4,780.0	--	--	--
2. Districts	81	--	--	--
C. Fifth Tier Aid				
1. Amount	451.1	--	--	--
2. Districts	35	--	--	--
IX. Declining Pupil Unit Aid and Levy				
A. Declining Pupil Unit Revenue				
1. Amount	\$ 5,119.4	--	--	--
2. Districts	215	--	--	--
B. Declining Pupil Unit Levy				
1. Amount	3,435.8	--	--	--
2. Districts	215	--	--	--
C. Declining Pupil Unit Aid				
1. Amount	1,683.6	--	--	--
2. Districts	185	--	--	--

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TABLE 1-1 (Contd.)

(\$ in 000's)	F.Y. 1988	F.Y. 1989	Current Law	
			F.Y. 1990	F.Y. 1991
X. Isolated School Aid				
A. Amount	\$ 150.0	--	--	--
B. Districts	1	--	--	--

GENERAL EDUCATION AID FORMULA COMPONENTS

XI. General Education Revenues

A. Basic Revenue				
1. Formula Allowance	--	\$ 2,755	\$ 2,800	\$ 2,800
2. Basic Revenue (WADM times Formula Allowance)	--	2,215,090.8	2,272,974.6	2,316,184.6
3. Districts	--	435	435	435
B. Compensatory Revenue				
1. Amount	--	59,486.5	61,020.7	63,847.0
2. Districts	--	141	145	153
C. Training and Experience Revenue				
1. Amount	--	15,361.5	15,366.4	15,638.2
2. Districts	--	34	34	34
D. Sparsity Revenue				
1. Amount	--	4,280.2	4,397.1	4,362.6
2. Districts	--	50	50	49
E. Fund Balance Reduction				
1. Maximum Fund Balance per WADM	--	600	600	600
2. Fund Balance Reduction	--	4,209.4	6,172.4	6,754.4
3. Districts	--	93	98	112
F. General Education Revenue (Excl. Supplemental)				
1. Amount	--	2,290,009.6	2,347,586.4	2,393,278.0
2. Districts	--	435	435	435

XII. General Education Aid and Levy

A. Initial General Education Levy				
1. Basic Tax Rate				
a. AAV Mills	--	35.9	--	--
b. Percent of Adjusted Gross Tax Capacity (AGTC)	--	--	29.3	27.4
2. Statutory Amount to be Levied	--	\$ 1,079,000.0	\$ 1,100,580.0	\$ 1,100,580.0
3. Actual Levy Amount	--	1,072,957.8	1,100,924.1	1,106,010.0
4. Districts	--	435	435	435

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TABLE 1-1 (Contd.)

(\$ in 000's)	F.Y. 1988	F.Y. 1989	Current Law F.Y. 1990	F.Y. 1991
B. Fund Balance Reduction to Levy				
1. Amount	--	1,869.3	2,624.1	2,774.3
2. Districts	--	93	98	112
C. Mill Rate Adjustment Aid				
1. Amount	--	34,105.8	--	--
2. Districts	--	410	--	--
D. Net General Education Levy				
1. Amount (Initial Levy minus fund balance reduction reduction and mill rate adjustment aid)	--	1,036,982.7	1,098,300.0	1,103,235.7
2. Districts	--	435	435	435
E. General Education Aid				
1. Initial Aid Amount	--	1,225,453.2	1,260,412.2	1,306,288.7
2. Fund Balance Reduction	--	(2,340.1)	(3,548.3)	(3,980.1)
3. Mill Rate Adjustment Aid	--	34,105.8	--	--
4. Total Aid	--	1,257,218.9	1,256,863.9	1,302,308.6
5. Districts				
a. Receiving Initial Aid	--	435	426	425
b. Fund Balance Reductions	--	91	95	108
c. Receiving Mill Rate Adjust. Aid	--	410	--	--
d. Total Districts	--	435	426	425
F. Levy Equity Adjustment				
1. Amount Off the Formula	--	17,488.6	26,652.2	29,576.3
2. Levy Equity Adjustment (The amount added to the Levy and then subtracted from state categorical aids)	--	4,191.9	7,577.5	12,266.4
3. Districts	--	10	9	10

XIII. Supplemental Aid and Levy

A. Supplemental Revenue				
1. Minimum Increase per WADM over 1987-88	--	\$ 70	\$ 105	\$ 105
2. Amount	--	14,739.9	10,156.0	9,874.9
3. Districts	--	105	70	65
B. Supplemental Levy				
1. Amount	--	8,912.5	7,960.5	7,885.4
2. Districts	--	105	70	65
C. Supplemental Aid				
1. Amount	--	5,827.4	2,195.5	1,989.5
2. Districts	--	105	63	58

1990-91 Biennial Budget

ACTIVITY: 0101 GENERAL EDUCATION REVENUE
(Continuation)
Program : 01 GENERAL EDUCATION PROGRAMS
Agency : EDUCATION AIDS

TABLE 1-1 (Contd.)

(\$ in 000's)	F.Y. 1988	F.Y. 1989	Current Law	
			F.Y. 1990	F.Y. 1991
XIV. Shared Time Aid				
A. FTE Pupil Units	967	925	910	900
B. Formula Allowance	\$ 1,720	\$ 2,755	\$ 2,800	\$ 2,800
C. Amount	1,662.8	2,548.4	2,548.0	2,520.0
D. Districts	131	131	131	131
XV. Subtractions From Aid				
A. Endowment Fund Earnings	\$ 29,199.9	\$ 29,000.0	\$ 29,000.0	\$ 29,000.0
B. Taconite Aid	2,542.3	4,515.2	5,937.3	6,343.3
C. County Apportionment	11,325.2	11,000.0	11,000.0	11,000.0
D. Pupil Audit and Short Session Penalties	83.7	0	0	0
E. Total Subtractions	43,151.1	44,515.2	45,937.3	46,343.3
XVI. Transfer of School District Aid to Postsecondary Institutions for Enrollment Options				
A. Students	5,400	6,000	6,300	6,600
B. Districts	285	285	285	285
C. Amount of Aid Transferred	\$ 2,600.9	\$ 3,137.9	\$ 3,210.0	\$ 3,271.7
XVII. Program Totals				
A. Total Program Revenue				
1. Reserved for Categoricals	\$ --	\$ 48,732.0	\$ 50,005.4	\$ 50,956.1
2. Reserved for Staff Development	--	8,040.3	8,117.8	8,272.1
3. Unreserved Revenue	1,912,434.5	2,250,525.6	2,302,167.2	2,346,444.7
4. Total Program Revenue	1,912,434.5	2,307,297.9	2,360,290.4	2,405,672.9
B. Total Local Levies	946,921.3	1,045,895.2	1,106,260.5	1,111,121.1
C. Total Aid Entitlement				
1. Gross Aid (Districts on the formula)	965,513.2	1,265,594.7	1,261,607.4	1,306,818.1
2. Levy Equity Adjustment	--	(4,191.9)	(7,577.5)	(12,266.4)
3. Gross Aid Before Subtractions	965,513.2	1,261,402.8	1,254,029.9	1,294,551.7
4. Subtractions	(43,151.1)	(44,515.2)	(45,937.3)	(46,343.3)
5. Net Aid	\$ 922,362.1	\$ 1,216,887.6	\$ 1,208,092.6	\$ 1,248,208.4

1990-91 Biennial Budget

ACTIVITY: 0101 GENERAL EDUCATION REVENUE
(Continuation)
Program : 01 GENERAL EDUCATION PROGRAMS
Agency : EDUCATION AIDS

TABLE 1-2
GENERAL EDUCATION PROGRAM (APPROPRIATION ACCOUNT BASIS)
(\$ in 000's)

	F.Y. 1988	F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
I. Prior Year Final Adjustment				
A. Gross Payment				
1. Regular	\$ 139,981.6	\$ 150,095.8	\$ 189,456.9	\$ 188,858.9
2. Shared Time	202.5	168.7	382.3	382.2
3. Total Gross Payment	<u>140,184.1</u>	<u>150,264.5</u>	<u>189,839.2</u>	<u>189,241.1</u>
B. Subtractions (Taconite & County Apportionment)	(12,712.6)	(13,632.6)	(15,015.2)	(16,437.3)
C. Tax Shift Adjustment	(2,127.3)	129.0	0	0
D. Levy Equity Adjustment	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
E. Net Final Payment	<u>125,344.2</u>	<u>136,760.9</u>	<u>174,824.0</u>	<u>172,803.8</u>
II. Current Year Advance				
A. Gross Payment				
1. Regular	813,604.6	1,073,589.4	1,070,200.5	1,119,310.6
2. Shared Time	<u>1,494.1</u>	<u>2,166.1</u>	<u>2,165.8</u>	<u>2,142.0</u>
3. Total Gross Payment	<u>815,098.7</u>	<u>1,075,755.5</u>	<u>1,072,366.3</u>	<u>1,121,452.6</u>
B. Subtractions				
1. Endowment Fund	(29,199.9)	(29,000.0)	(29,000.0)	(29,000.0)
2. Prior Year Taconite & County Apportionment (Not recovered on final payment)	<u>(12,712.6)</u>	<u>(13,632.6)</u>	<u>(15,015.2)</u>	<u>(16,437.3)</u>
C. Payment After Subtractions	784,976.5	1,046,521.7	1,042,866.3	1,091,952.6
D. Tax Shift Adjustment	(42,243.7)	(31,627.0)	(32,400.0)	(13,100.0)
E. Levy Equity Adjustment	<u>0</u>	<u>(4,191.9)</u>	<u>(7,577.5)</u>	<u>(16,093.3)</u>
F. Net Advance Payment	742,732.8	1,010,702.8	1,002,888.8	1,062,759.3
III. Total Payments	<u>\$ 868,077.0</u>	<u>\$ 1,147,463.7</u>	<u>\$ 1,177,712.8</u>	<u>\$ 1,235,563.1</u>

1990-91 Biennial Budget

ACTIVITY: 0101 GENERAL EDUCATION REVENUE
(Continuation)
Program : 01 GENERAL EDUCATION PROGRAMS
Agency : EDUCATION AIDS

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 125,344	\$ 136,761	\$ 174,824	\$ 172,804
Current Year	<u>742,733</u>	<u>1,010,703</u>	<u>1,002,889</u>	<u>1,062,760</u>
Total	<u>868,077</u>	<u>1,147,464</u>	<u>1,177,713</u>	<u>1,235,564</u>

CHANGE IN ENTITLEMENT LEVEL: (000's)

	Governor's Recommendation	
	F.Y. 1990	F.Y. 1991
1. Estimate Per Current Law*	\$1,261,608	\$1,306,818
2. Proposed Policy Changes:		
Assumed 5% General Education Levy Increase		(48,083)
Special Programs Reserve and Implications of Other Levy Initiatives		62,919
AFDC Held Constant		(2,298)
3. Total Aid Entitlement	<u>\$1,261,608</u>	<u>\$1,319,356</u>

* Gross aid before subtractions.

GOVERNOR'S RECOMMENDATION:

The Governor recommends a gross aid entitlement before subtractions of \$1,261,608 in F.Y. 1990 and \$1,319,356 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$1,177,713 in F.Y. 1990 (\$174,824 for F.Y. 1989 and \$1,002,889 for F.Y. 1990), and \$1,235,564 in F.Y. 1991 (\$172,804 for F.Y. 1990 and \$1,062,760 for F.Y. 1991).

Allocation of these appropriations is as follows:

	F.Y. 1990	F.Y. 1991
1. Current law	\$1,205,513	\$1,236,933
2. Assumed 5% General Education levy increase	(15,300)	(59,637)
3. Special Programs Reserve and implications of other levy initiatives	(12,500)	60,237
4. AFDC held constant		(1,969)
Total	<u>\$1,177,713</u>	<u>\$1,235,564</u>

The Governor recommends that the General Education formula allowance for F.Y. 1991 be set at \$2,800. If the remaining 1989 and 1990 revenue forecasts show positive variances, the Governor may be able to recommend an increase in the General Education formula allowance for F.Y. 1991 at a later date.

The Governor also recommends that the General Education tax rate for F.Y. 1991 be established at the rate that raises \$1,149,000 thousand and that the General Education tax rate for F.Y. 1992 be established at the rate that raises \$1,206,450 thousand. The Governor's recommendation assumes a 5% increase in General Education levies payable in 1990 and a 5% increase in General Education levies payable in 1991. However, the actual increase for F.Y. 1991 is less than 5% because of reductions to partially offset levies included in this program due to establishing the Special Programs Reserve described below.

In F.Y. 1991, the Governor recommends that funding for Speech Handicapped staff, Learning Disabled staff and Other Essential Personnel categories of Special Education Regular, Budget Activity 0301, be moved into a new component of General Education revenue called the Special Programs Reserve.

In F.Y. 1992, the Governor recommends that 1991 summer program funding for Speech Handicapped staff, Learning Disabled staff and Other Essential Personnel categories of Special Education Summer, Budget Activity 0303, be moved into a new component of General Education revenue called the Special Programs Reserve.

Beginning in F.Y. 1991, a district's Special Programs Reserve revenue will equal the greater of \$100 or the district's minimum Special Program Allowance times the district's Weighted Average Daily Membership (WADM). The minimum Special Program Allowance equals the district's actual F.Y. 1990 Special Education revenue per WADM for Speech Handicapped staff, Learning Disabled staff and Other Essential Personnel, including the district's share of amounts received by intermediate districts and cooperatives. Special Programs Reserve revenue will be funded through a combination of aid and equalized levy.

Beginning in the F.Y. 1990-1991 biennium, the Governor recommends that the AFDC pupil count used to calculate Compensatory Education revenue be held constant for both years of the biennium.

1990-91 Biennial Budget

ACTIVITY : 0102 PROPERTY TAX SHIFT PROVISIONS
 Program : 01 GENERAL EDUCATION PROGRAMS
 Agency : EDUCATION AIDS

Citation : M.S. 121.904, Subd. 4a; 124.14, Subd. 6; 124.155
 MDE Admin.: 1201-01 Education Finance and Analysis
 Federal : None

PURPOSE:

To provide a state education aids budgeting mechanism which results in a balanced budget for the state and, except for the referendum levy shift, is revenue neutral for school districts.

DESCRIPTION:

F.Y. 1983: The property tax revenue recognition shift was enacted in 1982 in legislation directed at balancing the state general fund budget in a period of revenue shortfall. The legislation provides that in June of each year, beginning in 1983, school districts must recognize as revenue a specified percent of the spread levy payable in the current calendar year. The spread levy for this purpose is defined as the levy amount remaining after subtracting, by school district fund, the relevant amounts of the state paid property tax credits and the amounts of certain excluded levies (debt service, statutory operating debt, bus purchase, unemployment insurance, retirement and severance, etc.). With the shift of a portion of the amount originally levied for the 1983-84 school year into 1982-83, the state aids and credits due in 1982-83 for 1982-83 were reduced by the amount of the tax shift, excluding the portion of the referendum levy shifted. For 1982-83, the property tax shift percent was 32%, which resulted in a shift of \$256.6 million in district revenue and a \$240.7 million reduction in aids and credits.

F.Y. 1984: The property tax shift percent continued at 32%. Further, the legislation provides that, beginning in 1983-84, state aid payments must be adjusted by the difference between the current year's tax shift amount and the previous year's tax shift amount. The portion of the referendum levy shifted is excluded from this calculation. The purpose of the aid adjustment is to ensure that district revenue is not affected by the tax shift. This adjustment will decrease aid payments if the tax shift for the current year is greater than the tax shift for the previous year. The adjustment will increase aid payments if the current year taxes shifted are less than the previous year taxes shifted. Any additional amount necessary for the payment of aids for this adjustment is provided by an open and standing appropriation. For 1983-84, the 32% tax shift resulted in a shift of \$291.7 million in district revenue and a \$34.4 million net reduction in aids and credits.

F.Y. 1985: Based on the availability of a state general fund balance and the procedure specified in law, the property tax shift percent was reduced to 24%. The lowered tax shift for 1984-85 resulted in a shift of \$220.3 million in district revenue and a \$69.5 million net payment of additional aid.

F.Y. 1986 and F.Y. 1987: The property tax shift percent was continued at 24%. For 1985-86 the result was a shift of \$229.8 million in district revenue and a \$6.5 million net reduction in aids and credits. For 1986-87 the result was a shift of \$246.2 million in district revenue and a \$12.9 million net reduction in aids and credits.

F.Y. 1988 and F.Y. 1989: The 1987 Legislature increased the tax shift percent to 27%. For 1987-88 the estimated result is a shift of \$295.2 million in district revenue and a \$42.1 million net reduction in aids and credits. For 1988-89 the estimated result is a shift of \$335.6 million in district revenue and a \$31.6 million net reduction in aids and credits.

F.Y. 1990 and F.Y. 1991: Under current law with a continued 27% tax shift, the projected result for 1989-90 is a shift of \$348.2 million in district revenue and a \$4.7 million net reduction in aids and credits. For 1990-91 the projected result is a shift of \$362.5 million in district revenue and \$4.9 million net reduction in aids and credits.

STATISTICS/EFFECTIVENESS: Program statistics are provided in Table 1-3.

TRENDS:

The level of property tax shift and adjustment to state aids for any given year is a function of the tax shift percentages and amounts of eligible district levies for the years used in the calculations. The state continues to use the tax shift mechanism in setting budget policy; the cost to eliminate it would be a one-time appropriation of about \$300 million.

GOVERNOR'S RECOMMENDATION:

In 1989, the Governor may recommend changes in tax legislation that would affect the property tax shift. If such changes are not proposed, the Governor recommends continuation of this budget activity according to current law.

1990-91 Biennial Budget

ACTIVITY: 0102 PROPERTY TAX SHIFT
(Continuation)
Program : 01 GENERAL EDUCATION PROGRAMS
Agency : EDUCATION AIDS

TABLE 1-3

Property Tax Revenue Recognition Change and State Aid Adjustment (Dollars in 000's)

	F.Y. 1983	F.Y. 1984	F.Y. 1985	F.Y. 1986	F.Y. 1987	F.Y. 1988*	F.Y. 1989*	Current Law F.Y. 1990*	F.Y. 1991*
1. Revenue recognition percent	32%	32%	24%	24%	24%	27%	27%	27%	27%
2. Gross shift amount	\$ 260,957	\$ 295,295	\$ 220,808	\$ 230,887	\$ 264,385	\$ 295,624	\$ 343,561	\$ 356,956	\$ 372,135
3. Less adjustment for districts off-the-shift:**									
Number of districts	6	5	3	4	1	1	6	6	6
Amount	(4,402)	(3,624)	(540)	(1,082)	(137)	(444)	(8,000)	(8,800)	(9,600)
4. Adjusted gross shift = revenue recognition change	<u>\$ 256,555</u>	<u>\$ 291,671</u>	<u>\$ 220,268</u>	<u>\$ 229,805</u>	<u>\$ 246,248</u>	<u>\$ 295,180</u>	<u>\$ 335,561</u>	<u>\$ 348,156</u>	<u>\$ 362,535</u>
5. Less referendum levy shift	(15,897)	(16,633)	(14,262)	(16,769)	(20,258)	(27,726)	(35,367)	(43,157)	(52,596)
6. Less desegregation levy shift	--	--	(459)	(1,002)	(1,093)	(442)	(1,555)	(1,664)	(1,679)
7. Net shift amount for aid adjustment calculation	<u>\$ 240,658</u>	<u>\$ 275,038</u>	<u>\$ 205,547</u>	<u>\$ 212,034</u>	<u>\$ 224,897</u>	<u>\$ 267,012</u>	<u>\$ 298,639</u>	<u>\$ 303,335</u>	<u>\$ 308,260</u>
8. Aid adjustment calculation:									
a. Prior year shift (out)	--	240,658	275,038	205,547	212,034	224,897	267,012	298,639	303,335
b. Current year shift (in)	240,658	275,038	205,547	212,034	224,897	267,012	298,639	303,335	308,260
9. Adjustment to state aids (8a-8b)	<u>\$ (240,658)</u>	<u>\$ (34,380)</u>	<u>\$ 69,491</u>	<u>\$ (6,487)</u>	<u>\$ (12,863)</u>	<u>\$ (42,115)</u>	<u>\$ (31,627)</u>	<u>\$ (4,696)</u>	<u>\$ (4,925)</u>

* Estimated

** A district is considered off-the-shift when its gross shift amount is greater than its state aids and property tax credits (which are for the fiscal year payable in that fiscal year) plus any referendum shift amount. In this case the district's shift amount is limited to the lesser amount.

1990-91 Biennial Budget

ACTIVITY : 0103 EXCEPTIONAL NEED
Program : 01 GENERAL EDUCATION PROGRAMS
Agency : EDUCATION AIDS

Citation : M.S. 124.217; 275.125, Subd. 6(f)
MDE Admin.: 1202-01 Education Finance and Analysis
Federal : None

PURPOSE:

To provide additional revenue to school districts which have relatively high pupil/staff ratios, referendum levies, and overall levies, but have low property valuation and fund balances.

DESCRIPTION:

A district is eligible for Exceptional Need revenue if all of the following apply:

1. The ratio of the average daily membership of pupils enrolled in the district to the number of licensed staff, measured in full-time equivalents, is greater than 17,
2. The ratio of the referendum levy certified to the district's adjusted assessed valuation (AAV) is greater than .006,
3. The ratio of the total levy certified by the district to AAV is greater than .05,
4. The ratio of AAV to the Weighted Average Daily Membership (WADM) pupil units is less than \$38,500, and
5. The unappropriated operating fund balance is less than \$100 times WADM pupil units.

For districts which qualify, the revenue is equal to \$75 times WADM pupil units. The revenue is raised by a fully equalized levy as follows:

$$\text{Levy} = \frac{\text{District AAV per WADM pupil unit}}{\text{Equalizing Factor}} \times \$75 \times \text{WADM pupil units}$$

The aid is equal to the revenue minus the levy.

The "Equalizing Factor" is computed by dividing the formula allowance by the general education mill rate, and represents a guaranteed tax base per pupil unit. It's use in the above formula ensures that all districts will obtain for each mill of property tax effort the same amount of revenue per WADM pupil unit. This revenue program was enacted by the 1987 Legislature and became operative during F.Y. 1989. In F.Y. 1989 two districts qualified--Hibbing and South St. Paul. In F.Y. 1990 and 1991 it is projected that the Hibbing and Centennial districts will qualify.

STATISTICS/EFFECTIVENESS:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
SSD No. 6, South St. Paul				
Revenue (\$75 x WADM)	\$	\$ 248.1	\$ --	\$ --
Levy		124.2	--	--
Aid		123.9	--	--
ISD No. 12, Centennial				
Revenue		--	344.5	361.6
Levy		--	97.6	103.3
Aid		--	246.9	258.3
ISD No. 701, Hibbing				
Revenue		291.5	282.9	282.7
Levy		68.7	63.5	59.8
Aid		222.8	219.4	222.9
Totals				
Revenue	--	539.6	627.4	644.3
Levy	--	192.9	161.1	163.1
Aid	--	346.7	466.3	481.2

TRENDS:

The revenue and state aid is increasing in the upcoming biennium because a school district with lower property valuation per pupil unit and more pupil units will qualify.

ENTITLEMENT FUNDING: (000's)	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement				
Unprorated Entitlement		\$ 347		
Less Prorated Amount		164		
Total Entitlement	\$ 0	\$ 183	\$ 466	\$ 474
2. Funding Sources				
Current Appropriation		126	397	403
Final Adjust. Appropriation		22	70	72
Transfer In (M.S. 124.14)		35		
Total Funding	\$ 0	\$ 183	\$ 467	\$ 475
3. Transaction Summary				
State Payments		183	466	474
Transfer Out (M.S. 124.14)			1*	1*
Total Transactions	\$ 0	\$ 183	\$ 467	\$ 475
4. Deficiency Appropri. Request		\$ 164		

*Excess is available due to rounding appropriations.

1990-91 Biennial Budget

ACTIVITY: 0103 EXCEPTIONAL NEED
(Continuation)
Program : 01 GENERAL EDUCATION PROGRAMS
Agency : EDUCATION AIDS

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 0	\$ 0	\$ 23	\$ 70
Current Year	0	161	397	403
Deficiency		0		
Total	<u>\$ 0</u>	<u>\$ 161</u>	<u>\$ 420</u>	<u>\$ 473</u>

CHANGE IN ENTITLEMENT LEVEL: (000's)

	Governor's Recommendation	
	F.Y. 1990	F.Y. 1991
1. F.Y. 1989 Aid Entitlement	\$ 347	\$ 347
2. Entitlement Changes:		
a. Budget Variables		
Net effect of change in data for the Hibbing district, and replacement of South St. Paul by the Centennial district	\$ 119	\$ 134
3. Subtotal, Estimate Per Current Law	<u>\$ 466</u>	<u>\$ 481</u>
4. Proposed Policy Changes		
Change in Equalizing Factor		(7)
5. Total Aid Entitlement	<u>\$ 466</u>	<u>\$ 474</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$466 in F.Y. 1990 and \$474 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$420 in F.Y. 1990 (\$23 for F.Y. 1989 and \$397 for F.Y. 1990), and \$473 in F.Y. 1991 (\$70 for F.Y. 1990 and \$403 for F.Y. 1991).

Allocation of these appropriations is as follows:

	F.Y. 1990	F.Y. 1991
1. Current Law	\$ 420	\$ 479
2. Change in equalizing factor		(6)
Total	<u>\$ 420</u>	<u>\$ 473</u>

The Governor's recommendation for a change in the equalizing factor in the General Education Program, Budget Activity 0101 reduces the aid entitlement for this budget activity.

1990-91 Biennial Budget

ACTIVITY : 0104 REFERENDUM LEVY
 Program : 01 GENERAL EDUCATION PROGRAMS
 Agency : EDUCATION AIDS
 Citation : M.S. 124A.03, Subdivision 2
 MDE Admin.: 1202-01 Education Finance and Analysis
 Federal : None

PURPOSE:

To allow school districts to generate additional general education revenue through local property taxes.

DESCRIPTION:

A school board may increase its taxing authority for general education, beyond the level otherwise provided by state law, by obtaining approval from the voters in the district for a referendum levy. The referendum ballot must specify the proposed increase in the tax capacity rate available for levy against the tax capacity of the district's property, and the number of additional tax dollars that will be generated by this rate in the first year it is in effect.

A school board can choose to levy any portion of the amount that a referendum authorizes. Unless otherwise specified on the ballot, the school board's additional taxing authority remains in effect until revoked by a second referendum.

STATISTICS/EFFECTIVENESS:

Payable Year	Number of Districts with Referendum Levy	Certified Levy (000's)	Percent Increase Over Previous Year
1982	163	\$ 43,944	---
1983	185	68,855	56.7%
1984	187	69,225	0.5
1985	197	79,496	14.8
1986	217	95,019	19.5
1987	226	111,846	17.7
1988	239	133,344	19.2
1989 (est)	259	166,322	24.7
1990 (est)	273	200,949	20.8

The data presented below shows historical and projected values for:

1. The statewide total of the Adjusted Assessed Valuation (AAV) of property. Beginning with taxes payable in 1989, property taxes are based on tax capacities rather than assessed values. For purposes of illustrating trends, this analysis has mathematically converted tax capacities to AAV's.

2. The AAV of property subject to a referendum levy, expressed as a portion of the statewide total AAV.
3. The aggregate referendum tax rate against the AAV of property subject to a referendum levy. This amount was calculated by dividing the total referendum taxing authority by the AAV of property subject to a referendum levy.
4. The portion of referendum taxing authority that is utilized.
5. The number of tax dollars generated by referendum taxing authority.

	Payable 1987	Payable 1988	Payable 1989	Payable 1990
1. Adjusted Assessed Valuation (000's)	\$30,975,657	\$30,284,289	\$31,210,945	\$33,366,318
2. Portion of AAV with Authorized Levy	57.67%	59.74%	62.20%	62.92%
3. Aggregate Tax Rate Where Authorized	6.6 mills	7.7 mills	8.8 mills	9.8 mills
4. Utilized Portion of Authorized Levy	94.23%	95.39%	97.33%	98.12%
5. Certified Referendum Levy (000's)	\$ 111,845.9	\$ 133,344.2	\$ 166,322.0	\$ 200,949.4

NOTE: The utilized portion of authorized levy is a projected value for taxes payable in 1989. All data for taxes payable in 1990 are projected.

TRENDS:

The number of dollars generated by the referendum levy has been increasing for three reasons:

1. There has been an increase in the value of property that is subject to a referendum levy. This is explained by increases in both a) property values, and b) the number of districts that have passed referendums.
2. Districts with existing referendum authority have passed additional referendum levies to increase their authorized tax rates.
3. School boards have chosen to exercise an increasing portion of the levy authority provided by referendum.

The portion of levy authority that is actually taxed now approaches 100%. There is still considerable potential for increases in both the value of property subject to referendum levy, and the tax rates authorized against this value.

GOVERNOR'S RECOMMENDATION:

The Governor's budget assumes continuation of this activity.

1990-91 Biennial Budget

ACTIVITY : 0105 STAFF DEVELOPMENT (INFORMATION ONLY)
 Program : 01 GENERAL EDUCATION PROGRAMS
 Agency : EDUCATION AIDS

Citation : M.S. 124A.29; 126.70
 MDE Admin.: 1201-10 Instructional Design
 Federal : 1433 Teacher Inservice Programs

PURPOSE:

To provide revenue reserved for staff development activities so that opportunities can be provided that will positively influence the knowledge, skills, and attitudes of educational personnel in order to improve the quality of learning.

DESCRIPTION:

Beginning in F.Y. 1989, the law provides that of a school district's basic revenue provided in M.S. 124A.22, Subdivision 2, the amount equal to \$10 times the number of actual pupil units shall be reserved and may be used only to provide staff development programs dealing with fourteen program categories as follows: 1) educational effectiveness; 2) technology; 3) subject area inservice; 4) mentorships; 5) parent, business, and community involvement; 6) experimental delivery systems; 7) principal and administrator effectiveness; 8) gifted and talented services; 9) cooperative curriculum development inservice; 10) PER curriculum improvement; 11) sex equity; 12) handicapped curriculum modification; 13) short term contracts; and 14) extended year contracts.

Local boards of education must establish a staff development advisory committee with the majority of the membership being teachers representing various grade levels and subject areas, and must include representative parents and administrators. The committee will develop a plan. If the school board approves the plan, the district may use the staff development revenues authorized for this purpose.

The staff development program has been received positively by districts. There is enthusiasm by teachers for this program because it allows them to express the priorities and program designs they believe are most significant. The Minnesota Department of Education (MDE) developed and disseminated a document that has received national praise, has provided 10 regional workshops attended by 427 people, and has sponsored a state conference attended by 333 people. MDE expects over 400 districts to participate in this program by the end of F.Y. 1989. As of September 1, 1988, 266 districts had forwarded plans. Review of those plans indicates that districts consider five areas as high priority. Of the 559 high priorities noted, districts listed the following programs most frequently: individualized professional development (32%), Minnesota Educational Effectiveness program (17%), instructional design (16%), curriculum development (15%), technology (8%), and all others (12%).

STATISTICS/EFFECTIVENESS:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Districts with advisory committees	400	410	430	430
Districts with local board approved plans	400	410	430	430

TRENDS:

The importance of ongoing and systematic staff development will increase as education becomes more professional and research based, and as delivery becomes more complex. It is a certainty that education will experience rapid change and development.

GOVERNOR'S RECOMMENDATION:

The Governor recommends continuation of this activity.

PUPIL TRANSPORTATION (02)

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PUPIL TRANSPORTATION

1990-91 Biennial Budget

ACTIVITY : 0201 TRANSPORTATION PROGRAM
 Program : 02 PUPIL TRANSPORTATION
 Agency : EDUCATION AIDS

Citation : M.S. 124.223; 124.225; 275.125, Subd. 5-5g
 MDE Admin.: 1202-02 District Financial Management & Transportation
 Federal : None

PURPOSE:

To provide school districts with funds to finance the transportation of eligible pupils to and from school and in other authorized categories of transportation.

DESCRIPTION:

I. Transportation Categories: State aid is provided for eleven categories of pupil transportation service. The eleven categories are grouped into two classes, regular and nonregular. Following is a brief description of each transportation category:

A. Regular - One round trip per day between home and the public or nonpublic school for: a) nonhandicapped elementary pupils residing one mile or more from the assigned school and, b) nonhandicapped secondary pupils residing two miles or more from the assigned school. Pupils who are custodial parents may be transported to and from the site of child care services for the pupil's child if that site is within the attendance area of the school the pupil attends. Beginning in F.Y. 1989, funding for noon kindergarten, late activity, and desegregation transportation is moved from the Regular to the Nonregular category (see definition of these categories in section B, Nonregular).

B. Nonregular

1. Handicapped - One round trip per day between home and the public or nonpublic school for handicapped pupils, transportation of pupils between public school buildings for instructional purposes in special education programs, and transportation of nonpublic pupils between the nonpublic school and a public school for shared-time special education classes.
2. Summer Program - One round trip per day between home and the public or nonpublic school for: a) elementary pupils residing one mile or more from the assigned school and, b) secondary pupils residing two miles or more from the assigned school.
3. Board and Lodging - Cost of board and lodging of pupils when it is determined by the local school board that board and lodging is more feasible or efficient than providing daily transportation services. The pupils for which this is done are primarily handicapped pupils.
4. To and From Board and Lodging Facility - Transportation between home and the board and lodging facility where the pupil is

placed. The majority of this transportation involves handicapped pupils residing at the State Academies for the Deaf and Blind in Faribault and at a facility in Worthington.

5. During-Day - Transportation of pupils during the school day: a) between public school buildings within the district for instructional purposes, b) to and from state board approved secondary vocational centers for vocational classes, and c) between schools located in two or more districts for cooperative academic and vocational classes.
6. Shared Time - Regular transportation of nonpublic pupils between the nonpublic school and a public school for shared-time classes.
7. Nonpublic Support Services - Transportation of nonpublic pupils between the nonpublic school and a public school or a neutral site for health, guidance, and/or counseling services.
8. Noon Kindergarten - Noon transportation to and from school for kindergarten pupils attending half-day sessions.
9. Late Activity - Late transportation home from school for pupils involved in after school activities.
10. Desegregation - Transportation of pupils to and from schools located outside their normal attendance areas under the provisions of a plan for desegregation mandated by the State Board of Education or under court order.

C. Excess Transportation

School districts are also permitted to make an excess transportation levy for the cost of transporting secondary pupils living between one and two miles from school, and for the cost of transportation or related services necessary because of extraordinary traffic hazards.

Authorized expenditures for pupil transportation include fuel and nonfuel operating expenditures and bus depreciation. Table 2-1 shows the number of pupils transported to and from school in each transportation category. Table 2-2 provides a summary of pupil transportation expenditures by object. Expenditures by category of transportation services are shown in Table 2-3. Table 2-4 reviews the formula financing of authorized transportation.

II. Funding Formula: Separate formulas are used to compute a district's funding for regular and nonregular transportation. A district's regular transportation funding equals the district's basic financing allowance per pupil transported times the number of pupils transported in the regular category. Nonregular transportation funding includes: a) nonregular basic aid, b) a local levy, and c) nonregular equalization aid.

A. Regular Financing - Since F.Y. 1980, regular transportation funding has been calculated through an average cost formula. A statistical procedure called multiple regression analysis is used to predict a base year cost per regular category pupil transported. The base year is always the second preceding year. (The base year for F.Y. 1988 was F.Y. 1986.) The predicted cost reflects the average base year cost per regular category pupil transported for districts with similar density (regular category pupils transported per square mile of the district's area) and other district characteristics.

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ACTIVITY: 0201 TRANSPORTATION PROGRAM
(Continuation)
Program : 02 PUPIL TRANSPORTATION
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Since F.Y. 1980, the factors used in the transportation funding formula have been revised periodically to provide more comparable funding for similar districts and to strengthen incentives for cost control.

Beginning in F.Y. 1987, three factors are used in the multiple regression formula to predict the logarithm of school district cost per regular pupil transported:

1. The logarithm of the lesser of: a) the number of regular pupils transported per square mile, or b) 200;
2. Whether the district is nonrural;
3. The logarithm of the percentage of regular pupils transported on buses not owned by the school district.

The district's predicted base year cost is adjusted using a statutory "softening" formula. If the district's actual base year cost per pupil transported exceeds the predicted cost, the predicted cost is increased by a percentage of the difference. If the district's actual base year cost per pupil transported is less than the predicted cost, the predicted cost is reduced by a percentage of the difference. The district's predicted base cost as adjusted by the softening formula is then multiplied by an inflation factor to determine the district's transportation funding per regular pupil transported.

Since F.Y. 1984, the following formula has been used to adjust the predicted cost:

1. If the actual base year cost is within 5% of the predicted base year cost, the adjusted base cost is equal to the actual base year cost.
2. If the actual base year cost exceeds the predicted base year cost by more than 5%, the adjusted base cost equals 105% of the predicted cost, plus 40% of the difference between the actual cost and 105% of the predicted cost.
3. If the actual base year cost is less than 95% of the predicted base year cost, the adjusted base cost equals 95% of the predicted cost, minus 40% of the difference between the actual cost and 95% of the predicted cost.
4. In no case shall a district's adjusted base cost be less than 80% of the actual base year cost, or more than 120% of actual base year cost.

The adjusted base cost is then increased by an inflation factor to determine the district's regular funding per pupil transported. For F.Y. 1988, the adjusted base cost (computed using data from F.Y. 1986) was increased by 4.9%. For F.Y. 1989, the adjusted base cost (computed using data from F.Y. 1987) was increased by 4.1%. The

district's regular pupil transportation financing equals the regular funding per pupil transported times the number of regular pupils transported in the current year.

- B. Nonregular Transportation Financing - Beginning in F.Y. 1985, school districts are funded for 100% of their actual current year nonregular transportation costs through a combination of state aid and local levy. Nonregular transportation includes the handicapped, summer program, board and lodging, to and from board and lodging facility, during-day, shared-time, and nonpublic support services transportation categories. Beginning in F.Y. 1989, noon kindergarten, late activity and desegregation transportation are also included as nonregular. The nonregular funding formula has three components: nonregular basic aid, nonregular levy, and nonregular levy equalization aid.

For F.Y. 1988, basic nonregular transportation aid equaled 20% of the first \$10 per total pupil unit of nonregular transportation cost, plus 40% of the next \$10 per total pupil unit, plus 60% of any cost exceeding \$20 per total pupil unit times the number of total pupil units in the district in that year. Beginning in F.Y. 1989, the nonregular transportation aid equals 60% of the actual cost of nonregular transportation per total pupil unit which exceeds \$30, times the total number of pupil units in the district in the current year.

The portion of nonregular transportation costs not funded through nonregular basic transportation aid is funded through an equalized levy. The equalizing factor used in computing the nonregular transportation levy is \$83,800. Thus, the local share of this revenue equals the lesser of one, or the ratio of the district's adjusted assessed valuation per total pupil unit to \$83,800.

If a district levies less than the maximum nonregular transportation levy, the state equalization aid is reduced proportionately.

- III. Total Formula Funding, Levy Statistics and State Aid: A district's total transportation funding is equal to its regular transportation funding plus its nonregular transportation funding. The basic transportation levy limitation rate was set at 2.25 mills times adjusted assessed valuation for F.Y. 1988 and at 2.34 mills times the adjusted assessed valuation for F.Y. 1989.

Beginning in F.Y. 1990, the basic transportation tax rate is set to raise \$72,681 thousand statewide. For F.Y. 1990, the basic transportation tax rate was 1.90 percent of adjusted gross tax capacity. The contract transportation levy limitation is equal to the difference between the district's actual regular funding and the amount computed for regular funding when the contract transportation factor is excluded

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ACTIVITY: 0201 TRANSPORTATION PROGRAM
(Continuation)
Program : 02 PUPIL TRANSPORTATION
Agency : EDUCATION AIDS

from the determination of predicted cost. The effect of the contract levy subtraction is that districts contracting for transportation receive the same amount of state aid as comparable districts that operate district-owned buses. The contract transportation levy provides contracted districts with an additional revenue source equivalent to the bus purchase levy available to districts operating their own buses. In both cases, school districts have levy authority to finance a portion of the capital costs associated with transportation that are not financed through the regular transportation formula.

A district's total transportation aid equals its total formula funding minus the basic, contracted and nonregular transportation levy limits. 13 districts were off the formula in F.Y. 1988 and 15 districts are estimated to be off the formula in F.Y. 1989 and F.Y. 1990.

School districts owning school buses or mobile units are required to transfer a portion of their transportation revenue to the reserved fund balance account for bus purchases. For regular school buses, the transfer is equal to 12.5% of the original cost of the vehicle until the original cost is fully amortized.

IV. Other Transportation Levies: In addition to the levies included in the calculation of transportation aid, school districts are permitted to levy for:

- A. The amount necessary to eliminate any projected deficit in the reserved fund balance account for bus purchases; and
- B. The added cost of transportation resulting from leasing a school in another district.

For further discussion of these levies, see Budget Activity 0202.

V. Desegregation Grants:

The 1987 Legislature provided \$5,234 thousand for transportation grants in F.Y. 1988 to school districts implementing desegregation plans mandated by the State Board of Education. This funding was for unreimbursed costs for desegregation transportation during F.Y. 1987 and F.Y. 1988. The amount of \$1,966 was allocated to the St. Paul district, and \$3,268 to Minneapolis. Beginning in F.Y. 1989, 100 percent of the actual cost of desegregation transportation is funded in Nonregular transportation.

STATISTICS/EFFECTIVENESS:

TABLE 2-1
PUPILS TRANSPORTED TO AND FROM SCHOOL (000's)

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Regular	492.6	500.5	509.0	521.6
Desegregation	28.6	29.1	30.0	30.8
Handicapped	25.2	26.5	27.9	29.6
Excess transportation	<u>101.0</u>	<u>101.5</u>	<u>102.2</u>	<u>103.6</u>
Total pupils transported	647.4	657.6	669.1	685.6
Total gross enrollment (Public and nonpublic)	854.6	860.4	867.8	881.5
Percentage of pupils transported	75.8%	76.4%	77.1%	77.8%

TABLE 2-2
TRANSPORTATION EXPENDITURE SUMMARY BY OBJECT

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
I. Nonfuel operating (000's)	\$164,100.2	\$174,934.6	\$180,909.7	\$188,339.0
II. Fuel				
A. Number of gallons	18,947,763	19,162,194	19,673,761	20,318,954
B. Pump price per gallon	\$ 0.96	\$ 0.97	\$ 1.01	\$ 1.06
C. Less federal tax	(.09)	(.09)	(.09)	(.09)
D. Less average quantity discount	<u>(.02)</u>	<u>(.02)</u>	<u>(.02)</u>	<u>(.02)</u>
E. Average cost per gallon to districts	\$ 0.85	\$ 0.86	\$ 0.90	\$ 0.95
F. Total fuel expenditures (000's)	\$ 16,105.6	\$ 16,479.5	\$ 17,706.4	\$ 19,303.0
III. Bus depreciation (000's)				
A. Regular school buses	\$ 10,094.1	\$ 10,641.1	\$ 11,217.8	\$ 11,825.7
B. Mobile units	18.1	16.1	14.3	12.7
C. Type 3 vehicles	711.6	1,001.4	1,409.2	1,983.2
D. Reconditioned buses	<u>156.3</u>	<u>126.1</u>	<u>101.7</u>	<u>82.1</u>
E. Total bus depreciation	\$ 10,980.1	\$ 11,784.7	\$ 12,743.0	\$ 13,903.7
IV. Total expenditures (000's)	\$191,185.9	\$203,198.8	\$211,359.1	\$221,545.7

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ACTIVITY: 0201 TRANSPORTATION PROGRAM
(Continuation)
Program : 02 PUPIL TRANSPORTATION
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TABLE 2-3
TRANSPORTATION EXPENDITURE SUMMARY BY CATEGORY (000's)

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
I. Regular Transportation	\$141,109.6	\$120,570.7	\$123,840.0	\$128,171.1
II. Nonregular Transportation				
A. Handicapped	30,598.1	34,604.1	38,324.7	42,468.1
B. Desegregation	--	9,929.5	10,504.1	11,189.4
C. Noon Kindergarten	--	7,410.9	7,566.6	7,789.2
D. Late Activity Bus	--	3,445.9	3,520.1	3,625.9
E. Other Nonregular	<u>5,881.8</u>	<u>5,529.4</u>	<u>5,609.5</u>	<u>5,739.2</u>
Total Nonregular Transportation	36,479.9	60,919.8	65,525.0	70,811.8
III. Excess Transportation	13,596.4	21,708.3	21,994.1	22,562.8
IV. Total Expenditures	<u>\$191,185.9</u>	<u>\$203,198.8</u>	<u>\$211,359.1</u>	<u>\$221,545.7</u>

NOTE: Desegregation, noon kindergarten, and late activity transportation were included in the regular transportation category in F.Y. 1988; funding for these transportation services was transferred to the nonregular category beginning in F.Y. 1989.

Beginning in F.Y. 1989, a change in the method of computing the cost of excess transportation results in a greater amount being charged to the excess category, and a lesser amount being charged to the regular category.

TABLE 2-4
FORMULA FUNDING OF AUTHORIZED TRANSPORTATION

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
I. Regular Transportation Funding				
A. Base Year	F.Y. 1986	F.Y. 1987	F.Y. 1988	F.Y. 1989
B. Inflation Factor (2 yrs.)	1.049	1.041	1.041	1.020
C. Average Funding Per Pupil Transported	\$ 266.26	\$ 232.79	\$ 240.78	\$ 241.61
D. Number of Pupils Transported	521,132	500,469	508,988	521,595
E. Regular Transportation Funding (000's)	\$138,756.4	\$116,503.6	\$122,556.5	\$126,024.7

F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

II. Nonregular Transportation Funding (000's)

A. Basic Aid	\$ 16,901.5	\$ 22,438.2	\$ 24,952.5	\$ 27,741.8
B. Levy Authority	9,522.6	18,425.8	19,849.7	22,041.6
C. Equalization Aid	<u>10,055.9</u>	<u>20,055.8</u>	<u>20,722.8</u>	<u>21,028.4</u>
D. Total Nonregular Funding	\$ 36,480.0	\$ 60,919.8	\$ 65,525.0	\$ 70,811.8

III. Excess Transportation Funding

A. Average Funding per Pupil Transported	\$ 134.60	\$ 213.81	\$ 215.14	\$ 217.65
B. Number of Pupils Transported	101,013	101,532	102,232	103,667
C. Excess Transportation Funding (000's)	\$ 13,596.3	\$ 21,708.3	\$ 21,994.1	\$ 22,562.7

IV. Desegregation Grants \$ 5,234.0 \$ 0 \$ 0 \$ 0

V. Total Gross Transportation Funding (000's) \$194,066.7 \$199,131.7 \$210,075.6 \$219,399.2

VI. Levy Subtractions (000's)

A. Basic Transportation Levy Authority				
1. Tax Rate				
a. Mill Rate	2.25	2.34	--	--
b. Percent of Tax Capacity	--	--	1.90	1.77
2. Amount	\$ 69,484.4	\$ 70,803.2	\$ 72,627.9	\$ 72,681.2
B. Contract Transportation Levy Authority	6,479.0	7,868.5	7,511.6	7,787.9
C. Nonregular Transportation Levy Authority	9,522.6	18,425.9	19,849.7	22,041.6
D. Excess Transportation Levy Authority	13,596.4	21,708.3	21,994.2	22,562.7
E. Levy Reduction for Districts Off Formula				
1. Number of Districts	13	15	15	13
2. Amount	(2,423.7)	(4,824.2)	(5,204.5)	(5,366.7)
F. Total Levy Subtraction	\$ 96,658.7	\$113,981.7	\$116,778.9	\$119,706.7

VII. State Aid Entitlement (000's)

A. Gross State Aid Entitlement (Including Desegregation Grants)	\$ 97,408.0	\$ 85,150.0	\$ 93,296.7	\$ 99,692.5
B. Gross Aid as Percent of Funding	50.19%	42.76%	44.41%	45.44%

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ACTIVITY: 0201 TRANSPORTATION PROGRAM
(Continuation)
Program : 02 PUPIL TRANSPORTATION
Agency : EDUCATION AIDS

TABLE 2-4 (Contd.)

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
C. Proration per ADM	0*	0	0	0
D. Prorated State Aid Entitlement	\$ 97,408.0	\$ 85,150.0	\$ 93,296.7	\$ 99,692.5
VIII. Reconciliation of Expenditures and Funding (000's)				
A. Total Prorated Transportation Funding	\$194,066.7	\$199,131.7	\$210,075.6	\$219,399.2
B. Total Authorized Expenditures	191,185.9	203,198.8	211,359.1	221,545.7
C. Prorated Funding as Percent of Expenditures	101.51%**	98.00%	99.39%	99.03%

* Proration is based on November 1988 estimate of allocation from programs with cancellations. The proration may change as additional data become available.

** A portion of funding shown in F.Y. 1988 was for unreimbursed costs for desegregation transportation during F.Y. 1987.

	<u>Estimate</u> <u>F.Y. 1988</u>	<u>Estimate</u> <u>F.Y. 1989</u>	<u>Governor's</u> <u>Recommendation</u> <u>F.Y. 1990</u>	<u>F.Y. 1991</u>
ENTITLEMENT FUNDING: (000's)				
1. Aid Entitlement				
Unprorated Entitlement	\$ 92,174	\$ 85,150	\$ 93,297	\$ 99,693
Less Prorated Amount	0**			
Desegregation Grants	5,234			
Formula Adjustments			2,609	(158)
Teen Parent			74	1,111
Total Entitlement	\$ 97,408	\$ 85,150	\$ 95,980	\$ 100,646

2. Funding Sources

Current Appropriation	78,283	73,605	81,583	85,550
Final Adjust. Appropriation	13,814	12,773	14,397	15,097
Transfer In (M.S. 124.14)	105			
Desegregation Grants				
Appropriation	5,234			
Total Funding	\$ 97,436	\$ 86,378	\$ 95,980	\$ 100,647

	<u>Estimate</u> <u>F.Y. 1988</u>	<u>Estimate</u> <u>F.Y. 1989</u>	<u>Governor's</u> <u>Recommendation</u> <u>F.Y. 1990</u>	<u>F.Y. 1991</u>
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3. Transaction Summary

State Payments	97,408	85,150	95,980	100,646
Transfer Out (M.S. 124.14)	28	1,228		1*
Total Transactions	\$ 97,436	\$ 86,378	\$ 95,980	\$ 100,647

* Excess is available due to rounding aid entitlements and appropriations.

** See note on proration in Table 2-4.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	<u>Estimate</u> <u>F.Y. 1988</u>	<u>Estimate</u> <u>F.Y. 1989</u>	<u>Governor's</u> <u>Recommendation</u> <u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Prior Year Adjustment	\$ 12,194	\$ 13,891	\$ 12,773	\$ 14,397
Current Year	83,517	72,377	81,583	85,550
Total	\$ 95,711	\$ 86,268	\$ 94,356	\$ 99,947

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$95,980 in F.Y. 1990 and \$100,646 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$94,356 in F.Y. 1990 (\$12,773 for F.Y. 1989 and \$81,583 for F.Y. 1990), and \$99,947 in F.Y. 1991 (\$14,397 for F.Y. 1990 and \$85,550 for F.Y. 1991).

Allocation of these appropriations is as follows:

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Current Law	\$ 92,076	\$ 98,734
2. Formula adjustments	2,217	258
3. Teen Parent	63	955
Total	\$ 94,356	\$ 99,947

The Governor recommends the following modifications in the pupil transportation aid formula beginning in F.Y. 1991:

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ACTIVITY: 0201 TRANSPORTATION PROGRAM
(Continuation)
Program : 02 PUPIL TRANSPORTATION
Agency : EDUCATION AIDS

1. Replace the current procedure requiring annual multiple regression analysis to determine the regular transportation funding formula with a formula specified in statute.
2. Eliminate the rural/nonrural classification of school districts as a factor in the computation of regular transportation funding.
3. Modify the contracted services factor in the regular transportation funding formula to reflect the diminished additional cost of contracted services in densely populated districts.
4. Modify the "softening" formula used in computing regular transportation funding such that the adjusted predicted cost per pupil equals the average of the district's actual cost and the district's formula predicted cost, but no less than 80 percent of the district's actual cost and no more than 110 percent of the district's actual cost.
5. Weight the pupils transported in the excess transportation category to reflect the lower unit cost of this transportation in relation to regular transportation in sparsely populated districts.
6. Limit a district's excess transportation revenue per weighted pupil transported to the district's regular transportation allowance per pupil transported.
7. Establish a minimum allowance per weighted pupil transported equal to the lesser of: (a) the district's regular plus excess revenue per weighted pupil transported in F.Y. 1990, or (b) the district's regular plus excess cost per weighted pupil transported in F.Y. 1990.
8. Include pupils transported for desegregation in computing regular transportation funding, and include only the excess cost of desegregation transportation in the nonregular transportation category.
9. Equalize the nonregular transportation levy at 100 percent of the general education equalizing factor.

The Governor also recommends that the basic transportation tax rate for F.Y. 1991 be established at the rate that raises \$83,459 thousand, and that the basic transportation tax rate for F.Y. 1992 be established at the rate that raises \$87,632 thousand. This recommendation includes a 5 percent increase for taxes payable in 1990 and 1991, and an increase to offset reductions in other transportation levies resulting from the formula changes recommended above.

The Governor also recommends that the statutory inflation factors used in computing regular transportation funding be set at 5.8 percent for F.Y. 1990 and 3.7 percent for F.Y. 1991. These two-year inflation factors include adjustments for projected increases in depreciation costs and fuel prices for F.Y. 1990 and F.Y. 1991, and a 2 percent adjustment in nonfuel operating cost per mile for F.Y. 1990.

As part of the Dropout Prevention Initiative, the Governor also recommends that school districts be authorized to provide transportation within the district of pupils who are custodial parents and their children between the pupil's home and the provider of child care services for the pupil's children. Funding for this transportation will be included in the regular transportation category for F.Y. 1990 and in the nonregular transportation category beginning in F.Y. 1991.

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ACTIVITY : 0202 MISCELLANEOUS TRANSPORTATION LEVIES
 Program : 02 PUPIL TRANSPORTATION
 Agency : EDUCATION AIDS

Citation : M.S. 275.125, Subdivisions 5a and 5f
 MDE Admin.: 1202-01 Education Finance and Analysis
 Federal : None

PURPOSE:

To provide school districts with funds for the purchase of pupil transportation vehicles and equipment, and added transportation costs resulting from leasing a school in another district.

DESCRIPTION:

Bus Purchase Levy

A school district may levy the amount necessary to eliminate any projected deficit in the reserved fund balance account for bus purchases as of June 30 of the school year beginning in the calendar year following the calendar year the levy is certified. Levy amounts are based on school district estimates.

Leased Facility Levy

When the transportation patterns of a district change as a result of leasing a school in another district, the district may, upon approval of the Commissioner of Education, levy for any increase in transportation cost above the cost that would occur without the leasing of the school. The amount provided by this levy is deducted from the district's cost data used in computing transportation aid.

STATISTICS/EFFECTIVENESS:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Bus Purchase Levy				
Amount (000's)	\$ 4,949.4	\$ 4,463.6	\$ 6,210.5	\$ 6,210.5
Number of districts	166	156	181	181
Leased Facility Levy				
Amount (000's)	\$ 37.9	\$ 22.0	\$ 0	\$ 0
Number of districts	1	1	0	0

GOVERNOR'S RECOMMENDATION:

The Governor recommends continuation of this activity.

1990-91 Biennial Budget

ACTIVITY : 0203 POSTSECONDARY ENROLLMENT OPTIONS TRANSPORTATION
 Program : 02 PUPIL TRANSPORTATION
 Agency : EDUCATION AIDS

Citation : M.S. 123.3514, Subdivision 8
 MDE Admin.: 1202-02 District Financial Management & Transportation
 Federal : None

PURPOSE:

To provide state aid to school districts which reimburse eligible students for transportation expenses incurred while enrolled in the Postsecondary Enrollment Options Program.

DESCRIPTION:

Upon application to the district, eligible students, their parents or guardians are reimbursed for the expense incurred in travel to and from the postsecondary institution attended under the program. Eligibility is based on financial need as established under State Board of Education guidelines. Reimbursement may not exceed the actual cost of transportation or 20.5 cents per mile traveled, whichever is less. Reimbursement also may not exceed an amount equal to 250 miles of travel per week (5 round trips) unless the nearest postsecondary institution is more than 25 miles from the student's resident secondary school. In the latter case, the reimbursement may not exceed an amount equal to the rate of reimbursement multiplied by the actual distance between the secondary school and the closest postsecondary institution multiplied by 10 (i.e., 5 round trips).

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Eligible Students	26	45	48	50
Number of districts	23	38	40	42
Amount of reimbursement (000's)	\$24.2	\$50	\$50	\$50

TRENDS:

Participation is expected to increase due to an increased awareness of the program by parents and students.

<u>ENTITLEMENT FUNDING:</u> (000's)	<u>Actual</u> <u>F.Y. 1988</u>	<u>Estimate</u> <u>F.Y. 1989</u>	<u>Governor's</u> <u>Recommendation</u>	
			<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Aid Entitlement	\$ 24	\$ 50	\$ 50	\$ 50
2. Funding Sources				
Current Appropriation	\$ 75	\$ 75	\$ 50	\$ 50
3. Transaction Summary				
State Payments	24	50	50	50
Transfer Out (M.S. 124.14)	51	25		
Total Transactions	\$ 75	\$ 75	\$ 50	\$ 50

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u> <u>F.Y. 1988</u>	<u>Estimate</u> <u>F.Y. 1989</u>	<u>Governor's</u> <u>Recommendation</u>	
			<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	\$ 24	\$ 50	\$ 50	\$ 50

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$50 in F.Y. 1990 and \$50 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$50 in F.Y. 1990 and \$50 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 0204 SCHOOL DISTRICT ENROLLMENT OPTIONS TRANSPORTATION
 Program : 02 PUPIL TRANSPORTATION
 Agency : EDUCATION AIDS

Citation : M.S. 123.3515, Subdivision 6
 MDE Admin.: 1202-02 District Financial Management & Transportation
 Federal : None

PURPOSE:

To provide state aid to school districts which reimburse eligible students for transportation expenses incurred while enrolled in the School District Enrollment Options Program.

DESCRIPTION:

Upon application to the nonresident district, eligible students or their parents or guardians, are reimbursed for the expense incurred in travel to and from the boundary of the attendance area of the school within the nonresident district attended under the program. Eligibility is based on financial need as established under State Board of Education guidelines. Reimbursement may not exceed the actual cost of transportation or 20.5 cents per mile traveled, whichever is less. Reimbursement also may not exceed an amount equal to 250 miles of travel per week (five round trips).

Beginning in F.Y. 1990, all districts with over 1,000 actual pupil units will participate and accept students, except if they declare to be a closed district or do not have sufficient space in a grade level for an applicant. Beginning in F.Y. 1991, all districts are required to participate unless the district is declared closed or sufficient space is not available.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Eligible students	1	10	50	50
Number of districts	1	10	48	48
Amount of reimbursement (000's) \$	0* \$	10 \$	50 \$	50

* In this first year of the program, only one claim in the amount of \$26.25 was submitted for reimbursement.

TRENDS:

Program participation is expected to rise as the number of participating districts increases, and as parent and student awareness of the program increases.

	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990 F.Y. 1991	
<u>ENTITLEMENT FUNDING:</u> (000's)				
1. Aid Entitlement	\$ 0	\$ 10	\$ 50	\$ 50
2. Funding Sources				
Balance Forward		50		
Current Appropriation	50		50	50
Total Funding	\$ 50	\$ 50	\$ 50	\$ 50
3. Transaction Summary				
State Payments	0	10	50	50
Balance Forward	50			
Transfer Out (M.S. 124.14)		40		
Total Transactions	\$ 50	\$ 50	\$ 50	\$ 50

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990 F.Y. 1991	
General Fund				
Current Year	\$ 0	\$ 10	\$ 50	\$ 50

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$50 in F.Y. 1990 and \$50 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$50 in F.Y. 1990 and \$50 in F.Y. 1991.

SPECIAL PROGRAMS (03)

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ACTIVITY : 0301 SPECIAL EDUCATION - REGULAR
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

Citation : M.S. 120.03; 120.17; 124.32; 275.125, Subdivision 8c
MDE Admin.: 1201-11 Special Education
Federal : 1401 Handicapped (EHA, P.L. 94-142)
1402 Preschool Incentive

PURPOSE:

To provide funds to school districts/cooperatives to assure that free appropriate special education services are provided to all children and youth under the age of 21 who are handicapped.

DESCRIPTION:

Minnesota Statutes Sections 120.03 and 120.17 define learners with handicaps for which school districts must provide special education services. The costs of providing special education services to children and youth vary depending on the severity of the child's disability. Some children may need special services for only a few hours a week, while others with severe disabilities may need substantially more services. Table 3-1 provides information on the number of children and youth with handicaps by age and disability. Table 3-2 provides data on the number and percentage of children and youth with handicaps served by disability and by level of service for the 1987-88 school year. The individual severity of any one of the 12 listed handicapping conditions may require different levels of service. State Board of Education Rules provide for six different levels of services known as a "continuum of placement model" identified below:

Levels of Service:

- Level 1: The learner is placed in a regular classroom and does not require special education. This level includes assessment services, monitoring, observation, and follow-up.
- Level 2: The learner is placed in a regular classroom. Instruction and related services are provided indirectly through the regular teacher, teachers, parents, or other persons who have direct contact with the pupil. The consultation and indirect services include ongoing progress review; cooperative planning; demonstration teaching; modification and adaptation of the curriculum, supportive materials, and equipment; and direct contact with the pupil for monitoring, observation, and follow-up.
- Level 3: The learner receives direct instruction from a special education teacher, or related services from a related-services staff member for less than one-half of the day. Consultation and indirect services are included.

Level 4: The learner receives direct instruction from a special education teacher for one-half day, to less than full-time. Consultation and indirect services are included.

Level 5: The learner receives full-time direct instruction from a special education teacher within a district building, day school, or special station or facility. Integrated activities solely for socialization or enrichment, and related services are excluded when determining full-time. Consultation and indirect services are included.

Level 6: The learner is placed in a residential facility and receives direct instruction from a special education teacher. Consultation and indirect services are included.

Table 3-3 provides information on full-time equivalent (FTE) staff by disability area and by funding source, state and local or federal. State special education aids are not paid on federally funded positions.

State Special Education Aid

Minnesota school districts are provided with three types of state special education aid to meet the costs of delivering special education services:

1. Aid For Salaries of Essential Personnel (M.S. 124.32, subd. 1): Minnesota provides a state payment for the salaries of essential special education personnel. Essential personnel are defined as special education teachers, supervisors, directors, related services and support services personnel such as social workers, psychologists, management aides, interpreters and braillists. Minnesota Department of Education approval of programs, personnel, and budgets is required (M.S. 124.32, subd. 7). The formula for payment of aid for essential personnel for each year is as follows:

F.Y. 1987 - Lesser of 70% of salary or \$19,500
F.Y. 1988 - Lesser of 66% of salary or \$18,400
F.Y. 1989 - Lesser of 66% of salary or \$18,400

For F.Y. 1988 and F.Y. 1989 districts may levy an amount equal to the difference between 66% of salaries paid to essential personnel and the state aid paid for salaries of these personnel. For cooperative and intermediate districts, the levy is made by member districts in an amount equal to the portion allocated of this difference.

2. Aid For Supplies And Equipment (M.S. 124.32, subd. 2): State aid is provided for the costs of special instructional supplies and equipment necessary to provide special education services to handicapped children. The supplies and equipment are limited to those items which are in addition, or supplementary to those items normally provided to pupils in the regular education program. The formula for determining the amount of aid is 47% of the costs of the supplies and equipment, not to exceed an average of \$47 per handicapped pupil served.
3. Aid for Contracted Services (M.S. 124.32, subd. 1d): School districts are authorized to purchase services for pupils with handicaps from public and private agencies. When districts choose this option, state aid is

1990-91 Biennial Budget

ACTIVITY: 0301 SPECIAL EDUCATION - REGULAR
(Continuation)
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

paid on the basis of 52% of the difference between the contracted cost and the general education formula allowance for the pupil.

Table 3-4 provides information on total district expenditures and total state aid by type by fiscal year.

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ACTIVITY: 0301 SPECIAL EDUCATION - REGULAR
(Continuation)
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

STATISTICS/EFFECTIVENESS:

TABLE 3-1
NUMBER OF HANDICAPPED CHILDREN BY AGE AND DISABILITY

DISABILITY	AGE	ACTUAL F.Y. 1988	ESTIMATED F.Y. 1989	ESTIMATED F.Y. 1990	ESTIMATED F.Y. 1991
1. Speech handicapped	0-2	79	120	139	290
	3	512	512	512	520
	4-5	3,404	3,404	3,404	3,444
	6-11	12,204	12,204	12,332	12,332
	12-21	1,557	1,557	1,557	1,687
	+21				
	Total	17,756	17,797	17,944	18,273
2. Mildly mentally handicapped	0-2	55	55	55	55
	3	50	50	75	105
	4-5	206	206	206	206
	6-11	3,021	3,121	3,196	3,196
	12-21	4,460	4,460	4,490	4,590
	+21				
	Total	7,792	7,892	8,022	8,152
3. Moderate/severe mentally handicapped	0-2	22	22	22	22
	3	38	38	53	53
	4-5	142	142	142	142
	6-11	1,110	1,210	1,245	1,245
	12-21	2,092	2,092	2,117	2,167
	+21				
	Total	3,404	3,504	3,579	3,629
4. Physically handicapped	0-2	46	46	46	46
	3	49	49	49	49
	4-5	148	148	148	148
	6-11	666	666	668	668
	12-21	416	416	416	436
	+21				
	Total	1,325	1,325	1,327	1,347
5. Hearing impaired	0-2	58	58	58	58
	3	40	40	40	40
	4-5	113	113	113	113
	6-11	603	603	613	613
	12-21	506	506	506	526
	+21				
	Total	1,320	1,320	1,330	1,350

1990-91 Biennial Budget

ACTIVITY: 0301 SPECIAL EDUCATION - REGULAR
 (Continuation)
 Program : 03 SPECIAL PROGRAMS
 Agency : EDUCATION AIDS

TABLE 3-1 (Contd.)
 DISABILITY

	AGE	ACTUAL F.Y. 1988	ESTIMATED F.Y. 1989	ESTIMATED F.Y. 1990	ESTIMATED F.Y. 1991
6. Visually impaired	0-2	17	17	17	17
	3	15	15	15	15
	4-5	30	30	30	30
	6-11	141	141	146	146
	12-21	137	137	137	142
	+21				
	Total	340	340	345	350
7. Learning disabled	0-2	5	5	5	5
	3	15	15	15	15
	4-5	385	285	285	285
	6-11	16,403	16,503	16,578	16,774
	12-21	19,271	18,964	18,966	19,485
	+21	2	2	2	2
	Total	35,981	35,774	35,851	36,566
8. Emotionally disturbed	0-2	1	1	1	1
	3	8	10	10	10
	4-5	108	161	187	187
	6-11	2,837	3,725	4,125	4,425
	12-21	7,200	7,430	7,793	8,253
	+21				
	Total	10,154	11,327	12,116	12,876
9. Deaf and blind	0-2	4	4	4	4
	3	0	0	0	0
	4-5	2	2	2	2
	6-11	10	10	10	10
	12-21	7	7	7	7
	+21				
	Total	23	23	23	23
10. Autistic	0-2	1	1	1	1
	3	2	2	2	2
	4-5	25	25	25	25
	6-11	70	70	70	70
	12-21	65	65	65	65
	+21				
	Total	163	163	163	163

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ACTIVITY: 0301 SPECIAL EDUCATION - REGULAR
 (Continuation)
 Program : 03 SPECIAL PROGRAMS
 Agency : EDUCATION AIDS

TABLE 3-1 (Contd.)
 DISABILITY

	AGE	ACTUAL F.Y. 1988	ESTIMATED F.Y. 1989	ESTIMATED F.Y. 1990	ESTIMATED F.Y. 1991
11. Other health impaired	0-2	17	17	17	17
	3	15	15	15	15
	4-5	43	43	43	43
	6-11	215	215	225	225
	12-21	185	185	219	239
	+21				
	Total	475	475	519	539
12. Early childhood	0-2	539	641	672	722
	3	869	979	1,014	1,079
	4-5	2,815	2,665	2,685	2,540
	6-11	368	488	588	588
	12-21				
	+21				
	Total	4,591	4,773	4,959	4,929
TOTALS OF ALL	0-2	844	987	1,037	1,238
	3	1,613	1,725	1,800	1,903
	4-5	7,321	7,224	7,270	7,165
	6-11	37,648	38,956	39,796	40,292
	12-21	35,896	35,819	36,273	37,597
	+21	6	2	2	2
	TOTALS	83,324	84,713	86,178	88,197

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ACTIVITY: 0301 SPECIAL EDUCATION - REGULAR
(Continuation)
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

TABLE 3-2
PERCENT OF HANDICAPPED CHILDREN BY DISABILITY AND EDUCATIONAL SETTING

DISABILITY	AGE	NUMBER OF CHILDREN IN F.Y. 1988	LEVEL 2 PERCENT REGULAR CLASS INDIRECT SERVICE	LEVEL 3 PERCENT REGULAR CLASS LIMITED SERVICE	LEVEL 4 PERCENT SPECIAL CLASS MAJORITY OF TIME	LEVEL 5 PERCENT SEPARATE CLASS/ SCHOOL FULL-TIME	LEVEL 6 PERCENT RESIDENTIAL FACILITY
1. Speech handicapped	0-3	591	.69	.32	1.14	2.16	.39
	4-5	3,404	4.47	4.07	2.77	5.42	0
	6-11	12,204	19.89	19.10	3.56	.69	.13
	12-21	1,557	4.15	2.08	.42	.17	.06
	Total	17,756	29.19	25.57	7.89	8.44	.58
2. Mildly mentally handicapped	0-3	105	0	.01	.02	.87	0
	4-5	206	.04	.08	.31	1.19	.06
	6-11	3,021	.81	2.78	13.16	2.83	.06
	12-21	4,460	1.11	3.75	21.41	3.82	2.31
	Total	7,792	1.96	6.62	34.90	8.71	2.44
3. Moderate/severe mentally handicapped	0-3	60	0	.01	0	.49	.13
	4-5	142	0	.01	.10	1.15	.06
	6-11	1,110	0	.03	1.48	8.42	1.16
	12-21	2,092	.07	.04	2.00	15.92	6.24
	Total	3,404	.07	.09	3.58	25.98	7.59
4. Physically handicapped	0-3	95	.12	.04	.04	.53	.06
	4-5	148	.17	.08	.13	.67	.06
	6-11	666	1.09	.80	.71	.66	.39
	12-21	416	.87	.45	.38	.32	1.61
	Total	1,325	2.25	1.36	1.26	2.18	2.12
5. Hearing impaired	0-3	98	.07	.05	.07	.50	.13
	4-5	113	.18	.09	.09	.39	0
	6-11	603	1.49	.57	.68	.74	.39
	12-21	506	1.34	.44	1.02	.28	1.02
	Total	1,320	3.07	1.15	1.85	1.91	1.54
6. Visually impaired	0-3	32	.06	0	.03	.18	.13
	4-5	30	.09	.02	.01	.08	0
	6-11	141	.69	.12	.02	.02	.06
	12-21	137	.66	.13	.01	.02	0
	Total	340	1.50	.28	.08	.30	.19

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ACTIVITY: 0301 SPECIAL EDUCATION - REGULAR
(Continuation)
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

TABLE 3-2 (Contd.)

DISABILITY	AGE	LEVEL 2 NUMBER OF CHILDREN IN F.Y. 1988	LEVEL 3 PERCENT REGULAR CLASS INDIRECT SERVICE	LEVEL 4 PERCENT REGULAR CLASS LIMITED SERVICE	LEVEL 5 PERCENT SPECIAL CLASS MAJORITY OF TIME	PERCENT SEPARATE CLASS/ SCHOOL FULL-TIME	LEVEL 6 PERCENT RESIDENTIAL FACILITY
7. Learning disabled	0-3	20	.01	0	.09	.09	0
	4-5	285	.54	.11	.13	1.31	.84
	6-11	16,405	16.98	26.35	10.84	2.04	1.22
	12-21	19,271	30.56	28.19	15.47	1.88	5.41
	Total	35,981	48.09	54.65	26.53	5.32	7.47
8. Emotionally disturbed	0-3	9	0	0	0	.06	.06
	4-5	108	.22	.04	.12	.47	0
	6-11	2,837	3.76	2.47	6.01	4.39	8.75
	12-21	7,200	7.16	6.45	9.46	11.39	64.94
	Total	10,154	11.14	8.96	15.59	16.32	73.75
9. Deaf and blind	0-3	4	0	0	0	.03	0
	4-5	2	0	0	0	.02	0
	6-11	10	0	.01	0	.06	0
	12-21	7	0	0	.01	.04	.06
	Total	23	0	.01	.01	.14	.06
10. Autistic	0-3	3	0	0	0	.03	0
	4-5	25	.01	0	.02	.19	.19
	6-11	70	.01	.01	.10	.47	.19
	12-21	65	0	.00	.07	.49	.19
	Total	163	.02	.01	.18	1.18	.45
11. Other health impaired	0-3	32	.04	0	.05	.16	.26
	4-5	43	.06	.02	.03	.18	.13
	6-11	215	.55	.25	.12	.13	.32
	12-21	185	.30	.18	.15	.17	2.00
	Total	475	.94	.45	.36	.65	2.71
12. Early childhood	0-3	1,408	.51	.20	1.74	9.65	.84
	4-5	2,815	.95	.47	4.90	18.01	.26
	6-11	368	.32	.18	1.14	1.23	0
	12-21	0	0	0	0	0	0
	Total	4,591	1.78	.85	7.78	28.89	1.10
TOTALS		83,324	100%	100%	100%	100%	100%

NOTE: Adaptive physical education is not reported on the federal child count report as a separate disability. Students reported in the categories shown may be eligible to receive adaptive physical education as an additional service, if determined appropriate by the local child study team.

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ACTIVITY: 0301 SPECIAL EDUCATION - REGULAR
(Continuation)
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

TABLE 3-3
FULL TIME EQUIVALENT (FTE STAFF)
BY DISABILITY, BY FUNDING SOURCE
(INCLUDES EMPLOYED AND CONTRACTED STAFF)

DISABILITY	ESTIMATED F.Y. 1988	ESTIMATED F.Y. 1989	ESTIMATED F.Y. 1990	ESTIMATED F.Y. 1991
1. Speech handicapped				
State	989	1,028	1,038	1,089
Federal	41	44	44	44
Total	1,030	1,072	1,082	1,133
2. Mildly mentally handicapped				
State	1,435	1,455	1,480	1,500
Federal	39	30	30	30
Total	1,474	1,485	1,510	1,530
3. Moderate/severe mentally handicapped				
State	1,623	1,659	1,674	1,710
Federal	36	33	33	33
Total	1,659	1,692	1,707	1,743
4. Physically handicapped				
State	528	547	555	570
Federal	61	60	60	60
Total	589	607	615	630
5. Hearing impaired				
State	354	360	360	370
Federal	34	30	30	30
Total	388	390	390	400
6. Visually impaired				
State	80	83	83	89
Federal	10	8	8	8
Total	90	91	91	97
7. Other essential personnel				
State	944	986	998	1,053
Federal	277	272	272	272
Total	1,221	1,258	1,270	1,325

DISABILITY	ESTIMATED F.Y. 1988	ESTIMATED F.Y. 1989	ESTIMATED F.Y. 1990	ESTIMATED F.Y. 1991
a. Directors/Assistant/Supervisor				
State	104	108	110	116
Federal	7	7	7	7
Total	111	115	117	123
b. Social workers/aides				
State	390	403	409	420
Federal	19	16	16	16
Total	409	419	425	436
c. Psychologists				
State	303	318	320	330
Federal	44	44	44	44
Total	347	362	364	374
d. Adapt. physical education				
State	91	103	103	117
Federal	14	13	14	14
Total	105	116	117	131
e. Occupational therapy				
State	16	15	16	20
Federal	18	19	18	18
Total	34	34	34	38
f. Other				
State	40	39	40	50
Federal	175	173	173	173
Total	215	212	213	223
8. Learning disabled				
State	2,809	2,785	2,785	2,793
Federal	68	56	56	56
Total	2,877	2,841	2,841	2,849

1990-91 Biennial Budget

ACTIVITY: 0301 SPECIAL EDUCATION - REGULAR
 (Continuation)
 Program : 03 SPECIAL PROGRAMS
 Agency : EDUCATION AIDS

TABLE 3-3 (Contd.)

<u>DISABILITY</u>	<u>ESTIMATED F.Y. 1988</u>	<u>ESTIMATED F.Y. 1989</u>	<u>ESTIMATED F.Y. 1990</u>	<u>ESTIMATED F.Y. 1991</u>
9. Autistic				
State	57	65	67	72
Federal	<u>11</u>	<u>12</u>	<u>11</u>	<u>11</u>
Total	68	77	78	83
10. Emotionally disturbed				
State	1,665	1,802	1,886	1,926
Federal	<u>67</u>	<u>64</u>	<u>65</u>	<u>65</u>
Total	1,732	1,866	1,951	1,991
11. Other health impaired				
State	14	23	25	25
Federal	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total	15	24	26	26
12. Early childhood				
State	870	991	1,035	1,071
Federal	<u>99</u>	<u>104</u>	<u>106</u>	<u>108</u>
Total	969	1,095	1,141	1,179
Statewide Totals				
State	11,368	11,784	11,986	12,268
Federal	<u>744</u>	<u>714</u>	<u>716</u>	<u>718</u>
Total	12,112	12,498	12,702	12,986

1990-91 Biennial Budget

ACTIVITY: 0301 SPECIAL EDUCATION - REGULAR
 (Continuation)
 Program : 03 SPECIAL PROGRAMS
 Agency : EDUCATION AIDS

TABLE 3-4
 DISTRICT EXPENDITURES AND FORMULA FUNDING
 (\$ IN 000's)

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991		F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. PERSONNEL					3. SUPPLIES AND EQUIPMENT				
Number of FTE Staff:					Expenditure	\$ 5,031.8	\$ 5,247.2	\$ 5,323.3	\$ 5,438.0
FTE Salary Above \$27,879	3,847	4,422	4,422	4,422	Gross Aid	2,310.1	2,401.6	2,436.4	2,488.9
FTE Salary Below \$27,879	7,435	7,276	7,478	7,760	(47 Percent of Expenditure				
Total FTE Staff	11,282	11,698	11,900	12,182	Limited to \$47 per Child)				
Salaries:					4. TOTALS				
FTE Salary Above \$27,879	\$134,088.6	\$157,226.8	\$157,226.8	\$157,226.8	a. Expenditure	\$276,014.4	\$296,902.9	\$300,455.0	\$306,199.0
FTE Salary Below \$27,879	130,342.0	127,549.3	131,025.3	136,654.6	b. Gross State Aid	162,066.2	170,834.9	173,154.6	176,922.4
Total Salaries	264,430.6	284,776.1	288,252.1	293,881.4	c. Proration Factor	0.9335	0.9118	1.0	1.0
Gross Personnel Aid:					d. Prorated State Aid	151,283.1	155,775.5	173,154.6	176,922.4
Aid for Staff with FTE					5. LEVY AUTHORITY				
Salary Above \$27,879					a. Total Personnel				
(FTE times \$18,400)	\$ 70,783.9	\$ 81,366.8	\$ 81,366.8	\$ 81,366.8	Funding (66 percent				
Aid for Staff with FTE					of Total Salary)	\$174,524.2	\$187,952.2	\$190,246.4	\$193,961.7
Salary Below \$27,879					b. Prorated Personnel				
(66 Percent of Salary)	86,025.7	84,182.6	86,476.7	90,192.0	Aid	146,376.3	150,955.9	167,843.5	171,558.8
Total Gross Personnel Aid	156,809.6	165,549.3	167,843.5	171,558.8	c. Levy Authority	28,147.9	36,996.3	22,402.9	22,402.9
					(Total Personnel Fund-				
2. CONTRACTED SERVICES					ing Less Prorated)				
Contracted Staff:					6. TOTAL FUNDING (4d plus 5c)	\$179,431.0	\$192,771.8	\$195,557.5	\$199,325.3
FTE Staff	86	86	86	86					
Expenditure	\$ 3,092.5	\$ 3,247.1	\$ 3,247.1	\$ 3,247.1	Proration is based on November 1988 estimate of allocation from programs				
Gross Aid	1,608.1	1,688.5	1,688.5	1,688.5	with cancellations. The proration may change as additional data becomes				
(52 Percent of Expenditure)					available.				
Contracted Students:									
Weighted ADM	585	582	582	582					
Expenditure	\$ 3,459.52	\$ 3,632.5	\$ 3,632.5	\$ 3,632.5					
Basic Revenue Deduct	885,641	1,333.5	1,351.5	1,351.5					
Expenditure Less Deduct	2,573,868	2,299.0	2,281.0	2,281.0					
Gross Aid	1,338.4	1,195.5	1,186.2	1,186.2					
(52 Percent of Expend-									
iture less Deduct)									
Total Gross Contracted									
Services Aid	2,946.5	2,884.0	2,874.7	2,874.7					

1990-91 Biennial Budget

ACTIVITY: 0301 SPECIAL EDUCATION - REGULAR
(Continuation)
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

TABLE 3-5

NUMBER OF CHILDREN WITH HANDICAPS SERVED BY AGE (UNDUPLICATED)

	<u>F.Y.</u> <u>1980</u>	<u>F.Y.</u> <u>1981</u>	<u>F.Y.</u> <u>1982</u>	<u>F.Y.</u> <u>1983</u>	<u>F.Y.</u> <u>1984</u>	<u>F.Y.</u> <u>1985</u>	<u>F.Y.</u> <u>1986</u>	<u>F.Y.</u> <u>1987</u>	<u>F.Y.</u> <u>1988</u>	<u>F.Y.</u> <u>1989</u>	<u>F.Y.</u> <u>1990</u>	<u>F.Y.</u> <u>1991</u>
Population birth to 4	307,249	314,410	320,921	326,621	331,382	335,104	337,717	337,028	339,486	338,654	336,734	333,772
Handicapped as a % of total pop.	1.15%	1.25%	1.25%	1.30%	1.35%	1.43%	1.40%	1.66%	1.75%	1.86%	1.97%	2.07%
Total handicapped - birth to 4	3,544	3,918	4,015	4,233	4,463	4,807	4,715	5,579	5,942	6,294	6,622	6,925
Total public + private kindergarten population	57,475	60,400	59,970	62,707	65,117	68,233	71,195	72,564	73,882	72,501	71,770	72,124
Handicapped as a % of total pop.	6.31%	6.39%	6.05%	5.78%	5.86%	5.92%	5.54%	5.39%	5.19%	5.02%	4.86%	4.69%
Total handicapped - kindergarten	3,628	3,857	3,626	3,627	3,813	4,036	3,945	3,908	3,836	3,642	3,485	3,381
Total public + private Grades 1-6 population	386,489	377,601	367,886	354,604	348,561	351,115	358,717	370,762	383,191	398,971	410,137	417,864
Handicapped as a % of total pop.	10.02%	10.44%	9.57%	9.69%	9.96%	10.16%	10.18%	10.04%	9.82%	9.76%	9.70%	9.64%
Total handicapped - Grades 1-6	38,716	39,430	35,210	34,366	34,718	35,680	36,519	37,236	37,648	38,956	39,796	40,292
Total public + private Grades 7-12 population	442,529	426,495	415,154	405,464	399,795	393,163	381,822	373,094	364,860	356,385	353,428	358,893
Handicapped as a % of total pop.	7.43%	8.17%	8.50%	8.69%	8.95%	9.19%	9.53%	9.65%	9.84%	10.05%	10.26%	10.48%
Total handicapped - Grades 7-12	32,888	34,839	35,298	35,229	35,766	36,127	36,399	36,005	35,898	35,821	36,275	37,599
Total public + private Grades K-12 population	886,493	864,496	843,010	822,775	813,473	812,511	811,734	816,420	821,933	827,857	835,335	848,881
Handicapped as a % of total pop.	8.49%	9.04%	8.79%	8.90%	9.13%	9.33%	9.47%	9.45%	9.41%	9.47%	9.52%	9.57%
Total handicapped - Grades K-12	75,232	78,126	74,134	73,222	74,297	75,843	76,863	77,149	77,382	78,419	79,556	81,272
Total handicapped - birth to 4	3,544	3,918	4,015	4,233	4,463	4,807	4,715	5,579	5,942	6,294	6,622	6,925
Total handicapped - Grades 7-12	75,232	78,126	74,134	73,222	74,297	75,843	76,863	77,149	77,382	78,419	79,556	81,272
Grand total handicapped - birth to Grade 12	78,776	82,044	78,149	77,455	78,760	80,650	81,578	82,728	83,324	84,713	86,178	88,197

NOTES: Birth to 4 population is taken from census data and consists of the entire 0-4 population.
Grades K-12 population consists of all students enrolled in public and private schools.
Data are estimated beginning F.Y. 1989.

1990-91 Biennial Budget

ACTIVITY: 0301 SPECIAL EDUCATION - REGULAR
(Continuation)
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

TRENDS:

Minnesota has long been a leader in its commitment to the provision of quality educational programs to children and youth who are handicapped. The passage of P.L. 94-142 in 1975 also served as an impetus for substantial growth in special education programs over the ensuing decade. The mandate was to improve service for the underserved, to locate and identify those learners who were handicapped but were not being served, and to educate learners with handicaps as close as possible to the classrooms they would attend if they were not handicapped.

These objectives have been substantially met in Minnesota. However, modest growth of special education services is anticipated in the next biennium for the following reasons:

1. Early childhood special education services are expected to grow to serve approximately 2% of the birth to four-year-old population.
2. Children served in special education tend to have more severe handicapping conditions than students served previously. This impacts the number of staff needed.
3. The general public and nonpublic school population is growing. Special education serves about 10% of the school age population, ages 5-17.
4. Placement of students in the least restrictive environments tends to increase the number of staff needed.
5. Transition services for students leaving school to community, work or postsecondary education requires additional staffing.
6. Programs for youth who have emotional/behavioral disturbances are not yet at full service.

1990-91 Biennial Budget

ACTIVITY: 0301 SPECIAL EDUCATION - REGULAR
(Continuation)
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

ENTITLEMENT FUNDING: (000's)	Estimate	Estimate	Governor's	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement				
Unprorated Entitlement	\$ 162,066	\$ 170,835		
Less Prorated Amount	10,783	15,059		
Total Entitlement	<u>\$ 151,283</u>	<u>\$ 155,776</u>	<u>\$ 156,979</u>	<u>\$ 95,244</u>
2. Funding Sources				
Current Appropriation	126,667	130,236	133,433	80,958
Final Adjustment Appropri.	22,338	23,074	23,547	14,287
Transfer In (MS 124.14)	2,278	2,466		
Total Funding	<u>\$ 151,283</u>	<u>\$ 155,776</u>	<u>\$ 156,980</u>	<u>\$ 95,245</u>
3. Transaction Summary				
State Payments	151,283	155,776	156,979	95,244
Transfer Out (MS 124.14)			1*	1*
Total Transactions	<u>\$ 151,283</u>	<u>\$ 155,776</u>	<u>\$ 156,980</u>	<u>\$ 95,245</u>
4. Deficiency Apprpr Request	<u>\$ 10,783</u>	<u>\$ 15,059</u>		

* Excess is available due to rounding of aid entitlements and appropriations.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Estimate	Estimate	Governor's	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 27,488	\$ 24,616	\$ 23,074	\$ 23,547
Current Year	126,667	132,702	133,433	80,958
Deficiency, F.Y. 1988		0		
Deficiency, F.Y. 1989		0		
Total	<u>\$ 154,155</u>	<u>\$ 157,318</u>	<u>\$ 156,507</u>	<u>\$ 104,505</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$156,979 in F.Y. 1990 and \$95,244 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$156,507 in F.Y. 1990 (\$23,074 for F.Y. 1989 and \$133,433 for F.Y. 1990) and \$104,505 in F.Y. 1991 (\$23,547 for F.Y. 1990 and \$80,958 for F.Y. 1991).

Allocation of these appropriations is as follows:

	F.Y. 1990	F.Y. 1991
1. Current Law	\$ 170,255	\$ 176,357
2. Reduced Formula	(13,748)	(2,426)
3. Transfer to General Education Revenue		(69,426)
Total	<u>\$ 156,507</u>	<u>\$ 104,505</u>

The Governor recommends that the Special Education formula for F.Y. 1990 be changed from 66% of salaries up to a maximum of \$18,400 for full-time equivalent staff, to 59% of salaries up to a maximum of \$16,450. The calculation assumes a 2% salary increase.

In F.Y. 1991, the Governor recommends that funding for Speech Handicapped staff, Learning Disabled staff and Other Essential Personnel be moved into a new component of general education revenue called the Special Programs Reserve.

Beginning in F.Y. 1991, a district's Special Programs Reserve revenue will equal the greater of \$100 or the district's minimum Special Program Allowance times the district's Weighted Average Daily Membership (WADM). The minimum Special Program Allowance equals the district's actual F.Y. 1990 special education revenue per WADM for Speech Handicapped staff, Learning Disabled staff and Other Essential Personnel. Special Programs Reserve revenue will be funded through a combination of aid and equalized levy.

Beginning in F.Y. 1991, Special Education aid in remaining staff categories will equal 66% of salaries, with no cap and no levy.

In addition, the Governor will propose legislation mandating state Special Education program entrance and exit criteria. The Governor will work with the Legislature on options for providing school districts with greater flexibility in providing Special Education services.

1990-91 Biennial Budget

ACTIVITY : 0302 SPECIAL EDUCATION - SPECIAL PUPIL
 Program : 03 SPECIAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : M.S. 124.32, Subdivision 6
 MDE Admin.: 1201-11 Special Education
 Federal : None

PURPOSE:

To acknowledge and support the additional costs incurred by school districts required to provide special education services for students with handicaps placed in residential facilities within the district boundaries and for whom no district of residence can be determined.

DESCRIPTION:

State aid for special pupils is provided to districts in instances where parental rights have been terminated by court order, parents do not reside within Minnesota, or where no other school district residence can be established. The state pays the full educational cost for such pupils when they reside in a public or private residential facility. This state aid covers the remaining costs of educating such pupils after all other state aids have been deducted. This includes general education formula allowance, special education aid, transportation aid, and any other aid earned in behalf of the child.

TRENDS:

Special pupils in approved residential facilities are declining. They are increasingly locating in group homes and receiving services from local school districts.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Pupils served (weighted average daily membership)	136	124	124	124
District expenditures (000's)	\$ 619	\$ 500	\$ 500	\$ 500
Less formula allowance, et. al. (000's)	\$ 229	\$ 216	\$ 342	\$ 347
Special pupil aid (000's)	\$ 390	\$ 284	\$ 158	\$ 153

<u>ENTITLEMENT FUNDING:</u> (000's)	Estimate	Estimate*	Governor's Recommendation	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>

1. Aid Entitlement	\$ 390	\$ 284	\$ 284	\$ 158
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2. Funding Sources

Current Appropriation			284	158
Final Adjust. Appropriation	390	284		
Total Funding	\$ 390	\$ 284	\$ 284	\$ 158

3. Transaction Summary

State Payments	\$ 390	\$ 284	\$ 284	\$ 158
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* Amounts shown for F.Y. 1989 reflect current law and do not reflect the change in funding method proposed in the Governor's recommendation.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	Estimate	Estimate	Governor's Recommendation	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Prior Year Adjustment	\$ 359	\$ 390		
Current Year			\$ 284	\$ 158
Total	\$ 359	\$ 390	\$ 284	\$ 158

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$284 in F.Y. 1990 and \$158 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$284 in F.Y. 1990 and \$158 in F.Y. 1991.

The Governor recommends this new budget activity to provide a separate appropriation for a program previously funded as part of Budget Activity 0301, Special Education. In addition, the Governor recommends that Special Pupil aid be funded on a reimbursement basis.

1990-91 Biennial Budget

ACTIVITY : 0303 SPECIAL EDUCATION - SUMMER SCHOOL
 Program : 03 SPECIAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : M.S. 124.32, Subd. 10; M.S. 275.125, Subd. 8c
 MDE Admin.: 1201-11 Special Education
 Federal : 1401 Handicapped (EHA, P.L. 94-142)
 1402 Preschool Incentive

PURPOSE:

To provide state special education aid to school districts for special educational services to children and youth with handicaps in summer school programs.

DESCRIPTION:

School districts are required under P.L. 94-142 and Section 504 of the Vocational Rehabilitation Act of 1973 to provide summer programs to learners who are handicapped when it is anticipated that they will significantly regress during the summer months from educational gains made during the previous school term. Special education summer programs are permissive for other children and youth with handicaps.

The types of services eligible for aid are similar to those services provided during the regular school term. The aid, however, reflects the reduced school term. The formulas for calculation of aid are the same formulas used for the regular school term, and reimbursement is made in the school year following the summer school term. Special education summer school aid is available to students with handicaps at all levels of service.

A district may levy an amount equal to the difference between 66% of salaries paid to essential personnel and the state aid paid for salaries of these personnel. For special education cooperatives and intermediate districts, the levy is made by member districts in an amount equal to the portion of this difference allocated to them.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

District Expenditures and Formula Funding (\$ in 000's)

1. PERSONNEL

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Number of FTE Staff:				
FTE Salary Above \$27,879	44	54	63	63
FTE Salary Below \$27,879	490	346	357	363
Total FTE Staff	534	400	420	426

STATISTICS/EFFECTIVENESS: (Contd.)

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Salaries:				
FTE Salary Above \$27,879	\$ 1,626.2	\$ 1,993.0	\$ 2,358.9	\$ 2,358.9
FTE Salary Below \$27,879	6,656.6	5,734.0	6,212.1	6,318.1
Total Salaries	8,282.8	7,727.0	8,571.0	8,677.0

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Gross Personnel Aid:				
Aid Percentage	70%	66%	66%	66%
Maximum Aid per FTE	19,500	18,400	18,400	18,400

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Aid for Staff with FTE Salary Above \$27,879 (FTE times Maximum Aid/FTE)	\$ 849.7	\$ 993.6	\$ 1,159.2	\$ 1,159.2

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Aid for Staff with FTE Salary Below \$27,879 (Salary times Aid Percentage)	4,659.6	3,784.4	4,100.0	70.0

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Total Gross Personnel Aid	5,509.3	4,778.0	5,259.2	5,329.2

2. CONTRACTED SERVICES

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Contracted Staff:				
FTE Staff	6	5	5	4
Expenditure	\$ 355.8	\$ 329.4	\$ 345.9	\$ 345.9
Aid Percentage	55%	52%	52%	52%
Gross Aid	\$ 195.7	\$ 171.3	\$ 179.9	\$ 179.9
(Expenditure times Aid Percentage)				

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Contracted Students:				
Weighted ADM	71	55	55	55
Expenditure	\$ 415.2	\$ 384.5	\$ 403.7	\$ 403.7
Basic Revenue Deduct	119.2	0	0	0
Expenditure Less Deduct	296.0	384.5	403.7	403.7
Gross Aid	162.8	199.9	209.9	209.9
(Expenditure less Deduct times Aid Percentage)				

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Total Gross Contracted Services Aid	358.5	371.2	389.8	389.8

3. SUPPLIES AND EQUIPMENT

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Expenditure	\$ 111.5	\$ 103.3	\$ 108.4	\$ 110.0
Aid Percentage	50%	47%	47%	47%
Maximum Aid per Child	50	47	47	47
Gross Aid	\$ 55.8	\$ 48.6	\$ 50.9	\$ 51.7
(Expenditure times Aid Percentage, Limited to Maximum Aid per Child)				

1990-91 Biennial Budget

ACTIVITY: 0303 SPECIAL EDUCATION - SUMMER SCHOOL
(Continuation)
Program: 03 SPECIAL PROGRAMS
Agency: EDUCATION AIDS

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991
(Contd.)

4. TOTALS				
a. Expenditure	\$ 9,165.3	\$ 8,544.2	\$ 9,429.0	\$ 9,536.6
b. Gross State Aid	5,923.6	5,197.8	5,699.9	5,770.7
c. Proration Factor	0.8899	1.0	1.0	1.0
d. Prorated State Aid	5,271.4	5,197.8	5,699.9	5,770.7
5. LEVY AUTHORITY				
a. Funding Percentage	70%	66%	66%	66%
b. Total Personnel Funding	\$ 5,798.0	\$ 5,099.8	\$ 5,656.8	\$ 5,726.8
(Total Salary times Funding Percentage)				
c. Prorated Personnel Aid	4,902.8	4,778.0	5,259.2	5,329.2
d. Levy Authority	895.2	321.8	397.6	397.6
(Total Personnel Funding less Prorated Personnel Aid)				
6. TOTAL FUNDING (4d plus 5d)	\$ 6,166.6	\$ 5,519.6	\$ 6,097.5	\$ 6,168.3

NOTE: Proration is based on November 1988 estimate of allocation from programs with cancellations. The proration may change as additional data become available.

ENTITLEMENT FUNDING: (000's)	Estimate F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
1. Aid Entitlement				
Unprorated Entitlement	\$ 5,924	\$ 5,198		
Less Prorated Amount	653			
Total Entitlement	\$ 5,271	\$ 5,198	\$ 5,700	\$ 5,289
2. Funding Sources				
Current Appropriation	5,126	5,254	5,700	5,289
Transfer In (MS 124.14)	145	28		
Total Funding	\$ 5,271	\$ 5,282	\$ 5,700	\$ 5,289
3. Transaction Summary				
State Payments	5,271	5,198	5,700	5,289
Transfer Out (MS 124.14)		84		
Total Transactions	\$ 5,271	\$ 5,282	\$ 5,700	\$ 5,289
4. Deficiency Apprpr Request	\$ 653			

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Estimate F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 5,271	\$ 5,198	\$ 5,700	\$ 5,289
Deficiency	0			
Total	\$ 5,271	\$ 5,198	\$ 5,700	\$ 5,289

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$5,700 in F.Y. 1990 and \$5,289 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$5,700 in F.Y. 1990 and \$5,289 in F.Y. 1991.

The Governor recommends that the Special Education Summer School formula for 1990 Summer Programs be changed from 66% of salaries up to a maximum of \$18,400 for full-time equivalent staff, to 59% of salaries up to a maximum of \$16,450. The calculation assumes a 2% salary increase. This formula will apply to Special Education Summer School reimbursements made in F.Y. 1991.

In F.Y. 1991, the Governor recommends creation of a Special Programs Reserve in the General Education Program, Budget Activity 0101. The reserve will include funding for Speech Handicapped staff, Learning Disabled staff and Other Essential Personnel, previously included in Special Education, Budget Activity 0301. State Special Education Summer School aid in remaining staff categories will equal 66% of salaries, with no cap and no levy.

This change will apply to the Special Education Summer School program beginning with 1991 Summer Programs, and is applicable to reimbursements made in F.Y. 1992.

1990-91 Biennial Budget

ACTIVITY : 0304 SPECIAL EDUCATION - HOME-BASED TRAVEL
 Program : 03 SPECIAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : M.S. 124.32, Subdivision 2b
 MDE Admin.: 1201-11 Special Education
 Federal : 1401 Handicapped (EHA, P.L. 94-142)
 1402 Preschool Incentive
 1403 Infants and Toddlers

PURPOSE:

To assure that appropriate special education services are provided to preschool learners with handicaps and their families.

DESCRIPTION:

The unique special education needs of preschool learners with handicaps require that services be available in a variety of settings, including the home. Home-based Services Travel assures that direct special education service and/or parent training and consultation can take place in the home if that is the setting which most appropriately meets the child's needs. The state aid provides school districts with one-half of their actual expenditures for necessary travel of essential personnel providing home-based services.

STATISTICS/EFFECTIVENESS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Number of districts	435	435	435	435
Number of children	1,755	1,804	1,804	1,804
Full-time equivalent staff providing service	175	180	180	180
District expenditures (000's)	\$ 85	\$ 100	\$ 100	\$ 100
Aid earned at 50% (000's)	\$ 42.5	\$ 50	\$ 50	\$ 50

TRENDS:

Districts have just begun to use the Home-based Services Travel aid which was first available in F.Y. 1987. Implementation of the mandate to serve handicapped children from birth beginning in F.Y. 1989 is likely to increase the demand for this activity.

ENTITLEMENT FUNDING: (000's)	Estimate	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 43	\$ 50	\$ 50	\$ 50
2. Funding Sources				
Current Appropriation	217	333	43	43
Final Adjust. Appropriation	38	7	8	8
Total Funding	\$ 255	\$ 340	\$ 51	\$ 51
3. Transaction Summary				
State Payments	43	50	50	50
Transfer Out (M.S. 124.14)	212	290	1*	1*
Total Transactions	\$ 255	\$ 340	\$ 51	\$ 51

*Excess is available due to rounding of appropriations.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Estimate	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 14	\$ 21	\$ 8	\$ 8
Current Year	22	43	43	43
Total	\$ 36	\$ 64	\$ 51	\$ 51

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$50 in F.Y. 1990 and \$50 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$51 in F.Y. 1990 (\$8 for F.Y. 1989 and \$43 for F.Y. 1990), and \$51 in F.Y. 1991 (\$8 for F.Y. 1990 and \$43 for F.Y. 1991).

1990-91 Biennial Budget

ACTIVITY : 0305 SPECIAL EDUCATION - RESIDENTIAL
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

Citation : M.S. 124.32, Subdivision 5
MDE Admin.: 1201-11 Special Education
Federal : 1407 Handicapped (ECIA, Ch. 1)
1408 Handicapped Neglected/Delinquent

PURPOSE:

To provide state special education aid to school districts for educational services to children and youth with handicaps residing in approved private or public residential facilities.

DESCRIPTION:

A number of children and youth are placed by child placement agencies in private or public residential facilities. In such cases, the school district in which the residential facility is located is required to provide the educational programs for the student and bill the costs of the program to the student's district of residence, which is the district where the student's parents reside. The district of residence claims the general education aid for the student and the special education residential aid. The residential aid is equal to 57% of the difference between the tuition cost and the basic general education revenue for the child. The aid is paid as a reimbursement in the year following the year services are provided.

STATISTICS/EFFECTIVENESS:

	ACTUAL 1986-87 PAID F.Y. 1988	ESTIMATED 1987-88 PAID F.Y. 1989	ESTIMATED 1988-89 PAID F.Y. 1990	ESTIMATED 1989-90 PAID F.Y. 1991
Number of districts	175	175	175	175
Number of pupils (FTE)	822	822	822	822
Weighted average daily membership (WADM)	965	902	902	902
District expenditures (000's)	\$ 3,764	\$ 4,937	\$ 4,937	\$ 4,937
General education revenue (000's)	(1,631)	(1,551)	(2,485)	(2,526)
Difference	\$ 2,133	\$ 3,386	\$ 2,452	\$ 2,411
Aid earned at 57% (000's) (60% for F.Y. 1988)	\$ 1,280	\$ 1,930	\$ 1,398	\$ 1,374
Average expenditure per WADM	\$ 3,901	\$ 5,473	\$ 5,473	\$ 5,473
Average aid per WADM	\$ 1,252	\$ 2,140	\$ 1,550	\$ 1,523

ENTITLEMENT FUNDING: (000's)	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation	
			F.Y. 1990	F.Y. 1991
1. Aid Entitlement				
Unprorated Entitlement	\$ 1,280	\$ 1,930		
Less Prorated Amount		400		
Total Entitlement	\$ 1,280	\$ 1,530	\$ 1,398	\$ 1,374
2. Funding Sources				
Current Appropriation	\$ 1,494	\$ 1,530	\$ 1,398	\$ 1,374
3. Transaction Summary				
State Payments	1,280	1,530	1,398	1,374
State Payments, M.S. 124.14	11			
Transfer Out (M.S. 124.14)	203			
Total Transactions	\$ 1,494	\$ 1,530	\$ 1,398	\$ 1,374
4. Deficiency Apprpr. Request		\$ 400		

* Proration is based on November 1988 estimate of allocation from programs with cancellations. The proration may change as additional data become available.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation	
			F.Y. 1990	F.Y. 1991
General Fund.				
Current Year	\$ 1,280	\$ 1,530	\$ 1,398	\$ 1,374
Deficiency		0		
Total	\$ 1,280	\$ 1,530	\$ 1,398	\$ 1,374

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$1,398 in F.Y. 1990 and \$1,374 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$1,398 in F.Y. 1990 and \$1,374 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 0306 LIMITED ENGLISH PROFICIENCY
 Program : 03 SPECIAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : M.S. 124.273; 126.261-126.269; 275.125, Subd. 8c
 MDE Admin.: 1201-12 Special Programs
 Federal : 1412 Transition Program for Refugee Children
 1413 Emergency Immigrant Education

PURPOSE:

To provide funds, technical assistance, and inservice training to school districts serving Limited English Proficient (LEP) students. LEP students remain in the program, learning to speak, read, and write in English, until they are able to participate successfully in the mainstream curriculum.

DESCRIPTION:

Two program delivery designs are used to serve LEP students in Minnesota:

1. English as a Second Language (ESL) - Students spend approximately 1-2 hours per day learning English language skills; the remainder of the day is spent in regular class activities.
2. Bilingual Education - Students spend 1-2 hours per day learning English language skills; 1-2 hours being instructed in content areas (math, social studies, science) through the native language; and the remainder of the day in regular class activities. The amount of instruction through the native language decreases as English language skills improve.

For F.Y. 1988 and thereafter, a district's state aid equals the lesser of 61% of salary or \$17,000 for each eligible FTE teacher. A district is eligible to receive funding for 1 FTE teacher for each 45 LEP pupils or a pro rata portion of an FTE teacher for fewer than 45 pupils. Districts with 22 or fewer LEP pupils are eligible to receive funding for one-half of an FTE teacher. A district may levy an amount equal to the difference between 61% of salaries paid to eligible personnel and the state aid paid for salaries of these personnel.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

A. LEP Students Served in Each Program Design

1. ESL Program students served	6,790	6,987	7,191	7,401
Number of districts	96	96	96	96

STATISTICS/EFFECTIVENESS:
 (Contd.)

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
2. Bilingual Education Program students served	2,134	2,243	2,307	2,375
Number of districts	4	4	4	4
3. Total students served	8,924	9,230	9,499	9,776
Total districts	100	100	100	100
B. District Expenditures and Formula Funding (000's)				
1. Program Totals:				
Number of districts	100	100	100	100
LEP enrollment	8,924	9,230	9,499	9,776
FTE teachers	247.97	256.65	264.34	272.29
Teacher salaries	\$ 6,621.9	\$ 7,126.6	\$ 7,280.4	\$ 7,439.4
2. Eligible FTE Teachers:				
FTE salary above \$27,869	81.57	97.15	97.37	97.59
FTE salary below \$27,869	<u>117.49</u>	<u>108.34</u>	<u>113.84</u>	<u>119.51</u>
Total eligible FTE teachers	199.06	205.49	211.21	217.10
3. Eligible Teacher Salaries:				
FTE salary above \$27,869	\$ 2,786.4	\$ 3,373.1	\$ 3,380.7	\$ 3,388.3
FTE salary below \$27,869	<u>2,726.7</u>	<u>2,538.5</u>	<u>2,663.5</u>	<u>2,772.1</u>
Total eligible salaries	\$ 5,513.1	\$ 5,911.6	\$ 6,044.2	\$ 6,160.4
4. Total Formula Funding (61 percent of total eligible salaries)	\$ 3,363.0	\$ 3,606.1	\$ 3,687.0	\$ 3,757.8
5. Gross State Aid:				
\$17,000 times number of eligible FTE teachers with FTE salary above \$27,869	\$ 1,386.7	\$ 1,651.6	\$ 1,655.3	\$ 1,659.0
61 percent of eligible salaries for teachers with FTE salary below \$27,869	<u>\$ 1,663.3</u>	<u>\$ 1,548.4</u>	<u>\$ 1,624.7</u>	<u>\$ 1,691.0</u>
Total Gross State Aid	\$ 3,050.0	\$ 3,200.0	\$ 3,280.0	\$ 3,350.0

1990-91 Biennial Budget

ACTIVITY: 0306 LIMITED ENGLISH PROFICIENCY
(Continuation)
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

STATISTICS/EFFECTIVENESS: (Contd.)	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
6. Proration Factor	.9543	.9553	1.0	1.0
Prorated state aid	\$ 2,910.6	\$ 3,057.0	\$ 3,280.0	\$ 3,350.0
7. Levy Authority (Total formula funding less prorated state aid)	\$ 452.4	\$ 549.1	\$ 407.0	\$ 407.9

TRENDS:

The level of program services is expanding due to an increase in awareness of program, increase in birth rate for Southeast Asian refugees whose children are starting school as non-English speakers, and an increase in the number of new arrivals into the country.

Information gathered from districts with LEP Education programs indicate the following:

1. The length of time students are served depends on their age and academic achievement in their native language;
2. LEP students average 2 to 5 years in the program;
3. Approximately 5% are leaving the program each year because they are able to participate successfully in the mainstream curriculum. Exit criteria used are: teacher judgment, achievement tests in reading and language arts, and English language proficiency tests.

ENTITLEMENT FUNDING: (000's)	Estimate F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
1. Aid Entitlement				
Unprorated Entitlement	\$ 3,050	\$ 3,200		
Less Prorated Amount	139	143		
Total Entitlement	\$ 2,911	\$ 3,057	\$ 3,313	\$ 3,384
2. Funding Sources				
Current Appropriation	\$ 2,449	\$ 2,573	\$ 2,816	\$ 2,877
Final Adjust. Appropriation	432	454	497	508
Transfer In (M.S. 124.14)	30	30		
Total Funding	\$ 2,911	\$ 3,057	\$ 3,313	\$ 3,385

ENTITLEMENT FUNDING: (000's) (Contd.)	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
3. Transaction Summary				
State Payments	\$ 2,911	\$ 3,057	\$ 3,313	\$ 3,384
Transfer Out (M.S. 124.14)				1*
Total Transactions	\$ 2,911	\$ 3,057	\$ 3,313	\$ 3,385
4. Deficiency Apprpr. Request	\$ 139	\$ 143		

*Excess is available due to rounding aid entitlements and appropriations.

Note: Proration is based on November 1988 estimate of allocation from programs with cancellations. The proration may change as additional data become available.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Estimate F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 474	\$ 461	\$ 454	\$ 497
Current Year	2,449	2,603	2,816	2,877
Deficiency, F.Y. 1988		0		
Deficiency, F.Y. 1989		0		
Total	\$ 2,923	\$ 3,064	\$ 3,270	\$ 3,374

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$3,313 in F.Y. 1990 and \$3,384 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$3,270 in F.Y. 1990 (\$454 for F.Y. 1989 and \$2,816 for F.Y. 1990), and \$3,374 in F.Y. 1991 (\$497 for F.Y. 1990 and \$2,877 for F.Y. 1991).

Allocation of these appropriations is as follows:

1990-91 Biennial Budget

ACTIVITY: 0306 LIMITED ENGLISH PROFICIENCY
 (Continuation)
 Program : 03 SPECIAL PROGRAMS
 Agency : EDUCATION AIDS

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Current Law	\$ 3,242	\$ 3,340
2. F.Y. 1990 Salary Increase Assumption -- 2%	28	34
Total	<u>\$ 3,270</u>	<u>\$ 3,374</u>

The Governor's recommendation for F.Y. 1990 assumes a 2% salary increase.

1990-91 Biennial Budget

ACTIVITY : 0307 SECONDARY VOCATIONAL HANDICAPPED
 Program : 03 SPECIAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : M.S. 124.574; 275.125, Subdivision 8c
 MDE Admin.: 1201-07 Secondary Vocational Education
 Federal : 1414 Secondary Vocational - Handicapped

PURPOSE:

To provide opportunities for handicapped students in Grades 10-12 to:

1. Apply basic computational comprehension, communication, scientific, and problem-solving skills in relevant, realistic environments as prescribed in the students' individual education plan (IEP) goals and objectives;
2. Gain experience in the use of technological equipment appropriate for the occupational areas chosen;
3. Acquire entry-level and employability skills prescribed by the IEP to make a successful transition into a chosen occupation;
4. Utilize outcome-based curriculum, which may need to be modified to meet the needs of the handicapped learner, and which is relevant to the occupational choice of the student;
5. Explore potential careers in different occupational areas in order to better prepare the handicapped student for a smooth transition for their postsecondary endeavors; and
6. Generally assist and support handicapped youth through the career decision making process while developing skills, attitudes, and knowledge necessary for transition into and success in the workplace.

DESCRIPTION:

Significant changes continue to occur in Minnesota workplaces and families. In concert with these changes, handicapped individuals have been deinstitutionalized and are in need of training to live, function, and work in communities. Vocational education programs and services recognize these trends and are involved in providing and modifying equipment, facilities, and curriculum in order to provide and supplement instructional programs and services that meet the vocational needs of handicapped learners. Program advisory committees composed of business and industry representatives, parents, and advocates of handicapped ensure that program and service provision to handicapped students is current and appropriate. Teacher inservice is provided by knowledgeable program specialists in cooperation with teacher educators to update field staff on skills necessary to provide handicapped youth with the vocational skills necessary for transition from secondary education to appropriate career choices. Vocational programs and services are evaluated to ensure program and service quality.

Vocational programs and services for handicapped students are offered by school districts, cooperative centers, intermediate school districts, special education cooperatives, and Educational Cooperative Service Units (ECSUs). These programs and services for handicapped learners are established to support handicapped student involvement in vocational education as a result of goals and objectives in student IEPs.

State Board of Education rules define the criteria that must be met in order to qualify for vocational handicapped categorical aid. The criteria include appropriate teacher licensure and specific program and service curriculum requirements.

The state funding for vocational education programs and services for F.Y. 1989 is:

Instructor Salary	An amount not to exceed the lesser of 66% of the salary or \$18,400.
Equipment	47% of the costs of necessary equipment.
Supplies	47% of the costs of necessary supplies not to exceed an average of \$45 per student.
Travel	47% of the costs of necessary travel between instructional sites.
Contracted Services	52% of necessary contracted services.

These state categorical aids for vocational handicapped programs and services are used to support the assurances and initiatives of the federal vocational Carl D. Perkins Act entitlements.

STATISTICS/EFFECTIVENESS:

Program statistics are shown in Table 3-6.

TRENDS:

A growth in vocational programs and services to handicapped youth is projected: Thirty-one new vocational education programs and services were established in F.Y. 1988. The Education for Handicapped Children Act (P.L. 94-142), the Carl D. Perkins Vocational Educational Act (P. L. 98-524), and Minnesota Statute 120.17 requiring transition services for handicapped youth, all mandate vocational-related skills for handicapped youth. In addition, parents and advocates emphasize the need for functional skills such as community living, independent living and employability skills. Vocational education has a responsibility to provide programs and services to ensure that handicapped youth make a successful transition from secondary education to postsecondary education or employment.

1990-91 Biennial Budget

ACTIVITY: 0307 SECONDARY VOCATIONAL HANDICAPPED
 (Continuation)
 Program : 03 SPECIAL PROGRAMS
 Agency : EDUCATION AIDS

TABLE 3-6
 SECONDARY VOCATIONAL HANDICAPPED PROGRAM

	<u>F.Y. 1988</u>		<u>F.Y. 1989</u>		<u>F.Y. 1990</u>		<u>F.Y. 1991</u>	
	<u>STUDENTS SERVED</u>	<u>STAFF FTE</u>	<u>STUDENTS SERVED</u>	<u>STAFF FTE</u>	<u>STUDENTS SERVED</u>	<u>STAFF FTE</u>	<u>STUDENTS SERVED</u>	<u>STAFF FTE</u>
A. Student/Staff Data								
Specially designed programs for handicapped	653	20	700	22	750	26	800	28
Support service facilitator	1,889	25	4,000	28	4,500	34	5,500	38
Vocational evaluator	1,588	29	1,600	27	1,850	31	2,000	34
Work experience coordinator	3,322	149	4,000	155	4,500	175	5,700	200
Technical tutor/supplemental support staff	2,198	70	3,400	78	3,600	100	4,000	120
Interpreter for the deaf	20	2	25	2	30	3	40	5
Contracted services	<u>23</u>	<u>0</u>	<u>25</u>	<u>0</u>	<u>31</u>	<u>0</u>	<u>36</u>	<u>0</u>
Total	9,693	295	13,750	312	15,261	369	18,076	425
	<u>SALARY</u>	<u>NONSALARY</u>	<u>SALARY</u>	<u>NONSALARY</u>	<u>SALARY</u>	<u>NONSALARY</u>	<u>SALARY</u>	<u>NONSALARY</u>
B. Expenditure Data (000's)								
Specially designed programs for handicapped	\$ 478.9	\$ 23.3	\$ 546.8	\$ 24.6	\$ 634.8	\$ 40.9	\$ 678.8	\$ 50.3
Support service facilitator	763.8	45.5	868.0	50.6	1,000.0	60.3	1,088.0	70.9
Vocational evaluator	816.4	45.7	813.2	48.7	901.2	57.4	967.2	71.2
Work experience coordinator	4,762.2	115.9	5,132.4	131.6	5,572.4	164.2	6,122.4	194.9
Technical tutor/supplemental support staff	1,051.8	26.7	1,280.4	29.5	1,764.4	38.8	2,204.4	47.9
Interpreter for the deaf	42.4	0	44.5	0	66.5	2.0	110.5	7.0
Other	<u>0</u>	<u>233.2</u>	<u>0</u>	<u>256.5</u>	<u>0</u>	<u>313.0</u>	<u>0</u>	<u>369.3</u>
Total	\$ 7,915.5	\$ 490.3	\$ 8,685.3	\$ 541.5	\$ 9,939.3	\$ 676.6	\$11,171.3	\$ 811.5

1990-91 Biennial Budget

ACTIVITY: 0307 SECONDARY VOCATIONAL HANDICAPPED
(Continuation)
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

TABLE 3-6 (Contd.)

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
C. District Expenditures and Formula Funding (\$ in 000's)				
1. Personnel				
Number of FTE staff:				
FTE salary above \$27,879	134	156	156	156
FTE salary below \$27,879	<u>161</u>	<u>156</u>	<u>213</u>	<u>269</u>
Total FTE staff	295	312	369	425
Salaries:				
FTE salary above \$27,879	\$ 4,870.7	\$ 5,746.1	\$ 5,746.1	\$ 5,746.1
FTE salary below \$27,879	<u>3,044.8</u>	<u>2,939.2</u>	<u>4,193.2</u>	<u>5,425.2</u>
Total salary	\$ 7,915.5	\$ 8,685.3	\$ 9,939.3	\$11,171.3
Gross Personnel Aid:				
Aid for staff with FTE salary above \$27,879 (FTE times \$18,400)	\$ 2,465.6	\$ 2,870.4	\$ 2,870.4	\$ 2,870.4
Aid for staff with FTE salary below \$27,879 (66% of salary)	<u>\$ 2,009.6</u>	<u>\$ 1,939.9</u>	<u>\$ 2,767.5</u>	<u>\$ 3,580.7</u>
Total gross personnel aid	\$ 4,475.2	\$ 4,810.3	\$ 5,637.9	\$ 6,451.1
2. Contracted Services				
Weighted ADM	23	25	31	36
Expenditure	\$ 233.2	\$ 256.5	\$ 313.0	\$ 369.3

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Basic revenue deduct	39.1	68.9	85.5	100.9
Expenditure less deduct	194.1	187.6	227.5	268.4
Gross aid (52% of expenditure less deduct)	100.9	97.5	118.3	139.6
3. Equipment				
Expenditure	\$ 97.2	\$ 106.4	\$ 139.7	\$ 170.8
Gross Aid (47% of expenditure)	45.7	50.0	65.7	80.2
4. Travel				
Expenditure	\$ 78.8	\$ 86.9	\$ 106.8	\$ 128.0
Gross Aid (47% of expenditure)	37.0	40.8	50.2	60.2
5. Supplies				
Expenditure	\$ 81.1	\$ 91.7	\$ 117.1	\$ 143.4
Gross aid (47% of expenditure, limited to \$47 per student)	37.5	42.4	54.1	66.3
6. Totals				
a. Expenditure	\$ 8,405.8	\$ 9,226.8	\$10,615.9	\$11,982.8
b. Gross state aid	4,696.3	5,041.0	5,926.2	6,797.4
c. Proration factor	0.9102	0.8800	1.0	1.0
d. Prorated state aid	4,274.8	4,436.2	5,926.2	6,797.4
7. Levy Authority				
a. Total personnel funding (66% of total salaries)	\$ 5,224.3	\$ 5,732.3	\$ 6,559.9	\$ 7,373.1
b. Prorated personnel aid	4,073.5	4,233.1	5,637.9	6,451.1

1990-91 Biennial Budget

ACTIVITY: 0307 SECONDARY VOCATIONAL HANDICAPPED
(Continuation)
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

TABLE 3-6 (Contd.)

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
c. Levy authority (total personnel funding less prorated personnel aid)	1,150.8	1,499.2	922.0	922.0
8. Total Funding (6d plus 7c)	5,425.6	5,935.4	6,848.2	7,719.4

NOTE: Proration is based on November 1988 estimate of allocation from programs with cancellations. The proration may change as additional data become available.

ENTITLEMENT FUNDING: (000's)

	<u>Estimate F.Y. 1988</u>	<u>Estimate F.Y. 1989</u>	<u>Governor's Recommendation F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Aid Entitlement				
Unprorated Entitlement	\$ 4,696	\$ 5,041		
Less Prorated Amount	421	605		
Total Entitlement	<u>\$ 4,275</u>	<u>\$ 4,436</u>	<u>\$ 5,988</u>	<u>\$ 6,877</u>
2. Funding Sources				
Current Appropriation	\$ 3,558	\$ 3,654	\$ 5,090	\$ 5,846
Final Adjust Appropri.	628	645	899	1,032
Transfer In (MS 124.14)	89	152		
Total Funding	<u>\$ 4,275</u>	<u>\$ 4,451</u>	<u>\$ 5,989</u>	<u>\$ 6,878</u>
3. Transaction Summary				
State Payments	\$ 4,275	\$ 4,436	\$ 5,988	\$ 6,877
State Payments (MS 124.14)		15		
Transfer Out (MS 124.14)			1*	1*
Total Transactions	<u>\$ 4,275</u>	<u>\$ 4,451</u>	<u>\$ 5,989</u>	<u>\$ 6,878</u>
4. Deficiency Apprpr Request	<u>\$ 421</u>	<u>\$ 605</u>		

*Excess is available due to rounding aid entitlements and appropriations.

APPROPRIATION FUNDING: (000's)

Historical expenditures & Governor's recommendation

<u>Fund Source</u>	<u>Estimate F.Y. 1988</u>	<u>Estimate F.Y. 1989</u>	<u>Governor's Recommendation F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Prior Year Adjustment	\$ 582	\$ 717	\$ 645	\$ 899
Current Year	3,558	3,807	5,090	5,846
Deficiency, F.Y. 1988		0		
Deficiency, F.Y. 1989		0		
Total	<u>\$ 4,140</u>	<u>\$ 4,524</u>	<u>\$ 5,735</u>	<u>\$ 6,745</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$5,988 in F.Y. 1990 and \$6,877 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$5,735 in F.Y. 1990 (\$645 for F.Y. 1989 and \$5,090 for F.Y. 1990), and \$6,745 in F.Y. 1991 (\$899 for F.Y. 1990 and \$5,846 for F.Y. 1991).

Allocation of these appropriations is as follows:

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Current Law	\$ 5,683	\$ 6,669
2. F.Y. 1990 salary increase assumption -- 2%	52	76
Total	<u>\$ 5,735</u>	<u>\$ 6,745</u>

The Governor's recommendation assumes a 2% salary increase in F.Y. 1990.

1990-91 Biennial Budget

ACTIVITY : 0308 SPECIAL EDUCATION LEVY SUMMARY
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

Citation : M.S. 275.125, Subdivision 8c
MDE Admin.: 1202-01 Education Finance and Analysis
Federal : None

PURPOSE:

To provide levy revenue to school districts to supplement categorical aids for special education, secondary vocational handicapped, and limited English proficiency programs, to assure that free appropriate educational services are provided to all eligible handicapped and limited English proficient students.

DESCRIPTION:

A district's levy authority for each fiscal year equals the sum of the following:

1. The difference between 66 percent of salaries paid to essential special education personnel and the amount of special education aid paid to the district for salaries of these personnel under Budget Activities 0301 and 0303 for that fiscal year; plus
2. The difference between 61 percent of salaries paid to essential limited English proficiency program personnel and the amount of limited English proficiency aid paid to the district for salaries of these personnel under Budget Activity 0306 for that fiscal year; plus
3. The difference between 66 percent of the salaries paid to essential secondary vocational handicapped program personnel and the amount of secondary vocational handicapped aid paid to the district for salaries of these personnel under Budget Activity 0307 for that fiscal year.

The levy authority for staff employed by intermediate districts and cooperatives is allocated among the participating school districts and added to the school district's levy authority. School district estimates are used to compute the initial levy for each district. The levy is adjusted three years later based on actual data.

STATISTICS/EFFECTIVENESS:

Program statistics are shown in Table 3-7.

1990-91 Biennial Budget

ACTIVITY: 0308 SPECIAL EDUCATION LEVY SUMMARY
(Continuation)
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

TABLE 3-7

1. LEVY AUTHORITY BY FISCAL YEAR (000's)	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	
Special Education - Regular	\$28,147.9	\$36,996.3	\$22,402.9	\$22,402.9	
Special Education - Summer	895.2	321.8	397.6	397.6	
Limited English Proficiency	452.4	549.1	407.0	407.9	
Secondary Vocational Handicapped	<u>1,150.8</u>	<u>1,499.2</u>	<u>922.0</u>	<u>922.0</u>	
Total Levy Authority	\$30,646.3	\$39,366.4	\$24,129.5	\$24,130.4	
2. CERTIFIED LEVY BY CALENDAR YEAR (000's)	<u>Payable 1987</u>	<u>Payable 1988</u>	<u>Payable 1989</u>	<u>Payable 1990</u>	<u>Payable 1991</u>
Initial Levy Year	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991	F.Y. 1992
Initial Levy Amount	\$18,730.2	\$20,503.9	\$28,032.6	\$30,835.9	\$33,919.5
Levy Adjustment Year		F.Y. 1986	F.Y. 1987	F.Y. 1988	F.Y. 1989
Adjustment Amount	\$ 0	\$ 5,399.1	\$11,453.0	\$11,916.1	\$18,862.4
Levy Adjustment Year			F.Y. 1986		
Adjustment Amount	\$ 0	\$ 0	\$ 567.9	\$ 0	\$ 0
Total Levy Certified	<u>\$18,730.2</u>	<u>\$25,903.0</u>	<u>\$40,053.5</u>	<u>\$42,752.0</u>	<u>\$52,781.9</u>

NOTE: Initial certified Levy for F.Y. 1991 and F.Y. 1992 assumes 2 percent salary settlement over prior year.

1990-91 Biennial Budget

ACTIVITY: 0308 SPECIAL EDUCATION LEVY SUMMARY
(Continuation)
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

TRENDS:

Special education levies have grown from \$9.2 million for taxes payable in 1985 to \$40.1 million for taxes payable in 1989 due to two factors:

1. The difference between 66 percent of salaries and the maximum aid per full-time equivalent (FTE) staff person has grown each year because salaries have increased with inflation while the maximum aid per FTE has remained constant; and
2. The proration of aids has substantially increased the amount of levy authority, beginning with taxes payable in 1988.

The levy authority under current law is projected to decrease from \$39.4 million for F.Y. 1989 to \$24.1 million for F.Y. 1990 and F.Y. 1991 due to the full funding of the special education, limited English proficient and secondary vocational handicapped aid formulas in F.Y. 1990 and F.Y. 1991. However, total certified levies are projected to increase from \$40.1 million for taxes payable in 1989 to \$42.8 million for taxes payable in 1990 and to \$52.8 million for taxes payable in 1991, due to levy adjustments caused by proration of aids for F.Y. 1988 and F.Y. 1989.

GOVERNOR'S RECOMMENDATION:

The Governor's recommendations for Special Education levies are as follows:

1. Special Education Regular

In F.Y. 1990, this levy will continue under current law, as the difference between 66% of Special Education salaries and Special Education aid paid. Because the Governor is recommending that state Special Education aid, Budget Activity 0301, be reduced from 66% of salaries to 59% for F.Y. 1990, this levy will increase. To account for the reduction in the Special Education aid formula, the Governor recommends a special adjustment for levies payable in 1990, to be recognized as revenue in F.Y. 1990.

In F.Y. 1991, the levy for Special Education Regular will be eliminated and districts will levy for a portion of their Special Programs Reserve revenue in the General Education program, Budget Activity 0101.

2. Special Education Summer School

In F.Y. 1990 and F.Y. 1991, this levy will continue under current law as the difference between 66% of salaries and state Special Education Summer School aid, Budget Activity 0303. Because the Governor is recommending

that Summer School aid paid in F.Y. 1991 for 1990 Summer Programs be reduced from 66% of salaries to 59%, this levy will increase for taxes payable in 1990 to reflect the aid reduction.

In F.Y. 1992, this levy will be eliminated and districts will levy for a portion of their Special Programs Reserve revenue in the General Education program, Budget Activity 0101.

3. Limited English Proficiency.

This levy will continue under current law.

4. Secondary Vocational Handicapped.

This levy will continue under current law.

1990-91 Biennial Budget

ACTIVITY : 0309 SECONDARY VOCATIONAL
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

Citation : M.S. 124.573
MDE Admin.: 1201-07 Secondary Vocational Education
Federal : 1415 Secondary Vocational - Disadvantaged

PURPOSE:

To provide opportunities for students grades 10-12 to:

1. Apply basic computational, comprehension, communication, scientific, and problem-solving skills in relevant, realistic environments which create an incentive for them to remain in school;
2. Gain experience in the use of high technology equipment which is utilized in occupational areas;
3. Learn and reinforce higher order thinking skills through application;
4. Acquire entry-level and work readiness skills necessary for earning while continuing to learn;
5. Utilize outcome-based curriculum relevant to business and industry;
6. Explore potential careers in different occupational areas in order to better prepare for postsecondary education or employment; and
7. Generally to help students make wise career choices, while developing the skills, attitudes, and knowledge necessary to succeed in the work-place.

DESCRIPTION:

Significant changes continue to occur in Minnesota workplaces and families. Vocational education recognizes this fact and is involved in updating equipment, facilities, and curriculum in order to provide instructional programs that are relevant to student needs and meet current business and industry standards. This is accomplished through program advisory committees composed of business and industry representatives; involvement of industry representatives in teacher inservice; program evaluation procedures that ensure program improvement and updating; and state-level leadership provided by knowledgeable program specialists representing various occupational programs.

State Board of Education Rules define the criteria that must be met in order to qualify for state categorical aid. The criteria include appropriate teacher licensure, minimum enrollment, and specific curricular requirements. Vocational programs are offered by school districts, cooperative centers, intermediate school districts, and education districts.

The funding formula for F.Y. 1988 provided up to 39% of expenditures for salaries of licensed personnel and approved instructional travel.

A new funding formula effective beginning in F.Y. 1989 provides categorical aid as follows: 75% of the difference between the approved vocational salaries and 50% of the general education revenue attributable to vocational average daily membership (ADM). The formula also includes funding at 30% of approved expenditures for the following: contracted services, travel between instructional sites, professional development travel, student organization advisor travel, curriculum development activities, and specialized instructional supplies.

STATISTICS/EFFECTIVENESS:

Program statistics are shown in Table 3-8.

TRENDS:

1. There is an increased demand on the K-12 system to provide the knowledge and skills that are required for all persons to succeed in the workplace. This demand is particularly significant in light of the increased need to provide appropriate educational opportunities for students considered to be at risk and students with special needs.
2. At present, it appears that vocational education is serving the same percentage of secondary students despite a reduction in secondary vocational funding beginning in F.Y. 1989. It is likely, however, that the range of vocational opportunities for students may decline in the future.
3. The Legislature has requested that a strategy for restructuring of secondary vocational education be designed. This effort will affect the future design of vocational programs and their ability to meet the needs of all students. The goal is to have secondary vocational education provide instructional content, instructional experiences, and basic skills application that will provide options for students to:
 - a. Develop general job seeking and job keeping skills needed by all workers;
 - b. Explore careers in a broad general format;
 - c. Begin preparation for specialized occupational skills that require advanced training;
 - d. Develop skills that enable employment in a specific occupation; and
 - e. Utilize the above for postsecondary preparation.

1990-91 Biennial Budget

ACTIVITY: 0309 SECONDARY VOCATIONAL
(Continuation)
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

ENTITLEMENT FUNDING: (000's)	Estimate	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 19,100	\$ 11,100	\$ 11,897	\$ 11,967
2. Funding Sources				
Current Appropriation	16,578	9,966	10,113	10,172
Final Adjust. Appropriation	2,925	1,665	1,785	1,795
Total Funding	\$ 19,503	\$ 11,631	\$ 11,898	\$ 11,967
3. Transaction Summary				
State Payments	19,100	11,100	11,897	11,967
Transfer Out (M.S. 124.14)	403	531	1*	
Total Transactions	\$ 19,503	\$ 11,631	\$ 11,898	\$ 11,967

*Excess is available due to rounding aid entitlement and appropriations.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Estimate	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 2,993	\$ 2,628	\$ 1,665	\$ 1,785
Current Year	16,472	9,435	10,113	10,172
Total	\$ 19,465	\$ 12,063	\$ 11,778	\$ 11,957

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$11,897 in F.Y. 1990 and \$11,967 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$11,778 in F.Y. 1990 (\$1,665 for F.Y. 1989 and \$10,113 for F.Y. 1990), and \$11,957 in F.Y. 1991 (\$1,785 for F.Y. 1990 and \$10,172 for F.Y. 1991).

1990-91 Biennial Budget

ACTIVITY: 0309 SECONDARY VOCATIONAL
(Continuation)
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

TABLE 3-8

Secondary Vocational Education

	F.Y. 1988		F.Y. 1989		F.Y. 1990		F.Y. 1991	
	ADM SERVED	STAFF FTE	ADM SERVED	STAFF FTE	ADM SERVED	STAFF FTE	ADM SERVED	STAFF FTE
1. STUDENT/STAFF DATA								
Administration/Support Services	156	117	148	117	141	116	140	115
WE/CEP	406	35	384	35	366	34	364	34
Work Experience/Disadvantaged	1,845	131	1,746	131	1,664	130	1,654	130
Agriculture/Agribusiness	3,038	261	2,875	261	2,741	257	2,724	257
Business/Office	4,227	269	4,000	269	3,813	266	3,790	266
Health/Environmental	297	23	281	23	268	23	266	23
Consumer Homemaking	5,504	298	5,209	298	4,966	295	4,936	294
Service	845	57	800	57	762	56	758	56
Marketing/Distribution	1,429	89	1,353	89	1,290	88	1,282	88
Trade & Industry	4,128	320	3,906	320	3,724	316	3,701	315
Total	21,875	1,600	20,700	1,600	19,736	1,581	19,615	1,578
Unreported Estimate	0	0	1,861	86	6,908	332	6,865	331
Reported Estimate	21,875	1,600	18,839	1,514	12,829	1,249	12,750	1,247
Total ADM, Grades 10-12	170,400		161,244		153,740		152,795	
Vocational ADM as % of Total ADM	12.84%		12.84%		12.84%		12.84%	
2. EXPENDITURE DATA (000's)								
	SALARY	NONSALARY	SALARY	NONSALARY	SALARY	NONSALARY	SALARY	NONSALARY
Administration/Support Services	\$ 3,232.1	\$ 63.1	\$ 3,393.7	\$ 158.9	\$ 3,354.2	\$ 158.9	\$ 3,349.0	\$ 158.9
WE/CEP	1,250.4	22.0	1,313.0	48.2	1,297.7	48.2	1,295.7	48.2
Work Experience/Disadvantaged	4,192.5	44.9	4,402.1	169.7	4,350.9	169.7	4,344.2	169.7
Agriculture/Agribusiness	5,793.3	205.6	6,083.0	823.3	6,012.2	823.3	6,003.0	823.3
Business/Office	8,709.3	53.6	9,144.7	578.4	9,038.3	578.4	9,024.5	578.4
Health/Environmental	871.3	8.6	914.9	83.8	904.2	83.8	902.8	83.8
Consumer Homemaking	9,060.6	69.0	9,513.6	764.7	9,403.0	764.7	9,388.5	764.7
Service	2,081.5	13.7	2,185.6	277.5	2,160.2	277.5	2,156.9	277.5
Marketing/Distribution	3,089.3	49.7	3,243.7	174.2	3,206.0	174.2	3,201.1	174.2
Trade & Industry	10,137.6	39.8	10,644.5	1,221.3	10,520.6	1,221.3	10,504.4	1,221.3
Other Revenue	(13.5)	0	(14.2)	0	(14.0)	0	(14.0)	0
Total	\$48,404.4	\$ 570.0	\$50,824.6	\$ 4,300.0	\$50,233.3	\$ 4,300.0	\$50,156.1	\$ 4,300.0
Unreported Estimate	0	0	2,720.4	230.2	10,549.0	903.0	10,532.8	903.0
Reported Estimate	48,404.4	570.0	48,104.2	4,069.8	39,684.3	3,397.0	39,623.3	3,397.0

1990-91 Biennial Budget

ACTIVITY: 0309 SECONDARY VOCATIONAL
(Continuation)
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

TABLE 3-8 (Contd.)

3. <u>AID ENTITLEMENT CALCULATIONS</u> (\$ in 000's)	<u>SALARY</u>	<u>NONSALARY</u>	<u>SALARY</u>	<u>NONSALARY</u>	<u>SALARY</u>	<u>NONSALARY</u>	<u>SALARY</u>	<u>NONSALARY</u>
Reported Expenditure Estimate	\$48,404.4	\$ 570.0	\$48,104.2	\$4,069.8	\$39,684.3	\$ 3,397.0	\$39,623.3	\$ 3,397.0
General Education Revenue Deduction								
Reported Vocational WADM	30,625		25,432		17,319		17,212	
Average Deduction per WADM	0		1,374		1,454		1,454	
Total Deduction	\$ 0		\$34,932.2		\$25,181.2		\$25,026.4	
Net Expenditures (Excess Costs)	\$48,404.4		\$13,172.0		\$14,503.0		\$14,596.9	
State Aid Entitlement								
State Aid Percentage	39%	39%	75%	30%	75%	30%	75%	30%
State Aid Entitlement	\$18,877.7	\$ 222.3	\$ 9,879.0	\$ 1,221.0	\$10,877.3	\$ 1,019.1	\$10,947.6	\$ 1,019.1
TOTAL GROSS AID		<u>\$19,100.0</u>		<u>\$11,100.0</u>		<u>\$11,896.4</u>		<u>\$11,966.7</u>

1990-91 Biennial Budget

ACTIVITY : 0310 INDIAN LANGUAGE AND CULTURE
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

Citation : M.S. 126.45 - 126.55
MDE Admin.: 1201-06 Indian Education
Federal : None

PURPOSE:

To provide grant funding for projects designed to: 1) make the curriculum more relevant to the needs, interests and cultural heritage of American Indian pupils; 2) provide positive reinforcement of the self-image of American Indian pupils; and 3) develop intercultural awareness among pupils, parents and staff, thereby improving the educational situation of American Indian pupils and enhancing academic achievement potential. The programs serve K-12 American Indian students, staff of K-12 schools and districts, and allow for the voluntary enrollment of non-Indian students within the funded school or district.

DESCRIPTION:

Projects may include: instruction in American Indian language and culture; activities to improve the nature and quality of teaching; the provision of personal and vocational counseling; and the modification of curriculum, instructional methods, and administrative procedures to meet the needs of American Indian pupils. Eligible applicants include elementary and secondary public schools, non-sectarian, non-public, community, tribal and alternative schools enrolling American Indian students.

Grants are awarded on a competitive basis through the submission of proposals which have been developed with maximum involvement of parents of children enrolled in the program, and provide for the establishment of an Indian parent advisory committee before implementation. Proposals are reviewed by an advisory task force whose membership is appointed by the State Board of Education so as to be representative of significant segments of the population of American Indians. The task force makes recommendations to the State Board concerning program approval, modifications, disapproval, and funding level.

The program includes a yearly request for proposal (RFP) cycle, a quarterly progress report by each grantee and an evaluation of each project.

STATISTICS/EFFECTIVENESS:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Projects funded	18	13	13	13
Participating Indian students	6,972	5,379	5,400	5,400
Individual grant award range (000's)	\$ 2-67	\$ 15-69	\$ 15-65	\$ 15-65
Average grant (000's)	\$ 32.6	\$ 45.3	\$ 45.0	\$ 45.0

TRENDS:

Interest in and demand for this program has been increasing due to new requirements of the Indian Education Act of 1988. The Act requires school districts to establish and involve Indian Parent Committees in developing recommendations regarding elementary and secondary education, special education, and support service.

<u>ENTITLEMENT FUNDING:</u> (000's)	Estimate	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 588	\$ 588	\$ 588	\$ 588
2. Funding Sources				
Current Appropriation	500	500	501	501
Final Adjust. Appropriation	88	88	89	89
Total Funding	\$ 588	\$ 588	\$ 590	\$ 590
3. Transaction Summary				
State Payments	588	588	588	588
Transfer Out (M.S. 124.14)			2*	2*
Total Transactions	\$ 588	\$ 588	\$ 590	\$ 590

*Excess is available due to rounding of appropriations.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	Estimate	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 85	\$ 88	\$ 89	\$ 89
Current Year	500	500	501	501
Total	\$ 585	\$ 588	\$ 590	\$ 590

1990-91 Biennial Budget

ACTIVITY: 0310 INDIAN LANGUAGE AND CULTURE
(Continuation)
Program : 03 SPECIAL PROGRAMS
Agency : EDUCATION AIDS

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$588 in F.Y. 1990 and \$588 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$590 in F.Y. 1990 (\$89 for F.Y. 1989 and \$501 for F.Y. 1990), and \$590 in F.Y. 1991 (\$89 for F.Y. 1990 and \$501 for F.Y. 1991).

1990-91 Biennial Budget

ACTIVITY : 0311 INDIAN EDUCATION (JOM REPLACEMENT)
 Program : 03 SPECIAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Laws 1987, Chapter 398, Article 3, Section 39, Subd. 10
 MDE Admin.: 1201-06 Indian Education
 Federal : None

PURPOSE:

To replace school district support funds which are not available from the federal government pursuant to the Johnson-O'Malley Act, Public Law 73-167, or Code of Federal Regulations, Title 25, Section 273.31, or equivalent money from the same or another source.

DESCRIPTION:

State funds are available to six school districts which have traditionally maintained Indian village elementary schools on Indian reservations and who have received operational support from the federal Johnson-O'Malley Program, in addition to federal Impact Aid.

The legislature specifies grant amounts which are released to the districts upon evidence of compliance with requirements identified in the appropriation. The requirements include: evidence of compliance with uniform financial accounting and reporting standards, evidence that the district has conducted a special education needs assessment, and evidence that the district has compiled accurate daily pupil attendance records. Funds can be expended only in the interest of American Indian students.

STATISTICS/EFFECTIVENESS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Individual Grants (000's):				
Pine Point School, No. 309	\$ 54.8	\$ 54.8	\$ 54.8	\$ 54.8
Cook County, No. 166	9.7	9.7	9.7	9.7
Mahnomen, No. 432	14.9	14.9	14.9	14.9
Waubun, No. 435	14.1	14.1	14.1	14.1
Nett Lake, No. 707	42.2	42.2	42.2	42.2
Red Lake, No. 38	39.1	39.1	39.1	39.1
Total	\$ 174.8	\$ 174.8	\$ 174.8	\$ 174.8

TRENDS:

This activity was originally established to replace federal support funds for six unique Indian schools. The Indian schools continue to operate; the appropriation has been constant in recent years.

ENTITLEMENT FUNDING: (000's)	Estimate	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 175	\$ 175	\$ 175	\$ 175
2. Funding Sources				
Current Appropriation	149	149	149	149
Final Adjust. Appropriation	26	26	27	27
Total Funding	\$ 175	\$ 175	\$ 176	\$ 176
3. Transaction Summary				
State Payments	175	175	175	175
Transfer Out (MS 124.14)			1*	1*
Total Transactions	\$ 175	\$ 175	\$ 176	\$ 176

*Excess is available due to rounding of appropriations.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Estimate	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 26	\$ 26	\$ 27	\$ 27
Current Year	149	149	149	149
Total	\$ 175	\$ 175	\$ 176	\$ 176

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$175 in F.Y. 1990 and \$175 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$176 in F.Y. 1990 (\$27 for F.Y. 1989 and \$149 for F.Y. 1990), and \$176 in F.Y. 1991 (\$27 for F.Y. 1990 and \$149 for F.Y. 1991).

1990-91 Biennial Budget

ACTIVITY : 0312 INDIAN POSTSECONDARY PREPARATION
 Program : 03 SPECIAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : M.S. 124.481
 MDE Admin.: 1201-06 Indian Education
 Federal : None

PURPOSE:

To provide funding in areas of identified student needs, to reduce dropout rates and better prepare American Indian students for enrollment and success in postsecondary education. The program serves American Indian students in Grades 7-12.

DESCRIPTION:

Projects may include dropout prevention/improved retention; remedial or tutorial services in areas of need, emphasizing college preparatory subjects; attendance, achievement or graduation incentives; high potential/low achievement programs, advocacy and liaison services; a wide array of counseling services in areas of identified need; faculty and staff inservice; parent training/involvement activities; and other strategies, plans or innovative procedures to reduce alienation or conflicts that may inhibit Indian students from reaching their potential.

Grants are made to school districts, distributed in proportion to the geographical distribution of the Indian population of the state, for secondary American Indian students of 1/4 or more Indian ancestry. Participants must have the capability of benefiting from higher education.

Grants are awarded on a competitive basis for proposals developed with maximum involvement of parents of children enrolled in the program, and with provision for the establishment of an Indian parent advisory committee before implementation. Proposals are reviewed by the Minnesota Indian Scholarship Committee which is appointed by the State Board of Education to be representative of significant segments of the American Indian population. The Committee makes recommendations to the State Board concerning approval, modifications or disapproval, and grant level.

The program includes a yearly request for proposal (RFP) cycle, a quarterly progress report by each grantee and an evaluation of each project.

STATISTICS/EFFECTIVENESS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Projects	27	32	32	32
Participating Indian students	3,832	4,126	4,100	4,100

STATISTICS/EFFECTIVENESS: (Contd.)

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Maximum grant (000's) (minimum = \$6)	\$ 57	\$ 52	\$ 50	\$ 50
Average grant (000's)	\$ 29.0	\$ 26.8	\$ 27.0	\$ 27.0

TRENDS:

Prior to F.Y. 1989 the appropriation available provided funding for an average of 18 projects. With the increased appropriation available for F.Y. 1989, and in recognition of the extensive need statewide, all 32 applicants were funded, but reductions from 10% to 45% were made in the requests.

ENTITLEMENT FUNDING: (000's)	Estimate F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 781	\$ 856	\$ 856	\$ 856
2. Funding Sources				
Current Appropriation	\$ 781	\$ 856	\$ 857	\$ 857
3. Transaction Summary				
State Payments	781	856	856	856
Transfer Out (MS 124.14)			1*	1*
Total Transactions	\$ 781	\$ 856	\$ 857	\$ 857

*Excess is available due to rounding of appropriation.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Estimate F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 781	\$ 856	\$ 857	\$ 857

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$857 in F.Y. 1990 and \$857 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$857 in F.Y. 1990 and \$857 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 0313 INDIAN TEACHER PROGRAM
 Program : 03 SPECIAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Laws 1988, Chapter 718, Article 3, Section 20
 MDE Admin.: 1201-06 Indian Education
 Federal : None

PURPOSE:

To gain parity for American Indians with other groups of teachers, and to provide a source of certified American Indian Teachers to specific school districts with significant concentrations of American Indian students.

DESCRIPTION:

The Legislature provided a \$71 thousand appropriation for F.Y. 1989 for a joint grant to the Duluth Public Schools and the University of Minnesota-Duluth to assist American Indians to become teachers. The Minnesota Indian Scholarship Committee reviews an application, developed with the input of the Indian Advisory Committee, the school district and the University. The Scholarship Committee then advises the State Board of Education in making the grant award.

The program in Duluth provides grants to Indian students who have a demonstrated financial need and have the potential to successfully complete teacher training programs. Grants are provided to students to pay tuition and fees, books, and a monthly stipend not to exceed \$750 for full-time students with dependents. Of the \$71 thousand available, \$26 is allocated for tuition, fees, and books, and \$45 is allocated for monthly stipends.

For the 1989-91 biennium, the Duluth program will be expanded and two new sites added as follows:

1. Red Lake School District and Bemidji State University,
2. White Earth Tribal Council, which operates the Pine Point School and the Circle of Life School, and Moorhead State University.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Number of programs	Not Applicable	1	3	3
Number of students (maximum)		7	45	45

TRENDS:

This program is a first step in addressing a critical shortage of American Indian Teachers in Minnesota.

	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation	
<u>ENTITLEMENT FUNDING:</u> (000's)	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Aid Entitlement	\$ 0	\$ 71	\$ 71	\$ 71
2. Funding Sources				
Current Appropriation	\$ 0	\$ 71	\$ 71	\$ 71
3. Transaction Summary				
State Payments	\$ 0	\$ 71	\$ 71	\$ 71

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation	
<u>Fund Source</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	\$ 0	\$ 71	\$ 71	\$ 71

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$71 in F.Y. 1990 and \$71 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$71 in F.Y. 1990 and \$71 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 0314 SECONDARY VOCATIONAL RESTRUCTURING
 Program : 03 SPECIAL PROGRAMS
 Agency : EDUCATION AIDS

PURPOSE:

To implement a restructured model for secondary vocational education which will integrate, articulate, and modernize the curriculum and provide equal access and equitable treatment for all students.

DESCRIPTION:

The process for implementing the restructured model of secondary vocational education will consist of:

1. Selection of five model sites in F.Y. 1990 and ten model sites in F.Y. 1991, using a Request For Proposal process;
2. Developing and printing curriculum guides and activities for all vocational areas by Minnesota Department of Education staff, contract personnel, and program area experts;
3. Disseminating the restructured curriculum to all areas of the state;
4. Undertaking in-depth evaluations of model sites to ensure fiscal and program accountability; and
5. Providing staff development for model site staff. All model site staff will participate in a minimum of three days of inservice on implementation of learner outcome based curriculum. Selected model site staff will be required to participate in a minimum of six days of staff development on the implementation of the learner outcome curriculum process.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	Actual	Actual	Governor's	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 0	\$ 0	\$ 750	\$ 750

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$750 in F.Y. 1990 and \$750 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$750 in F.Y. 1990 and \$750 in F.Y. 1991. The appropriation for F.Y. 1990 is available until June 30, 1991.

Allocation of these appropriations is as follows:

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Model Sites	\$ 250	\$ 300
2. Develop/Revise Curriculum Materials	250	100
3. Disseminate Information	100	50
4. Evaluate Sites	50	200
5. Provide Staff Development	100	100
Total	<u>\$ 750</u>	<u>\$ 750</u>

COMMUNITY & FAMILY EDUCATION (04)

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COMMUNITY & FAMILY EDUCATION

1990-91 Biennial Budget

ACTIVITY : 0401 COMMUNITY EDUCATION PROGRAM
 Program : 04 COMMUNITY AND FAMILY EDUCATION
 Agency : EDUCATION AIDS

Citation : M.S. 121.85-121.88; 124.271; 275.125, Subd. 8
 MOE Admin.: 1201-01 Community and Adult Education
 Federal : None

PURPOSE:

To encourage the development and maintenance of Community Education programs.

DESCRIPTION:

Basic program revenue is derived from an equalized aid/levy formula and from fees collected from participants. With the basic program revenue, school district boards provide the executive leadership necessary to develop and maintain local community education programs. Local community education programs include a wide variety of activities beyond the regular school offerings, including cultural enrichment, athletics, recreation, and other community events and services. In addition, local community education programs provide the administrative expertise necessary to support programs in Early Childhood Family Education, Adult Basic Continuing Education, Adult Handicapped, and Business/Education Partnership initiatives. Another program effort which receives Community Education support is the testing and certification of the General Educational Development (GED) high school equivalency of individuals.

Information on program revenue, by component, is shown below. In addition to the revenue sources shown, districts are authorized to impose program participation fees at their discretion. All fees collected must be used for community education.

Program funding is provided in the form of guaranteed equalized revenue based on the district's census:

1. Maximum revenue is equal to \$5.50 times the district census, but not less than \$7,340 per district.
2. Levy is equal to:
 - a. F.Y. 1988 and F.Y. 1989; lesser of Maximum Revenue or 0.8 mill times the Adjusted Assessed Valuation.
 - b. F.Y. 1990 and thereafter; lesser of Maximum Revenue or 0.7 percent of Adjusted Gross Tax Capacity.
3. Aid is equal to Maximum Revenue minus Levy, with a proportionate reduction in aid for any under levy.

Beginning in F.Y. 1989, districts with approved Youth Development Plans are entitled to maximum revenue of \$6.00 times the district census, but not less than \$8,000.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

A. Education/cultural enrichment:				
Districts	390	398	405	410
Events	32,497	33,796	35,148	36,554
Participants	553,938	576,095	599,139	623,104
B. Athletic/recreational skills development:				
Districts	390	399	408	412
Events	27,501	28,601	29,745	30,934
Participants	1,062,189	1,104,676	1,148,863	1,194,818
C. Community events and services:				
Districts	328	338	348	358
Events	3,701	3,849	4,003	4,163
Participants	787,708	819,216	851,984	886,064
D. GED testing/certification:				
Testing centers	52	53	53	54
Persons tested	8,487	8,656	8,829	9,006
Certificates issued	5,842	5,958	6,078	6,199
Transcripts of scores sent out	3,086	3,147	3,210	3,274
E. Program Funding (\$ in 000's)				
Levy				
Number of districts	391	399	409	412
Maximum amount	\$ 20,267	\$ 20,822	\$ 21,693	\$ 22,013
Certified amount	19,336	20,290	21,476	21,792
Formula Aid				
Number of districts	214	303	313	315
Maximum amount	\$ 2,288	\$ 3,715	\$ 3,287	\$ 3,444
Certified amount	2,183	3,646	3,254	3,369
Total Revenue	\$ 21,500	\$ 23,936	\$ 24,730	\$ 25,161

TRENDS:

In addition to an increase in the number of programs/activities operating, there has been an increase each year in the number of school districts that participate in each program.

The current trend is to involve the community education process and structure in an increased number of school activities. Based upon this trend and the record of community education of operate effective programs, the role of community education should continue to grow.

1990-91 Biennial Budget

ACTIVITY: 0401 COMMUNITY EDUCATION PROGRAM
(Continuation)
Program : 04 COMMUNITY AND FAMILY EDUCATION
Agency : EDUCATION AIDS

ENTITLEMENT FUNDINGS (000's)	Actual	Estimate	Governor's Recommendation	
	F.Y.1988	F.Y.1989	F.Y.1990	F.Y.1991
1. Aid Entitlement				
Unprorated Entitlement	\$ 2,183	\$ 3,646	\$ 4,765	\$ 5,347
Less Prorated Amount		170		
Staff Positions (1.5)			65	65
Total Entitlement	<u>\$ 2,183</u>	<u>\$ 3,476</u>	<u>\$ 4,830</u>	<u>\$ 5,412</u>
2. Funding Sources				
Current Appropriation	1,893	2,924	4,051	4,545
Final Adjust. Appropriation	334	516	715	803
Transfer In (M.S. 124.14)		36		
Current Apprpr.--Staff			65	65
Total Funding	<u>\$ 2,227</u>	<u>\$ 3,476</u>	<u>\$ 4,831</u>	<u>\$ 5,413</u>
3. Transaction Summary				
State Payments	2,183	3,476	4,765	5,347
State Payments--Staff			65	65
Transfer Out (M.S. 124.14)	44		1*	1*
Total Transactions	<u>\$ 2,227</u>	<u>\$ 3,476</u>	<u>\$ 4,831</u>	<u>\$ 5,413</u>
4. Deficiency Apprpr. Request		<u>\$ 170</u>		

*Excess is available due to rounding aid entitlements and appropriations.

NOTE: Proration is based on November 1988 estimate of allocation from programs with cancellations. The proration may change as additional data become available.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 269	\$ 321	\$ 516	\$ 715
Current Year	1,862	2,960	4,051	4,545
Deficiency, F.Y. 1989		0		
Current Year--Staff			65	65
Total	<u>\$ 2,131</u>	<u>\$ 3,281</u>	<u>\$ 4,632</u>	<u>\$ 5,325</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$4,830 in F.Y. 1990 and \$5,412 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$4,632 in F.Y. 1990 (\$516 for F.Y. 1989 and \$4,116 for F.Y. 1990), and \$5,325 in F.Y. 1991 (\$715 for F.Y. 1990 and \$4,610 for F.Y. 1991). The Governor's recommendation includes one professional and 0.5 support staff positions.

Allocation of these appropriations is as follows:

	F.Y. 1990	F.Y. 1991
1. Current Law	\$ 3,282	\$ 3,352
2. Formula Increase	1,285	1,908
3. Staff (1.5)	65	65
Total	<u>\$ 4,632</u>	<u>\$ 5,325</u>

The Governor's recommendation includes an increase in the Community Education Formula from \$5.50 to \$5.75 per capita in F.Y. 1990 and \$5.95 per capita in F.Y. 1991. This increase will allow community education programs to provide increased local services. Further, as part of the Dropout Prevention initiative, the Governor recommends an additional \$.50 per capita beginning in F.Y. 1990 for districts with Youth Development plans, to establish or expand youth service initiatives, with a special emphasis on peer tutoring and mentoring. In Budget Activity 0410, the Governor is also recommending a new Senior Mentor program.

1990-91 Biennial Budget

ACTIVITY : 0402 MISCELLANEOUS COMMUNITY SERVICE LEVY
Program : 04 COMMUNITY AND FAMILY EDUCATION
Agency : EDUCATION AIDS
Citation : M.S. 275.125, Subdivision 8, Clause C
MDE Admin.: 1201-01 Education Finance and Analysis
Federal : None

PURPOSE:

To provide additional community education funding for school districts whose maximum community education revenue for F.Y. 1983 exceeded the district's maximum community education revenue for F.Y. 1985.

DESCRIPTION:

School districts whose maximum community education revenue for F.Y. 1983 exceeded the district's maximum community education revenue for F.Y. 1985 are permitted to levy each year for the amount of the difference. The levy for each eligible district is the same amount each year; the state total levy varies each year depending on:

1. The number of eligible districts that continue to provide community education programs, and
2. The percentage of the maximum levy certified by eligible districts.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Maximum levy (000's)	\$ 679.7	\$ 683.9	\$ 679.4	\$ 679.4
Number of districts	169	170	169	169
2. Certified levy (000's)	\$ 616.4	\$ 650.7	\$ 652.2	\$ 652.2
Number of districts	151	157	158	158

GOVERNOR'S RECOMMENDATION:

The Governor recommends continuation of this activity.

1990-91 Biennial Budget

ACTIVITY : 0403 ADULT EDUCATION
Program : 04 COMMUNITY AND FAMILY EDUCATION
Agency : EDUCATION AIDS

Citation : M.S. 124.26; 275.125, Subdivision 8
MDE Admin.: 1201-01 Community and Adult Education
Federal : 1421 Adult Education
1422 Adult Education for Homeless

PURPOSE:

To provide funding for adults: to master basic academic and learning-to-learn skills; to find and use appropriate resources; to continue their education to the high school completion level; and to be able to benefit from continuing education or training to further enhance their employability, productivity, and citizenship.

DESCRIPTION:

As many as 671 thousand adult Minnesotans lack basic academic, interpersonal relations, problem-solving and other self-sufficiency skills needed to cope effectively with, and in, our changing and increasingly complex society. As a result, such adults are disproportionately represented among the working poor, single parents, welfare recipients, displaced workers, the institutionalized, unemployed, racial/ethnic minorities, and the homeless.

Effective Adult Basic Education (ABE) programs rely on methods other than the traditional lecture -- such as self-directed, group, and experiential learning. Adults learn what they recognize to be practical and relevant to the issues they face in their real-world lives and they do so at their own pace. Because effective ABE is sensitive to the personal needs of individual adults, it must coordinate with all available community resources and services, and should, as the state's Interagency Literacy Task Force has recommended:

1. Target learners who are most in need;
2. Be consumer-driven;
3. Include a continuum of learning opportunities accessible to persons at all levels;
4. Feature a comprehensive array of integrated learning and support service choices;
5. Maximize single-point access to appropriate services;
6. Utilize a functional approach appropriate to each learner;
7. Employ a sensitive, stable, well-trained, well-paid staff that has parity with K-12 and postsecondary professionals;
8. Demonstrate effectiveness in delivering appropriate services; and
9. Develop and document cooperative mechanisms to facilitate adult access to a comprehensive array of learning and support services.

School districts and other public and private (for State ABE, private only) non-profit organizations may apply annually to the Minnesota Department of

Education for program design and funding approval. Applications may be submitted individually or as formal consortia of local providers. State staff provide a series of regional application preparation workshops. They also process applications for completeness and adherence to legal requirements. An independent review team evaluates each application and recommends disposition and funding level to the Commissioner of Education for final approval. Application evaluation criteria include:

1. Whether the needs of all levels of learners will be met;
2. For continuing projects, an evaluation of prior results;
3. Anticipated adult learner numbers and levels to be served;
4. Coordination with other resources and services;
5. Management and program design;
6. Use and training of volunteers;
7. Staff development;
8. Program sites and schedules; and
9. Planned expenditures from all sources.

ABE aid consists of 75 percent of the salary paid to each approved teacher, counselor, coordinator of volunteers and nonlicensed instructional staff person plus 75% of approved expenditures for benefits, purchased services, and supplies and materials. Each district with an approved ABE program may levy up to 0.08% times its adjusted gross tax capacity for the preceding year. The total of each program's State ABE aid and Federal ABE grant cannot exceed 90% of the actual total cost of providing the program.

Contracts also may be entered with private nonprofit organizations to provide supplementary ABE services. State funding for these organizations is determined by the amount of the contract.

To ensure the delivery of effective programs, federally funded ABE staff provide regional and statewide teacher and administrator inservice training, monitor for compliance, conduct peer program and staff reviews, and develop liaisons with providers of resources and services that adults may need in order to participate.

STATISTICS/EFFECTIVENESS:

ADULT BASIC EDUCATION

	F.Y. 1988*	F.Y. 1989	F.Y. 1990	F.Y. 1991
A. NUMBER OF PROJECTS	51	55	60	66
Districts Involved	255	277	288	307
Other Agencies Involved	135	154	171	190
Private Non-Profit Contracts	4	7	7	7
B. TOTAL ENROLLMENT	40,960	45,421	50,400	55,900
Percent of Total Eligible	6.1%	6.8%	7.5%	8.3%
Beginning (Grades 0-5)	19,150	20,754	22,962	27,086
Intermediate (Grades 6-8)	9,790	10,653	11,793	12,442
Secondary (Grades 9-12)	12,020	14,014	15,645	16,372

1990-91 Biennial Budget

ACTIVITY: 0403 ADULT EDUCATION
(Continuation)
Program : 04 COMMUNITY AND FAMILY EDUCATION
Agency : EDUCATION AIDS

STATISTICS/EFFECTIVENESS: (Contd.)	F.Y. 1988*	F.Y. 1989	F.Y. 1990	F.Y. 1991
C. PROGRAMMING RESULTS (Percentage of Total)				
Participating 12 Hours or More	76.0%	78.9	81.8%	84.9
Improving Basic Academic Skills	72.1	82.6	85.4	86.2
Getting Off Welfare	4.3	4.8	5.2	5.8
Securing, Bettering Employment	29.7	30.3	31.0	32.0
Learning English	18.0	18.6	19.2	19.8
Enrolling in Higher Education	7.8	8.9	9.0	9.1
Earning Diploma or General Education Development (GED) Certificate	10.9	12.0	12.5	13.0
Registering to Vote	1.7	1.7	1.8	2.0
Becoming Citizens	0.4	0.6	0.6	0.6
D. LEAVING BEFORE COMPLETING GOALS	21.3%	20.0%	18.0%	15.5%
To Accept Job/Promotion	1,364	1,431	1,502	1,577
To Enter Higher Education	2,430	2,550	2,677	2,810
For Family, Childcare Problems	932	925	932	940
For Transportation Problems	424	433	443	452
E. PROGRAM FUNDING (000's)				
1. Public School Districts/Consortia				
a. Expenditures eligible for state aid	\$ 4,280.0	\$ 5,963.7	\$ 6,230.4	\$ 6,497.1
b. Aid entitlement (75% of line 1a)	3,210.0	4,472.8	4,672.8	4,872.8
c. Proration factor	1.0	.9241	1.0	1.0
d. Prorated state aid	3,210.0	4,133.5	4,672.8	4,872.8
2. Federal Basic Grants	1,185.0	1,218.1	1,601.2	1,601.2
3. Total Aid and Grants	4,395.0	5,351.6	6,274.0	6,474.0
Percent of total oper- ating expense (cannot exceed 90%)	35.2%	34.6%	34.7%	30.1%
4. Local Funding				
a. Local levy	1,917.6	2,205.3	2,539.5	2,885.3
b. Other sources	6,144.7	7,905.2	9,273.3	12,171.5
c. Total local funds	8,062.3	10,110.5	11,812.8	15,056.8

STATISTICS/EFFECTIVENESS: (Contd.)	F.Y. 1988*	F.Y. 1989	F.Y. 1990	F.Y. 1991
5. Total Operating Expense (Line 3 plus 4c)	12,457.3	15,462.1	18,086.8	21,530.8
6. Private Non-Profit Organizations				
a. Requested Contract Amount	250.0	325.0	400.0	475.0
b. Approved Contract Aid	179.0	191.0	200.0	200.0
c. Percent of Contracted Services Cost	100.0%	100.0%	100.0%	100.0%
7. Total Prorated Aid Entitlement (Line 1d plus 6b)	3,389.0	4,324.5	4,872.8	5,072.8
8. Descriptive Averages				
a. Participant Attend- ance Hours (000's)	1,361.1	1,645.0	1,987.9	2,403.8
b. Hours per Participant	43.7	45.9	48.2	50.6
c. Participant F.T.E.**	3,201.3	3,867.6	4,673.8	5,651.6
d. Total Cost/Attend- ance Hour	\$ 9.15	\$ 9.35	\$ 9.35	\$ 9.35
e. Total Cost/FTE Participant	\$ 3,892	\$ 3,977	\$ 3,977	\$ 3,977

* F.Y. 1988 data are for July 1-April 30, rather than a full year.

** A full-time-equivalent adult learner attends 170 or more 2.5-hour classes per year.

TRENDS:

ABE enrollment has been increasing annually by 10% to 20%, while the percentage of learners participating for at least 12 hours and achieving positive results, and the number of hours each learner participates in ABE have been increasing 5% to 10% per year. Drop-outs continue to be a problem, especially due to a lack of child care and transportation, although approximately half of those who left did so to get jobs, accept promotions, or enroll in higher education. Increased awareness, continuing immigration, an emphasis on work readiness, and new welfare reform measures, as well as word-of-mouth, have helped increase enrollment.

1990-91 Biennial Budget

ACTIVITY: 0403 ADULT EDUCATION
(Continuation)
Program : 04 COMMUNITY AND FAMILY EDUCATION
Agency : EDUCATION AIDS

Pressures to provide at least 12.5 hours of instruction per week throughout the year, establish more convenient sites and schedules, and conduct literacy testing for other agencies are increasing costs and increasing dropout rates for some learner groups (adults mandated to attend ABE). Emerging ABE issues include: family literacy; adult education for the homeless; a continuum of learning opportunities and support services; appropriate program, staff and learner accountability measures, and regional coordination.

ENTITLEMENT FUNDING: (000's)	Estimate	Estimate	Governor's	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement				
Unprorated Entitlement	\$ 3,210	\$ 4,473	\$ 4,673	\$ 4,873
Less Prorated Amount		340		
Prorated Entitlement		4,133		
Nonprofit Organizations	179	191	200	200
Staff Positions/Support (1.5)			92	108
Total Entitlement	\$ 3,389	\$ 4,324	\$ 4,965	\$ 5,181
2. Funding Sources				
Current Appropriation	2,904	3,614	4,142	4,312
Final Adjust. Appropriation	512	638	731	761
Transfer In (MS 124.14)		72		
Current Apprpr. --Staff/Support			92	108
Total Funding	\$ 3,416	\$ 4,324	\$ 4,965	\$ 5,181
3. Transaction Summary				
State Payments	3,389	4,324	4,873	5,073
State Payments, M.S. 124.14	15			
State Payments --Staff/Support			92	108
Transfer Out (MS 124.14)	12			
Total Transactions	\$ 3,416	\$ 4,324	\$ 4,965	\$ 5,181
4. Deficiency Apprpr. Request		\$ 340		

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Estimate	Estimate	Governor's	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 237	\$ 509	\$ 638	\$ 731
Current Year	2,895	3,687	4,142	4,312
Deficiency		0		
Current Year -- Staff/Support			92	108
Total	\$ 3,132	\$ 4,196	\$ 4,872	\$ 5,151

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$4,965 in F.Y. 1990 and \$5,181 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$4,872 in F.Y. 1990 (\$638 for F.Y. 1989 and \$4,234 for F.Y. 1990), and \$5,151 in F.Y. 1991 (\$731 for F.Y. 1990 and \$4,420 for F.Y. 1991). The Governor's recommendation includes one professional staff position and .5 support staff position.

Allocation of these appropriations is as follows:

	F.Y. 1990	F.Y. 1991
1. Current Law	\$ 4,780	\$ 5,043
2. Staff (1.5)	62	62
3. Support	30	46
Total	\$ 4,872	\$ 5,151

The Governor also recommends increasing the maximum permitted adult education levy from .8 percent of adjusted gross tax capacity to 1.6 percent beginning with taxes payable in 1990. School districts will be authorized to make an additional levy of .8 percent of adjusted gross tax capacity for taxes payable in 1990, but to be recognized in F.Y. 1990.

The Governor's recommendation for additional staff and support reflects the need for intensive efforts to modernize and upgrade Minnesota's Adult Basic Education programs over the next five years. This component of the Governor's Lifelong Learning Initiative will help to provide technical assistance to local programs.

1990-91 Biennial Budget

ACTIVITY : 0404 ADULT HANDICAPPED PROGRAMS
 Program : 04 COMMUNITY AND FAMILY EDUCATION
 Agency : EDUCATION AIDS

Citation : M.S. 121.88, Subd. 6-7; 124.271, Subd. 7;
 275.125, Subd. 8
 MDE Admin.: 1201-01 Community and Adult Education
 Federal : None

PURPOSE:

To provide funds to school districts so that adults with disabilities have an opportunity to participate fully in the mainstream of community life.

DESCRIPTION:

Beginning in F.Y. 1986, any district that provides a Community Education program may offer a program for adults with disabilities as part of the community education program. Districts are encouraged to provide programs cooperatively with other districts and organizations. Programs may not be limited to district residents. Programs may include:

1. Services enabling handicapped adults to participate in community activities or community education classes;
2. Classes specifically for handicapped adults;
3. Outreach activities to identify adults needing services;
4. Activities to increase public awareness of the roles of handicapped people;
5. Activities to enhance the role of handicapped people in the community; and
6. Other direct and indirect services and activities benefiting handicapped adults.

To be eligible for handicapped adult program revenue, a program and budget must receive approval from the Community Education Section of the Minnesota Department of Education (MDE). The state aid formula provides the lesser of \$30,000 or one-half of the actual expenditures for approved programs; and a district is permitted to levy the lesser of \$30,000 or the actual expenditures minus the amount of state aid for the program. If a program is offered by a group of districts, the levy amount is allocated among the districts in accordance with an agreement submitted to MDE. Other public or private funds may be expended for these programs at the discretion of the local district(s).

STATISTICS/EFFECTIVENESS:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
A. Approved Programs				
1. Programs funded	31	31	33	35
2. Districts involved	62	66	70	74
3. Other organizations involved	260	300	310	320
4. Number of participants	7,500	8,250	8,750	9,250
B. Districts Offering Programs by type of program				
1. Support services	62	66	70	74
2. Outreach and identification activities	60	63	66	70
3. Classes specifically for handicapped adults	50	53	56	59
4. Community role enhancement activities	41	43	45	48
5. Public awareness activities	49	51	54	57
6. Other direct and indirect services and activities	45	47	50	53
C. Program Funding (000's)				
1. Aid Entitlement				
a. Approved expenditures	\$ 999.5	\$ 1,100	\$ 1,220	\$ 1,340
b. Gross aid @ 50%	499.7	550	610	670
c. Proration factor	.9178	1.0	1.0	1.0
d. Prorated state aid	458.6	550	610	670
2. Local Funds				
a. Levy limit	\$ 499.7	\$ 550	\$ 610	\$ 670
b. Certified levy	495	545	604	663
c. Other public and private funds	45.9	5	6	7
3. Total Funding				
(1d plus 2b plus 2c)	\$ 999.5	\$ 1,100	\$ 1,220	\$ 1,340

TRENDS:

Existing programs are visible and successful. Greater cooperation with community organizations is occurring. As a result, more adults with handicaps are being identified and more districts are projected to offer program services.

1990-91 Biennial Budget

ACTIVITY: 0404 ADULT HANDICAPPED PROGRAMS
(Continuation)
Program : 04 COMMUNITY AND FAMILY EDUCATION
Agency : EDUCATION AIDS

ENTITLEMENT FUNDING: (000's)	Estimate	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement				
Unprorated Entitlement	\$ 500			
Less Prorated Amount	41			
Total Entitlement	\$ 459	\$ 550	\$ 610	\$ 670
2. Funding Sources				
Current Appropriation	450	550	610	670
Transfer In (M.S. 124.14)	9			
Total Funding	\$ 459	\$ 550	\$ 610	\$ 670
3. Transaction Summary				
State Payments	\$ 459	\$ 550	\$ 610	\$ 670
4. Deficiency Apprpr. Request	\$ 41			

NOTE: Proration is based on November 1988 estimate of allocation from programs with cancellations. The proration may change as additional data become available.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Estimate	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 459	\$ 550	\$ 610	\$ 670
Deficiency	0			
Total	\$ 459	\$ 550	\$ 610	\$ 670

CHANGE IN ENTITLEMENT LEVEL: (000's)	Governor's Recommendation	
	F.Y. 1990	F.Y. 1991
1. F.Y. 1989 Aid Entitlement	\$ 550	\$ 550
2. Entitlement Changes:		
a. Budget Variables		
Increase in participation	60	120
3. Total, Estimate Per Current Year	\$ 610	\$ 670

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$610 in F.Y. 1990 and \$670 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$610 in F.Y. 1990 and \$670 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 0405 HEARING IMPAIRED ADULTS
Program : 04 COMMUNITY AND FAMILY EDUCATION
Agency : EDUCATION AIDS

Citation : M.S. 121.201
MDE Admin.: 1201-11 Special Education
Federal : None

PURPOSE:

To provide for interpreter or notetaker services for adults with hearing impairments to assure access to educational opportunities.

DESCRIPTION:

Public and private agencies providing adult education classes enrolling adults with hearing impairments may apply to the Minnesota Department of Education (MDE) for reimbursement of the costs of providing the support services. Typically, one interpreter is employed for up to five adults with hearing impairments. To the extent funds are available, full reimbursement of the costs of providing the service is made upon approval of the application. Aid is not paid for services provided to students enrolled in a full-time educational program.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Applications for service	115	120	120	120
Adults served	520	570	620	670
Claims funded (000's)	\$ 60	\$ 60	\$ 70	\$ 70
Additional claims	0	10	0	0
Total claims received	\$ 60	\$ 70	\$ 70	\$ 70

TRENDS:

According to applicant agencies, and from a survey conducted by MDE, eligible adult students are dependent upon these funds for continuing their education.

The program has grown as a result of increased awareness of the services available, and is reflected in the increased number of adults utilizing the services.

<u>ENTITLEMENT FUNDING: (000's)</u>	<u>Estimate F.Y. 1988</u>	<u>Estimate F.Y. 1989</u>	<u>Governor's Recommendation F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Aid Entitlement				
Total Claims	\$ 60	\$ 70	\$ 70	\$ 70
Less Unfunded Claims		(8)		
Total Entitlement	\$ 60	\$ 62	\$ 70	\$ 70
2. Funding Sources				
Current Appropriation	60	60	70	70
Transfer In (MS 124.14)		2		
Total Funding	\$ 60	\$ 62	\$ 70	\$ 70
3. Transaction Summary				
State Payments	\$ 60	\$ 62	\$ 70	\$ 70
4. Deficiency Apprpr. Request		\$ 8		

Note: Transfer amount is based on November 1988 estimate of allocation from programs with cancellations, and the amount may change as additional data become available.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	<u>Estimate F.Y. 1988</u>	<u>Estimate F.Y. 1989</u>	<u>Governor's Recommendation F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	\$ 60	\$ 62	\$ 70	\$ 70
Deficiency		0		
Total	\$ 60	\$ 62	\$ 70	\$ 70

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$70 in F.Y. 1990 and \$70 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$70 in F.Y. 1990 and \$70 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 0406 EARLY CHILDHOOD FAMILY EDUCATION
 Program : 04 COMMUNITY AND FAMILY EDUCATION
 Agency : EDUCATION AIDS

Citation : M.S. 121.882; 124.2711; 275.125, Subd. 8b
 MDE Admin.: 1201-01 Community and Adult Education
 Federal : None

PURPOSE:

To encourage school districts to provide parent education classes and to involve parents and children in experiences that enhance the development of children from birth to kindergarten enrollment.

DESCRIPTION:

A district must provide a community education program to be eligible to establish and maintain an Early Childhood Family Education (ECFE) program. Such programs must involve direct presence and substantial involvement of the children's parents and may include any or all of the following:

1. Programs to educate parents about the physical, mental, and emotional development of children;
2. Programs to enhance the skills of parents in providing for their children's learning and development;
3. Learning experiences for children and parents;
4. Activities designed to detect children's physical, mental, emotional, or behavioral problems that may cause learning problems;
5. Educational materials which may be borrowed for home use;
6. Information on related community resources; or
7. Other programs or activities.

Program funding is provided in the form of guaranteed equalized revenue based on the district's population under five years of age.

1. Maximum revenue is equal to \$84.50 times the population (0-4) but not less than \$12,675 per district.
2. Levy is equal to:
 - a. F.Y. 1988 and F.Y. 1989; Lesser of Maximum Revenue or 0.5 mill times Adjusted Assessed Valuation.
 - b. F.Y. 1990 and thereafter; Lesser of Maximum Revenue or 0.4 percent of Adjusted Gross Tax Capacity.

3. Aid is equal to Maximum Revenue minus Levy, with a proportionate reduction in aid for any under levy.

STATISTICS/EFFECTIVENESS:
 (\$ in 000's)

Levy				
Number of districts	290	326	334	340
Maximum amount	\$ 13,392	\$ 13,462	\$ 13,633	\$ 14,472
Certified amount	10,721	11,642	12,679	13,748

Formula aid				
Number of districts	271	309	317	323
Maximum amount	\$ 9,623	\$ 10,473	\$ 10,594	\$ 10,065
Entitlement amount	7,656	9,009	9,852	9,562
Total revenue	\$ 18,377	\$ 20,651	\$ 22,531	\$ 23,310

An evaluation study report to the Legislature on March 1, 1986, included a summary of conclusions from past evaluations dating back to 1976, which helped to shape the development of the current program. The characteristics of successful programs were compiled to form a self-evaluation instrument to assist districts both in developing and in monitoring their local programs. This instrument has been used since April 1986 with good results. Formative evaluation and parental feedback indicate that the program is beneficial and valued by participants.

The same report described a plan for the collection of data that would be helpful for program monitoring and evaluation, as well as plan for a systematic long-term evaluation of the quality and cost-effectiveness of the program. Work on the data collection system is currently underway; much remains to be done to make the long-term evaluation plan feasible.

Outreach efforts are yielding positive results. An anonymous demographic survey instrument used statewide in 1987-88 indicated that the program is reaching a representative cross-section of the population; 25% of participants reported a family income of \$12,000 or less.

TRENDS:

Program statistics indicate that 290 districts implemented the program in the 1987-88 school year, 40% of the districts were involved in some type of interdistrict cooperation, and program participation rates continued to surpass all projections. Ongoing concerns for some districts are lack of qualified licensed staff and appropriate space.

1990-91 Biennial Budget

ACTIVITY: 0406 EARLY CHILDHOOD FAMILY EDUCATION
(Continuation)
Program : 04 COMMUNITY AND FAMILY EDUCATION
Agency : EDUCATION AIDS

ENTITLEMENT FUNDING: (000's)	Estimate	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement				
Unprorated Entitlement	\$ 7,656	\$ 9,009	\$ 11,881	\$ 10,512
Less Prorated Amount	96	644		
Staff Positions/Support (1.0)			31	32
Total Entitlement	<u>\$ 7,560</u>	<u>\$ 8,365</u>	<u>\$ 11,912</u>	<u>\$ 10,544</u>
2. Funding Sources				
Current Appropriation	6,409	6,994	10,099	8,936
Final Adjust. Appropriation	1,131	1,234	1,783	1,577
Transfer In (M.S. 124.14)	20	137		
Current Appropriations				
--Staff/Support			31	32
Total Funding	<u>\$ 7,560</u>	<u>\$ 8,365</u>	<u>\$ 11,913</u>	<u>\$ 10,545</u>
3. Transaction Summary				
State Payments	7,560	8,365	11,881	10,512
State Payments				
--Staff/Support			31	32
Transfer Out (M.S. 124.14)			1*	1*
Total Transactions	<u>\$ 7,560</u>	<u>\$ 8,365</u>	<u>\$ 11,913</u>	<u>\$ 10,545</u>
4. Deficiency Apprpr. Request	<u>\$ 96</u>	<u>\$ 644</u>		

*Excess is available due to rounding of aid entitlements and appropriations.

NOTE: Proration is based on November 1988 estimate of allocation from programs with cancellations. The proration may change as additional data become available.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Estimate	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 859	\$ 1,151	\$ 1,235	\$ 1,783
Current Year	6,409	7,131	10,099	8,936
Deficiency, F.Y. 1988		0		
Deficiency, F.Y. 1989		0		
Current Year - Staff/Support			31	32
Total	<u>\$ 7,268</u>	<u>\$ 8,282</u>	<u>\$ 11,365</u>	<u>\$ 10,751</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$11,912 in F.Y. 1990 and \$10,544 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$11,365 in F.Y. 1990 (\$1,235 for F.Y. 1989 and \$10,130 for F.Y. 1990), and \$10,751 in F.Y. 1991 (\$1,783 for F.Y. 1990 and \$8,968 for F.Y. 1991). The Governor's recommendation includes one support staff position.

Allocation of these appropriations is as follows:

	F.Y. 1990	F.Y. 1991
1. Current Law	\$ 9,610	\$ 9,606
2. Formula Increase	1,724	1,113
3. Staff (1.0)	25	25
4. Support	6	7
Total	<u>\$ 11,365</u>	<u>\$ 10,751</u>

As part of the Children's Initiative, the Governor recommends an increase in the Early Childhood Family Education formula from \$84.50 to \$92.90. This increase will establish programs in communities not yet served and enable established programs to involve greater number of families, especially at-risk children and their parents. In Budget Activity 1201-01, the Governor is recommending one professional staff position to provide leadership and coordination among agencies and providers concerned about young children, and to assist with inservice and requests for program assistance.

1990-91 Biennial Budget

ACTIVITY : 0407 PREKINDERGARTEN PROGRAMS
Program : 04 COMMUNITY AND FAMILY EDUCATION
Agency : EDUCATION AIDS

Citation : M.S. 129B.48
MDE Admin.: 1201-01 Community and Adult Education
Federal : None

PURPOSE:

To provide grant funds to school districts, groups of districts, Head Start agencies or non-profit organizations to establish developmentally appropriate programs for children between three years of age and kindergarten enrollment who have significant developmental delays and are in need of additional learning opportunities to enhance their early learning and development, thereby enabling them to enter kindergarten with a fair chance to succeed.

DESCRIPTION:

The State Board of Education was given responsibility in 1988 for establishing criteria and procedures to select recipients of prekindergarten child development grants. The process now underway involves broad representation from agencies and organizations who share a concern for the growing number of children who meet the criteria. This statewide program is expected to demonstrate a variety of approaches to meeting the needs of these children. Basic program criteria established by statute include:

1. Adequate procedures to assess the developmental delay of children;
2. Conformance to the federal guidelines for Head Start agencies, to the extent practical;
3. Substantial involvement and education of the parents of the children;
4. A plan for coordination with local organizations that serve young children;
5. A local advisory board; and
6. An evaluation plan.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Grant applicants	--	54	54	54
Applicants funded	--	20	20	20
Grant awards (000's)	\$ --	\$ 450	\$ 450	\$ 450
Program administration	--	50	50	50
Total	\$ --	\$ 500	\$ 500	\$ 500

<u>ENTITLEMENT FUNDING:</u> (000's)	<u>Actual</u> <u>F.Y. 1988</u>	<u>Estimate</u> <u>F.Y. 1989</u>	<u>Governor's</u> <u>Recommendation</u>	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>		
1. Aid Entitlement	\$ 0	\$ 500	\$ 996	\$ 1,004
2. Funding Sources				
Current Appropriation	\$ 0	\$ 500	\$ 996	\$ 1,004
3. Transaction Summary				
State Payments	\$ 0	\$ 500	\$ 996	\$ 1,004

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u> <u>F.Y. 1988</u>	<u>Estimate</u> <u>F.Y. 1989</u>	<u>Governor's</u> <u>Recommendation</u>	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>		
General Fund				
Current Year	\$ 0	\$ 500	\$ 996	\$ 1,004

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$996 in F.Y. 1990 and \$1,004 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$996 in F.Y. 1990 and \$1,004 in F.Y. 1991. The Governor's recommendation includes one professional staff position and one clerical staff position.

Allocation of these appropriations is as follows:

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Statewide Grants	\$ 500	\$ 500
Targeted Grants	410	415
Staff	71	74
Support and Evaluation	15	15
Total	\$ 996	\$ 1,004

With these appropriations, the Governor recommends continuation of the statewide grant program authorized during the 1988 legislative session. As part of the Children's Initiative, the Governor further recommends funding for additional grants targeted to Minneapolis, Saint Paul, and Duluth, as well as staff and support for the Minnesota Department of Education.

1990-91 Biennial Budget

ACTIVITY : 0408 EARLY CHILDHOOD HEALTH & DEVELOPMENTAL SCREENING
 Program : 04 COMMUNITY AND FAMILY EDUCATION
 Agency : EDUCATION AIDS

Citation : M.S. 123.701 - 123.704
 MDE Admin.: 1201-02 Learner Support/Learners At Risk
 Federal : None

PURPOSE:

To assist parents and communities improve the health and school readiness of young children, to plan educational programs, and to plan services for "at risk" learners and health programs through early detection of children's health and developmental barriers to learning.

DESCRIPTION:

At Early Childhood Screening (ECS), educators and health professionals focus on the normal aspects of a child's health and development. They identify and reinforce these aspects while sorting out conditions and situations that require further attention. When warranted, the children and families are referred to several sources of services and care in the school and community.

Minnesota school districts are required to offer health and developmental screening to each child once prior to entering kindergarten. This is usually done at age 3-1/2 to 4-1/2 years. Participation is voluntary on the part of parents. The state reimburses districts for the cost of administering the required components of the program. The aid formula funds the lesser of actual cost or \$8.15 per child screened. Districts draw on the K-12 foundation aid, community resources, and use of volunteers to supplement the state categorical aid.

The majority of districts staff the program with school personnel, but over 1/3 of the districts contract with community health agencies and education cooperatives for part, or all, of the program. Cooperative efforts are further enhanced because ECS is a focus of county Interagency Early Learning Committees.

The number of eligible children changes annually according to fluctuations in the birth rate adjusted for mortality and morbidity.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Children screened	48,150	49,120	50,340	51,570
Reimbursement limit per child	\$ 8.15	\$ 8.15	\$ 8.15	\$ 8.15
Maximum aid entitlement (000's)	\$ 392.4	\$ 400.3	\$ 410.3	\$ 420.3
Entitlement per district expenditures (000's)	\$ 392.1	\$ 400.0	\$ 410.0	\$ 420.0

In the past, the Minnesota Department of Education (MDE) reported statewide results to the Legislature by February 1 of each year. This report is no longer required. The report has shown high participation rates on the part of parents and their young children in this voluntary program (82% statewide) with many districts reporting a rate of 90% or higher. However, in F.Y. 1988 only 42,202 children out of a possible 68,410, or 62%, were screened. The participation fell as parents became aware that screening services were trimmed due to lack of local revenue to complement state funding for ECS.

The current ECS formula funds less than 1/2 of program costs. In F.Y. 1988 the average cost per child was \$23.05 for the required components. Community voluntary organization funds or local district revenues have been offered by about 25% of the districts, although this service has declined as these voluntary resources are needed for required components. This year only about 15% of districts offered optional components.

The number of problems or concerns identified at screening is another measure of program performance. Districts voluntarily submit these data to MDE. Also, a recent statewide study of the program by the University of Minnesota's Department of Education Psychology provides information. An estimated 40% of children screened have one or more concerns identified: 10% with problems identified in the health history and optional physical assessment component, 3% in vision, 7.6% in hearing, and 12% in the developmental area. Schools need this information to insure that all students can benefit from instruction and have no sensory/neural/developmental barriers to learning.

Comments by screeners and parents submitted on the narrative portion of the voluntary summary and evaluation report reflect the value of the program in identifying problems not previously known to parents (hearing problems, blindness in one eye, nutrition problems, and developmental concerns). This event is also a valuable teaching tool to reinforce positive parenting skills and point out areas where more attention must be given to diet, accident prevention, and to encourage learning activities, etc.

Cost by program component is submitted annually and providers of screening are named on the district's reimbursement request form. These help to describe the diversity of program implementation models statewide, reflecting the school-community partnership goal of MDE, and are a source of information for quality control.

TRENDS:

More than 400 thousand children have been screened since the program began in 1978. Although this voluntary program has had a high participation rate, which is evidence of the value placed on it by parents, there has been a fall in the participation rate in F.Y. 1987 and F.Y. 1988. This decline may be attributable to a number of causes, including funding.

1990-91 Biennial Budget

ACTIVITY: 0408 EARLY CHILDHOOD HEALTH & DEVELOPMENTAL SCREENING
(Continuation)
Program : 04 COMMUNITY AND FAMILY EDUCATION
Agency : EDUCATION AIDS

ENTITLEMENT FUNDING: (000's)	Estimate	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 392	\$ 400	\$ 892	\$ 1,993
Staff Positions (2.0)			90	90
Total Entitlement	<u>\$ 392</u>	<u>\$ 400</u>	<u>\$ 982</u>	<u>\$ 2,083</u>
2. Funding Sources				
Current Appropriation	371	364	759	1,695
Final Adjust. Appropriation	65	60	134	299
Current Appropriation-Staff			90	90
Total Funding	<u>\$ 436</u>	<u>\$ 424</u>	<u>\$ 983</u>	<u>\$ 2,084</u>
3. Transaction Summary				
State Payments	392	400	892	1,993
State Payments-Staff			90	90
Transfer Out (M.S. 124.14)	44	24	1*	1*
Total Transactions	<u>\$ 436</u>	<u>\$ 424</u>	<u>\$ 983</u>	<u>\$ 2,084</u>

*Excess is available due to rounding appropriations.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Estimate	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 47	\$ 59	\$ 60	\$ 134
Current Year	333	340	759	1,695
Current Year-staff			90	90
Total	<u>\$ 380</u>	<u>\$ 399</u>	<u>\$ 909</u>	<u>\$ 1,919</u>

CHANGE IN ENTITLEMENT LEVEL: (000's)	Governor's Recommendation	
	F.Y. 1990	F.Y. 1991
1. F.Y. 1989 Aid Entitlement	\$ 400	\$ 400
2. Entitlement Changes:		
a. Budget Variables		
Increase in Participation	10	20
3. Subtotal, Estimate Per Current Law	<u>\$ 410</u>	<u>\$ 420</u>
4. Proposed Policy Changes		
Restructured Refocused Program	572	1,663
5. Total Aid Entitlement	<u>\$ 982</u>	<u>\$ 2,083</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$982 in F.Y. 1990 and \$2,083 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$909 in F.Y. 1990 (\$60 for F.Y. 1989 and \$849 for F.Y. 1990), and \$1,919 in F.Y. 1991 (\$134 for F.Y. 1990 and \$1,785 for F.Y. 1991). The Governor's recommendation includes one professional staff position for the Minnesota Department of Education (MDE) and one professional staff position for the Minnesota Department of Human Services (DHS). The appropriation for F.Y. 1990 is available until June 30, 1991.

Allocation of these appropriations is as follows:

	F.Y. 1990	F.Y. 1991
1. Current law	\$ 409	\$ 419
2. Restructured refocused program	410	1,410
3. Staff (2.0)	90	90
Total	<u>\$ 909</u>	<u>\$ 1,919</u>

As part of the Children's Initiative, the Governor recommends restructuring Early Childhood Health and Developmental Screening in order to reach younger children and focus efforts on more comprehensive services for at-risk children.

1990-91 Biennial Budget

ACTIVITY : 0409 INTERAGENCY ADULT LITERACY INITIATIVE
Program : 04 COMMUNITY AND FAMILY EDUCATION
Agency : EDUCATION AIDS

PURPOSE:

The purpose of the Adult Literacy Initiative is to improve intensive, comprehensive basic education programming for welfare-dependent, unemployed, and underemployed Minnesotans. The goal is to reduce dependency and upgrade Minnesota's adult labor force. Specifically, the initiative is designed to:

1. Increase the number of adults improving their basic skills and completing General Education Development (GED), diploma, and technical skills training programs;
2. Target increased services to high-needs, underserved groups such as inmates, welfare recipients, refugees, and dislocated workers;
3. Reduce the dropout rate in adult programs by ensuring that personal barriers to learning are addressed--transportation, child care, self-esteem, etc.;
4. Be a catalyst to upgrade existing adult education programs, and make them more student-centered, intensive, year-round, and accountable;
5. Expand cooperation between education, human services, and job training agencies, both locally and at the state level; and
6. Support employer or other private sector initiatives to improve employed workers' basic skills.

The initiative is based on recommendations resulting from a year's work by the Minnesota Adult Literacy Policy Group. Among those participating in the group were the departments of Education, Human Services, Jobs and Training, Corrections, Planning, and Finance; the Technical Institute and Community College systems; the Indian Affairs Council; the Minnesota Adult Literacy Campaign; and the Minnesota Community Education Association.

Model programs in a number of Minnesota communities have demonstrated the success of the targeted, comprehensive approach in increasing student motivation, reducing dropout rates, and coordinating with human services agencies.

The objective of the initiative is to raise all Adult Basic Education (ABE) adult learning programs to new standards within four to six years.

DESCRIPTION:

The initiative includes the following components:

A. Interagency Adult Learning Council

All activities within the initiative will be under the responsibility of a new Interagency Adult Learning Council supported by the Minnesota Department of Education. Its members will represent key state agencies and several non-state organizations who work with the target population. The council, which will have funding of \$160 thousand for the biennium, will:

1. Continue to develop long-range policy for the state;
2. Study and make recommendations for a stable, unified funding approach for adult education;
3. Establish standards for effective programs;
4. Review and award grants based on the standards;
5. Ensure coordinated programming among all agencies in each region of the state;
6. Provide technical assistance;
7. Assess and evaluate programs; and
8. Review existing literacy activities and plans of state agencies.

B. Targeted Adult Literacy Grants

A grants program totaling \$3,540 thousand for the biennium will be established by the council to serve a target population including persons who are on public assistance, or who are unemployed and functioning below the 8th grade level; and persons on public assistance, unemployed or underemployed who have not completed high school or a GED program. High priority will be given to 17,000 Aid to Families with Dependent Children (AFDC) recipients who lack a high school diploma and are targeted for services in the PATHS welfare reform program.

All literacy providers will be eligible to apply for funds, but must demonstrate coordinated planning with existing local programs and resources. Funds will be available only to programs meeting effectiveness and evaluation standards. In many cases, grants may supplement existing local programs, financing additional services and hours of instruction.

Of the grants funding, a maximum of \$540 thousand over the biennium will be available to the Minnesota Department of Corrections for literacy programs. Funding will be contingent on programs meeting standards set by the council.

C. Private Sector Technical Assistance

For the biennium, \$100 thousand will be for technical assistance to assist employers and other private sector organizations in developing workplace literacy programs. Literacy training would be tied to technical training or retraining. Low-wage, at-risk, or dislocated workers would be prioritized.

1990-91 Biennial Budget

ACTIVITY: 0409 INTERAGENCY ADULT LITERACY INITIATIVE
 (Continuation)
 Program : 04 COMMUNITY AND FAMILY EDUCATION
 Agency : EDUCATION AIDS

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	Actual	Actual	Governor's	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,000</u>	<u>\$ 2,800</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$1,000 in F.Y. 1990 and \$2,800 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$1,000 in F.Y. 1990 and \$2,800 in F.Y. 1991.

The Governor's recommendation includes one professional staff position and .5 support staff position.

Allocation of these appropriations is as follows:

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Targeted Grants	\$ 870	\$ 2,670
2. Interagency Council (1.5 staff)	80	80
3. Employer Technical Assistance	50	50
Total	<u>\$ 1,000</u>	<u>\$ 2,800</u>

These appropriations reflect the Governor's endorsement of the recommendations of the Adult Literacy Policy Group and are part of the Lifelong Learning Initiative. In accord with the policy group's recommendations, the Governor also recommends funding for program development staff in the Adult Education program (Budget Activity 0403), and prioritization of child care subsidies for adult literacy participants in the Department of Human Services budget.

1990-91 Biennial Budget

Allocation of this appropriation is as follows:

ACTIVITY : 0410 SENIOR MENTOR PROGRAM
Program : 04 COMMUNITY AND FAMILY EDUCATION
Agency : EDUCATION AIDS

	F.Y. 1990	F.Y. 1991
1. Senior Mentor Grants	\$ 288	\$ 0
2. Interagency Group Support	27	0
Total	<u>\$ 315</u>	<u>\$ 0</u>

PURPOSE:

To provide youth who might be at risk of not completing school with senior citizen volunteer mentors. The program will be geared to youth from Grade Four to Grade Nine. Mentors will provide not only tutoring but, also personal attention and guidance.

This Dropout Prevention initiative compliments additional resources provided in Community Education Programs, Budget Activity 0401, for youth service programs.

DESCRIPTION:

This program will be a joint effort of the Minnesota Board of Aging and the Minnesota Department of Education (MDE). It will be a grant program for local schools to design individual programs, to recruit and train volunteers, and to monitor the results. Grants of up to \$10 thousand each will be available to between 30 and 40 sites, half of which will be outside of the metropolitan area. Grants will cover local costs of coordinating the program, providing materials, and reimbursing volunteers for transportation. Local planning committees, composed of parents, teachers, administrators and representatives of senior citizen organizations and other appropriate persons will prepare proposals. The grant criteria will be developed by a state interagency group, including representatives from the Minnesota Board of Aging, MDE and the Minnesota Office of Volunteer Services. This group will also provide subsequent training and assistance to grantees.

Between 1,000 and 1,200 children will be served and between 500 and 600 senior citizens will be recruited during the initial phase of the program.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source (000's)	Actual F.Y. 1988	Actual F.Y. 1989	Governor's Recommendation	
			F.Y. 1990	F.Y. 1991
General Fund				
Current Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 315</u>	<u>\$ 0</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$315 in F.Y. 1990 and \$0 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$315 in F.Y. 1990 and \$0 in F.Y. 1991. This appropriation is for the biennium and is available until June 30, 1991.

1990-91 Biennial Budget

ACTIVITY : 0411 EXTENDED DAY GRANTS
 Program : 04 COMMUNITY AND FAMILY EDUCATION
 Agency : EDUCATION AIDS

PURPOSE:

To provide resources to local groups to start up, improve or expand extended day programs for children, kindergarten through the sixth grade, before and after school and vacation time programs.

DESCRIPTION:

In order to give school age children and parents expanded day care options in their communities, grants will be available to a variety of groups meeting the standards currently being prepared by the State Board of Education. Such groups would include schools and nonprofit organizations engaged in school age child care. Grants will be available through a Request For Proposal (RFP) process administered by the Minnesota Department of Education (MDE) with the assistance of an interagency advisory committee which will develop specific grant criteria and will recommend grantees. Representatives from the Minnesota Department of Human Services and from public, private, and nonprofit groups will participate in the interagency advisory committee. Legislation will specify general criteria such as geographic distribution, with at least half located in Greater Minnesota; the type of grants, such as start up, improvement and expansion grants, allowable expenditures, etc.

This program will be coordinated with the Minnesota Department of Human Services. In addition to having a representative on the interagency advisory committee, the Department of Human Services will include extended day funding for low income families under the state sliding fee scale program. Information on the sliding fee scale availability will be advertised by providers, as well as by both departments.

The Extended Day program will be administered by the Community and Adult Education Section of MDE. At the local level, Community Education programs have access to many resources in the community, including parks and recreation services, athletic associations, businesses, United Way, and others.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source (000's)	Actual	Actual	Governor's	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 0	\$ 0	\$ 435	\$ 1,065

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$435 in F.Y. 1990 and \$1,065 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$435 in F.Y. 1990 and \$1,065 in F.Y. 1991. The appropriation for F.Y. 1990 is available until June 30, 1991. The Governor's recommendation includes one professional staff position and .5 support staff position.

Allocation of these appropriations is as follows:

	F.Y. 1990	F.Y. 1991
1. Extended Day Grants	\$ 370	\$ 1,000
2. Staff (1.5)	65	65
Total	\$ 435	\$ 1,065

This new program is a component of the Children's Initiative.

EDUCATION FACILITIES/EQUIPMENT (05)

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EDUCATION FACILITIES/EQUIPMENT

1990-91 Biennial Budget

ACTIVITY : 0501 CAPITAL EXPENDITURE - REGULAR
Program : 05 EDUCATION FACILITIES/EQUIPMENT
Agency : EDUCATION AIDS

Citation : M.S. 124.245
MDE Admin.: 1202-02 District Financial Management & Transportation
Federal : None

PURPOSE:

To provide funds to school districts for expenses associated with school buildings and equipment.

DESCRIPTION:

Major changes to the structure of the capital expenditure revenue were enacted during the 1988 legislative session. The Capital Expenditure-Regular and the Capital Expenditure - Hazardous Materials (Budget Activity 0502) revenues are replaced with three new components beginning in F.Y. 1990. (See Budget Activities 0503-0505.)

For F.Y. 1988, a district's maximum regular capital expenditure revenue was \$130 times the district's 1987-88 total pupil units (Weighted Average Daily Membership (WADM) plus AFDC). To obtain this revenue, the district must have levied the lesser of \$130 times total pupil units or 9 mills times its adjusted assessed valuation. The capital expenditure aid was the difference between the revenue and the levy. If the district underlevied, the aid was reduced to the same proportion as was levied.

For F.Y. 1989, the revenue for each district is \$153 per WADM pupil unit. To obtain this revenue, the district must have levied the lesser of \$153 times WADM pupil units or 3 mills times its adjusted assessed valuation. The capital expenditure aid is the difference between the revenue and the levy. If the district underlevied, the aid is reduced to the same proportion as was levied.

For F.Y. 1989, the Capital Expenditure - Regular revenue may be used for the following purposes:

1. To acquire land for school purposes;
2. To acquire or construct buildings for school purposes, if approved by the Commissioner of Education according to applicable statutes and rules;
3. To rent or lease buildings for school purposes;
4. To equip, reequip, improve, and repair school sites, buildings and permanent attached fixtures;
5. To eliminate barriers or increase access to school buildings by handicapped individuals;
6. To bring school buildings into compliance with the uniform fire code;
7. To remove asbestos from school buildings, encapsulate asbestos, or make asbestos-related repairs;
8. To clean up and dispose of polychlorinated biphenyls found in school buildings;

9. To clean up, remove, dispose of, and make repairs related to storing heating fuel or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel;
10. For energy audits for school buildings and to make modifications if the audit indicates the costs can be recovered within ten years;
11. To improve buildings that are leased;
12. To pay special assessments levied against school property but not to pay assessments for service charges;
13. To pay capital expenditure assessments of an educational cooperative service unit;
14. To pay principal and interest on state loans for energy conservation or loans made under the Northeast Minnesota Economic Protection Trust Fund Act;
15. To purchase or lease computers and related materials, copying machines, and telecommunications equipment;
16. To purchase or lease equipment for secondary vocational education programs or senior secondary industrial arts programs; and
17. To purchase textbooks.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991 (\$ in 000's)

1. Certified Levy				
Amount	\$109,456.5	\$ 80,267.5	--	--
Districts	433	434	--	--
2. State Aid				
Amount	\$ 478.0	\$ 42,276.5	--	--
Districts	22	386	--	--
3. Total Revenue				
Amount	\$109,934.5	\$122,544.0	--	--
Districts	433	434	--	--

TABLE 5-1

District Capital Expenditures by Object

	F.Y. 1987	F.Y. 1988
Textbooks/Workbooks	\$ 5,691.7	\$ 7,131.7
Site Acquisition	799.1	1,266.2
Site Improvement	7,544.6	6,441.6
Building Acquisition	3,625.9	3,271.3
Building Additions	1,677.3	2,292.1
Building Improvements	41,349.8	37,280.6
Buildings Leased	1,428.1	1,717.1
Equipment Purchased	43,022.6	45,964.8
Two-way Communication	51.6	62.1
Equipment Leased	2,672.4	3,274.8
Computers	68.5	61.3
Software	9.3	6.9
Terminals	1.0	3.9
Data Processing Equipment	4.6	10.6
Data Communication Equipment	91.4	5.0

1990-91 Biennial Budget

ACTIVITY: 0501 CAPITAL EXPENDITURE - REGULAR
(Continuation)
Program : 05 EDUCATION FACILITIES/EQUIPMENT
Agency : EDUCATION AIDS

STATISTICS/EFFECTIVENESS: (\$ in 000's) (Contd.)	F.Y. 1987	F.Y. 1988
Interdepartment Construction	2,207.1	3,159.6
Non-eligible Vehicles	17.7	10.0
Vehicles Purchased	464.2	502.2
Vehicles Leased	53.9	59.3
Library Books	1,592.8	1,593.3
Audio-Visual	3,689.5	3,585.8
Principal on Capital Leases	235.4	306.5
Interest on Capital Leases	65.8	116.6
Other Capital	1,482.8	1,561.6
Total	\$117,847.1	\$119,684.9

NOTE: Expenditures shown are for both the Regular Capital Expenditure Revenue and the Hazardous Capital Expenditure Revenue (Budget Activity 0502).

School districts also reported expenditures for textbooks/workbooks from the General Fund. They were \$15,138.6 in F.Y. 1987 and \$15,350.8 in F.Y. 1988.

ENTITLEMENT FUNDING: (000's)	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation	
			F.Y. 1990	F.Y. 1991
1. Aid Entitlement				
Unprorated Entitlement	\$ 478	\$ 42,276		
Less Prorated Amount		3,900		
Total Entitlement	\$ 478	\$ 38,376	\$ 0	\$ 0
2. Funding Sources				
Current Appropriation	428	31,892		
Final Adjust. Appropriation	76	5,628		
Transfer In (M.S. 124.14)		856		
Total Funding	\$ 504	\$ 38,376	\$ 0	\$ 0
3. Transaction Summary				
State Payments	478	38,376		
Transfer Out (M.S. 124.14)	26			
Total Transactions	\$ 504	\$ 38,376	\$ 0	\$ 0
4. Deficiency Apprpr. Request		\$ 3,900		

* Proration is based on November 1988 estimate of allocation from programs with cancellations. The proration may change as additional data become available.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 46	\$ 50	\$ 5,628	\$ 0
Current Year	428	32,748	0	0
Deficiency, F.Y. 1989		0		
Total	\$ 474	\$ 32,798	\$ 5,628	\$ 0

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$0 in F.Y. 1990 and \$0 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$5,628 in F.Y. 1990 (\$5,628 for F.Y. 1989 and \$0 for F.Y. 1990), and \$0 in F.Y. 1991 (\$0 for F.Y. 1990 and \$0 for F.Y. 1991).

1990-91 Biennial Budget

ACTIVITY : 0502 CAPITAL EXPENDITURE - HAZARDOUS MATERIAL
 Program : 05 EDUCATION FACILITIES/EQUIPMENT
 Agency : EDUCATION AIDS
 Citation : M.S. 124.245, Subd. 3-3(b); 275.125, Subd. 11c
 MDE Admin.: 1202-02 District Financial Management & Transportation
 Federal : None

PURPOSE:

To enable school districts to raise funds for removal or encapsulation of asbestos, asbestos-related repairs, cleanup and disposal of polychlorinated biphenyls (PCB's) found in school buildings or property; or the cleanup, removal, disposal, and repairs related to storing transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in M.S. 296.01.

DESCRIPTION:

Major changes to the structure of the capital expenditure revenue were enacted during the 1988 legislative session. The Capital Expenditure-Regular (Budget Activity 0501) and the Capital Expenditure-Hazardous Materials revenues are replaced with three new components beginning in F.Y. 1990. (See Budget Activities 0503-0505.)

For F.Y. 1988, a district's maximum capital hazardous material expenditure revenue was equal to \$25 times the district's 1987-88 total (Weighted Average Daily Membership (WADM) plus AFDC) pupil units. A district's maximum levy was equal to the lesser of 2 mills times the district's 1985 adjusted assessed valuation or the district's maximum revenue. A district's maximum aid was equal to the maximum revenue minus the maximum levy. If a district levied less than the maximum amount, the state aid was reduced proportionately. Most districts received no state aid because they were able to raise the maximum revenue with a levy of less than 2 mills.

For F.Y. 1989, school districts were required to submit to the Commissioner of Education an application for aid and levy by August 15, 1987. a district's maximum revenue was equal to the approved cost of the district's hazardous substance plan, minus any unexpended portion of hazardous substance revenues received in earlier years. A district's maximum levy was equal to the product of the maximum revenue times the lesser of one or the ratio of the district's 1986 adjusted assessed valuation per 1988-89 WADM pupil unit to 50 percent of the equalizing factor. A district's maximum aid was equal to the maximum revenue minus the maximum levy. If a district levied less than the maximum amount, the state aid was reduced proportionately. If the state aid was prorated, the levy was increased to offset the amount of aid reduction resulting from the proration.

STATISTICS/EFFECTIVENESS: (\$ in 000's)

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Certified Levy				
Initial Levy	\$ 9,947.8	\$ 5,546.5	--	--
Adjustment for Aid Proration	--	622.1	--	--
Adjusted Levy Districts	9,947.8	6,168.6	--	--
	276	56	--	--
2. State Aid Entitlement				
Gross Aid	37.9	815.3	--	--
Proration Factor	1.0	0.2370	--	--
Prorated Aid Districts	37.9	193.2	--	--
	4	40	--	--
3. Total Revenue				
Amount Districts	\$ 9,985.7	\$ 6,361.8	--	--
	276	56	--	--

	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
ENTITLEMENT FUNDING: (000's)				
1. Aid Entitlement				
Unprorated Entitlement	\$ 47	\$ 815		
Less Prorated Amount		22		
Total Entitlement	\$ 47	\$ 193	\$ 0	\$ 0
2. Funding Sources				
Current Appropriation	\$ 44	\$ 51		
Final Adjust. Appropriation	8	9		
Transfer In (M.S. 124.14)		133		
Total Funding	\$ 52	\$ 193	\$ 0	\$ 0
3. Transaction Summary				
State Payments	\$ 47	\$ 193		
Transfer Out (M.S. 124.14)	5			
Total Transactions	\$ 52	\$ 193	\$ 0	\$ 0
4. Deficiency Apppr. Request		\$ 622		

1990-91 Biennial Budget

ACTIVITY: 0502 CAPITAL EXPENDITURE - HAZARDOUS MATERIAL
(Continuation)
Program : 05 EDUCATION FACILITIES/EQUIPMENT
Agency : EDUCATION AIDS

NOTE: Proration is based on November 1988 estimate of allocation from programs with cancellations. The proration may change as additional data becomes available.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	Actual	Estimate	Governor's	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Prior Year Adjustment	\$ 6	\$ 6	\$ 9	\$ 0
Current Year	41	184	0	0
Deficiency		0		
Total	<u>\$ 47</u>	<u>\$ 190</u>	<u>\$ 9</u>	<u>\$ 0</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$0 in F.Y. 1990 and \$0 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$9 in F.Y. 1990 (\$9 for F.Y. 1989 and \$0 for 1990), and \$0 in F.Y. 1991 (\$0 for F.Y. 1990 and \$0 for F.Y. 1991).

1990-91 Biennial Budget

ACTIVITY : 0503 CAPITAL EXPENDITURES - FACILITIES
 Program : 05 EDUCATION FACILITIES/EQUIPMENT
 Agency : EDUCATION AIDS

 Citation : M.S. 124.243
 MDE Admin.: 1202-02 District Financial Management & Transportation
 Federal : None

PURPOSE:

To provide revenue to school districts to acquire land, construct buildings, maintain and improve structures, and to acquire certain equipment.

DESCRIPTION:

The Legislature in 1988 established three new Capital Expenditure programs, beginning in F.Y. 1990, to replace previously authorized programs. The two previously authorized programs which will be eliminated on June 30, 1989 are described in Budget Activities 0501 and 0502. The three new programs described in Budget Activities 0503, 0504, 0505 significantly enhance school district capital revenue for facilities, equipment, and health and safety programs.

School districts may use Capital Facilities Expenditure revenue to:

1. Acquire land for school purposes;
2. Acquire or construct buildings for school purposes, if approved by the Commissioner of Education according to applicable statutes and rules;
3. Rent or lease buildings;
4. Equip, reequip, improve, and repair school sites, buildings, and permanent attached fixtures;
5. Maintain a surplus school building that is used substantially for a public nonschool purpose;
6. Eliminate barriers or increase access by handicapped individuals;
7. Bring school buildings into compliance with the uniform fire code;
8. Remove or treat asbestos;
9. Clean up and dispose of PCB's;
10. Clean up and dispose of fuels, or make repairs related to their storage;
11. Perform energy audits and to make related improvements;
12. Improve leased buildings;
13. Pay special assessments levied against school property (not including service charges);
14. Pay principal and interest on state loans for energy conservation according to M.S. 116J.37 or loans made under the Northeast Minnesota Economic Protection Trust Fund Act; and
15. Purchase or lease interactive telecommunications equipment.

A districts maximum revenue equals the lesser of:

1. \$137 times Weighted Average Daily Membership (WADM) pupil units; or
2. the difference between \$400 times WADM pupil units and the unreserved balance in the capital expenditure facilities account on June 30 of the second prior school year.

However, the fund balance limitation is not in operation until after the 1990-91 school year. After that, if a district has \$400 per WADM pupil unit in this account it would not receive revenue from this source. Also, there would be a dollar-for-dollar reduction for balance amounts greater than \$263 per WADM pupil unit.

A district's maximum levy equals the product of the maximum revenue times the lesser of one or the ratio of the district's adjusted assessed valuation per WADM pupil unit to 75 percent of the equalizing factor. A district's maximum aid equals the maximum revenue minus the maximum levy. If a district levies less than the maximum amount, the state aid is reduced proportionately.

According to the new legislation, every school district in Minnesota must adopt or amend a school facilities program by two-thirds vote before July 1 of each odd-numbered year. The School Board must first hold a hearing, for which 20 days notice is provided in the official newspaper. The program is to include plans for repair and restoration of existing facilities and plans for new construction. It must also include specific plans for correcting health and safety hazards, a schedule of work for the next five years, the estimated costs, and the proposed methods of financing.

School districts are also required to place Capital Facilities Expenditure revenue in a separate account within the capital expenditure fund. The revenue cannot be transferred into any other account or fund, except that a school board may, by resolution, transfer money into the debt redemption fund to pay the amounts needed to meet, when due, principal and interest payments from that fund. In this case, a district must notify the Minnesota Department of Education (MDE) of a desire to allocate part or all of this revenue to the debt redemption fund. MDE will then reduce the debt redemption levy by the amount of the transfer.

STATISTICS/EFFECTIVENESS:

A. CAPITAL EXPENDITURE FUND

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Certified Levy				
Amount	--	--	\$65,572.9	\$65,452.4
Districts	--	--	434	435
2. State Aid				
Amount	--	--	44,129.2	46,423.7
Districts	--	--	409	410
3. Total Revenue				
Amount	--	--	109,702.1	111,876.1
Districts	--	--	434	435

1990-91 Biennial Budget

ACTIVITY: 0503 CAPITAL EXPENDITURES - FACILITIES
(Continuation)
Program : 05 EDUCATION FACILITIES/EQUIPMENT
Agency : EDUCATION AIDS

STATISTICS/EFFECTIVENESS: (Contd.) F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

B. DEPT REDEMPTION FUND

1. Certified Levy				
Amount	--	--	545.1	545.1
Districts	--	--	9	9
2. State Aid				
Amount	--	--	577.5	577.5
Districts	--	--	9	9
3. Total Revenue				
Amount	--	--	1,122.6	1,122.6
Districts	--	--	9	9

C. PROGRAM TOTALS

1. Certified Levy				
Amount	--	--	66,118.0	65,997.5
Districts	--	--	434	435
2. State Aid				
Amount	--	--	44,706.7	47,001.2
Districts	--	--	409	410
3. Total Revenue				
Amount	--	--	\$110,824.7	\$112,998.7
Districts	--	--	434	435

ENTITLEMENT FUNDING: (000's)	Actual F.Y. 1988	Actual F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 0	\$ 0	\$ 44,707	\$ 44,883
2. Funding Sources				
Current Appropriation			38,001	38,151
Final Adjust. Appropriation			6,707	6,733
Total Funding	\$ 0	\$ 0	\$ 44,708	\$ 44,884

ENTITLEMENT FUNDING: (000's) Actual F.Y. 1988 Actual F.Y. 1989 Governor's Recommendation F.Y. 1990 F.Y. 1991
(Contd.)

3. Transaction Summary

State Payments			44,707*	44,883*
Transfer Out (M.S. 124.14)			1	1
Total Transactions	\$ 0	\$ 0	\$ 44,708	\$ 44,884

* Excess is available due to rounding aid entitlements and appropriations.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual F.Y. 1988	Actual F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 0	\$ 0	\$ 0	\$ 6,707
Current Year	0	0	38,001	38,151
Total	\$ 0	\$ 0	\$ 38,001	\$ 44,858

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$44,707 in F.Y. 1990 and \$44,883 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$38,001 in F.Y. 1990 (\$0 for F.Y. 1989 and \$38,001 for F.Y. 1990). and \$44,858 in F.Y. 1991 (\$6,707 for F.Y. 1990 and \$38,151 for F.Y. 1991).

The Governor's recommendation for a change in the equalizing factor in the General Education Program, Budget Activity 0101, reduces the aid entitlement for this budget activity.

1990-91 Biennial Budget

ACTIVITY : 0504 CAPITAL EXPENDITURE - EQUIPMENT
 Program : 05 EDUCATION FACILITIES/EQUIPMENT
 Agency : EDUCATION AIDS

Citation : M.S. 124.244
 MDE Admin.: 1202-02 District Financial Management & Transportation
 Federal : None

PURPOSE:

To provide revenue to school districts for the purchase of equipment.

DESCRIPTION:

The Legislature in 1988 established three new Capital Expenditure programs, beginning in F.Y. 1990, to replace previously authorized programs. The two previously authorized programs, which will be eliminated on June 30, 1989, are described in Budget Activities 0501 and 0502. The three new programs described in Budget Activities 0503, 0504, 0505 significantly enhance school district capital revenue for facilities, equipment, and health and safety programs. School districts may use Capital Equipment Expenditure revenue to:

1. Pay capital expenditure equipment-related assessments of any entity formed under a cooperative agreement between two or more districts;
2. Purchase or lease computers and related materials, copying machines, telecommunications equipment, and other noninstructional equipment;
3. Purchase or lease equipment for instructional programs;
4. Purchase textbooks;
5. Purchase library books; and
6. Purchase vehicles except those for which a levy is authorized under the Bus Purchase Levy.

A district's maximum levy equals \$70 times the district's Weighted Average Daily Membership (WADM) pupil units in the school year.

A district's maximum levy equals the product of the maximum revenue times the lesser of one or the ratio of the district's adjusted assessed valuation per WADM pupil unit to 75 percent of the equalizing factor. A district's maximum aid equals the maximum revenue minus the maximum levy. If a district levies less than the maximum amount, the state aid is reduced proportionately.

STATISTICS/EFFECTIVENESS: (\$ in 000's)

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Certified Levy				
Amount	--	--	\$33,781.5	\$33,720.0
Districts	--	--	435	435
2. State Aid				
Amount	--	--	22,842.9	24,015.2
Districts	--	--	409	409

STATISTICS/EFFECTIVENESS: (\$ in 000's) (Contd.)

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
3. Total Revenue				
Amount	--	--	\$56,624.4	\$57,735.2
Districts	--	--	435	435

ENTITLEMENT FUNDING: (000's)

	Actual F.Y. 1988	Actual F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 0	\$ 0	\$ 22,843	\$ 22,933
2. Funding Sources				
Current Appropriation			19,417	19,494
Final Adjust. Appropriation			3,427	3,440
Total Funding	\$ 0	\$ 0	\$ 22,844	\$ 22,934

3. Transaction Summary

State Payments			22,843	22,933
Transfer Out (M.S. 124.14)			1*	1*
Total Transactions	\$ 0	\$ 0	\$ 22,844	\$ 22,934

* Excess is available due to rounding aid entitlements and appropriations.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual F.Y. 1988	Actual F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 0	\$ 0	\$ 0	\$ 3,427
Current Year	0	0	19,417	19,494
Total	\$ 0	\$ 0	\$ 19,417	\$ 22,921

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$22,843 in F.Y. 1990 and \$22,933 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$19,417 in F.Y. 1990 (\$0 for F.Y. 1989 and \$19,417 for F.Y. 1990), and \$22,921 in F.Y. 1991 (\$3,427 for F.Y. 1990 and \$19,494 for F.Y. 1991).

The Governor's recommendation for a change in the equalizing factor in the General Education Program, Budget Activity 0101, reduces the aid entitlement for this budget activity.

1990-91 Biennial Budget

ACTIVITY : 0505 CAPITAL EXPENDITURE - HEALTH AND SAFETY
 Program : 05 EDUCATION FACILITIES/EQUIPMENT
 Agency : EDUCATION AIDS

Citation : M.S. 124.83
 MDE Admin.: 1202-02 District Financial Management & Transportation
 Federal : None

PURPOSE:

To provide revenue to school districts for hazardous substance removal, fire code compliance, or life safety repairs.

DESCRIPTION:

The Legislature in 1988 established three new Capital Expenditure programs, beginning in F.Y. 1990, to replace previously authorized programs. The two previously authorized programs, which will be eliminated on June 30, 1989, are described in Budget Activities 0501 and 0502. The three new programs described in Budget Activities 0503, 0504, and 0505 significantly enhance school district capital revenue for facilities, equipment, and health and safety programs.

School districts may only use Capital Expenditure Health and Safety revenue to:

1. Correct fire safety hazards and life safety hazards;
2. Remove or encapsulate asbestos from school buildings or property, or make asbestos-related repairs;
3. Clean-up and dispose of polychlorinated biphenyls found in school buildings or property; or
4. Clean-up, remove, dispose, and make repairs related to storing heating fuel or transportation fuels such as alcohol, gasoline, fuel oil, and special fuels.

A district's maximum revenue equals the approved cost of the program for the school year, minus the unexpended portion of amounts received by the district in earlier years under the Hazardous Materials revenue program.

A district's maximum levy equals the product of the maximum revenue times the lesser of one or the ratio of the district's adjusted assessed valuation per Weighted Average Daily Membership (WADM) pupil unit to 75 percent of the equalizing factor. A district's maximum aid equals the maximum revenue minus the maximum levy. If a district levies less than the maximum amount, the state aid is reduced proportionately.

If the Health and Safety aid available for any year is prorated, a district having its aid prorated may levy an additional amount equal to the amount not paid by the state due to proration.

In order to receive Capital Expenditure Health and Safety revenue, school districts must submit an application to the Commissioner of Education by August 15 in the previous school year. The application may be for hazardous substance removal, fire code compliance, or life safety repairs. The application must include a health and safety program adopted by the school district board. The program must include the estimated cost of the program by fiscal year, and may include plans for hazardous substance removal, fire code compliance, or life safety repairs. Hazardous substance, fire safety, and life safety plans must include specific components as provided in law.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991 (\$ in 000's)

1. Certified Levy				
Amount	--	--	\$17,956.9	\$17,828.4
Districts	--	--	202	222
2. State Aid				
Amount	--	--	10,268.2	13,298.8
Districts	--	--	189	208
3. Total Revenue				
Amount	--	--	\$28,225.1	\$31,127.2
Districts	--	--	202	222

ENTITLEMENT FUNDING: (000's)	Governor's			
	Actual F.Y. 1988	Actual F.Y. 1989	Recommendation F.Y. 1990	Recommendation F.Y. 1991
1. Aid Entitlement	\$ 0	\$ 0	\$ 10,268	\$ 12,699
2. Funding Sources				
Current Appropriation			8,728	10,795
Final Adjust. Appropriation			1,541	1,905
Total Funding	\$ 0	\$ 0	\$ 10,269	\$ 12,700
3. Transaction Summary				
State Payments			10,268	12,699
Transfer Out (M.S. 124.14)			1*	1*
Total Transactions	\$ 0	\$ 0	\$ 10,269	\$ 12,700

* Excess is available due to rounding aid entitlements and appropriations.

1990-91 Biennial Budget

ACTIVITY: 0505 CAPITAL EXPENDITURE - HEALTH AND SAFETY
(Continuation)
Program : 05 EDUCATION FACILITIES/EQUIPMENT
Agency : EDUCATION AIDS

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	Actual	Actual	Governor's	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Prior Year Adjustment	\$ 0	\$ 0	\$ 0	\$ 1,541
Current Year	0	0	8,728	10,795
Total	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 8,728</u>	<u>\$ 12,336</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$10,268 in F.Y. 1990 and \$12,699 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$8,728 in F.Y. 1990 (\$0 for F.Y. 1989 and \$ 8,728 for F.Y. 1990), and \$12,336 in F.Y. 1991 (\$1,541 for F.Y. 1990 and \$10,795 for F.Y. 1991).

The Governor's recommendation for a change in the equalizing factor in the General Education Program, Budget Activity 0101, reduces the aid entitlement for this budget activity.

1990-91 Biennial Budget

ACTIVITY : 0506 MAXIMUM EFFORT SCHOOL LOAN
Program : 05 EDUCATION FACILITIES/EQUIPMENT
Agency : EDUCATION AIDS

Citation : M.S. 124.36 - 124.477;
Laws 1988, Chapter 718, Article 8, Section 23
MDE Admin.: 1202-02 District Financial Management & Transportation
Federal : None

PURPOSE:

To provide, through limited use of the state's credit, financial support to school districts with capital bonding needs which are greater than the local property tax base can reasonably support, and debt service tax relief to districts with a projected high debt service tax rate; also, to provide state general fund appropriations for payment of principal and interest on state bonds to the extent repayments from the districts are inadequate to make the required state bond fund payments.

DESCRIPTION:

The state bonding authority provided in statute is used to raise funds for making loans on favorable terms to school districts. The two types of loans are capital loans for new construction projects and debt service loans to reduce the district levy required for debt service on bonded indebtedness. A district may qualify for either or both types of loan.

A. Capital Loans

A state capital loan can be used only for the replacement of facilities which are dangerous to the health and safety of children, or to provide facilities where no adequate facilities exist and such facilities could not be made available through consolidation or leasing. The process and criteria for a school district to receive a capital loan include the following:

1. Receive a favorable review and comment for the project from the Commissioner of Education;
2. Receive a favorable recommendation from the State Board of Education for a loan;
3. Receive approval from the legislature for the loan;
4. Receive approval from the voters in the district for the project.

For qualifying districts, the capital loan is equal to an amount not to exceed the approved building costs plus the district's previously existing bonded indebtedness less 24 percent of the district's adjusted gross tax capacity (AGTC). 1988 legislation eliminated adjusted assessed valuation and replaced it with AGTC. However, there was no change in the 24 percent rate.

Two new capital loans are pending as a result of approval during the 1988 legislative session. The projects have received voter approval in the Holdingford and Redwood Falls school districts. These loans have been included in the preparation of all fiscal information presented in the tables in this budget narrative.

B. Debt Service Loans

A school district may obtain a debt service loan from the state if its required debt service levy is at least 10% or \$5 thousand greater than the maximum effort debt service levy amount. This is a loan to reduce the amount that a district must levy for debt service.

For qualifying districts, the debt service loan is equal to the lesser of:

1. The difference between the required debt service levy and the maximum effort debt service levy;
2. One percent of the district's net debt; or
3. The amount requested.

New debt service loans have been projected and included in the preparation of all fiscal information presented in the tables in this budget narrative. The total amount projected is \$300 thousand in F.Y. 1989, \$1.1 million in F.Y. 1990, and \$1.1 million in F.Y. 1991.

C. School District Debt Service Levy

The required debt service levy for any year is the amount specified in the district's bond schedule established and certified at the time the bonds were issued.

Each district having an outstanding capital loan or debt service loan must levy the greater of the maximum effort debt service levy or the required debt service levy less any reduction for a debt service loan. The maximum effort debt service levy is equal to:

1. 13% of the district's AGTC;
2. 12% of the district's AGTC for districts which have not received a debt service loan or capital loan since August 1, 1981; or
3. The required debt service levy plus an amount approved by the Commissioner of Education to retire the outstanding capital loans within 30 years of the date of issue.

D. Repayment of Capital and Debt Service Loans

In any year when the maximum effort levy is greater than the required debt service levy, the district must remit to the state, the debt service levy collections, including interest and penalties, that exceed the required debt service levy. If the required debt service levy is greater than the maximum effort debt service levy, no payment is required on the state loan in that year.

1990-91 Biennial Budget

ACTIVITY: 0506 MAXIMUM EFFORT SCHOOL LOANS
(Continuation)
Program : 05 EDUCATION FACILITIES/EQUIPMENT
Agency : EDUCATION AIDS

Payments received by the state are used in the following sequence:

1. For interest payments on the debt service loans;
2. For interest payments on the capital loans;
3. For principal interest on the debt service loans; and
4. Finally, for principal payments on the capital loans.

Interest on capital loans and debt service loans is due in December of each year. Any unpaid interest is added to the principal of the loan. If the capital loan is not retired within 30 years from the date of issue, it is cancelled and the district's liability ceases.

E. State Bonding Authority

Legislation in 1988 authorized the sale of \$20 million in new bonds for the maximum effort loan program. This is in addition to all bonds previously authorized for this purpose. There are currently 17 capital loans outstanding, 22 debt service loans, and 4 school construction loans involving 15 school districts. The remaining bonding authority is \$22.475 million, which would provide for approximately \$20 million in bonds and for the escrow of required interest pre-payments.

F. State Accounting

Minnesota Statutes provide a maximum effort school loan fund to account for proceeds from state bond sales and resulting loans and related loan repayments from school districts. The fund is divided into three accounts. Minnesota Statutes also provide a general fund account for the state appropriations that are provided to augment school district loan repayments. The accounts are described below:

1. Debt Service Loan Account - This account consists of the proceeds of the sale of any state school loan bonds, and all income from the investment of bond proceeds.
2. Capital Loan Account - This account consists of funds transferred from the debt service loan account which are in excess of the amount required to make debt service loans.
3. Loan Repayment Account - This account receives all principal and interest paid by school districts to the state for debt service or capital loans. Each November 1 and December 1, funds are transferred from the loan repayment account to the school loan bond account in the state bond fund to pay all principal and interest due on the school loan bonds issued for making debt service or capital loans. If monies are not available in this account to make the required transfers, the state auditor is required to levy a statewide property tax in the amount needed.

In recent years, the Minnesota Department of Finance has refunded outstanding bonds to take advantage of more favorable interest rates. This procedure has reduced the overall bonding debt, due to the lower interest costs. In addition, the refunding procedure has altered principal and interest schedules such that the state transfer payment requirements have been reduced during the F.Y. 1987 - F.Y. 1991 period.

The state's cost of administering the maximum effort school loan law, not to exceed \$10,000 per year, is paid out of this account.

4. General Fund Account - This account consists of state general fund appropriations necessary to supplement funds in the loan repayment account. The state appropriations are necessary because of shortfalls in the loan repayment account due to slower school district repayments than needed to meet annual principal and interest requirements on the state school loan bonds. The purpose of these appropriations, which have been provided for the past four biennia, is to insure that sufficient money is available in the fund to prevent a statewide property tax levy as would otherwise be required pursuant to Minnesota Statutes, Section 124.46, Subdivision 3.

STATISTICS/EFFECTIVENESS: (\$ in 000's)	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Loans Outstanding:				
Capital	\$39,823.2	\$39,256.0	\$45,874.0	\$45,294.5
Debt service	1,788.9	2,085.7	3,185.7	4,085.7
School construction	1,337.0	1,293.0	1,249.0	1,205.0
Interest deficiency	12,852.4	14,314.0	15,858.0	17,806.7
Total Outstanding	<u>\$55,801.5</u>	<u>\$56,948.7</u>	<u>\$66,166.7</u>	<u>\$68,391.9</u>
2. Loan Repayment From Schools:				
Principal and interest	1,414.9	1,324.5	1,286.6	1,286.6
Investment income	155.0	92.8	81.0	81.0
Total Receipts	<u>\$ 1,569.9</u>	<u>\$ 1,417.3</u>	<u>\$ 1,367.6</u>	<u>\$ 1,367.6</u>
3. State Bond Fund Requirement:				
Funds on hand	1,255.7	1,618.9	2,188.6	1,284.7
Investment income	251.0	263.0	240.4	256.1
Current transfer requirement	3,073.9	2,831.1	2,309.9	2,932.1
Total requirement (21 months)	<u>\$ 4,580.6</u>	<u>\$ 4,713.0</u>	<u>\$ 4,738.9</u>	<u>\$ 4,472.9</u>

1990-91 Biennial Budget

ACTIVITY: 0506 MAXIMUM EFFORT SCHOOL LOANS
(Continuation)
Program : 05 EDUCATION FACILITIES/EQUIPMENT
Agency : EDUCATION AIDS

STATISTICS/EFFECTIVENESS: (\$ in 000's) (Contd.)	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
4. State Bond Fund Payment:				
Current transfer requirement	3,073.9	2,831.1	2,309.9	2,932.1
Less loan repayment transfer	(1,666.9)	(1,502.9)	(1,417.3)	(1,367.6)
5. State Appropriation Needed	<u>\$ 1,407.0</u>	<u>\$ 1,328.2</u>	<u>\$ 892.6</u>	<u>\$ 1,564.5</u>

Note: Projections for investment income were calculated at 7% of the average monthly balance for F.Y. 1990 and F.Y. 1991.

ENTITLEMENT FUNDING: (000's)	Actual F.Y. 1988	Actual F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
1. Aid Entitlement	<u>\$ 1,407</u>	<u>\$ 1,328</u>	<u>\$ 893</u>	<u>\$ 1,565</u>
2. Funding Sources				
Balance Forward		208		
Current Appropriation	<u>1,615</u>	<u>2,025</u>	<u>893</u>	<u>1,565</u>
Total Funding	<u>\$ 1,615</u>	<u>\$ 2,233</u>	<u>\$ 893</u>	<u>\$ 1,565</u>
3. Transaction Summary				
State Transfer Payment	1,407	1,328	893	1,565
Balance Forward	208			
Transfer Out (M.S. 124.14)		905		
Total Transactions	<u>\$ 1,615</u>	<u>\$ 2,233</u>	<u>\$ 893</u>	<u>\$ 1,565</u>

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual F.Y. 1988	Actual F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
General Fund				
Current Year	<u>\$ 1,407</u>	<u>\$ 1,328</u>	<u>\$ 893</u>	<u>\$ 1,565</u>

CHANGE IN ENTITLEMENT LEVEL: (000's)	Governor's Recommendation F.Y. 1990	F.Y. 1991
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1. F.Y. 1989 Aid Entitlement	\$ 1,328	\$ 1,328
2. Entitlement Changes:		
a. Budget Variables		
Reduced loan repayments from districts	86	136
Decrease in principal and interest due on state bonds (a major bond issue is paid in full)	(989)	(988)
b. Existing Policy Changes Becoming Effective		
Increase in principal and interest for proposed state bond issue	468	1,089
3. Total Aid Entitlement		
Estimate Per Current Law	<u>\$ 893</u>	<u>\$ 1,565</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$893 in F.Y. 1990 and \$1,565 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$893 in F.Y. 1990 and \$1,565 in F.Y. 1991 for existing obligations.

Budget Activity 0511, Secondary School Construction Debt Service, proposes a new program to assist school districts to undertake capital construction projects. For this reason, the Governor recommends that no new maximum effort loans be authorized, beginning in F.Y. 1990.

1990-91 Biennial Budget

ACTIVITY : 0507 DESEGREGATION CAPITAL IMPROVEMENT GRANTS
(INFORMATION ONLY)
Program : 05 EDUCATION FACILITIES/EQUIPMENT
Agency : EDUCATION AIDS

Citation : M.S. 129B.71 - 129B.75; Laws 1987, Chapter 400,
Section 16, Subd. 3
MDE Admin.: 1202-02 District Financial Management and Transportation
Federal : None

PURPOSE:

To assist Minnesota school districts operating under a desegregation plan approved by the Commissioner of Education, to provide facilities and equipment for implementing and operating the plan. The desired outcome of the program, which uses state bond funds, is improved instruction for the pupils of a desegregated school, or schools.

DESCRIPTION:

The Desegregation Capital Improvement Grant Act was enacted in 1987. The Act authorized the state to issue and sell bonds up to \$900 thousand, and provided an equal appropriation to the Commissioner of Education, for the purpose of funding capital improvement grants. It also included provisions for a grant application process with Commissioner approval, and local matching revenue. The three school districts with approved desegregation programs are Duluth, Minneapolis, and St. Paul.

In the summer of 1987, the Duluth School District requested funds under this program to plan, construct and equip an addition to Nettleton Elementary School as a citywide magnet school. A local bond issue provided an additional \$6 million for the project.

STATISTICS/EFFECTIVENESS:

In September 1988, the new magnet program opened with 175 additional pupils. The school is now in compliance with State Board of Education rules regarding racial balance.

1990-91 Biennial Budget

ACTIVITY : 0508 COOPERATIVE SECONDARY FACILITIES GRANTS (INFORMATION ONLY)
Program : 05 EDUCATION FACILITIES/EQUIPMENT
Agency : EDUCATION AIDS

Citation : M.S. 124.491-124.496
MDE Admin.: 1202-01 Education Finance and Analysis
Federal : None

PURPOSE:

To provide a grant incentive to make available to secondary students, the educational programs, services, and facilities that can best be provided through a cooperative effort of several school districts. School districts acting as Joint Powers Boards may receive a state grant for up to 75% of the cost of a secondary facility under this program.

DESCRIPTION:

In order to qualify for grant award consideration by the Commissioner of Education, a Joint Powers Board representing three or more school districts develops a secondary facility proposal and an educational plan. To be eligible, a single school district may not have more than 1,000 pupils, K-12; and combined, the cooperating school districts must average 80 or more pupils per secondary grade. Applicant joint powers districts must meet all statutory and State Board of Education requirements, and receive a minimum number of application rating points to qualify for grant award consideration. The joint powers district must also pass a local bond referendum for the balance of the cost of the proposed facility in order to receive the grant through a contract with the state.

The Legislature, during the 1987 and 1988 sessions, provided \$16 million in state bonding authority and an equal amount in appropriations from the state building fund for grants under this program. Two grants of \$8 million each were awarded. However, as one of the applicant areas did not receive voter approval, only one contract with the state for \$8 million resulted.

TRENDS:

This program is repealed effective June 30, 1989, except for the bonding authority in M.S. 124.495 and the reporting requirement in M.S. 124.496.

1990-91 Biennial Budget

ACTIVITY : 0509 COOPERATIVE SECONDARY FACILITIES SEVERANCE LEVY
 Program : 05 EDUCATION FACILITIES/EQUIPMENT
 Agency : EDUCATION AIDS

Citation : M.S. 124.4945
 MDE Admin.: 1202-01 Education Finance and Analysis
 Federal : None

PURPOSE:

To provide severance pay and early retirement incentives for teachers placed on unrequested leave as a result of a secondary cooperative facility agreement. Each member school district will levy an amount necessary to cover its share of staff receiving such benefits.

DESCRIPTION:

A staffing plan must be developed as part of the educational plan required for joint powers districts receiving cooperative secondary facilities grants. This plan may include placing teachers on unrequested leave. The joint powers board must certify to each participating school district, the amount required to fund the district's portion of severance pay and early retirement incentives.

The tax levy certified to each district must be expressed as a percentage that, when applied to the combined Adjusted Gross Tax Capacity (AGTC) of all participating school districts, raises the amount necessary to provide severance pay and early retirement incentives. Each participating district will certify to its county auditor the determined percentage of AGTC required to raise its share of the total required amount.

The level of school district levies reflects the need to spread the obligation resulting from staff reductions over a number of years. This obligation is expected to continue at least through F.Y. 1992.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Eligible joint powers districts	--	--	1	1
Participating school districts	--	--	4	4
Teachers	--	--	0	22
Severance pay/retirement levy (000's)	\$ --	\$ --	\$ 200	\$ 200

TRENDS:

The number of eligible joint powers districts, participating school districts, and the severance pay/early retirement levies remain constant for F.Y. 1990 and F.Y. 1991. This is because the secondary cooperative facilities grant program is repealed effective June 30, 1989, and no new joint powers districts can become eligible for the program.

GOVERNOR'S RECOMMENDATION:

The Governor recommends continuation of this activity until the existing obligations incurred for the cooperative facilities program have been funded.

1990-91 Biennial Budget

ACTIVITY : 0510 MISCELLANEOUS CAPITAL EXPENDITURE & DEBT SERVICE LEVIES
 Program : 05 EDUCATION FACILITIES/EQUIPMENT
 Agency : EDUCATION AIDS
 Citation : M.S. 124.243, Subd. 9; 124.2445; 124.82; 275.125,
 Subd. 4, 4a, 11e, 12, 12a; 475.61
 MDE Admin.: 1202-01 Education Finance and Analysis
 Federal : None

PURPOSE:

To provide funds to school districts for the capital expenditure and debt service purposes outlined below:

DESCRIPTION:

A. Capital Expenditure fund

1. General Building Lease (M.S. 275.125, Subd. 12; Laws 1988, Chapter 718, Article 8, Section 25). For taxes payable in 1987 and earlier years, school districts were permitted to levy for the approved cost of leasing existing school buildings or other buildings for instructional purposes. This levy was repealed by the 1987 Legislature; however, 1988 legislation provides that school districts may make a 1988 payable 1989 levy for the amount the district would have been allowed to levy for taxes payable in 1988, had the authority to levy for this purpose not been repealed.
2. Secondary Vocational Cooperative Building Lease (M.S. 275.125, Subd. 11e). Beginning with taxes payable in 1989, school districts may levy for the approved cost of renting or leasing buildings for secondary vocational cooperative programs. The proceeds of the levy must not be used for renting or leasing a facility owned by a district or for custodial or other maintenance services.
3. Energy Conservation (M.S. 275.125, Subd. 12a). A school district may annually levy, without the approval of a majority of the voters in the district, the amounts needed to repay the annual principal and interest of energy conservation loans made pursuant to M.S. 116J.37 and M.S. 298.292 to 298.298.
4. Building Construction Down Payment (M.S. 124.82; 275.125, Subd. 4a). A school district may levy the tax rate approved by a majority of the electors voting on the question of providing funds for a down payment for an approved building construction project. A referendum for a project not receiving a positive review and comment by the Commissioner of Education must be approved by at least 60 percent of the voters at the election. The election must take place no more than five years before the estimated commencement date of the project. All proceeds from the levy must be deposited in the capital expenditure fund and transferred to the down payment account in the building construction fund.

B. Debt Redemption Fund

1. General Debt Service Levy (M.S. 275.125, Subd. 4; 475.61). A school district must levy an amount between 105 percent and 106 percent of the amount needed to meet, when due, the principal and interest payments on its general obligations. The general debt service levy may be reduced if the district has an excess amount in the debt redemption fund at the time the levy is certified.
2. Debt Redemption Portion of Facilities Levy (M.S. 124.243, Subd. 9). A school district may allocate a portion of its capital expenditure facilities revenue to the debt redemption fund. The Minnesota Department of Education must calculate the aid and levy for each fund and reduce the debt service levy of the district by the amount of the levy allocated to the debt redemption fund. (Also, see Budget Activity 0503.)
3. Purchase of Certain Equipment (M.S. 124.2445). A school district must levy an amount between 105 percent and 106 percent of the amount needed to pay principal and interest on certificates of indebtedness or capital notes issued to purchase vehicles other than school buses, computers, telephone systems, cable equipment, photocopy and office equipment, technological equipment for instruction, and other capital equipment having an expected useful life at least as long as the terms of the certificates or notes. The issuance of the certificates or notes must be approved by a majority of those voting in a referendum election. The certificates or notes must be payable in not more than five years. The district's capital expenditure equipment levy must be reduced by the amount of the debt service levy certified for this purpose.

STATISTICS/EFFECTIVENESS:

(\$ in 000's)

A. Capital Expenditure Fund

	86 PAY 87	87 PAY 88	88 PAY 89	89 PAY 90
1. General Building Lease				
Amount	\$ 2,989.3	\$ 0	\$ 2,377.4	\$ 0
Districts	67	0	68	0
2. Vocational Coop Building Lease				
Amount	\$ 0	\$ 0	\$ 113.5	\$ 113.5
Districts	0	0	6	6
3. Energy Conservation				
Amount	\$ 3,635.8	\$ 3,322.7	\$ 3,455.6	\$ 3,455.6
Districts	107	118	125	125
4. Building Down Payment				
Amount	\$ 0	\$ 0	\$ 0	\$ 0
Districts	0	0	0	0
Subtotal,				
Capital Expenditure	\$ 6,625.1	\$ 3,322.7	\$ 5,946.5	\$ 3,569.1

1990-91 Biennial Budget

ACTIVITY : 0510 MISCELLANEOUS CAPITAL EXPENDITURE & DEBT SERVICE LEVIES
(Continuation)
Program : 05 EDUCATION FACILITIES/EQUIPMENT
Agency : EDUCATION AIDS

	<u>86 PAY 87</u>	<u>87 PAY 88</u>	<u>88 PAY 89</u>	<u>89 PAY 90</u>
B. Debt Redemption Fund				
1. General Debt Service				
Initial Amount	\$130,128.4	\$147,418.9	\$154,272.4	\$161,419.2
Reduction for Facilities				
Levy	0	0	(545.1)	(545.1)
Reduction for Excess	<u>(13,557.2)</u>	<u>(12,715.2)</u>	<u>(12,200.0)</u>	<u>(11,800.0)</u>
Net Amount	116,571.2	134,703.7	141,527.3	149,074.1
Districts	303	285	276	270
2. Facilities				
Amount	0	0	545.1	545.1
Districts	0	0	9	9
3. Equipment				
Amount	0	0	0	0
Districts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal, Debt Redemption	116,571.2	134,703.7	142,072.4	149,619.2
Total Amount	<u>\$123,196.3</u>	<u>\$138,026.4</u>	<u>\$148,018.9</u>	<u>\$153,188.3</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends continuation of this activity.

1990-91 Biennial Budget

ACTIVITY : 0511 SECONDARY SCHOOL CONSTRUCTION DEBT SERVICE
 Program : 05 EDUCATION FACILITIES/EQUIPMENT
 Agency : EDUCATION AIDS

PURPOSE:

To create, beginning in F.Y. 1990, an equalized aid and levy revenue program to finance new high school building construction in existing school districts, or in proposed consolidated school districts, voluntarily agreeing to merger. Participating districts would be required to meet certain size and program standards.

DESCRIPTION:

In order to be eligible for Secondary School Construction Debt Service revenue, participating school districts must:

1. Have at least 100 students per secondary grade level;
2. Meet state standards for building efficiency, as measured by the number of square feet per student, and other indices determined by the Minnesota Department of Education (MDE);
3. Meet state standards for program appropriateness;
4. Adopt policies requiring a specific level of reading and mathematics skills for graduation;
5. Offer Advanced Placement courses; and
6. Offer courses that will adequately prepare graduates for admission to the University of Minnesota College of Liberal Arts or Institute of Technology; and
7. Prepare a five-year financial analysis, to determine whether the proposed level of enrollment will generate revenues adequate to provide the required courses under current statutory revenue formulas, for review and approval by the Minnesota Department of Education (MDE).

If the project is approved by MDE, the state will sell construction bonds with debt service payments backed by a local levy. For each year the district maintains compliance with programmatic criteria, the state will partially assume the debt service through an equalization aid program where:

Debt Service Revenue = Total Debt Service Obligation
 = State Aid plus Local Levy

State Aid = Total Debt Service Obligation minus Local Levy

Local Levy is equalized at 100% of General Education equalizing factor.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u>	<u>Actual</u>	<u>Governor's</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	\$ 0	\$ 0	\$ 0	\$ 2,000

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$0 in F.Y. 1990 and \$2,000 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$0 in F.Y. 1990 and \$2,000 in F.Y. 1991. The Governor's recommendation is adequate to cover debt service on two projects authorized in F.Y. 1990.

The Governor recommends that the Secondary School Construction Debt Service program replace the Maximum Effort School Loan program (Budget Activity 0506) beginning in F.Y. 1990, and that no new loans be authorized.

EDUCATION ORGANIZATION/COOPERATION (06)

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EDUCATION ORGANIZATION/COOPERATION

1990-91 Biennial Budget

ACTIVITY : 0601 EDUCATION DISTRICTS
Program : 06 EDUCATION ORGANIZATION/COOPERATION
Agency : EDUCATION AIDS

Citation : M.S. 122.91-122.96; 124.2721
MDE Admin.: 1202-01 Education Finance and Analysis
Federal : None

PURPOSE:

To increase educational opportunities for students by providing programs according to terms of an agreement which entails greater cooperation and coordination of educational programming among school districts.

DESCRIPTION:

The requirements for forming an education district are included in the legislation enacted during the 1987 legislative session. Four or more school districts with at least 5,000 pupils in average daily membership or 2,000 square miles, or five or more districts, may enter into a written education district agreement after public notice and hearing. The agreement must provide for mandated programs and services and meet other statutory requirements.

Beginning in F.Y. 1990, each education district may receive total revenue up to \$60 per weighted average daily membership (WADM) pupil unit in the member school districts. In 1988, and each year thereafter, an education district may certify a levy, across the district, up to 1.1 percent of adjusted gross tax capacity. State aid is equal to the revenue minus the education district levy.

The WADM of school districts that are members of an intermediate district may not be used to obtain revenue under this program. The WADM of a school district may not be used to obtain revenue under both this program and the vocational cooperative revenue program (Budget Activity 0602).

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Eligible education districts	--	--	30	47
Member school districts	--	--	220	343
Pupil units served (WADM)	--	--	202,113	355,773
Total revenue (000's)	\$ --	\$ --	\$ 12,127	\$ 21,347
Levy	--	--	6,664	12,843
State aid	--	--	5,463	8,504

TRENDS:

This new revenue incentive will encourage more school districts to join education districts. School districts participating thus far, include representation from all geographic areas of the state and all sizes of school districts, excluding intermediate district members.

	Actual F.Y. 1988	Actual F.Y. 1989	Governor's Recommendation	
<u>ENTITLEMENT FUNDING:</u> (000's)			<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Aid Entitlement	\$ 0	\$ 0	\$ 5,463	\$ 3,697
2. Funding Sources				
Current Appropriation			4,644	3,143
Property Tax Shift Adjust.			(2,563)	(421)
Final Adjust. Appropriation			820	555
Total Funding	\$ 0	\$ 0	\$ 2,901	\$ 3,277
3. Transaction Summary				
State Payments	\$	\$	\$ 2,900	\$ 3,276
Transfer Out (MS 124.14)			1*	1*
Total Transactions	\$ 0	\$ 0	\$ 2,901	\$ 3,277

*Excess is available due to rounding aid entitlements and appropriations.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	Actual F.Y. 1988	Actual F.Y. 1989	Governor's Recommendation	
			<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Prior Year Adjustment	\$ 0	\$ 0	\$ 0	\$ 820
Current Year			4,644	3,143
Property Tax Shift Adjust			(2,563)	(421)
Total	\$ 0	\$ 0	\$ 2,081	\$ 3,542

1990-91 Biennial Budget

ACTIVITY: 0601 EDUCATION DISTRICTS
 (Continuation)
 Program : 06 EDUCATION ORGANIZATION/COOPERATION
 Agency : EDUCATION AIDS

CHANGE IN ENTITLEMENT LEVEL: (000's)	Governor's Recommendation	
	F.Y. 1990	F.Y. 1991
1. F.Y. 1989 Aid Entitlement	\$ 0	\$ 0
2. Entitlement Changes:		
a. Budget Variables		
Increase in participation		3,041
b. Existing Policy Changes Becoming Effective		
New program beginning F.Y. 1990	5,463	5,463
3. Subtotal, Estimate Per Current Law	\$ 5,463	\$ 8,504
4. Proposed Policy Changes		
Increase in levy authority		(4,807)
5. Total Aid Entitlement	\$ 5,463	\$ 3,697

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$5,463 in F.Y. 1990 and \$3,697 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$2,081 in F.Y. 1990 (\$0 for F.Y. 1989 and \$2,081 for F.Y. 1990), and \$3,542 in F.Y. 1991 (\$820 for F.Y. 1990 and \$2,722 for F.Y. 1991).

The Governor recommends retaining the current revenue level of \$60 per pupil unit, but proposes to reduce state aid entitlements by increasing the maximum property tax rate from 1.1 percent to 1.6 percent of the adjusted gross tax capacity beginning with taxes payable in 1990. The Governor further recommends applying the property tax shift provisions to Education District levies in the same manner as it is applied to school districts, beginning in FY. 1990.

Under separate legislation, the Governor will propose additional requirements for strengthening the program improvement provisions of the Education District Program.

1990-91 Biennial Budget

ACTIVITY : 0602 SECONDARY VOCATIONAL COOPERATIVES
 Program : 06 EDUCATION ORGANIZATION/COOPERATION
 Agency : EDUCATION AIDS

Citation : M.S. 123.351; 124.575
 MDE Admin.: 1202-01 Education Finance and Analysis
 Federal : None

PURPOSE:

To increase educational opportunities for students by providing vocational and nonvocational programs according to terms of an agreement which entails greater cooperation and coordination of educational programming among school districts.

DESCRIPTION:

Two or more school districts may enter into an agreement to establish a cooperative center to provide vocational education and other educational services upon the vote of a majority of the full membership of each of the governing boards of the districts entering into the agreement. Prior to the commencement of the operation of any cooperative, the agreement entered into by participating districts must be approved by the State Board of Education.

In order to receive revenue consisting of state aid and local levy authority, the secondary vocational cooperative must consist of four or more school districts with at least 5,000 pupils in average daily membership or 2,000 square miles, or five or more districts. Additionally, the cooperative must provide vocational offerings to any eligible person residing in any participating district and either special education for the handicapped and disadvantaged or other educational programs agreed upon by the participating districts.

Beginning in F.Y. 1990, each secondary vocational cooperative may receive total revenue up to \$20 per Weighted Average Daily Membership (WADM) pupil unit in the member school districts. In 1988, and each year thereafter, a cooperative may certify a levy, across the districts, up to .3 percent of adjusted gross tax capacity. State aid is equal to the revenue minus the secondary vocational cooperative levy.

The WADM of school districts that are members of an intermediate district may not be used to obtain revenue under this program. The WADM of a school district may not be used to obtain revenue under both this program and the Education District revenue program (Budget Activity 0601).

STATISTICS/EFFECTIVENESS:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Eligible secondary vocational cooperatives	--	--	8	6
Member school districts	--	--	30	26
Pupil units served (WADM)	--	--	62,771	58,366

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Total revenue (000's)	\$ --	\$ --	\$ 1,256	\$ 1,167
Levy	--	--	673	677
State aid	--	--	583	490

TRENDS:

Although the new revenue provides incentives for new cooperative unit programs and delivery of services, some districts are expected to join education districts which provide broader cooperative unit programs and service delivery options.

	Actual F.Y. 1988	Actual F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
ENTITLEMENT FUNDING: (000's)				
1. Aid Entitlement	\$ 0	\$ 0	\$ 583	\$ 161
2. Funding Sources				
Current Appropriation			496	137
Property Tax Shift Adjust.			(261)	166
Final Adjust. Appropriation			88	25
Total Funding	\$ 0	\$ 0	\$ 323	\$ 328
3. Transaction Summary				
State Payments			322	327
Transfer Out (M.S. 124.14)			1*	1*
Total Transactions	\$ 0	\$ 0	\$ 323	\$ 328

*Excess is available due to rounding of aid entitlements and appropriations.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual F.Y. 1988	Actual F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 0	\$ 0	\$ 0	\$ 88
Current Year	0	0	496	137
Property Tax Shift Adjust.			(261)	166
Total	\$ 0	\$ 0	\$ 235	\$ 391

1990-91 Biennial Budget

ACTIVITY: 0602 SECONDARY VOCATIONAL COOPERATIVES
(Continuation)
Program : 06 EDUCATION ORGANIZATION/COOPERATION
Agency : EDUCATION AIDS

CHANGE IN ENTITLEMENT LEVEL: (000's)	Governor's Recommendation	
	F.Y. 1990	F.Y. 1991
1. F.Y. 1989 Aid Entitlement	\$ 0	\$ 0
2. Entitlement Changes:		
a. Budget Variables		
Decrease in Participation		(93)
b. Existing Policy Changes Becoming Effective		
New Program Beginning F.Y. 1990	583	583
3. Subtotal, Estimate Per Current Law	\$ 583	\$ 490
4. Proposed Policy Changes		
Increase in Levy Authority		(329)
5. Total Aid Entitlement	\$ 583	\$ 161

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$583 in F.Y. 1990 and \$161 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$235 in F.Y. 1990 (\$0 for F.Y. 1989 and \$235 for F.Y. 1990), and \$391 in F.Y. 1991 (\$88 for F.Y. 1990 and \$303 for F.Y. 1991).

The Governor recommends retaining the current revenue level of \$20 per pupil unit, but proposes to reduce state aid entitlements by increasing the maximum property tax rate from 1.1 percent to 1.6 percent of the adjusted gross tax capacity beginning with taxes payable in 1990. The Governor further recommends applying the property tax shift provisions to Secondary Vocational Cooperatives levies in the same manner as it is applied to school districts, beginning in F.Y. 1990.

1990-91 Biennial Budget

ACTIVITY : 0603 INTERDISTRICT COOPERATION LEVY
 Program : 06 EDUCATION ORGANIZATION/COOPERATION
 Agency : EDUCATION AIDS

Citation : M.S. 275.125, Subdivision 8e
 MDE Admin.: 1202-01 Education Finance and Analysis
 Federal : None

PURPOSE:

To encourage school districts to cooperate with other districts in increasing or maintaining curriculum offerings in the academic areas of science, mathematics, foreign language, and computer usage, as well as other programs recommended by the State Board of Education.

DESCRIPTION:

A. Program Operation for F.Y. 1988

Districts with an interdistrict cooperation plan approved by the Commissioner of Education were eligible to receive revenue (aid and levy) for F.Y. 1988. This program did not apply to Special School District No. 1, Independent School Districts No. 11, 625, and 709, and districts which were members of Intermediate School Districts. The maximum revenue available to each eligible district was the lesser of:

1. \$50 per weighted average daily membership for the current school year;
2. Estimated instructional costs to the district of the cooperation plan for the school year in which the levy was attributed; or
3. \$50,000.

The maximum levy was the lesser of:

1. The maximum revenue; or
2. One mill multiplied by the Adjusted Assessed Valuation (AAV) of the district for the preceding year.

The maximum aid was equal to the difference between the maximum revenue and the maximum levy. Many districts received no state aid because they were able to raise the maximum revenue with a levy of less than one mill.

B. Program Operation for F.Y. 1989.

Beginning in F.Y. 1989, districts are required to reserve a portion of their General Education Revenue for specific purposes. Interdistrict Cooperation was one of these purposes. Therefore, there was no separate aid or levy for Interdistrict Cooperation in F.Y. 1989.

C. Program Operation for F.Y. 1990 and F.Y. 1991.

Beginning in F.Y. 1990, a district may levy each year for Interdistrict Cooperation if it:

1. is a member of an education district and the education district does not receive revenue under the Education District Revenue Program, or
2. is not a member of an education district and has a cooperation agreement with other districts to expand curricular offerings in the above mentioned areas.

This program does not apply to Special School District No. 1, Independent School Districts No. 11, 625, and 709, and districts that are members of Intermediate School Districts.

The levy must not exceed the amount raised by .8 percent of the Adjusted Gross Tax Capacity (AGTC) of the district for the preceding year.

A school district that is a member of a secondary vocational cooperative may levy for interdistrict cooperation the difference between the amount raised by .8 percent of the AGTC of the district for the preceding year and the amount levied under the Secondary Vocational Cooperative Revenue Program.

STATISTICS/EFFECTIVENESS: (\$ in 000's)	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Total Revenue				
Amount	\$ 8,990.3	\$ --	\$ 3,873.4	\$ 1,000.0
Districts	305	--	133	33
Levy				
Amount	\$ 6,643.2	\$ --	\$ 3,873.4	\$ 1,000.0
Districts	305	--	133	133
State Aid				
Amount	\$ 2,347.1	\$ --	\$ 0	\$ 0
Districts	208	--	0	0

TRENDS:

It is estimated that about 75 percent of the school districts that levy the Interdistrict Cooperation Levy for F.Y. 1990 will join Education Districts and be ineligible to levy for Interdistrict Cooperation for F.Y. 1991.

GOVERNOR'S RECOMMENDATION:

The Governor recommends continuation of this activity.

1990-91 Biennial Budget

ACTIVITY : 0604 INTERMEDIATE DISTRICT LEVIES
Program : 06 EDUCATION ORGANIZATION/COOPERATION
Agency : EDUCATION AIDS

Citation : M.S. 136D.27, 136D.74, 136D.87
MDE Admin.: 1202-01 Education Finance and Analysis
Federal : None

PURPOSE:

To provide funding for special education and secondary vocational education programs provided by Hennepin Technical Intermediate School District No. 287, North East Metropolitan Intermediate School District No. 916, and Dakota County Intermediate School District No. 917.

DESCRIPTION:

Intermediate school districts may certify levies to fund special education and secondary vocational programs to the county auditors of each county in which the intermediate school district is located in the case of No. 916, and to the participating school districts in the case of No. 287 and No. 917.

For F.Y. 1988 and F.Y. 1989, this levy could not exceed the amount raised by .6 mills of Adjusted Assessed Valuation (AAV) for special education, and the amount raised by .7 mills of AAV for secondary vocational education.

Beginning in F.Y. 1990, this levy must not exceed the amount raised by .6 percent of Adjusted Gross Tax Capacity (AGTC) for special education, and the amount raised by .7 percent of AGTC for secondary vocational education.

STATISTICS/EFFECTIVENESS:

INTERMEDIATE DISTRICT LEVIES	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
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AUTHORIZED TAX RATES

A. Hennepin Tech. No. 287

1. Secondary Voc				
a. Mills times AAV	0.7	0.7	--	--
b. Percent of AGTC	--	--	0.6	0.6
2. Special Education				
a. Mills times AAV	0.6	0.6	--	--
b. Percent of AGTC	--	--	0.5	0.5

STATISTICS/EFFECTIVENESS:
(Contd.)

B. N.E. Metro No. 916 and
Dakota Co. No. 917

1. Secondary Voc				
a. Mills times AAV	0.5	0.7	--	--
b. Percent of AGTC	--	--	0.6	0.6
2. Special Education				
a. Mills times AAV	0.6	0.6	--	--
b. Percent of AGTC	--	--	0.5	0.5

CERTIFIED LEVIES (000's)

A. Hennepin Tech No. 287

1. Secondary Voc	\$ 4,145.8	\$ 4,466.1	\$ 5,012.3	\$ 5,565.2
2. Special Education	3,553.5	3,828.1	4,177.0	4,637.6
3. Total	7,699.3	8,294.2	9,189.3	10,202.8

B. N.E. Metro No. 916

1. Secondary Voc	1,423.3	2,053.2	2,301.7	2,574.3
2. Special Education	1,708.0	1,759.8	1,918.0	2,145.2
3. Total	3,131.3	3,813.0	4,219.7	4,719.5

C. Dakota Co. No. 917

1. Secondary Voc	984.7	1,392.7	1,658.8	1,877.6
2. Special Education	1,181.7	1,193.8	1,382.3	1,564.7
3. Total	2,166.4	2,586.5	3,041.1	3,442.3

D. Total Certified Levies

1. Secondary Voc	6,553.8	7,912.0	8,972.8	10,017.1
2. Special Education	6,443.2	6,781.7	7,477.3	8,347.5
3. Total	12,997.0	14,693.7	16,450.1	18,364.6

WEIGHTED ADM (000's)

A. Hennepin Tech No. 287	102.4	100.2	100.9	103.2
B. N.E. Metro No. 916	70.5	69.8	70.8	73.2
C. Dakota Co. No. 917	54.6	51.1	57.2	60.2
D. Total	227.5	225.1	228.9	236.6

TOTAL LEVY PER WEIGHTED ADM

A. Hennepin Tech No. 287	\$ 75.19	\$ 82.76	\$ 91.08	\$ 98.80
B. N.E. Metro No. 916	44.41	54.67	59.58	64.47
C. Dakota Co. No. 917	39.65	46.93	53.13	57.21
D. Weighted Average	57.12	65.28	71.85	77.61

NOTE: Secondary Average Daily Membership (ADM) weighted at 1.4 in F.Y. 1988 and at 1.35 beginning in F.Y. 1989.

1990-91 Biennial Budget

ACTIVITY: 0604 INTERMEDIATE DISTRICT LEVIES
(Continuation)
Program : 06 EDUCATION ORGANIZATION/COOPERATION
Agency : EDUCATION AIDS

GOVERNOR'S RECOMMENDATION:

The Governor recommends continuation of this activity.

1990-91 Biennial Budget

ACTIVITY : 0605 PROGRAM IMPROVEMENT GRANTS
 Program : 06 EDUCATION ORGANIZATION/COOPERATION
 Agency : EDUCATION AIDS

Citation : M.S. 129B.11; 275.125, Subdivision 8d
 MDE Admin.: 1202-02 District Financial Management & Transportation
 Federal : None

PURPOSE:

To provide grants to groups of school districts for improving education by providing more learning opportunities for students.

DESCRIPTION:

The Program Improvement Grant program was enacted during the 1987 legislative session. Proposals from groups of school districts to improve education through cooperation are submitted for review and comment by the State Curriculum Advisory Committee and the Advisory Committee on Technology in Education. The State Board of Education makes the grant awards, not to exceed \$250 thousand for a group of districts, based on criteria in the legislation.

The criteria include:

1. planned changes in program to provide more learning opportunities for students,
2. local commitment to the plan, including local public and private financial support of technology plans,
3. district teaching staff involvement in planning,
4. relationship to local planning, evaluation, and reporting (PER) goals, and
5. evidence of district cooperative organization.

To be eligible for a grant, a group of districts must meet one of the following criteria:

1. Create a consolidated district of at least 600 pupils in average daily membership (ADM);
2. Establish an education district;
3. Form a group of districts with an agreement to discontinue grades as provided in M.S. 122.535 or 122.541. The districts must have a combined total of 240 or more pupils in ADM in Grades 10, 11 and 12; or
4. Enter into a joint powers agreement for a technology cooperative.

Nine project proposals were funded--three beginning in F.Y. 1988 and six beginning in F.Y. 1989--ranging from \$60 to \$250 thousand each. Four groups of funded districts entered into joint power agreements for technology cooperatives, mainly focusing on interactive television networks between school districts and institutions of postsecondary education. Three groups of districts formed education districts. Two groups of districts entered into interdistrict cooperation agreements.

State aid of \$1.5 million is available for grants for the 1987-89 biennium. The required levy for each participating school district is the lesser of .5 mill or an amount equal to its share of the grant. This levy provides an additional \$673 thousand in program funds.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990^b</u>	<u>F.Y. 1991</u>
Projects reviewed	13	11		
Projects funded	3	6	9	--
Participating school districts	20	52		

Grant awards by type of organization (000's):

Technology joint-powers cooperatives	\$ 250	\$ 425		
Education districts	250	437		
Interdistrict cooperation agreements	77	61		
Total grant awards	\$ 577	\$ 923	\$ 1,500	--
Local levy ^a	272	401	673	--
Total funding	\$ 849	\$ 1,324	\$ 2,173	--

^a The levy is made in the year of the grant award; the proceeds are recognized as revenue in the following year.

^b For the biennium.

<u>ENTITLEMENT FUNDING:</u> (000's)	Actual	Estimate	Governor's Recommendation	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Aid Entitlement*	\$ 316	\$ 1,184	\$ 0	\$ 0
2. Funding Sources				
Balance Forward		1,184		
Current Appropriation	1,500		0	0
Total Funding	\$ 1,500	\$ 1,184	\$ 0	\$ 0

1990-91 Biennial Budget

ACTIVITY: 0605 PROGRAM IMPROVEMENT GRANTS
(Continuation)
Program : 06 EDUCATION ORGANIZATION/COOPERATION
Agency : EDUCATION AIDS

	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation	
ENTITLEMENT FUNDING: (000's)			F.Y. 1990	F.Y. 1991
(Contd.)				

GOVERNOR'S RECOMMENDATION:

The Governor recommends eliminating this aid beginning in F.Y. 1990.

3. Transaction Summary

State Payments	\$ 316	\$ 1,184	\$ 0	\$ 0
Balance Forward	1,184			
Total Transactions	<u>\$ 1,500</u>	<u>\$ 1,184</u>	<u>\$ 0</u>	<u>\$ 0</u>

* The aid entitlement for the three projects funded beginning in F.Y. 1988 is \$316 thousand in F.Y. 1988 and \$261 thousand in F.Y. 1989 based on the distribution of program expenditures during the biennium.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation	
			F.Y. 1990	F.Y. 1991
General Fund				
Current Year	<u>\$ 316</u>	<u>\$ 1,184</u>	<u>\$ 0</u>	<u>\$ 0</u>

CHANGE IN ENTITLEMENT LEVEL: (000's)	Governor's Recommendation	
	F.Y. 1990	F.Y. 1991
1. F.Y. 1989 Aid Entitlement	\$ 1,184	\$ 1,184
2. Entitlement Changes		
a. Budget Variables		
Adjustment For Funding With a Biennial Appropriation	316	(1,184)
3. Subtotal, Estimate Per Current Law	<u>\$ 1,500</u>	<u>\$ 0</u>
4. Proposed Policy Changes		
a. Eliminate This Aid	(1,500)	
5. Total Aid Entitlement	<u>\$ 0</u>	<u>\$ 0</u>

ACCESS TO EXCELLENCE (07)

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1990-91 Biennial Budget

ACTIVITY : 0701 PER PROCESS AID
 Program : 07 ACCESS TO EXCELLENCE
 Agency : EDUCATION AIDS

Citation : M.S. 124.274; 126.661-126.666; 126.67
 MDE Admin.: 1201-08 Assessment and Program Evaluation
 Federal : None

PURPOSE:

To promote involvement of the public in the planning, evaluating, and reporting of learning results in the public schools, and to strengthen district processes of curriculum evaluation and improvement.

DESCRIPTION:

The planning, evaluating and reporting (PER) law was enacted in 1976 and significantly amended in 1984 to establish a special state aid for public school districts participating in the process. Districts are required to adopt a policy establishing district goals, learner outcomes for all subjects, a curriculum review cycle, and program evaluation process, and to report the results of the evaluation to all residents of the district. A curriculum advisory committee must also be established in each district. The intent is to improve curriculum, planning, evaluation, and reporting in such a way as to increase community involvement with the schools, improve school-community public relations, and provide a vehicle for sharing information about the accomplishments of public schools with district residents. This law is a process-oriented approach to public school district program accountability.

The annual program evaluation requirement of the law specifies that districts collect and analyze pupil performance data and other evaluation results for those subjects under review in the district curriculum review cycle. New state assessment tests must be used by districts as a part of their evaluation process when these tests become available for district administration. The PER law also requires districts to implement an Assurance of Mastery program to identify pupils who are not achieving local district standards in communications and mathematics. Evaluation of the district's testing program is mandated on an alternate year basis. Districts must disseminate the results of their evaluations to district residents annually, and submit a copy of that report to the Commissioner of Education by October 15 of each year. Districts which complete the process and receive approval from the Commissioner of Education are eligible to receive \$1 times average daily membership (ADM), but not less than \$1,500 for the applicable school year. This state aid is paid in the year following the year the process is conducted.

Due to the broad nature of this legislation, the law has been referred to frequently in other legislative mandates such as technology utilization, school effectiveness, staff development aid, and interdistrict cooperation.

The law continues to provide flexibility of implementation for school districts and has future capability for increased relationships with new educational legislation.

STATISTICS/EFFECTIVENESS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
A. Districts with less than 1,500 ADM	337	334	333	333
Minimum formula aid (000's) \$	1.5	\$ 1.5	\$ 1.5	\$ 1.5
State aid entitlement (000's)	\$ 506	\$ 501	\$ 500	\$ 500
B. Districts with 1,500 or more ADM	98	101	102	102
Formula aid rate per ADM \$	1.00	\$ 1.00	\$ 1.00	\$ 1.00
State aid entitlement (000's)	\$ 517	\$ 530	\$ 538	\$ 546
C. Total state aid (000's)	\$ 1,023	\$ 1,031	\$ 1,038	\$ 1,046

TRENDS:

Major changes or shifts in fund allocations are not necessary with continuation of funding at the current level.

ENTITLEMENT FUNDING: (000's)	Estimate	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement				
Unprorated Entitlement	\$ 1,023	\$ 1,031		
Less Prorated Amount	7	8		
Net Entitlement	\$ 1,016	\$ 1,023	\$ 1,038	\$ 1,046
2. Funding Sources				
Current Appropriation	\$ 1,014	\$ 1,022	\$ 1,038	\$ 1,046
Transfer In (M.S. 124.14)	2	1		
Total Funding	\$ 1,016	\$ 1,023	\$ 1,038	\$ 1,046
3. Transaction Summary				
State Payments	\$ 1,016	\$ 1,023	\$ 1,038	\$ 1,046
4. Deficiency Apppr. Request	\$ 7	\$ 8		

NOTE: Proration is based on November 1988 estimate of allocation from programs with cancellations. The proration may change as additional data become available.

1990-91 Biennial Budget

ACTIVITY: 0701 PER PROCESS AID
 (Continuation)
 Program : 07 ACCESS TO EXCELLENCE
 Agency : EDUCATION AIDS

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	<u>Estimate</u>		<u>Governor's Recommendation</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	\$ 1,016	\$ 1,023	\$ 1,038	\$ 1,046
Deficiency	0	0		
Total	<u>\$ 1,016</u>	<u>\$ 1,023</u>	<u>\$ 1,038</u>	<u>\$ 1,046</u>

<u>CHANGE IN ENTITLEMENT LEVEL:</u> (000's)	<u>Governor's Recommendation</u>	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. F.Y. 1989 Aid Entitlement	\$ 1,031	\$ 1,031
2. Entitlement Changes:		
a. Budget Variables		
Net effect of fewer districts receiving minimum aid, and more districts with greater than 1,500 ADM receiving aid based on the formula rate	7	15
3. Total, Estimate Per Current Law	<u>\$ 1,038</u>	<u>\$ 1,046</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$1,038 in F.Y. 1990 and \$1,046 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$1,038 in F.Y. 1990 and \$1,046 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 0702 SW/WC ECSU TELECOMMUNICATIONS (INFORMATION ONLY)
 Program : 07 ACCESS TO EXCELLENCE
 Agency : EDUCATION AIDS

Citation : Laws 1987, Chapter 400, Section 16, Subdivision 5
 MDE Admin.: 1202-09 Executive Management
 Federal : None

PURPOSE:

A 1987 state bonding appropriation of \$1,655 thousand was provided to the Southwest/West Central Educational Cooperative Service Unit (ECSU) for the construction of a two-way interactive telecommunications system. The purpose is to provide additional course offerings to secondary students in 30 school districts, and continuing education for area residents.

DESCRIPTION:

Under a grant agreement between the Southwest/West Central Cooperative Unit and the Minnesota Department of Education, an advisory committee was established to develop criteria for participation in the network. The committee included representatives from all public postsecondary and elementary-secondary education systems served by the telecommunications network. The committee allocated \$80 thousand in F.Y. 1988 and \$1,575 thousand in F.Y. 1989 for six projects.

STATISTICS/EFFECTIVENESS:

<u>Project</u>	<u>Amount (000's)</u>
1. Redwood County Telecommunications Project	\$280
2. Little Crow Tele-Media Network	330
3. Independent school districts No. 892, Clarkfield and No. 775, Kerkhoven, to join Minnesota Valley Tele-Network	80
4. Des Moines River Valley Tele-Media Project	520
5. Worthington Community College for interconnecting tower and equipment between Des Moines River Valley Tele-Media and Southwest Minnesota Telecommunications	145
6. Joint Vocational Technical District No. 900 for interconnecting equipment within the Minnesota Tele-Media regional telecommunications network	300
Total	<u>\$1,655</u>

1990-91 Biennial Budget

ACTIVITY : 0703 POSTSECONDARY ENROLLMENT OPTIONS
 Program : 07 ACCESS TO EXCELLENCE
 Agency : EDUCATION AIDS

Citation : M.S. 123.3514
 MDE Admin.: 1201-12 Special Programs
 Federal : None

PURPOSE:

To promote rigorous academic pursuits and to provide a wider variety of options to Grade 11 and 12 public school students.

DESCRIPTION:

This program allows eligible secondary students to apply to eligible Minnesota postsecondary institutions to enroll, for secondary credit, in postsecondary nonsectarian courses or programs. Enrollment may be either on a full-time or part-time basis. High schools are responsible for providing information about the program and for providing counseling services to students and parents. Students have the responsibility of informing the school district of their intent to participate, of applying at the postsecondary institution, and of assuring that they and their parent/guardian sign a statement indicating that they have received information about the program and are aware of their responsibilities when participating in the program.

Instructional costs (tuition, fees, texts, and materials) incurred by the student's postsecondary participation are billed to the state by the postsecondary institution. Students choosing to take a postsecondary course for postsecondary credit are responsible for tuition and all other costs for the course. The student's school district reports to the Minnesota Department of Education (MDE) the annual hours of student membership; the annual hours the student was enrolled in courses at the high school; and the annual hours of instructional time available, in that district, to a full-time secondary student. After the completion of the school year, MDE makes payment to the postsecondary institution. The amount paid is the lesser of the actual cost billed by the postsecondary institution or an amount equal to a limit determined for each individual student based on the student hours reported by the student's district.

The payment limit for a given student is defined by the following calculation:

Student's membership hours minus hours student is enrolled in high school courses for credit	x	Basic General Education Revenue raised by the student
Annual hours instructional time available in the district		

The resident district's state aid payments are reduced by MDE in an amount equal to the postsecondary institution payments made by MDE on behalf of students of the resident district.

STATISTICS/EFFECTIVENESS:

F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

A. Public School Students -- Statewide

1. Grade 11	58,659	53,966	50,943	50,943
2. Grade 12	59,565	57,975	53,337	50,350
3. Total	118,224	111,941	104,280	101,293

B. Student Participation

1. Number of participants	5,400	6,000	6,300	6,600
2. Percent of total (B1/A3)	4.6%	5.4%	6.1%	6.5%
3. Percent Grade 11	25	25	25	25
4. Percent Grade 12	75	75	75	75
5. Percent by postsecondary system				
Community College	41	46	46	46
State University	11	12	12	12
University of Minnesota	30	22	22	22
Technical Institute	13	7	7	7
Private Colleges	5	13	13	13

C. Institutional Participation

1. Public school districts	285	285	285	285
2. Postsecondary institutions	80	80	80	80

D. Fiscal Information (000's)

1. District foundation/general education revenue under current law--statewide	\$1,912,435	\$2,307,298	\$2,360,291	\$2,405,673
2. Paid to postsecondary institutions				
a. Amount	2,600.9	3,137.9	3,210.0	3,271.7
b. Percent (D2a/D1)	0.136%	0.136%	0.136%	0.136%

TRENDS:

Students and parents/guardians are increasingly choosing the educational options offered under this program. The majority of participating students are in Grade 12, enroll in one postsecondary class per term, and reside in greater Minnesota.

GOVERNOR'S RECOMMENDATION:

The Governor recommends continuation of this activity.

1990-91 Biennial Budget

ACTIVITY : 0704 SCHOOL DISTRICT ENROLLMENT OPTIONS
 Program : 07 ACCESS TO EXCELLENCE
 Agency : EDUCATION AIDS

Citation : M.S. 120.062; 123.3515; 124A.036, Subd. 5
 MDE Admin.: 1202-02 District Financial Management & Transportation
 Federal : None

PURPOSE:

To provide learners entering kindergarten through grade 12 the opportunity to choose to enroll in a school or educational program located in a school district other than the one in which the pupil resides.

DESCRIPTION:

The school district enrollment options program has been operational since the 1987-88 school year, in which 95 school districts chose to participate in the program. Students in these districts applied by January 1, 1987, to attend school in other school districts. In the 1988-89 school year, school boards in 153 school districts passed resolutions declaring that they would participate. Students applied to these districts by sending applications to other participating districts by January 1, 1988.

Beginning in the 1989-90 school year, all districts with over 1,000 actual pupil units will participate and accept students, except if they declare to be a closed district, or do not have space in a grade level for an applicant. In addition, students in Minneapolis, St. Paul, or Duluth may be limited if they would adversely affect district desegregation guidelines. Students from Minneapolis, St. Paul, and Duluth may apply anytime during the 1989-90 school year. Students wishing to attend Minneapolis, St. Paul, Duluth must apply to these districts by December 1; all other students in participating districts must apply by January 1, 1989.

In the 1990-91 school year, a student may apply to any school district by January 1 to enroll for the following school year. District participation is required unless a school board has declared the district closed. In this latter event, resident students may leave to attend another district, but no nonresident students may enroll in the district. Desegregation guidelines continue to affect incoming and outgoing students in Duluth, Minneapolis, and St. Paul.

The general concept in funding is that the general education revenue follows the student. Specifically, for participating nonhandicapped pupils, the general education aid paid to the resident district is reduced by the amount of general education revenue, exclusive of compensatory revenue, that is attributable to the pupil in the resident district. The general education aid paid to the nonresident district is increased by the amount of general education revenue, exclusive of compensatory revenue, that is attributable to the pupil in the nonresident district. For participating handicapped pupils, the resident district must pay tuition to the nonresident district that is

providing the special instruction and services.

STATISTICS/EFFECTIVENESS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Districts participating:				
Over 1,000 pupil units	50	78	161	161
Under 1,000 pupil units	45	75	121	274
Total	95	153	282	435
2. Students participating:				
Kindergarten	19	42		
Grades 1-6	56	187		
Grades 7-12	65	206		
Total	140	435	1,000*	1,200*

*Estimated

TRENDS:

By September 1990 all districts will be participating. Based upon available data, the program is operational in districts in all areas of the state at all grade levels and in both large and small districts.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual	Actual	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Funds				
Current Year	\$ 0	\$ 0	\$ 175	\$ 75

GOVERNOR'S RECOMMENDATION:

The Governor recommends an appropriation of \$100 in F.Y. 1990 for an external evaluation of progress and effectiveness, especially for at-risk students, of various enrollment options programs, such as High School Graduation Incentives, Open Enrollment, Postsecondary Enrollment Options, and Area Learning Centers. This appropriation is for the biennium and is available until June 30, 1991.

In addition, the Governor recommends \$75 in F.Y. 1990 and \$75 in F.Y. 1991 for one professional staff position and one clerical staff position to administer the processing of data from various enrollment options programs.

1990-91 Biennial Budget

ACTIVITY: 0704 SCHOOL DISTRICT ENROLLMENT OPTIONS
 (Continuation)
 Program : 07 ACCESS TO EXCELLENCE
 Agency : EDUCATION AIDS

Allocation of these appropriations is as follows:

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Evaluation	\$ 100	\$ 0
2. Staff (2.0)	75	75
Total	<u>\$ 175</u>	<u>\$ 75</u>

1990-91 Biennial Budget

ACTIVITY : 0705 HIGH SCHOOL GRADUATION INCENTIVES
Program : 07 ACCESS TO EXCELLENCE
Agency : EDUCATION AIDS

Citation : M.S. 126.22
MDE Admin.: 1201-02 Learner Support/Learners At Risk
Federal : None

PURPOSE:

To provide incentives for and to encourage all Minnesota students who have experienced or are experiencing difficulty in the traditional education system to enroll in alternative programs in order to complete their high school education.

DESCRIPTION:

The 1987 Legislature enacted the High School Graduation Incentives (HSGI) program in recognition of the need for all students to obtain at least a high school education to function in society. The legislation, as amended in 1988, includes specific eligibility criteria for students between the age of 12 and 16 years, and between 16 and 19 years; and individuals not attending school between the age of 16 and 20 years, and 21 years and over. Generally, the criteria relate to performance level as measured by locally determined achievement tests, status in graduation credits, pregnancy or teen-parent status, chemical dependency, and attendance patterns. For individuals age 21 years and over, the criteria include years of public education completed, and eligibility status for various income maintenance, jobs training, and unemployment compensation programs.

The alternative education programs available to choose from are as follows:

1. Persons age 12-21 may apply in:
 - a. Any public high school; or
 - b. A private (nonsectarian) school having a contract with a public school district to provide services under this law; or
 - c. An approved public alternative education program; or
 - d. An Area Learning Center; or
 - e. A college or technical institute under Postsecondary Enrollment Options, if they have reached at least the 11th grade level and meet the requirements of that institution.
2. Persons age 21 or over may apply to a diploma program in a location other than their local school, including:
 - a. An approved Area Learning Center;
 - b. An approved alternative program;
 - c. Another high school, if the school board passes a resolution approving enrollment for adult students age 21 and over;

- d. An eligible adult basic education program under contract with a school district; and
- e. A postsecondary institution, as specified under the Postsecondary Enrollment Options program.

Approval of the resident district is not required for an eligible student to enroll in a nonresident district which has an eligible program or an area learning center. A student enrolling in a program in a nonresident district is considered a resident of the nonresident district, and, as a result, general education revenue follows the student to the nonresident district.

STATISTICS/EFFECTIVENESS:

The HSGI program went into effect during the summer of 1987, and youth began to take advantage of their new choices immediately. A survey was conducted in December 1987, with additional data collected in February 1988, to assess the impact of HSGI. This survey was conducted by the Educational Cooperative Service Units and the Minnesota Department of Education. Based on these data, 1,400 students enrolled in HSGI programs, and: 31% chose school district alternative programs; 4% selected a different traditional high school; 36% attended private nonsectarian alternative programs; 4% chose other options such as postsecondary courses or programs offered by a consortium of districts; and 25% were unknown.

Over 50% of HSGI students are re-enrolled dropouts. Under HSGI, about 70% of the students chose a different program than they had previously attended. The remaining 30% chose a different program before HSGI was operational and are now reported as HSGI students.

TRENDS:

Early indications in implementing HSGI suggest that:

1. "Choice" in education is becoming more accepted and expected among consumers.
2. Human service, health, and job training staff who serve "at risk" youth are becoming more knowledgeable about options within education.
3. Educators are becoming more concerned with meeting the needs of "at risk" youth, both by personalizing education and by meeting support service needs, such as child care.
4. Educators are becoming more concerned with marketing their programs.
5. Improving the educational status of "at risk" youth is viewed by policy makers as an important part of improving the economy.

GOVERNOR'S RECOMMENDATION:

The Governor recommends that aid for pupils enrolled in private nonsectarian alternative programs be increased from at least 50% of the basic per pupil revenue of the district to at least 90% of the basic per pupil revenue.

1990-91 Biennial Budget

ACTIVITY: 0705 HIGH SCHOOL GRADUATION INCENTIVES
(Continuation)
Program : 07 ACCESS TO EXCELLENCE
Agency : EDUCATION AIDS

The Governor further recommends that students eligible under the High School Graduation Incentives program will be able to attend nonpublic school programs approved by the State Board of Education. Transfer of state aid will be at 100% of the basic revenue of the district for these pupils.

1990-91 Biennial Budget

ACTIVITY : 0706 AREA LEARNING CENTERS
Program : 07 ACCESS TO EXCELLENCE
Agency : EDUCATION AIDS

Citation : M.S. 129B.52 - 129B.56
MDE Admin.: 1201-02 Learner Support/Learners At Risk
Federal : None

PURPOSE:

To encourage districts to establish alternative modes of education to serve secondary students and adults unable to be successful in traditional educational programs.

DESCRIPTION:

School districts are encouraged to establish an Area Learning Center (ALC), individually or in cooperation with other organizational entities. Except for districts located in cities of the first class, the ALC must serve two or more school districts. Eligible students do not need the consent of the district of residence to enroll. Eligible secondary students are those who:

1. Are chemically dependent;
2. Are not likely to graduate under traditional programs;
3. Need assistance with vocational and basic skills;
4. Can benefit from employment experiences; or
5. Need assistance in transition from school to employment.

Adults eligible are those who:

1. Are dislocated homemakers and workers; or
2. Need basic educational and social services.

In addition, the ALC may provide programs for elementary and secondary students not attending the center to assist them in completing high school. ALC programs are available year around, and a high school diploma is awarded upon successful completion of graduation requirements.

In F.Y. 1988, districts with existing alternative programs were invited to submit competitive proposals to expand their programs and establish an ALC. Twenty districts were awarded grants to prepare and submit detailed development plans. Based upon the plans, four sites were designated as exemplary area learning centers, and each was awarded an implementation grant in F.Y. 1989. A two-year, independent evaluation of the program, including an analysis of center costs at the exemplary sites, is in process. A preliminary report is being prepared for submission to the Legislature on February 1, 1989.

FOCUS FOR 1989-91 BIENNIUM:

During the 1989-91 biennium there will be continuation of a competitive grant system for both exemplary and designated Area Learning Centers, with emphasis on demonstration, replication, and staff inservice activities. Individual grant awards will be limited to \$10 thousand annually. The inservice opportunities will include improving curriculum; improving skills in teaching methodology; facilitating coordination with other education, social and work experience services; and planning service models for 12 to 15 year old students and/or students at the elementary age level.

STATISTICS/EFFECTIVENESS:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Area learning centers				
Number designated	--	18	28	35
Secondary students served	--	2,675	4,100	5,200
Adults served	--	1,370	2,100	2,600
Funding grants				
Planning	20	--	--	--
Exemplary sites	--	4	4	4
Replication sites	--	--	24	31
Grant expenditure (000's)	\$ 100	\$ 150	\$ 150	\$ 150

TRENDS:

Designated Area Learning Centers are projected to double in the upcoming biennium. Program emphasis will focus on improvement of alternative education services through replication and inservice activities.

<u>ENTITLEMENT FUNDING:</u> (000's)	Actual	Estimate	Governor Recommendation	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Aid Entitlement	\$ 100	\$ 150	\$ 150	\$ 150
2. Funding Sources				
Current Appropriation	\$ 100	\$ 150	\$ 150	\$ 150
3. Transaction Summary				
State Payments	\$ 100	\$ 150	\$ 150	\$ 150

1990-91 Biennial Budget

ACTIVITY: 0706 AREA LEARNING CENTERS
 (Continuation)
 Program : 07 ACCESS TO EXCELLENCE
 Agency : EDUCATION AIDS

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	Actual	Estimate	Governor's	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	\$ 100	\$ 150	\$ 150	\$ 150

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$150 in F.Y. 1990 and \$150 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$150 in F.Y. 1990 and \$150 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 0707 ADULT GRADUATION AID
Program : 07 ACCESS TO EXCELLENCE
Agency : EDUCATION AIDS

Citation : M.S. 120.06, Subd. 3; 124.17, Subd. 2e; 124.261
MDE Admin.: 1201-02 Learner Support/Learners At Risk
Federal : None

PURPOSE:

To provide high school diploma opportunities for adults age 21 and over.

DESCRIPTION:

Under legislation enacted in 1988, eligibility for free admission to public secondary schools was expanded to include any individual who is:

1. At least 21 years of age;
2. A resident of the district where the secondary school is located;
3. Eligible for the High School Graduation Incentives Program (Budget Activity 0705).

The free admission is limited to two years or the equivalent. Eligibility terminates when a student completes the courses required for high school graduation.

Adult graduation aid equals 65% of the general education formula allowance times the average daily membership (ADM) of a district's eligible pupils. ADM for pupils age 21 or over is equal to the ratio of the number of yearly hours that the pupil is in membership to the number of instructional hours in the district's regular school year.

This aid program is in addition to any other aid to the districts. However, the ADM for pupils age 21 or over is not used to compute pupil units for any purpose other than the computation of adult high school graduation aid.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Participants	--	1,200	1,260	1,320
2. Average daily membership	--	750	790	830
3. 65% of formula allowance	\$ --	\$ 1,791	\$ 1,820	\$ 1,820
4. Aid entitlement (000's) (Line 2 x line 3)	\$ --	\$ 1,343.1	\$ 1,437.8	\$ 1,510.6

TRENDS:

With broadening of high school diploma opportunities in Minnesota, and the efforts of the Minnesota Department of Education (MDE) to publicize the High School Graduation Incentives Program, more adults will be returning to school. The MDE has already received a large number of telephone calls regarding the new diploma opportunities.

<u>ENTITLEMENT FUNDING:</u> (000's)	<u>Actual</u>	<u>Estimate</u>	<u>Governor's Recommendation</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>

1. Aid Entitlement

Unprorated Entitlement		\$ 1,343		
Less Prorated Amount		255		
Total Entitlement	\$ 0	\$ 1,088	\$ 1,438	\$ 1,511

2. Funding Sources

Current Appropriation		1,000	1,223	1,285
Final Adjust. Appropriation			216	227
Transfer In (M.S. 124.14)		88		
Total Funding	\$ 0	\$ 1,088	\$ 1,439	\$ 1,512

3. Transaction Summary

State Payments		1,088	1,438	1,511
Transfer Out (M.S. 124.14)			1*	1*
Total Transactions	\$ 0	\$ 1,088	\$ 1,439	\$ 1,512

4. Deficiency Approp. Request

\$ 255

*Excess is available due to rounding aid entitlements and appropriations.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u>	<u>Estimate</u>	<u>Governor's Recommendation</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Prior Year Adjustment			0	216
Current Year	0	1,088	1,223	1,285
Deficiency		0		
Total	\$ 0	\$ 1,088	\$ 1,223	\$ 1,501

1990-91 Biennial Budget

ACTIVITY: 0707 ADULT GRADUATION AID
 (Continuation)
 Program : 07 ACCESS TO EXCELLENCE
 Agency : EDUCATION AIDS

CHANGE IN ENTITLEMENT LEVEL: (000's)	Governor's Recommendation	
	F.Y. 1990	F.Y. 1991
1. F.Y. 1989 Aid Entitlement	\$ 1,343	\$ 1,343
2. Entitlement Changes:		
a. Budget Variables		
Increase in formula allowance	23	25
Increase in participation	72	143
3. Total, Estimate Per Current Law	<u>\$ 1,438</u>	<u>\$ 1,511</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$1,438 in F.Y. 1990 and \$1,511 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$1,223 in F.Y. 1990 (\$0 for F.Y. 1989 and \$1,223 for F.Y. 1990), and \$1,501 in F.Y. 1991 (\$216 for F.Y. 1990 and \$1,285 for F.Y. 1991).

With this recommendation, the Governor proposes funding this budget activity on an 85-15% basis rather than 100% current.

1990-91 Biennial Budget

ACTIVITY : 0708 ARTS PLANNING PROGRAM GRANTS
 Program : 07 ACCESS TO EXCELLENCE
 Agency : EDUCATION AIDS

Citation : M.S. 129B.17; 129B.20
 MDE Admin.: 1201-09 Curriculum Service
 Federal : None

PURPOSE:

To provide 2-year grants for up to 30 districts each biennium to develop a 5-year school-community plan for arts education K-12, and to implement the first year of the plan.

DESCRIPTION:

Through a competitive application process, Minnesota school districts are selected to participate in the Comprehensive Arts Planning Program (CAPP). Upon selection, each district receives a grant to assist in the planning process. All public school districts in the state are eligible to participate in the program. Selection is based on need, commitment, and geographic distribution. State law provides that up to 30 districts may be selected to receive a 2-year grant. For the F.Y. 1988-89 biennium the statutory grant amount was \$1,250 per district per year. If grants are awarded to less than 30 districts, the remaining appropriated funds are awarded proportionately to the districts receiving grants.

Participating districts appoint a chairperson and an 8 to 12-member committee consisting of teachers, administrators, board members, and people from the community. During the first year of the program, district committees enact a thorough planning process which includes evaluation of the current program, an identification of needs and a long range plan for improvement. Once a 5-year plan has been submitted, each district receives an additional grant for the second year.

The annual grants to districts support planning efforts. For instance, teachers can be released from teaching responsibilities, mileage and expenses can be paid to community members, etc. The grants, coupled with state leadership and structure, are an important stimulus for program improvement.

STATISTICS/EFFECTIVENESS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Number of districts applying	34	--	40	--
Number of districts approved	23	23	30	30
Approved districts completing plan	100%	--	100%	--

	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation	
ENTITLEMENT FUNDING: (000's)	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 29	\$ 46	\$ 38	\$ 38
2. Funding Sources				
Balance Forward		8		
Current Appropriation	37	38	38	38
Total Funding	\$ 37	\$ 46	\$ 38	\$ 38
3. Transaction Summary				
State Payments	29	46	38	38
Balance Forward	8			
Total Transactions	\$ 37	\$ 46	\$ 38	\$ 38

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation	
Fund Source	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 29	\$ 46	\$ 38	\$ 38

	Governor's Recommendation	
CHANGE IN ENTITLEMENT LEVEL: (000's)	F.Y. 1990	F.Y. 1991
1. F.Y. 1989 Aid Entitlement	\$ 46	\$ 46
2. Entitlement Changes		
a. Budget Variables		
Adjustment For F.Y. 1988 Balance Forward.	(8)	(8)
3. Total, Estimate Per Current Law	\$ 38	\$ 38

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$38 in F.Y. 1990 and \$38 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$38 in F.Y. 1990 and \$38 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 0709 TECHNOLOGY-BASED NETWORK OF SCHOOLS
 Program : 07 ACCESS TO EXCELLENCE
 Agency : EDUCATION AIDS

PURPOSE:

To establish a network of technology-based comprehensive K-12 demonstration schools that will provide measurable, meaningful and continually enhanced academic performance of students through implementation of an individualized technology-based approach to the education process.

DESCRIPTION:

The proposal is for a demonstration grant program in which selected schools would incorporate a personalized education plan for each enrollee; use certified and qualified administrators and teachers; provide computer-managed and computer-assisted instructional environments; incorporate mastery and standardized testing, that will provide continuous progress monitoring and reporting; and inclusion of all required services, programs, courses and course content. Grant funding would be limited to costs involved in start-up, including staff and program preparation and equipment purchase inherent in the new format, not normally provided in school district provisions.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	Actual	Actual	Governor's	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	\$ 0	\$ 0	\$ 1,000	\$ 1,000

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$1,000 in F.Y. 1990 and \$1,000 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$1,000 in F.Y. 1990 and \$1,000 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 0710 COMPUTERS FOR TEACHERS AND STUDENTS
 Program : 07 ACCESS TO EXCELLENCE
 Agency : EDUCATION AIDS

PURPOSE:

To provide funding for school districts to purchase instructional computer hardware and software as a means of enhancing communications, creativity and thinking skills.

DESCRIPTION:

Minnesota educators report that with the current student/computer ratio of 18.5/1, teachers are limited in their ability to exploit the full potential of technology. Many more computers are necessary.

The Minnesota Department of Education (MDE) has established a goal of one computer for every four students, although some studies suggest that one computer for every two students may be optimal.

If districts continue to purchase computers at the same rate as for the past four years, and assuming that computers have a usable life of five years, then the goal of one computer for every four students will not be met until well into the 21st century. This proposal will provide additional funding opportunities for districts interested in accelerating the rate of computer purchase.

Through lease purchase financing, schools will acquire 46,333 computers each year over five years, beginning in F.Y. 1991. Revenue to finance lease purchase payments will come from a combination of state aids and levies, using an equalization formula similar to the general education revenue program.

In order to participate, districts must submit technology implementation plans to MDE that include:

1. Goals for integrating computers into the instructional program, including instruction and management uses;
2. Plans for allocating computers within the instructional program;
3. Timeline for implementation;
4. Numbers and types of computers required to implement these plans; and
5. Software needs or other requirements for implementing the plans and appropriate staff development.

MDE will negotiate a state purchase for the types and quantities of computers and software required to implement district plans. The MDE Courseware Committee will review district implementation plans as to software requirements and will recommend specific titles for high volume purchase by the state.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u> (000's)	<u>Actual</u>	<u>Actual</u>	<u>Governor's</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	\$ 0	\$ 0	\$ 0	\$ 10,000

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$0 in F.Y. 1990 and \$10,000 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$0 in F.Y. 1990 and \$10,000 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 0711 STATEWIDE TESTING
 Program : 07 ACCESS TO EXCELLENCE
 Agency : EDUCATION AIDS

In Budget Activity 1201-08, the Governor also recommends \$20 in F.Y. 1990 and \$60 in F.Y. 1991 for Minnesota to participate in a state-by-state comparison of educational achievement.

PURPOSE:

To develop and implement statewide achievement measurement in Grade Six and Grade Ten in the core curriculum areas of mathematics, science, social studies, and communication.

DESCRIPTION:

This initiative responds to recent discussion regarding the status of public school education in Minnesota. Statewide testing will help to assess the status of education and guide efforts to improve it. The proposal provides funding for the Minnesota Department of Education to develop, administer and analyze such tests and report the results.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u>	<u>Actual</u>	<u>Governor's</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	\$ 0	\$ 0	\$ 835	\$ 835

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$835 in F.Y. 1990 and \$835 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$835 in F.Y. 1990 and \$835 in F.Y. 1991.

Allocation of these appropriations is as follows:

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Test Development	\$ 365	\$ 365
2. Data Collection	150	150
3. Computer Programming	150	150
4. Scoring	50	50
5. Analysis	50	50
6. Reporting	50	50
Total	\$ 835	\$ 835

1990-91 Biennial Budget

ACTIVITY : 0712 INSTRUCTIONAL LEADERSHIP: RESTRUCTURING CURRICULUM,
ASSESSMENT AND INSTRUCTION
Program : 07 ACCESS TO EXCELLENCE
Agency : EDUCATION AIDS

PURPOSE:

To enhance student learning by providing technical assistance to schools in implementing outcome-based education and school-based management.

DESCRIPTION:

Instructional restructuring enhances student learning through acknowledgment of the divergent needs of students and adults. This involves:

1. Goal-focused professional growth and empowerment of students, educators, and other school personnel;
2. Collaboration among and between educators, parents, and the community;
3. Incorporating the change process as an integral part of school improvement; and
4. Incorporating higher-order thinking as a student outcome.

The objectives of this proposal are to:

1. Allow students to be more active producers of knowledge (including higher order thinking skills);
2. Expand the professional roles and responsibilities of teachers (site-based management);
3. Enhance the instructional leadership of administrators; and
4. Increase the involvement of parents.

The Minnesota Department of Education (MDE) will develop a process for interested schools to apply for technical assistance in developing learner outcomes and assessment procedures. Using the management principles developed in the Minnesota Educational Effectiveness Program (MEEP), the MDE will assist in the development of school site management in each school.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual	Actual	Governor's	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 0	\$ 0	\$ 1,500	\$ 2,235

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$1,500 in F.Y. 1990 and \$2,235 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$1,500 in F.Y. 1990 and \$2,235 in F.Y. 1991. The Governor's recommendation includes eight staff positions.

Allocation of these appropriations is as follows:

	F.Y. 1990	F.Y. 1991
1. Developmental Activities	\$ 50	\$ 50
2. Regional Workshops	30	0
3. Network/Conferences	50	50
4. Validation Teams	90	210
5. Item Bank Equipment for Sites	0	150
6. Site Leadership Staff Development	0	250
7. Building Assistance Teams	0	195
8. MDE Curriculum Support	200	100
9. Item Bank Acceleration	420	570
10. Difficult Outcomes/Program Evaluation	310	310
11. Department Instructional Support	350	350
Total	<u>\$ 1,500</u>	<u>\$ 2,235</u>

1990-91 Biennial Budget

ACTIVITY : 0713 MINORITY FACULTY DEVELOPMENT PROGRAM
 Program : 07 ACCESS TO EXCELLENCE
 Agency : EDUCATION AIDS

PURPOSE:

To provide school districts with incentives to hire more minority faculty and further develop a cadre of teachers in Minnesota with greater cultural and ethnic diversity.

DESCRIPTION:

More minority teachers are needed in Minnesota schools. Several trends point to a continuing shortage of minority faculty and role models in districts throughout the state.

The number of minority faculty have not kept pace with the rapidly increasing numbers of minority students. In Minneapolis, 45% of the students are minorities, compared with 26% in 1978. In St. Paul, 38% of the students are minorities, up from 30% in 1983. At the same time, only 1.3% of all teachers in our state represent black, hispanic or American Indian groups. Similarly, unlicensed and licensed minority staff makes up only 2.0% of the total staff in Minnesota schools.

Of particular concern are the extremely high number of dropouts among minority students. Although minorities make up 7.2% of the student population, they are significantly over-represented in dropout statistics -- in 1987-88, minorities represented 20% of all dropouts. To address the special needs of these students, stronger efforts are needed to provide adult role models and support for these students.

Although at-risk students are of special concern, it must be recognized that all students need contact with a variety of teachers, administrators and staff to prepare them for participation in a multicultural, multiethnic society. The changing nature of our community must be reflected in schools that demonstrate a strong commitment to recruiting and hiring diverse teachers and role models for all Minnesota students.

A state minority faculty fund is proposed that will provide school districts with additional resources to recruit and hire minority teachers. Funds must be matched by the local districts on a 50-50 basis. To support teachers within schools once they are hired, an additional staff development and training component is included for mentoring, training and counseling activities. Although the initial investment allows the hiring of approximately 25 teachers per year, the goal is to hire up to 250 minority teachers over a period of ten years.

The Minority Faculty program complements a minority student scholarship program proposed by the Higher Education Coordinating Board. The scholarship program would provide \$500 thousand in teaching scholarships to encourage more minority students to enter the teaching profession.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u>	<u>Actual</u>	<u>Governor's</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	\$ 0	\$ 0	\$ 425	\$ 575

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$425 in F.Y. 1990 and \$575 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$425 in F.Y. 1990 and \$575 in F.Y. 1991.

Allocation of these appropriations is as follows:

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Minority Salary Support	\$ 300	\$ 450
2. Training and Staff Development	125	125
Total	\$ 425	\$ 575

This new program is a component of the Governor's Dropout Prevention Initiative.

1990-91 Biennial Budget

ACTIVITY : 0714 YEAR OF THE CITY--EDUCATION
 Program : 07 ACCESS TO EXCELLENCE
 Agency : EDUCATION AIDS

PURPOSE:

To assist the Minneapolis, St. Paul, and Duluth school districts in reversing the trend toward racial isolation and in eliminating the gap that exists among children of different incomes and ethnic backgrounds.

DESCRIPTION:

Inner city schools have a disproportionately high number of students who are at risk of dropping out of school or of achieving at levels far lower than their potential would indicate. The factors which are associated with this risk include poverty, family disintegration, poor health, lack of positive adult role models and, to some extent, racial and cultural isolation. The Minneapolis, St. Paul, and Duluth school districts are each enrolling increasing numbers of students from families with low incomes, single parents, limited English proficiency, and high mobility.

The Year of the City program for education will provide assistance to the school districts to help them address the unique and fundamental needs of their inner city student populations and their families.

As part of the Governor's Year of the City package, this program will provide funds for projects focused on early intervention and preventive services, dropout prevention and mentorship opportunities for minority and low income students. These projects will be coordinated with health and human service agencies and will be targeted to students from Urban Revitalization Action Program (URAP) neighborhoods. The program will also provide for the active involvement in the educational process by parents and members of the local communities.

Project grant funds will be available for:

1. New and expanded early intervention programs, such as, school readiness for three and four year olds;
2. New teaching methods and training;
3. Promoting education within families;
4. Allowing opportunities for teachers, parents, and students to create new "schools within schools" to help at-risk children;
5. Promoting innovative youth service programs, including work experience opportunities, service options and peer tutoring; and
6. Assistance to students through greater use of adult mentor/friends and tutors.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	Actual	Actual	Governor's	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 0	\$ 0	\$ 4,350	\$ 4,350

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$4,350 in F.Y. 1990 and \$4,350 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$4,350 in F.Y. 1990 and \$4,350 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 0715 MERITORIOUS SCHOOLS GRANTS
 Program : 07 ACCESS TO EXCELLENCE
 Agency : EDUCATION AIDS

PURPOSE:

To increase the performance of public school students and promote meritorious educational programs through economic incentives to schools.

DESCRIPTION:

This proposal establishes a competitive grant program which will make grants of \$115 thousand each to schools, based on plans submitted by their school districts. The plans must meet one of the following categories of merit:

1. Student performance on standardized tests;
2. Student participation in school organizations and activities;
3. Achievement standards (e.g., graduation rates, college placement, and success in regional or state competition); and/or
4. Discipline standards (e.g., low suspension or high attendance rates).

Meritorious Schools will be selected by the Commissioner of Education and awards will be limited to one year.

Specific criteria for selection and the essential elements to be included in school plans will be developed by the Commissioner of Education. Among the permitted expenditures of grant funds, which may be identified in school plans, will be financial incentive awards to school personnel. These employee awards will be based on each school district's collective bargaining agreement. Examples of employee award categories which may be included in a school plan include the following:

1. Superior teaching, based on evaluations conducted by school principals or other school personnel assigned to evaluate teacher performance;
2. School employee attendance;
3. Employment of minority teachers; and
4. Other award categories related directly to the goals established in the school district's Planning, Evaluating and Reporting (PER) plan.

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	Actual	Actual	Governor's	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	\$ 0	\$ 0	\$ 500	\$ 500

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$500 in F.Y. 1990 and \$500 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$500 in F.Y. 1990 and \$500 in F.Y. 1991.

Allocation of these appropriations is as follows:

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Meritorious Schools Grants	\$ 460	\$ 460
2. Administration	40	40
Total	\$ 500	\$ 500

1990-91 Biennial Budget

ACTIVITY : 0716 SCHOOL CURRICULUM AND INSTRUCTION MONITORING
 Program : 07 ACCESS TO EXCELLENCE
 Agency : EDUCATION AIDS

Allocation of these appropriations is as follows:

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. MDE staff (1.5)	\$ 55	\$ 55
2. Support costs	20	20
Total	<u>\$ 75</u>	<u>\$ 75</u>

PURPOSE:

To provide funding for the Minnesota Department of Education (MDE) to monitor school district compliance with state laws and State Board of Education rules governing curriculum and instruction in the public schools.

DESCRIPTION:

This proposal will allow MDE to:

1. Design a process for an annual written review of district compliance with laws and rules governing curriculum and instruction in public schools. To the extent possible, this review will be conducted within the context of Integrated Data Base information collection procedures.
2. Implement a system to follow up the written review with on-site monitoring of districts that do not meet criteria established for the review.
3. Prepare an annual report of the findings of the monitoring activities. The report will be delivered to the State Board of Education, with recommendations for action.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

	Actual	Actual	Governor's Recommendation	
<u>Fund Source</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 75</u>	<u>\$ 75</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$75 in F.Y. 1990 and \$75 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$75 in F.Y. 1990 and \$75 in F.Y. 1991. The Governor's recommendation includes one professional staff position and .5 support staff position.

1990-91 Biennial Budget

ACTIVITY : 0717 HIGHER ORDER THINKING DEMONSTRATION SITES
Program : 07 ACCESS TO EXCELLENCE
Agency : EDUCATION AIDS

PURPOSE:

To provide grant funding for ten demonstration sites currently implementing or willing to design, develop, implement, and disseminate exemplary higher order thinking program components and/or models for use during the 1990 and 1991 school years.

DESCRIPTION:

This competitive program, which will provide grants of \$125 thousand to ten sites, is intended to assist school districts in developing and improving students' critical, creative, and practical thinking behaviors -- cognitive and affective. Demonstration sites will be expected to enhance student thinking, self concept, and productivity through improved curriculum, instructional strategies, assessment and evaluation, instructional resources, and local staff development. Sites will be expected to share expertise and materials with other schools and districts.

A. SITE TASKS. Sites selected will be expected to:

1. Adopt and/or develop a scope and sequence for higher order thinking skill instruction which is designed to systematically integrate the thinking skills and processes (i.e., concept formation, problem solving, decision making, composing, inquiring) into content areas and broader real-world situations;
2. Develop instructional design models which incorporate teaching and learning strategies to assist students in acquisition, processing, and application of thinking skills;
3. Explore assessment and evaluation procedures to document knowledge, process, and apply higher order thinking skills, as defined by established criteria or standards;
4. Enhance the instruction of higher order thinking skills and processes through appropriate current and emerging resources/tools;
5. Provide training and assistance to schools/districts planning to adopt or adapt higher order thinking program components; and
6. Disseminate print/non-print media aimed at providing guidance to other schools so they might replicate or modify these efforts.

B. ADVISORY COMMITTEE AND DUTIES. The Commissioner of Education will appoint a Higher Order Thinking Program Advisory Committee including representatives of two teachers' unions, administrators' association, two principals' organizations, curriculum and staff development, school boards' association, parent teacher association, foundations, and

business and industry. Members of the advisory committee will reflect the proportion of minorities in the public schools. The advisory committee will:

1. Develop selection criteria to assist in determining the demonstration sites;
2. Select ten school districts to become demonstration sites for exemplary higher order thinking programs;
3. Seek funding and in-kind contributions from private sources to supplement state funding; and
4. Evaluate the higher order thinking demonstration sites. It may contract with independent evaluators for this purpose.

C. CRITERIA FOR SELECTION. In consultation with the Minnesota Department of Education (MDE), the advisory committee will develop selection criteria for review by the State Board of Education. The selection criteria will be distributed to districts by October 1, 1989. Criteria will include at least the following:

1. Exemplary program of higher order thinking existing in eight of the ten districts; two districts may be developmental, one of which may be a rural district;
2. Evidence of willingness by district staff and the community to incorporate higher order thinking fully into the curriculum and to demonstrate new instructional methods;
3. Willingness to match the grant awarded to the district; and
4. Willingness to share educational experiences with other interested parties.

To the extent possible, the selected sites will represent a variety of models and be geographically distributed throughout the state with representation from urban, suburban, and rural areas.

D. GRANT AWARDS. Application for grants will be submitted to the State Board by December 1, 1989, in the form and manner prescribed by MDE. Grants will be awarded by January 15, 1990.

E. RECIPIENT DUTIES AND USE OF FUNDING. A district selected for a grant will work cooperatively with the advisory committee and MDE as appropriate. The exemplary sites will conduct at least three workshops each school year of the grant, to demonstrate to other districts and interested parties its use of higher order thinking in education. Developmental sites will conduct at least three workshops, beginning the second year of the program. Grant money may be used for equipment, materials, consultants, curriculum development, and teacher training/coaching. Private contributions may be made directly to the demonstration sites and used in ways similar to grant funding.

1990-91 Biennial Budget

ACTIVITY: 0717 HIGHER ORDER THINKING DEMONSTRATION SITES
(Continuation)
Program : 07 ACCESS TO EXCELLENCE
Agency : EDUCATION AIDS

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	Actual	Actual	Governor's Recommendation	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	\$ 0	\$ 0	\$ 1,500	\$ 0

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$1,500 in F.Y. 1990 and \$0 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$1,500 in F.Y. 1990 and \$0 in F.Y. 1991. This appropriation is for the biennium and is available until June 30, 1991.

Allocation of these appropriations is as follows:

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Demonstration Sites	\$ 1,250	\$ 0
2. District Visits to Demonstration Sites	150	0
3. MDE Administration	100	0
Total	\$ 1,500	\$ 0

1990-91 Biennial Budget

ACTIVITY : 0718 INTERNATIONAL EDUCATION
 Program : 07 ACCESS TO EXCELLENCE
 Agency : EDUCATION AIDS

PURPOSE:

To provide resources for improving student learning in a variety of areas relating to International Education.

DESCRIPTION:

This initiative will build on a Minnesota Department of Education (MDE) project titled "Minnesota in the World and the World in Minnesota." The proposal has nine components:

1. Staff, program funds, and an advisory committee to give direction to improvements in curriculum and instruction of international concepts;
2. Matching funds to assist educators in participating in international exchange programs, and in sharing their experiences through statewide professional and curriculum development activities;
3. Ongoing support for the Global Resource Center used by teachers across the state;
4. Ongoing support for regional international education centers across the state;
5. Matching funds for a grant from the National Geographic Society Foundation;
6. Resources for materials development and technical assistance in environmental education;
7. Two-year environmental education planning grants for school districts during the years that environmental education is under curriculum review, as required in M.S. 126.66;
8. Staff development resources for elementary teachers who want to be licensed in another language, and for secondary language teachers who want to be licensed to teach at the elementary level; and
9. One-year grants to school districts to establish regional elementary world language immersion magnet schools.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u>	<u>Actual</u>	<u>Governor's</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>Recommendation</u>	
			<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	\$ 0	\$ 0	\$ 1,000	\$ 1,975

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$1,000 in F.Y. 1990 and \$1,975 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$1,000 in F.Y. 1990 and \$1,975 in F.Y. 1991. The Governor's recommendation includes one professional staff position and one support staff position.

Allocation of these appropriations is as follows:

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. MDE staff and support (2.0)	\$ 150	\$ 150
2. Exchange program	200	200
3. Global Resource Center	50	50
4. Regional centers	100	100
5. National Geographic Society grant match	50	50
6. Environmental education materials and technical assistance	200	65
7. Environmental education planning grants	0	160
8. World language staff development	250	250
9. Immersion grants	0	950
Total	\$ 1,000	\$ 1,975

1990-91 Biennial Budget

ACTIVITY : 0719 JAPANESE LANGUAGE VILLAGE
 Program : 07 ACCESS TO EXCELLENCE
 Agency : EDUCATION AIDS

Based on these entitlements, the Governor recommends an appropriation of \$50 in F.Y. 1990 and \$0 in F.Y. 1991. This appropriation is for the biennium and is available until June 30, 1991.

PURPOSE:

To promote world languages and culture by providing a state grant to the Concordia College Japanese Language Village (Mori-No-Ike).

DESCRIPTION:

During the summer of 1988, the Iron Range Resources and Rehabilitation Board (IRRRB) and the Concordia Language Villages entered into an agreement to operate a two-week Language Village on Japanese Language and Culture at the Giants Ridge Ski area near Biwabik, Minnesota. The program was so successful that a second session was added to accommodate student interest.

Concordia College has a strong history of enrolling students in summer language immersion programs. Students aged 7 to 18 attend two-week experience based programs in Chinese, Russian, French, German, Spanish, Norwegian, Swedish, Finnish and Danish. An estimated 7,000 young people participate in Language Villages programs each year. Each program is designed to introduce students to another language and culture by surrounding them with the language and immersing them in the customs and heritage of the chosen country.

Based on the positive evaluation of the 1988 Japanese program and because this is the first language village of its kind in the nation, additional program development is necessary. Resources are needed for further curriculum development, purchasing of materials and staff training.

This request is for a one-time appropriation to defray costs for the second start-up year of the Japanese Language Village.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	Actual	Actual	Governor's	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	\$ 0	\$ 0	\$ 50	\$ 0

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$50 in F.Y. 1990 and \$0 in F.Y. 1991.

OTHER EDUCATIONAL PROGRAMS (08)

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OTHER EDUCATIONAL PROGRAMS

1990-91 Biennial Budget

ACTIVITY : 0801 TOBACCO USE PREVENTION
Program : 08 OTHER EDUCATIONAL PROGRAMS
Agency : EDUCATION AIDS

Citation : M.S. 124.252
MDE Admin.: 1201-09 Curriculum Services
Federal : None

PURPOSE:

To reduce tobacco-use rates in Minnesota by assisting local school districts to plan, implement, and evaluate effective tobacco-use prevention for students in Grades K-12.

DESCRIPTION:

Beginning in F.Y. 1986, local school districts that meet the following statutory criteria for tobacco-use prevention programs are eligible to receive state aid:

1. Provide inservice training for staff;
2. Provide a K-12 continuum of educational programs;
3. Provide a targeted intervention for 12-14 year olds based on evaluated curricula;
4. Prohibit tobacco use on school premises by minors; and
5. Evaluate program results.

Eligible districts currently receive the greater of \$1,040 or \$.54 per pupil in average daily membership enrolled in public elementary, secondary or technical institutes, or in nonpublic elementary or secondary schools. The Minnesota Department of Education (MDE) reviews applications for aid annually.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

1. Less than 1,926 Average Daily Membership (ADM)				
a. Number of districts	328	329	330	331
b. Average daily membership (000's)				
Public elementary-secondary	204.4	206.4	208.7	210.5
Nonpublic elementary-secondary	7.4	7.2	7.1	7.0
Technical Institute (TI)	0.4	0.4	0.4	0.4
TOTAL ADM	212.2	214.0	216.2	217.9
c. Aid Entitlement (000's)	\$ 341.1	\$ 342.2	\$ 343.2	\$ 344.2

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991
(Contd.)

2. 1,926 or more ADM				
a. Number of districts	91	91	91	91
b. Average daily membership (000's)				
Public elementary-secondary	505.2	511.2	519.3	532.5
Nonpublic elementary-secondary	37.8	37.0	36.4	35.9
Technical Institute (TI)	39.3	39.1	38.8	39.3
TOTAL ADM	582.3	587.3	594.5	607.7
c. Aid Entitlement (000's)	\$ 314.5	\$ 317.1	\$ 321.0	\$ 328.2
3. Totals				
a. Number of districts	419	420	421	422
b. Average daily membership (000's)				
Public elementary-secondary	709.6	717.6	728.0	743.0
Nonpublic elementary-secondary	45.2	44.2	43.5	42.9
Technical Institute (TI)	39.7	39.5	39.2	39.7
TOTAL ADM	794.5	801.3	810.7	825.6
c. Aid Entitlement (000's)	\$ 655.6	\$ 659.3	\$ 664.2	\$ 672.4

TRENDS:

Participation in this program has increased during the first three years. Districts are making progress toward adoption of tobacco-free policies for everyone using school facilities.

<u>ENTITLEMENT FUNDING:</u> (000's)	Estimate	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement				
Unprorated Entitlement	\$ 656	\$ 659		
Less Prorated Amount	23			
Total Entitlement	\$ 633	\$ 659	\$ 664	\$ 672
2. Funding Sources				
Current Appropriation	633	660	565	572
Final Adjust. Appropriation			100	101
Total Funding	\$ 633	\$ 660	\$ 665	\$ 673

1990-91 Biennial Budget

ACTIVITY: 0801 TOBACCO USE PREVENTION
(Continuation)
Program : 08 OTHER EDUCATIONAL PROGRAMS
Agency : EDUCATION AIDS

	Estimate F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation	
ENTITLEMENT FUNDING: (000's)			F.Y. 1990	F.Y. 1991
(Contd.)				

3. Transaction Summary

State Payments	633	659	664	672
Transfer Out (M.S. 124.14)			1*	1*
Cancellation		1		
Total Transactions	\$ 633	\$ 660	\$ 665	\$ 673

4. Deficiency Apprpr. Request \$ 23

*Excess is available due to rounding appropriations.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Estimate F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation	
			F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment			\$ 0	\$ 100
Current Year			565	572
Other Funds				
Public Health	\$ 633	\$ 659		
Deficiency	0			
Total	\$ 633	\$ 659	\$ 565	\$ 672

	Governor's Recommendation	
CHANGE IN ENTITLEMENT LEVEL: (000's)	F.Y. 1990	F.Y. 1991
1. F.Y. 1989 Aid Entitlement	\$ 659	\$ 659
2. Entitlement Changes:		
a. Budget Variables		
Increase in Participation	5	13
3. Total, Estimate per Current Law	\$ 664	\$ 672

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$664 in F.Y. 1990 and \$672 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$565 in F.Y. 1990 (\$0 for F.Y. 1989 and \$565 for F.Y. 1990), and \$672 in F.Y. 1991 (\$100 for F.Y. 1990 and \$572 for F.Y. 1991). The Governor recommends the consolidation of the public health fund with the general fund. As a result of this recommendation, \$565 is transferred to the general fund in F.Y. 1990 and \$672 in F.Y. 1991 for Tobacco Use Prevention.

1990-91 Biennial Budget

ACTIVITY : 0802 ALCOHOL-IMPAIRED DRIVER EDUCATION
 Program : 08 OTHER EDUCATIONAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : M.S. 171.29, Subdivision 2, Clause (b) (3)
 MDE Admin.: 1201-09 Curriculum Services
 Federal : None

PURPOSE:

To reduce the incidence of alcohol-impaired driving by providing funds to develop and implement local school programs about the dangers of driving under the influence of alcohol.

DESCRIPTION:

The Alcohol-Impaired Driver Education Program enacted in 1986 was first funded in F.Y. 1988. The funds appropriated are provided through a driver's license reinstatement fee. Fifteen percent of the fees collected from drivers who have lost their license because of an alcohol-related driving offense is transferred to the alcohol-impaired driver education account for the Minnesota Department of Education (MDE) by the Minnesota Department of Public Safety. This percentage, originally set at 25%, was reduced to 15% during the 1988 legislative session.

The State Board of Education guidelines for distribution of the funds include three categories of allowable expenditures:

1. Grants to school districts and postsecondary schools for the following purposes:
 - a. School staff development including registration fees, travel expenses, substitute instructor pay, etc.;
 - b. Purchase and/or development of alcohol-impaired driver education curricula and equipment designed to serve elementary, secondary, and postsecondary students;
 - c. Support of student-centered programs such as Students Against Drunk Driving (SADD), student committees, etc.;
 - d. Community and parent awareness programs; and
 - e. Evaluation of alcohol-impaired driver education programs and/or curricula.

Schools desiring to participate in this grant program must submit an application which includes a policy statement, implementation plan, and expenditure budget.

2. Grants for program development and services. Districts and postsecondary schools may apply for a grant to develop and/or test new and innovative curricular materials, conduct programs which provide a regional or statewide service, or develop and implement innovative approaches to the alcohol-impaired driver problem.

3. Administration of the program by MDE. This category includes \$100 thousand per year for two staff positions and related costs.

The formulas for allocating grant funds to districts and postsecondary schools are based on student counts, similar in concept to those used in the Tobacco Use Prevention program (Budget Activity 0801):

- School District - Greater of \$1 per prior year average daily membership (ADM) in public and participating nonpublic schools, or \$1,000. (Nonpublic ADM is included only for pupils requesting services.)
- Postsecondary School - \$1 per prior year Fall head count enrollment, with a minimum of \$500 and maximum of \$2,000 per campus.

If actual fee collections are inadequate for any year, these formulas will be reduced proportionately.

During F.Y. 1988, the first year of available funding, a postsecondary program services grant of \$308 thousand was awarded to St. Cloud State University, with the following components:

- a. "Kids-Teaching-Kids," an elementary (K-6) program serving approximately 35,000 students. Funds are for project staff, teacher inservice and program materials (\$118).
- b. "DWI Demonstration Program," utilizing a mobile driving simulator to show the effects of driving under the influence of alcohol. This program serves approximately 6,000 junior and senior high school students. The funds are for equipment acquisition, project staff, travel and related materials (\$68).
- c. Driver Education Inservice Workshops. This project funds ten regional and one statewide workshop highlighting programs which have demonstrated effectiveness in reducing alcohol-and driving problems. The project serves 350 teachers throughout the state (\$30).
- d. Alcohol-Impaired Driver Prevention Curriculum Development Project. This project will provide materials whereby students can practice alcohol-related decisionmaking skills. Funds are for research, staff time and computer time (\$76).
- e. Local School Technical Assistance Project, providing expert assistance to school personnel involved with program assessment and planning. All schools which are potentially eligible for funds have received information concerning the Alcohol-Impaired Driver Education Program. The funds for staff time, travel, and materials (\$16).

1990-91 Biennial Budget

ACTIVITY: 0802 ALCOHOL-IMPAIRED DRIVER EDUCATION
 (Continuation)
 Program : 08 OTHER EDUCATIONAL PROGRAMS
 Agency : EDUCATION AIDS

The first year of grants to school districts and postsecondary schools will be F.Y. 1989, utilizing funds received and student counts from F.Y. 1988. In addition, a second grant of \$600 thousand to St. Cloud State University for program services is under consideration.

STATISTICS/EFFECTIVENESS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
A. Program Resources				
License revocations in F.Y.*	29,513	37,500	37,900	38,100
License Reinstatements in F.Y. (Estimated at 80% of Revocations)	23,610	30,000	30,320	30,480
Reinstatement Fee	\$ 200	\$ 200	\$ 200	\$ 200
Total Collections (000's)	\$ 4,722.0	\$ 6,000.0	\$ 6,064.0	\$ 6,096.0
Grant Funding Level (000's)	\$ 1,180.5	\$ 900.0	\$ 909.6	\$ 914.4
B. Program Expenditures (000's)				
1. Aid Entitlement				
a. School Districts	\$ --	\$ 454.9	\$ 475.0	\$ 495.0
b. Postsecondary Institutions	--	31.9	31.9	31.9
2. Contracts for Program Services	308.0	600.0	500.0	500.0
3. Program Administration	96.5	100.0	100.0	100.0
4. Total	\$ 404.5	\$ 1,186.8	\$ 1,106.9	\$ 1,126.9

*Source: Minnesota Department of Public Safety.

ENTITLEMENT FUNDING: (000's)	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
1. Aid Entitlement				
Grants/Contracts	\$ 308	\$ 1,087	\$ 1,007	\$ 1,027
Program Administration	97	100	100	100
Total Entitlement	\$ 405	\$ 1,187	\$ 1,107	\$ 1,127

	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
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2. Funding Sources

Balance Forward		776	489	292
Current Appropriation	1,181	900	910	915
Total Funding	\$ 1,181	\$ 1,676	\$ 1,399	\$ 1,207

3. Transaction Summary

State Payments	405	1,187	1,107	1,127
Balance Forward	776	489	292	80
Total Transactions	\$ 1,181	\$ 1,676	\$ 1,399	\$ 1,207

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
Other Funds				
Alcohol-Impaired Driver Education Account	\$ 405	\$ 1,187	\$ 910	\$ 915

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$1,107 in F.Y. 1990 and \$1,127 in F.Y. 1991.

Based on these entitlements and projected balances in the Alcohol-Impaired Driver Education Account, the Governor recommends an appropriation of \$910 in F.Y. 1990 and \$915 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 0803 SCHOOL LUNCH PROGRAM
 Program : 08 OTHER EDUCATIONAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : M.S. 124.646
 MDE Admin.: 1202-04 Child Nutrition
 Federal : 1425 School Lunch Program

PURPOSE:

To promote the health and well-being of children; to provide state matching funds to assure continuation of federal assistance funds for the National School Lunch Program (NSLP) in Minnesota.

DESCRIPTION:

The federal government maintains the NSLP with state assistance. The Federal Omnibus Reconciliation Act of 1981 established the NSLP State Revenue Matching (SRM) requirement formula at 30% of Section 4 NSLP funds received during school year 1980-81. The state received \$15.415 million in Section 4 funds in school year 1980-81; therefore, the SRM requirement for school year 1981-82 and subsequent years is fixed at \$4.625 million. This match is met by state funding for storage of U.S. Department of Agriculture (USDA) commodities and state reimbursement to public and private schools of 7.5 cents for each fully paid lunch served. If the state fails to meet the SRM requirement for any school year, the federal assistance funds used by the state during that school year are subject to recall and repayment to the USDA. The state receives approximately \$56 million annually (\$40 in aids and \$16 in commodities) in federal assistance for the NSLP.

Warehouse storage and handling costs are paid for commodities received from USDA under Section 14 and distributed to schools. Commodities received are canned goods; frozen and refrigerated items such as meats, poultry, butter, vegetables, fruits, and cheese; and bulk dry storage items such as flour, rice, beans, rolled oats, bulgur, macaroni, etc. The federal government pays for the commodities and the cost of transportation to designated warehouse sites within the state. The state pays for the storage and handling charges at the storage sites. From the warehouses, the commodities are distributed directly to schools, and the school pays for the transportation cost from the warehouse to the school. Warehouse handling and storage charges are determined by rates and charges published and on file with the Public Service Commission.

State general cash assistance is provided on each fully paid lunch served in schools participating in the NSLP. The amount of reimbursement per lunch is determined by subtracting the estimated warehouse storage and handling costs from the total SRM requirement. The remaining amount is divided by the estimated number of fully paid lunches to be served during the school year, and the result is the reimbursement rate paid on each fully paid lunch. At the end of each school year, the rate of reimbursement is increased or

decreased so that the total state cash assistance, when combined with the warehouse and handling costs, meets the SRM requirement.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

A. Number of school food authorities

1. Public school districts	431	431	431	431
2. Private schools	261	261	261	261

B. State revenue matching (000's)

1. Number of fully paid lunches	52,877	52,877	52,877	52,877
2. State reimbursement per fully paid lunch* (cents)	7.55	7.61	7.61	7.61
3. State cash assistance, B1 x B2	\$ 4,098	\$ 4,025	\$ 4,025	\$ 4,025
4. Warehouse storage and handling costs	\$ 527	\$ 600	\$ 600	\$ 600
5. Total state expenditures to meet SRM requirements	\$ 4,625	\$ 4,625	\$ 4,625	\$ 4,625

*This rate reflects 7.5 cents plus the amount per fully paid lunch required to be allocated for the fiscal year in order to meet the SRM requirement.

TRENDS:

The number of fully paid school lunches served increased in school years 1986-87 and 1987-88. The increase in 1987-88 was over one million meals. Further increases are not projected in this activity. However, if the increases should continue, and state funding is not increased, the state reimbursement could drop below the statutory rate of 7.5 cents per fully paid meal and/or the commodity storage costs could not be paid in full.

1990-91 Biennial Budget

ACTIVITY: 0803 SCHOOL LUNCH PROGRAM
 (Continuation)
 Program : 08 OTHER EDUCATIONAL PROGRAMS
 Agency : EDUCATION AIDS

ENTITLEMENT FUNDING: (000's)	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement				
School Lunch	\$ 4,098	\$ 4,025	\$ 4,025	\$ 4,025
Food Storage	527	600	600	600
Total Entitlement	<u>\$ 4,625</u>	<u>\$ 4,625</u>	<u>\$ 4,625</u>	<u>\$ 4,625</u>
2. Funding Sources				
Current Appropriation	<u>\$ 4,625</u>	<u>\$ 4,625</u>	<u>\$ 4,625</u>	<u>\$ 4,625</u>
3. Transaction Summary				
State Payments	<u>\$ 4,625</u>	<u>\$ 4,625</u>	<u>\$ 4,625</u>	<u>\$ 4,625</u>

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Current Year	<u>\$ 4,625</u>	<u>\$ 4,625</u>	<u>\$ 4,625</u>	<u>\$ 4,625</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$4,625 in F.Y. 1990 and \$4,625 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$4,625 in F.Y. 1990 and \$4,625 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 0804 SCHOOL MILK PROGRAM
Program : 08 OTHER EDUCATIONAL PROGRAMS
Agency : EDUCATION AIDS

Citation : M.S. 124.648
MDE Admin.: 1202-04 Child Nutrition
Federal : 1426 Special Milk Program

PURPOSE:

To improve the health and nutritional status of kindergarten students, and to increase milk consumption in Minnesota.

DESCRIPTION:

The School Milk program was enacted during the 1988 legislative session. Public and private schools participating in the program are reimbursed approximately 10 to 12 cents for each half pint of milk served to kindergarten students. The availability of these funds is intended to assure that all kindergarten students have access to at least one serving of milk each day. No student, however, is required to accept the milk that is provided.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

A. Public Schools

1. Number of kindergarten students	60,983	60,983	60,983	60,983
2. Number of kindergarten students participating	--	39,000	39,000	39,000
3. State aid received (000's)	\$ --	\$ 686	\$ 686	\$ 686

B. Private schools

1. Number of kindergarten students	9,112	9,112	9,112	9,112
2. Number of kindergarten students participating	--	5,900	5,900	5,900
3. State aid received (000's)	\$ --	\$ 104	\$ 104	\$ 104

C. Total state aid (000's)	\$ --	\$ 790	\$ 790	\$ 790
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STATISTICS/EFFECTIVENESS:
(Contd.)

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
D. Program administration (000's)	\$ --	\$ 10	\$ 10	\$ 10
E. Total kindergarten milk program funds (000's)	\$ --	\$ 800	\$ 800	\$ 800

ENTITLEMENT FUNDING: (000's) Actual F.Y. 1988 Estimate F.Y. 1989 Governor's Recommendation F.Y. 1990 F.Y. 1991

1. Aid Entitlement	\$ 0	\$ 800	\$ 800	\$ 800
2. Funding Sources				
Current Appropriation	\$ 0	\$ 800	\$ 800	\$ 800
3. Transaction Summary				
State Payments	\$ 0	\$ 800	\$ 800	\$ 800

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
General Fund Current Year	\$ 0	\$ 800	\$ 800	\$ 800

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$800 in F.Y. 1990 and \$800 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$800 in F.Y. 1990 and \$800 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 0805 INTEGRATION GRANTS
 Program : 08 OTHER EDUCATIONAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Laws 1987, Chapter 398, Art. 6, Sec. 18 & 19, Subd. 12;
 Laws 1988, Chapter 718, Article 6, Sec 24, Subd. 4
 MDE Admin.: 1201-05 Equal Educational Opportunities
 Federal : None

PURPOSE:

To provide funding for added educational costs associated with implementing an approved desegregation plan.

DESCRIPTION:

The Duluth, Minneapolis, and St. Paul school districts currently operate under authority of a desegregation plan approved by the Commissioner of Education. As part of that plan, the school district must take action to limit the percentage of minority student enrollment in any one school and to meet the program needs of both minority and majority students. State Board of Education rules require that no individual school minority enrollment may exceed the school district average minority enrollment by more than 15 percent.

The three school districts are obligated to report expenditures for desegregation to the State Board of Education and to the Legislature. The school districts must also participate in studies to determine costs and needs associated with school desegregation and integration.

The state has accepted some financial responsibility to assist schools with desegregation. The revenue from this grant program is supplemented by the rule compliance levy provided by law (Budget Activity 0806).

STATISTICS/EFFECTIVENESS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Districts with desegregation plans	3	3	3	3
2. Students enrolled:				
Duluth	14,588	14,500	14,500	14,500
Minneapolis	39,993	40,200	41,200	42,200
St. Paul	32,981	33,100	33,900	34,900
3. Percent minority students enrolled:				
Duluth	7%	7%	7%	7%
Minneapolis	45	47	49	50
St. Paul	38	39	40	42

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991
 (Contd.)

4. Grant amount (000's):				
Duluth	\$ 1,123.1	\$ 981.9		
Minneapolis	5,667.7	5,950.3		
St. Paul	4,766.5	5,081.4		
Total	\$11,557.3	\$12,013.6	\$12,013.6	\$12,013.6

TRENDS:

Percentages of minority students in the center city schools continue to increase; Minneapolis has about 47% minority enrollment, and St. Paul about 39% in F.Y. 1989. These percentages will increase in the near future to 50% and more, if no corrective action is taken. A cost analysis study in process by the State Board of Education will attempt to accurately portray desegregation costs and recommend alternative financing options.

ENTITLEMENT FUNDING: (000's)	Actual F.Y. 1988	Actual F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 11,557	\$ 12,014	\$ 14,514	\$ 14,514
2. Funding Sources				
Current Appropriation	\$ 11,557	\$ 12,014	\$ 14,514	\$ 14,514
3. Transaction Summary				
State Payments	\$ 11,557	\$ 12,014	\$ 14,514	\$ 14,514

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual F.Y. 1988	Actual F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 11,557	\$ 12,014	\$ 14,514	\$ 14,514

1990-91 Biennial Budget

ACTIVITY: 0805 INTEGRATION GRANTS
 (Continuation)
Program : 08 OTHER EDUCATIONAL PROGRAMS
Agency : EDUCATION AIDS

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$14,514 in F.Y. 1990 and \$14,514 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$14,514 in F.Y. 1990 and \$14,514 in F.Y. 1991.

Allocation of these appropriations is as follows:

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Duluth	\$ 1,187	\$ 1,187
2. Minneapolis	7,188	7,188
3. St. Paul	6,139	6,139
Total	<u>\$ 14,514</u>	<u>\$ 14,514</u>

1990-91 Biennial Budget

ACTIVITY : 0806 RULE COMPLIANCE LEVY
 Program : 08 OTHER EDUCATIONAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : M.S. 275.125, Subd. 6e and 6i
 MDE Admin.: 1201-05 Equal Educational Opportunities
 Federal : None

PURPOSE:

To provide funding for school districts required to implement a plan for racial desegregation under State Board Rules, parts 3535.0200 to 3535.2200, to enable these districts to implement their desegregation plans.

DESCRIPTION:

Each school district required to implement a plan for racial desegregation is permitted to levy for rule compliance. The revenue from this levy supplements the state aid received by eligible districts through the Integration Grant Program (Budget Activity 0805). At present, three districts, Minneapolis, St. Paul, and Duluth are eligible for this program. The tax rates permitted for the three eligible districts have varied over time, as shown below. Unlike most levies, the entire amount levied is recognized as revenue in the fiscal year in which the levy is certified. This levy is not considered in computing the aid reduction for the tax levy revenue recognition change under M.S. 124.155.

RULE COMPLIANCE LEVY TAX RATES

Levy Year	Revenue Recognition Year	Eligible School Districts	Maximum Tax Rates
1984 Pay 1985	1984-85	Minneapolis, St. Paul, Duluth	1 mill
1985 Pay 1986	1985-86	Minneapolis, St. Paul, Duluth	1 mill
1986 Pay 1987	1986-87	Minneapolis, St. Paul, Duluth	1 mill
1987 Pay 1988	1987-88	St. Paul	1 mill
1988 Pay 1989	1988-89	St. Paul	2 mills ^a
		Minneapolis, Duluth	1 mill ^b

^a Converted to 1.6 percent of adjusted gross tax capacity.

^b Converted to 0.8 percent of adjusted gross tax capacity.

STATISTICS/EFFECTIVENESS:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Levy Amount (000's)				
Minneapolis	\$ 0	\$ 3,177	\$ 3,439	\$ 3,439
St. Paul	1,958	3,837	4,003	4,003
Duluth	0	299	305	305
Total	\$ 1,958	\$ 7,313	\$ 7,747	\$ 7,747

TRENDS:

The levy for F.Y. 1989 is \$5.3 million higher than the levy for F.Y. 1988 due to a one mill increase provided to each school district. Under current law, the levy for F.Y. 1990 and F.Y. 1991 will raise about six percent more than the F.Y. 1989 levy, due to increasing tax capacities.

GOVERNOR'S RECOMMENDATION:

The Governor recommends continuation of this activity.

1990-91 Biennial Budget

ACTIVITY : 0807 NONPUBLIC PUPIL AID
Program : 08 OTHER EDUCATIONAL PROGRAMS
Agency : EDUCATION AIDS

Citation : M.S. 123.931 - .947; Laws 1988, Chapter 486, Sec. 100
MDE Admin.: 1202-01 Education Finance and Analysis
Federal : None

PURPOSE:

To provide reimbursement for expenditures by local school districts that distribute educational materials and services to nonpublic elementary and secondary pupils.

DESCRIPTION:

There are three basic categories of nonpublic pupil aid provided under Minnesota law:

1. Textbooks, Individualized Instructional Materials, and Standardized Tests. Public school districts, upon formal request, must make available to nonpublic pupils, instructional materials that are secular, neutral, non-ideological and not able to be diverted to religious use. Items purchased are loaned to the nonpublic pupil and remain the property of the district.

The districts are reimbursed for the cost of purchase and distribution of eligible materials up to an amount equal to the statewide average expenditure per public school pupil for similar materials, adjusted by the percent of increase in the foundation formula allowance from the second preceding school year to the current school year, multiplied by the number of nonpublic pupils served, with kindergarten pupils weighted as 0.5. However, for F.Y. 1989 and F.Y. 1990, the inflator is set by law at 7.5% due to the extraordinary increase in the formula allowance resulting from the change to the general education revenue program.

The formula for computing the per pupil rate is as follows for F.Y. 1991:

$$\begin{array}{l} \text{F.Y. 1991} \\ \text{Per Pupil} = \text{per Public Pupil} \\ \text{Rate} \quad \text{for like materials} \end{array} \times \frac{\text{F.Y. 1991 Gen'l Ed. Form. Allow.}}{\text{F.Y. 1989 Gen'l Ed. Form. Allow.}}$$

2. Health Services. Public school districts, upon formal request, must make available to nonpublic pupils, the student health services provided to public pupils.

The districts are reimbursed for the cost of providing these services up to an amount equal to the statewide average expenditure per public school pupil for similar services in the second preceding school year, times the number of nonpublic pupils served, with kindergarten pupils weighted as 0.5.

3. Guidance and Counseling Services. Public school districts, upon formal request, must make available to nonpublic secondary pupils, the guidance and counseling services provided to public secondary pupils, except guidance or counseling in the planning or selection of particular courses or classroom activities of the nonpublic school. Eligible services must be provided either at the public school or at a neutral site. The district is reimbursed for the cost incurred in providing eligible services up to an amount equal to the statewide average expenditure per public secondary pupil from similar services in the second preceding school year, times the number of nonpublic secondary pupils served.

In addition to the three nonpublic pupil aid reimbursements described above, school districts are reimbursed for their actual costs of administering the nonpublic pupil aids program, up to a maximum of 5% of program expenditures.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

1. Textbooks, Individualized Instructional Materials, and Standardized Tests

a. Nonpublic K-12 enrollment statewide*	80,755	79,048	77,620	76,552
b. Districts participating	164	159	155	155
c. Pupils requesting services*	72,354	71,412	70,868	70,622
d. State aid rate per pupil unit	\$ 56.48	\$ 58.72	\$ 61.84	\$ 62.54
e. Maximum aid entitlement (cxd) (000's)	\$ 4,086.6	\$ 4,193.3	\$ 4,382.5	\$ 4,416.7
f. Entitlement per district expenditures (000's)	\$ 3,938.8	\$ 4,193.3	\$ 4,382.5	\$ 4,416.7
g. Average aid per pupil unit (f/c)	\$ 54.44	\$ 58.72	\$ 61.84	\$ 62.54

2. Health Services

a. Nonpublic K-12 enrollment statewide*	80,755	79,048	77,620	76,552
b. Districts participating	155	153	151	151
c. Pupils requesting services*	72,122	71,016	70,089	69,477
d. State aid rate per pupil unit	\$ 18.19	\$ 20.22	\$ 22.26	\$ 24.49
e. Maximum aid entitlement (cxd) (000's)	\$ 1,311.9	\$ 1,435.9	\$ 1,560.2	\$ 1,701.1
f. Entitlement per district expenditures (000's)	\$ 1,140.8	\$ 1,435.9	\$ 1,560.2	\$ 1,701.1
g. Average aid per pupil unit (f/c)	\$ 15.82	\$ 20.22	\$ 22.26	\$ 24.49

1990-91 Biennial Budget

ACTIVITY: 0807 NONPUBLIC PUPIL AID
(Continuation)
Program : 08 OTHER EDUCATIONAL PROGRAMS
Agency : EDUCATION AIDS

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991
(Contd.)

3. Guidance & Counseling

a. Nonpublic secondary enrollment statewide*	27,121	25,675	24,902	24,571
b. Districts participating	71	86	85	85
c. Pupils requesting services*	20,870	20,009	19,573	19,462
d. State aid rate per pupil unit	\$ 108.91	\$ 108.40	\$ 113.98	\$ 120.82
e. Maximum aid entitlement (cxd) (000's)	\$ 2,273.0	\$ 2,169.0	\$ 2,230.9	\$ 2,351.3
f. Entitlement per district expenditures (000's)	\$ 1,955.1	\$ 2,169.0	\$ 2,230.9	\$ 2,351.3
g. Average aid per pupil unit (f/c)	\$ 93.68	\$ 108.40	\$ 113.98	\$ 120.82

4. Total Aid Entitlement (000's)

a. Services and materials	7,034.7	7,798.2	8,173.6	8,469.1
b. Administrative costs	338.1	389.9	408.7	423.5
c. Total	\$ 7,372.8	\$ 8,188.1	\$ 8,582.3	\$ 8,892.6

*Expressed in pupil units (K=0.5, 1-12=1.0)

TRENDS:

Although the number of pupils requesting materials and services is decreasing, the decline appears to be bottoming out during the upcoming biennium. However, per pupil costs are going up in a straight-line or at an increasing rate. Together, these trends result in a net increase in program funding requirements for the upcoming biennium.

ENTITLEMENT FUNDING: (000's) Estimate F.Y. 1988 Estimate F.Y. 1989 Governor's Recommendation F.Y. 1990 F.Y. 1991

1. Aid Entitlement	\$ 7,373	\$ 8,188	\$ 8,582	\$ 8,893
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ENTITLEMENT FUNDING: (000's) Estimate F.Y. 1988 Estimate F.Y. 1989 Governor's Recommendation F.Y. 1990 F.Y. 1991
(Contd.)

2. Funding Sources

Current Appropriation	7,143	7,609	7,295	7,559
Final Adjust. Appropriation	1,261	1,229	1,288	1,334
Total Funding	\$ 8,404	\$ 8,838	\$ 8,583	\$ 8,893

3. Transaction Summary

State Payments	7,373	8,188	8,582	8,893
Transfer Out (M.S. 124.14)	1,031	650	1*	
Total Transactions	\$ 8,404	\$ 8,838	\$ 8,583	\$ 8,893

*Excess is available due to rounding aid entitlements and appropriations.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Estimate F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 1,085	\$ 514	\$ 1,229	\$ 1,288
Current Year	6,859	6,960	7,295	7,559
Total	\$ 7,944	\$ 7,474	\$ 8,524	\$ 8,847

CHANGE IN ENTITLEMENT LEVEL: (000's) Governor's Recommendation F.Y. 1990 F.Y. 1991

1. F.Y. 1989 Aid Entitlement	\$ 8,188	\$ 8,188
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1990-91 Biennial Budget

ACTIVITY: 0807 NONPUBLIC PUPIL AID
 (Continuation)
 Program : 08 OTHER EDUCATIONAL PROGRAMS
 Agency : EDUCATION AIDS

	Governor's Recommendation	
	F.Y. 1990	F.Y. 1991
<u>CHANGE IN ENTITLEMENT LEVEL:</u> (000's)		
(Contd.)		
2. Entitlement Changes		
a. Budget Variables		
Increase in Reimbursement Rates	497	849
Decrease in Pupils Participating	(103)	(144)
3. Total, Estimate Per Current Law	<u>\$ 8,582</u>	<u>\$ 8,893</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$8,582 in F.Y. 1990 and \$8,893 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$8,524 in F.Y. 1990 (\$1,229 for F.Y. 1989 and \$7,295 for F.Y. 1990), and \$8,847 in F.Y. 1991 (\$1,288 for F.Y. 1990 and \$7,559 for F.Y. 1991).

1990-91 Biennial Budget

ACTIVITY : 0808 NONPUBLIC PUPIL PROGRAM SUMMARY (INFORMATION ONLY)
 Program : 08 OTHER EDUCATIONAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : M.S. 123.76 - 123.79; 123.931 - 123.937; 123.246;
 124.252; 124.273; 124.646; 124A.034; 126.031;
 126.261 - 126.269; and 290.089
 MDE Admin.: 1202-01 Education Finance and Analysis
 Federal : Various 1425, 1426, 1427, 1429, 1430, 1431, and 1433

PURPOSE:

To consolidate information on state and federal funding for services to nonpublic pupils and staff.

DESCRIPTION:

In Minnesota, nonpublic pupils and staff receive services under 11 programs. For purposes of discussion, these programs are categorized by state or federal funding source. The state-funded programs include programs that provide either state aid or state income tax deductions. Additional information for each program is provided in the appropriate budget activity narrative.

State Funded Programs

State Aid Programs

1. Aid for Nonpublic Pupils (M.S. 123.931-123.937; also see Budget Activity 0807)

School districts are required to provide nonpublic school pupils with textbooks, individualized instructional materials, and standardized tests, all of which must be secular in nature and cannot be used for religious instruction or worship. In addition, a district must provide the same health services to pupils of nonpublic schools as it provides to public school pupils. Nonpublic secondary pupils must also be offered guidance and counseling services by the public secondary schools.

A funding rate is established based on the statewide average expenditure per public pupil in the second prior school year. For the textbooks, instructional materials and standardized tests category, an inflation adjustment is included in determining the funding rate. The state reimburses the districts for their costs up to the amount of the funding rate multiplied by the number of nonpublic pupils served. Public schools are also allowed to claim an amount for their administrative costs. School districts are not required to expend an amount for nonpublic pupils which exceeds the amount of the state aid payments.

2. Shared Time Programs (M.S. 124A.034; also see Budget Activity 0101)

Nonpublic school pupils may be admitted by school districts to public school programs for part of the school day. These pupils earn shared-time foundation aid for the district.

School districts are required to provide special education programs for handicapped children. These programs must be made available to handicapped nonpublic school pupils, and the district receives shared-time foundation aid for these pupils.

3. Transportation Programs (M.S. 123.76-123.79; also see Budget Activity 0201)

School districts are required to provide "equal transportation" to nonpublic school pupils. This means that the district within which a nonhandicapped pupil resides must provide transportation of the pupil to a nonpublic school within the district if he or she resides at least the same distance from the nonpublic school as public school students in the district who are transported to school. Public schools are also permitted to transport nonpublic school pupils to regular shared-time programs and must transport handicapped nonpublic school pupils to and from the facility where special education is provided. Public schools must also provide nonpublic school pupils with transportation within the district boundaries between the private school and public school or neutral site for the purpose of receiving health and guidance and counseling services to nonpublic school pupils.

4. Limited English Proficient Students (M.S. 124.273; 126.261-126.269; also see Budget Activity 0306)

The Education for Limited English Proficient (LEP) Students Act requires districts providing state-funded LEP programs to offer nonpublic school pupils access to the same programs on the same terms as public school pupils. In addition to counting nonpublic school pupils for purposes of teacher salary funding under the act, those pupils may also be counted by the district serving them for purposes of shared-time foundation aid.

5. Chemical Dependency Program (M.S. 124.246; 126.031)

School districts are required to develop a policy to minimize the extent and severity of chemical use problems. This program provides funds to districts to be used for in-service training for school staff, prevention programs including curriculum materials, community and parent awareness, problem identification programs, referral programs, and aftercare support programs. If the district program includes the participation of nonpublic school pupils, staff, or parents, district funding is increased accordingly. This categorical aid program was eliminated beginning in F.Y. 1989 by folding it into the general education program.

1990-91 Biennial Budget

ACTIVITY: 0808 NONPUBLIC PUPIL PROGRAM SUMMARY (INFORMATION ONLY)
 (Continuation)
 Program : 08 OTHER EDUCATIONAL PROGRAMS
 Agency : EDUCATION AIDS

6. Tobacco Use Prevention Program (M.S. 124.252; also see Budget Activity 0801)

Each school district which institutes a tobacco use prevention program according to the criteria in state law, is eligible for state aid. The funds are provided to districts for in-service training for school staff, prevention programs including curriculum materials, community and parent awareness, and evaluation of curriculum and programs. If the district program includes the participation of nonpublic school pupils, staff, or parents, district funding is increased accordingly. State funds also are provided to the Minnesota Department of Education to provide technical assistance to districts for the development, implementation, and evaluation of curriculum and programs. The state funding is provided through a portion of the proceeds of the cigarette tax that are credited to the Public Health Fund.

7. School Lunch Program (M.S. 124.646; also see Budget Activity 0803)

State funds are used to meet matching requirements of the United States Department of Agriculture National School Lunch Program.

8. State Income Tax Deductions (M.S. 290.089)

Taxpayers who itemize, may deduct from gross income the amounts they spend for tuition, secular textbooks, and transportation of dependents attending public or nonpublic elementary or secondary schools in Minnesota, North Dakota, South Dakota, Iowa, or Wisconsin. The maximum deductions are \$650 per dependent in Grades K-6 and \$1,000 per dependent in Grades 7-12.

Federally Funded Programs

1. School Lunch Act and Child Nutrition Act (see Budget Activities 1425-1427, 1429 and 1430)

The state receives federal funds from the United States Department of Agriculture to provide better nutrition for students.

2. Federal Block Grant (also see Budget Activity 1431)

The Federal Block Grant program combines 30 smaller programs that previously were separately administered. The purpose of the block grant program is to make federal funds available to schools on a more equitable basis, while reducing the complexity of applications and reports.

3. Federal Teacher Inservice (also see Budget Activity 1433)

Title II of the Education for Economic Security Act provides funds to school districts for training and retraining of teachers to improve instruction in the areas of mathematics, science, foreign languages, and computer learning. Nonpublic school teachers must be ensured equitable participation in the program.

STATISTICS/EFFECTIVENESS:

NONPUBLIC PUPIL PROGRAM FUNDING ESTIMATES UNDER CURRENT LAW (\$ in 000's)

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
A. State Programs				
1. Nonpublic Pupil Aids				
Texts/instructional materials	\$ 3,938.8	\$ 4,193.3	\$ 4,382.5	\$ 4,416.7
Health services	1,140.8	1,435.9	1,560.2	1,701.1
Guidance counseling services	1,955.1	2,169.0	2,230.9	2,351.3
Administration	338.1	389.9	408.7	423.5
Total	\$ 7,372.8	\$ 8,188.1	\$ 8,582.3	\$ 8,892.6
2. Shared-time Program	1,662.8	2,548.4	2,548.0	2,520.0
3. Pupil Transportation	13,790.6	13,864.9	14,051.7	14,215.2
4. Limited English Proficiency	60.0	46.0	45.0	45.0
5. Chemical Dependency	31.2	--	--	--
6. Tobacco Use Prevention	24.4	23.9	23.5	23.2
7. School Lunch Program	306.1	315.3	315.3	315.3
8. State Income Tax Deduction*	5,000.0	4,600.0	4,900.0	5,300.0
State Total	\$28,247.9	\$29,586.6	\$30,465.8	\$31,311.3

1990-91 Biennial Budget

ACTIVITY: 0808 NONPUBLIC PUPIL PROGRAM SUMMARY (INFORMATION ONLY)
 (Continuation)
 Program : 08 OTHER EDUCATIONAL PROGRAMS
 Agency : EDUCATION AIDS

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991
 (Contd.)

B. Federal Programs

1. School Lunch Act and Child Nutrition Act	2,977.5	3,066.8	3,066.8	3,066.8
2. Federal Block Grant	683.6	680.7	680.0	680.0
3. Federal Teacher Inservice	<u>94.6</u>	<u>138.9</u>	<u>140.0</u>	<u>140.0</u>
Federal Total	\$ 3,755.7	\$ 3,886.4	\$ 3,886.8	\$ 3,886.8
Grand Total	\$32,003.6	\$33,473.0	\$34,352.6	\$35,198.1

C. Nonpublic Pupils	85,043	83,194	81,819	80,697
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* This is not a state funding estimate. Rather, it is an estimate of the amount of tax revenue that would be realized if the deduction for K-12 education expenses was not in effect.

1990-91 Biennial Budget

ACTIVITY : 0809 ABATEMENT AID AND LEVY
Program : 08 OTHER EDUCATIONAL PROGRAMS
Agency : EDUCATION AIDS

Citation : M.S. 124.214, Subdivision 2; 275.48
MDE Admin.: 1202-01 Education Finance and Analysis
Federal : None

PURPOSE:

To replace the net revenue loss incurred by school districts as a result of court-ordered abatements or net reductions in the assessed valuation or tax capacity of the district after taxes have been spread by the county auditor. Part of the net revenue loss is replaced with state aid, and part is replaced with levy authority. The intent is to pay approximately the same amount in abatement aid as would have been paid to the district in general education, transportation, community education and capital expenditure aid, if the adjusted assessed valuation or adjusted gross tax capacity could have been adjusted to the lower level.

DESCRIPTION:

The entitlement for abatement aid is determined from data on net revenue losses as certified by the county auditors. A district's aid entitlement is equal to its net revenue loss multiplied by the ratio of: a) the amount certified by the district in equalized maintenance, transportation, community education and capital expenditure levies for which it receives corresponding state aid to, b) its total certified levy in the preceding October, pursuant to M.S. 124, 124A and 275.125, plus or minus auditor's adjustments. The amount of the abatement aid is deducted from the amount of the district's abatement levy authorized in M.S. 275.48.

The net revenue loss incurred by districts in calendar years 1984 and 1985 increased substantially due to reductions in the assessed value of railroad property as a result of Soo Line Railroad Company vs. Commissioner of Revenue and related litigation. In these cases, the assessed valuation of railroad property for assessment years 1981, 1982, and 1983 was reduced pursuant to a federal law which prohibits taxing districts from assessing railroad property at a higher percentage of true market value than other property.

Pursuant to Laws 1984, Chapter 502, Article 9, Section 5, the State Commissioner of Revenue reimbursed school districts in F.Y. 1985 for the revenue loss incurred as a result of reductions in the valuation of railroad property for assessment years 1981 and 1982, minus \$1 per actual pupil unit. Pursuant to Laws 1985, first Special Session, Chapter 14, Article 12, Section 1, the State Commissioner of Revenue reimbursed school districts in F.Y. 1986 for the revenue loss incurred as a result of reductions in the valuation of railroad property for assessment year 1983, minus \$1 per actual pupil unit.

The railroad aid payments are deducted from the abatement aid and levy authority of school districts. Due to the size and timing of the railroad aid payments, a portion of the railroad aid has not yet been deducted. The railroad aid balance to be recovered is carried forward each year, and deducted from current year abatement aid and levy authority.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991 (\$ in 000's)

1. Total Abatement Funding				
a. Calendar Year	1986	1987	1988	1989
b. Net Reduction in School Taxes	\$ 9,586.2	\$ 8,725.4	\$ 9,160.0	\$ 9,160.0
c. Railroad Aid Balance to be Recovered	551.4	277.7	176.5	136.5
d. Railroad Aid Subtraction - Current Year	273.7	101.2	40.0	30.0
e. Railroad Aid Balance Carried Forward (1c less 1d)	277.7	176.5	136.5	106.5
f. Total Abatement Funding (1b less 1d)	9,312.5	8,624.2	9,120.0	9,130.0
g. Districts	301	305	307	309
2. Abatement Aid Entitlement by Fund				
a. General Fund	\$ 5,409.8	\$ 5,026.9	\$ 5,315.9	\$ 5,321.7
b. Transportation Fund	442.2	407.4	430.9	431.4
c. Community Service Fund	0	105.7	111.8	111.9
d. Capital Expenditure Fund	0	145.0	153.3	153.5
e. Total Abatement Aid	5,852.0	5,685.0	6,011.9	6,018.5
f. Percent of Total Funding	62.84%	65.92%	65.92%	65.92%
g. Districts	294	296	297	298
3. Abatement Levy Authority				
a. Amount	\$ 3,460.5	\$ 2,939.2	\$ 3,108.1	\$ 3,111.5
b. Districts	301	305	307	309

ENTITLEMENT FUNDING: (000's) Estimate F.Y. 1988 Estimate F.Y. 1989 Governor's Recommendation F.Y. 1990 F.Y. 1991

1. Aid Entitlement	\$ 5,852	\$ 5,685	\$ 6,012	\$ 6,019
2. Funding Sources				
Current Appropriation	\$ 6,593	\$ 6,593	\$ 5,111	\$ 5,117
Final Adjust. Appropriation			902	903
Total Funding	\$ 6,593	\$ 6,593	\$ 6,013	\$ 6,020

1990-91 Biennial Budget

ACTIVITY: 0809 ABATEMENT AID AND LEVY
(Continuation)
Program : 08 OTHER EDUCATIONAL PROGRAMS
Agency : EDUCATION AIDS

	Estimate F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation	
			F.Y. 1990	F.Y. 1991
3. Transaction Summary				
State Payments	\$ 5,852	\$ 5,685	\$ 6,012	\$ 6,019
Transfer Out (M.S. 124.14)	741	908	1*	1*
Total Transactions	\$ 6,593	\$ 6,593	\$ 6,013	\$ 6,020

* Excess is available due to rounding appropriations

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Estimate F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation	
			F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment			\$ 0	\$ 902
Current Year	5,852	5,685	5,111	5,117
Total	\$ 5,852	\$ 5,685	\$ 5,111	\$ 6,019

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$6,012 in F.Y. 1990 and \$6,019 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$5,111 in F.Y. 1990 (\$0 for F.Y. 1989 and \$5,111 for F.Y. 1990), and \$6,019 in F.Y. 1991 (\$902 for F.Y. 1990 and \$6,019 for F.Y. 1991).

With this recommendation, the Governor proposes funding this budget activity on an 85-15% basis rather than 100% current.

1990-91 Biennial Budget

ACTIVITY : 0810 MISCELLANEOUS GENERAL LEVIES
Program : 08 OTHER EDUCATIONAL PROGRAMS
Agency : EDUCATION AIDS

Citation : M.S. 275.125, Subdivision 4, 6a, 6h, 9a, 9b
MDE Admin.: 1202-01 Education Finance and Analysis
Federal : None

PURPOSE:

To provide funds to school districts for the purposes outlined below:

DESCRIPTION:

1. Unemployment Insurance (M.S. 275.125, Subd. 4). A school district may levy the amounts necessary to pay the district's obligations for unemployment insurance under M.S. 268.06, Subdivision 25, and for job placement services offered to employees who may become eligible for benefits under M.S. 268.08.
2. Statutory Operating Debt (M.S. 275.125, Subd. 9a). A school district must levy the lesser of:
 - a. 1.5 mills times the adjusted assessed valuation of the district, or
 - b. the amount needed to retire the district's statutory operating debt as of June 30, 1977.
3. Operating Debt (M.S. 275.125, Subd. 9b). A school district may levy the lesser of:
 - a. 1.5 mills times the adjusted assessed valuation of the district (4.0 mills for I.S.D. 712 Buhl-Mountain Iron), or
 - b. the greater of:
 - the amount needed to retire the deficit in the district's operating funds as of June 30, 1983, not to exceed the district's state aid reductions in F.Y. 1983, or
 - the amount needed to retire the deficit in the district's general fund as of June 30, 1985.
4. Judgment (M.S. 275.125, Subd. 4). A school district may levy the amounts necessary to pay the district's obligations for judgments under M.S. 127.05, including interest.
5. State Audit (M.S. 275.125, Subd. 4). A school district may levy the amounts necessary to pay the district's obligations for postaudits by the state auditor under M.S. 6.62, if the audit is performed at the discretion of the state auditor pursuant to M.S. 6.51, or if the audit has been requested through a petition by eligible voters pursuant to M.S. 6.54. A school district may not levy for postaudits requested by the school board under M.S. 6.55.

6. Minneapolis Civil Service Retirement (M.S. 275.125, Subd. 6a). The Minneapolis school district may levy the amount levied for retirement in 1978, reduced each year by 10 percent of the difference between the amount levied for retirement in 1971 and the amount levied for retirement in 1975.
7. Minneapolis Health Insurance Subsidy (M.S. 275.125, Subd. 6h). The Minneapolis school district may levy one-tenth of a mill times the district's adjusted assessed valuation to subsidize health insurance costs for retired teachers who were basic members of the Minneapolis Teachers Retirement Fund Association, who retired before May 1, 1974, and who are not eligible to receive the hospital insurance benefits of the federal Medicare program without payment of a monthly premium. The district was allowed to levy an additional one-tenth mill for taxes payable in 1988 (the first year the levy was authorized).
8. St. Paul Severance (Laws 1975, Chapter 261, Section 4). The St. Paul school district may levy two-tenths of a mill times the district's adjusted assessed valuation, with adjustments pursuant to M.S. 272.64; 273.13, Subd. 7a; 275.49; and 473F.08, Subd 10.

<u>STATISTICS/EFFECTIVENESS:</u> (\$ in 000's)	<u>86 PAY 87</u>	<u>87 PAY 88</u>	<u>88 PAY 89</u>	<u>89 PAY 90</u>
1. Unemployment Insurance Amount Districts	\$ 3,751.7 188	\$ 3,751.5 190	\$ 4,124.5 195	\$ 4,124.5 195
2. Statutory Operating Debt Amount Districts	\$ 5,156.4 15	\$ 4,032.8 13	\$ 226.1 11	\$ 184.6 10
3. Operating Debt Amount Districts	\$ 1,087.3 53	\$ 1,240.3 43	\$ 561.7 34	\$ 343.2 19
4. Judgment Amount Districts	\$ 63.9 10	\$ 48.4 8	\$ 1,059.4 13	\$ 500.0 10
5. State Audit Amount Districts	\$ 13.0 1	\$ 2.6 1	\$ 10.0 1	\$ 10.0 1
6. Minneapolis Retirement Amount	\$ 2,760.3	\$ 2,560.1	\$ 2,360.0	\$ 2,360.0
7. Minneapolis Health Insurance Amount	\$ 0	\$ 619.2	\$ 317.7	\$ 317.7
8. St. Paul Severance Amount	\$ 534.7	\$ 550.8	\$ 583.5	\$ 583.5
Total Amount	<u>\$13,367.3</u>	<u>\$12,805.7</u>	<u>\$ 9,242.9</u>	<u>\$ 8,423.5</u>

1990-91 Biennial Budget

ACTIVITY: 0810 MISCELLANEOUS GENERAL LEVIES
(Continuation)
Program : 08 ACCESS TO EXCELLENCE
Agency : EDUCATION AIDS

GOVERNOR'S RECOMMENDATION:

The Governor recommends continuation of this activity.

MISCELLANEOUS EDUCATION PROVISIONS (09)

This section is reserved for legislation relating to education policy matters which do not involve direct state appropriations.

MISCELLANEOUS EDUCATION PROVISIONS

PUBLIC LIBRARIES (10)

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PUBLIC LIBRARIES

1990-91 Biennial Budget

ACTIVITY : 1001 LIBRARIES - BASIC GRANTS
 Program : 10 PUBLIC LIBRARIES
 Agency : EDUCATION AIDS

Citation : M.S. 134.30 - 134.36
 MDE Admin.: 1202-05 Library Development and Services
 Federal : 1432 Public Library Aid

PURPOSE:

To promote, encourage, and assist in the development of public library services for every Minnesotan. Grants are provided for development of regional public library systems to strengthen and improve public library services and for statewide activities of interlibrary cooperation to facilitate sharing of resources and reference information.

DESCRIPTION:

The public library grant program assists in funding public library service throughout Minnesota. Beginning January 1, 1990, all 87 Minnesota counties will be providing financial support for public library service and participating in a regional public library system as required by M.S. 134.341. The twelve regional public library systems and the counties they will be servicing are shown in Table 10-1.

TABLE 10-1

MINNESOTA REGIONAL PUBLIC LIBRARY SYSTEMS

Arrowhead Library System
Population 333,704

Carlton County
 Cook County
 Itasca County
 Koochiching County
 Lake of the Woods County
 St. Louis County

East Central Regional Library
Population 112,560

Aitkin County
 Chisago County
 Isanti County
 Kanabec County
 Mille Lacs County
 Pine County

Kitchigami Regional Library
Population 104,347

Beltrami County
 Cass County
 Crow Wing County
 Hubbard County
 Wadena County

Lake Agassiz Regional Library
Population 127,019

Becker County
 Clay County
 Clearwater County
 Mahnomen County
 Norman County
 Polk County
 Wilkin County

Great River Regional Library
Population 267,767

Benton County
 Morrison County
 Sherburne County
 Stearns County
 Todd County
 Wright County

Northwest Regional Library
Population 53,002

Kittson County
 Marshall County
 Pennington County
 Red Lake County
 Roseau County

Pioneerland Library System
Population 130,036

Big Stone County
 Chippewa County
 Kandiyohi County
 Lac Qui Parle County
 McLeod County
 Meeker County
 Renville County
 Swift County
 Yellow Medicine County

Plum Creek Library System
Population 107,113

Cottonwood County
 Jackson County
 Lincoln County
 Lyon County
 Murray County
 Nobles County
 Pipestone County
 Redwood County
 Rock County

Metropolitan Library Service Agency
Population 1,985,860

Anoka County
 Carver County
 Dakota County
 Hennepin County
 Ramsey County
 Scott County
 Washington County

Southeastern Libraries Cooperating
Population 392,352

Dodge County
 Fillmore County
 Freeborn County
 Goodhue County
 Houston County
 Mower County
 Olmstead County
 Rice County
 Steele County
 Wabasha County
 Winona County

Traverse des Sioux Library System
Population 221,980

Blue Earth County
 Brown County
 Faribault County
 Martin County
 Nicollet County
 Sibley County
 Waseca County
 Watonwan County

Viking Library System
Population 115,468

Douglas County
 Grant County
 Otter Tail County
 Pope County
 Stevens County
 Traverse County

The state-funded public library grant program consists of two types of grants established in state law. These grants are Regional Library Basic System Support and Interlibrary Exchange Grants.

State law requires that a regional public library system, to be eligible for a Regional Library Basic System Support Grant, must consist of at least three counties and must be designated by the State Board of Education as the appropriate agency to strengthen, improve and promote public library services in the participating areas. State law also requires that each governmental

1990-91 Biennial Budget

ACTIVITY: 1001 LIBRARIES - BASIC GRANTS
(Continuation)
Program : 10 PUBLIC LIBRARIES
Agency : EDUCATION AIDS

unit participating in a regional public library system must meet minimum levels of local support requirements and maintenance of effort. The minimum level of local support required by statute is .4 mill multiplied by the adjusted assessed valuation for the preceding year, or a per capita amount, whichever is less. The method of calculating the per capita amount is established in statute. The per capita amount is 3.62 in 1989; it is increased each year by one-half of the percentage of increase of the adjusted assessed valuation statewide. Statutes also allow governmental units participating before 1979 which have not yet reached these minimum levels to increase local support by 10% per year until the minimum levels are reached. To maintain effort, a participating governmental unit must provide for operating purposes for public library services at least the dollar amount provided in the preceding year.

Eligibility criteria for Regional Library Basic System Support are contained in Rules of the State Board of Education, Parts 3530.00200-3530.0700, and Parts 3530.0900-3530-1000. These rules establish application procedures and deadlines, amendment procedures and assurances by applicants. They require that the regional public library system employ a chief administrative officer who has had at least two years of public library administrative experience and has received the master's degree in library science from a library education program accredited by the American Library Association. The rules also requires that the systems prepare in each even-numbered year a 5-year long range plan of service.

The formula for Regional Library Basic System Support Grants, as amended by the 1985 Minnesota Legislature, is contained in M.S. 134.35. The formula allots 60% of available funds to the systems in an equal amount per capita, 15% of available funds in an equal amount per square mile, 7.5% of available funds in an equal amount to each system, and 17.5% of available funds prorated among systems serving counties where the adjusted valuation per capita falls below the state average adjusted valuation per capita. Regional Library Basic Support Grants are made from federal and state funds.

Systems use these grants funds to operate public library services. In some systems, some of the funds are paid to participating public libraries for services they provide for the system, and in some systems grants are provided to local participating libraries to strengthen and improve their services.

The Interlibrary Exchange Grant is paid to the Minnesota Higher Education Coordinating Board (HECB) to provide the services of the Minnesota Interlibrary Telecommunications Exchange (MINITEX) to public libraries. The amount the grant is determined annually in negotiation with HECB, and is based on MINITEX costs for providing projected levels of services. Services provided are interlibrary loan from the University of Minnesota Libraries and other academic and government agency libraries, inclusion of public library holdings in the computerized Minnesota Union List of Serials, back up reference service for answering reference questions which the local library

lacks in materials to answer, and access to the computerized cataloging services of the Online Computer Library Center (OCLC).

Under M.S. 134.31, Subd. 4, public libraries provide annual reports to the Department of Education showing receipts, expenditures, service, and use of services. These annual reports cover each library's fiscal year ending during the preceding calendar year. Fiscal sections of these reports for the last three years are summarized in Table 10-2.

TABLE 10-2
PUBLIC LIBRARY RECEIPTS AND EXPENDITURES (000's)
CALENDAR YEARS 1985-1987

	1985	1986	1987
<u>Receipts</u>			
Regional Public Library Systems			
City and County Allocations	\$ 4,503	\$ 4,940	\$ 5,153
State and Federal Grants	5,724	5,707	6,030
Other	966	1,049	1,285
City and County Libraries			
City and County Allocations	51,716	54,305	56,969
Other	2,665	3,423	2,947
Total	<u>\$65,574</u>	<u>\$69,424</u>	<u>\$72,384</u>
<u>Expenditures</u>			
Personnel	\$40,978	\$43,606	\$46,372
Materials	9,573	10,035	11,071
Other operating expenses	11,571	10,836	10,867
Total	<u>\$62,122</u>	<u>\$64,477</u>	<u>\$68,310</u>

Since regional, county, and city public library boards do not have the power to tax, they receive local appropriations from county boards of commissioners and city councils. In the six consolidated regional public library systems, these local funds, along with state and federal aid funds are expended for operating public library services. In the six federated regional public library systems, most local funds are provided to county and city libraries for their operations. The federated regional public library systems expend state and federal funds, and those local funds received under service contracts, for operation of cooperative services such as bookmobile service, interlibrary loan, delivery of materials, collection development and centralized purchasing.

1990-91 Biennial Budget

ACTIVITY: 1001 LIBRARIES - BASIC GRANTS
(Continuation)
Program : 10 PUBLIC LIBRARIES
Agency : EDUCATION AIDS

STATISTICS/EFFECTIVENESS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. State Grants				
a. Regional library basic support grants				
Number of grants	12	12	12	12
Expenditures (000's)	\$ 4,736	\$ 4,743	\$ 4,731	\$ 4,719
b. Grants for inter-library exchange				
Number of grants	1	1	1	1
Expenditures (000's)	\$ 239	\$ 232	\$ 244	\$ 256
Total Number of Grants	13	13	13	13
Expenditures (000's)	\$ 4,975	\$ 4,975	\$ 4,975	\$ 4,975
2. Participation in Regional Systems				
a. Participating counties	76	77	87	87
b. Minnesotans served by regional public library systems (000's)	3,939	3,951	4,036	4,036
c. State population served	97.7%	98.0%	100.0%	100.0%
d. Interlibrary loan requests processed through Public Library Access Network				
(PLANET) and Minnesota Interlibrary Telecommunications Exchange (MINITEX) (000's)	64.3	65.5	66.5	67.5
e. Interlibrary loan requests supplied by regional systems (Calendar Year) (000's)	130	135	140	145
f. Items in public library collections (Calendar Year) (000's)	16,654	17,084	17,500	17,940
g. Items loaned by public libraries (Calendar Year) (000's)	32,748	33,908	35,000	36,000

STATISTICS/EFFECTIVENESS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
(Contd.)				

h. Inter-regional reciprocal borrowing (000's)	173	180	185	190
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TRENDS:

On January 1, 1990, the final ten Minnesota counties will begin providing financial support for public library service and participating in regional public library systems. All Minnesotans will have access to public library service. Use of Minnesota public libraries has reached an all-time high; the number of items checked out by users has increased 38.5% since 1980. For the past two years, public libraries have been loaning materials to persons who live outside the library's regional service area. This inter-regional reciprocal borrowing is a great convenience for working commuters, vacationers, and others who live near regional public library system boundaries.

ENTITLEMENT FUNDING: (000's)	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 4,975	\$ 4,975	\$ 5,946	\$ 6,119
2. Funding Sources				
Current Appropriation	4,229	4,229	5,054	5,201
Final Adjust. Appropriation	746	746	892	918
Total Funding	\$ 4,975	\$ 4,975	\$ 5,946	\$ 6,119
3. Transaction Summary				
State Payments	\$ 4,975	\$ 4,975	\$ 5,946	\$ 6,119

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 671	\$ 746	\$ 747	\$ 892
Current Year	4,229	4,229	5,054	5,201
Total	\$ 4,900	\$ 4,975	\$ 5,801	\$ 6,093

1990-91 Biennial Budget

ACTIVITY: 1001 LIBRARIES - BASIC GRANTS
 (Continuation)
 Program : 10 PUBLIC LIBRARIES
 Agency : EDUCATION AIDS

CHANGE IN ENTITLEMENT LEVEL: (000's)	Governor's Recommendation	
	F.Y. 1990	F.Y. 1991
1. F.Y. 1989 Aid Entitlement	\$ 4,975	\$ 4,975
2. Subtotal, Estimate Per Current Law	4,975	4,975
3. Proposed Policy Changes		
Increased access and services	71	1,144
4. Total Aid Entitlement	<u>\$ 5,946</u>	<u>\$ 6,119</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$5,946 in F.Y. 1990 and \$6,119 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$5,801 in F.Y. 1990 (\$747 for F.Y. 1989 and \$5,054 for F.Y. 1990), and \$6,093 in F.Y. 1991 (\$892 for F.Y. 1990 and \$5,201 for F.Y. 1991). Allocation of these appropriations is as follows:

	F.Y. 1990	F.Y. 1991
1. Current law	\$ 4,976	\$ 4,976
2. Increased access and services	825	1,117
Total	<u>\$ 5,801</u>	<u>\$ 6,093</u>

The Governor's recommendation provides for ten additional counties to participate in regional public library systems by January 1, 1990, as required by law. The recommendation also includes increases for the Basic Grant program in F.Y. 1990 and F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 1002 LIBRARIES - COOPERATION GRANTS
 Program : 10 PUBLIC LIBRARIES
 Agency : EDUCATION AIDS

Citation : M.S. 134.351 - 134.354
 MDE Admin.: 1202-05 Library Development and Services
 Federal : 1432 Public Library Aid

PURPOSE:

To encourage academic, public, school and special libraries to share resources, engage in cooperative planning, develop communications systems, delivery systems and data bases, and engage in any other cooperative activities identified by participants as needed. Through multi-county multi-type systems, libraries of all types work together to develop cooperative programs which strengthen the services each participating library can offer to its users.

DESCRIPTION:

Seven multi-county multi-type library systems covering the entire state have been established under provisions of M.S. 134.351. There are 737 libraries of all types participating, serving most Minnesotans in their communities, educational institutions and places of work. Systems and numbers of participating libraries are identified in Table 10-3.

TABLE 10-3
 MULTI-COUNTY MULTI-TYPE LIBRARY SYSTEMS

Central Minnesota Libraries Exchange

Office: St. Cloud
 Number of Participants: 112
 Academic 6
 Public 2
 School 80
 Special 23

Metronet

Office: St. Paul
 Number of Participants: 152
 Academic 23
 Public 13
 School 41
 Special 75

Northern Lights Library Network

Office: Alexandria
 Number of Participants: 139
 Academic 13
 Public 14
 School 96
 Special 16

Southcentral Minnesota Interlibrary Exchange

Office: Mankato
 Number of Participants: 76
 Academic 6
 Public 11
 School 46
 Special 13

North Country Library Cooperative

Office: Virginia
 Number of Participants: 86
 Academic 8
 Public 30
 School 33
 Special 15

Southeast Library System

Office: Rochester
 Number of Participants: 76
 Academic 11
 Public 22
 School 35
 Special 8

Southwest Area Multi-county Multi-type

Interlibrary Exchange

Office: Marshall
 Number of Participants: 96
 Academic 3
 Public 11
 School 71
 Special 11

Each system develops services specific to the needs of its areas. All systems are developing programs which allow participating libraries to improve services to users at a cost lower than would be possible if each library were operating independently. Examples of services are interlibrary loan, delivery of materials among libraries, development of bibliographic data bases, cooperative planning, and cooperative staff development programs.

Operating Grants are used by multi-county multi-type library systems to initiate, operate, or contract for services. Operating Grants are awarded using a formula established in State Board of Education rule which allocates 60% of available funds equally among the systems, 20% of available funds in an equal amount per capita, and 20% of available funds in an equal amount per square mile.

State law empowers the State Board of Education to approve the establishment of multi-type library systems and their geographic boundaries. To join a system, a participating library signs an organizational agreement providing for: (1) sharing of library resources, (2) long range planning, (3) development of a delivery system among libraries, (4) development of a bibliographic database, and (5) a communication system among libraries. State law requires that each multi-type library system file an annual report with the Minnesota Department of Education on projects conducted with grant funds. State rules establish grant application procedures. They also require each system to annually file a five-year long range plan. Public libraries participating in a multi-type library system also are required to participate in their regional public library system.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

1. Multi-county multi-type grants

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
a. Number of Grants	7	7	7	7
b. Expenditures (000's)	\$ 221.5	\$ 221.5	\$ 221.5	\$ 221.5

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
2. Participating libraries	718	737	750	760

1990-91 Biennial Budget

ACTIVITY: 1002 LIBRARIES - COOPERATION GRANTS
 (Continuation)
 Program : 10 PUBLIC LIBRARIES
 Agency : EDUCATION AIDS

STATISTICS/EFFECTIVENESS: (Contd.)	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
3. Service outlets	1,554	1,711	1,725	1,735
4. Multi-type systems operating or contracting for selected cooperative services:				
a. Interlibrary loan	6	6	6	6
b. Delivery systems for inter-library loan	6	5	6	6
c. Reference information services	6	6	6	6
d. Continuing education workshops	7	7	7	7
e. Access to online database	6	6	6	6
f. Access to electronic mail system	7	7	7	7
g. Directory of participants	7	7	7	7

TRENDS:

The number of participants in multi-type library systems grows as libraries benefit from collaboration. As their budgets permit, multi-type library systems expand services and add other services needed by the participating libraries. In the current biennium, systems have expanded interlibrary loan, reference information, and delivery services and have begun to provide access to electronic mail systems for communication among participants.

ENTITLEMENT FUNDING: (000's)	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 221	\$ 221	\$ 251	\$ 256
2. Funding Sources				
Current Appropriation	188	188	213	218
Final Adjust. Appropriation	33	33	38	38
Total Funding	\$ 221	\$ 221	\$ 251	\$ 256
3. Transaction Summary				
State Payments	\$ 221	\$ 221	\$ 251	\$ 256

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 29	\$ 33	\$ 34	\$ 38
Current Year	188	188	213	218
Total	\$ 217	\$ 221	\$ 247	\$ 256

CHANGE IN ENTITLEMENT LEVEL: (000's)	Governor's Recommendation F.Y. 1990	F.Y. 1991
1. F.Y. 1989 Aid Entitlement	\$ 221	\$ 221
2. Subtotal, Estimate Per Current Law	221	221
3. Proposed Policy Changes		
Increased Services	30	35
4. Total Aid Entitlement	\$ 251	\$ 256

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$251 in F.Y. 1990 and \$256 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$247 in F.Y. 1990 (\$34 for F.Y. 1989 and \$213 for F.Y. 1990), and \$256 in F.Y. 1991 (\$38 for F.Y. 1990 and \$218 for F.Y. 1991).

Allocation of these appropriations is as follows:

	F.Y. 1990	F.Y. 1991
1. Current law	\$ 223	\$ 223
2. Increased services	24	33
Total	\$ 247	\$ 256

The Governor's recommendation provides an increase in operating grant amounts in F.Y. 1990 and F.Y. 1991 for multi-type multi-county library systems participating in the cooperation program.

EDUCATION AGENCY SERVICES (11)

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EDUCATION AGENCY SERVICES

1990-91 Biennial Budget

ACTIVITY : 1101 TEACHER ASSESSMENT
Program : 11 EDUCATION AGENCY SERVICES
Agency : EDUCATION AIDS

Citation : M.S. 125.185, Subdivision 4
MDE Admin.: 1202-08 Board of Teaching
Federal : None

PURPOSE:

To design and implement an assessment system which requires candidates for initial licensure and first continuing licensure to demonstrate the abilities necessary to perform selected, representative teaching tasks at appropriate levels.

DESCRIPTION:

In the 1987-89 biennium, \$332 thousand was appropriated to design an assessment system. The design includes: (1) exploring alternative approaches to the design of an induction experience, and (2) creating a structure and developing specifications and suggested components for assessing the teaching skills of beginning teachers.

The Board of Teaching adopted a competitive grant program for exploring alternative models for teacher induction. Two proposals were funded. The award recipients are required to design, evaluate, and provide a cost analysis of an induction model.

Through a competitive bidding process, the Board of Teaching selected a contractor to design a structure and develop specifications and suggested components for assessing beginning teacher performance. The contract provided substantive, descriptive information for implementing the plan conceptualized in a 1987 RAND report. Specifically, the contract outlined a comprehensive, sequential structure for assessing the teaching skills of beginning teachers. In addition to a cost analysis, the work included specifications and suggested components for instruments to assess teaching performance.

STATISTICS/EFFECTIVENESS:

A. Induction Awards

1. Applications for grants to design induction programs were mailed to 26 teacher preparing institutions.
2. Proposals were received and judged based on their ability to provide beginning teachers the opportunity to apply, under supervision and in various teaching situations, the dispositions, skills and knowledge of effective teaching learned in their teacher education programs.

3. Final reports by the award recipients to the Board of Teaching will include:

- a. A description of the induction model implemented;
- b. A description of the evaluation plan adopted and the resulting findings;
- c. An assessment of the extent to which the stated goals/objectives for the induction model were met;
- d. Advantages and disadvantages inherent in the model;
- e. Recommendations to others interested in implementing the model; and
- f. Implementation and ongoing operational costs of the model.

B. Teacher Performance Assessment Contract

1. A contract was awarded to design a structure and develop specifications and suggested components for assessing beginning teacher performance.
2. The knowledge base to be incorporated in the assessment of teaching skills was identified.
3. Representative teaching tasks were identified at the elementary level and secondary level.
4. Problem specifications were developed in a subset of assessment areas that illustrate particular kinds of tasks candidates would be asked to perform. A description was provided of methods for conducting and scoring the assessment.
5. Estimates were developed of the costs for complete development and administration of the assessment systems.
6. Analyses to be conducted for establishing the validity and reliability of the assessment system and for testing and refining the assessment prior to its implementation were recommended.

TRENDS:

Results of the designs of the induction models and the specifications and suggested components for assessing beginning teacher performance need to be incorporated into an assessment system to be piloted during the 1989-91 biennium in order to determine the feasibility of statewide implementation.

1990-91 Biennial Budget

ACTIVITY: 1101 TEACHER ASSESSMENT
 (Continuation)
 Program : 11 EDUCATION AGENCY SERVICES
 Agency : EDUCATION AIDS

ENTITLEMENT FUNDING: (000's)	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 67	\$ 265	\$ 166	\$ 166
2. Funding Sources				
Balance Forward		99		
Current Appropriation	166	166	166	166
Total Funding	\$ 166	\$ 265	\$ 166	\$ 166
3. Transaction Summary				
State Payments	67	265	166	166
Balance Forward	99			
Total Transactions	\$ 166	\$ 265	\$ 166	\$ 166

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund Current Year	\$ 67	\$ 265	\$ 166	\$ 166

CHANGE IN ENTITLEMENT LEVEL: (000's)	Governor's Recommendation	
	F.Y. 1990	F.Y. 1991
1. F.Y. 1989 Aid Entitlement	\$ 265	\$ 265
2. Entitlement Changes		
a. Budget Variables		
Adjustment For F.Y. 1988 Balance Forward	(99)	(99)
3. Total, Estimate Per Current Law	\$ 166	\$ 166

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$166 in F.Y. 1990 and \$166 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$166 in F.Y. 1990 and \$166 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 1102 TEACHER EDUCATION
Program : 11 EDUCATION AGENCY SERVICES
Agency : EDUCATION AIDS

Citation : M.S. 126.81
MDE Admin.: 1202-08 Board of Teaching
Federal : None

PURPOSE:

To support research, planning, and development of alternative educational practices within teacher education institutions.

DESCRIPTION:

Under this activity, the Board of Teaching awards grants to public postsecondary teacher preparation institutions to develop exemplary teacher education programs. These grants are awarded to colleges and universities which jointly conduct programs with school districts. The appropriation authorizes the dissemination and replication of teacher education program models.

STATISTICS/EFFECTIVENESS:

The appropriation for the 1987-89 biennium was \$270 thousand. From nine proposals submitted, two were selected. Dissemination and replication of program models were made available to 26 teacher preparing institutions. External evaluation of program models was conducted.

Formative and summative evaluation of the exemplary teacher education programs was conducted. Formative program evaluations were based on evidence of the following criteria:

1. They support research, planning, and development of alternative educational practices within the institution;
2. They differ from teacher education programs currently approved to the institution;
3. They prepare college graduates to teach through structural internships in participating school districts or other methods;
4. One or more school districts were involved in the development of the program;
5. They are compatible with research in child development and teacher effectiveness;
6. They reflect and incorporate relevant evaluation findings of previously funded exemplary teacher education programs;
7. They incorporate provisions of the Minnesota Improved Learning and Principal-Teacher, Counselor-Teacher, and Career Teacher Act (M.S. 129B.45-129B.47);
8. They include a plan for integrating the educational needs of special education pupils into the program;

9. They have been evaluated internally by staff and students and the internal evaluation results are compatible with those of the external evaluation;
10. The program is staffed and equipped to accomplish its objectives.

Summative evaluation was based on the following questions:

1. What resulted from implementing each alternative teacher education program? Would the results indicate that each program was or was not successful and why?
2. How do the programs compare and/or contrast and what are the advantages and/or disadvantages of each?
3. What future impact should the knowledge gained from this study have on the preparation of teachers within Minnesota?

A research design to assess the effectiveness of alternative teacher education program structures was developed.

TRENDS:

The knowledge gained from the external evaluation of exemplary teacher education programs and the research design to assess the effectiveness of alternative teacher education program structures should have a major impact on state policy regarding the redesign of teacher education curriculum in Minnesota.

ENTITLEMENT FUNDING: (000's)	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 32	\$ 238	\$ 135	\$ 135
2. Funding Sources				
Balance Forward		103		
Current Appropriation	135	135	135	135
Total Funding	\$ 135	\$ 238	\$ 135	\$ 135
3. Transaction Summary				
State Payments	32	238	135	135
Balance Forward	103			
Total Transactions	\$ 135	\$ 238	\$ 135	\$ 135

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 32	\$ 238	\$ 135	\$ 135

1990-91 Biennial Budget

ACTIVITY: 1102 TEACHER EDUCATION
 (Continuation)
 Program : 11 EDUCATION AGENCY SERVICES
 Agency : EDUCATION AIDS

CHANGE IN ENTITLEMENT LEVEL: (000's)	Governor's Recommendation	
	F.Y. 1990	F.Y. 1991
1. F.Y. 1989 Aid Entitlement	\$ 238	\$ 238
2. Entitlement Changes		
a. Budget Variables		
Adjustment For F.Y. 1988 Balance Forward	(103)	(103)
3. Total, Estimate Per Current Law	<u>\$ 135</u>	<u>\$ 135</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$135 in F.Y. 1990 and \$135 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$135 in F.Y. 1990 and \$135 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 1103 TEACHER CENTERS
 Program : 11 EDUCATION AGENCY SERVICES
 Agency : EDUCATION AIDS

Citation : Laws 1987, Chapter 398, Article 8, Sections 42 and 43
 MDE Admin.: 1202-08 Board of Teaching
 Federal : None

PURPOSE:

To provide funding for grants to develop plans for establishing and operating teacher centers.

DESCRIPTION:

The law authorizes the Board of Teaching to award grants to public school districts to develop final plans for the operation of teacher centers.

The functions prescribed in the law to be performed by teacher centers include the following:

1. Assist teachers, diagnose learning needs, experiment with instructional approaches, assess staff development needs and plans, and teach effective pedagogical approaches.
2. Develop curricula and materials through application of research, and new and improved methods, practices and techniques.
3. Provide programs to improve skills of teachers to meet special educational needs of pupils, and to familiarize teachers with research and developments in curriculum formulation and improvement of teaching skills.
4. Facilitate sharing of resources and methods related to classroom instruction.
5. Provide in-service programs.

STATISTICS/EFFECTIVENESS:

In implementing the provisions of the law, the following activities have occurred:

1. An advisory task force was convened to assist in various aspects of teacher centers.
2. Applications were mailed to the presidents of exclusive bargaining agents and the clerks of school boards in each Minnesota public school district.

3. Proposals were received and judged according to the following criteria:

- a. They will serve at least ten school districts or 3,000 teachers.
- b. They have approval of the bargaining unit president and the clerk of the school board for each participating school district.
- c. Policy board establishment and function is assured.
- d. They provide information indicating an understanding of the legislation.
- e. The statement of work includes a feasible design, proposed planning activities, and available resources.
- f. The proposed budget is based on specific cost factors, is reasonable for the project to be accomplished, and includes plans for obtaining "in-kind" services from participating districts.
- g. Assurance that an interim report and a final report will be provided to the Board of Teaching.

4. Three proposals were funded, with each serving from 11 to 16 school districts and from 920 to 5,076 teachers.

5. A report was prepared and submitted to the State Board of Education and the education committees of the legislature on January 1, 1988.

TRENDS:

Preliminary findings indicate the need for pilot implementation of the plans which were developed in currently funded sites and replication of these plans in other sites in order to assure that teacher centers become an integral and viable delivery system for professional development.

<u>ENTITLEMENT FUNDING:</u> (000's)	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 100	\$ 100	\$ 100	\$ 100
2. Funding Sources				
Current Appropriation	\$ 100	\$ 100	\$ 100	\$ 100
3. Transaction Summary				
State Payments	\$ 100	\$ 100	\$ 100	\$ 100

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 100	\$ 100	\$ 100	\$ 100

1990-91 Biennial Budget

ACTIVITY: 1103 TEACHER CENTERS
 (Continuation)
Program : 11 EDUCATION AGENCY SERVICES
Agency : EDUCATION AIDS

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$100 in F.Y. 1990 and \$100 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$100 in F.Y. 1990 and \$100 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 1104 TEACHER MENTORSHIP
Program : 11 EDUCATION AGENCY SERVICES
Agency : EDUCATION AIDS

Citation : M.S. 125.231
MDE Admin.: 1201-10 Instructional Design
Federal : None

PURPOSE:

To provide grant funding to develop mentoring programs in school districts; to make recommendations for a system of incentives at the state and local level to assure that highly capable individuals are attracted to and retained in the teaching profession; to determine ways in which teachers can be empowered through expanding to new and more professional roles.

DESCRIPTION:

A. Grant Funding

1. In September of 1987, a task force was named to develop criteria and an application form by which school districts or coalitions of education groups could apply for a mentorship program grant. Eleven sites out of thirty-three applications were selected to design, develop implement and evaluate a variety of mentorship models. The sites reflect a variety of coalitions such as school districts, higher education institutions, foundations, private sector, etc., and are geographically distributed throughout the state. The intent of the program is to examine the: needs of new teachers entering the teaching profession; impact on the recruitment and retention of teachers; roles/career options for career teachers; changes in instructional strategies; and overall impact on the mentors, mentees, students and other school staff.
2. The legislation provides specific eligibility criteria for selection of sites. In the grant application, sites were expected to express commitment to and describe procedures for:
 - a. Allowing staff participation;
 - b. Assessing skills of beginning and mentor teachers;
 - c. Providing leadership to the effort;
 - d. Cooperating with higher education institutions;
 - e. Providing facilities and other resources; and
 - f. Sharing findings, materials, and techniques with other school districts.

Other criteria defined in the legislation and used in the selection of sites included:

- g. A variety of mentorship program models and coalitions;

- h. Geographical distribution throughout the state; and
- i. Evidence of seeking or having obtained additional funding and assistance from sources such as school districts, postsecondary institutions, foundations, and the private sector.

Additional criteria developed by the task force for consideration in the selection process included:

- j. Feasibility of program continuation without grant funding;
- k. Feasibility of replications;
- l. Cost effectiveness; and
- m. Variety in size of district(s) and student populations being served.

3. The total grant funding of \$500 thousand is allocated to sites for both years of the 1988-1989 biennium. Each district, group of districts, or coalition could apply for up to \$50 thousand and must work with 10 or more beginning/probationary (1-3 years) teachers within one or more school districts. Technical legislation in the 1988 session provided for reallocation of unused funds from the first to the second year of the biennium. This gave the sites more flexibility in using the greatest portion of their grant funding during the implementation phase of the program.

B. Recruitment, Retention and Empowerment of Teachers

The Teacher Mentoring Task Force contracted the services of a researcher-writer to review the literature, major education reports, and exemplary school/state efforts in the areas of recruitment, retention, and empowerment of teachers. Following an analysis and summary of the data collected, the task force developed an extensive list of recommendations and implementation activities. Representative members of the task force surveyed their constituencies to determine which priorities they would recommend to the Legislature. The task force also examined ways of restructuring the teaching profession. The final report of task force activities was submitted to the Legislature on September 1, 1988.

The recommendation receiving the highest priority in the field surveys was that new teachers receive professional and personal assistance upon entering the teaching profession. As a result, the task force recommends the "establishment of induction/mentorship programs for all teachers new to the profession, new to a district, and/or teachers with special needs..." State and local activities are identified for each of ten final recommendations.

C. Focus for 1989-91 Biennium

Expansion of the mentorship program will occur through:

1. Current Pilot Sites
2. Adoption or Replication Sites
3. Statewide Training Institutes

The current pilot sites will conduct long term evaluation of the mentorship concept, dissemination and training of new adoptions, and program refinement. Adoption/replication sites will incorporate components

1990-91 Biennial Budget

ACTIVITY: 1104 TEACHER MENTORSHIP
(Continuation)
Program : 11 EDUCATION AGENCY SERVICES
Agency : EDUCATION AIDS

of restructuring along with mentoring and district-wide staff development plans. Areas of emphasis for the new models could include: restructuring, open enrollment, at-risk learners, curriculum areas, cooperative education districts, early childhood programs, and new technologies. Statewide Training Institutes will involve the training of trainers and networking services for adopting schools. The institutes will also provide professional growth opportunities for pilot sites and on-going programs. These expansion efforts will require continued coordination of the Mentorship Program at the State level, with assistance from the Teacher Mentoring Task Force.

STATISTICS/EFFECTIVENESS:

The following statistics for the pilot sites represent information related to the design and developmental stages of the program. During the summer, most of the sites trained their mentors and selected their mentees/protege's. Full-scale implementation of the program for most of the sites began in the fall of 1988. More specific information regarding program implementation and progress will be available in the January 1, 1989, report to the Legislature. Demonstration of program effectiveness and dissemination efforts will be reported in the January 1, 1990, report to the Legislature.

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
A. Grant Funding (000's)				
Bloomington	\$ 2.3	\$ 47.7		
Brainerd	11.1	24.9		
Central MN* (8)	17.0	33.0		
Chaska	4.4	27.1		
Forest Lake	0	50.0		
Hastings	10.8	21.7		
Mankato SU* (14)	14.7	35.3		
Northwest MN* (11)	19.8	30.2		
Northwest MN* (5)	2.7	47.3		
St. Paul	7.1	42.9		
SW/WC MN* (7)	16.3	33.7		
Totals	\$ 106.2	\$ 393.8	\$ 250.0	\$ 250.0

* Indicates a coalition
() Represents the number of districts in the coalition

B. Participation

Sites/coalitions	11	11	29	29
Mentors	0	290	470	470
Mentees (beginning/ probationary teachers)	0	423	700*	700*

* Assumes same level of participation for pilot sites, and required minimum of 10 per site for the adoption sites.

NOTE: Although the mentor-to-mentee ratio for the pilot site models averages 1:1.5, the range is from 1:1 to approximately 1:10.

TRENDS:

The program focus will change from model development to implementation of selected model(s) in the adoption sites.

<u>ENTITLEMENT FUNDING:</u> (000's)	<u>Actual</u>	<u>Estimate</u>	<u>Governor's Recommendation</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Aid Entitlement	\$ 106	\$ 394	\$ 250	\$ 250
2. Funding Sources				
Balance Forward		144		
Current Appropriation	250	250	250	250
Total Funding	\$ 250	\$ 394	\$ 250	\$ 250
3. Transaction Summary				
State Payments	106	394	250	250
Balance Forward	144			
Total Transactions	\$ 250	\$ 394	\$ 250	\$ 250

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u>	<u>Estimate</u>	<u>Governor's Recommendation</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	\$ 106	\$ 394	\$ 250	\$ 250

1990-91 Biennial Budget

ACTIVITY: 1104 TEACHER MENTORSHIP
 (Continuation)
 Program : 11 EDUCATION AGENCY SERVICES
 Agency : EDUCATION AIDS

CHANGE IN ENTITLEMENT LEVEL: (000's)	Governor's Recommendation	
	F.Y. 1990	F.Y. 1991
1. F.Y. 1989 Aid Entitlement	\$ 394	\$ 394
2. Entitlement Changes:		
a. Budget Variables		
Adjustment for F.Y. 1988 balance forward	(144)	(144)
3. Total, Estimate Per Current Law	<u>\$ 250</u>	<u>\$ 250</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$250 in F.Y. 1990 and \$250 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$250 in F.Y. 1990 and \$250 in F.Y. 1991.

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ACTIVITY : 1105 ADMINISTRATOR'S ACADEMY
Program : 11 EDUCATION AGENCY SERVICES
Agency : EDUCATION AIDS

Citation : M.S. 125.241
MDE Admin.: 1201-10 Instructional Design
Federal : No flow-through aid; a matching \$143 thousand per year federal grant has been awarded to St. Paul Public Schools

PURPOSE:

To assess and enhance the skills and knowledge of participants so they can provide effective leadership in the direction and supervision of educational efforts. The Administrator's Academy assists practicing administrators at all levels and the Principal's Assessment Center helps people who aspire to be principals.

DESCRIPTION:

The Administrator's Academy is funded through an annual state appropriation of \$143 thousand and a similar amount of Leadership in Education Administration Development (LEAD) federal money. The St. Paul School District houses the program and provides other kinds of support. The academy focuses on providing:

1. An assessment for individual administrators which results in a professional development plan;
2. Research and development assistance to individual administrators and groups with similar needs;
3. Assistance in helping administrators meet needs identified in their individual professional development plan. Assistance is provided through mentorship programs, simulations, conferences, seminars, institutes, and communication networks. The programs are designed to provide integrated, interactive and long-term assistance.

The Principal's Assessment Center receives an annual state appropriation of \$24.3 thousand. The University of Minnesota provides staff, housing, and other in-kind services. This program provides individuals wishing to become principals with validated information about their strengths and weaknesses, and a plan prescribing improvement strategies. This process also provides school districts with a means of determining that aspiring principals have a realistic understanding of their strengths and weakness when applying for jobs.

STATISTICS/EFFECTIVENESS:

Following are some of the programs the Administrator's Academy provided to educators in F.Y. 1988. Program offerings and variety will expand significantly in F.Y. 1989.

1. Mentorship Training: Fifty-five administrators received training and a similar number are receiving training.
2. Springfield Assessments: Sixty administrators participated in three simulations on how to deal with a variety of problems and issues.
3. Policy Seminars: Approximately 150 people attended seminars dealing with a variety of educational issues.
4. Humphrey Institute Seminars: Eighteen superintendents participated in eight seminars dealing with metropolitan issues.
5. Professional Organizations: The Academy worked with four major professional organizations in setting up meetings specifically targeted to particular administrative group needs.

The Assessment Center held one assessor training session for 23 assessors, three assessment sessions, and two follow-up sessions for 48 participants.

TRENDS:

This program will grow in importance because the roles and expectations for administrators is changing so dramatically. Now that several programs have been established, more people will wish to participate. Many districts are indicating that new administrators need to experience the opportunities provided by the two programs before they are considered for employment.

ENTITLEMENT FUNDING: (000's)	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement				
Administrator's Academy	\$ 143	\$ 143	\$ 143	\$ 143
Assessment Center	24	24	24	24
Total Entitlement	\$ 167	\$ 167	\$ 167	\$ 167
2. Funding Sources				
Current Appropriation	\$ 167	\$ 167	\$ 168	\$ 168
3. Transaction Summary				
State Payments	167	167	167	167
Transfer Out (M.S. 124.14)			1*	1*
Total Transactions	\$ 167	\$ 167	\$ 168	\$ 168

*Excess is available due to rounding aid entitlements and appropriations.

1990-91 Biennial Budget

ACTIVITY: 1105 ADMINISTRATOR'S ACADEMY
 (Continuation)
 Program : 11 EDUCATION AGENCY SERVICES
 Agency : EDUCATION AIDS

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u>	<u>Estimate</u>	<u>Governor's</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	\$ 167	\$ 167	\$ 168	\$ 168

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$168 in F.Y. 1990 and \$168 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$168 in F.Y. 1990 and \$168 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 1106 HANDICAPPED TRANSITION OFFICE
Program : 11 EDUCATION AGENCY SERVICES
Agency : EDUCATION AIDS

Citation : M.S. 120.183
MDE Admin.: 1201-11 Special Education
Federal : None

PURPOSE:

To provide leadership and coordination in developing transition programs and services for handicapped students that facilitate their movement from secondary school to postsecondary education and training, employment opportunities, and/or community living options.

DESCRIPTION:

Activities of the Interagency Office on Transition Services during the 1987-89 biennium included:

1. Implementation of the 1987 Minnesota Interagency Cooperative Agreement Plan;
2. Development of a statewide postschool follow-up system to collect data on the experiences of all former students with disabilities who exit public school programs;
3. Development and implementation of technical assistance services to facilitate the organization and functioning of legislatively required community transition interagency committees;
4. Implementation of legislation requiring written transition goals and objectives for students with disabilities at Grade Nine or age fourteen;
5. Preparation and dissemination of guidelines to clarify the role, responsibilities, and funding of staff and programs in secondary vocational education and special education; and
6. Preparation of a required annual report to agencies, legislature, and the Commissioner of Education.

For the 1989-91 biennium, anticipated activities include:

1. Implementation of the Minnesota Interagency Cooperative Agreement;
2. Collaboration with vocational education staff to prepare written vocational assessment guidelines;
3. Staff development to increase the number of State Education Agency (SEA) and local staff who can provide uniform transition consultation and technical assistance throughout the state (Project INVEST);
4. Development and dissemination of written curricula for five transition domains;
5. Development of a microcomputer software program that can be managed and used by Local Education Agencies (LEAs) and the SEA to collect, analyze, and report follow-up data on outcomes of former students with disabilities who have exited public school programs, and

6. continuation of program assistance activities needed to facilitate the statewide development of the community transition interagency committees.

STATISTICS/EFFECTIVENESS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Districts with procedures to include transition needs in the Individual Education Plan (IEP)	218	305	370	435
2. Community transition interagency committees organized	70	80	90	90
3. Activities conducted:				
a. Regional meetings	8	5	10	10
b. Inservice sessions	6	6	20	20
c. On-site visits	18	10	20	20

A post school follow-up project will provide data to evaluate the effects of secondary special education programs in general, and postschool outcomes for specific subgroups of students with mild, moderate, and severe disabilities.

ENTITLEMENT FUNDING: (000's)	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 73	\$ 80	\$ 80	\$ 80
2. Funding Sources				
Current Appropriation	77	77	80	80
Salary Supplement	1	3		
Total Funding	\$ 78	\$ 80	\$ 80	\$ 80
3. Transaction Summary				
State Payments	73	80	80	80
Cancellation	5			
Total Transactions	\$ 78	\$ 80	\$ 80	\$ 80

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 73	\$ 80	\$ 80	\$ 80

1990-91 Biennial Budget

ACTIVITY: 1106 HANDICAPPED TRANSITION OFFICE
(Continuation)
Program : 11 EDUCATION AGENCY SERVICES
Agency : EDUCATION AIDS

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$80 in F.Y. 1990 and \$80 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$80 in F.Y. 1990 and \$80 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 1107 INDIAN SCHOLARSHIPS
Program : 11 EDUCATION AGENCY SERVICES
Agency : EDUCATION AIDS

Citation : M.S. 124.48
MDE Admin.: 1201-06 Indian Education
Federal : No flow-through funds. The state program cooperates with the Federal/Tribal scholarship program to jointly meet the unmet financial need of American Indian students.

PURPOSE:

To provide need-based financial assistance to American Indian students who would not be able to pursue postsecondary education without financial assistance.

DESCRIPTION:

Grants are awarded on the basis of criteria established by the Minnesota State Board of Education upon recommendation of the Minnesota Indian Scholarship Committee. Eligibility is restricted to American Indian students of 1/4 or more Indian ancestry, in residence in Minnesota, and enrolling in accredited Minnesota postsecondary institutions. Each student's needs and circumstances are reviewed and grants are based on financial need remaining after all other sources of available financial assistance have been applied. Therefore, the state program represents the last resource available for needy Indian students wishing to attend postsecondary education.

STATISTICS/EFFECTIVENESS:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Number of grants	3,049	2,500	2,300	2,100
Number of recipients	1,415	1,200	1,100	1,000
Students denied due to insufficient funds	606	700	800	900

Note: Number of grants does not match number of recipients due to some recipients receiving more than one grant in a school year.

TRENDS:

A newly required congressional methodology for determining financial need is predicted to increase the amount of scholarship grant awards to individual Indian students and thereby decrease the number of students who will be able to participate in the program. In addition, specialized efforts to develop scholarship assistance for Indian students who wish to become teachers and for Indians who are entering graduate school is also expected to decrease the total number of Indians who will be able to enter postsecondary education.

<u>ENTITLEMENT FUNDING:</u> (000's)	Estimate	Estimate	Governor's Recommendation	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Aid Entitlement	<u>\$ 1,582</u>	<u>\$ 1,582</u>	<u>\$ 1,582</u>	<u>\$ 1,582</u>
2. Funding Sources				
Current Appropriation	<u>\$ 1,582</u>	<u>\$ 1,582</u>	<u>\$ 1,582</u>	<u>\$ 1,582</u>
3. Transaction Summary				
State Payments	<u>\$ 1,582</u>	<u>\$ 1,582</u>	<u>\$ 1,582</u>	<u>\$ 1,582</u>

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	Estimate	Estimate	Governor's Recommendation	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	<u>\$ 1,582</u>	<u>\$ 1,582</u>	<u>\$ 1,582</u>	<u>\$ 1,582</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$1,582 in F.Y. 1990 and \$1,582 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$1,582 in F.Y. 1990 and \$1,582 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 1108 COMMUNITY EDUCATION TASK FORCE
Program : 11 EDUCATION AGENCY SERVICES
Agency : EDUCATION AIDS

Citation : M.S. 121.87
MDE Admin.: 1201-01 Community and Adult Education
Federal : None

PURPOSE:

To promote the goals of community education; to expand educational, recreational and social opportunities through maximum use of public facilities and community resources; and to develop a statewide plan for coordinating the preparation of youth development plans and programs for youth, from birth to age 21.

DESCRIPTION:

F.Y. 1988

The Community Education Task Force set the direction for the preparation of Youth Development plans for local Community Education Advisory Councils. New legislation enacted in 1987 allows school districts 50 cents per capita revenue (levy and aid) for preparation of youth development plans. A total of 186 school districts decided to participate and have been preparing plans for submission to their local school boards. The Task Force approved the Youth Development Guide for local districts and met with leaders of major education organizations and directors of major youth groups in the state.

F.Y. 1989

The Task Force will continue its legislative charge of preparing a statewide coordinated plan regarding opportunities and resources for youth -- birth to 21. Under current law, the expiration of the Task Force is governed by the provisions of M.S. 15.059, Subdivision 6. Thus, the expiration date is to be June 30, 1989 unless an extension is provided.

TRENDS:

There is a continuing need to provide direction and coordination of youth development programs, and for encouraging cooperation among various institutions and levels of government in planning and implementing youth service activities into the youth development programs.

ENTITLEMENT FUNDING: (000's)	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 14	\$ 11	\$ 25	\$ 0
2. Funding Sources				
Balance Forward		11		
Current Appropriation	25		25	0
Total Funding	\$ 25	\$ 11	\$ 25	\$ 0
3. Transaction Summary				
State Payments	14	11	25	0
Balance Forward	11			
Total Transactions	\$ 25	\$ 11	\$ 25	\$ 0

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 14	\$ 11	\$ 25	\$ 0

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$25 in F.Y. 1990 and \$0 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$25 in F.Y. 1990 and \$0 in F.Y. 1991. This appropriation is for the biennium and is available until June 30, 1991.

1990-91 Biennial Budget

ACTIVITY : 1109 ADULT EDUCATION - GED ON TV
 Program : 11 EDUCATION AGENCY SERVICES
 Agency : EDUCATION AIDS

Citation : Laws 1988, Chapter 718, Article 5, Section 9, Subd. 10
 MDE Admin.: 1201-01 Community and Adult Education
 Federal : None

PURPOSE:

To provide funds for the broadcast, publicity and coordination of the GED on TV series.

DESCRIPTION:

Beginning January 1989, the 44-part Kentucky General Education Development (GED) on TV series will be broadcast on all six public television stations in Minnesota. In addition, cable companies are being encouraged to tape and rebroadcast Adult Basic Education programs, and major public libraries will be supplied with workbooks and video tapes to use as instructional tools. Also, a beginning reading TV program which has been very successful in other states will be used on a limited trial basis.

Publicity in the form of newspaper articles/ads, advertisements, community posters, check stuffers, radio public service announcements and primetime ads on commercial TV stations will blanket the state.

An evaluation of the GED on TV effort will monitor numbers of individuals taking the GED tests who have used the TV series as part of their preparation. Also, a comparison will be made of the cost per participant between this delivery system and the traditional classroom approach.

During the 1989-91 biennium, funds will be used for operation of TV learning programs that have proven to be cost-effective and for identifying and testing new TV learning materials that show promise of being cost-effective.

TRENDS:

The number of participants will increase as we learn more about the use of TV as a tracking tool, and as better quality material becomes available for use on TV.

<u>ENTITLEMENT FUNDING:</u> (000's)	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 0	\$ 100	\$ 100	\$ 100
2. Funding Sources				
Current Appropriation	\$ 0	\$ 100	\$ 100	\$ 100
3. Transaction Summary				
State Payments	\$ 0	\$ 100	\$ 100	\$ 100

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 0	\$ 100	\$ 100	\$ 100

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$100 in F.Y. 1990 and \$100 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$100 in F.Y. 1990 and \$100 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 1110 ADULT EDUCATION - BASIC SKILLS EVALUATION
 Program : 11 EDUCATION AGENCY SERVICES
 Agency : EDUCATION AIDS

Citation : Laws 1988, Chapter 718, Article 5, Section 9, Subd. 9
 MDE Admin.: 1201-01 Community and Adult Education
 Federal : None

PURPOSE:

To begin a comprehensive external evaluation of literacy systems.

DESCRIPTION:

State funding for this activity is contingent upon the Minnesota Department of Education receiving \$1 from private sources for each \$2 of the \$75 thousand appropriation for F.Y. 1989. Final agreements with the private sector for matching funds were reached in late October 1988. The next step is to contract with an evaluator to complete a detailed plan for a system-wide evaluation of basic skills programs in place for the beginning of F.Y. 1992. The timeline for this effort is as follows:

F.Y. 1989 - Finalize a plan and begin to develop the evaluation system set forth in the plan.

F.Y. 1990 - Complete development of the system and begin testing in several programs.

F.Y. 1991 - Complete testing, refine and clarify as necessary, and conduct in-service staff development for local program staff as necessary to insure appropriate implementation.

F.Y. 1992 - Implement the evaluation system.

<u>ENTITLEMENT FUNDING:</u> (000's)	Actual	Estimate	Governor's	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 0	\$ 75	\$ 75	\$ 75
2. Funding Sources				
Current Appropriation	\$ 0	\$ 75	\$ 75	\$ 75
3. Transaction Summary				
State Payments	\$ 0	\$ 75	\$ 75	\$ 75

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	Actual	Estimate	Governor's	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 0	\$ 75	\$ 75	\$ 75

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$75 in F.Y. 1990 and \$75 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$75 in F.Y. 1990 and \$75 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 1111 ECSU ADMINISTRATION
 Program : 11 EDUCATION AGENCY SERVICES
 Agency : EDUCATION AIDS

Citation : M.S. 123.58
 MDE Admin.: 1202-09 Executive Management
 Federal : Various 1401, 1402, 1403, 1405, 1414, 1415, 1421, 1424, 1431 and 1433

PURPOSE:

To provide educational planning on a regional basis to school districts, and to assist member districts in meeting specific education needs of their students.

DESCRIPTION:

Ten Educational Cooperative Service Units (ECSUs) are established by law, with boundaries that coincide with the Governor's planning regions. School districts in Regions 6 and 8, however, elected to cooperate as one unit, now known as the Southwest and West Central ECSU.

Each ECSU is governed by a board of directors composed of school board members from participating districts. Membership in an ECSU is voluntary and member districts may withdraw at any time. (In Region 11, all districts must participate in planning activities through the ECSU, though no decisions are binding on participating districts.) Therefore, each ECSU must provide programs and services which demonstrate effective use of local district resources.

The ECSUs currently serve 99 percent of the state's K-12 school districts. ECSUs provide over 45 programs and services to districts in response to divergent local needs throughout the state. Several programs, however, are provided by nearly all ECSUs, including the following:

1. Planning, evaluating, and reporting (PER) coordination;
2. Film loans and media services;
3. Drug-free schools (federal);
4. Special education (both federal and state);
5. AIDS prevention staff training;
6. Cooperative purchasing;
7. Math and science education staff training (federal); and
8. Technology assistance.

Annually, each ECSU must conduct a needs assessment, which is used to gauge the services most needed by districts in the region. In addition, ECSUs must prepare annual plans identifying programs suggested for implementation in the next school year and into the future. They also prepare an annual evaluation report on the effectiveness of programs that were provided each year. The annual plans and the annual evaluation reports must be submitted to public

school districts, nonpublic school administrative units, and the State Board of Education.

ECSUs are ultimately accountable to local school districts, since districts have the right to decline or withdraw membership. Nonpublic K-12 schools and public and private colleges may also become members. This structure of direct accountability assures that each ECSU is providing services which efficiently use education resources and which are seen as responsive to local needs.

In F.Y. 1989, this activity provides ECSUs with \$748 thousand in state aid. Seven ECSUs receive \$68 each, while two ECSUs (the Metropolitan ECSU in Region 11 and the Southwest and West Central ECSU in Regions 6 and 8) are allocated \$136 each. These allocations are established in appropriations law, which also calls for the Minnesota Department of Education to review each ECSU's annual plan before making payments.

The state aid provides basic administrative support for each ECSU. Beyond this basic state support, however, funding is provided through various other local, state, and federal sources.

STATISTICS/EFFECTIVENESS:

A. ECSU Membership/Programs

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Public school districts	429	425	431	435
Nonpublic schools, colleges, and other agencies	109	116	119	120
Common programs and services (those offered in six or more ECSUs)	32	34	36	36
Unique programs and services	55	58	61	61

B. ECSU Funding Sources (000's)

State				
Administrative Grant	\$ 748	\$ 748	\$ 748	\$ 748
Grants or Aids	2,585	2,745	2,874	2,547
Subtotal	<u>\$ 3,333</u>	<u>\$ 3,493</u>	<u>\$ 3,622</u>	<u>\$ 3,295</u>
Federal (direct or from state)	4,376	4,588	4,684	4,110
School Districts				
Service fees, dues memberships	5,629	6,798	7,042	6,744
Flow-through (e.g., cooperative purchasing)	6,079	6,478	6,729	5,381
Subtotal	<u>\$ 11,708</u>	<u>\$ 13,276</u>	<u>\$ 13,771</u>	<u>\$ 12,125</u>

1990-91 Biennial Budget

ACTIVITY: 1111 ECSU ADMINISTRATION
(Continuation)
Program : 11 EDUCATION AGENCY SERVICES
Agency : EDUCATION AIDS

STATISTICS/EFFECTIVENESS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Other (e.g., private grants and sale or rental of equipment)	3,810	3,721	3,955	3,830
Total	\$ 23,227	\$ 25,078	\$ 26,032	\$ 23,360

TRENDS:

In recent years, both state and federal laws have tended to emphasize more direct delivery of various programs which support school instruction. In part, this tendency is probably based on the belief that regional units are in the best position to implement programs in ways that complement local characteristics. As intermediate education units, operating between the State Department of Education and school districts, ECSUs seem ideally suited to serve in this role as direct provider. This emphasis on direct delivery will, it seems, involve continued expansion of programs administered through Minnesota's intermediate education units--ECSUs.

	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
ENTITLEMENT FUNDING: (000's)				
1. Aid Entitlement	\$ 748	\$ 748	\$ 748	\$ 748
2. Funding Sources				
Current Appropriation	636	636	636	636
Final Adjust. Appropriation	112	112	113	113
Total Funding	\$ 748	\$ 748	\$ 749	\$ 749
3. Transaction Summary				
State Payments	748	748	748	748
Transfer Out (MS 124.14)			1*	1*
Total Transactions	\$ 748	\$ 748	\$ 749	\$ 749

*Excess is available due to rounding appropriations.

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
General Fund				
Prior Year Adjustment	\$ 112	\$ 112	\$ 113	\$ 113
Current Year	636	636	636	636
Total	\$ 748	\$ 748	\$ 749	\$ 749

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$748 in F.Y. 1990 and \$748 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$749 in F.Y. 1990 (\$113 for F.Y. 1989 and \$636 for F.Y. 1990), and \$749 in F.Y. 1991 (\$113 for F.Y. 1990 and \$636 for F.Y. 1991).

1990-91 Biennial Budget

ACTIVITY : 1112 REGIONAL MANAGEMENT INFORMATION CENTERS
 Program : 11 EDUCATION AGENCY SERVICES
 Agency : EDUCATION AIDS

Citation : M.S. 121.935, Subdivision 5
 MDE Admin.: 1202-03 Education Data Systems
 Federal : None

PURPOSE:

To provide a stable environment in which school districts will have adequate and appropriate computer based management information, will be able to provide required data to state level decision makers, and will begin implementation of the Integrated Data Base (IDB).

DESCRIPTION:

School districts are mandated to comply with the Uniform Financial and Accounting Reporting Standards (UFARS) by using the Elementary Secondary Vocational Finance System (ESV-FIN) or an approved micro/minicomputer-based finance system meeting UFARS standards. All financial data from the districts is processed by ESV Regional Computer Centers where it is edited, summarized, and transmitted to the Minnesota Department of Education (MDE).

In addition, personnel/payroll and student reporting services are available to member districts through use of the Elementary Secondary Vocational Personnel/Payroll System (ESV-PPS) and Elementary Secondary Vocational Student Services System (ESV-SSS). The use of ESV-PPS and ESV-SSS by districts is voluntary.

Beginning in F.Y. 1989, districts will have a new requirement for submission of "...essential data elements which must be recorded and stored about each pupil, licensed and non-licensed staff member, and educational program. Each school district shall send the essential data to the ESV regional computer center to which it belongs, where it shall be assembled and transmitted to the department in the form and format prescribed by the department." (M.S. 121.932, Subd.5.)

Responsibility to fund the seven ESV Regional Computer Centers is split between school districts and MDE. When the ESV regions became operational in 1989, the state was to provide 50 percent of the cost of operating the mandated ESV-FIN. This level of support was a compromise recommendation to the Legislature by the ESV Computer Council following meetings with school superintendents, MDE staff, and legislative staff who concluded that \$3.4 million was the state's 50 percent share of ESV-FIN in F.Y. 1985. The annual level of support has never achieved the 50 percent level and has held constant at \$3,055 thousand since F.Y. 1987. This is approximately \$1 million below the annual target funding level. The state funds also support technical assistance to each school district in the use of the computer equipment and software, and in compliance with UFARS and the new requirements of the Integrated Data Base.

To provide uniformity and control over the development, modification, and maintenance of the computer software, the state provides \$356 thousand to make necessary changes to continue operation of the computer programs for the finance, personnel/payroll, and student systems. These changes are made by METRO II (ESV Region VI) under contract with the MDE and are then distributed and used in each of the regional centers or school districts.

School districts have the option to access the mainframe computer via terminals or to access the mainframe computer using a microcomputer to perform first-level editing, or to use authorized micro/minicomputer-based finance systems that meet local needs and facilitate state reporting.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

1. Number of 436 school districts using MIS systems				
ESV-FIN	409	409	409	409
Alternative FIN	27	27	27	27
ESV-PPS	345	336	336	336
ESV-SSS	95	86	95	110
2. ESV-IS computer program modifications by system				
ESV-FIN	168	150	150	150
ESV-PPS	158	140	140	140
ESV-SSS	178	160	160	160
3. Percent of school districts completing UFARS reporting	100%	100%	100%	100%
4. Percent of school districts completing IDB reporting	1%*	5%*	100%	100%
5. Percent of ESV regional total funding supported by state appropriation held at \$3,055 thousand	23%	19%	18%	18%

*Pilot status

TRENDS:

The last few years have not produced a great increase in district use of alternative systems. The implementation of the IDB will cause both an increase in district use of regional systems and district operated computers. Current funding has supported maintenance of ESV-IS software, but has restricted new development helpful to implementation of the IDB. The anticipated 100 percent participation by districts in the IDB in F.Y. 1990 requires training and continuous support of districts by the ESV Regions.

1990-91 Biennial Budget

ACTIVITY: 1112 REGIONAL MANAGEMENT INFORMATION CENTERS
(Continuation)
Program : 11 EDUCATION AGENCY SERVICES
Agency : EDUCATION AIDS

ENTITLEMENT FUNDING: (000's)	Actual	Estimate	Governor's	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement				
Regional Computer Centers	\$ 3,055	\$ 3,055		
Software Support	356	356		
Total Entitlement	<u>\$ 3,411</u>	<u>\$ 3,411</u>	<u>\$ 5,319</u>	<u>\$ 5,319</u>
2. Funding Sources				
Current Appropriation	<u>\$ 3,411</u>	<u>\$ 3,411</u>	<u>\$ 5,319</u>	<u>\$ 5,319</u>
3. Transaction Summary				
State Payments	<u>\$ 3,411</u>	<u>\$ 3,411</u>	<u>\$ 5,319</u>	<u>\$ 5,319</u>

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual	Estimate	Governor's	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Current Year	<u>\$ 3,411</u>	<u>\$ 3,411</u>	<u>\$ 5,319</u>	<u>\$ 5,319</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$5,319 in F.Y. 1990 and \$5,319 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$5,319 in F.Y. 1990 and \$5,319 in F.Y. 1991.

Allocation of these appropriations is as follows:

	F.Y. 1990	F.Y. 1991
1. Current Law	\$ 3,411	\$ 3,411
2. ESV-IDB Regional Support	1,003	1,003
3. ESV-IDB Software Support	195	195
4. ESV-IDB Conversion	710	710
Total	<u>\$ 5,319</u>	<u>\$ 5,319</u>

The Governor recommends these appropriations in recognition of the importance of comprehensive educational data for state and local decisionmaking.

1990-91 Biennial Budget

ACTIVITY : 1113 STATE PER ASSISTANCE
 Program : 11 EDUCATION AGENCY SERVICES
 Agency : EDUCATION AIDS

Citation : Laws 1987, Chapter 398, Article 5, Section 2, Subd. 10
 MDE Admin.: 1201-08 Assessment and Program Evaluation
 Federal : None

PURPOSE:

To provide leadership, coordination, training, and technical assistance for all aspects of the PER process in order to facilitate systematic local district educational improvement in the areas of curriculum and instruction, as well as to provide for public involvement and accountability at the local district level.

DESCRIPTION:

The implementation of state assistance in the planning, evaluation and reporting (PER) process requires considerable coordination between activities at the state and local levels. The PER process at the local level generally involves: 1) leadership from a local PER committee; 2) development and implementation of curriculum goals and outcomes; 3) assessment and evaluation of needs and strengths in curriculum and instructional practices, based upon student performance and other information; 4) planning for and implementing needed changes in curriculum and instruction; and 5) reporting results within local districts with a copy of the report submitted to the state.

At the state level, the process involves: 1) statewide leadership from the State Curriculum Advisory Committee (SCAC), 2) development and dissemination of Model Learner Outcomes and Essential Learner Outcomes, 3) development of measures and provision of service through the Local Assessment (Piggyback) and Itembank Programs, 4) workshops and on-site technical assistance on all aspects of PER provided by Minnesota Department of Education (MDE) staff and regional PER facilitators, and 5) review and feedback on all PER reports as well as distribution of aids payments.

STATISTICS/EFFECTIVENESS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Subject areas with model learner outcome documents	14 (56%)	20 (80%)	25 (100%)	25 (100%)
Subject areas with essential learner outcomes identified	1 (5%)	8 (36%)	14 (64%)	19 (86%)
Local assessment program utilization (districts)	80%	82%	92%	97%
Itembank district utilization	35%	41%	51%	55%

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991 (Contd.)

PER workshops (districts represented)	97%	98%	99%	99%
PER On-site technical assistance (district served)	58%	70%	70%	70%

TRENDS:

The projected growth in all measures is a direct reflection of the fact that, especially since F.Y. 1984, the PER legislation has become a major vehicle for educational improvement and accountability in the state. With strong legislative support, the MDE has strengthened its capabilities and efforts to provide models and services in all related areas. The outcome development process has been greatly expanded. Measurement services to local districts, which was a part of the original PER legislation, have grown. The availability of PER regional facilitators has increased on-site technical assistance from 30 districts in F.Y. 1987 to 250 districts in F.Y. 1988. As the orientation toward closer alignment among curriculum, instruction, and assessment continues to be implemented, it seems reasonable that current trends will continue.

ENTITLEMENT FUNDING: (000's)	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 300	\$ 601	\$ 601	\$ 601
2. Funding Sources				
Current Appropriation	428	661 ^a	601	601
Salary Supplement	1	2		
Dedicated Receipts	1			
Total Funding	\$ 430	\$ 663	\$ 601	\$ 601
3. Transaction Summary				
State Payments	300	601	601	601
Transfer to MDE Agency ^b	57	62		
Cancellation	73			
Total Transactions	\$ 430	\$ 663	\$ 601	\$ 601

^a Excludes \$60 thousand appropriation in 1988 session for Assessment Item Bank; this amount is presented in the Agency Budget.

^b This transfer to the Agency Budget is for the Assessment Item Bank administration.

1990-91 Biennial Budget

ACTIVITY: 1113 STATE PER ASSISTANCE
 (Continuation)
 Program : 11 EDUCATION AGENCY SERVICES
 Agency : EDUCATION AIDS

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u>	<u>Estimate</u>	<u>Governor's</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	<u>\$ 300</u>	<u>\$ 601</u>	<u>\$ 601</u>	<u>\$ 601</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$601 in F.Y. 1990 and \$601 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$601 in F.Y. 1990 and \$601 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 1114 EDUCATIONAL EFFECTIVENESS
Program : 11 EDUCATION AGENCY SERVICES
Agency : EDUCATION AIDS

Citation : M.S. 121.608 - 121.609
MDE Admin.: 1201-10 Instructional Design
Federal : None

PURPOSE:

To begin restructuring schools through the delivery of research-referenced educational effectiveness processes to K-12 educators, so that improved instructional programs will result for their students.

DESCRIPTION:

The Minnesota Educational Effectiveness Program is a statewide school improvement model which, when fully operational, will result in restructured schools. It was conceived through a joint effort of schools, the Educational Cooperative Service Units (ECSUs), the Minnesota Department of Education (MDE) and the legislature. It is based on research regarding effective schools and organizational development theory. It uses these research bases to teach teams of teachers, principals, central office staff, parents and other community members, processes which they will use to lead their individual school building staff as they, together, restructure the school for the twenty-first century. An Advisory Task Force, as stipulated in the statute, assists MDE in the development and provision of the program.

Technical Assistance is provided to these school-based teams through a one week clinical workshop during the first year of implementation and two statewide workshops each subsequent year, which relate to research-referenced characteristics and improved leadership. In addition, each has Educational Effectiveness Facilitators who are supported by state grants. These individuals provide on-site and regional services to the schools.

Ongoing program evaluation provides data for modifications in the program. A research-based, two-year administrator training program will begin in the fall of 1988. A local coordinator position was created in 1987 as a way of providing more direct service to schools, at a time when the numbers of schools involved in the program was increasing while the number of regional ECSU facilitators remained constant. Technical changes have been made in the initial and follow-up training strategies, based upon the evaluation data. Two additional staff positions were added to the MDE complement as a result of the evaluation. These positions will provide additional support to the 426 school sites implementing the Minnesota Educational Effectiveness Program during F.Y. 1989. It is anticipated that at least 200 additional schools will be added during the 1989-91 biennium.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

School sites implementing effectiveness program (N=1,508)	426	526	626	726
Workshops conducted	104	100	120	150
Workshop participants (000's)	49.7	50.0	50.6	51.0

TRENDS:

The Minnesota Educational Effectiveness Program continues to grow at a rate of approximately one hundred schools per year. This growth will continue at least through the next two biennia. The research, upon which the program is built, will continue to change, thus requiring continued change in the model and in the technical assistance provided to school teams.

	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
<u>ENTITLEMENT FUNDING:</u> (000's)				
1. Aid Entitlement	\$ 610	\$ 600	\$ 600	\$ 600
2. Funding Sources				
Current appropriation	690	690	600	600
Salary Supplement	2	4		
Total Funding	\$ 692	\$ 694	\$ 600	\$ 600
3. Transaction Summary				
State Payments	610	600	600	600
Transfer to MDE agency for program administration	82	94		
Total Transactions	\$ 692	\$ 694	\$ 600	\$ 600

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 610	\$ 600	\$ 600	\$ 600

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$600 in F.Y. 1990 and \$600 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$600 in F.Y. 1990 and \$600 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 1115 CURRICULUM AND TECHNOLOGY INTEGRATION
 Program : 11 EDUCATION AGENCY SERVICES
 Agency : EDUCATION AIDS

Citation : M.S. 129B.32 - 129B. 40
 MDE Admin.: 1201-10 Instructional Design
 Federal : None

PURPOSE:

To assist school districts in integrating technology into the curriculum and in using technology to help students learn at higher levels of thinking and in different ways.

DESCRIPTION:

Opportunities to use technology in more sophisticated ways are occurring in Minnesota because students need new learning skills and educators are increasingly literate in technology. This program helps teachers modify or supplement their instructional design so that students can exploit the potential of technology for different and higher levels of thinking. Program funding is used to develop curriculum and instructional design materials that provide assistance in various subject areas. Information is shared with educators through a variety of inservice strategies, including regional workshops, courseware integration centers, and electronic networks and conferences. Through this program, high quality courseware materials are made available to districts at greatly reduced costs.

The Minnesota Department of Education (MDE), Instructional Design Section, with funding from this program, continues to develop materials that are nationally recognized. Materials such as: "Take a Trip," "On-Line Technology Databases," and "Instructional Decision Making" will continue to maintain that quality. However, rapid changes in this area require continual development.

Quality materials are useless, however, unless inservice on their use is provided. MDE provides inservice primarily through three delivery approaches; regional workshops (some presented by video), courseware integration centers, electronic contacts and workshops by MDE staff.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

1. Regional Workshops

Region				
Northeast	52	24	28	28
North Central	46	32	37	37
Northwest	58	30	35	35
West Central	22	22	25	25
Central	52	32	37	37

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991 (Contd.)

South Central	50	28	32	32
Southeast	54	30	35	35
Metro	104	62	48	48
SW/WC	81	32	37	37
Total	514	292	314	314

2. Courseware Integration Center Workshops

Bemidji	27	30	30	30
Brainerd	23	25	25	25
New Ulm	35	40	40	40
Minneapolis	41	45	45	45
Total	126	140	140	140

3. MDE Technology Staff Activities

Mastery Learning/Software	12	12	12	12
Two-way TV	22	25	25	25
Instructional TV	17	17	17	17
On-line databases	5	15	15	15
Emerging technologies	12	22	22	22
MIX network	4	6	6	6
Total	72	97	97	97

TRENDS:

Integration of technology into education is becoming increasingly important and complex. The recent survey of needs conducted by the MDE provides evidence that assistance with the integration of technology remains important to Minnesota educators. According to the survey, technology integration is ranked second in importance by district and building staff. A second survey assessing teacher computer skills indicates that most teachers are interested in acquiring new skills in areas beyond basic computer skills and word processing.

The level of workshop activity decreased significantly in F.Y. 1989. Workshop providers (contractors) offered fewer opportunities based on the availability of state funds for this purpose.

1990-91 Biennial Budget

ACTIVITY: 1115 CURRICULUM AND TECHNOLOGY INTEGRATION
 (Continuation)
 Program : 11 EDUCATION AGENCY SERVICES
 Agency : EDUCATION AIDS

ENTITLEMENT FUNDING: (000'S)	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement				
Purchase duplication rights	\$ 550			
Courseware integration centers	355	\$ 355		
Technology services	389	317		
Technology demo sites	47	50		
Total Entitlement	<u>\$ 1,341</u>	<u>\$ 722</u>	<u>\$ 722</u>	<u>\$ 722</u>
2. Funding Sources				
Current Appropriation	<u>\$ 1,405</u>	<u>\$ 722</u>	<u>\$ 722</u>	<u>\$ 722</u>
3. Transaction Summary				
State Payments	1,341	722	722	722
Cancellation	64			
Total Transactions	<u>\$ 1,405</u>	<u>\$ 722</u>	<u>\$ 722</u>	<u>\$ 722</u>

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Current Year	<u>\$ 1,341</u>	<u>\$ 722</u>	<u>\$ 722</u>	<u>\$ 722</u>

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$722 in F.Y. 1990 and \$722 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$722 in F.Y. 1990 and \$722 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 1116 TECHNOLOGY INFORMATION DISSEMINATION
 Program : 11 EDUCATION AGENCY SERVICES
 Agency : EDUCATION AIDS

Citation : Laws 1988, Chapter 718, Article 5, Section 9, Subd. 3
 MDE Admin.: 1201-10 Instructional Design
 Federal : None

PURPOSE:

To collect and disseminate information on emerging uses of technologies in education. With the elimination of the Technology Demonstration Sites, it is important to provide another avenue for sharing new technology developments in Minnesota and outside the state.

DESCRIPTION:

This program is in its first year in F.Y. 1989. Funds have been focused on four tasks:

1. Collect state, national, and world information on emerging uses of technology.
2. Provide a State conference on the topic of emerging technologies. In F.Y. 1989, the conference is scheduled for January 17-19, 1989 in Anoka, with satellite connections for transmission around the state.
3. Develop a video tape describing significant developments that will be available to Minnesota educators. The video tape is expected to be completed by February 28, 1989.
4. Disseminate and provide staff inservice on Minnesota Department of Education documents.

TRENDS:

New technologies and their uses will continue to be a significant consideration for educators. Assistance needs to be provided educators in understanding and making appropriate uses of these tools.

ENTITLEMENT FUNDING: (000's)	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement.	\$ 0	\$ 20	\$ 20	\$ 20
2. Funding Sources				
Current Appropriation	\$ 0	\$ 20	\$ 20	\$ 20
3. Transaction Summary				
State Payments	\$ 0	\$ 20	\$ 20	\$ 20

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 0	\$ 20	\$ 20	\$ 20

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$20 in F.Y. 1990 and \$20 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$20 in F.Y. 1990 and \$20 in F.Y. 1991.

ACTIVITY : 1117 METROPOLITAN OPEN ENROLLMENT
 Program : 11 EDUCATION AGENCY SERVICES
 Agency : EDUCATION AIDS

Citation : Laws 1988, Chapter 718, Article 5, Section 9, Subd. 11
 MDE Admin.: 1201-05 Equal Educational Opportunities
 Federal : None

PURPOSE:

To ensure that information about educational opportunities under the open enrollment program is made available to families residing in urban and suburban school districts; to provide assistance and supportive services, as appropriate, to pupils, families, and district staff in order to educate and encourage participation in open enrollment to the maximum extent possible; and to address school integration issues in the metropolitan area.

DESCRIPTION:

Beginning in F.Y. 1989, the Minnesota Department of Education (MDE) assists urban and suburban school districts to ensure that information on enrollment options is available to staff, parents, students, and community agencies through the following activities:

1. Operation of Options Hotline telephone;
2. Circulation of descriptive K-12 Open Enrollment brochures;
3. Designation and training of Enrollment Options district representatives in about 50 metropolitan districts;
4. Production and distribution of a K-12 Open Enrollment videotape;
5. Monthly news releases mailed to all metro area and neighborhood newspapers;
6. Distribution of brochures to school nurses, social workers, counselors, elementary and secondary principals, and community educators;
7. Enrollment options workshops for district staff and parents through the Metro Educational Cooperative Service Unit (ECSU);
8. Distribution of brochures and information sheets through Black Minnesotans Council, Indian Affairs Council, Spanish Speaking Council, Asian Pacific Minnesotans Council, Neighborhood House, Our Lady of Guadalupe, Urban League of Minneapolis, and St. Paul Sabathani Community Center;
9. Numerous meetings with southwest, northwest, and east metro area administrators to review procedures, answer questions, review descriptive materials, and formulate integrated enrollment options. These meetings

have resulted in further cooperative planning meetings between Minneapolis and St. Paul and their suburban neighbors.

The following developmental planning committees are now organized and operating:

An Interdistrict Staff Exchange Advisory Committee to provide administrative and instructional staff exchange opportunities between urban and suburban schools;

1. An Interdistrict Staff Development Committee to determine the best delivery system for staff development in multicultural education;
2. The annual reapplication requirement causes instability for parents and families in that continuing enrollment in the district of choice is not guaranteed.
3. An Advisory Committee to recommend procedures for encouraging minority students to consider teaching as a vocation, and to conceptualize the creation of a metropolitan recruitment pool for minority staff;
4. Initial planning between MDE and the National Youth Leadership Council for interdistrict youth service projects in a cross-cultural student setting;
5. A Metro School Boards Academy on the three topics of demographics, desegregation activity, and research on segregation, desegregation, and integration.

OBSERVATIONS:

The following statements are observations of MDE staff based on their short-term experiences with the public through the Options Hotline, workshops, community agencies, professional organizations, school personnel, and parental groups:

1. Parents of pre-school children are making inquiries about K-12 enrollment choices at a higher rate than parents of children in school.
2. Fewer secondary school families or students use K-12 Open Enrollment than do elementary. Most secondary inquiries are for Postsecondary Options and High School Graduation Incentives.
3. The annual reapplication requirement causes instability for parents and families in that continuing enrollment in the district of choice is not guaranteed.
4. Parents making inquiries about K-12 Enrollment Options are seeking guidance, information, and printed materials about selecting schools.
5. Parents of minority students see suburban districts as unprepared to provide support services and instruction, and will seek solutions such as more staff and curriculum development.
6. Metropolitan district administrators are involving their staffs in cooperative efforts of desegregating and integrating their school systems.

1990-91 Biennial Budget

ACTIVITY: 1117 METROPOLITAN OPEN ENROLLMENT
(Continuation)
Program : 11 EDUCATION AGENCY SERVICES
Agency : EDUCATION AIDS

	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990 F.Y. 1991	
<u>ENTITLEMENT FUNDING:</u> (000's)				
1. Aid Entitlement	\$ 0	\$ 150	\$ 250	\$ 250
2. Funding Source				
Current Appropriation	\$ 0	\$ 150	\$ 250	\$ 250
3. Transaction Summary				
State Payments	\$ 0	\$ 150	\$ 250	\$ 250

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990 F.Y. 1991	
<u>Fund Source</u>				
General Fund				
Current Year	\$ 0	\$ 150	\$ 250	\$ 250

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$250 in F.Y. 1990 and \$250 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$250 in F.Y. 1990 and \$250 in F.Y. 1991.

Allocation of these appropriations is as follows:

	F.Y. 1990	F.Y. 1991
1. Current Law	\$ 150	\$ 150
2. Increased Cooperative Efforts	100	100
Total	\$ 250	\$ 250

1990-91 Biennial Budget

ACTIVITY : 1118 ARTS PLANNING ASSISTANCE
Program : 11 EDUCATION AGENCY SERVICES
Agency : EDUCATION AIDS

Citation : M.S. 129B.21
MDE Admin.: 1201-09 Curriculum Services
Federal : None

PURPOSE:

To provide materials, training, and technical assistance to school districts receiving Arts Planning Program Grants (see Budget Activity 0708).

DESCRIPTION:

The Comprehensive Arts Planning Program (CAPP) state steering committee, comprised of arts specialists from the Minnesota Department of Education (MDE), the Minnesota State Arts Board, and the Minnesota Alliance for Arts in Education (MAAE) assists with the arts planning and implementation process in school districts. These specialists provide assistance by conducting workshops, supplying publications, and doing one-to-one consultation. The MDE contracts annually with MAAE for purposes of providing technical assistance. The largest share of the legislative appropriation is used for special assistance of this kind.

The 59 districts which participated in the program during F.Y. 1984-85 and F.Y. 1986-87 biennia do not currently receive grants or direct assistance specific to their needs. They do continue to receive materials and technical assistance and are invited to most general workshops and conferences.

STATISTICS/EFFECTIVENESS:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Amount of contract to provide technical assistance (000's)	\$ 26.4	\$ 29.0	\$ 29.0	\$ 29.0
2. Remaining funds for state assistance (000's)	\$ 11.1	\$ 8.5	\$ 8.5	\$ 8.5
3. Districts receiving technical assistance	82	82	112	112
4. Workshops or conferences held	6	3	6	3
5. Districts participating in workshops	45	65	60	75
6. Persons participating in workshops	271	250	300	250

TRENDS:

School districts that received grants in previous years tend to request assistance and attend workshops. This need for ongoing motivation, nurturing, and assistance has placed an extreme strain on the limited resources for technical assistance.

ENTITLEMENT FUNDING: (000's)

	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 36	\$ 39	\$ 38	\$ 38

2. Funding Sources

Balance Forward		1		
Current Appropriation	37	38	38	38
Total Funding	\$ 37	\$ 39	\$ 38	\$ 38

3. Transaction Summary

State Payments	36	39	38	38
Balance Forward	1			
Total Transactions	\$ 37	\$ 39	\$ 38	\$ 38

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 36	\$ 39	\$ 38	\$ 38

CHANGE IN ENTITLEMENT LEVEL: (000's)

	Governor's Recommendation F.Y. 1990	F.Y. 1991
1. F.Y. 1989 Aid Entitlement	\$ 39	\$ 39
2. Entitlement Changes:		
a. Budget Variables		
Adjustment For F.Y. 1988		
Balance Forward	(1)	(1)
3. Total Estimate Per Current Law	\$ 38	\$ 38

1990-91 Biennial Budget

ACTIVITY: 1118 ARTS PLANNING ASSISTANCE
(Continuation)
Program : 11 EDUCATION AGENCY SERVICES
Agency : EDUCATION AIDS

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$38 in F.Y. 1990 and \$38 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$38 in F.Y. 1990 and \$38 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 1119 ACADEMIC EXCELLENCE FOUNDATION
 Program : 11 EDUCATION AGENCY SERVICES
 Agency : EDUCATION AIDS

Citation : M.S. 121.612
 MDE Admin.: 1202-11 Academic Excellence Foundation
 Federal : None

PURPOSE:

To recognize and increase the academic performances of Minnesota's K-12 students; to expand opportunities for student learning and achievement; and to encourage and recognize the contributions of teachers, families, schools, and communities.

DESCRIPTION:

The Minnesota Academic Excellence Foundation (MAEF) operates as a non-profit, public-private partnership. The administering body is a Board of Directors which consists of the Governor or a designee, six legislators, the Commissioner of Education, and 15 members appointed by the Governor and representing the private sector (9) and educational groups (6). The three major activities of the foundation are:

1. Program Development and Delivery

The Foundation provides recognition programs, honors, and awards to students who demonstrate academic excellence and to individuals who facilitate student accomplishment and service. Incentive grants have been designated to selected pilot projects which engage student and adult audiences in academically challenging activities with potential for statewide application. The Governor's Scholars activity recognizes Minnesota's outstanding high school students, and technical assistance is provided to schools and businesses designing academic recognitions.

2. Coordination of Academic Competitions and Events (Academic League)

The Foundation is to develop an implementation plan for an activity to coordinate, monitor, communicate, and promote academic competitions. The proposed plan includes technical assistance and training to schools, districts, judges, sponsors, and coaches participating in academic competitions. Over 30 academic recognitions and competitions with 2-3 years or more of history have been coordinated by MAEF as a pilot activity of the academic league.

3. Fund Development and Private-Public Partnership

The Foundation promotes the concept of academic excellence to statewide audiences and secures the funding and in-kind donations necessary to operate the public-private partnership. A fund development and public

relations plan directs communication activities such as press releases, brochures, reports, speaking engagements, grant proposals, and a quarterly newsletter. Funding prospects within the private sector are identified, cultivated, and solicited for grant dollars and other partnerships.

State funding of Foundation programs is provided through a legislative appropriation. Also, the legislation allows MAEF to sell printed materials it has developed.

STATISTICS/EFFECTIVENESS:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
A. Program development and delivery				
Events/activities delivered to:				
Metro audiences	3	2	4	4
Non-metro audiences	4	2	4	4
Statewide audiences	3	2	4	4
Students, grades K-2	2	3	2	2
Students, grades 3-6	4	4	2	2
Students, grades 7-12	5	4	4	4
Adults	*	1	2	2
Incentive grant requests received	16	16	10	0
Incentive grants awarded	7	5	0	0
B. Coordination of academic competition and events				
Events coordinated and promoted	0	30	50	50
Memberships paid by schools, districts	0	0	200	350
C. Fund development and private-public partnership				
Grant proposals submitted	3	10	20	30
Grant proposals funded	2	5	10	15
Dollars received by Foundation (000's)	\$ 9	\$ 30	\$ 40	\$ 50
Number of in-kind partnerships established	*	50	100	200

*Unknown

1990-91 Biennial Budget

ACTIVITY: 1119 ACADEMIC EXCELLENCE FOUNDATION
(Continuation)
Program : 11 EDUCATION AGENCY SERVICES
Agency : EDUCATION AIDS

TRENDS:

Requests from private sector partners for assistance with academic recognition events for students and teachers are increasing. The need to increase private sector involvement is critical to MAEF's future. Interest by schools in the Governor's Scholars recognition and in school academic lettering programs is increasing. The MAEF Board has temporarily suspended the incentive grants program. MAEF will focus on academic recognition activities including Governor's Scholars and in-school academic lettering programs; coordinating and assisting academic competitions through the academic league; and developing private sector partnerships.

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$125 in F.Y. 1990 and \$125 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$125 in F.Y. 1990 and \$125 in F.Y. 1991.

<u>ENTITLEMENT FUNDING:</u> (000's)	Actual	Estimate	Governor's	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 97	\$ 125	\$ 125	\$ 125
2. Funding Sources				
Current Appropriation	\$ 100	\$ 125	\$ 125	\$ 125
3. Transaction Summary				
State Payments	97	125	125	125
Cancellation	3			
Total Transactions	\$ 100	\$ 125	\$ 125	\$ 125

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	Actual	Estimate	Governor's	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 97	\$ 125	\$ 125	\$ 125

1990-91 Biennial Budget

ACTIVITY : 1120 SUMMER PROGRAM SCHOLARSHIPS (HECB)
 Program : 11 EDUCATION AGENCY SERVICES
 Agency : EDUCATION AIDS

Citation : M.S. 126.56
 MDE Admin.: None

PURPOSE:

To encourage Minnesota secondary school students to enrich their learning beyond those academic experiences now provided by their schools; to provide financial assistance to students with need who are interested in attending summer academic programs sponsored by postsecondary institutions.

DESCRIPTION:

The Summer Scholarship for Academic Enrichment Program provides scholarships of up to \$1,000 to eligible students who have completed Grade Seven, but have not graduated from high school. The scholarship covers tuition and other costs of attendance, such as transportation.

An eligible institution must be accredited by the North Central Association of Colleges, offer at least an associate or baccalaureate degree program, and be located in Minnesota.

An eligible program must be approved by the State Board of Education and must: 1) provide academic instruction for student enrichment in curricular areas including, but not limited to: communications, humanities, social studies, social science, science, mathematics, fine or performing arts, or foreign language; 2) be an in-state program; 3) not be offered for credit to postsecondary students; and 4) not provide remedial instruction.

An advisory committee assists the State Board of Education (SBE) in approving eligible programs and assists the Higher Education Coordinating Board (HECB) in planning, implementing, and evaluating the scholarship program. The HECB is responsible for developing and disseminating information about the program.

The HECB and the SBE determine the time and manner for scholarship applications, awards, and program approval.

All scholarships are awarded by the HECB. Each eligible institution sponsoring eligible programs designates a representative responsible for assisting the HECB. This representative has responsibility for counseling potential applicants, verifying student eligibility, calculating each student's financial need, transmitting scholarship disbursements to award recipients, and refunding appropriate scholarship monies for students who withdraw or do not attend the program for which funds were awarded. All scholarship applications must be approved by the postsecondary institution sponsoring the eligible program and the HECB.

In order to be eligible for a scholarship, a student must: 1) be a Minnesota resident; 2) attend an eligible program; 3) have completed at least one year of secondary school (7th grade), but not have graduated from high school; 4) have earned at least a B average during the semester or quarter prior to application in the subject area applicable to the summer program the student wishes to attend; and 5) demonstrate need for financial assistance. Financial need is determined by taking into account the costs of attending the program, parental Adjusted Gross Income, and the number of dependent children in the family.

STATISTICS/EFFECTIVENESS:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Total awards (000's)	\$ 213.7	\$ 213.7	\$ 213.7	\$ 213.7
Private institutions	148.7	148.7	148.7	148.7
Public institutions	65.0	65.0	65.0	65.0
Number of scholarships	554	563	548	548
Private institutions	332	337	328	328
Public institutions	222	226	220	220
Average award	\$ 386	\$ 380	\$ 390	\$ 390
Private institutions	448	441	453	453
Public institutions	293	288	295	295

TRENDS:

Interest and participation in the program are growing. The increased participation has been due to growing awareness of the program and its value to students; increased marketing, particularly to needy and minority students; statutory changes allowing awards to cover all attendance costs rather than only tuition; and increased flexibility in academic eligibility requirements.

<u>ENTITLEMENT FUNDING:</u> (000's)	Estimate	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 214	\$ 214	\$ 214	\$ 214
2. Funding Sources				
Current Appropriation	\$ 214	\$ 214	\$ 214	\$ 214
3. Transaction Summary				
State Payments	\$ 214	\$ 214	\$ 214	\$ 214

1990-91 Biennial Budget

ACTIVITY: 1120 SUMMER PROGRAM SCHOLARSHIPS (HECB)
 (Continuation)
 Program : 11 EDUCATION AGENCY SERVICES
 Agency : EDUCATION AIDS

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Governor's</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund				
Current Year	\$ 214	\$ 214	\$ 214	\$ 214

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$214 in F.Y. 1990 and \$214 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$214 in F.Y. 1990 and \$214 in F.Y. 1991.

1990-91 Biennial Budget

ACTIVITY : 1121 HEALTH AND WELLNESS CURRICULUM
 Program : 11 EDUCATION AGENCY SERVICES
 Agency : EDUCATION AIDS

Citation : Laws 1987, Chapter 398, Article 5, Section 2, Subd. 7
 MDE Admin.: 1201-09 Curriculum Services
 Federal : None

PURPOSE:

To develop materials for school district use in planning and implementing a comprehensive K-12 health and wellness curriculum, and to provide training and assistance to district staff on use of the materials.

DESCRIPTION:

Legislation authorizing and funding this activity for the 1987-89 biennium was enacted in 1987. Before work could begin on this effort it was necessary to complete the development of model learner outcome documents for K-12 health and K-12 physical education. They were written during the 1987-88 school year and will be refined and published during the 1988-89 school year. Development of the planning materials for the health and wellness curriculum will be completed by March 1989. Twelve inter-agency teams will develop materials for one of the following twelve primary concepts of a comprehensive wellness program:

1. School health instruction;
2. Community public health service;
3. School physical education;
4. School food service;
5. School/parent communication/support service;
6. Community health agency service;
7. School health services;
8. Community education services (especially early childhood/family programs);
9. School site health and wellness promotion for faculty and staff;
10. School health environment;
11. School counseling/support services; and
12. Local community.

The first information sessions and dissemination of materials will occur during April and May 1989. Direct assistance to individuals and small groups of districts will occur in succeeding years and will be scheduled to match each district's curriculum review cycle.

STATISTICS/EFFECTIVENESS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Planning documents developed	0	12	0	0
Information sessions on planning materials	0	8	8	0
Individuals or small groups receiving direct assistance	0	0	75	75

ENTITLEMENT FUNDING: (000's)	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Aid Entitlement	\$ 0	\$ 30	\$ 30	\$ 0
2. Funding Sources				
Balance Forward		30		
Current Appropriation	30		30	0
Total Funding	\$ 30	\$ 30	\$ 30	\$ 0
3. Transaction Summary				
State Payments		30	30	0
Balance Forward	30			
Total Transactions	\$ 30	\$ 30	\$ 30	\$ 0

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund				
Current Year	\$ 0	\$ 30	\$ 30	\$ 0

GOVERNOR'S RECOMMENDATION:

The Governor recommends an aid entitlement of \$30 in F.Y. 1990 and \$0 in F.Y. 1991.

Based on these entitlements, the Governor recommends an appropriation of \$30 in F.Y. 1990 and \$0 in F.Y. 1991. This appropriation is for the biennium and is available until June 30, 1991.

1990-91 Biennial Budget

ACTIVITY : 1122 LEGISLATIVE COMMISSION ON PUBLIC EDUCATION
Program : 11 EDUCATION AGENCY SERVICES
Agency : EDUCATION AIDS

Citation : M.S. 3.865; Laws 1987, Chapter 398, Article 3,
Section 38; Laws 1988, Chapter 718, Article 6,
Section 22-23

PURPOSE:

To study issues relating to elementary and secondary education.

DESCRIPTION:

An appropriation of \$250 thousand from the state general fund was included in the omnibus education aids bill for the 1987-89 biennium.

The commission is to conduct:

1. A comprehensive qualitative and quantitative evaluation and analytical study of special education, financing, and related services;
2. A study of education accountability measures; and
3. An education organization study that includes findings about learning opportunities for learners, financial considerations, and alternative patterns of educational organization.

By January 15 of each year, the commission must report to the education committees of the Legislature on its findings and recommendations.

DEPARTMENT OF EDUCATION

MINNESOTA DEPARTMENT OF EDUCATION PROGRAMS

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MINNESOTA DEPARTMENT OF EDUCATION

ORGANIZATION CHART
9-30-88

POSITION RECONCILIATION		
AUTHORITY	CURRENT F.Y. 89	REQUESTED FOR 8-30-91
LEGISLATIVE COMPLEMENT		
GENERAL FUND	423.0	466.4
SPECIAL REVENUE	26.7	29.1
FEDERAL	127.7	128.6
PUBLIC HEALTH FUND	1.0	1.0
LAC AUTHORIZED FEDERAL	19.3	
TOTAL PERMANENT POSITIONS	597.7	625.1
OTHER COMPLEMENT FTE	88.0	
TOTAL AUTHORIZED POSITIONS	685.7	
EMPLOYEES ON 6/30/88	589	

POSITION SUMMARY	
Current Positions	597.7
Base Level	582.3
New Positions Requested	42.8
Total	625.1

BOARD OF TEACHING	
Current Positions	2.0
Base Level	2.0
Total	2.0

OFFICE OF THE COMMISSIONER	
Current Positions	4.0
Base Level	4.0
Total	4.0

STATE BOARD OF EDUCATION	
Current Positions	1.0
Base Level	1.0
New Positions Requested	1.0
Total	2.0

GOVERNMENT RELATIONS	
Current Positions	3.0
Base Level	3.0
Total	3.0

ACADEMIC EXCELLENCE	
Current Positions	1.5
Base Level	1.0
New Positions Requested	1.0
Total	2.0

DEPUTY COMMISSIONER	
Current Positions	4.0
Base Level	4.0
New Positions Requested	.5
Total	4.5

RESIDENTIAL ACADEMIES	
Current Positions	193.6
Base Level	193.6
New Positions Requested	8.0
Total	201.6

ADMINISTRATIVE SERVICES	
Current Positions	37.4
Base Level	37.6
New Positions Requested	2.0
Total	39.6

EMPLOYEE RELATIONS	
Current Positions	7.0
Base Level	7.0
Total	7.0

DEVELOPMENT AND PARTNERSHIP EFFECTIVENESS	
Current Positions	82.3
Base Level	78.7
New Positions Requested	9.8
Total	88.5

INSTRUCTIONAL EFFECTIVENESS	
Current Positions	115.8
Base Level	115.1
New Positions Requested	2.5
Total	117.6

MANAGEMENT EFFECTIVENESS	
Current Positions	146.1
Base Level	135.3
New Positions Requested	18.0
Total	153.3

1990-91 Biennial Budget

AGENCY: EDUCATION, DEPARTMENT OF

AGENCY PURPOSE:

The purpose of the Minnesota Department of Education (MDE) is to provide leadership, service, and regulation to maintain and improve an equitable, accessible, and quality system of public education for all learners. To accomplish this purpose, the department provides leadership by working with policymakers in initiating and developing policies and by seeking resources for public education; gives service to school districts by providing information, technical assistance, model development, and assistance in the management of education programs and services; regulates education by maintaining, interpreting and enforcing state and federal laws and State Board of Education (SBE) rules; and increases the efficiency and effectiveness of MDE through staff development and increased office automation.

The MDE directs its activities and resources toward meeting the following goals for public education in Minnesota. Public education shall be accountable for verifiable student achievement; shall provide systematized opportunities to participate in experiences which lead to personal, social, cultural and career development, and civic responsibility; shall make lifelong learning opportunities available to learners of all ages; shall allocate its resources so that effective delivery systems guarantee equity in and access to quality education; shall be responsive to the changing needs of learners in an increasingly complex society; and shall communicate its mission, achievements and impact on Minnesota's future.

The Department of Education serves Minnesota citizens through 435 school districts, approximately 33 secondary vocational cooperative centers, 26 special education cooperative centers, 9 educational cooperative service units, 7 elementary and secondary vocational computer regions and numerous organizations at all levels of government. The Minnesota State Residential Academies provides educational services for deaf, blind, and deaf-blind students.

The department's service and leadership activities are focused on a much broader population than the public schools' student enrollment of 715,762. The department licenses and regulates 90 private vocational schools and 310 agencies providing postsecondary education for veterans. The department serves 87,208 nonpublic students through various programs. Leadership, information, and technical assistance are provided for 135 libraries in cities, counties, and regions. The department also operates the Library for the Blind and Physically Handicapped. Community Education provides opportunities and services to approximately 2,403,835 adults; 40,960 are served in adult basic education programs; and 67,000 parents and children participate in early childhood and family education.

AGENCY PRIORITIES:

In the 1990-91 biennium, specific efforts and resources will be focused on

the following priority areas: expand excellence in education through the statewide implementation of learner outcomes, the restructuring of secondary vocational education and the integration of curriculum, instruction (including technology) and student assessment; improve accountability through increased information management and expanded automated systems; develop early childhood education options including extended day programs; develop youth service programs for integration into curricula and communities; develop and coordinate programs to serve the needs of the various groups of learners at risk; coordinate assistance to parents, students, and schools to implement quality education through various educational options; provide quality opportunities for learners with sensory handicaps through services at the Minnesota State Residential Academies; assure equal educational opportunities for all learners; expand learning opportunities for adults; and improve the internal operations of the MDE.

To address priority areas effectively and to maximize use of resources, MDE will collaborate in the planning and the delivery of services with other service agencies and governmental units.

ATTORNEY GENERAL COSTS:

Fees for Legal Services Rendered	Actual	Act/Est	Agency Request	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Fees Assessed	\$ 32	\$ 34	\$ -0-	\$ -0-
Fee Paid	\$ 32	\$ 34	\$ -0-	\$ -0-
Requested Budget	\$ -0-	\$ -0-	\$ 35	\$ 35

EXPLANATION OF BUDGET REQUESTS:

The agency budget request for the Minnesota Department of Education (MDE) includes funding for the three MDE divisions and the MDE executive management component. Also included are the Minnesota State Residential Academies as well as the State Board of Education, the Board of Teaching, and the Academic Excellence Foundation.

The budget includes costs of support for MDE staff and program leadership and services to school district programs that are supported through the state education aids budget and includes costs for the MDE internal management process.

The CHANGE items represent increases for the development and expansion of priority areas of services to Minnesota's learners; the transfer of specific MDE functions from federal block grant funds to state support; the increased costs associated with internal MDE effectiveness of operation; the increase in direct services to students enrolled in the Minnesota State Residential Academies; and increases to strengthen staff support to the State Board of Education and to the Academic Excellence Foundation.

CHANGE increases are requested for increased services in MDE priority areas for public education statewide. In the priority area of increasing excellence in instruction, curriculum and assessment, a CHANGE increase of \$20 in

F.Y. 1990 and \$60 in F.Y. 1991 is requested for the cost of Minnesota's participation in the development of a national state-by-state student assessment model; and an increase of \$31 in F.Y. 1990 and the same amount in F.Y. 1991 is requested for staff clerical support for the Minnesota Academic Excellence Foundation.

Toward the goal of increasing opportunities in education for children, youth, parents and adult learners, a CHANGE increase of \$47 in each F.Y. 1990 and F.Y. 1991 is requested for one additional professional staff in the early childhood education program; an increase of \$204 is requested in each year of the biennium for three additional staff and increased program service to expand information available and access to educational options for students and parents; a CHANGE level of \$101 in each year of the biennium is requested for an increase of two staff for the Indian Education program to implement services for Indian students and to support increased meetings for advisory councils in order to execute their mandated responsibilities.

In each F.Y. 1990 and F.Y. 1991, a CHANGE level increase of \$85 is requested to develop training for library paraprofessionals statewide and an increase of \$20 each year of the biennium is requested to expand the collection of the MDE lending reference library for library policymakers; a CHANGE level increase of \$43 in F.Y. 1990 and the same amount in F.Y. 1991 is requested to continue the on-line computer-based library catalog system for the libraries in 12 state agencies; these requests provide support toward the goal of better library services being available to all Minnesotans.

The following CHANGE level requests essentially maintain the same level of service. A CHANGE level request of \$644 in F.Y. 1990 and \$656 in F.Y. 1991 and 15.9 complement in each year to transfer programs that are currently funded by, but no longer eligible for federal Chapter 2 Block Grant funding, to state support; an increase of \$64 and 1.9 complement in each year of the biennium to transfer the Duluth field office of Indian Education from federal to state funding; and \$47 in F.Y. 1990 and the same in F.Y. 1991 to maintain the state level leadership for seven vocational education student organizations. A CHANGE increase of \$45 in F.Y. 1990 and \$35 in F.Y. 1991 is requested to replace computer equipment used to process teacher licensure applications and to meet the increased cost of microfilming requirements.

The CHANGE level increase requested to meet the need for adequate space to physically house the department is an increase of \$59 in each year of the biennium for additional space rental. CHANGES which are to increase MDE management effectiveness and accountability include \$222 in F.Y. 1990 and \$21 in F.Y. 1991 to automate the Library for the Blind and Physically Handicapped; \$1,405 and 3 complement in F.Y. 1990 and \$1,308 and 4 complement in F.Y. 1991 to develop and implement the Integrated Data Base; an increase of \$71 and 2 complement in each year of the biennium to employ a demographer and clerical support on staff in MDE; a \$34 increase and 1 complement in F.Y. 1990 and \$30 and 1 complement in F.Y. 1991 to add one staff and equipment to

the MDE Word Processing Center; \$787 in F.Y. 1990 and \$868 in F.Y. 1991 to support the continuation of office automation across the department; and \$14 in each year of the biennium to support staff to perform internal auditing for the MDE. A CHANGE level increase of \$54 and 1 complement in F.Y. 1990 and the same amount in F.Y. 1991 is requested to support staff to implement the MDE responsibility to license private vocational schools. An increase of \$300 in the first year of the biennium is requested for the development and piloting of a competency based assessment system in Minnesota for candidates for school administrators licensure.

CHANGE level increases that will support more effective execution of board and council responsibilities include an increase of \$66 and 1 complement in each F.Y. 1990 and F.Y. 1991 for added clerical staff and meeting expenses for the State Board of Education; and an increase of \$15 in each year of the biennium to support the cost of adequate meetings for the Elementary Secondary Vocational Council (ESV) to execute its statutory responsibilities.

The following CHANGE level increases are requested for direct services to the sensory impaired students at the Minnesota State Residential Academies.

Nine CHANGE request items are requested for this program. Four of the requests are addressed at the program level. One position and \$155 each year are requested for an Extended School Year Program. One position and \$180 are also requested for each year of the biennium for Integration and Transition programming. Funding in the amount of \$32 is requested each year for the activities of the two state resource centers and \$30 is requested each year to augment repair and replacement dollars at the two academies.

Three CHANGE request items are requested by the Academy for the Deaf. An increase of 1.5 positions and \$37 each year are requested to support the instructional program and 2.5 positions and \$51 each year are requested for programs to ensure the health and safety of students. Funding in the amount of \$10 is requested for each F.Y. 1990 and F.Y. 1991 for purposes of addressing the mental health needs of hearing impaired adolescents.

The Academy for the Blind has two increase items for F.Y. 1990 and F.Y. 1991. One position and \$31 are requested for each year of the biennium to address early childhood concerns and one position and \$31 each year are requested to address the low vision needs of visually handicapped children and youth.

1990-91 Biennial Budget

INDEX	(Dollars in Thousands)		Page
	Agency Request	Governor's Rec.	
	1990-91 Biennium All Funds	1990-91 Biennium All Funds	
BASE Level Request	\$ 64,118	\$ 64,118	
Agency-Wide CHANGE Requests			
Transfer of Federal Block Grant	1,300	1,300	225
Office Automation	1,655	-0-	227
Rent-Additional Capitol Square			
Building Space	118	-0-	228
Subtotal	3,073	1,300	
Educational Services			
Early Childhood Family			
Education Staff	94	94	235
Private Vocational School			
Licensure Position	108	-0-	244
Indian Education Staff and			
Support Costs	202	-0-	250
Transfer the Support of Indian			
Education Duluth Field Office			
to State Funds	128	128	252
Vocational Student Organization			
Center Support	94	-0-	257
State-by-State Achievement			
Comparison	80	80	261
Public Health Fund Transfer to			
General Fund	126	126	271
Public Health Fund Transfer to			
General Fund	(126)	(126)	271
Subtotal	706	302	
Educational Administration and Finance			
Enrollment Projections Staff	142	-0-	277
Education Options Program	408	200	280
Integrated Data Base Implementation	2,713	1,335	283
ESV Computer Council Support	30	-0-	284
Library Paraprofessional Training			
Program Development: STEPS (Studying			
Together Enhances Performance			
and Service)	170	-0-	290
Automated Library System for			
Minnesota Library for the Blind			
and Physically Handicapped	243	243	291
Materials for Library Development			
and Services Library	40	-0-	292
State Government Libraries Online			
Catalog System	86	86	293
Administrative Licensure Education	300	-0-	299
Licensing Program Operating Budget			
Increase	80	-0-	300
Internal Audit	28	28	305

INDEX	(Dollars in Thousands)		Page
	Agency Request	Governor's Rec.	
	1990-91 Biennium All Funds	1990-91 Biennium All Funds	
Word Processing Center - Additional			
Staff	64	-0-	309
Implementation of Minnesota Academic			
Excellence Foundation	62	-0-	312
State Board Staff and Operating			
Costs	132	-0-	315
Subtotal	4,498	1,892	
Minnesota State Residential Academies			
Integration and Transition for			
Deaf and Blind Youth	360	-0-	319
Extended School Year Program	310	310	321
Resource Center Programs and Services	64	-0-	323
Increase in Repairs and Replacement	60	-0-	324
Health and Safety	102	44	329
Hearing Impaired Health and Wellness	20	-0-	330
Instructional Support	74	-0-	331
Early Childhood	62	-0-	336
Low Vision Programs and Services	62	-0-	337
Subtotal	1,114	354	
AGENCY TOTAL	\$ 73,509	\$ 67,966	

1990-91 BIENNIAL BUDGET
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF

PROGRAM EXPENDITURES:	F.Y. 1990						F.Y. 1991			
	FY 1988	FY 1989	AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
EDUCATIONAL SERVICES	10,190	12,968	12,405	670	13,075	12,873	12,405	717	13,122	12,920
EDUC ADMIN & FINANCE	11,347	12,627	12,384	3,708	16,092	13,821	12,384	3,182	15,566	13,458
MINN RESIDENTIAL ACADEMIES	6,792	7,110	7,270	557	7,827	7,447	7,270	557	7,827	7,447
TOTAL EXPENDITURES	28,329	32,705	32,059	4,935	36,994	34,141	32,059	4,456	36,515	33,825
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL	19,231	21,353	21,820	4,935	26,755	23,965	21,820	4,456	26,276	23,649
PUBLIC HEALTH	61	63	63	0	63	0	63	0	63	0
TRUNK HIGHWAY	21	21	21	0	21	21	21	0	21	21
STATUTORY APPROPRIATIONS:										
GENERAL	220	204	120	0	120	120	120	0	120	120
SPECIAL REVENUE	561	2,175	2,175	0	2,175	2,175	2,175	0	2,175	2,175
FEDERAL	7,376	7,931	6,998	0	6,998	6,998	6,998	0	6,998	6,998
AGENCY	737	826	826	0	826	826	826	0	826	826
GIFTS AND DEPOSITS	116	121	25	0	25	25	25	0	25	25
ENDOWMENT	6	11	11	0	11	11	11	0	11	11
TOTAL FINANCING	28,329	32,705	32,059	4,935	36,994	34,141	32,059	4,456	36,515	33,825
POSITIONS BY FUND:										
GENERAL	413.6	423.0	423.6	41.8	465.4	450.4	423.6	42.8	466.4	451.4
PUBLIC HEALTH	1.0	1.0	1.0	0.0	1.0	0.0	1.0	0.0	1.0	0.0
SPECIAL REVENUE	10.5	26.7	29.1	0.0	29.1	29.1	29.1	0.0	29.1	29.1
FEDERAL	161.4	147.0	128.6	0.0	128.6	128.6	128.6	0.0	128.6	128.6
TOTAL POSITIONS	586.5	597.7	582.3	41.8	624.1	608.1	582.3	42.8	625.1	609.1

CHANGE REQUEST
☒ Agency _____ Program _____ Activity 1990-91 Biennial Budget

ACTIVITY:
 Program:
 Agency: EDUCATION, DEPARTMENT OF

REQUEST TITLE: TRANSFER OF FEDERAL BLOCK GRANT

	F.Y. 1990		F.Y. 1991	
Agency Request	Amount	Positions	Amount	Positions
General Fund	\$ 644	15.9	\$ 656	15.9
Governor's Recommendation				
General Fund	\$ 644	15.9	\$ 656	15.9

Request requires statutory change: _____ Yes ☒ No
 Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

This request is for funds and complement for specified ongoing direct client and support services formerly funded through Federal Chapter 2/Block Grant. This request involves activities that are no longer eligible for reimbursement under new federal regulations effective in 1990.

DESCRIPTION/BACKGROUND:

Since its inception, the Federal Chapter 2/Block Grant Program has permitted the Minnesota Department of Education (MDE) to reserve up to 20 percent of the funds available to the state under this program for the purpose of strengthening state leadership and management. This provision was originally established in the 1965 Elementary and Secondary Education Act and has remained in several successor laws, including Chapter 2/Block Grant, since that time. These funds have provided for administrative services such as Chapter 2/Block Grant program administration, secretarial support for agency management staff, supervision of the Private Vocational School Unit and some fiscal and personnel services. Funds have been utilized for educational leadership in such areas as Indian education, secondary vocational education, community education, assessment of student progress, educational effectiveness, international education, postsecondary enrollment options, and K-12

options programs. Support service for MDE including education data systems, publications, affirmative action, employee relations, staff development and media service are also supported by Chapter 2/Block Grant. In some instances the Block Grant funds support a portion of the program activity; but in others, they represent the sole source of financial support.

The activities mentioned above are essential to internal operation of MDE and represent leadership activities which provide direct service to local school districts.

In 1987, Congress reauthorized Chapter 2, Education Consolidation and Improvement Act (ECIA), the education Block Grant, for a continuing five-year period. Major revisions were enacted in this reauthorization which changed priorities among funded activities at both the state and local school district levels. Of major importance to MDE was elimination of a former authorization which permitted state education agencies to use Block Grant funds to support activities which enhance state leadership and management. While MDE may continue to reserve up to 20 percent of Chapter 2/Block Grant funds for state purposes, these funds must now be directed toward a revised set of program priorities. These new priorities are (a) programs for students at risk of dropping out of school, (b) acquisition of instructional materials, (c) innovative programs including educational effectiveness, (d) professional development, (e) programs to enhance personal excellence of students, (f) innovative projects which enhance educational programs and school climate and (g) Chapter 2/Block Grant program management.

The new federal legislation permits both the state and local school districts to shift program emphasis and to establish new initiatives. At the same time, however, some currently supported activities will no longer be eligible for Chapter 2/Block Grant support. Current Chapter 2/Block Grant funded activities were reviewed by agency management for eligibility under the new law. Such activities as (a) postsecondary options, (b) staff development, (c) learner support services, (d) Chapter 2/Block Grant management, (e) international education, (f) media services, (g) Title II, Education for Economic Security Act (EESA), (h) educational effectiveness, (i) community education, and (j) special school district projects were determined to be eligible for continuing Chapter 2/Block Grant Program funding. These activities account for 11.36 FTE and an estimated expenditure of \$986 in F.Y. 1990.

However, eight current activities, as identified below, were determined to be ineligible for funding with the new law. These activities represent 15.9 FTE and an estimated expenditure of \$644 in F.Y. 1990 and \$656 in F.Y. 1991. Alternative funding sources are not adequate or available for application to these activities.

Activities that are currently supported by Chapter 2/Block Grant which do not qualify for this federal funding beginning with F.Y. 1990 are listed below:

	Complement	Dollars	
		F.Y. 1990	F.Y. 1991
1. Assessment	2.50	\$ 114	\$ 117
2. Education Data Systems	6.00	153	156
3. Indian Education (St. Paul & Bemidji)	1.50	85	87

CHANGE REQUEST
X Agency _____ Program _____ Activity
 (Continuation)

1990-91 Biennial Budget

ACTIVITY:

Program :

Agency : EDUCATION, DEPARTMENT OF

4. Indian Education (Duluth)	1.11	61	62
5. Equal Educational Opportunities (EEO) Compliance	1.00	61	62
6. Publications	3.00	129	131
7. Private Vocational Schools	.25	16	16
8. Affirmative Action	.50	25	25
TOTALS	15.9	\$ 644	\$ 656

RATIONALE:

This request is submitted in response to changes in federal regulations for Chapter 2/Block Grant. Prior to these changes, federal regulations permitted MDE to use the state agency share of the Chapter 2/Block Grant funds for various management and administrative services within the department. MDE assigned positions and operating costs on this source of funding accordingly and, as a result, significant activities in the agency's ongoing programs and services are currently supported by this funding source.

Selection of activities for Block Grant funding has evolved over the years in response to changing needs and priorities. Those activities now funded by Chapter 2/Block Grant have become an integrated portion of MDE leadership and program management in terms of service to other units within the agency and in direct service to school districts. Reduction or elimination of any of these activities will result in reduction of effectiveness by the agency and inability to meet current program commitments.

After review of the program functions funded on Block Grant for compliance with the new federal restrictions which are effective in 1990, it has been determined that 15.9 complement and \$644 in F.Y. 1990 and \$656 in F.Y. 1991 are ineligible for continued funding. No other funding sources are available to support the cost of these programs. A state appropriation is essential to the continuation of the existing base program of MDE.

The ineligible program services for which state support is requested include the following: test development activities for statewide student assessment and data entry for local assessment program student performance data for statewide comparison; preparation of data for the 43 computer application systems that pay state aids, calculate levies, license teachers and meet many state and federal reporting requirements; parent participation in Indian education advisory groups, processing of Indian education grants to schools and implementation of the Indian social work aide training and Indian parent advisory committee training; coordination of civil rights compliance reviews in schools; writing and distributing Education Update, media releases and other communication to schools and to the public; coordination of the private vocational licensing process; and the affirmative action program in MDE.

BASE:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund Expenditures	\$ 1,574	\$ 1,721	\$ 1,721	\$ 1,721

LONG RANGE IMPLICATIONS:

	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	\$ 656	\$ 656	\$1,312

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request.

CHANGE REQUEST X Agency Program Activity 1990-91 Biennial Budget

ACTIVITY:

Program :

Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: OFFICE AUTOMATION

	F.Y. 1990		F.Y. 1991	
	(000's) Amount	Positions	(000's) Amount	Positions
Agency Request				
General Fund	\$ 787	1	\$ 868	1
Governor's Recommendation				
General Fund	\$ -0-	-0-	\$ -0-	-0-

Request requires statutory change: Yes X No
Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

Funds are requested for computer hardware and software to expand the existing network of microcomputers and terminals in the Minnesota Department of Education (MDE). Funds and one position are requested to provide technical support for MDE staff utilizing the hardware and software. Funds are also requested for training, service and maintenance for the network system.

DESCRIPTION/BACKGROUND:

In 1985, the Department of Education conducted a study in response to the Governor's priority for improving information processing and communication. MDE employees were interviewed and participated in a survey. Outside technical assistance was employed to help analyze and interpret the data collected. It was concluded that many benefits would result by providing desktop computer power to more employees and by electronically linking those devices together. Some of the benefits expected are: increased service to client groups, increased timeliness and accuracy of information and data, increased quality of programs and services, higher employee morale and increased quality and quantity of work performed. A small system consisting of a number of microcomputers and terminals linked together in a network was installed early in 1988. This system is now being expanded to accommodate more employees. With this expansion about 85 employees will have access to

the computer network system with microcomputers or terminals. Experiences of employees currently using the system clearly indicate the need to provide the same technological resources to the rest of the MDE staff. The funds requested would permit expansion of the computer based network system by about 85 management, professional and support staff in each year of the biennium. By the end of the biennium, approximately 255 employees will be served by the system.

One position and \$35 is requested each year of the biennium. Also requested is \$467 in F.Y. 1990 and \$470 in F.Y. 1991 for system hardware, software, maintenance, training and consultant assistance. The amount of \$258 in F.Y. 1990 and \$363 in F.Y. 1991 is for the purchase of microcomputers, terminals and printers, and a one-time expenditure of \$27 in F.Y. 1990 for revamping a room for the network computers.

RATIONALE:

The purpose of this request is to improve the capability of staff to manage the work and information resources of the department. The ability to efficiently acquire, store, retrieve, share or transmit, and manage information that is current is essential to the effective operation of the department. An important element in managing the department most effectively and efficiently is to provide employees with the capability of data base management, word processing, electronic mail, access to the large data bases which reside on main frame computers, here and in other agencies, access to external electronic mail systems and systems for managing schedules.

<u>BASE:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund Expenditures	\$ 215	\$ 127	\$ 41	\$ 41

<u>LONG RANGE IMPLICATIONS:</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	\$ 59	\$ 59	\$ 118

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

CHANGE REQUEST 1990-91 Biennial Budget
☒ Agency _____ Program _____ Activity _____

ACTIVITY:
 Program :
 Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: RENT - ADDITIONAL CAPITOL SQUARE BUILDING SPACE

	F.Y. 1990		F.Y. 1991	
Agency Request	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 59	-0-	\$ 59	-0-
Governor's Recommendation				
General Fund	\$ -0-	-0-	\$ -0-	-0-

Request requires statutory change: _____ Yes ☒ No

Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests these funds to pay the additional occupancy charges which will be assessed by the Department of Administration for use of additional space in Capitol Square Building.

DESCRIPTION/BACKGROUND:

The agencies occupying offices in the Capitol Square Building have been extremely short of space for some time. In response to the urgent requests of these several agencies, the Department of Administration arranged for the relocation of a major agency from the Capitol Square Building and has reassigned the vacated space to the agencies remaining in the building.

RATIONALE:

The Department of Education has suffered a shortage of office space for a number of years. Professional staff have had to share small offices in many instances and often have had no office space. Support staff in many cases have their desks located in corridors or other equally unsatisfactory space. Furthermore, we are reminded periodically by the Fire Marshall or others

familiar with the fire code, that we are in violation of the code by blocking or partially blocking fire escape routes with desks, chairs, cabinets or supplies and files.

The department was assigned additional permanent and temporary staff by the 1988 legislature for several programs, including Education Effectiveness, Open Enrollment, AIDS Education and Vocational Education Restructuring. The legislature also directed the department to provide meeting space and support for the Indian School Council. Addition of these positions and code requirements have exacerbated an already bad office space situation. The department is to be assigned approximately 7,000 square feet of additional space in Capitol Square building to help alleviate the critical office space problem. The funds requested are for the rental cost of that additional square footage.

BASE:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund Expenditures	-0-	-0-	-0-	-0-

LONG RANGE IMPLICATIONS:	F.Y. 1992	F.Y. 1993	Total
General Fund Expenditures	\$ 59	\$ 59	\$ 118

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

FISCAL SUMMARY - FEDERAL FUNDS
Federal Block Grants and Significant Changes in Federal Funding

Federal Grant Title: Chapter 2, Education Consolidation and Improvement Act of 1981 (Block Grant)

Agency: Education, Department of

State Legal Authority: Minnesota Statutes: Section 4.07

Grant Objectives:

1. Manage the federal Chapter 2/Block Grant program.
2. Strengthen management and leadership capabilities of Minnesota Department of Education (MDE).
3. Provide funding for local school districts in areas of federal program priorities.

Summary of Federal Changes:

Since its inception, the federal Chapter 2/Block Grant program has permitted use of up to 20 percent of funds available to the state under this program for general purposes of strengthening state level management and leadership. As a matter of practice, the agency has chosen to reserve 18 percent for internal MDE purposes and to utilize two percent for funding special projects in school districts. In 1987, this federal law was reauthorized for a continuing five year period, but the priorities for funding were significantly modified. While MDE will continue to receive up to 20 percent of Chapter 2/Block Grant funds, expenditures are limited to management and leadership in the following program areas: a) programs for students at risk of dropping out of school; b) acquisition of instructional materials; c) innovative programs designed to carry out schoolwide improvements including educational effectiveness; d) professional development; e) programs to enhance personal excellence of students; f) innovative projects which enhance educational programs and school climate; and g) Chapter 2/Block Grant program management. Federal law permits MDE to shift program emphasis and establish initiatives which are consistent with the new priorities, but does not permit existing state or local program expenditures to be supplanted by these federal funds. State education agencies are required to reassess currently funded activities for conformity with the new law.

Impact of Changes on Operation:

All activities in MDE which are currently supported wholly or in part by Chapter 2/Block Grant funds were reviewed for consistency with the new law. Of these, ten activities representing 11.36 FTE staff and an expenditure of \$986 in F.Y. 1990 were found to be directly related to the new priorities. However, eight other activities representing 15.9 FTE staff and an estimated expenditure of \$644 in F.Y. 1990 and \$656 in F.Y. 1991 will no longer be eligible for financial support under federal law. MDE management has examined these ineligible activities and has determined that each is significant to ongoing operation and priorities of the agency.

Explanation of Budget Request:

Beginning in 1990, Chapter 2/Block Grant funds will no longer be available for eight currently supported activities due to federal changes in priorities

mentioned above. Funding levels necessary for ongoing activities will be further affected by permanent reductions in the federal grant award of six percent (\$101), which has already occurred for F.Y. 1989, and 3.24 percent (\$52) in F.Y. 1990. Considering the funding dilemma, state appropriations are being requested (refer to Block Grant Change Request) in the amount of 1.3 million dollars for the next biennium to continue activities which provide direct service to local school districts or to support other units within MDE which provide direct services. Reduction or elimination of any of these activities would result in diminished effectiveness of the agency and an inability to meet current program requirements.

The following are current activities which are eligible for Chapter 2/Block Grant priorities and have been included in the federal portion of the 1990-91 biennial budget.

Chapter 2/Block Grant Annual Expenditure Plans

	Positions	Dollars (000's)	
		F.Y. 1990	F.Y. 1991
Postsecondary options	1.0	\$ 30	\$ 30
Employee relations-staff development		12	12
Learner support systems	2.0	60	60
Management of Block Grant	3.3	197	197
Education development-2% projects		154	154
International/global education		33	33
Instructional design	2.5	99	99
Title II-teacher staff development	.6	56	56
Education effectiveness	2.0	288	288
Community education		22	22
Salary, fringe, and insurance adjustments		36	54
Unallocated (1990 includes carry over)		648	530
Total	11.4	\$ 1,635	\$ 1,535

Grant Use:

The following are the Chapter 2/Block Grant allocations for the federal program objectives, both for MDE state-level operations and local school district formula grants and special projects.

	(000's)		(000's)	
	Actual F.Y. 1988	Estimated F.Y. 1989	Estimated F.Y. 1990	Estimated F.Y. 1991
1. Management of the Chapter 2/Block Grant program	\$ 164	\$ 197	\$ 197	\$ 197
2. Strengthening MDE management and leadership	\$ 1,355	\$ 1,232	\$ 1,184	\$ 1,184
3. Financial assistance to local school districts				
a. Formula grants	\$ 6,751	\$ 6,346	\$ 6,141	\$ 6,141
b. Special projects	\$ 169	\$ 159	\$ 154	\$ 154

Required state match: None

Required local match: None

1990-91 Biennial Budget

PROGRAM: 1201 EDUCATION SERVICES
Agency : EDUCATION, DEPARTMENT OF

PROGRAM PURPOSE:

This program provides leadership, technical assistance and general support services to school districts and Minnesota's educational community to promote the development and implementation of elementary and secondary education, special education, early childhood and family education, special programs for limited English proficient, migrant and educationally disadvantaged students, vocational education and adult education, and to assure that learners with unique needs and learners at risk are provided appropriate learning opportunities.

Leadership is provided that will assure each Minnesota resident equal access to learning experiences that meet standards for instructional content, design, and effectiveness and to learner support systems. This program provides the leadership and assistance necessary to afford learning and growth opportunities beyond the scope of regular pre K-12 school programming. It provides planning and direction to vocational education student organizations, leadership and assistance to programs for Indian students, administers veterans education, and the licensing of private vocational schools.

OPERATIONS AND PRIORITIES:

This program consists of the activities in the Division of Instructional Effectiveness and in the Division of Development and Partnership Effectiveness.

This program includes the following operations: 1) development of models and coordination of the integration of curriculum, instruction, technology, and student assessment for elementary and secondary education; 2) leadership and service to school districts in education for handicapped students, limited English proficient students, migrant students, educationally disadvantaged students and various groups of learners at risk; 3) development of programs and service to school districts in early childhood and family education, adult education, community education, Indian education and secondary vocational education; 4) administration of federal grants for Chapter 2 and Title II, and administration of veterans education, private vocational schools, and school accreditation services; 5) leadership, program development and monitoring to assist school districts to provide equal educational opportunities and gender fair curriculum for all students.

This program includes activities which will be implementing major MDE priorities. These include the expansion of excellence in curriculum, technology, instruction and student assessment through the restructuring of secondary vocational education; instructional leadership based on learner outcomes, and development of student assessment data to participate in national comparisons. Other priority activities are increasing learning opportunities and educational services for children, youth, adults, and parents through increased services in early childhood and family education and in Indian education.

This program also includes extended day programs, youth service programs, and support service programs for learners at risk.

EXPLANATION OF BUDGET REQUEST:

This budget request will fund the MDE programs for elementary and secondary education, special education, secondary vocational education, Indian education, early childhood education, adult and community education, programs for unique learners, and support services for learners at risk.

Six CHANGE increase items are requested for this program.

An increase of 1 complement and \$47 is requested in each F.Y. 1990 and F.Y. 1991 to extend services to school districts in early childhood and family education; an increase of 1 complement and \$54 in each F.Y. 1990 and F.Y. 1991 is requested for staff to implement private vocational school licensure requirements; an increase of 2 complements and \$101 is requested in each year of the biennium for Indian education staff to implement expanded program requirements and support costs for Indian education advisory councils meetings to execute statutory responsibilities; a change level increase of 1.9 complement and \$64 in each F.Y. 1990 and F.Y. 1991 is requested to transfer the Duluth field office of Indian education from federal funding to state funds; a change increase of \$47 is requested in F.Y. 1990 and the same amount in F.Y. 1991 to support leadership and student activities of seven vocational student organizations; and an increase of \$20 in F.Y. 1990 and \$60 in F.Y. 1991 is requested to support Minnesota's participation in the development of student assessment data for national comparison.

GOVERNOR'S RECOMMENDATION:

For the biennium, the Governor recommends:

1. Early Childhood Family Education Staff (1 position)	\$ 94
2. Transfer Duluth Indian Education Staff to State Funds (1.9 positions)	128
3. State-By-State Achievement Comparisons	80
4. Public Health Transfer (1 position)	126
5. Public Health Transfer (1 position)	(126)
Total	\$ 302

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUCATIONAL SERVICES

			F.Y. 1990				F.Y. 1991					
			AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.		
ACTIVITY EXPENDITURES:			FY 1988	FY 1989	BASE		CHANGE	TOTAL	BASE		CHANGE	TOTAL
COMMUNITY & ADULT EDUC			538	729	734	47	781	781	734	47	781	781
B EARLY CHILDHOOD FAMILY EDUC STAFF			GEN			47		47		47		47
LEARNER SUPPORT SYSTEMS			703	1,872	1,876	0	1,876	1,876	1,876	0	1,876	1,876
EDUCATION DEVELOPMNT			373	540	426	0	426	426	426	0	426	426
INSITUTIONAL APPROVAL			269	286	273	70	343	289	273	70	343	289
A TRANSFER OF FEDERAL BLOCK GRANT			GEN			16		16		16		16
B PRIVATE VOC SCHOOL LICENSURE POSITION			GEN			54		0		54		0
EQUAL EDUC OPPORTUN			352	363	307	61	368	368	307	62	369	369
A TRANSFER OF FEDERAL BLOCK GRANT			GEN			61		61		62		62
INDIAN EDUCATION			443	498	282	311	593	492	282	314	596	495
A TRANSFER OF FEDERAL BLOCK GRANT			GEN			146		146		149		149
B INDIAN EDUC DULUTH OFFICE SUPPORT			GEN			64		64		64		64
B INDIAN EDUC STAFF & SUPPORT			GEN			101		0		101		0
SECONDARY VOCATIONAL ED			1,074	1,112	1,041	47	1,088	1,041	1,041	47	1,088	1,041
B VOC STUDENT ORGANIZATION CENTER SUPPORT			GEN			47		0		47		0
ASSESSMENT/PROG EVAL			1,150	1,167	1,075	134	1,209	1,209	1,075	177	1,252	1,252
A TRANSFER OF FEDERAL BLOCK GRANT			GEN			114		114		117		117
B STATE BY STATE ACHIEVEMENT EVALUATION			GEN			20		20		60		60
CURRICULUM SERVICES			1,514	1,644	1,623	0	1,623	1,623	1,623	0	1,623	1,623
B PHF TOBACCO USE PREVENTION ADMINISTRATION			GEN			0		63		0		63

1990-91 BIENNIAL BUDGET
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUCATIONAL SERVICES

				F.Y. 1990			F.Y. 1991			
				AGENCY REQUEST			AGENCY REQUEST			GOVERNOR'S RECOMM.
ACTIVITY EXPENDITURES:				BASE	CHANGE	TOTAL	BASE	CHANGE	TOTAL	GOVERNOR'S RECOMM.
				FY 1988	FY 1989					
B PHF	TOBACCO	USE	PREVENTIONPHLT			0	<63>	0	<63>	
ADMINISTRATION										
INSTRUCTIONAL DESIGN				998	1,694	1,716	1,716	0	1,716	1,716
SPECIAL EDUCATION				2,100	2,302	2,296	2,296	0	2,296	2,296
SPECIAL PROGRAMS				676	761	756	756	0	756	756
TOTAL EXPENDITURES				10,190	12,968	12,405	12,405	717	13,122	12,920
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL				5,468	6,590	6,675	6,675	717	7,392	7,253
PUBLIC HEALTH				61	63	63	63	0	63	0
TRUNK HIGHWAY				21	21	21	21	0	21	21
STATUTORY APPROPRIATIONS:										
GENERAL				20	0	0	0	0	0	0
SPECIAL REVENUE				561	945	945	945	0	945	945
FEDERAL				4,016	5,248	4,696	4,696	0	4,696	4,696
AGENCY				0	5	5	5	0	5	5
GIFTS AND DEPOSITS				43	96	0	0	0	0	0
TOTAL FINANCING				10,190	12,968	12,405	12,405	717	13,122	12,920
POSITIONS BY FUND:										
GENERAL				91.8	94.2	95.0	95.0	12.3	107.3	105.3
PUBLIC HEALTH				1.0	1.0	1.0	1.0	0.0	1.0	0.0
SPECIAL REVENUE				10.5	10.3	11.5	11.5	0.0	11.5	11.5
FEDERAL				82.4	88.6	82.3	82.3	0.0	82.3	82.3
TOTAL POSITIONS				185.7	194.1	189.8	189.8	12.3	202.1	199.1

1990-91 Biennial Budget

ACTIVITY: 1201-01 COMMUNITY AND ADULT EDUCATION
Program : 1201 EDUCATIONAL SERVICES
Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

To develop, implement and strengthen life-long learning opportunities beyond the scope of regular school programs in order to increase options for people of all ages to become more self-reliant; to improve the quality of their own and their families' lives; and to better their communities. Programs that are operated and staffed under the Community Education umbrella include Adult Basic, Adult Handicapped, Adult Homeless, Adult Refugee, General Educational Development (GED) on TV, and Early Childhood Family Education (ECFE), Basic Skills Evaluation, GED Testing, Pre-Kindergarten Development, School-Age Child Care, Youth Development, including Youth Service. The programs are designed to serve under-educated adults, adults without a high school diploma, parents and their young children ages birth to five years, people of all ages seeking community involvement and enriched learning experiences, adult refugees, legalized aliens and immigrants in need of language and citizenship skills, and school age children who need extended day programs.

Community and Adult Education Section staff responsibilities include: preparing, distributing, conducting workshops on, reviewing and rating program applications; awarding grants and contracts; designing and conducting staff and administrator inservice education workshops; developing resources and preparing procedural guides; monitoring approved programs for compliance with laws, rules and regulations; evaluating program effectiveness; providing technical consultations on-site and by telephone, and developing and coordinating efforts on a continuing basis with other resources and services to enhance the accessibility to these activities; preventing duplication of efforts, and ensuring that outreach and support services needed for participation in the programs are available.

<u>STATISTICS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Community Education:				
Districts	404	409	413	416
Events/activities	63,699	66,246	68,896	71,651
Participants	2,403,835	2,499,987	2,599,986	2,703,986
Early Childhood Family Education:				
Districts	290	326	340	355
Participants	135,000	144,000	150,000	160,000
Adult Basic Education:				
Projects	51	55	60	66
Districts	235	263	284	307
Other agencies	135	154	171	190
Sites	524	530	550	580
Participants	40,917	44,388	49,567	57,034
GED Testing/Certification:				
Centers	53	55	60	60
People tested	8,495	8,800	9,000	9,100
Certificates issued	5,842	6,100	6,400	6,700
Transcripts sent	3,086	3,550	4,000	4,500

<u>STATISTICS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Youth Development Plans:				
Districts	156	185	200	225
Potential Enrollment	15,600	18,500	22,500	27,500
School-Age Child Care:				
Districts	50	67	75	100
Participants	5,000	6,700	8,000	10,000
Adult Refugee Education:				
Programs	15	15	15	15
Participants	1,800	2,300	2,000	2,000
Adult Handicapped Education:				
Programs	31	31	31	31
Districts	63	66	66	66
Participants	8,000	9,000	9,000	9,000
Inservice workshops presented	133	162	150	160
Workshop participants	6,295	9,033	8,064	9,128
Consultation, monitoring and evaluation visits	94	99	105	112
Products, new instruments plans, reports	30	42	50	60

<u>EFFECTIVENESS MEASURES:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Percent participation increase in:				
Community education	3.6%	3.9%	4.0%	4.0%
Early childhood family education	5.2%	6.7%	4.2%	6.7%
Adult basic education	6.0%	8.5%	11.7%	15.1%
GED testing	1.6%	3.6%	1.3%	1.1%
Youth development	4.6%	18.6%	21.6%	22.2%
School-age child care	11.0%	13.4%	19.4%	25%
Handicapped adult	4.0%	12.5%	0%	0%
Adult refugee	17.6%	27.1%	-13%	0%

REVENUE:

None

CHANGE REQUEST:

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>Type</u>
Staff and funds for Early Childhood Family Education	\$ 47	\$ 47	Activity Specific

See CHANGE request sheet following the fiscal page for this activity.

1990-91 BIENNIAL BUDGET
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUCATIONAL SERVICES
BUDGET ACTIVITY : COMMUNITY & ADULT EDUC

EXPENDITURES:	FY 1988	FY 1989	F.Y. 1990				F.Y. 1991			
			AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	413	500	505	43	548	548	505	43	548	548
EXPENSES/CONTRACTUAL SRVCS	89	167	167	1	168	168	167	1	168	168
MISC OPERATING EXPENSES	23	38	38	3	41	41	38	3	41	41
SUPPLIES/MATERIALS/PARTS	12	17	17	0	17	17	17	0	17	17
CAPITAL EQUIPMENT	1	7	7	0	7	7	7	0	7	7
TOTAL EXPENDITURES	538	729	734	47	781	781	734	47	781	781
CHANGE REQUESTS:										
B EARLY CHILDHOOD FAMILY EDUC STAFF				47		47		47		47
TOTAL CHANGE REQUESTS				47		47		47		47
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL	264	268	279	47	326	326	279	47	326	326
STATUTORY APPROPRIATIONS:										
FEDERAL	266	455	455	0	455	455	455	0	455	455
GIFTS AND DEPOSITS	8	6	0	0	0	0	0	0	0	0
TOTAL FINANCING	538	729	734	47	781	781	734	47	781	781
POSITIONS BY FUND:										
GENERAL	5.0	5.9	5.9	1.0	6.9	6.9	5.9	1.0	6.9	6.9
FEDERAL	7.5	8.1	8.1	0.0	8.1	8.1	8.1	0.0	8.1	8.1
TOTAL POSITIONS	12.5	14.0	14.0	1.0	15.0	15.0	14.0	1.0	15.0	15.0

CHANGE REQUEST 1990-91 Biennial Budget
 _____ Agency _____ Program X Activity

ACTIVITY: 1201-01 COMMUNITY AND ADULT EDUCATION
 Program : 1201 EDUCATIONAL SERVICES
 Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: EARLY CHILDHOOD FAMILY EDUCATION STAFF

	F.Y. 1990		F.Y. 1991	
	(000's) Amount	Positions	(000's) Amount	Positions
Agency Request				
General Fund	\$ 47	1	\$ 47	1

Governor's Recommendation

General Fund	\$ 47	1	\$ 47	1
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Request requires statutory change: _____ Yes X No
 Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

This request is for one professional complement to implement strategies to address early childhood education and child care issues as they relate to public education and to respond to requests for assistance from local districts implementing Early Childhood Family Education (ECFE) programs.

DESCRIPTION/BACKGROUND:

Since it became a statewide program in 1983, the number of ECFE programs has increased from 34 to 326. Two new licensure rules are being implemented and program rules are in the process of adoption and will require extensive staff time to implement. There are 1,800 local staff in ECFE programs that look to the Department of Education for program assistance and inservice staff development activities. This program and the need for assistance will continue to grow. The program has grown beyond the capability of one staff person to provide the assistance required to maintain the quality of existing programs and to start new ones. Additional staff is essential to provide for coordination and collaboration among agencies and providers in the development and delivery of early childhood programs and services, to facilitate the delivery of staff training/development and to respond to the many requests for assistance by schools. The whole area of early childhood, including ECFE is currently a national and Minnesota priority.

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Districts levying for early childhood family education	290	326	340	355
Participating parents and children	125,000	150,000	160,000	170,000
MDE Workshops for staff, administrators and advisory councils	52	74*	54	54
MDE/ECFE workshop participants	2,400	4,500*	2,800	2,900

*These numbers include ECFE-initiated statewide early childhood (across programs) inservice/networking sessions made possible by a special grant.

RATIONALE:

A \$1.00 investment in quality early childhood education returns \$4.75 in cost savings related to special education, public assistance and crime according to the 1987 report, "Cost Effective Programs for Children," Children in Need, by the National Committee for Economic Development. Quality is the key; leadership, training and direct assistance in program implementation, outreach and evaluation are needed to assure program quality and increased participation rates. Current needs and requests for assistance in these areas are not being met due to lack of staff. Consequently, the quality of the ECFE program in Minnesota is less than what would be possible with added staff.

BASE:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund Expenditures	\$ 79	\$ 80	\$ 80	\$ 80
<u>LONG RANGE IMPLICATIONS:</u>				
		F.Y. 1992	F.Y. 1993	Total
General Fund Expenditures		\$ 47	\$ 47	\$ 94

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request, as part of the Childrens Initiative.

1990-91 Biennial Budget

ACTIVITY: 1201-02 LEARNER SUPPORT/LEARNERS AT RISK
 Program : 1201 EDUCATIONAL SERVICES
 Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

The purpose of this activity is to address issues which may put children, youth and adults at risk in the learning process. Both prevention and intervention approaches are used with such issues as Acquired Immuno-deficiency Syndrome (AIDS), teenage pregnancy, suicide, unemployment, dropping out and drug abuse. This activity provides leadership by:

1. Creating and utilizing networks among education, human service, health and job training systems to identify and address issues.
2. Planning and developing policies and strategies for education agencies and/or the larger community.
3. Developing information, guidelines and models for program design, curriculum, and instructional materials.
4. Providing learning opportunities for boards, administrators, student service professionals, teachers and others in understanding and addressing issues.
5. Planning programs, recommending funding distribution and evaluating results of federal and state programs for learner support systems.

STATISTICS:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Interagency networks or groups	8	8	8	8
2. "At-risk" issues addressed in sample school board policies	5	8	9	10
3. Program resource documents developed	20	25	25	25
4a. Regional workshops offered on High School Graduation Incentives (HSGI) and Area Learning Centers (ALC)	9	9	9	9
4b. Regional workshops offered on all other learners at risk issues	36	75	75	75
4c. Presentations at statewide or regional conferences	80	100	100	100
4d. Persons at workshops or seminars on:				
1) AIDS prevention and risk reduction	2,200	9,000	10,000	10,000
2) Drug-abuse prevention (federal program)	600	650	650	650
3) Dropout prevention (HSGI and ALC)	550	600	600	600

STATISTICS: (Contd.)

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
4) Adolescent pregnancy and student parents	80	300	300	300
5) Minnesota Career Information System	550	600	650	650

EFFECTIVENESS MEASURES:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Non-school fee-paying users of MCIS	25%	30%	35%	35%
2a. Districts with board-approved policy on drug abuse prevention	90%	99%	99%	99%
2b. Districts with board-approved AIDS prevention and risk reduction policy	66%	90%	99%	99%
5a. Districts with federal drug abuse prevention programs:				
1. Through ECSUs or other cooperatives	308	285	275	265
2. Individually	127	150	160	170
5b. Students served through High School Graduation Incentives program	1,500	2,500	3,500	4,500
5c. Districts providing Early Childhood Screening (ECS)	100%	100%	100%	100%
5d. Young children receiving ECS	70%	70%	70%	70%

TRENDS:

More and more communities expect the education system to become actively involved in addressing economic and social problems that were previously considered to be the exclusive domain of the family, churches, or other agencies. Education's new roles often include: 1) leading community-wide cooperative action to address issues that may put children, youth and adults at risk, and 2) developing and disseminating prevention and intervention strategies in the education system.

REVENUE:

None

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUCATIONAL SERVICES
BUDGET ACTIVITY : LEARNER SUPPORT SYSTEMS

EXPENDITURES:	FY 1988	FY 1989	F.Y. 1990				GOVERNOR'S RECOMM.	F.Y. 1991			
			AGENCY REQUEST			AGENCY REQUEST			GOVERNOR'S RECOMM.		
			BASE	CHANGE	TOTAL	BASE		CHANGE		TOTAL	
DETAIL BY CATEGORY:											
STATE OPERATIONS:											
PERSONAL SERVICES	507	1,377	1,381	0	1,381	1,381	1,381	0	1,381	1,381	
EXPENSES/CONTRACTUAL SRVCS	133	387	387	0	387	387	387	0	387	387	
MISC OPERATING EXPENSES	18	74	74	0	74	74	74	0	74	74	
SUPPLIES/MATERIALS/PARTS	26	11	11	0	11	11	11	0	11	11	
CAPITAL EQUIPMENT	19	23	23	0	23	23	23	0	23	23	
TOTAL EXPENDITURES	703	1,872	1,876	0	1,876	1,876	1,876	0	1,876	1,876	
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL	346	1,187	1,191	0	1,191	1,191	1,191	0	1,191	1,191	
STATUTORY APPROPRIATIONS:											
SPECIAL REVENUE	164	209	209	0	209	209	209	0	209	209	
FEDERAL	193	476	476	0	476	476	476	0	476	476	
TOTAL FINANCING	703	1,872	1,876	0	1,876	1,876	1,876	0	1,876	1,876	
POSITIONS BY FUND:											
GENERAL	4.2	6.5	6.5	0.0	6.5	6.5	6.5	0.0	6.5	6.5	
SPECIAL REVENUE	4.0	3.8	5.0	0.0	5.0	5.0	5.0	0.0	5.0	5.0	
FEDERAL	7.7	11.1	11.1	0.0	11.1	11.1	11.1	0.0	11.1	11.1	
TOTAL POSITIONS	15.9	21.4	22.6	0.0	22.6	22.6	22.6	0.0	22.6	22.6	

1990-91 Biennial Budget

ACTIVITY: 1201-03 EDUCATION DEVELOPMENT
Program : 1201 EDUCATIONAL SERVICES
Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

The Education Development activity has primary responsibility for managing two major federal programs which provide funding for school districts-Chapter 2/Block Grant and Title II, EESA. In addition, the activity receives periodic federal grants which are directed toward specific school-based staff development programs. The activity is a central source of information for educators and other general citizens concerning state law, rule and policy. The activity also approves and monitors alternative education programs and designates area learning centers.

A. Chapter 2/Block Grant

The Education Development activity manages this \$7.9 million federal program designed to provide local education agencies (LEAs) with increased options for (a) basic skill development, (b) educational improvement and support, and (c) improved instructional practices. The Chapter 2/Block Grant Program annually allocates \$6.3 million to the state's 435 school districts on a formula distribution basis requiring an approved application. Competitive grants in the amount of \$159 are also available to school districts. Approximately \$1.4 million is available to support activities in the Department of Education.

B. Title II, EESA

The Title II, Education for Economic Security Act, (EESA) unit manages federal funds available to LEAs and institutions of higher education for training and retraining teachers of mathematics, science, foreign languages and computer learning. In F.Y. 1990, nearly \$700 will be awarded to school districts through a formula allocation requiring an approved application. An additional \$200 will support competitive demonstration projects and exemplary projects by LEAs.

In F.Y. 1988, the Title II unit also administered a special federal project for 120 teachers from northern Minnesota in applying higher order thinking skills to mathematics. In F.Y. 1989, the unit will provide staff development for about 80 metropolitan area science teachers focusing on improved learning opportunities for minority students and school integration.

C. Alternative Programs/Area Learning Centers

In F.Y. 1989, this activity will approve approximately 70 alternative programs, specially designed to serve hard-to-reach, hard-to-teach youth. In addition, it will approve about 12 area learning centers serving youth and adults who are at risk of not graduating from secondary school. The unit reviews applications, serves as a liaison with program operators, and monitors programs for conformance with approved plans.

STATISTICS:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
School district participants:				
Chapter 2/Block Grant				
Formula flow-through	434	434	434	434
Special projects (competitive)	56	50	50	50
Title II				
Formula flow-through	325	350	350	350
Demonstration projects	118	130	130	130
Workshops conducted:				
Chapter 2/Block Grant	11	11	11	11
Title II	12	12	9	9
Monitoring visits:				
Chapter 2/Block Grant	59	60	60	60
Title II	45	50	50	50
Evaluation reports:				
Chapter 2/Block Grant	449	449	450	450
Title II	112	135	150	150
Law, rule, policy dissemination:				
Telephone calls	1,000	1,000	1,000	1,000
Letters	50	50	50	50
Information packets	100	100	100	100
Alternative programs:				
Alternative programs approved	70	70	70	70
Area learning centers approved	12	15	20	20
Teachers in staff development:				
Chapter 2/Block Grant				
Formula flow-through	18,093	18,000	18,000	18,000
Special projects (competitive)	733	700	700	700
Title II				
Formula flow-through	7,860	10,900	10,900	10,900
Demonstration projects	660	700	700	700
Special projects	120	80	--	--
Student participants:				
Chapter 2/Block Grant				
Formula flow-through	373,561	370,000	370,000	370,000
Special projects (competitive)	13,210	12,000	10,000	10,000
Title II				
Formula flow-through	--	--	--	--
Demonstration projects	300	300	300	300

ACTIVITY: 1201-03 INSTITUTIONAL APPROVAL 1990-91 Biennial Budget
 (Continuation)
 Program : 1201 EDUCATIONAL SERVICES
 Agency : EDUCATION, DEPARTMENT OF

<u>EFFECTIVENESS MEASURES:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Application/plans approved:				
Chapter 2/Block Grant	90%	90%	90%	90%
Title II	85%	85%	85%	85%
Alternative programs	95%	95%	95%	95%
Applications approved:				
Chapter 2/Block Grant	449	449	450	450
Title II	129	157	172	172

REVENUE:

None

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUCATIONAL SERVICES
BUDGET ACTIVITY : EDUCATION DEVELOPMNT

EXPENDITURES:	FY 1988	FY 1989	F.Y. 1990				F.Y. 1991			
			AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	328	348	350	0	350	350	350	0	350	350
EXPENSES/CONTRACTUAL SRVCS	27	130	43	0	43	43	43	0	43	43
MISC OPERATING EXPENSES	9	50	25	0	25	25	25	0	25	25
SUPPLIES/MATERIALS/PARTS	6	7	4	0	4	4	4	0	4	4
CAPITAL EQUIPMENT	3	5	4	0	4	4	4	0	4	4
TOTAL EXPENDITURES	373	540	426	0	426	426	426	0	426	426
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL	96	91	103	0	103	103	103	0	103	103
STATUTORY APPROPRIATIONS:										
FEDERAL	277	449	323	0	323	323	323	0	323	323
TOTAL FINANCING	373	540	426	0	426	426	426	0	426	426
POSITIONS BY FUND:										
GENERAL	1.6	1.2	1.2	0.0	1.2	1.2	1.2	0.0	1.2	1.2
FEDERAL	6.5	5.9	6.9	0.0	6.9	6.9	6.9	0.0	6.9	6.9
TOTAL POSITIONS	8.1	7.1	8.1	0.0	8.1	8.1	8.1	0.0	8.1	8.1

1990-91 Biennial Budget

ACTIVITY: 1201-04 INSTITUTIONAL APPROVAL
 Program : 1201 EDUCATIONAL SERVICES
 Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

This activity includes the Veteran's Education Unit and the Private Vocational School Unit, both of which provide access to lifelong learning experiences. The Veteran's Education Unit approves and supervises Minnesota's public and private secondary and postsecondary educational institutions offering programs for veterans and other persons eligible for educational benefits (GI Bill). The activity is also responsible for ensuring that the approved offerings are of high quality and that the schools are in compliance with all applicable federal and state laws. There are currently 310 Minnesota educational institutions approved for veterans' educational benefits of which approximately 170 institutions have veterans currently enrolled.

The Private Vocational School Unit is responsible for licensing all private business, trade and correspondence schools doing business in the state of Minnesota. The licensure process includes an annual review of proprietary school license renewal applications, of new school applications, of school catalogs and their requirements, of school facilities and equipment, of bonding, of teacher approval, etc. There are currently 90 licensed proprietary schools doing business in Minnesota.

STATISTICS:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Veterans Education Unit:				
Approved educational institutions	310	310	310	310
Approved educational programs	4,000	4,050	4,100	4,100
Veterans enrolled, including National Guard and Reserve personnel	5,400	6,200	7,000	8,000
Supervisory on-site inspection visits	125	180	180	180
Compliance/complaint follow-ups	4	4	4	4
Private Vocational School Unit:				
License applications processed (renewal & new)	91	91	91	91
Solicitor permits issued	50	50	50	50
Teachers approved	400	425	425	425
Students enrolled in private vocational schools	25,000	25,000	25,000	25,000

EFFECTIVENESS MEASURES:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Veterans Education Unit:				
New veteran education school applications approved	75%	75%	75%	75%
New veteran education program applications approved	85%	85%	85%	85%
Required supervisory inspections	70%	100%	100%	100%
Compliance referrals brought into compliance	100%	100%	100%	100%
Private Vocational Schools Unit:				
New licenses approved	75%	75%	75%	75%
Annual license renewals approved	100%	100%	100%	100%
Solicitor applications approved	100%	100%	100%	100%
Teacher applications approved	95%	95%	95%	95%
Supervisory on-site inspections accomplished	2%	2%	2%	2%
Student complaints investigated in a timely manner	5%	5%	5%	5%
School license renewal applications processed in a timely manner	25%	25%	25%	25%
New school license applications processed in a timely manner	0%	0%	0%	0%
Timely evaluation of new programs proposed by licensed schools	0%	0%	0%	0%
Timely evaluation of programs proposed by new schools	0%	0%	0%	0%

TRENDS:

Veterans' Education Unit:
 In 1985, Congress enacted a new GI Bill titled the "Montgomery GI Bill" which provides benefits for members of the National Guard and Reserve Forces in addition to active-duty personnel. This provision will result in a dramatic increase in the numbers of people receiving veterans' educational benefits during the next few years.

Private Vocational School Unit:
 Private vocational schools across the nation are changing methods for delivering educational programs with resulting needs for changes in monitoring and statutory provisions.

REVENUE:

The Private Vocational School Unit generates non-dedicated revenue.

Type of Revenue	Actual F.Y. 1988	Estimate F.Y. 1989	Estimate F.Y. 1990	Estimate F.Y. 1991
Non-dedicated (000's)				
private Trade School License	\$ 33	\$ 34	\$ 34	\$ 34
Solicitor Permits	8	8	8	8
Total Revenue	\$ 41	\$ 42	\$ 42	\$ 42

1990-91 Biennial Budget

ACTIVITY: 1201-04 INSTITUTIONAL APPROVAL
 (Continuation)
 Program : 1201 EDUCATIONAL SERVICES
 Agency : EDUCATION, DEPARTMENT OF

<u>CHANGE REQUEST:</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>Type</u>
Transfer ineligible block grant function, Private Vocation Schools, to state appropriations	\$ 16	\$ 16	Agency- Wide
See CHANGE request sheet following the Agency fiscal summary page.			
Staff support costs for Private Vocational Schools Unit	\$ 54	\$ 54	Activity Specific
See CHANGE request sheet following the fiscal page for this activity.			

1990-91 BIENNIAL BUDGET
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUCATIONAL SERVICES
BUDGET ACTIVITY : INSITUTIONAL APPROVAL

EXPENDITURES:	F.Y. 1990						F.Y. 1991			
	FY 1988	FY 1989	AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	250	262	249	58	307	264	249	58	307	264
EXPENSES/CONTRACTUAL SRVCS	12	13	13	9	22	14	13	9	22	14
MISC OPERATING EXPENSES	6	10	10	3	13	10	10	3	13	10
SUPPLIES/MATERIALS/PARTS	0	1	1	0	1	1	1	0	1	1
CAPITAL EQUIPMENT	1	0	0	0	0	0	0	0	0	0
TOTAL EXPENDITURES	269	286	273	70	343	289	273	70	343	289
CHANGE REQUESTS:										
FUND										
A TRANSFER OF FEDERAL BLOCK GRANT GEN				16		16		16		16
B PRIVATE VOC SCHOOL LICENSURE POSITION GEN				54		0		54		0
TOTAL CHANGE REQUESTS				70		16		70		16
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL	81	82	84	70	154	100	84	70	154	100
STATUTORY APPROPRIATIONS:										
SPECIAL REVENUE	174	189	189	0	189	189	189	0	189	189
FEDERAL	14	15	0	0	0	0	0	0	0	0
TOTAL FINANCING	269	286	273	70	343	289	273	70	343	289
POSITIONS BY FUND:										
GENERAL	2.0	2.0	2.0	1.3	3.3	2.3	2.0	1.3	3.3	2.3
SPECIAL REVENUE	4.0	4.0	4.0	0.0	4.0	4.0	4.0	0.0	4.0	4.0
FEDERAL	0.3	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL POSITIONS	6.3	6.3	6.0	1.3	7.3	6.3	6.0	1.3	7.3	6.3

CHANGE REQUEST _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1201-04 INSTITUTIONAL APPROVAL
Program : 1201 EDUCATIONAL SERVICES
Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: PRIVATE VOCATIONAL SCHOOL LICENSURE POSITION

Agency Request	F.Y. 1990		F.Y. 1991	
	(000's)		(000's)	
	<u>Amount</u>	<u>Positions</u>	<u>Amount</u>	<u>Positions</u>
General Fund	\$ 54	1	\$ 54	1
Governor's Recommendation				
General Fund	\$ -0-	-0-	\$ -0-	-0-

Request requires statutory change: _____ Yes X No
Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The Private Vocational School Unit requests one professional position and associated travel and operating costs. The individual employed will be assigned the following tasks and responsibilities:

1. Annually review 40 private vocational school license renewal applications.
2. Annually review 200 teacher approval applications.
3. Annually review 50 solicitor permit applications.
4. Annually review new school license applications as assigned.
5. Provide management assistance to assigned schools.
6. Make one on-site inspection visit annually to each assigned school located in Minnesota.

DESCRIPTION/BACKGROUND:

Minnesota Statutes, Chapter 141, assigns the responsibility for the regulation of private vocational schools to the Commissioner of Education. Since the inception of the law in 1968 (with the exception of fiscal years 1988-89), there has always been authorized and assigned to the unit a minimum of two professional and one clerical staff. During the 1970s the number of Minnesota licensed private vocational schools averaged around 45-60 with a minimum of two professionals and one clerical assigned to the unit. The 1988-89 biennium reduced the staff to one professional and one clerical.

The Minnesota Department of Education, Private Vocational School Unit is responsible for licensing private vocational schools operating in Minnesota. The schools must submit to an annual license review and meet the requirements as outlined in Minnesota Statutes, Chapter 141. The licensing process and review includes a detailed review of school catalogs, school facilities and equipment, bonding, contracts, refund policy and student placement. Also, the unit is responsible for granting teacher approval and issuing solicitor permits. The current staffing level is inadequate for timely implementation of these responsibilities. Due to lack of staff, on-site school inspections have been discontinued.

RATIONALE:

The 1988-89 decrease in staff for the Private Vocational Schools Unit has had a negative affect on this program and the licensing process. At the current level, staff of the unit is unable to review license applications (renewal and new) and teacher applications on a timely basis; to respond to school/student issues on a timely basis; and to conduct on-site school inspection visits. Presently, there are 80 licensed schools conducting programs of study at 162 locations. In addition, there are 13 new school license requests which are pending. With the current number of schools involved and in order to carry out the licensing function and responsibilities in a thorough, complete, timely and efficient manner, it is essential that the unit again be authorized to employ two professionals and one clerical full time staff. It is necessary that this occur in order for the department to fulfill its responsibilities as mandated in Minnesota Statutes, Chapter 141.

<u>BASE:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund Expenditures	\$ 82	\$ 84	\$ 84	\$ 84

<u>LONG RANGE IMPLICATIONS:</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	\$ 54	\$ 54	\$ 108

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

1990-91 Biennial Budget

ACTIVITY: 1201-05 EQUAL EDUCATIONAL OPPORTUNITIES
 Program : 1201 EDUCATIONAL SERVICES
 Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

This activity provides technical assistance in race and sex desegregation to local districts and monitors districts for compliance with state and federal laws prohibiting discrimination. The activity helps districts develop programs designed to end discriminatory practices in educational programs and assists them in solving problems related to compliance with laws prohibiting discrimination. Compliance reviews are conducted in 25 districts annually to determine whether school district policies, procedures and programs are in compliance with state and federal laws. More than 275 school districts will receive desegregation technical assistance, of which more than 100 will be in the form of on-site consultations, comprehensive reviews or training workshops concerning civil rights issues. During this year a major assignment in this activity was to serve as departmental liaison to the State Board Curriculum Task Force on Educating the Black Learner. The task force held four site visits in the state and interviewed and gathered perspectives from superintendents and black educators, students, parents and community representatives. The activity provided staff work for the task force report submitted to the Board in June 1988.

STATISTICS:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Students served	160,289	186,212	219,836	221,498
Workshops to train local education agency (LEA) staff	47	53	62	71
Districts provided technical assistance on sex desegregation	78	189	206	222
On-site reviews and consulta- tions on desegregation and civil rights	937	1,300	1,326	1,015

EFFECTIVENESS MEASURES:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Percent of students served	23%	26%	32%	32%
Percent of districts having staff development training	11%	12%	14%	16%
Percent of districts provided sex desegregation technical assistance	41%	43%	47%	51%
Percent of districts receiving on-site reviews or consultations on desegregation or civil rights issues	40%	34%	40%	31%

REVENUE:

None

CHANGE REQUEST:

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>Type</u>
Transfer ineligible block grant functions to state appropriations	\$ 61	\$ 62	Agency- Wide

See CHANGE request sheet following the
Agency fiscal summary page.

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUCATIONAL SERVICES
BUDGET ACTIVITY : EQUAL EDUC OPPORTUN

EXPENDITURES:	FY 1988	FY 1989	F.Y. 1990				F.Y. 1991			
			AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	300	298	251	49	300	300	251	49	300	300
EXPENSES/CONTRACTUAL SRVCS	26	50	46	7	53	53	46	8	54	54
MISC OPERATING EXPENSES	17	14	9	5	14	14	9	5	14	14
SUPPLIES/MATERIALS/PARTS	5	1	1	0	1	1	1	0	1	1
CAPITAL EQUIPMENT	4	0	0	0	0	0	0	0	0	0
TOTAL EXPENDITURES	352	363	307	61	368	368	307	62	369	369
CHANGE REQUESTS:										
FUND										
A TRANSFER OF FEDERAL BLOCK GRANT				61		61		62		62
GEN										
TOTAL CHANGE REQUESTS				61		61		62		62
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL	85	65	67	61	128	128	67	62	129	129
STATUTORY APPROPRIATIONS:										
FEDERAL	267	298	240	0	240	240	240	0	240	240
TOTAL FINANCING	352	363	307	61	368	368	307	62	369	369
POSITIONS BY FUND:										
GENERAL	1.0	1.0	1.0	1.0	2.0	2.0	1.0	1.0	2.0	2.0
FEDERAL	5.5	6.0	5.0	0.0	5.0	5.0	5.0	0.0	5.0	5.0
TOTAL POSITIONS	6.5	7.0	6.0	1.0	7.0	7.0	6.0	1.0	7.0	7.0

1990-91 Biennial Budget

ACTIVITY: 1201-06 INDIAN EDUCATION
 Program : 1201 EDUCATIONAL SERVICES
 Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

The purpose of the Indian Education activity is to improve the educational status of American Indians in the State of Minnesota. The programs and services of the Indian Education activity provide American Indian learners with greater access to educational opportunities and allow them to participate in learning environments that are appropriate and supportive of their unique social and cultural heritage.

The Indian Education activity administers and monitors seven state grant programs.

1. The American Indian Language and Culture Education (AILCE) Program which funds programs that emphasize language acquisition and retention, cultural knowledge and appreciation, heightened self-concept, and academic excellence.
2. The Indian Postsecondary Preparation Program (PSPP) prepares secondary Indian students of 1/4 or more Indian ancestry for postsecondary education through grants to school districts.
3. The Minnesota Indian Scholarship Program (MSIP) provides financial assistance to American Indian persons who are accepted in postsecondary institutions and who otherwise would be unable or unlikely to pursue higher education goals.
4. The Johnson O'Malley Support Replacement Program (JOM) provides funds for six school districts with large Indian enrollments which lost federal Johnson O'Malley basic support funds.
5. The Indian Social Work Aide (ISWA) Program supports school districts with concentrations of Indian students by recruiting and training persons to work with American Indian youth who are, or may be, handicapped.
6. The Indian Adult Basic Education (IABE) Program uses federal funding for programs at reservation and rural sites to assist Indian adults with literacy skills and General Educational Development (GED) preparation.
7. The Duluth Teacher Training Program is granted jointly to the Duluth School District and the University of Minnesota Duluth to assist American Indian people to become teachers and to provide additional education for American Indian teachers.

The activity also provides assistance to grant programs sponsored by the McKnight Foundation and the federal government. The activity assists the work of the Minnesota Indian Scholarship Committee, the American Indian Language and Culture Education Task Force, the Indian School Council, and the Indian Education Committee of the Minnesota State Board of Education.

The activity also administers provisions of the Indian Education Act of 1988 including the requirement that school boards provide for the involvement of Indian parents in their children's educational programs through parent advisory committees. By September 15 and June 15 of each school year, all school boards are required to submit to the Department of Education a resolution adopted by the parent committee stating whether or not the parent committee concurs with the district's educational programs for American Indian children.

STATISTICS:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. American Indian Language and Culture Education Program (AILCE):				
a. Project sites	18	13	13	13
b. Indian students served	6,972	5,379	5,400	5,400
c. Cumulative number of Indian curriculum units developed	75	78	81	84
2. Minnesota Indian Scholarship Program (MISP):				
a. Students served	1,415	1,200	1,100	1,000
3. Indian Postsecondary Preparation Program (PSPP):				
a. Project sites	27	32	32	32
b. Indian students served	3,832	4,126	4,100	4,100
4. Indian Adult Basic Education (IABE):				
a. IABE sites	10	10	10	10
b. Students being served	292	300	300	300
5. Indian Social Worker Aide Program (ISWA):				
a. Local Education Agencies with ISWA's	37	37	52	62
b. Students served in LEA's	6,000	6,500	7,000	7,500
c. Indian Social Work Aides	76	76	81	86
6. Indian Parent Advisory Committees (PAC):				
a. School districts with existing PAC's	47	102	102	102
b. School districts with ten or more Indian children	102	102	102	102
c. PAC training sessions	10	20	20	20
d. PAC training manuals distributed	0	100	100	100
7. Johnson O'Malley Basic Support Replacement Program (JOM):				
a. Local education agencies receiving JOM funds	6	6	6	6

EFFECTIVENESS MEASURES:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. American Indian Language and Culture Education Program (AILCE):				
a. Applications granted	75%	45%	43%	43%
b. Students served of those applying	93%	64%	65%	65%
c. Proration of award	61%	44%	44%	44%
2. Minnesota Indian Scholarship Program (MISP):				
a. Eligible students receiving scholarship grants	70%	63%	58%	53%
b. Recipients who graduated	28%	29%	30%	19%

1990-91 Biennial Budget

ACTIVITY: 1201-06 INDIAN EDUCATION
(Continuation)
Program : 1201 EDUCATIONAL SERVICES
Agency : EDUCATION, DEPARTMENT OF

EFFECTIVENESS MEASURES: (Contd.)	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
3. Indian Postsecondary Preparation Program (PSPP):				
a. Applications granted	90%	100%	80%	80%
b. Students served of those applying	96%	100%	80%	80%
c. Proration of award	81%	79%	78%	78%
d. Eligible 7-12 graders being served	79%	86%	85%	85%
4. Indian Adult Basic Education Program (IABE):				
a. G.E.D.'s earned	49	50	50	50
5. Indian Social Worker Aide Program (ISWA):				
a. Certificates of Completion issued	54	55	55	55

CHANGE REQUESTS: (Contd.)	F.Y. 1990	F.Y. 1991	Type
Funds to transfer Duluth Field Office to state funding	\$ 64	\$ 64	Activity Specific
See CHANGE request sheets following the fiscal page for this activity.			

TRENDS:

There is increasing demand for the programs and grants administered by this activity. In addition, provisions of the Indian Education Act of 1988 affecting Indian parent committees should cause school district plans to be more broadly concerned with the needs of American Indian students. The result is increased need and demand for specialized training and assistance for school districts and Indian parent committee regarding Indian education. Changing federal requirements are also restricting the activities of the Duluth field office and Indian Education.

REVENUE:

None

CHANGE REQUESTS:	F.Y. 1990	F.Y. 1991	Type
Transfer ineligible block grant functions to state appropriations	\$ 146	\$ 149	Agency-Wide
See CHANGE request sheet following the Agency fiscal summary page.			
Staff and funds to support Indian Education Section and advisory committees	\$ 101	\$ 101	Activity Specific

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUCATIONAL SERVICES
BUDGET ACTIVITY : INDIAN EDUCATION

F.Y. 1990							F.Y. 1991			
-----							-----			
AGENCY REQUEST							AGENCY REQUEST			
-----							-----			
EXPENDITURES:	FY 1988	FY 1989	BASE	CHANGE	TOTAL	GOVERNOR'S RECOMM.	BASE	CHANGE	TOTAL	GOVERNOR'S RECOMM.

DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	352	373	226	215	441	375	226	215	441	375
EXPENSES/CONTRACTUAL SRVCS	67	99	49	63	112	91	49	66	115	94
MISC OPERATING EXPENSES	15	16	6	21	27	16	6	21	27	16
SUPPLIES/MATERIALS/PARTS	9	8	1	7	8	8	1	7	8	8
CAPITAL EQUIPMENT	0	2	0	5	5	2	0	5	5	2

TOTAL EXPENDITURES	443	498	282	311	593	492	282	314	596	495

CHANGE REQUESTS:	FUND									

A TRANSFER OF FEDERAL BLOCK GRANT	GEN			146		146		149		149
B INDIAN EDUC DULUTH OFFICE SUPPORT	GEN			64		64		64		64
B INDIAN EDUC STAFF & SUPPORT	GEN			101		0		101		0

TOTAL CHANGE REQUESTS				311		210		314		213

SOURCES OF FINANCING:										

DIRECT APPROPRIATIONS:										
GENERAL	231	244	249	311	560	459	249	314	563	462

STATUTORY APPROPRIATIONS:										
FEDERAL	194	237	33	0	33	33	33	0	33	33
GIFTS AND DEPOSITS	18	17	0	0	0	0	0	0	0	0

TOTAL FINANCING	443	498	282	311	593	492	282	314	596	495

POSITIONS BY FUND:										

GENERAL	5.5	5.5	5.5	6.5	12.0	10.0	5.5	6.5	12.0	10.0
FEDERAL	4.5	4.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

TOTAL POSITIONS	10.0	10.0	5.5	6.5	12.0	10.0	5.5	6.5	12.0	10.0

CHANGE REQUEST _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1201-06 INDIAN EDUCATION
Program : 1201 EDUCATIONAL SERVICES
Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: INDIAN EDUCATION STAFF AND SUPPORT COSTS

	F.Y. 1990		F.Y. 1991	
Agency Request	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 101	2	\$ 101	2
Governor's Recommendation				
General Fund	\$ -0-	-0-	\$ -0-	-0-

Request requires statutory change: _____ Yes X No
Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests complement and funds for two staff (one professional and one clerical) and administrative support to implement increased activities and responsibilities assigned to the Indian Education activity. Increased and new activities have been generated by the Comprehensive Statewide Plan for Indian Education and the Indian Education Act of 1988. The Act of 1988 has also expanded responsibilities of the advisory groups assigned by statute to administer various grant programs. The request includes administrative support funds which reflect the significantly increased expenses of both the American Indian Language and Culture Education Task Force and the Minnesota Indian Scholarship Committee in order to facilitate their duties assigned by the State Board of Education, M.S. 124.48, and delineated in M.S. 126.45-55.

DESCRIPTION/BACKGROUND:

The central office of the Indian Education Section located in St. Paul is responsible for administering all staff, programs and activities of the section, as well as providing professional and technical support for all programs. The section administers and monitors seven state grant programs; provides assistance to and facilitates the work of various other grant programs supported through a grant from the McKnight Foundation and by the federal government; and staffs two advisory groups appointed by the State Board of Education, the Indian Education Committee of the State Board of

Education, and the Indian School Council. In 1986, the State Board of Education adopted the Statewide Plan for Indian Education, which was endorsed by the Minnesota Indian Affairs Council. This created new and expanded responsibilities for the Indian Education central office staff consisting of one manager and two clerical staff.

Staff in the section's central office averaged as high as seven during the late 1970s and early 1980s but was reduced during 1981-82 and has remained at three for the past four years. During this time program grant funds were doubled for the scholarship program, a new school-based grant program was appropriated in 1983 which doubled in appropriation in 1987, and the number of project sites has tripled. The Indian Education activity manager's responsibilities have evolved to include the development and implementation of the statewide plan and new initiatives contained in the Indian Education Act of 1988. One requirement of this act is that school boards in districts with 10 or more American Indian students provide for the maximum involvement of parents of Indian children enrolled in elementary and secondary grades, special programs and support services. Therefore, the districts are required to form Indian Parent Advisory Committees (PAC) if they do not already exist. The central office assists school districts, and monitors compliance by receiving the resolutions of the Indian Parent Committees and by maintaining reports of Indian education activities within school districts.

With the increase in programs and number of scholarships, the work activities of the two advisory groups assigned to Indian education programs administered through the central office has increased. The Minnesota Indian Scholarship Committee and the Advisory Task Force on American Indian Language and Culture Education have been assigned and have undertaken new and expanded initiatives. These activities require more time and increased meetings.

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
School districts with Indian PACs	47	102	102	102
School districts with ten or more Indian children	102	102	102	102
Number of parent committee training sessions	10	20	20	20
Number of school-based grant program project sites	45	45	45	45

RATIONALE:

Various activities mandated by the Indian Education Act of 1988 for both the central office of the section and for the two advisory groups assigned to its programs require significantly more resources than have been appropriated to the activity budget. Currently, the central office has one professional staff to carry out all management responsibilities and to administer all grant programs implemented by the activity. Complement and administrative costs are requested for the new professional and clerical staff to include the cost of salaries, travel, rent, the purchase of work stations and computer terminals. This request includes \$66 for salaries, \$11 for travel cost, and \$6 for rent, work stations and computer terminals.

CHANGE REQUEST _____ 1990-91 Biennial Budget
 _____ Agency _____ Program X Activity
 (Continuation)

ACTIVITY: 1201-06 INDIAN EDUCATION
 Program : 1201 EDUCATIONAL SERVICES
 Agency : EDUCATION, DEPARTMENT OF

The new professional staff will implement provisions of the Indian Education Act of 1988 and work directly with school districts and Indian parent committees in improving educational services for American Indians. Assistance in the administration of the school-based Indian education grant programs which now have a combined appropriation of \$1.75 million at 45 school district project sites will be provided by this staff. Addition of this staff will also provide the level of staffing needed to reactivate the provision of on-site visits and evaluation activities for the two school-based grant programs.

There are currently two Indian education committees which implement the state's Indian education grant programs, M.S. 124.481, M.S. 124.48 and M.S. 126.45-126.55. Recent legislation has expanded the charge of these committees, increasing the number of required activities and creating the need for the committees to meet more often. The amount of \$18 is requested for additional administrative cost for these Indian education committees, each of which has 15 members. This is needed to cover the additional expenses related primarily to travel, per diem and meeting space in greater Minnesota. An additional four meetings for the Minnesota Indian Scholarship Committee and an additional three meetings of the Language and Culture Committee is required.

<u>BASE:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund Expenditures	\$ 109	\$ 115	\$ 115	\$ 115

<u>LONG RANGE IMPLICATIONS:</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	\$ 101	\$ 101	\$ 202

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

CHANGE REQUEST _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1201-06 INDIAN EDUCATION
PROGRAM : 1201 EDUCATIONAL SERVICES
AGENCY : EDUCATION, DEPARTMENT OF

REQUEST TITLE: TRANSFER THE SUPPORT OF INDIAN EDUCATION DULUTH FIELD OFFICE TO STATE FUNDS

	F.Y. 1990		F.Y. 1991	
Agency Request	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 64	1.9	\$ 64	1.9

Governor's Recommendation

General Fund	\$ 64	1.9	\$ 64	1.9
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Request requires statutory change: _____ Yes X No
Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests state complement and funds to transfer the Indian Education Section staff in the Duluth field office from federal to state support so that a stable and appropriate funding source is available for continuity of program. This will permit the section to continue to provide educational services and programs to northern, rural and reservation areas of the state. This request includes the complement and costs currently supported by federal funding sources except for the portion supported by federal block grant. The complement and the administrative cost currently under federal block grant are requested as a part of the agency's change level request for federal block grant transfers.

DESCRIPTION/BACKGROUND:

Staff in the Duluth field office have been supported by federal block grant, federal categorical aids and/or private foundation grants for the past 10-12 years. The Duluth field office maintains a staff of three people; one supervisor, one community program specialist and one clerk typist. These staff people work jointly with the Duluth Public Schools to implement the Indian Adult Basic Education (IABE) Program with grant funds from the Federal Adult Education Act. Programs are offered at reservation and rural sites to assist Indian adults with literacy skills and General Educational Development (GED) preparation.

Duluth field office staff also work jointly with the College of St. Scholastica to provide Indian Social Work Aide Training under a federal grant for training of personnel for Education of the Handicapped and a grant from the McKnight Foundation. Individuals from school districts with concentrations of Indian students are recruited and trained to work with American Indian youth who are or may be handicapped. These aides serve as liaisons among youth, parents, school and service providers. The training activities count for academic credits and can lead toward the accomplishment of a degree for those individuals participating as aides.

In 1988, the development of Indian Parent Advisory Committee training began, which includes the production of a training manual with funding through a competitive grant from the McKnight Foundation. Parent training utilizing this manual, will be continued by staff after the grant period ends.

The regulations and requirements of federal categorical support for Adult Basic Education impose limitations on the type of programmatic activities which can be supported. Because of these restrictions the ability of the Indian Education Activity to meet the needs of its clientele is restricted.

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Indian social work aides receiving training	76	76	81	86
Students served by Indian social work aides	6,000	6,500	7,000	7,000
Indian adult education sites	10	10	10	10
Students served in IABE programs	292	300	300	300

RATIONALE:

The Indian Education activity has obtained funding for its educational programs for American Indians living in rural and reservation areas in northern Minnesota from a variety of sources for over 12 years. The grants which currently fund these programs are a combination of federal categorical, federal Block Grant and private grants. Federal regulations have become increasingly restrictive for these grant programs.

Without state support for the staff positions of the Duluth field office the Indian Education activity would be unable to continue to implement the Indian Adult Basic Education Program and the Indian Social Work Aide Training Programs as they now exist. By providing state support, the current programs can continue, newly identified needs can be addressed and developed and the staff can develop and integrate programs and activities such as the adult basic education, parent training, and the social work aide programs into the overall Indian Education program.

BASE:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund Expenditures	\$ 3	\$ 3	\$ 3	\$ 3

CHANGE REQUEST 1990-91 Biennial Budget
____ Agency ____ Program X Activity
(Continuation)

ACTIVITY: 1201-06 INDIAN EDUCATION
Program : 1201 EDUCATIONAL SERVICES
Agency : EDUCATION, DEPARTMENT OF

<u>LONG RANGE IMPLICATIONS</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	\$ 64	\$ 64	\$ 128

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request.

1990-91 Biennial Budget

ACTIVITY: 1201-07 SECONDARY VOCATIONAL EDUCATION
 Program : 1201 EDUCATIONAL SERVICES
 Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

The Secondary Vocational Education activity administers state secondary vocational education programs; oversees vocational student organizations and acquires, develops and distributes curriculum and instructional materials/media.

The Secondary Vocational Education activity is responsible for ensuring that district vocational programs provide students with career exploration, occupational training and preparation for advanced training. The activity offers districts technical assistance, support for fiscal management, leadership in curriculum development, and inservice education for vocationally licensed staff. It also administers vocational education programs for students with special needs.

On a regular basis, the activity performs program reviews of all Secondary Vocational Education programs to ensure that they satisfy state and federal requirements to provide information to local decision makers and to monitor the status of all secondary vocational programs in the state. As a part of this process, the activity provides for a state specialist and self-evaluation system to assist local districts in improving their programs. The activity monitors vocational programs and practices in the areas of equal opportunity and sex equity, and provides training and developmental projects. In addition, the federally funded vocational programs including handicapped, single parents, incarcerated disadvantaged, and consumer homemaking, are administered and evaluated.

The 1988 legislature directed the Minnesota Department of Education (MDE) to develop a restructured secondary vocational education model for presentation to the Governor and the 1989 legislature. The restructured model addresses issues of mission clarification; integration with other parts of the secondary curriculum; articulation with postsecondary institutions; and modernization of curriculum and instructional approaches.

GRANTS AND AIDS:

The following grant and aid is administered by this Activity.

Vocational Student Organization Center

Statutory Reference - Laws 1985, First Special Session, Chapter II, Section 2, Subd. 2, Chapter 12, Article 6, Section 28, Subd. 20, and Chapter 126.151, Subd. 1 & 2.

The Vocational Student Organization Center provides leadership and administration to the following secondary and postsecondary vocational student organizations: Distributive Education Clubs of America (DECA), Future Farmers of America and Environmental Agribusiness, Resources, Technologies, Horticulture Association of America (FFA/EARTH), Future Homemakers of America (FHA), Home Economics and Related Training (HEART), Health Occupations Students of America (HOSA), Business Professionals of America (BPA), and

Vocational Industrial Clubs of America (VICA).

It is responsible for planning and directing all vocational student organization activities and it serves as liaison between local chapters, state associations, national associations, and MDE. The center's functions also include developing and disseminating newsletters and informational mailings, providing leadership training seminars for state officers, encouraging peer tutoring and facilitating competitive events at the local, regional, state and national level. MDE contracts with an intermediate district to provide fiscal services including the employment of 7.5 staff. The Activity Statistics and Effectiveness Measures tables below include information regarding this grant and aid.

STATISTICS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Workshops held on instructional topics	54	46	37	35
Participants in inservice or workshop programs	2,610	2,600	2,450	2,800
Business or industry partnerships to provide technical workshops, contribute equipment, provide financial assistance, etc.	538	539	540	540
Technical assistance via on-site visits, telephone or mail contacts	1,362	1,295	1,345	1,350
Program reviews	100	100	100	100
Handicapped programs evaluated	45	45	45	45
Disadvantaged programs evaluated	37	37	37	37
Teen single parent projects evaluated	39	39	39	39
Pilot test self-evaluation instruments	0	50	50	50
Self-evaluation (phase one)	0	50	1,600	1,600

VOCATIONAL STUDENT ORGANIZATIONAL CENTERS:

State appropriation (MDE)	\$198	\$199	\$199	\$199
Federal funds	80	85	93	98
Total	\$278	\$284	\$292	\$297

EFFECTIVENESS MEASURES:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Students in grades 10-12 having:				
4 or more vocational offerings available	83%	83%	83%	83%
2 or more vocational offerings available	96%	96%	96%	96%
No vocational offerings available	1%	1%	1%	0%
Students participating in student organizations	26,044	24,482	23,014	21,634

1990-91 Biennial Budget

ACTIVITY: 1201-07 SECONDARY VOCATIONAL EDUCATION
 (Continuation)
 Program : 1201 EDUCATIONAL SERVICES
 Agency : EDUCATION, DEPARTMENT OF

TRENDS:

Research findings conclude that past practice of state vocational leadership and evaluation is no longer effective in terms of meeting the needs of local programs. Therefore, the leadership and evaluation process is undergoing restructuring based on national, state, and local research.

One result of the process is a five-year plan to redesign all Secondary Vocational Education programs so that they are capable of providing instructional experiences and basic skills so that students can develop general skills such as job seeking and keeping that will be needed by all workers, explore careers in a broad general format, begin preparation for specialized occupational skills that require advanced training, and/or acquire specific occupational skills. Increased high school requirements will continue to raise the level of interest and support for the proposed restructured model.

REVENUE:

None

CHANGE REQUEST:

<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>Type</u>
\$ 47	\$ 47	Activity Specific

See CHANGE.request sheet following fiscal page for this activity.

1990-91 BIENNIAL BUDGET
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUCATIONAL SERVICES
BUDGET ACTIVITY : SECONDARY VOCATIONAL ED

EXPENDITURES:	FY 1988	FY 1989	F.Y. 1990				F.Y. 1991			
			AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	565	623	629	0	629	629	629	0	629	629
EXPENSES/CONTRACTUAL SRVCS	158	197	131	0	131	131	131	0	131	131
MISC OPERATING EXPENSES	46	58	47	0	47	47	47	0	47	47
SUPPLIES/MATERIALS/PARTS	64	36	36	0	36	36	36	0	36	36
CAPITAL EQUIPMENT	43	0	0	0	0	0	0	0	0	0
STATE OPERATIONS	876	914	843	0	843	843	843	0	843	843
LOCAL ASSISTANCE	198	198	198	47	245	198	198	47	245	198
TOTAL EXPENDITURES	1,074	1,112	1,041	47	1,088	1,041	1,041	47	1,088	1,041
CHANGE REQUESTS:										
FUND										
B VOC STUDENT ORGANIZATION CENTER SUPPORT GEN				47		0		47		0
TOTAL CHANGE REQUESTS				47		0		47		0
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL	856	944	890	47	937	890	890	47	937	890
STATUTORY APPROPRIATIONS:										
FEDERAL	218	168	151	0	151	151	151	0	151	151
TOTAL FINANCING	1,074	1,112	1,041	47	1,088	1,041	1,041	47	1,088	1,041
POSITIONS BY FUND:										
GENERAL	13.5	13.5	13.5	0.0	13.5	13.5	13.5	0.0	13.5	13.5
FEDERAL	1.0	1.0	1.0	0.0	1.0	1.0	1.0	0.0	1.0	1.0
TOTAL POSITIONS	14.5	14.5	14.5	0.0	14.5	14.5	14.5	0.0	14.5	14.5

CHANGE REQUEST _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1201-07 SECONDARY VOCATIONAL EDUCATION
Program : 1201 EDUCATIONAL SERVICES
Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: VOCATIONAL STUDENT ORGANIZATION CENTER SUPPORT

Agency Request	F.Y. 1990		F.Y. 1991	
	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 47	-0-	\$ 47	-0-
Governor's Recommendation				
General Fund	\$ -0-	-0-	\$ -0-	-0-

Request requires statutory change: _____ Yes X No
Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests funds to support the cost of state level leadership activities for seven vocational student organizations. The seven student organizations are: Business Professionals of America (BPA), Distributive Education Clubs of America (DECA), Future Farmers of America (FFA), Future Homemakers of America (FHA), Home Economics and Related Training (HEART), Health Occupations Students of America (HOSA), and Vocational Industrial Clubs of America (VICA). School districts have vocational student organization chapters that involve 30,000 students participating in state directed activities. These activities include leadership skill development, occupational skill development through competitive events and community service projects. These services are funded through the Minnesota Department of Education (MDE) Vocational Education program and are conducted at the regional, state and national level.

DESCRIPTION/BACKGROUND:

In accordance with M.S. 126.151, Chapter 718, the State Board of Vocational Technical Education (SBVTE) and the Minnesota Department of Education provide administrative leadership for the postsecondary and secondary vocational student organizations. An agreement between the two agencies stipulates that MDE is responsible for administering the legislative appropriation which is intended to fund this activity. MDE contracts with a school district to

assist in leadership and administration of approved vocational student organizations. Because of the following cost increases, this activity can no longer be maintained at the current level.

1. Forty percent increase in cost of rental of office space.
2. Additional state liability coverage for student events; approximate cost per year--\$16,000.
3. Salary increases for contract staff based on 3.5% cost-of-living increases plus step increase; approximate 1990 salary increase--\$15,500; approximate 1991--\$23,500 (professional and clerical).
4. Travel cost increases for staff who are required to attend national student organization conferences as the state representative of the student organization.
5. Increased cost of printing and dissemination of material to individual members of the vocational student organization.

RATIONALE:

An increase of \$47 each year of the biennium will provide sufficient funds to maintain this activity at the present level of service. If this request is not funded, some vocational student organizations will be discontinued. Students will not have the opportunity to participate in what is considered an integral part of secondary vocational education curriculum.

<u>BASE:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund Expenditures	\$ 198	\$ 198	\$ 198	\$ 198

<u>LONG RANGE IMPLICATIONS:</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	\$ 47	\$ 47	\$ 94

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

1990-91 Biennial Budget

ACTIVITY: 1201-08 ASSESSMENT AND PROGRAM EVALUATION
 Program : 1201 EDUCATIONAL SERVICES
 Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

This activity provides comprehensive measurement, program evaluation and technical assistance services to local districts as well as leadership to the department in the area of measurement and program evaluation. Major functions for which this activity is responsible are as follows: 1) to conduct statewide assessments in major curriculum areas in order to ascertain the knowledge skills and attitudes of Minnesota youth; 2) to coordinate the conduct of the Local Assessment (Piggyback) Program through which local districts determine needs and strengths in the areas of curriculum and instruction; 3) to coordinate all Planning, Evaluating and Reporting (PER) technical assistance (including Assurance of Mastery) to local districts through the use of regional facilitators as well as to review all PER reports and distribute PER aid; 4) to coordinate the development and implementation of the Minnesota Itembank Program in order to allow local districts to tailor achievement test measures to local district curriculum offerings; and 5) to coordinate and provide leadership, technical assistance, school accreditation and program evaluation services to local public and private schools through the North Central Association (NCA).

STATISTICS:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
State assessment students tested (000's)	20	10	25	20
Local assessment program students tested (000's)	86	95	100	105
Items in itembank (000's)	92	104	124	144
District PER reports reviewed	435	435	435	435
NCA accredited schools served	371	391	411	431

EFFECTIVENESS MEASURES:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Local assessment program utilization (districts)	80%	87%	92%	97%
Itembank district utilization	35%	41%	51%	58%
Assessment, PER, itembank workshops (districts represented)	97%	98%	99%	99%
Assessment, PER, itembank on-site technical assistance (districts served)	64%	71%	72%	74%
Students graduating from NCA accredited schools	70%	72%	74%	75%

REVENUE:

None

CHANGE REQUEST:

Transfer ineligible block grant functions to state appropriations

<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>Type</u>
\$ 114	\$ 117	Agency-Wide

See CHANGE request sheet following the Agency fiscal summary page.

Funds to permit participation in State-by-State Achievement Comparisons Project

\$ 20	\$ 60	Activity Specific
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See CHANGE request sheet following the fiscal page for this activity.

1990-91 BIENNIAL BUDGET
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUCATIONAL SERVICES
BUDGET ACTIVITY : ASSESSMENT/PROG EVAL

		F.Y. 1990					F.Y. 1991				
		AGENCY REQUEST					AGENCY REQUEST				
		GOVERNOR'S RECOMM.					GOVERNOR'S RECOMM.				
EXPENDITURES:		FY 1988	FY 1989	BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:											
STATE OPERATIONS:											
PERSONAL SERVICES		509	575	498	91	589	589	498	91	589	589
EXPENSES/CONTRACTUAL SRVCS		516	556	541	43	584	584	541	86	627	627
MISC OPERATING EXPENSES		20	25	25	0	25	25	25	0	25	25
SUPPLIES/MATERIALS/PARTS		3	6	6	0	6	6	6	0	6	6
CAPITAL EQUIPMENT		0	5	5	0	5	5	5	0	5	5

STATE OPERATIONS		1,048	1,167	1,075	134	1,209	1,209	1,075	177	1,252	1,252
LOCAL ASSISTANCE		102	0	0	0	0	0	0	0	0	0

TOTAL EXPENDITURES		1,150	1,167	1,075	134	1,209	1,209	1,075	177	1,252	1,252
CHANGE REQUESTS:	FUND										

A TRANSFER OF FEDERAL BLOCK GRANT	GEN				114		114				117
B STATE BY STATE ACHIEVEMENT EVALUATION	GEN				20		20				60

TOTAL CHANGE REQUESTS					134		134				177
SOURCES OF FINANCING:											

DIRECT APPROPRIATIONS:											
GENERAL		913	994	1,008	134	1,142	1,142	1,008	177	1,185	1,185
STATUTORY APPROPRIATIONS:											
SPECIAL REVENUE		138	67	67	0	67	67	67	0	67	67
FEDERAL		99	106	0	0	0	0	0	0	0	0

TOTAL FINANCING		1,150	1,167	1,075	134	1,209	1,209	1,075	177	1,252	1,252
POSITIONS BY FUND:											

GENERAL		10.0	10.0	10.0	2.5	12.5	12.5	10.0	2.5	12.5	12.5
SPECIAL REVENUE		0.5	0.5	0.5	0.0	0.5	0.5	0.5	0.0	0.5	0.5
FEDERAL		2.5	2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUCATIONAL SERVICES
BUDGET ACTIVITY : ASSESSMENT/PROG EVAL

POSITIONS BY FUND:			F.Y. 1990				F.Y. 1991			
	FY 1988	FY 1989	AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
TOTAL POSITIONS	13.0	13.0	10.5	2.5	13.0	13.0	10.5	2.5	13.0	13.0

CHANGE REQUEST 1990-91 Biennial Budget
 _____ Agency _____ Program X Activity

ACTIVITY: 1201-08 ASSESSMENT AND PROGRAM EVALUATION
 Program : 1201 EDUCATIONAL SERVICES
 Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: STATE-BY-STATE ACHIEVEMENT COMPARISONS

	F.Y. 1990		F.Y. 1991	
	(000's) Amount	Positions	(000's) Amount	Positions
Agency Request				
General Fund	\$ 20	-0-	\$ 60	-0-
Governor's Recommendation				
General Fund	\$ 20	-0-	\$ 60	-0-

Request requires statutory change: X Yes _____ No
 Statutes Affected: M.S. 126.66 and 126.67 as amended by Minnesota Laws, 1987, Chapter 398, Art. 8 and Minnesota Laws 1988, Chapter 718, Art. 7.

STATEMENT OF REQUEST/OBJECTIVE:

These funds are requested in order to participate in the National Assessment of Educational Progress (NAEP) state-by-state achievement comparisons project.

DESCRIPTION/BACKGROUND:

During fiscal year 1990, the National Assessment of Educational Progress (NAEP) will initiate their state-by-state achievement test comparison project in mathematics at one grade level. Optional state participation requires that test administrators within the state be trained by NAEP and that the state absorb actual data collection costs. NAEP's estimate at this time is that these costs will amount to \$20 per grade level. In fiscal year 1991, the project would be expanded to include three grade levels and costs would increase proportionally.

It is not presently anticipated that Minnesota would participate at more than three grade levels during any fiscal year.

RATIONALE:

This initiative is consistent with department priorities in the areas of testing and program evaluation. Given the change to core learner outcome testing, there is currently no valid way to make national comparisons without participation in this program. Further, accountability efforts within Minnesota will be limited without such comparisons.

This state-by-state comparison project has been the subject of major debate since, at least, 1978 and has an extremely high probability for considerable longevity. Our early participation can help to provide Minnesota with a national leadership role in this area.

BASE:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund Expenditures	-0-	-0-	-0-	-0-

LONG RANGE IMPLICATIONS:

	F.Y. 1992	F.Y. 1993	Total
General Fund Expenditures	\$ 60	\$ 60	\$ 120

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request.

1990-91 Biennial Budget

ACTIVITY: 1201-09 CURRICULUM SERVICES
 Program : 1201 EDUCATIONAL SERVICES
 Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

The purposes of the Curriculum Services activity are to:

1. Develop standards, models, guidelines, and materials regarding instructional content and procedures for Minnesota's 435 public school districts.
2. Provide learning opportunities for the 48,702 teachers and administrators, in the 435 school districts and work with staff in 25 teacher preparation programs regarding new and emerging theories, directions, techniques, instructional materials, and issues surrounding licensure.
3. Assist staff in 435 public school districts in designing and implementing programs in all subject areas and in general procedures for developing curriculum. Coordinate with other sections in the department and other organizations and agencies to assure consistent direction.

STATISTICS:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1a. Subject areas with model learner outcome documents	14	20	24	26
b. Subject areas with essential learner outcomes identified	1	8	14	19
c. Number of other agencies and organizations with which we conduct joint projects	223	230	230	230
2a. Workshop hours provided for district staff in curriculum development and implementation	2,130	2,150	2,150	2,150
b. Teachers and administrators attending workshops	18,198	19,000	19,000	19,000
3a. Direct assistance provided to districts at their request:				
1. by telephone, average per day	140	140	140	140
2. by mail, average per week	180	180	180	180
3. by on-site visit average per year	900	900	900	900
b. Joint projects with other sections in the department	61	62	62	62
c. Number of other agencies and organizations with which we conduct joint projects	86	86	86	86

EFFECTIVENESS MEASURES:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Buildings (N=1511) that:				
a. are affected by standards	100%	100%	100%	100%
b. utilize materials	95%	95%	95%	95%
2a. Teachers and administrators (N=48,702) participating in workshops	37%	39%	39%	39%
b. Outcome documents (N=20) developed with significant involvement of postsecondary program staff	100%	100%	100%	100%
3a. Districts participating in:				
1. Drug use and abuse prevention program	98%	98%	98%	98%
2. Tobacco use prevention	96%	97%	98%	98%
3. Tobacco free schools	44%	61%	75%	85%
4. Comprehensive arts planning program	19%	19%	26%	26%
5. Alcohol impaired driver program	50%	50%	80%	85%
6. Comprehensive health-wellness program	0%	0%	17%	34%
3b. Sections in the department (N=18) with which we have joint projects	88%	88%	88%	88%

TRENDS:

This activity is experiencing increased requests by the public for local and statewide data/information regarding the effectiveness of public education. The Performance, Evaluation and Reporting (PER) process at the local level requires goal/outcome setting; assessment of student progress; and reporting results to the public. The process at the state level requires goal/outcome setting and assessment of student progress. Reporting to the public is not required. Therefore, data/information are available at the local level but not statewide.

District requests for assistance in programs mandated by the legislature and encouraged by the department in outcome based curriculum development have raised the awareness of staff in school districts and they are seeking assistance. In a recent survey by the department, districts and buildings were asked to indicate their need for assistance in 71 topical issues. Of the buildings responding, 821 or 54% indicated a high or moderate need for service in curriculum development, 647 or 43% identified outcome development and 421 or 28% indicated a need for assistance in the curriculum review cycle.

REVENUE:

None

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUCATIONAL SERVICES
BUDGET ACTIVITY : CURRICULUM SERVICES

F.Y. 1990							F.Y. 1991			
-----							-----			
AGENCY REQUEST							AGENCY REQUEST			
-----							-----			
EXPENDITURES:	FY 1988	FY 1989	BASE	CHANGE	TOTAL	GOVERNOR'S RECOMM.	BASE	CHANGE	TOTAL	GOVERNOR'S RECOMM.

DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	1,055	1,203	1,172	0	1,172	1,172	1,172	0	1,172	1,172
EXPENSES/CONTRACTUAL SRVCS	261	289	299	0	299	299	299	0	299	299
MISC OPERATING EXPENSES	92	104	104	0	104	104	104	0	104	104
SUPPLIES/MATERIALS/PARTS	48	33	33	0	33	33	33	0	33	33
CAPITAL EQUIPMENT	58	15	15	0	15	15	15	0	15	15

TOTAL EXPENDITURES	1,514	1,644	1,623	0	1,623	1,623	1,623	0	1,623	1,623

CHANGE REQUESTS:	FUND									

B PHF TOBACCO USE PREVENTION GEN				0		63		0		63
ADMINISTRATION										
B PHF TOBACCO USE PREVENTIONPHLT				0		<63>		0		<63>
ADMINISTRATION										

TOTAL CHANGE REQUESTS				0		0		0		0

SOURCES OF FINANCING:										

DIRECT APPROPRIATIONS:										
GENERAL	1,259	1,319	1,363	0	1,363	1,426	1,363	0	1,363	1,426
PUBLIC HEALTH	61	63	63	0	63	0	63	0	63	0
TRUNK HIGHWAY	21	21	21	0	21	21	21	0	21	21

STATUTORY APPROPRIATIONS:										
GENERAL	20	0	0	0	0	0	0	0	0	0
SPECIAL REVENUE	85	100	100	0	100	100	100	0	100	100
FEDERAL	68	71	71	0	71	71	71	0	71	71
AGENCY	0	5	5	0	5	5	5	0	5	5
GIFTS AND DEPOSITS	0	65	0	0	0	0	0	0	0	0

TOTAL FINANCING	1,514	1,644	1,623	0	1,623	1,623	1,623	0	1,623	1,623

POSITIONS BY FUND:										

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUCATIONAL SERVICES
BUDGET ACTIVITY : CURRICULUM SERVICES

POSITIONS BY FUND:	F.Y. 1990						F.Y. 1991			
	FY 1988	FY 1989	AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
GENERAL	22.5	21.7	22.5	0.0	22.5	23.5	22.5	0.0	22.5	23.5
PUBLIC HEALTH	1.0	1.0	1.0	0.0	1.0	0.0	1.0	0.0	1.0	0.0
SPECIAL REVENUE	2.0	2.0	2.0	0.0	2.0	2.0	2.0	0.0	2.0	2.0
FEDERAL	1.5	1.5	1.5	0.0	1.5	1.5	1.5	0.0	1.5	1.5
TOTAL POSITIONS	27.0	26.2	27.0	0.0	27.0	27.0	27.0	0.0	27.0	27.0

1990-91 Biennial Budget

ACTIVITY: 1201-10 INSTRUCTIONAL DESIGN
Program : 1201 EDUCATIONAL SERVICES
Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

The Instructional Design activity has as its goal to assist school districts and educators in improving instruction especially through instructional design; appropriate integration of technology; media; professional development; and the Coordinated Model, which addresses curriculum, instruction, assessment and special populations. Specifically the activity:

1. Provides assistance with research, program direction, management service, coordination, materials and consultation in all aspects of instructional design to improve the quality of student learning.
2. Coordinates and provides assistance to all educators in integrating technology into their curriculum and instruction, especially in using technology for learning in different ways and for higher order and creative thinking.
3. Provides leadership, program direction, and resources for all aspects of media programs to school districts, with special attention to helping district staff provide curriculum and instruction assistance to classroom teachers.
4. Provides assistance to school buildings through the "Educational Effectiveness" program in a variety of areas, with special attention to management strategies, expectations, flexible student groupings, student needs, models of teaching, and instructional assessment.
5. Helps districts develop high quality staff development plans, by providing appropriate inservice and assisting in development of additional legislation.
6. Provide instructional design assistance to educators wishing to restructure their learning opportunities for students. Special attention is given to developing instructional design documents and materials that will help teachers develop more options for working with students.
7. Supports several special tasks, including administering the Byrd Scholarship Program and participation at North Central Regional Educational Lab (NCREL) meetings.

STATISTICS:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Individual assistance to district personnel through telephone, letters and materials	31,750	34,500	34,500	34,500

STATISTICS: (Contd.)

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Instructional Design:				
Workshop hours provided	1,218	1,300	1,350	1,350
Number of participants	8,022	9,000	9,500	9,500
Technology & Media:				
Workshop hours provided	616	625	625	625
Number of participants	2,786	3,000	3,000	3,000
Educational Effectiveness:				
Workshop hours provided	810	1,050	1,100	1,100
Number of participants	6,684	9,000	9,200	9,200
Professional Development:				
Workshop hours provided	172	150	175	175
Number of participants	737	900	1,000	1,000
Reduced-cost courseware packages sent to schools	3,000	6,000	6,000	6,000
Media materials lent to schools	2,436	2,600	2,600	2,600
Media materials viewed by students	70,676	72,000	74,000	74,000
Videotapes duplicated	6,293	8,000	7,000	6,000
Audio tapes duplicated	460	500	500	500
Staff Development:				
Regional workshops	427	-0-	300	-0-
District plans reviewed	-0-	400	410	420

EFFECTIVENESS MEASURES:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Educators served through activity workshops	37%	39%	39%	39%
Buildings served by educational effectiveness programs	28%	36%	46%	56%
Districts served by tape duplication assistance	65%	65%	65%	65%
Workshop quality determined by participants on selected workshops (on a 4.0 scale)	3.6	3.6	3.6	3.6

TRENDS:

Technology and instructional design are experiencing very high rates of change and development which is resulting in increased district requests for service and needs for staff renewal.

REVENUE:

None

1990-91 BIENNIAL BUDGET
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUCATIONAL SERVICES
BUDGET ACTIVITY : INSTRUCTIONAL DESIGN

EXPENDITURES:	FY 1988	FY 1989	F.Y. 1990				F.Y. 1991			
			AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	778	921	936	0	936	936	936	0	936	936
EXPENSES/CONTRACTUAL SRVCS	130	490	482	0	482	482	482	0	482	482
MISC OPERATING EXPENSES	45	105	105	0	105	105	105	0	105	105
SUPPLIES/MATERIALS/PARTS	25	160	160	0	160	160	160	0	160	160
CAPITAL EQUIPMENT	20	18	33	0	33	33	33	0	33	33
TOTAL EXPENDITURES	998	1,694	1,716	0	1,716	1,716	1,716	0	1,716	1,716
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL	899	962	992	0	992	992	992	0	992	992
STATUTORY APPROPRIATIONS:										
SPECIAL REVENUE	0	380	380	0	380	380	380	0	380	380
FEDERAL	82	344	344	0	344	344	344	0	344	344
GIFTS AND DEPOSITS	17	8	0	0	0	0	0	0	0	0
TOTAL FINANCING	998	1,694	1,716	0	1,716	1,716	1,716	0	1,716	1,716
POSITIONS BY FUND:										
GENERAL	18.0	18.6	18.6	0.0	18.6	18.6	18.6	0.0	18.6	18.6
FEDERAL	2.5	4.5	4.5	0.0	4.5	4.5	4.5	0.0	4.5	4.5
TOTAL POSITIONS	20.5	23.1	23.1	0.0	23.1	23.1	23.1	0.0	23.1	23.1

1990-91 Biennial Budget

ACTIVITY: 1201-11 SPECIAL EDUCATION
 Program : 1201 EDUCATIONAL SERVICES
 Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

To provide appropriate special education instruction and related services to children and youth with handicaps from birth to age 21. Areas of handicapping conditions and program services include: emotional/behavioral disorders, specific learning disabilities, physical handicaps, visual handicaps, hearing impairments, mental handicaps, other health impairments, speech/language impairments, autism, deaf/blind, early childhood special education and developmental adaptive physical education.

Special Education is state and federally funded under Education of All Handicapped Children's Act of 1975 (P.L. 94-142 as amended) and provides for a full array of free appropriate public education services to be available in the least restrictive environment for all children and youth who have handicapping conditions.

STATISTICS:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Students (ages 3-21)	83,324	83,500	83,500	83,500
State/federal applications processed	470	470	470	470
Summer school applications processed	280	280	280	280
Discretionary projects approved and implemented	80	75	75	75
Applications for assisting adults with hearing impairments	87	100	120	140
Inservice training sessions provided	55	60	60	60
District requests for technical assistance	1,500	1,500	1,500	1,500

EFFECTIVENESS MEASURES:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Eligible students receiving services	95%	96%	100%	100%
Disability areas having written entrance criteria	90%	95%	100%	100%
Data and effectiveness grants funded	12	15	15	15

TRENDS:

Current trends in the provision of special education services indicate (1) an increase in services provided within the regular classroom and as close as possible to the classroom students with handicaps would attend if they were not handicapped; (2) an increase in interagency coordination of services from

birth to age five, from grade nine to postsecondary and for students who have severe emotional disturbances; and (3) an increase in survival rates of premature babies and children and youth with brain injuries who are at risk of being severely handicapped.

REVENUE:

None

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUCATIONAL SERVICES
BUDGET ACTIVITY : SPECIAL EDUCATION

F.Y. 1990							F.Y. 1991			
			AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
EXPENDITURES:	FY 1988	FY 1989	BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	1,238	1,421	1,426	0	1,426	1,426	1,426	0	1,426	1,426
EXPENSES/CONTRACTUAL SRVCS	637	696	687	0	687	687	687	0	687	687
MISC OPERATING EXPENSES	82	113	111	0	111	111	111	0	111	111
SUPPLIES/MATERIALS/PARTS	126	49	49	0	49	49	49	0	49	49
CAPITAL EQUIPMENT	17	23	23	0	23	23	23	0	23	23
TOTAL EXPENDITURES	2,100	2,302	2,296	0	2,296	2,296	2,296	0	2,296	2,296
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL	368	357	372	0	372	372	372	0	372	372
STATUTORY APPROPRIATIONS:										
FEDERAL	1,732	1,945	1,924	0	1,924	1,924	1,924	0	1,924	1,924
TOTAL FINANCING	2,100	2,302	2,296	0	2,296	2,296	2,296	0	2,296	2,296
POSITIONS BY FUND:										
GENERAL	7.5	7.5	7.5	0.0	7.5	7.5	7.5	0.0	7.5	7.5
FEDERAL	28.8	27.9	28.9	0.0	28.9	28.9	28.9	0.0	28.9	28.9
TOTAL POSITIONS	36.3	35.4	36.4	0.0	36.4	36.4	36.4	0.0	36.4	36.4

1990-91 Biennial Budget

ACTIVITY: 1201-12 SPECIAL PROGRAMS
 Program : 1201 EDUCATIONAL SERVICES
 Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

State staff provide inservice, consultation and program assistance, develop and negotiate state plans, recommend policy, monitor, approve applications, and pay state and federal aids.

Chapter 1 services are provided to disadvantaged children; limited English proficiency services are provided to students whose first language is other than English; and migrant education services are provided to children of migrant agricultural workers during their residence in Minnesota.

Chapter 1 is a federal program funded under the Education Consolidation and Improvement Act, which provides supplemental assistance in basic skills such as reading and math. Limited English Proficient (LEP) is funded through state aids and federal monies for refugees and provides services to students whose first language is other than English. Migrant Education is federally funded under the Education Consolidation and Improvement Act (Chapter 1) to provide education services to children of migrant agricultural workers during their residence in Minnesota.

STATISTICS:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Chapter 1:				
Students served:				
K-12 Public Schools	56,330	56,890	57,450	58,010
K-12 Nonpublic Schools	2,843	2,900	3,045	3,197
Districts participating	432	432	432	432
Workshops conducted	32	32	35	35
School districts monitored	25	30	35	40
Limited English Proficient:				
Students served	9,447	9,730	10,013	10,296
District applications processed:				
State LEP	95	95	95	95
Federal Refugee	60	60	60	60
Inservice for district personnel	350	300	300	300
District requests for technical assistance	85	80	80	80
Migrant Education:				
Students served	2,758	2,841	2,924	3,007
Inservice hours provided	100	100	100	100
Local grant applications processed:				
Summer	2,507	2,582	2,657	2,732
School year	251	259	267	275
Summer secondary evening:				
Programs	9	10	10	10
Students served	214	220	226	232

EFFECTIVENESS MEASURES:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Chapter 1:				
Eligible students receiving services	55%	57%	59%	60%
Students making significant academic gain:				
Reading	85%	85%	85%	85%
Math	80%	80%	80%	80%
Limited English Proficient (LEP):				
Eligible students receiving services	88%	88%	88%	88%
Teachers receiving training from the agency	100%	100%	100%	100%
Migrant Education:				
Eligible students receiving services	60%	62%	64%	66%
Students enrolled in summer program with gains of at least:				
1 or more books in Reading	85%	86%	87%	87%
2 or more months in Math	44%	45%	46%	46%
3 objectives in Oral Language	64%	65%	66%	66%

TRENDS:

Recent reauthorization of Chapter 1 has placed increased emphasis on program improvement and implementing instructional effectiveness characteristics.

REVENUE:

None

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUCATIONAL SERVICES
BUDGET ACTIVITY : SPECIAL PROGRAMS

EXPENDITURES:	FY 1988	FY 1989	F.Y. 1990				F.Y. 1991			
			AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	551	592	592	0	592	592	592	0	592	592
EXPENSES/CONTRACTUAL SRVCS	67	84	84	0	84	84	84	0	84	84
MISC OPERATING EXPENSES	53	65	65	0	65	65	65	0	65	65
SUPPLIES/MATERIALS/PARTS	4	8	8	0	8	8	8	0	8	8
CAPITAL EQUIPMENT	1	12	7	0	7	7	7	0	7	7
TOTAL EXPENDITURES	676	761	756	0	756	756	756	0	756	756
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL	70	77	77	0	77	77	77	0	77	77
STATUTORY APPROPRIATIONS:										
FEDERAL	606	684	679	0	679	679	679	0	679	679
TOTAL FINANCING	676	761	756	0	756	756	756	0	756	756
POSITIONS BY FUND:										
GENERAL	1.0	0.8	0.8	0.0	0.8	0.8	0.8	0.0	0.8	0.8
FEDERAL	14.1	15.3	15.3	0.0	15.3	15.3	15.3	0.0	15.3	15.3
TOTAL POSITIONS	15.1	16.1	16.1	0.0	16.1	16.1	16.1	0.0	16.1	16.1

CHANGE REQUEST _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1201-09 CURRICULUM SERVICES
Program: 1201 EDUCATIONAL SERVICES
Agency: EDUCATION, DEPARTMENT OF

REQUEST TITLE: PUBLIC HEALTH FUND TRANSFER TO GENERAL FUND

Agency Request	F.Y. 1990		F.Y. 1991	
	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 63	1	\$ 63	1

Governor's Recommendation

General Fund	\$ 63	1	\$ 63	1
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Request requires statutory change: _____ Yes x No
Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The Governor recommends the consolidation of the public health fund with the general fund. As a result of this recommendation, \$63 and 1 position each year is transferred to the general fund for tobacco use prevention.

DESCRIPTION/BACKGROUND:

The public health fund was created by the legislature in 1985 with revenues from a portion of the cigarette tax. At that time programs in the Departments of Health, Education, and the Pollution Control Agency were funded from the public health fund. In the 1988 legislative session, an increase to the cigarette tax generated additional revenue to the public health fund to support the newly created Children's Health Program.

RATIONALE:

In a special report published by the Department of Finance in October of 1988, it is recommended that a number of special funds be consolidated into the general fund. The reasons given for consolidation include a concern over the complexity and confusion created by a growing number of special funds and a concern over the stability of particular funding sources that are used to finance ongoing agency programs. At this time there is no immediate threat

to the stability of cigarette tax revenues to the public health fund, but a review of program expenditures coupled with declining cigarette tax estimates make the future very difficult to predict.

BASE:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund Expenditures	\$ -0-	\$ -0-	\$ -0-	\$ -0-

LONG RANGE IMPLICATIONS:

	F.Y. 1992	F.Y. 1993	Total
General Fund Expenditures	\$ 63	\$ 63	\$ 126

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request.

1990-91 Biennial Budget

PROGRAM: 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
Agency : EDUCATION, DEPARTMENT OF

PROGRAM PURPOSE:

This program provides leadership, assistance, and support services in financial management, operational management, compliance, policy development, state education aids, information management and government relations to the Minnesota Department of Education (MDE) staff, to public school districts, and to public libraries. The program also provides for general supervision over public schools, teacher licensing and placement, maintaining communications with clientele, decision makers and the public, and administering financial, office support, and personnel services for the department. Assistance is also provided in overseeing child nutrition programs, promoting academic excellence, administration of the education options program, the development of organizational alternatives, financial management, and facilities planning.

OPERATIONS AND PRIORITIES:

This program consists of activities in the Division of Management Effectiveness, the MDE Executive Management component, and also includes the State Board of Education, the Academic Excellence Foundation, and the Board of Teaching. This program includes the following operations: 1) development of State Board of Education policy and rules, policy recommendations, proposed legislation, and coordination of governmental relations; 2) leadership, service and monitoring of public schools and libraries in the implementation of state and federal laws and rules and reporting requirements; 3) administration of financial, office support and automation, personnel transactions, and data processing services within MDE; 4) establishment and maintenance of standards for teachers and the management of the teacher licensure process; 5) compilation, interpretation, and dissemination of education statistics and data, publication of public information on education, and promotion of academic excellence; 6) payment of education aids; 7) provision of service and assistance to school districts in fiscal management, organizational alternatives, child nutrition programs, transportation, and facilities.

This program includes activities which will be implementing major MDE priorities including implementation of the Integrated Data Base, providing information and increasing access for students and parents to the various educational options, extension of the MDE office automation system, installation of automated circulation control at the Minnesota Library for the Blind and Physically Handicapped, improvement of knowledge and skills of library personnel, and increasing accountability and effectiveness through the improvement of data preparation, increasing word processing capacity, maintaining the on-line catalog system for state libraries, and the initiation of an internal audit function in MDE. These priorities will promote improved accountability, greater efficiency, and enhanced MDE capacity for service to school districts.

EXPLANATION OF BUDGET REQUEST:

This budget request will fund the MDE programs for education finance, education data, management assistance and services, monitoring, libraries,

internal administrative support services, MDE executive management, the State Board of Education, the Academic Excellence Foundation, and the Board of Teaching.

Seventeen CHANGE increase items are requested for this program.

An increase of \$204 and 3 complement is requested in each F.Y. 1990 and F.Y. 1991 for coordination of the education options program; \$1,405 and 3 complement in F.Y. 1990 and \$1,308 and 4 complement in F.Y. 1991 are requested for the implementation of the Integrated Data Base; an increase of \$15 in each F.Y. 1990 and F.Y. 1991 is requested for the meeting costs of the Elementary Secondary Vocational (ESV) Computer Council; \$71 and 2 complement in each year of the biennium are requested to increase staff for enrollment projections; an increase of \$45 in F.Y. 1990 and \$35 in F.Y. 1991 is requested for replacement of computer equipment and to support the increased cost of microfilming for teacher licensure processing; an increase of 1 complement and \$34 in F.Y. 1990 and 1 complement and \$30 in F.Y. 1991 is requested for additional word processing capacity; an increase of \$14 in each year of the biennium is requested to establish an internal audit function in MDE; an increase of \$300 in F.Y. 1990 with carryover provision for F.Y. 1991 is requested to develop an evaluation instrument for school administrators licensure; an increase of 1 complement and \$31 in each F.Y. 1990 and F.Y. 1991 is requested to increase staff support for the Academic Excellence Foundation; and 1 complement and \$66 in each year of the biennium are requested for clerical staff and the increased meeting costs of the State Board of Education. A CHANGE increase to expand the service quality and capacity of libraries includes: an increase of \$222 in F.Y. 1990 and \$21 in F.Y. 1991 to automate the Library for the Blind and Physically Handicapped; an increase of \$85 in each year of the biennium to develop training for library paraprofessional staff statewide; a change increase of \$20 in each F.Y. 1990 and F.Y. 1991 to add to the materials collection of the reference lending library of the Library Development activity; and an increase of \$43 in each F.Y. 1990 and F.Y. 1991 to support existing complement and the cost of the on-line catalog system for 12 state agency libraries including MDE. The following three CHANGE request items are addressed at the agency level: an increase of \$644 and 15.9 complement F.Y. 1990 and \$656 and 15.9 complement in F.Y. 1991 to transfer specified programs from federal Block Grant funds to state support; \$787 in F.Y. 1990 and \$868 in F.Y. 1991 to expand MDE office automation; and an increase of \$59 in each F.Y. 1990 and F.Y. 1991 for the rental cost of additional space needed.

GOVERNOR'S RECOMMENDATION:

For the biennium, the Governor recommends:

1. Education Options Program (2 positions)	\$ 200
2. Integrated Data Base Implementation (4 positions)	1,335
3. Automated Library System	243
4. State Government Library Catalog	86
5. Internal Audit	28
Total	\$1,892

1990-91 BIENNIAL BUDGET
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUC ADMIN & FINANCE

		F.Y. 1990					F.Y. 1991			
		AGENCY REQUEST			GOVERNOR'S RECOMM.		AGENCY REQUEST			GOVERNOR'S RECOMM.
ACTIVITY EXPENDITURES:		FY 1988	FY 1989	BASE	CHANGE	TOTAL	BASE	CHANGE	TOTAL	
EDUC FINANCE/ANALYSIS		1,035	1,083	1,130	71	1,201	1,130	71	1,201	1,130
B ENROLLMENT PROJECTIONS STAFF	GEN				71			71		0
DIST FINANCE & TRANSP		511	585	560	204	764	560	204	764	660
B EDUCATION OPTIONS PROGRAM	GEN				204			204		100
EDUC DATA SYSTEMS		1,183	1,385	1,144	1,573	2,717	1,144	1,479	2,623	1,884
A TRANSFER OF FEDERAL BLOCK GRANT	GEN				153			156		156
B INTEGRATED DATA BASE IMPLEMENTATION	GEN				1,405			1,308		584
B ESV COMPUTER COUNCIL SUPPORT	GEN				15			15		0
CHILD NUTRITION		1,320	1,547	1,552	0	1,552	1,552	0	1,552	1,552
LIBRARY DEVELOPMENT SRV		1,055	1,107	1,158	370	1,528	1,158	169	1,327	1,222
B STATE GOVT LIBR ONLINE CATALOG SYSTEM	GEN				43			43		43
B AUTOMATED LIBR SYST BLIND/PHYSICAL HDCP	GEN				222			21		21
B LIBR PARAPROFESSIONAL TRNG PROG STEPS	GEN				85			85		0
B MATERIALS FOR LIBR DEV & SERVICES LIBR	GEN				20			20		0
MONITORING		538	705	715	0	715	715	0	715	715
PERS LICENSING & PLACE		713	746	763	345	1,108	763	35	798	763
B LICENSING PROGRAM OPERATING BUDGET INCR	GEN				45			35		0
B ADMINISTRATIVE LICENSURE EVALUATION	GEN				300			0		0
BOARD OF TEACHING		211	214	216	0	216	216	0	216	216
EXECUTIVE MANAGEMENT		1,064	1,097	1,108	14	1,122	1,108	14	1,122	1,122
B INTERNAL AUDIT	GEN				14			14		14
ADMIN SUPPORT SERVICES		3,542	3,984	3,862	1,034	4,896	3,862	1,113	4,975	4,018

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUC ADMIN & FINANCE

		F.Y. 1990					F.Y. 1991				
		AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.		
ACTIVITY EXPENDITURES:		FY 1988	FY 1989	BASE		CHANGE	TOTAL	BASE	CHANGE	TOTAL	
A RENT ADDITIONAL CAPITOL SQUARE SPACE	GEN					59	0		59		0
A OFFICE AUTOMATION	GEN					787	0		868		0
A TRANSFER OF FEDERAL BLOCK GRANT	GEN					154	154		156		156
B WORD PROCESSING CENTER ADDED STAFF	GEN					34	0		30		0
ACADEMIC EXCELLENCE FND		76	72	74		31	105	74	31	105	74
B IMPLEMENTATION MN ACADEMIC EXCELLENCE FD GEN						31	0		31		0
STATE BOARD OF EDUC		99	102	102		66	168	102	66	168	102
B STATE BOARD STAFF & OPERATING COSTS	GEN					66	0		66		0
TOTAL EXPENDITURES		11,347	12,627	12,384		3,708	16,092	12,384	3,182	15,566	13,458
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL		7,357	8,003	8,196		3,708	11,904	8,196	3,182	11,378	9,270
STATUTORY APPROPRIATIONS:											
GENERAL		200	175	120		0	120	120	0	120	120
SPECIAL REVENUE		0	1,211	1,211		0	1,211	1,211	0	1,211	1,211
FEDERAL		3,076	2,449	2,068		0	2,068	2,068	0	2,068	2,068
AGENCY		702	785	785		0	785	785	0	785	785
GIFTS AND DEPOSITS		12	4	4		0	4	4	0	4	4
TOTAL FINANCING		11,347	12,627	12,384		3,708	16,092	12,384	3,182	15,566	13,458
POSITIONS BY FUND:											
GENERAL		136.2	143.2	143.0		21.5	164.5	157.5	143.0	22.5	165.5
SPECIAL REVENUE		0.0	16.4	17.6		0.0	17.6	17.6	0.0	17.6	17.6
FEDERAL		70.0	50.4	38.3		0.0	38.3	38.3	0.0	38.3	38.3
TOTAL POSITIONS		206.2	210.0	198.9		21.5	220.4	213.4	198.9	22.5	221.4

1990-91 Biennial Budget

ACTIVITY: 1202-01 EDUCATION FINANCE AND ANALYSIS
 Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
 Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

The Education Finance and Analysis activity has the following purposes:

1. To provide central administration of the system which finances the state's school districts. This includes direct service and coordination.
2. To conduct research and analysis of school district funding needs and of alternative funding approaches. This includes preparation of special reports and general statistical data for use by administrators and lawmakers. The activity develops legislative proposals for inclusion in the Governor's budget.
3. To collect a wide array of data for reporting to the state and federal governments in the areas of enrollment, civil rights compliance, district organization, personnel, and other aspects of district operation. Data is also collected for administration of state categorical and general education revenue programs.
4. To assemble the Governor's Elementary/Secondary Education budget, by working with agency management and program sections to create descriptions of activities and analysis of past, current, and projected fiscal activity. Includes creation of summary documentation on funding and general characteristics of school districts.
5. To represent the department on fiscal matters before legislative committees, and to provide analysis as requested. To prepare fiscal notes as requested by legislators.
6. To conduct management assistance projects for districts needing organizational, fiscal, facilities, management alternatives, and other advice.
7. To administer the metered aid payment system, including determination of aid entitlements, property tax shift amounts and other adjustments, and payments to districts according to cash flow need.
8. To conduct the property tax levy limitation and certification process, including data collection, determination of limits for various finance programs, adjustments for previous year estimate variances, oversight on certification amounts, and the receiving and compiling of data from tax reports.
9. To prepare and issue informative materials regarding district characteristics, methods of financing school districts, and general statewide information on the operation and effectiveness of the public and nonpublic school systems.
10. To administer various financing programs which provide state aid for districts, such as General Education Revenue, Transportation Program, and Nonpublic Pupil Aids.

STATISTICS:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Aid payments (000's)	1,879	1,901	2,000	2,000
Levy limits certified (000's)	1,571	1,638	1,800	1,800
Levy programs administered	49	39	49	49
Aid programs administered	116	130	125	125
Reports published	12	12	12	12
Management assistance studies	30	30	30	30
District consultations	30,000	30,000	30,000	30,000
Fiscal studies conducted	5	5	5	5
Fiscal notes prepared	30	35	30	35
Forms processed	24,000	24,000	24,000	24,000
Listings published	30	30	30	30
Federal reports	10	10	12	12

EFFECTIVENESS MEASURES:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Legislative auditor exceptions	1	-0-	-0-	-0-

REVENUE:

None

CHANGE REQUEST:

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>Total</u>
Staff and funds for enrollment projections	\$ 71	\$ 71	Activity Specific
See CHANGE request sheet following the fiscal page for this activity.			

1990-91 BIENNIAL BUDGET
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUC ADMIN & FINANCE
BUDGET ACTIVITY : EDUC FINANCE/ANALYSIS

EXPENDITURES:	F.Y. 1990						F.Y. 1991			
	FY 1988	FY 1989	AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	724	848	867	71	938	867	867	71	938	867
EXPENSES/CONTRACTUAL SRVCS	231	200	230	0	230	230	230	0	230	230
MISC OPERATING EXPENSES	17	16	16	0	16	16	16	0	16	16
SUPPLIES/MATERIALS/PARTS	12	4	3	0	3	3	3	0	3	3
CAPITAL EQUIPMENT	51	15	14	0	14	14	14	0	14	14
TOTAL EXPENDITURES	1,035	1,083	1,130	71	1,201	1,130	1,130	71	1,201	1,130
CHANGE REQUESTS:										
B ENROLLMENT PROJECTIONS STAFF				71		0		71		0
TOTAL CHANGE REQUESTS				71		0		71		0
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL	943	1,067	1,130	71	1,201	1,130	1,130	71	1,201	1,130
STATUTORY APPROPRIATIONS:										
FEDERAL	92	16	0	0	0	0	0	0	0	0
TOTAL FINANCING	1,035	1,083	1,130	71	1,201	1,130	1,130	71	1,201	1,130
POSITIONS BY FUND:										
GENERAL	19.0	21.0	21.0	2.0	23.0	21.0	21.0	2.0	23.0	21.0
FEDERAL	2.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL POSITIONS	21.0	21.0	21.0	2.0	23.0	21.0	21.0	2.0	23.0	21.0

CHANGE REQUEST
 _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1202-01 EDUCATION FINANCE AND ANALYSIS
 Program : 1202 EDUCATION ADMINISTRATION AND FINANCE
 Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: ENROLLMENT PROJECTIONS STAFF

	F.Y. 1990		F.Y. 1991	
Agency Request	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 71	2	\$ 71	2
Governor's Recommendation				
General Fund	\$ -0-	-0-	\$ -0-	-0-

Request requires statutory change: _____ Yes X No
 Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

Two complement and funds are requested for a demographer and clerical support to complete district by district, regional and statewide elementary and secondary enrollment projections in order to more accurately determine the amounts needed for general education revenue and to forecast appropriations needed for the biennial budget. The clerk typist position is requested to assist the demographer and the section with the heavy data collection tasks. In addition, the clerk will assist with the metered aid payment process. These activities have been impeded due to lack of support personnel.

DESCRIPTION/BACKGROUND:

In F.Y. 1987 and in F.Y. 1988 some difficulties were encountered in forecasting public elementary and secondary enrollments in Minnesota's schools. An unexpected crossover from nonpublic schools and an apparent increase in immigration from other states and foreign countries were not anticipated. The persons responsible for the enrollment projections were research analysts with little background in the field of demography. In order to attain highly accurate enrollment projections, a person who is trained in demography, statistics, environmental scanning, research and school enrollment projections is needed.

The production of accurate enrollment projections involves frequent communication with Minnesota school districts; communities; city, county and regional governments; other state agencies; and university or college researchers; this communication requires a high volume of clerical assistance. A clerk typist position is needed to assist the demographer and to assist the existing programs with increased responsibilities relative to

enrollment reporting, optional enrollment information systems, management assistance projects, education districts, compulsory attendance mandates, and the school census. Other responsibilities would include the maintenance of a finance data base, making entries for aid payments, and the production of bi-monthly district reports.

RATIONALE:

It is necessary to determine education budget requests with as much accuracy as possible. The addition of a few thousand students can result in many millions of dollars of additional expenditures. Since appropriations for education aids are determined from one to three years in advance of disbursement, it is important to project enrollments with the greatest accuracy possible. The addition of a staff person trained in demography with background or experience in education finance, census, data collection, research and other appropriate areas could minimize the possibility of inaccuracies and the subsequent need to revise requests for appropriations.

Thoroughly researched enrollment projections would involve frequent communications with school districts, the development of early reporting procedures, follow-up and technical assistance. These activities, plus the section's expanded role in such areas as management assistance, compulsory education, and nonpublic reporting necessitate additional clerical support. For these reasons, additional clerical assistance is essential to the proper implementation of thorough enrollment projection procedures.

The state of Minnesota and its public school districts would be well served with the addition of a demographer to MDE staff. A carefully developed data base would be available for decisions at both the state and local levels. The services of the demographer (\$47) and clerical staff (\$24) will provide a valuable increase in the level of information accuracy and accountability.

<u>BASE:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund Expenditures	-0-	-0-	-0-	-0-

<u>LONG RANGE IMPLICATIONS:</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	\$ 71	\$ 71	\$ 142

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

1990-91 Biennial Budget

ACTIVITY: 1202-02 DISTRICT FINANCIAL MANAGEMENT AND TRANSPORTATION
 Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
 AGENCY : EDUCATION, DEPARTMENT OF

PURPOSE:

District Financial Management and Transportation assists school administrators in cash management and other financial management practices in order to: maintain financial budgeting, accounting, reporting and auditing standards; provide clients with useful, accurate, and timely fiscal management information; identify and monitor school districts that are in poor financial health. The activity also provides leadership in assuring pupil transportation safety and assists school districts in developing and maintaining safe, economical and educationally sound school facilities through programs such as risk management initiatives.

A major new responsibility of the activity is to provide students and districts with information about a variety of education options such as: K-12 Enrollment Options in which students may attend schools in a nonresident district; High School Graduation Incentives, which allows at-risk students to complete high school; Adult Graduation Legislation, that allows people over 21 to complete a high school diploma; and Postsecondary Enrollment Options, which permits 11th and 12th grade students to attend postsecondary institutions. In addition to mailings and presentations, the activity has recently installed "hot line" telephone numbers, including a toll-free "800" number, to provide immediate assistance.

STATISTICS:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Districts assisted in reviewing proposed facility changes	250	300	300	300
Review and comment on proposed facility requests	40	50	50	50
School buildings inspected for asbestos	200	1,800	-0-	2,100
Districts with approved health and safety expenditures	250	300	300	300
Districts participating in K-12 Enrollment Options Program	95	153	241	435
Students participating in K-12 Enrollment Options Program	137	435	1,000	1,500
Pupils transported	855,000	863,550	872,185	880,900
School buses in use	10,500	10,600	10,700	10,800
Transportation aid reports processed	1,500	1,500	1,500	1,500

EFFECTIVENESS MEASURES:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Districts with audit findings	128	120	110	100
School districts exceeding operating debt limit	19	18	17	16

EFFECTIVENESS MEASURES:(Contd.) F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

School buses meeting safety inspections	60%	61%	62%	63%
School buildings improved	50%	70%	75%	75%

REVENUE:

None

CHANGE REQUEST:

	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>Type</u>
Staff and funds to support Education Options Program	\$ 204	\$ 204	Activity Specific

See CHANGE request sheet following the fiscal page for this activity.

1990-91 BIENNIAL BUDGET
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUC ADMIN & FINANCE
BUDGET ACTIVITY : DIST FINANCE & TRANSP

F.Y. 1990							F.Y. 1991			
-----							-----			
AGENCY REQUEST							AGENCY REQUEST			
-----							-----			
EXPENDITURES:	FY 1988	FY 1989	BASE	CHANGE	TOTAL	GOVERNOR'S RECOMM.	BASE	CHANGE	TOTAL	GOVERNOR'S RECOMM.

DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	381	481	462	104	566	535	462	104	566	535
EXPENSES/CONTRACTUAL SRVCS	84	81	77	89	166	101	77	89	166	101
MISC OPERATING EXPENSES	18	20	18	8	26	21	18	8	26	21
SUPPLIES/MATERIALS/PARTS	6	2	2	0	2	2	2	0	2	2
CAPITAL EQUIPMENT	22	1	1	3	4	1	1	3	4	1
REDISTRIBUTIONS	0	0	0	0	0	0	0	0	0	0

TOTAL EXPENDITURES	511	585	560	204	764	660	560	204	764	660

CHANGE REQUESTS:	FUND									

B EDUCATION OPTIONS PROGRAM	GEN		204				100			

TOTAL CHANGE REQUESTS			204				100			

SOURCES OF FINANCING:										

DIRECT APPROPRIATIONS:										
GENERAL	502	545	555	204	759	655	555	204	759	655

STATUTORY APPROPRIATIONS:										
GENERAL	0	5	5	0	5	5	5	0	5	5
FEDERAL	9	35	0	0	0	0	0	0	0	0

TOTAL FINANCING	511	585	560	204	764	660	560	204	764	660

POSITIONS BY FUND:										

GENERAL	10.5	10.5	10.5	3.0	13.5	12.5	10.5	3.0	13.5	12.5
FEDERAL	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

TOTAL POSITIONS	10.5	11.5	10.5	3.0	13.5	12.5	10.5	3.0	13.5	12.5

CHANGE REQUEST 1990-91 Biennial Budget
 _____ Agency _____ Program X Activity

ACTIVITY: 1202-02 DISTRICT FINANCIAL MANAGEMENT AND TRANSPORTATION
 Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
 Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: EDUCATION OPTIONS PROGRAM

	F.Y. 1990		F.Y. 1991	
Agency Request	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 204	3	\$ 204	3
Governor's Recommendation				
General Fund	\$ 100	2	\$ 100	2

Request requires statutory change: _____ Yes X No
 Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests these complement and funds to support one professional and one clerical staff and one existing complement assigned to this program and funding for dissemination of information, evaluation and training for parents and school personnel. This request will implement activities related to the coordination and dissemination of information on the variety of educational options so that students, parents/guardians, schools, and communities have full information and assistance to participate in the various options available.

DESCRIPTION/BACKGROUND:

In the last several years, various programs have been legislated to provide students with options in their public education. The education options include: K-12 enrollment options which permit students to apply to attend schools in a nonresident district; high school graduation incentives which provide incentives for at-risk students to complete their high school education; new legislation that allows adults 21 years and over to return to complete their high school credits; and postsecondary enrollment options which permit high school students in grades 11 and 12 to attend postsecondary institutions.

Currently, the Minnesota Department of Education has employed a specialist in an unclassified position to work with the development of information for

consumers, providers, and the general public and to coordinate the dissemination of information on education options. The position has been funded by temporary sources and savings that are not available on an ongoing basis. Secretarial support has been provided for this position by adding responsibilities wherever possible to current clerical staff duties. This request would provide additional complement and funds to ensure one additional specialist position, adequate clerical support and stable funding for the current position. This request will provide \$23 for clerical staff and \$81 for the two specialist positions. In addition, the \$100 for program development would include approximately \$30 for dissemination and consumer information; \$6 evaluation; \$10 training for parents, school personnel and other consumers, and \$30 for the development of a computer data base and student follow-up system. The balance of \$24 will support operating costs of this program.

RATIONALE:

To coordinate the many programs relating to education options in Minnesota schools, staff and support funds are requested to develop and expand education option opportunities for students; to prepare and communicate material for students and parents alerting them to education alternatives; and to coordinate the gathering of important data to monitor the effectiveness of the programs. These activities will make students and parents more knowledgeable and better decision-makers about the options available to them.

This request will establish stable funding and sufficient staff to provide current and accurate information to potential consumers and information and training for persons assisting the consumers in order for the education options program to be utilized effectively with high level participation. Without appropriate funding these necessary activities will be extremely limited.

BASE:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund Expenditures	-0-	-0-	-0-	-0-

LONG RANGE IMPLICATIONS:	F.Y. 1992	F.Y. 1993	Total
General Fund Expenditures	\$ 204	\$ 204	\$ 408

GOVERNOR'S RECOMMENDATION:

After review of this activity, the Governor recommends an alternative funding level of \$100 and one professional and one support staff position each year for coordinating and disseminating information about Education Options programs.

An appropriation of \$100 is also included in Budget Activity 0704 for an evaluation of Education Options programs.

1990-91 Biennial Budget

ACTIVITY: 1202-03 EDUCATION DATA SYSTEMS
Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

The purpose of Education Data Systems (EDS) is to ensure accurate, timely, and comparable management information as required by local school boards, the Minnesota Department of Education (MDE), the State Board of Education, the executive and legislative branches of Minnesota government, and the federal government.

EDS provides computer services to the Department of Education through maintenance and enhancement of 43 application and support systems, and the operation of a mainframe computer with on-line access through 71 terminals and one printer that pay school aids, calculate levies, complete numerous state and federal reports, process teacher licenses, and respond to information requests pertaining to Minnesota's school districts, their financial condition, learners, and teachers. Through analysis of existing or proposed data collection activities, the management of department data results in reduced school district reporting and more accurate, timely, and comparable information.

EDS coordinates maintenance and enhancement of the Elementary, Secondary, and Vocational Information Systems (ESV-IS), for finance, personnel/payroll, student services, and administrative microcomputer options for school district use and reporting. In conjunction with the ESV Computer Council, the activity prepares a biennial review/revision of the council's long range plan in order to aid school districts with their internal and external data reporting requirements. School district compliance with mandated reporting is accomplished through one of seven ESV Regions with which districts are affiliated.

During the 1988-89 biennium EDS has continued to research and pilot the Integrated Data Base (IDB) (M.S. 121.932, Subd. 5). The IDB is an expanded capability to "link" comparable level student data to existing staff and financial data at the district and state level. The intent of this link is to provide quantitative and qualitative information reflecting the operation of the state's educational system. In F.Y. 1988, the IDB was tested in five school districts with a successful "linkage" of staff, student, curriculum, and cost data at the classroom, school, district, and state levels. The formal list of required IDB data was published in August 1988 and regional training was begun.

STATISTICS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

Data processing services requests received and completed:

Develop/enhance	51	60	80	100
Revise/modify	91	95	100	110
Production	63	70	75	80
Other (labels)	1,001	1,000	1,000	1,000

STATISTICS: (Contd.)

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Growth in use of computer equipment as shown by:				
Jobs run	464,298	510,727	561,800	617,980
Terminal expansions	71	100	120	125
Remote printers installed (High speed impact)	1	2	2	2
Remote printers attached to microcomputers with mainframe access	17	20	25	30

EFFECTIVENESS MEASURES:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Elements in data base element dictionary (DBED)	4,800	5,250	5,334	5,467
New forms developed	36	30	30	25
Forms eliminated	15	32	30	53
Forms in annual data acquisition calendar	174	172	172	144
Percent of MDE data coordinated and given standard definitions	100%	100%	100%	100%
Number of ESV Regions with access to IDB data	-0-	-0-	7	7

REVENUE:

None

CHANGE REQUEST:

	F.Y. 1990	F.Y. 1991	Type
Transfer ineligible block grant functions to state appropriations	\$ 153	\$ 156	Agency-Wide
See CHANGE request sheet following the Agency fiscal summary page.			
Staff and funds to support integrated data base	\$ 1,405	\$ 1,308	Activity Specific
Funds to support ESV computer council	\$ 15	\$ 15	Activity Specific

See CHANGE request sheets following the fiscal page for this activity.

1990-91 BIENNIAL BUDGET
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUC ADMIN & FINANCE
BUDGET ACTIVITY : EDUC DATA SYSTEMS

EXPENDITURES:	F.Y. 1990						F.Y. 1991			
	FY 1988	FY 1989	AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	752	844	683	249	932	929	683	280	963	960
EXPENSES/CONTRACTUAL SRVCS	391	440	385	1,324	1,709	1,043	385	1,199	1,584	848
MISC OPERATING EXPENSES	14	16	16	0	16	16	16	0	16	16
SUPPLIES/MATERIALS/PARTS	13	20	20	0	20	20	20	0	20	20
CAPITAL EQUIPMENT	13	65	40	0	40	40	40	0	40	40
TOTAL EXPENDITURES	1,183	1,385	1,144	1,573	2,717	2,048	1,144	1,479	2,623	1,884
CHANGE REQUESTS:										
FUND										
A TRANSFER OF FEDERAL BLOCK GRANT				153		153		156		156
B INTEGRATED DATA BASE IMPLEMENTATION				1,405		751		1,308		584
B ESV COMPUTER COUNCIL SUPPORT				15		0		15		0
TOTAL CHANGE REQUESTS				1,573		904		1,479		740
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL	968	1,152	1,099	1,573	2,672	2,003	1,099	1,479	2,578	1,839
STATUTORY APPROPRIATIONS:										
GENERAL	43	45	45	0	45	45	45	0	45	45
FEDERAL	172	188	0	0	0	0	0	0	0	0
TOTAL FINANCING	1,183	1,385	1,144	1,573	2,717	2,048	1,144	1,479	2,623	1,884
POSITIONS BY FUND:										
GENERAL	12.0	13.0	13.0	9.0	22.0	22.0	13.0	10.0	23.0	23.0
FEDERAL	6.0	6.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL POSITIONS	18.0	19.0	13.0	9.0	22.0	22.0	13.0	10.0	23.0	23.0

CHANGE REQUEST _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1202-03 EDUCATION DATA SYSTEMS
 Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
 Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: INTEGRATED DATA BASE IMPLEMENTATION

	F.Y. 1990		F.Y. 1991	
	(000's) Amount	Positions	(000's) Amount	Positions
Agency Request				
General Fund	\$1,405	3	\$1,308	4
Governor's Recommendation				
General Fund	\$ 751	3	\$ 584	4

Request requires statutory change: _____ Yes X No
 Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE: The agency requests three (3) positions in F.Y. 1990 (\$93) and four (4) positions in F.Y. 1991 (\$121) plus the funding required for computer resources to implement and operate the Governor's directive and legislative requirement (M.S. 121.932) for an Integrated Data Base (IDB) that produces program information for K-12 education statewide, which is the single largest portion of the state budget. The computer resources required to implement the IDB were calculated on a three year lease. The annual cost of the lease, including hardware, software, technical support and maintenance is approximately \$1,187. If the computer is located at the Minnesota Department of Education (MDE), there is a one-time construction cost of \$125, which is included in the 1990 amount requested.

DESCRIPTION/BACKGROUND: The development of the Integrated Data Base is an essential step in achieving greater instructional program information, accountability, programmatic budgeting and analysis of current and projected organizational alternatives for education in the state. Tasks during the next biennium include installation of increased computer power, loading, editing and manipulating detailed records for 750,000 students, 50,000 teachers, curricular and extracurricular offerings, and Uniform Financial Accounting and Reporting Standards (UFARS) codes.

The requested new positions are also necessary to work with the seven Elementary Secondary Vocational (ESV) Regions and their 435 school district members in validation of data, loading the estimated 2,000,000,000 bytes of data, comparing, transferring and reporting data in addition to maintaining forty-three (43) computer applications with approximately 1,400 COBOL programs. These activities continue into the following year with additional tasks of development, expanded edits, and cross-references of data, and transfer of IDB data to current systems so that half of the statistical forms (approximately 50) required of every district can be eliminated. Three of the requested positions are for programmer staff who will take on support

functions for the current 43 application systems that pay aids, calculate levies, and license teachers. This will free more experienced staff for continued work with development, implementation, use, and distribution of the IDB. The fourth position is a management analyst who will work with the ESV Regions, districts with problems, and Minnesota Department of Education (MDE) staff who are requested to use IDB data and eliminate special purpose forms. The initial goal of the IDB is to eliminate 23 of 50 general purpose statistical forms required of all districts.

Once verified, collected data will be passed to current computer applications that calculate aids, license teachers and comply with numerous federal and state reporting requirements. Work will be done in expanding both the data base and client access to the IDB through report generators that Education Data Systems (EDSS) will build/buy/modify/enhance. Aggregations of the data useful to the general public and professional community will be designed around such factors as district size or student characteristics. This aggregated data will, after further study and experimentation, be downloaded to various media for distribution: use of paper, electronic tape, floppy disk and CD ROM.

Working with both executive and legislative staff, EDSS will also study software that clients to which IDB data is distributed might use on their own hardware. EDSS further anticipates an expanding client base who will not want direct access to the data but rather quick and efficient answers to specific questions. Some of these questions will be dealt with through use of existing report writers, some may require additional manipulation steps.

RATIONALE: EDSS annually responds to over 200 ad hoc requests that are increasingly programmatic as opposed to fiscal reporting, for which the ESV district-region-state UFARS system is structured. The IDB begins to respond to information requirements not possible without linking staff, student, curriculum and financial data. Creating this linkage requires entirely new collection procedures and computer systems that are not possible without additional resources. If funding is not available, M.S. 121.932, Subd. 5 cannot be implemented.

BASE:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund Expenditures	\$ 50	\$ 80	-0-	-0-

LONG RANGE IMPLICATIONS:	F.Y. 1992	F.Y. 1993	Total
General Fund Expenditures	\$ 1,308	\$ 1,308	\$2,616

GOVERNOR'S RECOMMENDATION:

In accordance with the agency's revised request, the Governor recommends \$751 in F.Y. 1990 and \$584 in F.Y. 1991. The Governor concurs with the agency's request for 3 positions in F.Y. 1990 and 4 positions in F.Y. 1991.

The Governor recommends these appropriations in recognition of the importance of comprehensive educational data for state and local decisionmaking.

CHANGE REQUEST _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1202-03 EDUCATION DATA SYSTEMS
Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: ESV COMPUTER COUNCIL SUPPORT

	F.Y. 1990		F.Y. 1991	
	(000's) Amount	Positions	(000's) Amount	Positions
Agency Request				
General Fund	\$ 15	-0-	\$ 15	-0-
Governor's Recommendation				
General Fund	\$ -0-	-0-	\$ -0-	-0-

Request requires statutory change: _____ Yes X No
Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests reinstatement of required support costs for the Elementary Secondary Vocational (ESV) Computer Council to meet on a monthly basis to implement its responsibilities.

DESCRIPTION/BACKGROUND:

Budget reductions in previous biennial budgets eliminated all staff and program costs for the ESV Computer Council (M.S. 121.934) while retaining all oversight functions as dictated in statute. This request is for \$15 to pay the travel and meeting expenses of the ESV Computer Council and to support meetings held in the various ESV Regional Computer Centers around the state. In the current biennium the council has had a minimum number of meetings, which were all held in St. Paul, to comply with the statutory requirement for council review and approval of regional plans and budgets and to meet the Integrated Data Base (IDB) report requirements. Reinstated funding will allow monthly meetings, one to be held in each of the seven ESV Regions for the purpose of general oversight and monitoring of IDB implementation.

RATIONALE:

The continuing shift of electronic data processing technology and related costs impacts the 435 districts complying with state required reporting

through one of seven ESV Regional Centers. The council has a critical role as broker or arbitrator among the various interests of districts, regions and the MDE, especially during the next 2-3 years of implementing the Integrated Data Base (IDB). The requested funding will support the travel and meeting costs of the council including the opportunity for the council to conduct fact finding meetings throughout greater Minnesota.

BASE:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund Expenditures	\$ 4	\$ 4	\$ 4	\$ 4

LONG RANGE IMPLICATIONS:	F.Y. 1992	F.Y. 1993	Total
General Fund Expenditures	\$ 15	\$ 15	\$ 30

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

1990-91 Biennial Budget

ACTIVITY: 1202-04 CHILD NUTRITION
 Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
 Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

The purpose of the activity is to improve and maintain the health and well-being of the state's children and to encourage the domestic consumption of nutritious agriculture commodities and other food by more than 940,000 children and adults in 11,300 public and private schools, summer camps, child care agencies and family day care homes, charitable institutions, and recreational sites. More than \$68,000,000 in federal reimbursement, \$4,625,000 in state aid reimbursement, and \$20,000,000 worth of U.S. Department of Agriculture (USDA) commodities are distributed annually by this activity to participants in the: 1) National School Lunch, 2) School Breakfast, 3) Special Milk, 4) Summer Food Service, 5) Child Care Food, 6) Food Distribution, and the 7) Minnesota Kindergarten Milk Programs.

The Child Nutrition activity interprets and disseminates various federal and state program regulations and instructions and develops and implements program policy and procedures. Food service consultants make on-site visits to monitor programs for compliance with regulations and to provide technical assistance to improve the overall effectiveness of Child Nutrition Programs.

This activity conducts management evaluations and training programs for administrators, directors, and food service workers, as appropriate, in order to improve the quality of the food service, program accountability, and the health and well-being of students. The activity, through its certification program and school food service curricula offered at Technical Institutes, strives to improve the quality of food served in schools.

The activity also administers the payment of state and federal funds to program participants for meals served and conducts federally required audits of National School Lunch, Child Care, and Food Distribution Program participants.

<u>STATISTICS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Attendees per year at administrative, finance, nutrition, and food service workshops	2,515	2,600	2,550	2,500
Program reviews per year	894	911	910	910
Commodity value issued per lunch	12.00¢	12.25¢	12.50¢	12.75¢
Audits performed/reviewed	100	112	112	112
Federal funds distributed (000's)	\$ 68,000	\$ 68,000	\$ 68,000	\$ 68,000
State school lunch funds distributed (000's)	\$ 4,625	\$ 4,625	\$ 4,625	\$ 4,625
Minnesota Kindergarten Milk Program (000's)	-0-	\$ 790	\$ 790	\$ 790

<u>EFFECTIVENESS MEASURES:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Participation in school lunch program	63%	63%	63%	63%
Meals served per day:				
Schools	448,082	450,000	450,000	450,000
Child care food program	147,384	150,000	150,000	150,000
Summer food service	12,422	12,500	12,500	12,500

TRENDS:

Program costs at the local school level continue to escalate due to comparable worth requirements, rising food costs, and additional costs being charged to food service. Schools have had to initiate a la carte programs and increase meal charges to students to defray the expenses of the school lunch program. The introduction of a la carte sales in many schools has lowered the level of nutritional intake of students.

REVENUE:

None

1990-91 BIENNIAL BUDGET
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUC ADMIN & FINANCE
BUDGET ACTIVITY : CHILD NUTRITION

EXPENDITURES:	FY 1988	FY 1989	F.Y. 1990				F.Y. 1991			
			AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	961	1,083	1,088	0	1,088	1,088	1,088	0	1,088	1,088
EXPENSES/CONTRACTUAL SRVCS	259	307	307	0	307	307	307	0	307	307
MISC OPERATING EXPENSES	88	138	138	0	138	138	138	0	138	138
SUPPLIES/MATERIALS/PARTS	9	9	9	0	9	9	9	0	9	9
CAPITAL EQUIPMENT	3	10	10	0	10	10	10	0	10	10
TOTAL EXPENDITURES	1,320	1,547	1,552	0	1,552	1,552	1,552	0	1,552	1,552
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL	203	190	195	0	195	195	195	0	195	195
STATUTORY APPROPRIATIONS:										
FEDERAL	1,117	1,357	1,357	0	1,357	1,357	1,357	0	1,357	1,357
TOTAL FINANCING	1,320	1,547	1,552	0	1,552	1,552	1,552	0	1,552	1,552
POSITIONS BY FUND:										
GENERAL	6.2	5.2	5.2	0.0	5.2	5.2	5.2	0.0	5.2	5.2
FEDERAL	26.3	26.4	26.4	0.0	26.4	26.4	26.4	0.0	26.4	26.4
TOTAL POSITIONS	32.5	31.6	31.6	0.0	31.6	31.6	31.6	0.0	31.6	31.6

1990-91 Biennial Budget

ACTIVITY: 1202-05 LIBRARY DEVELOPMENT AND SERVICES
Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

The Office of Library Development and Services (LDS) which includes the Minnesota Library for the Blind and Physically Handicapped (MLBPH) and the Interagency Resource and Information Center (IRIC) provides services and technical assistance to libraries and library clientele. LDS encourages the improvement of library and information services for all Minnesotans by long range planning, provision of information and technical assistance, administration of grant programs, and by development of cooperative programs of libraries. Other activities include issuing newsletters, lists of publications and library materials; conducting workshops for library personnel and trustees; and managing a library of print and audio-visual materials for use by librarians, trustees, public officials and others. The office also awards grants for; regional public library system services, library construction, loaning materials from Twin Cities libraries to users throughout the state, and operating cooperative programs among academic, public, school and special libraries. LDS also contracts with the State University Board to provide the Project for Automated Library Systems (PALS) on-line computer library catalog in 12 state agency libraries. This catalog facilitates resource sharing by linking the catalogs of state government, state university and community college libraries.

Blind and physically handicapped persons receive books in braille and talking books recorded on disks and cassettes from the (MLBPH). Materials are mailed postage-free to readers at their homes or in institutions such as hospitals, nursing homes and schools. Most materials are provided by the Library of Congress at no cost to the state. The library maintains a duplication program to prepare additional copies of talking books. The MLBPH provides its readers, including students and staff at the Minnesota State Academy for the Blind, the services that other citizens have available to them in public libraries, such as reference information, compiling bibliographies and assisting in selection of books.

The IRIC, which serves state agency staff, coordinates efficient, cost-effective utilization of information resources among Department of Education, State Board for Vocational Technical Education, Higher Education Coordinating Board, State University Board, Division of Vocational Rehabilitation, and Community College Board. Specifically, the IRIC provides: 1) computerized and manual reference, referral, and information retrieval services; 2) cost-effective, shared-use of personnel, fiscal resources, facilities, materials, equipment and contracts for vendor services; 3) access, usage and promotion of national electronic information delivery systems; 4) access to census data as a member of the State Census Data system.

STATISTICS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

Items loaned by Minnesota public libraries (calendar year) 32,748,131 33,908,101 35,000,000 36,000,000

STATISTICS: (Contd.)

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Public library interlibrary loan requests processed through Public Library Access Network (PLANET) and Minnesota Interlibrary Telecommunications Exchange (MINITEX)	64,337	65,500	66,500	67,500
Items loaned by MLBPH	276,626	278,600	280,600	282,600
Readers beginning MLBPH service	1,927	1,900	1,900	1,900
Estimated number of requests to IRIC for information	4,000	4,000	4,000	4,000
Total number of items processed by IRIC (catalogued, filed, circulated or otherwise handled)	16,000	16,000	16,000	16,000
Interlibrary loans provided to IRIC users	1,366	1,300	1,300	1,300

EFFECTIVENESS MEASURES:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Blind and physically handicapped readers served	9,940	10,300	10,600	10,900
State population with public library service	97.73%	98.02%	100.0%	100.0%
Counties participating in regional public library systems	76	77	87	87
Libraries participating in multi-type cooperation programs	718	725	735	745

REVENUE:

None

CHANGE REQUEST:

	F.Y. 1990	F.Y. 1991	Type
Funding for Library Paraprofessional Training program	\$ 85	\$ 85	Activity Specific
Funds for automated library system for the Minnesota Library for the Blind and Physically Handicapped	\$ 222	\$ 21	Activity Specific
Funds for library development and services materials	\$ 20	\$ 20	Activity Specific
Funds for State Government Libraries On-line Catalog System	\$ 43	\$ 43	Activity Specific

See CHANGE request sheets following the fiscal page for this activity.

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUC ADMIN & FINANCE
BUDGET ACTIVITY : LIBRARY DEVELOPMENT SRV

EXPENDITURES:	F.Y. 1990						F.Y. 1991			
	FY 1988	FY 1989	AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	828	888	910	30	940	940	910	20	930	930
EXPENSES/CONTRACTUAL SRVCS	126	124	124	165	289	216	124	117	241	168
MISC OPERATING EXPENSES	22	25	36	0	36	36	36	0	36	36
SUPPLIES/MATERIALS/PARTS	78	67	85	50	135	103	85	32	117	85
CAPITAL EQUIPMENT	1	3	3	125	128	128	3	0	3	3
TOTAL EXPENDITURES	1,055	1,107	1,158	370	1,528	1,423	1,158	169	1,327	1,222
CHANGE REQUESTS:										
FUND										
B STATE GOVT LIBR ONLINE CATALOG SYSTEM GEN				43		43		43		43
B AUTOMATED LIBR SYST BLIND/PHYSICAL HDOP GEN				222		222		21		21
B LIBR PARAPROFESSIONAL TRNG PROG STEPS GEN				85		0		85		0
B MATERIALS FOR LIBR DEV & SERVICES LIBR GEN				20		0		20		0
TOTAL CHANGE REQUESTS				370		265		169		64
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL	940	1,001	1,052	370	1,422	1,317	1,052	169	1,221	1,116
STATUTORY APPROPRIATIONS:										
GENERAL	28	16	16	0	16	16	16	0	16	16
SPECIAL REVENUE	0	70	70	0	70	70	70	0	70	70
FEDERAL	87	20	20	0	20	20	20	0	20	20
TOTAL FINANCING	1,055	1,107	1,158	370	1,528	1,423	1,158	169	1,327	1,222
POSITIONS BY FUND:										
GENERAL	25.5	26.0	26.0	0.0	26.0	26.0	26.0	0.0	26.0	26.0
SPECIAL REVENUE	0.0	1.0	1.0	0.0	1.0	1.0	1.0	0.0	1.0	1.0
FEDERAL	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUC ADMIN & FINANCE
BUDGET ACTIVITY : LIBRARY DEVELOPMENT SRV

POSITIONS BY FUND:	FY 1988	FY 1989	F.Y. 1990				GOVERNOR'S RECOMM.	F.Y. 1991				GOVERNOR'S RECOMM.		
			AGENCY REQUEST			TOTAL		AGENCY REQUEST			TOTAL			
			BASE	CHANGE	TOTAL			BASE	CHANGE	TOTAL				
TOTAL POSITIONS	26.0	27.0	27.0	0.0	27.0	27.0	27.0	27.0	0.0	27.0	27.0	27.0		

CHANGE REQUEST _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1202-05 LIBRARY DEVELOPMENT AND SERVICES
Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: LIBRARY PARAPROFESSIONAL TRAINING PROGRAM DEVELOPMENT:
STEPS (STUDYING TOGETHER ENHANCES PERFORMANCE & SERVICE)

Agency Request	F.Y. 1990		F.Y. 1991	
	(000's)		(000's)	
	<u>Amount</u>	<u>Positions</u>	<u>Amount</u>	<u>Positions</u>
General Fund	\$ 85	-0-	\$ 85	-0-
Governor's Recommendation				
General Fund	\$ -0-	-0-	\$ -0-	-0-

Request requires statutory change: _____ Yes X No
Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests these funds to develop a model curriculum and training program for those persons employed in libraries in Minnesota who have had little or no library education or training. The objective of this program development is to make available to paraprofessionals working in libraries a consistent, well designed training program enabling them to become the knowledgeable and skilled library workers needed to give effective library service to the people of Minnesota.

DESCRIPTION/BACKGROUND:

A 1986 needs assessment of library personnel services in Minnesota identified an increasing need for trained paraprofessional staff which was not being met. There are more than 1,500 paraprofessional staff in Minnesota public libraries, and in many instances they are responsible for operations and services in branch libraries and small city libraries.

A model curriculum and training program will be developed. The program will include the development of a curriculum for two major content areas in each year of the biennium complete with lesson outlines, readings and exercises; the production of video-cassettes and other materials to support "at distance" learning; and the presentation of model workshops for each of the four major content areas at six sites in the state. Each workshop will

provide a learning opportunity for 30 participants, so a total of 180 paraprofessionals will be served in each content area. Workshops also will provide potential future presenters and faculty an opportunity to observe the training program and provide a curriculum for their use in continuing the training program. Regional library systems will be able to use the curriculum for designing future training programs or to contract with educational institutions, or vendors for providing the needed education and training beyond the development period.

RATIONALE:

Library use and demand for information continues to increase in Minnesota. Provision of information is an essential component of economic vitality of communities throughout the state. To offer the effective and efficient library and information services needed within the state, well trained, competent library personnel are essential. The training provided through this request will enable library personnel to better understand and serve the diversity of the state's population and their changing needs, to provide information services to support education, communities, and businesses, and to anticipate and serve community wide and statewide initiatives.

The majority of persons working in libraries are non-professional support staff. These persons do not have a targeted, comprehensive education or training program available to them in Minnesota.

The STEPS (Studying Together Enhances Performance and Service) program cannot be developed without new funding. The state library agency which would direct the development of the program does not have such programming monies. Institutions of higher education in Minnesota which do offer library education programs are focused upon preservice education for professionals and courses are offered at the graduate and upper division level. These are designed primarily for school library media center professionals. These post-secondary programs do not have the resources to initiate a separate and new program at the undergraduate level which could serve paraprofessionals. The current budgeting levels of libraries in the state are inadequate for designing and providing the consistent training of paraprofessional staff.

<u>BASE:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund Expenditures	-0-	-0-	-0-	-0-

<u>LONG RANGE IMPLICATIONS:</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	-0-	-0-	-0-

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

CHANGE REQUEST _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1202-05 LIBRARY DEVELOPMENT AND SERVICES
Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: AUTOMATED LIBRARY SYSTEM FOR MINNESOTA LIBRARY FOR THE BLIND AND PHYSICALLY HANDICAPPED

Agency Request	F.Y. 1990		F.Y. 1991	
	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 222	-0-	\$ 21	-0-
Governor's Recommendation				
General Fund	\$ 222	-0-	\$ 21	-0-

Request requires statutory change: _____ Yes X No
Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests these funds to purchase, install and operate a computer system to support operation of the Minnesota Library for the Blind and Physically Handicapped and to support an advisory committee for the library. The objective is to improve library services to users.

DESCRIPTION/BACKGROUND:

Each year, the Minnesota Library for the Blind and Physically Handicapped (MLBPH) checks out to its users more than 180,000 books in braille and talking books on disks and cassettes, and maintains user records for more than 100,000 issues of magazines in these formats. Use of the library grows steadily and has increased 20% since 1980. Because of the special needs of the library's users and the formats of materials handled, library procedures are extremely labor intensive. In addition to the usual library procedures of maintaining records on which items are checked out to which users and names and addresses of users, the MLBPH must maintain lists of items requested by users and lists of items sent. It also must produce mailing labels to send items to users and overdue notices to remind users to return materials. All of these operations are now performed manually. According to the library of Congress consultant assigned to work with the MLBPH, our library is the largest such library in the country which is not automated. A study of operations at the MLBPH demonstrates that services could be substantially expanded and improved with a computer based automated system. Funding in the amount of \$218 is requested in F.Y. 1990 to install this

system, and \$17 is requested in F.Y. 1991 for operating costs. To assist library staff in developing plans and policies, it is proposed that the Commissioner of Education appoint a five member advisory committee, governed by provisions of M.S. 15.059. Funds in the amount of \$4 each year of the 1990-91 biennium are requested to support travel and meeting costs of this committee.

RATIONALE:

Installation of a computer system at the MLBPH will allow the existing level of staff to provide better and faster service to more users. The computer is able to perform many of the labor intensive tasks now performed manually, such as filing, production of mailing labels, automatic searching of user request lists and print out of the next items from the lists of items to be retrieved by staff and automatic checking of user requests lists to ensure that the user is not receiving again an item they already have had. The computer system also maintains the registration file of library users, allows speedy check-out and check-in of materials through laser scanning of barcode labels and produces statistical reports to support management analysis of collection use. The advisory committee would provide MLBPH staff with a regular and formal mechanism to receive feedback from library users. At quarterly meetings, the committee would advise staff on long range plans for the library, collection development, library services and library policies.

For the first year, the budget includes necessary equipment and installation supplies, computer software, and temporary staff to assist in inputting of files and the estimated costs for quarterly meetings of the advisory committee. In the second and succeeding years, the budget includes only operating costs for the system and costs for quarterly meetings of the advisory committee.

<u>BASE:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund Expenditures	-0-	-0-	-0-	-0-

<u>LONG RANGE IMPLICATIONS:</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	\$ 21	\$ 21	\$ 42

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request.

CHANGE REQUEST _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1202-05 LIBRARY DEVELOPMENT AND SERVICES
 Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
 Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: MATERIALS FOR LIBRARY COLLECTION

	F.Y. 1990		F.Y. 1991	
	(000's) Amount	Positions	(000's) Amount	Positions
Agency Request				
General Fund	\$ 20	-0-	\$ 20	-0-
Governor's Recommendation				
General Fund	\$ -0-	-0-	\$ -0-	-0-

Request requires statutory change: _____ Yes X No
 Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests these funds to expand the collection of the Minnesota Department of Education Library Development and Services (LDS) Library to meet user demands. The objective is to improve library services in Minnesota by making more information available in a more timely manner to the people who operate and govern library services in Minnesota.

DESCRIPTION/BACKGROUND:

The LDS library loans books, copies of journal articles, and audiovisual materials throughout the state to library personnel, library trustees and others who are responsible for the operations and governance of college and university libraries, public libraries, school library media centers, and special libraries. In addition, the LDS library staff responds to requests for reference information. The LDS library is the only specialized library in the state with materials on library organization, management, and services. Materials and information provided are used for planning, evaluation of services, staff development, current awareness of trends and a variety of other purposes ultimately resulting in improved library services to users. The collection will be increased as shown below.

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Books	188	171	300	273
Journal subscriptions	148	135	237	215
Audiovisual items	11	10	41	37

RATIONALE:

Use of the LDS library has been increasing rapidly, but the budget for library materials has declined due to state budget cuts. During the past five years, the number of books checked out of the library has increased 106%, the number of audiovisual items checked out has increased 222%, and the number of reference questions answered has increased 45%. Library expenditures for books and materials in F.Y. 1984 were approximately \$21, declining to approximately \$17 in F.Y. 1988. The result is that users are waiting longer and longer to receive the items they request. Request lists for some items have more than fifty persons, and some users must wait more than a year to receive items they request.

Compounding the problem has been the rapid increase in the costs of library materials. The average cost of a book for the library in F.Y. 1988 was \$40.77, compared to \$30.99 in F.Y. 1977. The average cost for a one year subscription to a journal on the field of library and information science has risen to \$51.61 in F.Y. 1988, compared to \$16.97 in 1977. There is no possibility that the costs will decrease, and little likelihood that they will stabilize.

In recent years, there has been a dramatic increase in the number of journal titles published in library and information science, and the LDS library budget has been insufficient to allow the library to subscribe. Many are specialized journals in areas such as library automation, technical services, collection development and reference service. The number of audiovisual items produced is also increasing, and the demand for these items is increasing.

BASE:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund Expenditures	\$ 17	\$ 17	\$ 17	\$ 17

LONG RANGE IMPLICATIONS:

	F.Y. 1992	F.Y. 1993	Total
General Fund Expenditures	\$ 20	\$ 20	\$ 40

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

CHANGE REQUEST _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1202-05 LIBRARY DEVELOPMENT AND SERVICES
 Program : 1202 EDUCATION ADMINISTRATION AND FINANCE
 Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: STATE GOVERNMENT LIBRARIES ONLINE CATALOG SYSTEM

Agency Request	F.Y. 1990		F.Y. 1991	
	(000's)		(000's)	
	<u>Amount</u>	<u>Positions</u>	<u>Amount</u>	<u>Positions</u>
General Fund	\$ 43	-0-	\$ 43	-0-
Governor's Recommendation				
General Fund	\$ 43	-0-	\$ 43	-0-

Request requires statutory change: _____ Yes X No
 Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests funds to support an existing .5 FTE position for administering and operating the online computer-based library catalog system that serves 12 state government libraries and for the cost of the use of the mainframe computer space necessary for the 12 libraries to access the system. The 12 libraries are those of the Office of the Attorney General, Department of Trade and Economic Development, Department of Health, Department of Human Services, Interagency Resource and Information Center (MDE), Department of Jobs and Training, Office of Library Development and Services (MDE), Department of Natural Resources, Pollution Control Agency Department of Revenue, State Law Library and Department of Transportation.

DESCRIPTION/BACKGROUND:

The 1987 legislature provided a one-time appropriation of \$250 and added a .5 FTE to the MDE complement to develop and initiate an online computer-based library catalog in 12 state government libraries. MDE contracted with the State University Board for use of the Public Access Library System (PALS), which also includes the 6 state university libraries, the 18 community college libraries, the Legislative Reference Library and the Minnesota Historical Society Library. PALS replaces the card catalog in all of these libraries, providing better access to information in each library. PALS allows any library's staff to search the catalogs of any or all of the other participating libraries, thereby supporting resource sharing.

The appropriation for the current biennium covered staff costs, equipment, installation costs, development and other start-up costs, as well as the operating costs. This request is for the ongoing costs for administering and operating the online computer library catalog system in the 12 state government libraries. The amount of \$20 is requested to support the .5 FTE staff and \$23 is requested for the mainframe rental cost and operating expenses.

RATIONALE:

This request will support the continuation of the staff position to coordinate this system for all 12 libraries participating. This request will assure that all 12 libraries continue to have access to an integrated automated system for sharing resources.

<u>BASE:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund Expenditures	-0-	\$ 250	\$ 11	\$ 11

<u>LONG RANGE IMPLICATIONS:</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	\$ 43	\$ 43	\$ 86

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request.

1990-91 Biennial Budget

ACTIVITY: 1202-06 OFFICE OF MONITORING AND COMPLIANCE
 Program : 1202 DIVISION OF MANAGEMENT EFFECTIVENESS
 Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

The Office of Monitoring and Compliance (OMC) has a primary responsibility to monitor school districts' and other agencies' special education programs and curriculum requirements to assure program compliance with State and Federal standards. Additional responsibilities include investigating complaints filed by parents and others; recommending final decisions to the Commissioner regarding appeals of local special education or student expulsion due process hearings; conducting fact-finding and mediation regarding home schools; and providing technical assistance and training to school districts, parents and others regarding rights and responsibilities.

Planning, implementation of activities, coordination with key groups, on-going provision of technical assistance and evaluation of procedures are all part of our monitoring process. A Monitoring Advisory Group was established in 1988, consisting of monitors, special education consultants, special education directors, parent(s), and department staff. This group advises management on policy issues, coordination with Minnesota Administrators of Special Education, and evaluation of procedures. Staff of the Office of Monitoring and Compliance conduct orientation meetings, workshops and numerous presentations and provide technical assistance to parents, school staff and others throughout the year. Staff are represented on key committees to coordinate monitoring and compliance activities with new rules and law and with field-directed projects such as self-evaluation, special education policy and others. The OMC monitors districts approximately every four years and conducts follow-up reviews in the interim. The monitoring process includes a review of special education programs for appropriateness of program plans for handicapped students by examining student records, eligibility criteria, fiscal records, and due process forms including parental rights forms. This comprehensive review generates data and information from staff interviews, parent surveys, student records, fiscal records, complaints and other sources of information. The outcome of the review process is a monitoring report regarding compliance issues from which districts develop a Corrective Action Plan (CAP) to correct discrepancies. The OMC reviews this CAP during the follow-up visit. Monitoring and subsequent follow-ups along with technical assistance should result in improved programs for students receiving special education service.

STATISTICS:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Reviews of district/coop				
- special education programs	177	110	110	110
- regular education programs	5	5	10	10
Resolution of complaints/disputes of parents and others	180	170	160	150
Decisions through formal complaint process	17	20	20	20
Reviews and resolutions of home school disputes	19	20	20	20

STATISTICS: (Contd.)

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Reports processed regarding student expulsions	60	50	50	50
Reviews of administrative appeals				
a. Local due process hearings	5	5	5	5
b. Pupil Fair Dismissal Act	3	3	3	3
Parents and special interest groups requesting technical assistance	300	350	350	350

EFFECTIVENESS MEASURES:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Handicapped students affected by OMC activities	25%	25%	25%	25%
Districts receiving technical assistance by OMC	25%	25%	25%	25%
Funds recaptured (000's)	\$ 250	\$ 250	\$ 250	\$ 250

REVENUE:

None

1990-91 BIENNIAL BUDGET
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUC ADMIN & FINANCE
BUDGET ACTIVITY : MONITORING

EXPENDITURES:	FY 1988	FY 1989	F.Y. 1990				F.Y. 1991			
			AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	437	554	599	0	599	599	599	0	599	599
EXPENSES/CONTRACTUAL SRVCS	49	54	59	0	59	59	59	0	59	59
MISC OPERATING EXPENSES	17	44	44	0	44	44	44	0	44	44
SUPPLIES/MATERIALS/PARTS	2	4	4	0	4	4	4	0	4	4
CAPITAL EQUIPMENT	33	49	9	0	9	9	9	0	9	9
TOTAL EXPENDITURES	538	705	715	0	715	715	715	0	715	715
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL	45	56	66	0	66	66	66	0	66	66
STATUTORY APPROPRIATIONS:										
FEDERAL	493	649	649	0	649	649	649	0	649	649
TOTAL FINANCING	538	705	715	0	715	715	715	0	715	715
POSITIONS BY FUND:										
GENERAL	1.0	0.5	0.3	0.0	0.3	0.3	0.3	0.0	0.3	0.3
FEDERAL	9.5	12.5	11.9	0.0	11.9	11.9	11.9	0.0	11.9	11.9
TOTAL POSITIONS	10.5	13.0	12.2	0.0	12.2	12.2	12.2	0.0	12.2	12.2

1990-91 Biennial Budget

ACTIVITY: 1202-07 PERSONNEL LICENSING AND PLACEMENT
 Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
 Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

The purpose of this activity is to assure the proper preparation and assignment of qualified professional staff in Minnesota public schools. Licenses are issued to approximately 24,000 qualified teachers and administrators per year under authority of the Board of Education and Board of Teaching.

Professional assignment information is collected annually regarding approximately 47,000 licensed teachers and administrators, including secondary vocational and support personnel. Renewal notices and assignment violation information are provided annually to 435 school districts. This information is used by districts to properly assign staff to positions for which licensure is held.

The State Education Placement Bureau produces bi-weekly vacancy lists and establishes credentials for 1,600 licensed and qualified registrants annually. School districts are assisted in hiring qualified personnel, and educators are assisted in securing positions for which they are licensed. The vast majority of Minnesota school districts use this service in securing licensed staff for vacancies involving regular and unique teaching combinations.

Continuing education/relicensure systems are maintained for secondary vocational and nonvocational teachers, supervisors, and administrators according to rules of the Board of Teaching and the Board of Education. Service is provided to 587 local continuing education/relicensure committees to assist local committees in assuring that licensed personnel have met requirements for continued professional growth and development.

A system is maintained for institutional approval and teacher and administrative preparation program approval to ensure that rules of the Board of Education and Board of Teaching are met. Two to three colleges and universities are reviewed annually for accreditation, and licensure programs offered by five to six institutions are audited. These systems assure that quality programs of teacher preparation are maintained.

Assistance is provided to the Board of Teaching and Board of Education by reviewing and providing recommendations on proposed rules and revisions of existing rules. Consultative services and technical assistance are provided to the Boards regarding teacher education, licensure and relicensure matters, teacher education curriculum redesign, and competency licensure for administrators.

<u>STATISTICS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Licenses issued	24,190	24,500	25,500	25,750
Assignment information collected	46,500	46,500	47,000	47,000
Placement bureau registrants	1,629	1,600	1,650	1,700
Placement bureau lists distributed	26	26	26	26
Local committees served	587	587	587	587

STATISTICS: (Contd.)

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Administrative continuing education programs	75	400	425	450
School districts served (assignments, placement, etc.)	432	433	430	430
Colleges and universities reviewed (10-year cycle)	3	3	3	3
Licensure programs audited (5-year cycle)	70	95	70	75

EFFECTIVENESS MEASURES:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
School districts in compliance with state licensure/staffing requirements	98%	98%	98.5%	98.5%
Administrative continuing education programs approved	89%	95%	96%	97%
School districts using the State Education Placement Bureau	81%	83%	85%	85%

TRENDS:

As a result of recent interest in educational reform, increasing attention is needed in the areas of teacher testing, assessing administrative competencies, and evaluating out-of-state applications.

REVENUE:

This activity generates non-dedicated revenue.

<u>Type of Revenue</u>	<u>Actual F.Y. 1988</u>	<u>Estimate F.Y. 1989</u>	<u>Estimate F.Y. 1990</u>	<u>Estimate F.Y. 1991</u>
Non-dedicated (000's)				
Licensure	\$ 97	\$ 98	\$ 102	\$ 103
Placement	\$ 45	\$ 44	\$ 45	\$ 47
Total Revenue	\$ 142	\$ 142	\$ 147	\$ 150

The Personnel Licensing and Placement activity generates non-dedicated revenue from licensing fees and from fees for placement. This revenue and the revenue generated by the Board of Teaching for its licensing responsibility represents general fund recovery of the operations of the Board of Teaching and the Personnel Licensing and Placement activity of the Department of Education which issues, as required by statute, all licenses granted under the authority of the Board of Teaching. Both activities receive General Fund appropriations.

ACTIVITY: PERSONNEL LICENSING AND PLACEMENT 1990-91 Biennial Budget
(Continuation)
Program: EDUCATIONAL ADMINISTRATION AND FINANCE
Agency: EDUCATION, DEPARTMENT OF

<u>CHANGE REQUEST:</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>Type</u>
Funds for Administrative Licensure Evaluation	\$ 300		Activity Specific
Funds to support Licensing Program Operating Costs	\$ 45	\$ 35	Activity Specific

See CHANGE request sheets following the fiscal page for this activity.

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUC ADMIN & FINANCE
BUDGET ACTIVITY : PERS LICENSING & PLACE

F.Y. 1990							F.Y. 1991			
-----							-----			
AGENCY REQUEST							AGENCY REQUEST			
-----							-----			
EXPENDITURES:	FY 1988	FY 1989	BASE	CHANGE	TOTAL	GOVERNOR'S RECOMM.	BASE	CHANGE	TOTAL	GOVERNOR'S RECOMM.

DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	593	628	645	15	660	645	645	15	660	645
EXPENSES/CONTRACTUAL SRVCS	112	110	110	320	430	110	110	20	130	110
MISC OPERATING EXPENSES	6	7	7	0	7	7	7	0	7	7
SUPPLIES/MATERIALS/PARTS	2	1	1	0	1	1	1	0	1	1
CAPITAL EQUIPMENT	0	0	0	10	10	0	0	0	0	0
REDISTRIBUTIONS	0	0	0	0	0	0	0	0	0	0

TOTAL EXPENDITURES	713	746	763	345	1,108	763	763	35	798	763

CHANGE REQUESTS:	FUND									

B LICENSING PROGRAM OPERATING BUDGET INCR	GEN			45		0		35		0
B ADMINISTRATIVE LICENSURE EVALUATION	GEN			300		0		0		0
				-----		-----		-----		-----
TOTAL CHANGE REQUESTS				345		0		35		0

SOURCES OF FINANCING:										

DIRECT APPROPRIATIONS:										
GENERAL	676	716	733	345	1,078	733	733	35	768	733

STATUTORY APPROPRIATIONS:										
GENERAL	37	30	30	0	30	30	30	0	30	30

TOTAL FINANCING	713	746	763	345	1,108	763	763	35	798	763

POSITIONS BY FUND:										

GENERAL	18.0	18.0	18.0	0.0	18.0	18.0	18.0	0.0	18.0	18.0

TOTAL POSITIONS	18.0	18.0	18.0	0.0	18.0	18.0	18.0	0.0	18.0	18.0

CHANGE REQUEST 1990-91 Biennial Budget
 _____ Agency _____ Program X Activity

ACTIVITY: 1202-07 PERSONNEL LICENSING AND PLACEMENT
 Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
 Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: ADMINISTRATIVE LICENSURE EVALUATION

Agency Request	F.Y. 1990		F.Y. 1991	
	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 300	-0-	\$ -0-	-0-
Governor's Recommendation				
General Fund	\$ -0-	-0-	\$ -0-	-0-

Request requires statutory change: _____ Yes X No
 Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests \$300 in the first year of the biennium with carryover authority for F.Y. 1991 for the development of an evaluation process and instrument which will allow the State Board of Education to implement a new administrative licensure rule requiring licensure applicants to demonstrate proficiency in a series of competencies identified in the new rule. The evaluation will require applicants to complete a series of exercises under observation by trained evaluators. It will be necessary to develop a series of different exercises for each competence. The development will include research into whether or not each exercise measures the ability to perform the competence. This request includes \$200 for the development of the instrument and for piloting the process for use in Minnesota, and \$50 to train a cadre of skilled observers who will be actual practitioners in the field of licensure. These observers will form the basis of future evaluation teams. Also included is \$50 to produce materials for the evaluation process, to administer the evaluation to practicing license holders for validation and final modification of the evaluation process. Future costs of operating the program will be borne by evaluation and license fees paid by applicants for licensure. The dollar amounts requested are estimates based on the cost to develop a similar assessment program by the National Association of Secondary School Principals and also on a similar development project completed by the Minnesota Board of Teaching.

DESCRIPTION/BACKGROUND:

The existing system of licensing school administrators is based entirely on candidates completing a program of instruction at the graduate level. There is no provision or method to assure that candidates are capable of performing the tasks or functions assigned in their job settings. The State Board of Education formed a task force of school administrators and public members to review the existing administrative licensure rule and make recommendations for change. The task force report, which has been endorsed by the State Board, identified a series of competencies which ought to be demonstrated by administrators prior to licensure.

The board intends to adopt a new licensure rule which will require demonstrated competence. No such method of evaluating competence exists at this time. The request would fund the development of such an evaluation.

RATIONALE:

State educational reform and improvement in Minnesota relies heavily on local superintendents and principals for implementation. Unless those who are in these positions are capable of effective performance of job responsibilities, real reform and improvement is not likely to take place. A licensure system that implements standards established for the school administration profession by licensing those who have the demonstrated skills to perform successfully is consistent with the goals of cost effectiveness and educational improvement.

<u>BASE:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund Expenditures	-0-	-0-	-0-	-0-

<u>LONG RANGE IMPLICATIONS:</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	-0-	-0-	-0-

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

CHANGE REQUEST _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1202-07 PERSONNEL LICENSING AND PLACEMENT
 Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
 Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: LICENSING PROGRAM OPERATING BUDGET INCREASE

	F.Y. 1990		F.Y. 1991	
	(000's) Amount	Positions	(000's) Amount	Positions
Agency Request				
General Fund	\$ 45	-0-	\$ 35	-0-
Governor's Recommendation				
General Fund	\$ -0-	-0-	\$ -0-	-0-

Request requires statutory change: _____ Yes X No
 Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The Personnel Licensing and Placement Section seeks a change level appropriation to provide the licensing section with an operating budget to cover increased costs of microfilming, staff salaries and equipment.

DESCRIPTION/BACKGROUND:

According to M.S. 125.08, applicants must pay fees for the issuing, renewing, and extending of teaching licenses. These fees are deposited as a nondedicated receipt in the State general fund for the cost of processing teaching licenses. The current appropriation to the licensing section is not adequate to cover cost increases and increases in the volume of licenses issued and services required.

RATIONALE:

An increase of \$20 in printing and binding funds is requested to cover increased microfilming costs. All licensure records are microfilmed, including applications, transcripts, and important correspondence. Licensure applications have increased by about 400 annually and microfilming charges established by the state have increased regularly.

Also, requested is \$10 to replace old computer terminal units. The licensing section presently has 14 on-line terminals and two personal computers. Twelve of these terminals are five years old or older, which is the life expectancy of these units. The entire licensure system is on-line. These terminals are in constant use accessing licensure and staff data.

The Personnel Licensing and Placement Section is a labor intensive section with the largest part of the budget allocated to fixed costs such as salaries and fringes. The administration of the licensure rules and service to our clients involves the handling of 250 telephone calls per day in addition to an annual increase of about 400 applications. The current salary allocation has not been sufficient to fund the current complement of the section; the balance of this request, \$15, will be allocated to salaries for existing complement.

BASE:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund Expenditures	\$ 714	\$ 747	\$ 747	\$ 747

LONG RANGE IMPLICATIONS:	F.Y. 1992	F.Y. 1993	Total
General Fund Expenditures	\$ 35	\$ 35	\$ 70

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

1990-91 Biennial Budget

ACTIVITY: 1202-08 BOARD OF TEACHING
 Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
 Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

The mission of the Board of Teaching is to provide leadership in improving teacher education and to assure that the state has well qualified, professional teachers who are able to anticipate and promote educational improvement.

The board establishes and maintains standards for the preparation and performance of public school teachers. Through monitoring, continuing education and professional service, the Board assures that teachers maintain high standards of performance and professional conduct.

Approximately 48,000 licensed teachers are serving in Minnesota public and private schools in 45 instructional areas. Future teachers are being prepared in 27 approved teacher preparation institutions in the state.

The Board of Teaching has established a broad base for the formulation and implementation of licensure standards. Proposals for the development and revision of licensure standards reflect the needs of society and the profession. This continued refinement of standards in education and professional practice is reflected in classrooms across the state.

The board maintains a system of continued professional growth for teachers which assures that persons recommended for relicensure have met the requirements and are judged to be properly prepared to continue to teach in Minnesota. Through established policies and rules governing the approval of teacher education preparation programs, the Board assures quality preservice teacher education for all candidates for teaching licensure in Minnesota.

The Code of Ethics for Minnesota Teachers, which is established by rule of the board, exists to assure that teachers in the public schools maintain high standards of ethical conduct.

The Board of Teaching continues to provide leadership in improving teacher education through research and development on teacher preparation programs, on teacher education curriculum redesign, and on the assessment of teaching skills.

The Board of Teaching establishes and maintains standards of initial licensure and continuing occupational ability for education personnel in Minnesota schools by: 1) assuring sound and relevant programs of preservice teacher preparation, 2) promoting inservice and continuing education, 3) establishing and revising standards of teacher preparation and licensure in 45 instructional areas, 4) monitoring licensure programs in 27 teacher preparation institutions approved by the board, 5) maintaining oversight of 587 continuing education/relicensure committees, 6) suspending or revoking for cause any license by the board, 7) receiving complaints relative to M.S. 125.09 and the Code of Ethics, 8) conducting investigations and processing complaints related to licensed personnel, 9) processing appeals resulting from denial of licensure, 10) scheduling contested case hearings.

STATISTICS:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Licensure fields reviewed and studied	4	4	4	4
Colleges and universities accredited (10-yr. cycle)	3	3	3	3
Licensure programs approved (5-year cycle)	70	95	70	75
Meetings, workshops, conferences sponsored/attended related to teacher education	6	6	6	6
Licensure investigations and appeals	40	40	40	40

EFFECTIVENESS MEASURES:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Licensure rules modified through the Administrative Procedures Act	1	3	2	2
Colleges and universities involved in outcome focused, research based teacher education programs	2	2	5	9

TRENDS:

The Board of Teaching is providing leadership to meet the changing needs of teachers. The challenge of this opportunity requires that teacher education programs produce highly educated, reflective teachers who can teach well in diverse and flexible learning environments. Future teacher education programs must be outcome focused and research based. There are many ways to achieve the preferred outcomes, through extended programs, through alternative programs, through newly forged partnerships of various kinds, through new applications of research findings, and through greater emphasis on deriving generalizations from practical experience. Changed programs of various kinds are possible and their efficacy should be tested.

REVENUE:

The activity generates non-dedicated revenue.

<u>Type of Revenue</u>	<u>Actual F.Y. 1988</u>	<u>Estimate F.Y. 1989</u>	<u>Estimate F.Y. 1990</u>	<u>Estimate F.Y. 1991</u>
Non-dedicated (000s)	\$ 872	\$ 882	\$ 918	\$ 927

The Board of Teaching generates non-dedicated revenue from teacher licensure fees set by the Board. This revenue returns to the General Fund the cost of the operations of the Board of Teaching. It also reflects the operations of the Personnel Licensing Section of the Department of Education which issues, as required by statute, all licenses granted under the authority of the Board of Teaching. Both activities receive General Fund appropriations.

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUC ADMIN & FINANCE
BUDGET ACTIVITY : BOARD OF TEACHING

EXPENDITURES:	FY 1988	FY 1989	F.Y. 1990				F.Y. 1991			
			AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	95	102	104	0	104	104	104	0	104	104
EXPENSES/CONTRACTUAL SRVCS	84	79	79	0	79	79	79	0	79	79
MISC OPERATING EXPENSES	21	26	26	0	26	26	26	0	26	26
SUPPLIES/MATERIALS/PARTS	6	3	3	0	3	3	3	0	3	3
CAPITAL EQUIPMENT	5	4	4	0	4	4	4	0	4	4
TOTAL EXPENDITURES	211	214	216	0	216	216	216	0	216	216
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL	211	214	216	0	216	216	216	0	216	216
TOTAL FINANCING	211	214	216	0	216	216	216	0	216	216
POSITIONS BY FUND:										
GENERAL	2.0	2.0	2.0	0.0	2.0	2.0	2.0	0.0	2.0	2.0
TOTAL POSITIONS	2.0	2.0	2.0	0.0	2.0	2.0	2.0	0.0	2.0	2.0

1990-91 Biennial Budget

ACTIVITY: 1202-09 EXECUTIVE MANAGEMENT
 Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
 Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

The purposes of this activity are to represent Minnesota's public education sector; to advocate on behalf of all Minnesota learners; to ensure implementation of all legislative mandates and priorities; to provide leadership and direction to the MDE staff; to communicate state-level education policy and priorities to public school leadership, MDE clients, the media and the public; to ensure the provision of programs required by federal and state laws and rules to all students in the state; to coordinate legislative relations at both the federal and state level; and to direct organizational development in MDE.

This activity develops and recommends policy for the Governor's budget and provides leadership for the development and delivery of services to Minnesota's public school system in the areas of curriculum, instruction, funding, school district management, and programs and services for students with special needs. The activity also provides general direction to early childhood and family education, elementary and secondary education, and secondary vocational education, special education, community education and adult education programs.

This activity directs and manages the Minnesota Department of Education (MDE) staff and oversees the allocating of MDE budget resources.

The activity includes the executive managers comprising the commissioner's cabinet and the following units: the Office of the Commissioner of Education, Offices of the Deputy and Assistant Commissioners, and the Office of Government Relations.

STATISTICS:

F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

Presentations made by the Commissioner on request from school districts and various groups	149	150	150	150
Site visits to school districts made by Commissioner's cabinet members	136	143	146	148
Mandated reports and special studies submitted by MDE to the legislature	33	40	40	40
Section annual work plans developed and managed	28	28	28	28

EFFECTIVENESS MEASURES:

F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

Policy recommendations developed and submitted to the legislature	41	68	40	70
Executive management staff using office automation system	82%	94%	100%	100%
Hours of organizational development offered to all MDE staff	10	14	16	16
Task forces/councils/groups involved in policy development process	32	32	32	32

REVENUE:

None

CHANGE REQUEST:

F.Y. 1990 F.Y. 1991 Type

Funds to support Internal Audit function	\$ 14	\$ 14	Activity Specific
See CHANGE request sheet following the Agency fiscal summary page.			

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUC ADMIN & FINANCE
BUDGET ACTIVITY : EXECUTIVE MANAGEMENT

		F.Y. 1990					F.Y. 1991			
		AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.	
EXPENDITURES:		FY 1988	FY 1989	BASE	CHANGE	TOTAL	BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES		857	887	898	14	912	912	898	14	912
EXPENSES/CONTRACTUAL SRVCS		80	81	81	0	81	81	81	0	81
MISC OPERATING EXPENSES		116	109	109	0	109	109	109	0	109
SUPPLIES/MATERIALS/PARTS		11	11	11	0	11	11	11	0	11
CAPITAL EQUIPMENT		0	9	9	0	9	9	9	0	9
TOTAL EXPENDITURES		1,064	1,097	1,108	14	1,122	1,122	1,108	14	1,122
CHANGE REQUESTS:	FUND									
B INTERNAL AUDIT	GEN				14		14	14		14
TOTAL CHANGE REQUESTS					14		14	14		14
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL		834	949	960	14	974	974	960	14	974
STATUTORY APPROPRIATIONS:										
SPECIAL REVENUE		0	148	148	0	148	148	148	0	148
FEDERAL		230	0	0	0	0	0	0	0	0
TOTAL FINANCING		1,064	1,097	1,108	14	1,122	1,122	1,108	14	1,122
POSITIONS BY FUND:										
GENERAL		10.0	14.5	15.0	0.0	15.0	15.0	15.0	0.0	15.0
SPECIAL REVENUE		0.0	2.0	2.0	0.0	2.0	2.0	2.0	0.0	2.0
FEDERAL		6.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL POSITIONS		16.0	16.5	17.0	0.0	17.0	17.0	17.0	0.0	17.0

CHANGE REQUEST _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1202-09 EXECUTIVE MANAGEMENT
 Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
 Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: INTERNAL AUDIT

	F.Y. 1990		F.Y. 1991	
Agency Request	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 14	-0-	\$ 14	-0-
Governor's Recommendation				
General Fund	\$ 14	-0-	\$ 14	-0-

Request requires statutory change: _____ Yes X No
 Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The department requests these funds to implement an internal audit function to review its fiscal controls, procedures and practices to ensure that dollars and other agency resources are handled efficiently and in compliance with all laws that pertain.

DESCRIPTION/BACKGROUND:

The Department of Education expenditures total approximately \$2.1 billion each fiscal year. In addition, the department handles approximately \$2.6 million in receipts and administers about \$175 million in federal revenue each year. The department currently does not have an established ongoing audit function with responsibility to regularly test controls of receipts and expenditures to determine if those controls are operating effectively. The department does have an external audit program for the purpose of reviewing school district records and claims pertaining to pupil attendance and transportation. Some audits are also made in certain other state or federal programs. These audit functions are not related to an internal audit function.

The department plans to implement an internal auditing function during the next biennium. Approximately one-third of the time of an existing auditor position would be assigned to this function. Funding for the remaining two-

thirds of the position will continue to be provided by the federal program for which audit services are provided. The auditor will primarily audit fiscal controls and practices, but will also study the need for and benefits to be gained from adding additional audit staff in future biennia.

RATIONALE:

The establishment of an internal audit function in the Department of Education will help to fulfill the administration's commitment to sound financial management through internal review of the agency's financial and administrative controls to assure that they are adequate and are operating as intended. The funds requested are needed for one-third of an auditor position salary. Without the state funding requested, state audit functions cannot be addressed due to the restrictions on the federal source of salary.

BASE:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund Expenditures	-0-	-0-	-0-	-0-

LONG RANGE IMPLICATIONS:	F.Y. 1992	F.Y. 1993	Total
General Fund Expenditures	\$ 14	\$ 14	\$ 28

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request.

1990-91 Biennial Budget

ACTIVITY: 1202-10 ADMINISTRATIVE SUPPORT SERVICES
 Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
 Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

Administrative Support Services administers the department's fiscal, personnel, and public information functions. The Administrative Support Services activity includes the Office of Administrative Services, the Office of Employee Relations, the Affirmative Action Office and the Publications Office.

The purpose of the Office of Administrative Services is to provide financial management and office support services for the department. Included are budgeting; accounting; management of disbursements; contract management; installation and operation of the department office automation system; financial analysis; word processing services; internal procedures; mailroom services; and acquisition of all materials, supplies, services and equipment.

The Office of Employee Relations is responsible for managing the department's personnel system according to state and federal laws; completing personnel transactions required by the Minnesota Department of Employee Relations and other agencies; and performing the labor relations activities necessary to ensure equitable and uniform administration of negotiated labor agreements and Commissioner Plans. The office provides personnel services for: management and staff of MDE; the Minnesota Academies and Resource Centers for the Deaf and Blind; the Board of Teaching; the Minnesota School and Resource Center for the Arts; the Minnesota Academic Excellence Foundation; selected agencies providing staff benefit services; and the general public.

The purpose of the Affirmative Action Office is to ensure compliance with all applicable laws, rules and regulations relating to equal opportunity and affirmative action. This office promotes a commitment to and active participation in affirmative action of all department employees. The office implements and monitors departmental policies, programs and other activities in order to promote diversity and equity in the workplace.

The function of the Publications Office is to promote and improve communications regarding MDE policies, programs, and activities. Communications produces publications, reports, news releases, and media conferences. Clientele include MDE staff, school districts, policy makers, the media and the public.

STATISTICS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Accounting transactions	106,000	109,000	109,000	109,000
Pieces of mail processed weekly	16,900	18,600	19,550	19,900
Purchase orders and requisitions issued	7,750	8,500	8,900	9,050
Lines of print produced by Word Processing (000's)	1,220	1,250	1,300	1,300

STATISTICS: (Contd.)

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Funds recaptured through attendance and transportation audits (000's)	\$ 207	\$ 225	\$ 240	\$ 240
MDE staff attending AIDS training	278	113	75	75
Personnel/payroll forms processed	2,520	2,500	2,525	2,550
Number of employee grievances	36	30	25	25
Job classification transactions	392	405	435	435
Publications/special projects/reports/media releases	102	104	106	106
MDE staff receiving affirmative action training	75%	80%	85%	90%

EFFECTIVENESS MEASURES:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Employees with access to the office automation system	42	80	80	80
Disbursements made within 30 days	98.5%	99.0%	99.0%	99.0%
Increase in hours of staff development training	20%	20%	20%	20%
Educators receiving information on state education leadership, policies, and activities	59,000	59,000	59,000	59,000
Bargaining units where women, disabled or minorities are adequately represented	66%	72%	78%	83%

REVENUE:

None

CHANGE REQUEST:

	F.Y. 1990	F.Y. 1991	Type
Transfer ineligible block grant functions, Publications and Affirmative Action, to state appropriations	\$ 154	\$ 156	Agency-Wide
Staff and funds to support department office automation system	\$ 787	\$ 868	Agency-Wide
Funds to cover additional rent costs	\$ 59	\$ 59	Agency-Wide
See CHANGE request sheets following the Agency fiscal summary page.			
Staff and support costs for Word Processing Center	\$ 34	\$ 30	Activity Specific
See CHANGE request sheet following the fiscal page for this activity.			

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUC ADMIN & FINANCE
BUDGET ACTIVITY : ADMIN SUPPORT SERVICES

EXPENDITURES:	F.Y. 1990						F.Y. 1991			
	FY 1988	FY 1989	AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	1,505	1,667	1,554	203	1,757	1,692	1,554	203	1,757	1,692
EXPENSES/CONTRACTUAL SRVCS	292	302	301	274	575	314	301	316	617	316
MISC OPERATING EXPENSES	619	716	763	40	803	766	763	36	799	766
SUPPLIES/MATERIALS/PARTS	196	253	253	0	253	253	253	0	253	253
CAPITAL EQUIPMENT	162	101	101	517	618	101	101	558	659	101
DEBT REDEMPTION & PENSIONS	667	760	760	0	760	760	760	0	760	760
REDISTRIBUTIONS	101	185	130	0	130	130	130	0	130	130
TOTAL EXPENDITURES	3,542	3,984	3,862	1,034	4,896	4,016	3,862	1,113	4,975	4,018
CHANGE REQUESTS:										
FUND										
A RENT ADDITIONAL CAPITOL SQUARE SPACE	GEN			59		0		59		0
A OFFICE AUTOMATION	GEN			787		0		868		0
A TRANSFER OF FEDERAL BLOCK GRANT	GEN			154		154		156		156
B WORD PROCESSING CENTER ADDED STAFF	GEN			34		0		30		0
TOTAL CHANGE REQUESTS				1,034		154		1,113		156
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL	1,872	1,943	2,018	1,034	3,052	2,172	2,018	1,113	3,131	2,174
STATUTORY APPROPRIATIONS:										
GENERAL	92	79	24	0	24	24	24	0	24	24
SPECIAL REVENUE	0	993	993	0	993	993	993	0	993	993
FEDERAL	876	184	42	0	42	42	42	0	42	42
AGENCY	702	785	785	0	785	785	785	0	785	785
TOTAL FINANCING	3,542	3,984	3,862	1,034	4,896	4,016	3,862	1,113	4,975	4,018
POSITIONS BY FUND:										
GENERAL	30.0	30.0	30.0	5.5	35.5	33.5	30.0	5.5	35.5	33.5

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUC ADMIN & FINANCE
BUDGET ACTIVITY : ADMIN SUPPORT SERVICES

POSITIONS BY FUND:	FY 1988	FY 1989	F.Y. 1990				F.Y. 1991			
			AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
SPECIAL REVENUE	0.0	13.4	14.6	0.0	14.6	14.6	14.6	0.0	14.6	14.6
FEDERAL	19.7	4.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL POSITIONS	49.7	47.9	44.6	5.5	50.1	48.1	44.6	5.5	50.1	48.1

CHANGE REQUEST _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1202-10 ADMINISTRATIVE SUPPORT SERVICES
 Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
 Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: WORD PROCESSING CENTER - ADDITIONAL STAFF

	F.Y. 1990		F.Y. 1991	
Agency Request	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 34	1	\$ 30	1
 Governor's Recommendation				
General Fund	\$ -0-	-0-	\$ -0-	-0-

Request requires statutory change: _____ Yes X No
 Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The department requests one position and funding to enable the Word Processing Center to keep pace with the continually increasing demand for the services of this unit. The request includes \$4 for purchase of furniture and equipment during F.Y. 1990.

DESCRIPTION/BACKGROUND:

The Word Processing Center provides text editing, document creation and word processing services to about 100 employees throughout the Department of Education (MDE). Approximately 500 jobs are completed each month with about 120,000 lines of copy produced. The staffing level for the center has remained essentially constant while the workload has been increasing. The workload change includes not only a greater volume of work, but also a change to work of greater complexity, requiring more time and effort on projects. The documents produced tend to be larger, often reaching 400 to 500 pages, and also are becoming more complex with the addition of illustrations, graphics and the use of non-standard formats. The present staff cannot keep up with the demand for word processing services and performs a substantial

amount of overtime work. In spite of these efforts, there are always large backlogs of work. This often results in lengthy and serious delays in preparing finished documents for the managers and staff throughout the department.

RATIONALE:

The Word Processing Center's service role is essential to the work of a large number of MDE staff. Therefore, it is imperative that the correspondence, documents and reports be prepared not only competently, but in a timely fashion. Department initiatives and legislative programs not only generate substantial new work, but demand high quality and timely production of documents and reports to be most effective.

BASE:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund Expenditures	\$ 127	\$ 159	\$ 159	\$ 159

LONG RANGE IMPLICATIONS:	F.Y. 1992	F.Y. 1993	Total
General Fund Expenditures	\$ 30	\$ 30	\$ 60

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

1990-91 Biennial Budget

ACTIVITY: 1202-11 MINNESOTA ACADEMIC EXCELLENCE FOUNDATION
 Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
 AGENCY : EDUCATION, DEPARTMENT OF

PURPOSE:

The Minnesota Academic Excellence Foundation (MAEF) is a non-profit organization authorized by legislative charter to promote academic excellence in Minnesota elementary and secondary schools, through public-private partnerships.

The foundation provides recognition programs, honors and awards to students and to those who facilitate student growth. Additionally, incentive grants are designated to selected pilot projects which engage student and adult audiences in academically challenging activities with potential for statewide application. A second major activity of the foundation is to promote the concept of academic excellence and to secure funding and in-kind donations necessary to operate the public-private partnership. In 1987, the legislature charged the foundation with developing an implementation plan for an academic league to coordinate, communicate, standardize and monitor academic competitions and events for elementary and secondary students. The first pilot activity is the distribution of a calendar of academic events. Statute requests that this plan be presented to the legislature in January 1989.

STATISTICS:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Recognition events held	2	3	6	6
Incentive grant proposals received	20	30	45	60
Grant proposals submitted	3	10	15	20
Private sector partners working with foundations	2	50	100	100
Partnerships established	2	50	100	200

EFFECTIVENESS MEASURES:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Students recognized/served by MAEF	0%	10%	30%	30%
Teachers recognized/served by MAEF	0%	0%	10%	25%
Public school districts participating in foundation programs	10%	30%	50%	50%
New audiences served by MAEF	0%	0%	3%	3%
Grant dollars received (000's)	\$9	\$30	\$50	\$50

EFFECTIVENESS MEASURES:(Contd.) F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

Identified academic events coordinated with Academic League	-0-	30	50	50
Participatory memberships sold to school districts	-0-	-0-	200	200

TRENDS:

Progress in the public's perception, recognition, and valuing of academic skills and community service is increasing. Participation by students, schools, school districts in academic activities is increasing. Requests for incentive grant funding is increasing. Student interest and achievement in science, math, and technology remains flat while the need for these skills increases. The present and future need for cognitive skills - thinking instead of doing - has been predicted. Expectations of educators may have increased, and parents and social service agencies express concern about childhood stress. A two-tiered society based on who has access to knowledge exists. Minority students do not find their way into the pipeline for achievement and success. The challenges for the foundation will be to increase opportunities for academic excellence to new groups of students; to identify and remove barriers to academic excellence; to involve parents and communities in recognition and awareness activities.

REVENUE:

None

CHANGE REQUEST:

	F.Y. 1990	F.Y. 1991	Type
Staff and funds to assist in implementation of MAEF programs	\$ 31	\$ 31	Activity Specific
See CHANGE request sheet following the fiscal page for this activity.			

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUC ADMIN & FINANCE
BUDGET ACTIVITY : ACADEMIC EXCELLENCE FND

F.Y. 1990							F.Y. 1991			
			AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
EXPENDITURES:	FY 1988	FY 1989	BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	55	59	61	23	84	61	61	23	84	61
EXPENSES/CONTRACTUAL SRVCS	20	11	11	7	18	11	11	7	18	11
MISC OPERATING EXPENSES	1	2	2	1	3	2	2	1	3	2
TOTAL EXPENDITURES	76	72	74	31	105	74	74	31	105	74
CHANGE REQUESTS:	FUND									
B IMPLEMENTATION MN ACADEMIC EXCELLENCE FD GEN				31		0		31		0
TOTAL CHANGE REQUESTS				31		0		31		0
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL	64	68	70	31	101	70	70	31	101	70
STATUTORY APPROPRIATIONS:										
GIFTS AND DEPOSITS	12	4	4	0	4	4	4	0	4	4
TOTAL FINANCING	76	72	74	31	105	74	74	31	105	74
POSITIONS BY FUND:										
GENERAL	1.0	1.5	1.0	1.0	2.0	1.0	1.0	1.0	2.0	1.0
TOTAL POSITIONS	1.0	1.5	1.0	1.0	2.0	1.0	1.0	1.0	2.0	1.0

CHANGE REQUEST _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1202-11 MINNESOTA ACADEMIC EXCELLENCE FOUNDATION
 Program : 1202 EDUCATIONAL ADMINISTRATION AND FINANCE
 Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: IMPLEMENTATION OF MINNESOTA ACADEMIC EXCELLENCE FOUNDATION

Agency Request	F.Y. 1990		F.Y. 1991	
	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 31	1	\$ 31	1
Governor's Recommendation				
General Fund	\$ -0-	-0-	\$ -0-	-0-

Request requires statutory change: _____ Yes X No
 Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The foundation requests one complement and funds for a full-time secretary to support the program delivery, fund raising, academic event regulation, and recognition activities described in MS 121.612. The present staffing level of 1.0 FTE executive director and a .5 FTE secretary is insufficient. A 1.0 FTE secretary will stabilize administration and program delivery and enhance the capacity of the executive director to assure cost containment and effectiveness of programs and events delivered and/or funded by the foundation, to improve the balance of audiences served and to increase fund raising.

DESCRIPTION/BACKGROUND:

The Minnesota Academic Excellence Foundation (MAEF) was created in 1983 to recognize and to promote via private-public partnerships academic excellence in Minnesota schools K-12. Since that time, the foundation has identified and served nearly 400 Governor's Scholars; funded 25 innovative projects and academic events; recognized students, teachers, parents and communities; and piloted activities to coordinate and promote academic competitions. The foundation has been limited in its efforts to raise private funds and to establish on-going private partnerships. Program efforts have varied in intensity. The present staffing level of only the executive director inhibits a consistent level of service delivery and prohibits growth to meet

the rapidly increasing requests for service and participation in foundation programs. Fund development efforts generated \$9,000 in F.Y. 88, plus in-kind services of \$75,000.

RATIONALE:

The public's perception, recognition, and valuing of academic skills and youth service is increasing. Challenges for the Minnesota Academic Excellence Foundation are to increase opportunities for academic excellence to new groups of students; to identify and remove barriers to academic excellence; and to involve parents and communities in these activities.

Requests for service from the foundation are increasing weekly. An average of three school districts per week make specific requests; four to ten teachers per week seek information and ask for referrals; and parents and other organizations ask questions on trends and/or a specific situation. Unsolicited and solicited requests for incentive grants and/or technical assistance from educational groups for proposed academic events greatly exceeds the funds available. Forty academic competitions were included in the first annual calendar of events poster. Governor's Scholars students use the foundation as a forum and network to other students, community mentors, and college. Ten foundations have been identified as positive prospects for fund raising. Clerical support is essential to the effectiveness of the MAEF programs, service, fund raising and program development activities.

<u>BASE:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund Expenditures	\$ 64	\$ 68	\$ 68	\$ 68

<u>LONG RANGE IMPLICATIONS:</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	\$ 31	\$ 31	\$ 62

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

ACTIVITY: 1202-12 STATE BOARD OF EDUCATION
 Program : 1202 STATE BOARD OF EDUCATION
 Agency : EDUCATION, DEPARTMENT OF

1990-91 Biennial Budget

PURPOSE: The purposes of the State Board of Education are:

1. Provide statewide policy leadership for the Minnesota educational system. This includes assuring a quality educational program for more than 700,000 Minnesota public school students, 48,702 teachers and administrators, and the 435 school districts and other education delivery agencies.
2. Provide lay governance in the form of policy direction, guidelines, standards, and program evaluation for the Minnesota State Academy for the Deaf and the Minnesota State Academy for the Blind (MSAD/MSAB).
3. Provide governance for Minnesota's 435 public school districts and other education delivery agencies by adopting statutorily based rules and promulgating guidelines by which the Minnesota Department of Education (MDE) and the local school districts carry out statutory responsibilities.
4. Establish priorities and policy statements to guide the development of the Minnesota Department of Education/State Board of Education biennial legislative package and its adoption and submission to the Governor and the legislature, as required by law.
5. Provide lay governance and direction for the Minnesota Department of Education through establishment of priorities, development of annual and long-range goals, and through the process of approving and adopting major initiatives of the department.

<u>STATISTICS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1a. Major educational leadership initiatives	13	15	15	15
1b. Meetings with key constituencies and organizations	32	50	50	50
1c. Attendance by State Board members at education sponsored policy development meetings	300	400	400	400
2a. Meetings of the State Board at MSAD/MSAB	12	12	12	12
2b. Major educational improvement initiatives affecting MSAD/MSAB	6	6	6	6
2c. Major reports to the State Board concerning MSAD/MSAB	24	24	24	24
3a. Rule-making requests to the State Board	8	8	8	8
3b. Information gathering hearings concerning proposed rules	4	4	4	4
3c. Proposed rules recommended by the Board for adoption	5	5	5	5
3d. Rules adopted by the State Board	3	5	5	5

<u>STATISTICS: (Contd.)</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
3e. Exemptions to rules granted or alternative programs approved	22	30	45	60
3f. Rule exemption or alternative programs denied	3	6	9	12
3g. Financial grants awarded to school districts or libraries	166	170	170	170
4a. Meetings held to develop legislative initiatives	7	12	12	12
5a. Major directives to the department	13	15	15	15
5b. Major reports to the State Board of Education for input or approval	34	40	40	40
5c. State Board actions to fill vacancies or appoint task forces	6	8	8	8
5d. Public hearings or major reports to the Board by the public, organizations, and task forces	27	36	42	48

<u>EFFECTIVENESS MEASURES:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Districts affected by policy initiatives of the State Board	100%	100%	100%	100%
Districts attempting restructuring of experimental programs as a result of Board action	20%	40%	60%	80%
MDE legislative initiatives designed to implement Board adopted goals and vision statements	40%	60%	80%	100%
Major education organizations involved in Board policy process	30%	40%	50%	60%

REVENUE:

None

<u>CHANGE REQUEST:</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>Type</u>
Increased support costs for the State Board of Education	\$ 66	\$ 66	Activity Specific
See CHANGE request sheet following the fiscal page for this activity.			

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : EDUC ADMIN & FINANCE
BUDGET ACTIVITY : STATE BOARD OF EDUC

F.Y. 1990							F.Y. 1991			
			AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
EXPENDITURES:	FY 1988	FY 1989	BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	58	75	75	31	106	75	75	31	106	75
EXPENSES/CONTRACTUAL SRVCS	20	5	5	13	18	5	5	13	18	5
MISC OPERATING EXPENSES	21	21	21	22	43	21	21	22	43	21
SUPPLIES/MATERIALS/PARTS	0	1	1	0	1	1	1	0	1	1
TOTAL EXPENDITURES	99	102	102	66	168	102	102	66	168	102
CHANGE REQUESTS:	FUND									
B STATE BOARD STAFF & OPERATING COSTS	GEN			66		0		66		0
TOTAL CHANGE REQUESTS				66		0		66		0
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL	99	102	102	66	168	102	102	66	168	102
TOTAL FINANCING	99	102	102	66	168	102	102	66	168	102
POSITIONS BY FUND:										
GENERAL	1.0	1.0	1.0	1.0	2.0	1.0	1.0	1.0	2.0	1.0
TOTAL POSITIONS	1.0	1.0	1.0	1.0	2.0	1.0	1.0	1.0	2.0	1.0

CHANGE REQUEST _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1202-12 STATE BOARD OF EDUCATION
 Program : 1202 EDUCATION ADMINISTRATION AND FINANCE
 Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: STATE BOARD STAFF AND OPERATING COSTS

Agency Request	F.Y. 1990		F.Y. 1991	
	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 66	1	\$ 66	1
Governor's Recommendation				
General Fund	\$ -0-	-0-	\$ -0-	-0-

Request requires statutory change: _____ Yes X No
 Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The State Board requests one clerical complement and additional funds for the meeting expenses and operations of the State Board. The purpose of the State Board of Education is to develop statewide policy recommendations and to provide oversight of the Minnesota Department of Education. Current funding and staffing does not support the increase in activities of the State Board of Education. Funding in the amount of \$23 is requested each year for the support of a clerical staff and \$43 each year for increased meeting, travel and operation costs.

DESCRIPTION/BACKGROUND:

Over the past two biennia the State Board has become more active in providing lay governance of education within the executive branch of government. As a result, the board meets more frequently and board members attend more meetings with education related groups. The State Board has been called upon to designate its members to participate in study groups and task forces. Since 1983, the State Board has functioned as the board of education for the Minnesota State Academy for the Blind (MSAB) and the Minnesota State Academy for the Deaf (MSAD). This responsibility has necessitated more meetings in Faribault by the board and an increased workload for board members. All of these activities have increased the need for ongoing clerical support and created the need for increased meetings and the associated increase in costs.

RATIONALE:

As education reform and improvement has become a major initiative of the Governor and state legislature, the work of the State Board of Education has increased in response. The current budget of the State Board of Education is built on the model of a two-day board meeting once each month. The board has been assigned responsibilities for projects such as learner outcome identification, ongoing governance of MSAD/MSAB, and conducting a desegregation cost study. For State Board members to make high quality and informed decisions in these and other areas, board members must spend more time in meetings of the board and attending sessions designed to enhance their awareness of the issues. The increase is requested to fund basic level clerical support and increased travel expense for board members. These are necessary for the board to function effectively.

<u>BASE:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund Expenditures	\$ 99	\$ 101	\$ 101	\$ 101

<u>LONG RANGE IMPLICATIONS:</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	\$ 66	\$ 66	\$ 132

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

1990-91 Biennial Budget

PROGRAM: 1203 MINNESOTA STATE RESIDENTIAL ACADEMIES
Agency: EDUCATION, DEPARTMENT OF

PROGRAM PURPOSE:

The Minnesota State Residential Academies provide comprehensive educational and resource services to meet the needs of sensory impaired children and youth. The Minnesota State Academy for the Deaf (MSAD), established in 1863, and the Minnesota State Academy for the Blind (MSAB), established in 1866, provide program and service options for deaf, blind, and deaf-blind children and youth, age 0-21. Management activities include the administration of two state academies with boarding facilities, one for the hearing-impaired child and one for the blind/visually handicapped child; and two state resource centers dedicated to providing educators, parents, and children and youth with comprehensive technical assistance programs/services on a statewide basis.

OPERATIONS AND PRIORITIES:

The Minnesota State Residential Academies provide education services to diverse student populations, including the single characteristic blind/visually handicapped child, the blind/multiply handicapped child, the deaf-blind child and youth, and the deaf child and the deaf/multiply handicapped child and youth. Programs are designed to provide highly personalized and intensive instructional opportunities through quality academic programs, integration and transition programs and after school and extracurricular activities. Services are performed by specialists in each area of exceptionality utilizing specialized techniques and methodologies. Programming may include residential or day program opportunities, long or short term programs and services, extended-year opportunities and technical assistance opportunities. These programs and services are available to Minnesota's sensory impaired children upon referral from a resident school district when determination has been made that a child's needs may most appropriately be met by programs/services at the Academies.

The administration of the academy programs is the responsibility of the Residential Academy Administrator. The administrator reports to the Minnesota State Board of Education. Technical assistance is provided, upon request, by the Minnesota Department of Education. The State Resource Center for the Hearing Impaired and the State Resource Center for the Blind/Visually Handicapped are managed by a director who reports directly to the Residential Academy Administrator.

The State Resource Center for the Hearing Impaired and the State Resource Center for the Blind and Visually Handicapped were created by the legislature in 1987. The purpose of the resource centers is to make technical assistance available to all Minnesota school districts, educators, and parents in areas related to the education of children and youth who are blind/visually handicapped or hearing impaired. The resource centers became operational in March 1988.

EXPLANATION OF BUDGET REQUEST:

This budget request will fund quality programs and services critical to the changing and diverse low-incidence populations served at the Minnesota State Residential Academies. The request will fund the activities of the two state resource centers which meet the technical assistance needs of low-incidence hearing and visually handicapped populations on a statewide basis. The thrust of this request will enable the academies and resource centers to provide the resources essential to address the critical needs of students, educators, and parents.

Nine CHANGE request items are requested for this program. Four of the CHANGE requests are addressed at the program level. One position and \$155 each year are requested for an extended school year program. One position and \$180 are also requested for each year of the biennium for integration and transition programming. Funding in the amount of \$32 is requested each year for the activities of the two state resource centers and \$30 is requested each year to augment repair and replacement dollars at the two academies.

Three CHANGE request items are requested by the Academy for the Deaf. Staff (1.5) and \$37 each year are requested to support the instructional program and 2.5 positions and \$51 are requested for programs to ensure the health and safety of students. Funding in the amount of \$10 is requested for each F.Y. 1990 and F.Y. 1991 for purposes of addressing the mental health needs of hearing impaired adolescents.

The Academy for the Blind has two CHANGE request items for F.Y. 1990 and F.Y. 1991. One position and \$31 is requested for each year of the biennium to address early childhood concerns and one position and \$31 each year is requested to address the low vision needs of visually handicapped children and youth.

GOVERNOR'S RECOMMENDATION:

For the biennium, the Governor recommends:

1. Extended School Year Program (1 position)	\$310
2. Health and Safety (1 position)	44
Total	<u>\$354</u>

1990-91 BIENNIAL BUDGET
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : MINN RESIDENTIAL ACADEMIES

		F.Y. 1990					F.Y. 1991				
				AGENCY REQUEST					AGENCY REQUEST		
ACTIVITY EXPENDITURES:		FY 1988	FY 1989	BASE	CHANGE	TOTAL	GOVERNOR'S RECOMM.	BASE	CHANGE	TOTAL	GOVERNOR'S RECOMM.
MN ACADEMY FOR DEAF		4,235	4,534	4,673	306	4,979	4,753	4,673	306	4,979	4,753
P RESOURCE CENTER PROGRAMS & SERVICES	GEN				16		0		16		0
P EXTENDED SCHOOL YEAR PROGRAM	GEN				58		58		58		58
P INTEGRATION & TRANSITION FOR YOUTH	GEN				114		0		114		0
P REPAIRS & REPLACEMENT INCREASE	GEN				20		0		20		0
B HEARING IMPAIRED HEALTH & WELLNESS	GEN				10		0		10		0
B INSTRUCTIONAL SUPPORT	GEN				37		0		37		0
B HEALTH AND SAFETY	GEN				51		22		51		22
MN ACADEMY FOR BLIND		2,557	2,576	2,597	251	2,848	2,694	2,597	251	2,848	2,694
P RESOURCE CENTER PROGRAMS & SERVICES	GEN				16		0		16		0
P EXTENDED SCHOOL YEAR PROGRAM	GEN				97		97		97		97
P INTEGRATION & TRANSITION FOR YOUTH	GEN				66		0		66		0
P REPAIRS & REPLACEMENT INCREASE	GEN				10		0		10		0
B LOW VISION PROGRAMS & SERVICES	GEN				31		0		31		0
B EARLY CHILDHOOD	GEN				31		0		31		0
TOTAL EXPENDITURES		6,792	7,110	7,270	557	7,827	7,447	7,270	557	7,827	7,447
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL		6,406	6,760	6,949	557	7,506	7,126	6,949	557	7,506	7,126
STATUTORY APPROPRIATIONS:											
GENERAL		0	29	0	0	0	0	0	0	0	0
SPECIAL REVENUE		0	19	19	0	19	19	19	0	19	19
FEDERAL		284	234	234	0	234	234	234	0	234	234
AGENCY		35	36	36	0	36	36	36	0	36	36
GIFTS AND DEPOSITS		61	21	21	0	21	21	21	0	21	21
ENDOWMENT		6	11	11	0	11	11	11	0	11	11
TOTAL FINANCING		6,792	7,110	7,270	557	7,827	7,447	7,270	557	7,827	7,447

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : MINN RESIDENTIAL ACADEMIES

SOURCES OF FINANCING:	F.Y. 1990					F.Y. 1991				
	FY 1988	FY 1989	AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
POSITIONS BY FUND:										
GENERAL	185.6	185.6	185.6	8.0	193.6	187.6	185.6	8.0	193.6	187.6
FEDERAL	9.0	8.0	8.0	0.0	8.0	8.0	8.0	0.0	8.0	8.0
TOTAL POSITIONS	194.6	193.6	193.6	8.0	201.6	195.6	193.6	8.0	201.6	195.6

CHANGE REQUEST _____ Agency X Program _____ Activity 1990-91 Biennial Budget

ACTIVITY:
Program : 1203 MINNESOTA STATE RESIDENTIAL ACADEMIES
Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: INTEGRATION AND TRANSITION FOR DEAF AND BLIND YOUTH

Agency Request	F.Y. 1990		F.Y. 1991	
	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 180	1	\$ 180	1
Governor's Recommendation				
General Fund	\$ -0-	-0-	\$ -0-	-0-

Request requires statutory change: _____ Yes X No
Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests funding to enhance or expand integration and transition opportunities. This request will address concerns regarding the need for expanded transition planning, support and training for hearing impaired and blind and visually handicapped youth; and increased integration opportunities with the Faribault Public School system. The request will also allow deaf and blind youth the opportunity to participate in an integration/transition program called "Quick Step" (a postsecondary enrollment options program) with the Faribault Technical Institute.

The objective is to provide the agency with adequate resources necessary to carry out integration and transition program responsibilities, including transition planning, community work experience, independent living training, relevant and varied vocational offerings, and mainstream support services, including interpreting, counseling, and program coordination.

DESCRIPTION/BACKGROUND:

The academies have been encouraged by the State Board of Education and the state legislature to establish appropriate integration opportunities with the local public school system; and, the local public school has the responsibility of assuring that integration opportunities are available to learners at the academies. As a result, integration opportunities (often called

mainstreaming) with the Faribault Public Schools are broadly emphasized at the academies. Children and youth who may benefit from the integration experience are provided with the services and support to ensure a successful experience. The "mainstream" program has been widely proclaimed and cited as model programming and cooperation worthy of emulation by other state operated programs across the United States.

Integration opportunities for the Academy for the Deaf and Academy for the Blind learners are provided through a contractual arrangement with the Faribault Public Schools. The academies contract for human resources and service, including program coordination, management services, interpreting services, tutorial assistance, program specialists (e.g., orientation and mobility, psychological, and counseling), social work services, and the training of regular education classroom personnel working with sensory impaired children. Service costs include transportation, braille, and large print production. Payment is made to the local school district with non-dedicated general fund dollars.

Recent Minnesota transition initiatives address a long held concern among educators and families of children with sensory impairments. It has been stated that 80% of adult blind are either unemployed or underemployed. Historically, adult deaf employees have been characterized as underemployed. These statements indicate the need to develop the skills and attitudes needed for successful transition upon leaving schools. Statistical data indicate that sensory impairment greatly impacts the ability of an individual to live independently and work competitively without appropriate instruction and training. Nowhere does the transition initiative take on greater meaning than with the sensory impaired student population. However, this need has gone unmet in many programs for deaf and blind students. The academies have had no position dedicated solely to the purpose of transition programming.

Related to the integration and transition concerns for deaf and blind learners is the need for cooperative arrangements with postsecondary programs. Although learners at the academies have been successfully integrated into the Faribault Public Schools, learners have been unable to access the opportunities afforded through the Minnesota Post Secondary Enrollment Options Program. This successful program allows a "quick step" into postsecondary programs for Minnesota's learners. However, deaf and blind youth are denied these same opportunities because of limited funds and the lack of human resources needed to provide the support services required to meet the unique and diverse needs of sensory handicapped youth.

RATIONALE:

Mainstream programs are funded with general state appropriations. The legislature dedicated \$74.5 to the academies for mainstream programs in F.Y. 1984 and \$75 in F.Y. 1985. Although the program costs have since increased rapidly, the funding level for the mainstream programs has remained unchanged. Costs for mainstream programs were \$181 in F.Y. 1989; \$108 in F.Y. 1987. Cost increases are due to public school salary adjustments, changes in the special education funding formula, increased student participation, and increased diversity of student need. Unless additional funding is appropriated, the number of participants and the quality of services will be drastically reduced.

CHANGE REQUEST 1990-91 Biennial Budget
 _____ Agency X Program _____ Activity
 (Continuation)

ACTIVITY:
 Program : 1203 MINNESOTA STATE RESIDENTIAL ACADEMIES
 Agency : EDUCATION, DEPARTMENT OF

The ability of the academies to fund above the program base (\$75) has depended on the use of any salary and fuel savings, and cuts in other program areas. This is no longer feasible, nor acceptable. A critical need exists to assure that this program continues without compromising or adversely affecting current programs at each academy.

Funding in the amount of \$120 is requested for each year to ensure continued integration opportunities for deaf and blind students.

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Mainstreaming Costs	\$ 145	\$ 181	\$ 190	\$ 195

Because learners at the academies do not participate in the postsecondary enrollment options program, funding for a "Quick Step" program is requested. Although the programs hold the same promise for deaf and blind learners as it does for hearing and sighted learners, deaf and blind learners find the same opportunities unavailable and out of reach. The "Quick Step" program will encourage deaf and blind youth to "step" into their postsecondary futures by providing access to the Faribault Technical Institute (FTI). The "Quick Step" program will be the academies' response to the postsecondary enrollment options program and will present an expanded and varied vocational curriculum. Funding in the amount of \$20 is requested each year for this transition program. Funding will provide support services, including interpreters, note takers, braille and large print production, tutorial assistance, purchase of books and supplies (including cassettes and talking books), and purchase of adaptive equipment as needed, through contractual arrangements with the FTI.

In order to focus on the disturbing trends of unemployment and underemployment among deaf and blind adult populations, it is important that transition programs be guided by an individual who can devote his/her time solely on transition efforts. Therefore, it is requested that \$40 for each year of the biennium (\$20 and .5 FTE for each academy) be used to obtain the services of a transition coordinator. This position will be responsible for a coordinated and articulated transition program that will include appropriate instruction, community work opportunities during traditional and extended year programs, and individual transition planning and support as the student progresses from school to work, postsecondary options, and community living.

<u>BASE:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund Expenditures	\$ 75	\$ 75	\$ 75	\$ 75

<u>LONG RANGE IMPLICATIONS:</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	\$ 180	\$ 180	\$ 360

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

CHANGE REQUEST _____ Agency X Program _____ Activity 1990-91 Biennial Budget

ACTIVITY:
Program : 1203 MINNESOTA STATE RESIDENTIAL ACADEMIES
Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: EXTENDED SCHOOL YEAR PROGRAM

	F.Y. 1990		F.Y. 1991	
Agency Request	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 155	1	\$ 155	1

Governor's Recommendation

General Fund	\$ 155	1	\$ 155	1
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Request requires statutory change: _____ Yes X No
Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests funding to assure that extended year programs will be available to severely handicapped and single characteristic sensory impaired students.

Funding is also requested for a severely handicapped program coordinator to coordinate programs for severely handicapped students at the Minnesota State Academy for the Blind (MSAB) and the Minnesota State Academy for the Deaf (MSAD).

The objective is to provide the agency with adequate resources to plan and carry out extended year programs for students who otherwise may not receive appropriate services.

DESCRIPTION/BACKGROUND:

It is generally accepted that sensory impaired developmentally delayed children require longer periods to acquire skills and knowledge. The traditional school year does not serve the needs of children requiring continuous repetition and reinforcement in order to retain knowledge/skills.

Many hearing impaired and blind/visually handicapped single characteristic students progress satisfactorily within the traditional school year structure. However, research indicates that many developmentally delayed children would benefit from a school year characterized by shorter but more frequent breaks and, therefore, less instructional downtime. Without the opportunity for continuous repetition and reinforcement, regression has become a significant concern for educators of sensory impaired students with special needs.

Individual Education Programs (IEPs) are increasingly interpreted as educational documents that may mean more than a 9 month or 10 month program. Depending on the individual child, IEPs are written and intended to provide for a 12 month education program.

Many children at the Academy for the Blind and the Academy for the Deaf who would benefit from a 12 month program do not have the opportunity for extended instructional time. Extended summer sessions are provided only to the extent that general fund dollars are available. In any event, a limited two, three, or four week summer session is inadequate for students requiring these educational programs and services.

Extended year programs do not only benefit the most severely handicapped sensory impaired child. Sixty percent of the students attending summer sessions are not enrolled at the Academy for the Blind. These students, many single characteristic blind students, return to the home district for traditional year schooling. The students attend the summer session to participate in short, concentrated programs/services generally not available in the home district, e.g., braille training, computer training, orientation and mobility activities, intensive academic study or remediation, low vision training/assessments, community integration and work programs, cheerleading camps, drama workshops, public speaking, athletic competition, emotional adjustment programs, and socialization with peers. The programs available during summer sessions respond to the individual student's needs and provide a valuable addition to the district's home based school year program. These programs/services are critical to the blind child. To the extent that the services may be critical, the severely handicapped child may have a legal right to extended year programs.

The needs of the hearing impaired child are similar. Over fifty percent of the students attending summer sessions are not enrolled at the Academy for the Deaf but attend summer sessions to address needs through programs and services not available in the local district programs.

RATIONALE:

Extended school year programs are funded with general state appropriations. The legislature dedicated \$148 to the academies for summer school in F.Y. 1984 and F.Y. 1985. Although the base cost of providing summer school has escalated dramatically, the base level funding for these programs has remained unchanged. Costs for summer school in F.Y. 1986 was \$226; F.Y. 1987, \$199; and F.Y. 1989, \$288 (estimated). The cost increase is due to salary adjustments, increased student attendance, an increase in the number of multiple handicapped students in attendance, and the need for specialized staff and programs to meet the diverse needs of students at the respective academies. Whether or not these programs are available depends on the

CHANGE REQUEST 1990-91 Biennial Budget
 _____ Agency X Program _____ Activity
 (Continuation)

ACTIVITY:

Program : 1203 MINNESOTA STATE RESIDENTIAL ACADEMIES
 Agency : EDUCATION, DEPARTMENT OF

academies' budget situation each spring. Concern exists that the academies can no longer assure programs above current base level funding. If programs are limited to \$148, current programs and services would need to be drastically reduced or eliminated. The ability of the academies to provide summer school has depended upon the use of any salary and fuel savings, and cuts in other program areas. This funding method is programmatically unacceptable and unsound. A critical need exists to assure that these programs remain available for deaf and blind students without compromising or adversely affecting current programs at each academy.

Extended year programs require the leadership of an individual trained in the education of the severely handicapped sensory impaired child. Therefore a director for programs for severely handicapped is critical. There has been an increase in the number of children who have a sensory impairment and at least one other handicapping condition. There has also been an increase in the number of students having severe handicapping conditions. To meet the current and anticipated needs of children currently served in Faribault, as well as those who would be served in extended year programs, program coordination must be enhanced. External program studies (Zieziula, 1985) cited the need for improved services to the severely handicapped population. It is recognized that the severely handicapped sensory-impaired child requires specialized staff and methodology. Expectations are that this population will continue to increase and that there will be a corresponding increase in technical assistance requests regarding this population from district based programs. At present the program in Faribault does not have trained and qualified leadership focusing solely on the needs of this population. Program effectiveness requires this leadership and expertise.

Funding in the amount of \$115 for F.Y. 1990 and F.Y. 1991 is requested that will allow a continuation of extended year programs for blind/visually handicapped students and hearing impaired students.

One position and \$40 is requested each year for a severely handicapped coordinator. The position will serve both the Minnesota State Academy for the Blind (.5 FTE) and the Minnesota State Academy for the Deaf (.5 FTE).

<u>BASE:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund Expenditures	\$ 148	\$ 148	\$ 148	\$ 148

<u>LONG RANGE IMPLICATIONS:</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	\$155	\$155	\$310

GOVERNOR'S RECOMMENDATION:

The Governor concurs with the agency's request.

CHANGE REQUEST _____ Agency X Program _____ Activity _____ 1990-91 Biennial Budget

ACTIVITY:

Program: 1203 MINNESOTA STATE RESIDENTIAL ACADEMIES
Agency: EDUCATION, DEPARTMENT OF

REQUEST TITLE: RESOURCE CENTER PROGRAMS AND SERVICES

Agency Request	F.Y. 1990		F.Y. 1991	
	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 32	-0-	\$ 32	-0-
Governor's Recommendation				
General Fund	\$ -0-	-0-	\$ -0-	-0-

Request requires statutory change: _____ Yes X No
Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests funding to support the technical assistance programs and services of the Minnesota State Resource Center for the Deaf and the Minnesota State Resource Center for the Blind. The objective is to provide education opportunities and services to educators, students, parents and citizens consistent with the intent of the 1987 legislation.

DESCRIPTION/BACKGROUND:

The Minnesota State Resource Center for the Deaf and the Minnesota State Resource Center for the Blind and Visually Handicapped were established by the 1987 legislature to provide education opportunities and services to educators, students, parents and citizens (M.S. 128A.021). Goals and objectives have been designed to directly impact all individuals participating in programs with hearing impaired or visually handicapped children, and include: researching and developing innovative approaches; disseminating information and materials to parents and the field; establishing workshops and seminars for parents and educators; and providing technical assistance to districts and education agencies upon request. In order to manage the resource centers, the legislature transferred three complement to the resource centers (1.5 FTE to the Resource Center for the Deaf; 1.5 FTE to the Resource Center for the Blind). A total of \$125 per year was appropriated by the legislature to cover all expenses of the resource centers.

RATIONALE:

Although staff were not hired until March 1988, program data indicate that many parents, educators, and education officials have availed themselves of the services provided by the resource centers. It is felt that requests for technical assistance will increase at a steady rate.

Combined salary obligations for the three complement (F.Y. 1989) is \$117. This amount will allow only \$8 in technical assistance program dollars for F.Y. 1989, or \$4 for each resource center. The dollar amount available for programs and services is insufficient to meet the needs identified.

Funding for F.Y. 1990 and F.Y. 1991 is requested to augment appropriations for the resource centers. Funds will be used to sponsor statewide parent child institutes; to sponsor statewide post-secondary forums for parents, students and educators; to develop or conduct workshops throughout the state; to increase consultation activities; and to assist districts and parents in matters of technical assistance. Funds will also be utilized as available to increase and expand the information referral/retrieval capabilities of the resource centers. It should be noted that the cost of the 1988 Parent Child Institute was approximately \$6 for each resource center.

Funding is requested to provide the Minnesota State Resource Center for the Deaf (\$16 each year) and the Minnesota State Resource Center for the Blind (\$16 each year) with funding to achieve their mission.

<u>BASE:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund Expenditures	\$ 125	\$ 125	\$ 125	\$ 125

<u>LONG RANGE IMPLICATIONS:</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	\$ 32	\$ 32	\$ 64

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

CHANGE REQUEST _____ Agency X Program _____ Activity 1990-91 Biennial Budget

ACTIVITY:
Program: 1203 MINNESOTA STATE RESIDENTIAL ACADEMIES
Agency: EDUCATION, DEPARTMENT OF

REQUEST TITLE: INCREASE IN REPAIRS AND REPLACEMENT

	F.Y. 1990		F.Y. 1991	
Agency Request	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 30	-0-	\$ 30	-0-
Governor's Recommendation				
General Fund	\$ -0-	-0-	\$ -0-	-0-

Request requires statutory change: _____ Yes X No
Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests funding to augment maintenance, repair and replacement programs that will enable the academy to provide a safe, clean and attractive environment for the learners enrolled in the program.

DESCRIPTION/BACKGROUND:

As the manager and custodian of state owned facilities, the Residential Academy Administrator has been charged with maintaining state facilities in a responsible and cost efficient manner.

Due to unanticipated costs and mandated activities (i.e., asbestos survey), funds have been limited for general repair and replacement purposes. These projects generally carry high priority and serve to delay the needed general maintenance repair and replacement activities.

The Academy for the Deaf and the Academy for the Blind (separated by 1.5 miles) consist of 19 buildings (413,000 sq. ft.), athletic fields, tennis courts, swimming pool and two large campuses. Ongoing needs include sidewalk and parking lot repair, roof and tuckpointing repair, carpet and tile replacement, landscaping activities, etc., as well as a continual response to the needs of the mechanical systems on each campus.

RATIONALE:

This request will provide the academies with the ability to continue basic maintenance activities and still attend to the long range repair and replacement projects. With this increase in funding, the academies will be able to plan for a long range program of carpet and tile replacement, tuckpointing, and minor reroofing projects, etc., and also allow the program to equip shop areas with Occupational Safety and Health Act (OSHA) recommended dust collector systems while continuing to meet known basic maintenance needs of both campuses. If a funding increase is unavailable, several needed long range projects, including carpet and tile replacement and tuckpointing, will be unmet and other needs delayed.

This request is for \$30 (\$20 at the Academy for the Deaf and \$10 at the Academy for the Blind) for each year of the biennium to meet the repair and replacement needs at each campus on a timely and cost efficient basis.

BASE:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund Expenditures	\$ 108	\$ 108	\$ 108	\$ 108

LONG RANGE IMPLICATIONS:	F.Y. 1992	F.Y. 1993	Total
General Fund Expenditures	\$ 30	\$ 30	\$ 60

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this item. Other spending priorities preclude additional funding.

1990-91 Biennial Budget

ACTIVITY: 1203-01 MINNESOTA STATE ACADEMY FOR THE DEAF
 Program : 1203 MINNESOTA STATE RESIDENTIAL ACADEMIES
 Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

The Minnesota State Academy for the Deaf is a public school with boarding facilities, which provides direct programs and services to deaf children and youth in both day and boarding programs. Parents and educators across the state receive technical assistance through the resources of the academy and the State Resource Center - Hearing Impaired. The academy serves as a program and placement option for all Minnesota school districts.

The academy provides academic and extra-curricular programs for two student populations: the hearing impaired student and the hearing impaired student with one or more additional handicapping conditions. Each student has an individual program which addresses his or her identified academic, communication, social/emotional, vocational, and physical needs. Academic programs are offered to students at the academy and at the Faribault Public Schools. Integration goals for individual students are achieved through mainstreaming programs, athletic competition, athletic cooperative arrangements, community recreation programs, work programs and social programs. Summer sessions are designed to provide programs and services for students served in public schools who otherwise might not receive such programs and to meet the needs of students enrolled at the academy who, because of severity of need, require extended-year programs.

MINNESOTA STATE ACADEMY FOR THE DEAF

ACTIVITY STATISTICS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Students enrolled	152	155	158	160
New students	39	20	23	25
Graduates	12	14	13	11
Summer session:				
Non-MSAD students	50	52	54	56
MSAD students	50	55	57	60
Consultations/Assessments:				
(Students, levels 1-5, in local programs.)				
Psychological	23	25	28	32
Speech/language	6	10	13	18
Audiological testing	850	850	850	850
Reading/language	58	75	85	100
Sign language evaluations:				
(Professional services)				
State employees	400	200	150	100
Non-state employees	20	60	90	120
Captioned film distribution	2,100	2,150	2,200	2,250
Informational requests	93	115	130	150
Deaf awareness activities	12	14	16	18
Campus visitation/tours	133	140	145	150
Parents of pre-schoolers served in on-going training programs	14	15	16	17

ACTIVITY STATISTICS: (Contd.) F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

MINNESOTA STATE RESOURCE CENTER FOR THE HEARING IMPAIRED

Dissemination of print matter, audio-visual products	146	160	170	180
Consultation requests from educators, parents and students	360	830	870	900
Workshops sponsored	3	4	5	5
Agency referrals	24	75	80	85
Networking with other agencies	5	8	10	12
Technical assistance with Minnesota Department of Education	15	30	45	60

EFFECTIVENESS MEASURES: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

Graduates	12	14	15	17
Post secondary activities (graduates)				
2-year program or Vo-Tech	4	7	7	6
4-year program	5	6	5	8
Employment	3	1	3	3
Semi-independent (sheltered workshop)	3	0	1	1
Institutionalized	0	0	0	0

TRENDS:

Definite trends are apparent in the education of the child with vision handicaps. More school districts, educators, and parents are seeking technical assistance from comprehensive education programs (residential schools) to assist in a number of areas related to the education of the blind child. It is also evident that an increased number of school districts, educators, and parents recognize the value of special summer programs and services provided at residential (center-based) programs for students who otherwise attend resident district traditional school year programs. Data also indicate a trend that more children require Individual Education Plans that extend beyond traditional school year programs in order to assure maintenance of skills and prevent regression tendencies.

REVENUE:

This activity generate non-dedicated revenue.

Type of Revenue	Actual F.Y. 1988	Estimate F.Y. 1989	Estimate F.Y. 1990	Estimate F.Y. 1991
Non-dedicated (000's)	\$ 353	\$ 395	\$ 395	\$ 395

1990-91 Biennial Budget

ACTIVITY: MINNESOTA STATE ACADEMY FOR THE DEAF
(Continuation)
Program: MINNESOTA STATE RESIDENTIAL ACADEMIES
Agency: EDUCATION, DEPARTMENT OF

<u>CHANGE REQUEST:</u>	<u>F.Y. 1990</u>	<u>F.Y.1991</u>	<u>Type</u>
Staff and funds for integration and transition for deaf and blind youth	\$ 94	\$ 94	Program-Wide
Staff and funds for Extended School Year Program	\$ 58	\$ 58	Program-Wide
Funds for Resource Center programs and services	\$ 16	\$ 16	Program-Wide
Funds for increases in repairs and replacement	\$ 20	\$ 20	Program-Wide
See CHANGE request sheets following the Minnesota State Residential Academies Program fiscal page.			
Staff and funding for Health and Safety services	\$ 51	\$ 51	Activity Specific
Funding for Hearing Impaired Health and Wellness services	\$ 10	\$ 10	Activity Specific
Staff and support costs for Instructional Services	\$ 37	\$ 37	Activity Specific
See CHANGE request sheets following the fiscal page for this activity.			

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : MINN RESIDENTIAL ACADEMIES
BUDGET ACTIVITY : MN ACADEMY FOR DEAF

		F.Y. 1990					F.Y. 1991				
		AGENCY REQUEST					AGENCY REQUEST				
							GOVERNOR'S				GOVERNOR'S
EXPENDITURES:		FY 1988	FY 1989	BASE	CHANGE	TOTAL	RECOMM.	BASE	CHANGE	TOTAL	RECOMM.
DETAIL BY CATEGORY:											
STATE OPERATIONS:											
PERSONAL SERVICES		3,566	3,935	4,082	172	4,254	4,162	4,082	172	4,254	4,162
EXPENSES/CONTRACTUAL SRVCS		250	151	150	124	274	150	150	124	274	150
MISC OPERATING EXPENSES		112	119	119	0	119	119	119	0	119	119
SUPPLIES/MATERIALS/PARTS		255	284	284	10	294	284	284	10	294	284
CAPITAL EQUIPMENT		49	42	35	0	35	35	35	0	35	35
REDISTRIBUTIONS		3	3	3	0	3	3	3	0	3	3
TOTAL EXPENDITURES		4,235	4,534	4,673	306	4,979	4,753	4,673	306	4,979	4,753
CHANGE REQUESTS:	FUND										
P RESOURCE CENTER PROGRAMS & SERVICES	GEN				16		0		16		0
P EXTENDED SCHOOL YEAR PROGRAM	GEN				58		58		58		58
P INTEGRATION & TRANSITION FOR YOUTH	GEN				114		0		114		0
P REPAIRS & REPLACEMENT INCREASE	GEN				20		0		20		0
B HEARING IMPAIRED HEALTH & WELLNESS	GEN				10		0		10		0
B INSTRUCTIONAL SUPPORT	GEN				37		0		37		0
B HEALTH AND SAFETY	GEN				51		22		51		22
TOTAL CHANGE REQUESTS					306		80		306		80
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL		4,011	4,328	4,467	306	4,773	4,547	4,467	306	4,773	4,547
STATUTORY APPROPRIATIONS:											
SPECIAL REVENUE		0	18	18	0	18	18	18	0	18	18
FEDERAL		174	155	155	0	155	155	155	0	155	155
AGENCY		23	26	26	0	26	26	26	0	26	26
GIFTS AND DEPOSITS		27	5	5	0	5	5	5	0	5	5
ENDOWMENT		0	2	2	0	2	2	2	0	2	2
TOTAL FINANCING		4,235	4,534	4,673	306	4,979	4,753	4,673	306	4,979	4,753

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : MINN RESIDENTIAL ACADEMIES
BUDGET ACTIVITY : MN ACADEMY FOR DEAF

SOURCES OF FINANCING:	FY 1988	FY 1989	F.Y. 1990				GOVERNOR'S RECOMM.	F.Y. 1991				GOVERNOR'S RECOMM.		
			AGENCY REQUEST					AGENCY REQUEST						
			BASE	CHANGE	TOTAL	BASE		CHANGE	TOTAL					
POSITIONS BY FUND:														
GENERAL	122.7	122.7	122.7	5.0	127.7	124.2	122.7	5.0	127.7	124.2				
FEDERAL	7.0	6.0	6.0	0.0	6.0	6.0	6.0	0.0	6.0	6.0				
TOTAL POSITIONS	129.7	128.7	128.7	5.0	133.7	130.2	128.7	5.0	133.7	130.2				

CHANGE REQUEST 1990-91 Biennial Budget
 _____ Agency _____ Program X Activity

ACTIVITY: 1203-01 ACADEMY FOR THE DEAF
 Program : 1203 MINNESOTA STATE RESIDENTIAL ACADEMIES
 Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: HEALTH AND SAFETY

	F.Y. 1990		F.Y. 1991	
Agency Request	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 51	2.5	\$ 51	2.5

Governor's Recommendation

General Fund	\$ 22	1	\$ 22	1
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Request requires statutory change: _____ Yes X No
 Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests funding for a Human Services Technician (HST), a Security Officer and a Licensed Practical Nurse. This request will provide funding to increase supervision in the residential program of multiply handicapped/emotionally disturbed students and general campus security at the Academy for the Deaf.

DESCRIPTION/BACKGROUND:

The health and safety of children and youth is paramount. The request is related to concerns regarding current ability to assure the health and safety of all students.

Behavior patterns of deaf multiply handicapped students require highly individualized attention. Student behaviors, especially aggressive tendencies, self-injurious behaviors, the tendency to "run" and/or place oneself in dangerous or hazardous situations, are present and of concern. There is concern for the safety of the multiply handicapped student, other students, and staff members. Increased supervision in the resident programs would alleviate this health and safety concern.

Security issues also represent a safety concern. Currently the Academy for the Deaf and Academy for the Blind, located one and one-half miles apart, share the same nighttime security officer. The security officer works a

11:00 p.m. to 7:00 a.m. shift. Concerns exist with the time period up to 11:00 and during the time when the security officer is "between" campuses or "off" campus. During the hours of the night, both academies are at some time an "open" campus without on-site security coverage. This represents a health and safety concern for students and a hazard to the physical sites.

RATIONALE:

As caretakers for children, the agencies are obligated to care for children; therefore, one position and \$18 each year is requested for a Human Services Technician (1.0 FTE) that will alleviate concerns for the health and safety of the multiply handicapped children.

One position and \$22 is requested for F.Y. 1990 and F.Y. 1991 for a Security Officer (1.0 FTE) that will allow full-time security coverage on both campuses.

Funding in the amount of \$11 is requested for each year of the biennium for a Licensed Practical Nurse (.5 FTE).

BASE:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund Expenditures	\$ 765	\$ 841	\$ 841	\$ 841

LONG RANGE IMPLICATIONS:

	F.Y. 1992	F.Y. 1993	Total
General Fund Expenditures	\$ 51	\$ 51	\$ 102

GOVERNOR'S RECOMMENDATION:

The Governor recommends one position and \$22 for F.Y. 1990 and \$22 for F.Y. 1991 for a Security Officer to allow full-time security coverage on both campuses.

CHANGE REQUEST _____ 1990-91 Biennial Budget
 _____ Agency _____ Program X Activity

ACTIVITY: 1203-01 ACADEMY FOR THE DEAF
 Program : 1203 MINNESOTA STATE RESIDENTIAL ACADEMIES
 Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: HEARING IMPAIRED HEALTH AND WELLNESS

	F.Y. 1990		F.Y. 1991	
	(000's) Amount	Positions	(000's) Amount	Positions
Agency Request				
General Fund	\$ 10	-0-	\$ 10	-0-

Governor's Recommendation

General Fund	\$ -0-	-0-	\$ -0-	-0-
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Request requires statutory change: _____ Yes X No
 Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests funding to expand its ability to contract with outside agencies to meet the mental health needs of targeted adolescents that cannot be met at the Academy for the Deaf.

The objective is to provide the resources necessary to meet the mental health needs of hearing impaired children consistently demonstrating maladaptive behavior and general behavior management problems.

DESCRIPTION/BACKGROUND:

There is a growing need to attend to the mental health needs of deaf children; however, there is an immediate need to respond to the growing number of adolescents who consistently demonstrate maladaptive behavior and general behavior management problems. These behaviors significantly interfere with the student's ability to function successfully in the school, resident program setting, and home community.

The number of deaf adolescents exhibiting severe mental health needs has been increasing nationwide over the past few years. However, students charac-

terized as disturbed or who exhibit severe acting out problems still fall into a gap in service delivery. Education agencies are not prepared to deal with, or treat, the severe cases often presented to them.

RATIONALE:

Adolescents exhibiting these difficulties are often referred to the State Academy for the Deaf. Deaf adult role models, consistent communication with peers and staff, and a generally supportive communication environment often produce the desired emotional outcomes. However, this is not always the case. The need is great enough that mental health (psychiatric) programs for deaf adolescents have been developed in the United States, although limited in number.

During the past year, the professionals on staff have not been able to treat the severity and complexity of behaviors exhibited by several adolescents. In these instances, the program sought outside contractual assistance through the Ramsey County Hearing Impaired Health and Wellness Program. The cooperative efforts were generally very satisfactory, however, efforts were limited by funds available. Costs for these programs are generally borne by the academy.

Funding for F.Y. 1990 and F.Y. 1991 is requested that will allow expanded program initiatives with mental health agencies, e.g., Ramsey County Hearing Impaired Health and Wellness and other yet unidentified resources. Funds will also be expended in intervention programs designed for all children and youth, but especially targeted for youth identified as "at-risk."

<u>BASE:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund Expenditures	-0-	-0-	-0-	-0-

<u>LONG RANGE IMPLICATIONS:</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	\$ 10	\$ 10	\$ 20

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

CHANGE REQUEST _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1203-01 ACADEMY FOR THE DEAF
 Program : 1203 MINNESOTA STATE RESIDENTIAL ACADEMIES
 Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: INSTRUCTIONAL SUPPORT

Agency Request	F.Y. 1990		F.Y. 1991	
	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 37	1.5	\$ 37	1.5
Governor's Recommendation				
General Fund	\$ -0-	-0-	\$ -0-	-0-

Request requires statutory change: _____ Yes X No
 Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests funding to support the instructional program at the Minnesota State Academy for the Deaf.

The objective is to provide increased instructional support allowing for increased individualized and small group instruction.

DESCRIPTION/BACKGROUND:

The varied and diverse needs of hearing impaired students as they struggle with the primary educational problem of language acquisition requires that opportunities be available for one-on-one and small group attention. These opportunities do not exist for all children.

RATIONALE:

The Academy for the Deaf currently has four teacher assistants and approximately 150 students. Teacher assistant support is provided primarily to those classrooms responsible for severely handicapped children and youth. Students could be served more effectively with increased instructional support. Response to parent and district concerns on this issue have not alleviated the concern of parents, districts, and teachers. To assure

parents and students that all is being done to facilitate language and basic skills acquisition is difficult when instructional support is limited. The need for at least one additional teacher assistant is great. Student opportunity is limited due to insufficient resources.

Concerns raised by parents and districts regarding speech and language services are similar. Four speech/language therapists are responsible for planning and carrying out individual programs for up to 150 students. Not all students requiring services are served to the degree requested or appropriate.

One position and \$19 for both F.Y. 1990 and F.Y. 1991 is requested for a Special Education Program Assistant. Funding in the amount of \$18 is also requested each year of the biennium for a Speech/Language Therapist (.5 FTE) to support the instructional program.

<u>BASE:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund Expenditures	\$ 157	\$ 169	\$ 169	\$ 169

<u>LONG RANGE IMPLICATIONS:</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	\$ 37	\$ 37	\$ 74

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

1990-91 Biennial Budget

ACTIVITY: 1203-02 MINNESOTA STATE ACADEMY FOR THE BLIND
Program : 1203 MINNESOTA STATE RESIDENTIAL ACADEMIES
Agency : EDUCATION, DEPARTMENT OF

PURPOSE:

The Minnesota State Academy for the Blind is a public school with boarding facilities which provides direct programs and services to blind and visually handicapped children and youth in both day and boarding programs. Parents and educators across the state receive technical assistance through the resources of the academy and the State Resource Center - Blind and Visually Handicapped. The academy serves as a program and placement option for all Minnesota school districts.

The academy provides academic and extra-curricular programs for three student populations: the single-characteristic blind student, students who are blind and visually handicapped with one or more additional handicapping conditions, and the deaf-blind student. Each student has an individual personalized program which addresses the identified academic, mobility, social/emotional, vocational, and physical needs. Academic programs are offered at the academy and at the Faribault Public Schools. Integration goals for individual students are achieved through mainstreaming programs, athletic competition, community recreation programs, and social activities. Summer sessions are designed to provide programs and services for students served in public schools who otherwise might not receive such programs, and to meet the needs of students enrolled at the academy who, because of severity of need, require extended-year programs.

<u>STATISTICS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Students enrolled	53	62	66	66
New students	6	9	8	8
Summer session:				
Non-MSAB students	60	62	64	65
MSAB students	50	51	54	55
Consultations/Assessments:				
(Students, levels 1-5, served in local programs.)				
Psychological	12	14	17	20
Orientation & mobility	12	20	25	30
Low vision	12	16	20	25
Academic	12	15	18	20
Deaf/blind	6	7	8	9
Informational request	68	75	80	85
Blind awareness activities	4	5	6	7
Campus visitations/tours	56	60	65	70

STATISTICS: (Contd.)

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
<u>MINNESOTA STATE RESOURCE CENTER FOR THE BLIND AND VISUALLY HANDICAPPED</u>				
Dissemination of print matter, audio-visual products	130	150	155	160
Dissemination of adaptive equipment	10	45	50	60
Consultation requests from parents/ students/educators	330	700	750	800
Workshops sponsored	1	3	5	5
Agency referrals	35	100	110	120
Networking with other agencies	15	35	50	60
Technical assistance with Minnesota Department of Education	15	30	45	60

EFFECTIVENESS MEASURES:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Graduates	4	0	6	5
Postsecondary Activities (Graduates)				
2-year program or Vo-Tech	0	0	2	2
4-year program	1	0	2	1
Employment	2	0	1	1
Semi-Independent (sheltered workshop)	1	0	1	1
Institutionalized	0	0	0	0

TRENDS:

Definite trends are apparent in the education of the child with hearing handicaps. More school districts, educators, and parents are seeking technical assistance from comprehensive education programs (residential schools) to assist in a number of areas related to the education of the deaf child. It is also evident that an increased number of school districts, educators, and parents recognize the value of special summer programs and services provided at residential (center-based) programs for students who otherwise attend resident district traditional school year programs. Data also indicate a trend that more children require Individual Education Plans that extend beyond traditional school year programs in order to assure maintenance of skills and prevent regression tendencies.

REVENUE:

This activity generates non-dedicated revenue.

<u>Type of Revenue</u>	<u>Actual F.Y. 1988</u>	<u>Estimate F.Y. 1989</u>	<u>Estimate F.Y. 1990</u>	<u>Estimate F.Y. 1991</u>
Non-dedicated (000's)	\$ 134	\$ 134	\$ 134	\$ 134

1990-91 Biennial Budget

ACTIVITY: MINNESOTA STATE ACADEMY FOR THE BLIND
(Continuation)
Program: MINNESOTA STATE RESIDENTIAL ACADEMIES
Agency: EDUCATION, DEPARTMENT OF

<u>CHANGE REQUEST:</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>	<u>Type</u>
Staff and funds for Integration and Transition for Deaf and Blind Youth	\$ 86	\$ 86	Program-Wide
Staff and funds for Extended School Year Program	\$ 97	\$ 97	Program-Wide
Funds for Resource Center Programs and Services	\$ 16	\$ 16	Program-Wide
Funds for increases in repairs and replacement	\$ 10	\$ 10	Program-Wide
See CHANGE request sheets following the Minnesota State Residential Academies Program fiscal sheet.			
Staff and support costs for Early Childhood services	\$ 31	\$ 31	Activity Specific
Staff and support costs for Low Vision services	\$ 31	\$ 31	Activity Specific
See CHANGE request sheets following the fiscal page for this activity.			

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : MINN RESIDENTIAL ACADEMIES
BUDGET ACTIVITY : MN ACADEMY FOR BLIND

		F.Y. 1990					F.Y. 1991				
		AGENCY REQUEST					AGENCY REQUEST				
		GOVERNOR'S RECOMM.					GOVERNOR'S RECOMM.				
EXPENDITURES:		FY 1988	FY 1989	BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:											
STATE OPERATIONS:											
PERSONAL SERVICES		2,152	2,173	2,227	185	2,412	2,324	2,227	185	2,412	2,324
EXPENSES/CONTRACTUAL SRVCS		126	121	121	56	177	121	121	56	177	121
MISC OPERATING EXPENSES		94	81	81	0	81	81	81	0	81	81
SUPPLIES/MATERIALS/PARTS		136	139	139	10	149	139	139	10	149	139
CAPITAL EQUIPMENT		47	60	27	0	27	27	27	0	27	27
REDISTRIBUTIONS		2	2	2	0	2	2	2	0	2	2
TOTAL EXPENDITURES		2,557	2,576	2,597	251	2,848	2,694	2,597	251	2,848	2,694
CHANGE REQUESTS:	FUND										
P RESOURCE CENTER PROGRAMS & SERVICES	GEN				16		0	16		0	
P EXTENDED SCHOOL YEAR PROGRAM	GEN				97		97	97		97	
P INTEGRATION & TRANSITION FOR YOUTH	GEN				66		0	66		0	
P REPAIRS & REPLACEMENT INCREASE	GEN				10		0	10		0	
B LOW VISION PROGRAMS & SERVICES	GEN				31		0	31		0	
B EARLY CHILDHOOD	GEN				31		0	31		0	
TOTAL CHANGE REQUESTS					251		97	251		97	
SOURCES OF FINANCING:											
DIRECT APPROPRIATIONS:											
GENERAL		2,395	2,432	2,482	251	2,733	2,579	2,482	251	2,733	2,579
STATUTORY APPROPRIATIONS:											
GENERAL		0	29	0	0	0	0	0	0	0	0
SPECIAL REVENUE		0	1	1	0	1	1	1	0	1	1
FEDERAL		110	79	79	0	79	79	79	0	79	79
AGENCY		12	10	10	0	10	10	10	0	10	10
GIFTS AND DEPOSITS		34	16	16	0	16	16	16	0	16	16
ENDOWMENT		6	9	9	0	9	9	9	0	9	9
TOTAL FINANCING		2,557	2,576	2,597	251	2,848	2,694	2,597	251	2,848	2,694

1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : EDUCATION, DEPT OF
PROGRAM : MINN RESIDENTIAL ACADEMIES
BUDGET ACTIVITY : MN ACADEMY FOR BLIND

SOURCES OF FINANCING:	FY 1988	FY 1989	F.Y. 1990				F.Y. 1991					
			AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.		
			-----				-----					
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL			
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----		
POSITIONS BY FUND:												

GENERAL	62.9	62.9	62.9	3.0	65.9	63.4	62.9	3.0	65.9	63.4		
FEDERAL	2.0	2.0	2.0	0.0	2.0	2.0	2.0	0.0	2.0	2.0		
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----		
TOTAL POSITIONS	64.9	64.9	64.9	3.0	67.9	65.4	64.9	3.0	67.9	65.4		

CHANGE REQUEST _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1203-02 ACADEMY FOR THE BLIND
 Program : 1203 MINNESOTA STATE RESIDENTIAL ACADEMIES
 Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: EARLY CHILDHOOD

Agency Request	F.Y. 1990		F.Y. 1991	
	(000's)		(000's)	
	<u>Amount</u>	<u>Positions</u>	<u>Amount</u>	<u>Positions</u>
General Fund	\$ 31	1	\$ 31	1
Governor's Recommendation				
General Fund	\$ -0-	-0-	\$ -0-	-0-

Request requires statutory change: _____ Yes X No
 Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests funding for preschool programming. The request will provide funding to meet increased requests for programs and services to the ages 0-3 visually handicapped child.

The objective is to provide the program with the resources necessary to adequately meet the needs of preschool visually handicapped children, their families, and educators serving these children. The request will serve the needs of children and their families both at the Academy for the Blind and on a statewide technical assistance request basis.

DESCRIPTION/BACKGROUND:

Federal mandate assures provision of programs and services for children ages 0-3. The unique special education needs of preschool visually handicapped children require that programs and services be provided to these children and their families in a variety of settings, including the home. Early childhood is the key in a child's development; it is also the key in making the parent the best teacher in a young child's life. The fact that a child is visually handicapped magnifies the need. The early childhood specialist would directly serve preschool children in the classroom and child and family in the home setting.

RATIONALE:

This request represents a critical need at the Academy for the Blind. The instructional staff is greatly over-extended. Therefore, early childhood programs/services are not receiving the emphasis that need demands.

There has been an increase in both the number of preschool blind and visually handicapped children directly served at the Academy for the Blind and the number of requests for preschool technical assistance from educators and parents. An adequate response to these needs and requests requires a specially trained individual. If funded, this position would meet the needs of preschool children at the Academy for the Blind and as appropriate provide early childhood technical assistance to school districts and families with blind/visually handicapped programs and services. Upon request the early childhood specialist will provide technical assistance usually in the form of administration of developmental assessments, program consultation, and parent education. Other states with similar positions report caseloads of 300 to 500.

The ability of the academy to serve the program needs of blind preschool children and their families and to serve the technical assistance requests of families and educators would be served by this request. Without funding this critical need will be unmet.

One position and \$31 is requested for F.Y. 1990 and F.Y. 1991 for an Early Childhood special teacher to serve at the Academy for the Blind and as a resource to families and school districts as requested.

BASE:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund Expenditures	-0-	-0-	-0-	-0-

LONG RANGE IMPLICATIONS:

	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	\$ 31	\$ 31	\$ 62

GOVERNOR'S RECOMMENDATION:

The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

CHANGE REQUEST _____ Agency _____ Program X Activity 1990-91 Biennial Budget

ACTIVITY: 1203-02 ACADEMY FOR THE BLIND
 Program : 1203 MINNESOTA STATE RESIDENTIAL ACADEMIES
 Agency : EDUCATION, DEPARTMENT OF

REQUEST TITLE: LOW VISION PROGRAMS AND SERVICES

	F.Y. 1990		F.Y. 1991	
Agency Request	(000's) Amount	Positions	(000's) Amount	Positions
General Fund	\$ 31	1	\$ 31	1

Governor's Recommendation

General Fund	\$ -0-	-0-	\$ -0-	-0-
--------------	--------	-----	--------	-----

Request requires statutory change: _____ Yes X No
 Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

The agency requests funding for a Low Vision Specialist. This request will provide funding to meet assessment, training, and follow-up low vision activities at the Academy for the Blind and on a technical assistance basis as requested.

DESCRIPTION/BACKGROUND:

The purpose of this request is to assure that children with vision loss are enabled to use their remaining vision as effectively as possible. Approximately two-thirds of the children who are visually handicapped are "partially sighted." Therefore, the ability of a child to use available vision depends on how well the vision loss is individually defined and compensated for. Generalities about a child's ability to "use" a particular level of visual acuity is difficult to predict due to the individual nature of eye conditions and the individual strengths of students involved. The ability of a visually handicapped child to access "otherwise appropriate" programs depends upon the child's ability to use his/her personal remaining vision. A teacher for children who are visually handicapped cannot always make this determination, nor are they trained for this purpose. Low vision specialists are highly and specifically trained for this purpose.

RATIONALE:

With the ability to use limited vision to the fullest extent as a goal, the services of a low vision specialist is essential. A low vision specialist may evaluate a child's useful vision using examination techniques designed especially for visually handicapped children and determine what aid may best benefit the child, an optical or non-optical aid, or an adaptive technique the child might find helpful. The emphasis would be placed on what the child can do, not on what he or she cannot do. A low vision specialist would have the necessary training and expertise to provide assessments, training, and necessary follow-up.

It has been determined by many educators in the field that quality services for the visually handicapped child must include low vision services. Currently no such level of expertise serves the academy or is available to education programs in Minnesota. A Minnesota rehabilitation agency serving visually handicapped adults does have a single specialist in this area. It appears that some adults may have access to the services of a low vision specialist, but visually handicapped children do not.

The low vision specialist would be made available to provide the same services to all school districts on a technical assistance request basis at all levels of service along the continuum of program options.

One position and \$31 is requested for F.Y. 1990 and F.Y. 1991 for a Low Vision Specialist (1.0 FTE).

BASE:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
General Fund Expenditures	-0-	-0-	-0-	-0-

LONG RANGE IMPLICATIONS:

	F.Y. 1992	F.Y. 1993	Total
General Fund Expenditures	\$ 31	\$ 31	\$ 62

GOVERNOR'S RECOMMENDATION:

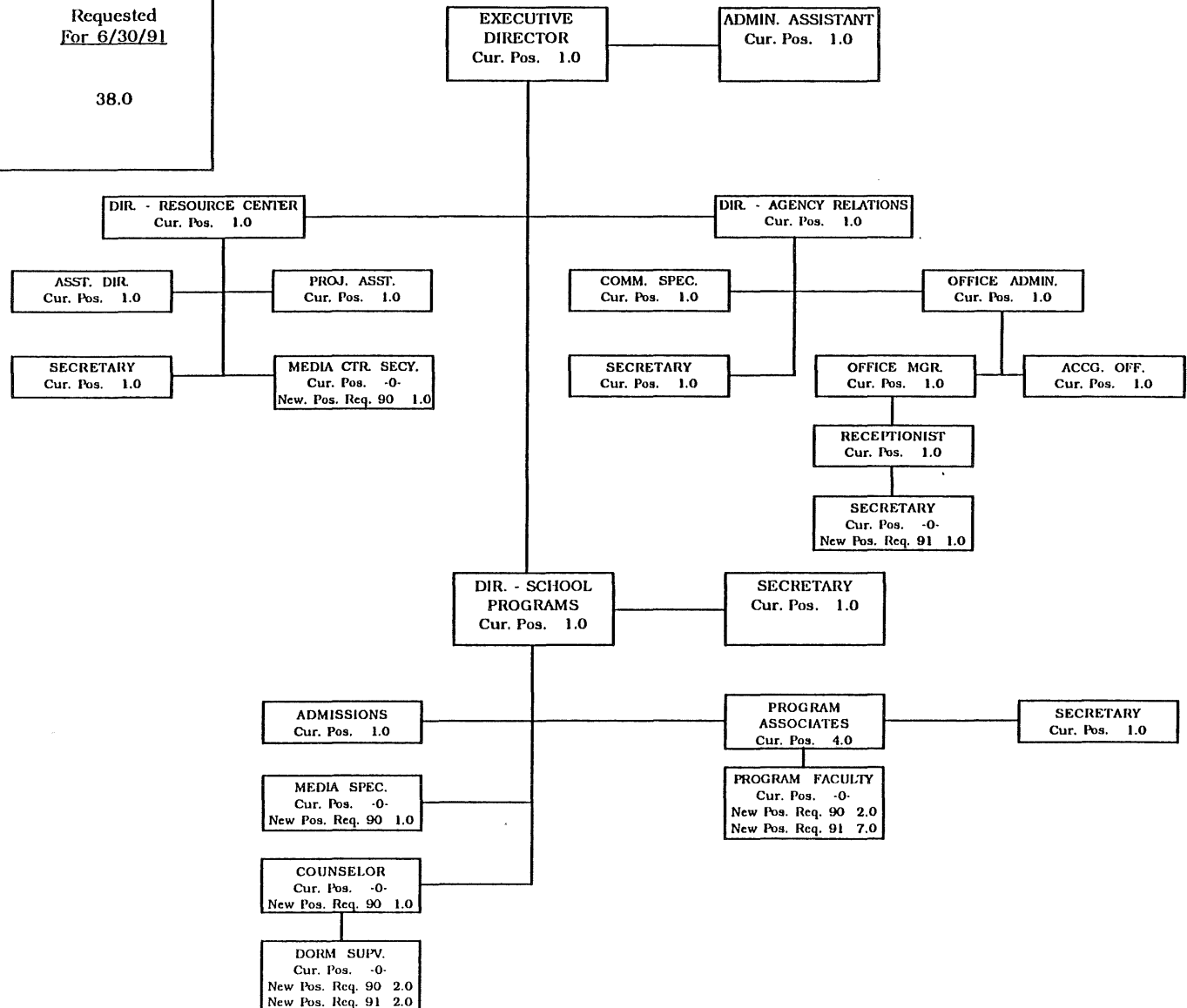
The Governor's recommendation does not provide funding for this request. Other spending priorities preclude additional funding.

**SCHOOL AND RESOURCE CENTER
FOR THE ARTS**

SCHOOL AND RESOURCE CENTER FOR THE ARTS

Organization Chart 9-30-88

Position Reconciliation		
Authority	Current FY 89	Requested For 6/30/91
Legislative Complement: General Fund	21.0	38.0
Employees on 6/30/88	15.0	



1990-91 Biennial Budget

AGENCY: 1204 SCHOOL & RESOURCE CENTER FOR THE ARTS

AGENCY PURPOSE:

The Minnesota School & Resource Center for the Arts is a school and statewide resource for the visual, performing, and literary arts. In partnership with all public schools, its purpose is to provide expanded opportunities in the creative and interpretive arts to meet the needs of the students of Minnesota.

The school is designed to identify and provide educational programming for high school students who demonstrate artistic talents. In accordance with M. S. 129C.10, Sub. 3, a full-time arts and academic program for 11th and 12th grade students and part-time programs for 9th-12th grade students are presently planned to meet the learning needs of identified students.

The resource center offers programs that are directed at improving and enhancing arts education in elementary and secondary schools throughout the state. Summer programs for students and teachers in areas of arts curriculum need are located in areas of the state where programs have not been available. Touring lyceum programs in Greater Minnesota, conferences for education professionals, information dissemination, and specially designed programs to alleviate cultural isolation have been offered to date.

OPERATIONS AND CLIENTELE:

The School & Resource Center for the Arts is governed by a fifteen member board of directors appointed by the Governor. Eight of the fifteen positions represent the state's eight congressional districts. A resource center advisory council formed by the board of directors and comprised of arts education professionals, professional educators, artists, and performers meets regularly to provide input for the development of resource center programs.

Both the school programs and the resource center programs work with essentially the same clientele at the institutional level: the public schools of Minnesota and those arts education professionals and institutions which serve them. Because of this, the agency is not strictly organized into two distinct divisions. Most professional employees in the agency have responsibilities to both school and resource center programs. This greatly enhances the efficiency of program design, delivery and general communication.

The School for the Arts' programs will be administered by a staff which includes a director of school programs, four program associates (general studies, dance/music, literary arts/visual arts, media arts/theater), full-time faculty on mobility leave from Minnesota school districts, full-time faculty on staff, part-time arts professionals, a counselor, a library/media specialist, dorm supervisors and clerical support. Both full-time and part-time programs will be administered by the same staff with additional part-time arts professionals. The admissions rules specify the extensive use of outside educators and arts professionals so as to ensure an objective selection process. See Minn. Rules, chapter 3600.

The resource center employs three administrators who implement programming through the use of contracts, grants, and professional/technical agreements. Programming initiatives are formed in a cooperative effort involving staff, professionals in the arts education and art fields, the advisory council, and the board of directors. Professional staff of the agency whose primary role is associated with the school for the arts' programs also provide a portion of their time to the formation and implementation of resource center initiatives. The resource center makes extensive use of arts education and education agencies and organizations to provide services to the arts education community.

The development of the school's innovative curriculum has generated high interest among many education professionals throughout the state. The dissemination of this curriculum and instructional design has created a resource center activity of considerable magnitude. When the school program begins in the 1990-1991 biennium, additional attention will be focused on the school's educational design. It is anticipated that the activity of dissemination will expand to meet the demand.

BUDGET ISSUES AND EXPLANATION OF BUDGET REQUEST:

Current statute calls for the implementation of school programs in September 1989. To meet this goal, the agency has promulgated rules for admission and is in the process of implementing the outlined process. A full-time arts and academic program for 135 11th grade students will open in September 1989. It is estimated that an additional 365 11th grade students will be identified for participation in part-time programs (one week seminars and summer institutes). In September 1990, an additional 135 new 11th grade students will be added. It is also estimated that at that time an additional 365 new 11th grade students will be identified for part-time programs (one to two week seminars, summer institutes and mentorships). Complete implementation of the current statute anticipates 270 full-time and 730 part-time students in programs for youngsters identified as artistically "talented."

The resource center programs have been in the process of expanding to carry out the three-year development plan approved by the board in 1987. The further development of this plan is included in the accompanying change level request. The three-year plan provides for: enhanced opportunities and services in arts education for Minnesota educators, students, artists, and citizens; research and development of innovative approaches, techniques, and programs in cultural education; increased information dissemination and public awareness of the importance of arts education and promotion of existing arts education opportunities in the state.

The demand for dissemination of the school's innovative curriculum and instructional design highlights a goal of the three-year plan. This provision is included in this budget request.

1990-91 Biennial Budget

AGENCY: 1204 SCHOOL & RESOURCE CENTER FOR THE ARTS
(Continuation)

ATTORNEY GENERAL COSTS:

	Actual	Act/Est	<u>Agency Request</u>	
<u>Services Rendered</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Fees Assessed	-0-	-0-	-0-	-0-
Fees Paid	-0-	-0-	-0-	-0-
Requested Budget	\$ -0-	\$ 3	\$ 3	\$ 3

AGENCY: ARTS SCHOOL

1990-91 Biennial Budget

INDEX	(Dollars in Thousands)		Page
	Agency Request	Governor's	
	1990-91 Biennium	Recommendation	
	All Funds	All Funds	
BASE Level Request	\$ 5,416	\$ 5,416	
Agency-wide CHANGE Requests	6,899	1,800	343
CHANGE Requests Subtotal	\$ 6,899	\$ 1,800	
AGENCY Total	\$ 12,315	\$ 7,216	

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1990-91 B I E N N I A L B U D G E T
(DOLLARS IN THOUSANDS)

AGENCY : ARTS SCHOOL
PROGRAM : ARTS SCH & RESOURCE CTR
BUDGET ACTIVITY : ARTS SCH & RESOURCE CTR

EXPENDITURES:	FY 1988	FY 1989	F.Y. 1990				F.Y. 1991			
			AGENCY REQUEST			GOVERNOR'S RECOMM.	AGENCY REQUEST			GOVERNOR'S RECOMM.
			BASE	CHANGE	TOTAL		BASE	CHANGE	TOTAL	
DETAIL BY CATEGORY:										
STATE OPERATIONS:										
PERSONAL SERVICES	513	765	890	237	1,127	990	890	642	1,532	990
EXPENSES/CONTRACTUAL SRVCS	624	1,286	775	1,822	2,597	975	775	1,938	2,713	975
MISC OPERATING EXPENSES	74	161	161	0	161	161	161	0	161	161
SUPPLIES/MATERIALS/PARTS	14	50	50	87	137	50	50	139	189	50
CAPITAL EQUIPMENT	13	50	50	780	830	50	50	320	370	50
STATE OPERATIONS	1,238	2,312	1,926	2,926	4,852	2,226	1,926	3,039	4,965	2,226
LOCAL ASSISTANCE	603	782	782	439	1,221	1,382	782	495	1,277	1,382
TOTAL EXPENDITURES	1,841	3,094	2,708	3,365	6,073	3,608	2,708	3,534	6,242	3,608
CHANGE REQUESTS:										
A IMPLEMENT SCH PROGRAM & RESOURCE CTR				3,365		900		3,534		900
TOTAL CHANGE REQUESTS				3,365		900		3,534		900
SOURCES OF FINANCING:										
DIRECT APPROPRIATIONS:										
GENERAL	1,821	3,094	2,708	3,365	6,073	3,608	2,708	3,534	6,242	3,608
STATUTORY APPROPRIATIONS:										
GIFTS AND DEPOSITS	20	0	0	0	0	0	0	0	0	0
TOTAL FINANCING	1,841	3,094	2,708	3,365	6,073	3,608	2,708	3,534	6,242	3,608
POSITIONS BY FUND:										
GENERAL	15.0	21.0	21.0	7.0	28.0	23.0	21.0	17.0	38.0	23.0
TOTAL POSITIONS	15.0	21.0	21.0	7.0	28.0	23.0	21.0	17.0	38.0	23.0

CHANGE REQUEST
☒ Agency _____ Program _____ Activity 1990-91 Biennial Budget

Agency: 1204 SCHOOL & RESOURCE CENTER FOR THE ARTS

REQUEST TITLE: IMPLEMENTATION OF SCHOOL PROGRAMMING AND IMPLEMENTATION OF THE RESOURCE CENTER THREE-YEAR PLAN

	F.Y. 1990		F.Y. 1991	
	(000's) Amount	Positions	(000's) Amount	Positions
Agency Request				
General Fund	\$3,365	7	\$3,534	17

Governor's Recommendation

General Fund	\$ 900	2	\$ 900	2
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Request requires statutory change: _____ Yes ☒ No
 Statutes Affected:

STATEMENT OF REQUEST/OBJECTIVE:

This request fully implements the statutes governing the school for the arts. In addition, it brings the resource center's three-year plan to full fruition. Current statute authorizes the opening of the school beginning with 135 pupils in the 11th grade in September 1989.

DESCRIPTION/BACKGROUND:

This request would provide for the identification of artistically talented high school students, either potential or demonstrated; would provide a full-time arts and academic program for 135 11th graders in F.Y. 1990 and for 270 11th and 12th graders in F.Y. 1991; would provide part-time programming for 365 11th graders in F.Y. 1990 and for 730 10th through 12th graders in F.Y. 1991. The additional complement for F.Y. 1990 includes a guidance counselor, a media/technology specialist who will work with both the school and resource center, two dormitory supervisors, a secretary for the resource and learning center, and two FTE faculty positions for the school which would be divided into many part-time professionals. Twelve non-complement faculty positions will be filled by Minnesota school teachers who will be employed by the agency through mobility agreements with local school districts. The complement for F.Y. 1991 includes seven faculty positions (one FTE to be divided and six who will become regular faculty members), two additional dormitory supervisors, and an additional secretary for school operations.

The opening of the school programs will occur in a temporary location. The cost of renting and renovating a temporary site is included in this budget

request: \$500 per year for rent and \$300 (\$250 F.Y. 1990 and \$50 F.Y. 1991) for renovations. These renovation costs should be viewed as a one-time expenditure. There are a number of one-time, start-up costs included in this budget. Capital items and library print and technology items for both the school and resource center are budgeted at \$830 F.Y. 1990 and \$370 F.Y. 1991. Capital equipment will even out at approximately \$100 per year after this initial allocation.

The unit instructional cost per student for F.Y. 1991 is \$5,182 as reflected in this agency's program budget. This is calculated by subtracting from the total school operating expenses: the costs of boarding, the income items of transportation and meal service, the one-time costs of capital equipment, and stipends for teachers who participate in school programs. The part-time students are figured at .10 of a student unit and the full-time students are figured at a full student unit. The residential unit cost is \$1,760 for F.Y. 1991. This includes all the costs associated with boarding students, including supervision, clerical, meal service (breakfast and dinner), rent and renovation. The per-student general education revenue for each full-time student will not go to an arts school student's local school district and it will not follow the student to the arts school.

The board plans to provide bus transportation for metro area students as necessary. The cost for two buses for F.Y. 1990 is estimated at \$44 and four buses for F.Y. 1991 is estimated at \$88. The board will charge these transportation costs back to students' families. This cost is included in the program budget but will be returned to the general fund as non-dedicated receipts.

In addition, all students in the full-time program as well as staff and visitors will be expected to pay for their lunches. The revenue from this is estimated at \$70 for F.Y. 1990 and \$150 for F.Y. 1991. The meal cost is also included in the program budget but will be returned to the general fund as non-dedicated receipts.

The resource center program is best understood as divided into: direct programming for teachers, students and citizens; information collection and dissemination; and administration/technical services. Because of lack of a physical location for a print and media information center, the resource center has been unable to implement this major identified program area. These budget requests include implementation of this area because a temporary site will be identified during F.Y. 1989 with the agency locating there at the beginning of F.Y. 1990. In addition, provision of professional staff time and resources has been made to accommodate the high level of requests for dissemination of the school's innovative curriculum and instructional designs. Finally, moderate expansion of the existing direct student and teacher programs is included to meet participant demand.

RATIONALE:

The development of the school for the arts' programs has generated a considerable amount of interest among educators and citizens throughout the state. Preliminary indications suggest that the school's programs will go beyond the task of educating artistically talented high school students by providing a model of curriculum and instructional process and program which will be adaptable to school districts throughout the state.

CHANGE REQUEST 1990-91 Biennial Budget
☒ Agency _____ Program _____ Activity
 (Continuation)

Agency: 1204 SCHOOL & RESOURCE CENTER FOR THE ARTS

The resource center has provided arts education opportunities to approximately three thousand teachers and students per year through its first three years of operation. The feedback from participants has been very positive and formal evaluations have revealed effective educational practices. The resource center should ideally expand these direct service programs for students and teachers; should implement its curriculum/media/technology information services; and, develop a strategy to share and disseminate school for the arts products and services.

<u>BASE:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
General Fund Expenditures	\$ 2,206	\$ 2,649	\$ 2,649	\$ 2,649

<u>LONG RANGE IMPLICATIONS:</u>	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>Total</u>
General Fund Expenditures	\$ 3,000	\$ 3,000	\$6,000

GOVERNOR'S RECOMMENDATION:

After review of this activity, the Governor recommends an alternative funding level of \$900 and one professional and one support staff position each year for implementing the Resource Center For the Arts.

DISCONTINUED/NONRECURRING PROGRAMS (13)

DISCONTINUED/NONRECURRING PROGRAMS

1990-91 Biennial Budget

F.Y. 1988 F.Y. 1989

ACTIVITY : 1300 VARIOUS STATE AND FEDERAL CATEGORICAL AID PROGRAMS
Program : 13 DISCONTINUED/NONRECURRING PROGRAMS
Agency : EDUCATION AIDS

PURPOSE:

The budget process requires a report of education aids or grants to be discontinued, if they are still being earned any time during the 1987-89 biennium.

DESCRIPTION:

Following are the discontinued/nonrecurring programs and the amount expended during the 1987-89 biennium:

A. State Programs (000's)	F.Y. 1988	F.Y. 1989
1301 Teacher Retirement - FICA	\$ 236,720	\$ 35,992
1302 Arts Education	1,051	0
1303 Chemical Dependency	1,026	133
1304 Gifted & Talented	1,367	209
1305 Interdistrict Cooperation Aid	2,254	327
1306 Programs of Excellence (including transportation)	0	0
1307 Summer Programs	8,180	0
1308 Indian School Council	0	100
1309 Indian Education Grant #166	50	50
1311 Liability Insurance #707	0	40
1312 School Bus Grant #309	38	0
1313 Unemployment Compensation #309, 707 (J&I) ^{a/}	--	--
1314 Leadership Program #695	0	20
1315 Bicentennial Constitution Competition #423	12	0
1316 NE Minnesota Technology Consortium	0	50
1317 NW Minnesota Technology Consortium	0	100
1318 Computer Use by Teachers	0	30
1319 Technology Task Force (HECB) ^{a/}	--	--
1320 Area Learning Center Evaluation	0	20
1321 Venture Fund Grants	54	0
1322 Teacher Extended Leaves	139	0
1323 Integration Cost Study (SBE)	0	75
1324 Fringe Benefits Study (DOER) ^{a/}	--	--
1325 Library Catalog System ^{b/}	0	251
Total State Programs ^{c/}	\$ 250,891	\$ 37,397

B. Federal Programs (000's)

1328 Asbestos Inspection/Training	514	0
1329 Remove Barriers for Handicapped	699	0
Total Federal Programs	\$ 1,213	\$ 0

- a. Expenditure history is included in biennial budget of the agency specified in the appropriation.
- b. Operation of this activity is now included in Budget Activity 1202-05.
- c. In addition, the following items are included in Minnesota Department of Education administrative budget activities:

	F.Y. 1988	F.Y. 1989
Education Effectiveness	\$ 82	\$ 94
State PER Assistance	0	60
State PER - Assessment Item Bank	57	62
Early Childhood Family Education Assistance	31	32

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FEDERAL PROGRAMS

1990-91 Biennial Budget

ACTIVITY : 1401 SPECIAL EDUCATION - HANDICAPPED
Program : 14 FEDERAL PROGRAMS
Agency : EDUCATION AIDS

Citation : Education for the Handicapped Act (P.L. 94-142)
MDE Admin.: 1201-11 Special Education

PURPOSE:

To provide funds to school districts/cooperatives for new and expansion programs to assure that free appropriate education services are provided to all children and youth under the age of 21 who are handicapped.

DESCRIPTION:

Minnesota receives an annual federal grant based on an unduplicated child count of learners with handicaps, which is taken by school districts on December 1 of each year. The December 1 child count is used to determine the state grant entitlement for the subsequent school term. The state is required to allocate a minimum of 75% of the state grant to local school districts on an entitlement basis; and 20% of the grant may be used as discretionary funds for state-initiated projects designed to equalize services throughout the state, address unmet needs, and meet other requirements of the federal law. The state retains .5% of the grant for central administration of the program.

In order to be eligible for the grant, the state must submit a three-year plan that ensures that all learners with handicapping conditions are identified and receive a free appropriate education program. This document is amended annually through the performance report submitted to the Federal Office of Special Education and Rehabilitation Services. More specific requirements include: providing nondiscriminatory testing, educating learners with handicapping conditions with nonhandicapped learners, to the extent appropriate; including parents in decisions relating to the education of learners with handicaps; and maintaining due process safeguards for protecting the rights of learners with handicaps.

The state currently allocates approximately 80% of the grant to school districts based on their child counts. In order to be eligible to receive funds, the Act requires that a district must have a minimum entitlement of \$7,500. However, districts are encouraged to submit consolidated applications through special education cooperatives in order to access funds. All districts have been able to access funds through the consolidated application procedure. The funds must be used for new or expanded services, and cannot be used to supplant state and local funds for special education purposes. The types of expenditures for which the funds are used are similar to expenditures of local and state funds, e.g., staff costs, supplies, equipment, personnel development, etc. The federal fund expenditures are excluded from the computation of district entitlements for state special education categorical aids.

Minnesota allocates approximately 15% instead of the 20% allowed for discretionary priorities and incorporates the remaining balance (5%) into the main entitlement to local districts. Priority areas are determined with input from the State Special Education Advisory Council (SEAC), the State Board of Education, special educators in the field, and parents and other interested persons. Priority discretionary project areas for 1988-1989 include:

1. Regional low incidence projects to stimulate services for children and youth who have vision or hearing impairments, physical handicaps, severe or profound mental handicaps, multi-handicaps or autistic behaviors;
2. Development of a Regional Comprehensive System of Personnel Development (CSPD) to complement local district, higher education and state efforts in CSPD;
3. Meetings of regional directors of discretionary projects to strategically plan for and administer regional special education discretionary projects;
4. Studies of special education program effectiveness which are also designed to increase research and data analysis skills of district personnel;
5. Providing support for the State Office of Monitoring and Compliance;
6. Initiating projects to support innovative or new ideas for enhancing special education services; and,
7. Miscellaneous expenditures for state-supported technical assistance to develop guidelines, curriculum, and to provide inservice to targeted groups.

STATISTICS/EFFECTIVENESS:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Number of districts	435	435	435	435
Total Allocation (000's)	\$ 25,868	\$27,323	\$ 27,323	\$ 27,323
Grants (000's):				
Entitlement grants	\$ 19,513	\$ 21,856	\$ 21,856	\$ 21,856
Discretionary grants	5,062	4,100	4,100	4,100
Total	\$ 24,575	\$ 25,956	\$ 25,956	\$ 25,956

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

Fund Source	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Other funds				
Federal	\$ 22,647	\$ 25,319	\$ 25,956	\$ 25,956

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1402 SPECIAL EDUCATION - PRESCHOOL INCENTIVE
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Education for the Handicapped Act
 (P.L. 94-142; P.L. 99-457, Sec. 619)
 MDE Admin.: 1201-11 Special Education

PURPOSE:

To provide funds for direct and support services for children ages 3-5, who are handicapped, and their families.

DESCRIPTION:

Minnesota receives an annual federal Preschool Incentive Grant based on an unduplicated child count of learners with handicaps ages 3, 4, and 5, which is taken by school districts on December 1 of each year. The December 1 child count is used to determine the state grant entitlement for the subsequent school term. The state is required to allocate a minimum of 70% of the state grant to school districts on an entitlement basis, and 25% of the grant may be used as discretionary funds for state-initiated projects in preschool activities. The state retains 5% of the grant for central administration of the program.

The types of expenditures for which federal funds are used are similar to expenditures of local and state funds, e.g., staff costs, supplies, equipment, and personnel development. The federal fund expenditures are excluded from the computation of district entitlements for state special education categorical aids. The Preschool Incentive Grant provides funding on a flow-through basis to districts. In addition to direct and support services for 3-5 year-old learners with handicaps and their families, the funds also support regional resource personnel and help coordinate local and state interagency efforts to assure a comprehensive system of special instruction and services for young children from birth, who are handicapped, and their families.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Number of districts	435	435	435	435
Total allocation (000's)	\$ 3,140	\$ 3,574	\$ 3,574	\$ 3,574
Grants (000's):				
Entitlement grants	\$ 2,198	\$ 2,502	\$ 2,502	\$ 2,502
Discretionary grants	785	893	893	893
Total	<u>\$ 2,983</u>	<u>\$ 3,395</u>	<u>\$ 3,395</u>	<u>\$ 3,395</u>

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u>	<u>Estimate</u>	<u>Governor's</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other funds				
Federal	<u>\$ 2,342</u>	<u>\$ 3,380</u>	<u>\$ 3,395</u>	<u>\$ 3,395</u>

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1403 SPECIAL EDUCATION - INFANTS AND TODDLERS
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Education for the Handicapped Act
 (P.L. 99-457, Part H)
 MDE Admin.: 1201-11 Special Education

PURPOSE:

To provide funding for the planning, development, and implementation of a statewide system for the provision of early intervention services for children from birth to two years of age.

DESCRIPTION:

Minnesota receives an annual federal grant based on the number of children between ages birth and two. The December 1 child count is used to determine the state grant entitlement for the subsequent school term.

School districts receive entitlements on a flow-through basis, computed at \$100 per child, to provide appropriate early intervention services to all children with handicaps from birth through two years, and their families. Services may be direct and/or consultative. A competitive grant process is also used to allocate funds to districts and other agencies. The Act further provides for the establishment of regional resource positions to assist district in developing these services and to coordinate local interagency efforts to assure a comprehensive system of interagency services for these children and their families.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Children served (birth-2)	844	935	981	1,025
Entitlement grants (000's)	\$ 84	\$ 94	\$ 98	\$ 103
Discretionary grants	294	340	340	340
Regional grants	211	211	211	211
Total	\$ 589	\$ 645	\$ 649	\$ 654

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u> <u>F.Y. 1988</u>	<u>Estimate</u> <u>F.Y. 1989</u>	<u>Governor's</u> <u>Recommendation</u> <u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	\$ 245	\$ 520	\$ 649	\$ 654

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1404 SPECIAL EDUCATION - DEAF/BLIND
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Education for the Handicapped Act, Title VI-C
 (P.L. 94-142)
 MDE Admin.: 1201-11 Special Education

PURPOSE:

To initiate and improve:

1. statewide educational services for deaf-blind children, birth to age three, and
2. transition services for Minnesota youth and young adults with deaf-blindness as they move from secondary special education to postsecondary education, employment, and community living.

DESCRIPTION:

Beginning in F.Y. 1987, Minnesota entered into a cooperative agreement with the United States Department of Education for implementing the Title VI-C Deaf/Blind program.

In order to achieve program objectives, the Minnesota Department of Education (MDE) contracted with the Minnesota University Affiliated Program to develop activities for:

1. Assisting children birth to three to receive education services in the least restrictive environment;
2. Identifying and addressing the inservice needs of teachers, support personnel, and Local Education Agency special education coordinators;
3. Identifying programs which are exemplary in their assessment of and programming for children and youth with deaf/blindness;
4. Establishing an advisory committee;
5. Evaluating grant-related activities.

The MDE is responsible for administering the funds and for general supervision of the grant to the University Affiliated Program.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Grant (000's)	\$ 126	\$ 130	\$ 130	\$ 130

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u>	<u>Estimate</u>	<u>Governor's</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	\$ 157	\$ 129	\$ 130	\$ 130

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1405 SPECIAL EDUCATION - TEACHER TRAINING/LEADERSHIP
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Education for the Handicapped Act, Title VI-D
 MDE Admin.: 1201-11 Special Education

PURPOSE:

To assist states in providing training for special education staff, school administrators, and parents of handicapped children.

DESCRIPTION:

Funds are available to the Minnesota Department of Education (MDE) based on the approval of a three-year state plan, with annual revisions for the use of the funds. Funds for F.Y. 1988 and F.Y. 1989 will be used in the following ways:

1. Identify and describe the role of Institutions of Higher Education (IHEs) in preservice personnel preparation for teachers of children with low incidence handicapping conditions. Activities include a survey of needs, identification of supply and demand, and development of a training plan in conjunction with IHEs and regional and statewide low incidence programs;
2. Develop a statewide network system for staff development. Activities include three Bulletin Boards on Special Net, a national electronic mail system; MN Careers, MN Employment and MN Calendar. Also, develop Special Net data base files on Supply and Demand indicators such as childcount, licensed personnel, reimbursed personnel, and IHE new graduates;
3. Provide leadership training for administrators, supervisors of special education programs and agencies. Training includes the ARISE (Alliance for Renewal in Special Education) leadership program, which is in its sixth year. ARISE has demonstrated a profound effect on the collaborative leadership in the state. Participants include special education directors/supervisors, regular education administrators and advocacy groups. Evaluations have been outstanding. Further training efforts are directed toward training a resource bank of secondary special educators to enhance statewide technical assistance through a project called INVEST.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

Leadership grant (three-year grant) (000's) \$ 116.2 \$ 123.8 \$ 125.0 \$ 125.0

APPROPRIATION FUNDING: (000's)

Historical Expenditures & Governor's Recommendation

<u>Fund Source</u>	Actual	Estimate	Governor's Recommendation	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	\$ 116	\$ 124	\$ 125	\$ 125

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1406 SPECIAL EDUCATION - HANDICAPPED SPECIAL STUDIES
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Education for the Handicapped Act, Part B, Sec. 618
 MDE Admin.: 1201-11 Special Education

PURPOSE:

To conduct cooperative studies in conjunction with the Federal Office of Special Education (OSEP) that examine the shared responsibility between regular and special education for serving low achieving students, and other special education effectiveness issues.

DESCRIPTION:

During F.Y. 1987 and F.Y. 1988, the Minnesota Department of Education (MDE) conducted studies of the effectiveness of occupational therapy and the impact of implementing statewide eligibility criteria for special education.

For part of F.Y. 1989 and F.Y. 1990, the MDE will conduct a formative evaluation of current service delivery arrangements for students experiencing educational difficulties in elementary grades. Previous evaluation projects have suggested that characteristics of the regular education program, rather than the presence of an inherent learning handicap, underlie placement decisions in some special education programs.

The new project has four major goals:

1. To describe services and programs provided to low achieving students in regular and special education settings;
2. To evaluate the impact of variations of delivery of services and support systems in regular education on special education referral and placement rates;
3. To document the implementation of pre-referral interventions; and
4. To study the impact of the Minnesota Educational Effectiveness Program on service delivery for students "at risk" and for students with mild learning handicaps.

Data will be collected from 72 classrooms in 24 schools. An analysis of the findings will help evaluate how school districts are meeting the educational needs of low achieving students, and identify the needs of districts to improve their effectiveness at serving this population of students.

It is anticipated that in F.Y. 1989, MDE will enter into another agreement with OSEP to study other special education effectiveness issues.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Grant funding	\$ 104	\$ 51.2	\$ 73	\$ 70

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u>	<u>Estimate</u>	<u>Governor's</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>Recommendation</u>	
			<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	\$ 104	\$ 51	\$ 73	\$ 70

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is funded entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1407 HANDICAPPED IN RESIDENT FACILITIES
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Education Consolidation Improvement Act,
 Chapter 1 (P.L. 89-313)
 MDE Admin.: 1201-12 Special Programs

PURPOSE:

To supplement the education program for children and youth who are handicapped and are served in state-operated schools and state institutions or hospitals.

DESCRIPTION:

Federal funding is based on the number of children and youth with handicaps who are enrolled in state schools, and on the number of children and youth residing in state hospitals for whom the public schools provide educational programs. The children and youth who are eligible for these funds are not eligible for funds under the Education of the Handicapped Act, Title VI-B. Minnesota schools which receive funds are the State Academies For the Deaf and Blind, and the school districts in which state hospitals are located--Faribault, Willmar, Cambridge, Fergus Falls, Brainerd, St. Peter, Roseville, and Moose Lake. The Minnesota Department of Education is responsible for the administration of the program, including program review and monitoring.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Pupil count	430	489	489	489
Number of districts or agencies	16	26	26	26
Amount of grant (000's)	\$ 250.8	\$ 295.9	\$ 295.9	\$ 295.9

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	<u>Actual F.Y. 1988</u>	<u>Estimate F.Y. 1989</u>	<u>Governor's Recommendation</u>	
			<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	\$ 149	\$ 250	\$ 296	\$ 296

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

GOVERNOR'S RECOMMENDATION:

ACTIVITY : 1408 HANDICAPPED NEGLECTED/DELINQUENT IN RESIDENT FACILITIES
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

This activity is supported entirely with federal funds.

Citation : Education Consolidation Improvement Act,
 Chapter 1 (P.L. 89-750)
 MDE Admin.: 1201-12 Special Programs

PURPOSE:

To supplement the education programs available for delinquent youth in state correctional institutions.

DESCRIPTION:

Federal funding is based on the number of youth assigned to state correctional institutions for whom the state provided an educational program during the prior year. The funds must be used to supplement the basic education program for youth under 20 years of age. Funds support two professional positions in the Minnesota Department of Corrections. The remaining funds are used to provide grants to the state correctional institutions at Red Wing, Sauk Centre, and Willow River. The Minnesota Department of Education is responsible for administering the program. The Minnesota Departments of Corrections and Education share responsibility for application review, monitoring, and technical assistance.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Pupils served	284	317	317	317
Amount of grant (000's)	\$ 210.5	\$ 264.7	\$ 264.7	\$ 264.7

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	<u>Actual F.Y. 1988</u>	<u>Estimate F.Y. 1989</u>	<u>Governor's Recommendation</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	<u>\$ 316</u>	<u>\$ 265</u>	<u>\$ 265</u>	<u>\$ 265</u>

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

1990-91 Biennial Budget

ACTIVITY : 1409 DISADVANTAGED NEGLECTED/DELINQUENT IN RESIDENT FACILITIES
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Education Consolidation Improvement Act,
 Chapter 1 (P.L. 97-35)
 MDE Admin.: 1201-12 Special Programs

PURPOSE:

To provide supplementary instruction in reading and mathematics to students, ages 5-21, who have been adjudicated neglected or delinquent, and have been placed in a locally operated residential institution for such students. Research indicates that lack of competency in basic skills is often a major contributing factor in events or behaviors leading to adjudication.

DESCRIPTION:

The Minnesota Department of Education administers the federal funds provided for this program; however, the actual instructional program designed for the students is operated by the local school district in which the institution is located. No federal funds under this program accrue directly to the institution, nor may these funds be used to provide any state-mandated educational requirements.

The allocations for the institutions are determined similarly to those for Chapter 1 programs in local school districts, as discussed in Budget Activity 1410. In order to be eligible for an allocation, local institutions must submit a project application indicating services that are for children at the specific center generating the allocation. The application is written and administered by the staff of the school district in which the institution is located.

STATISTICS/EFFECTIVENESS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Entitlement Funding (000's) ^a	\$ 788	\$ 803	\$ 819	\$ 835
2. Institutions Participating ^b				
Institutions	65	66	66	67
School districts	287	29	30	

STATISTICS/EFFECTIVENESS:
 (Contd.)

3. Students Participating
 (unduplicated count)

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Pre-kindergarten	0	0	0	0
Kindergarten	27	28	28	29
Grade 1	20	20	21	21
Grade 2	30	31	33	34
Grade 3	31	32	34	35
Grade 4	48	48	48	49
Grade 5	93	86	79	72
Grade 6	153	144	135	126
Grade 7	375	465	576	714
Grade 8	510	661	857	1,111
Grade 9	583	355	399	371
Grade 10	525	165	149	149
Grade 11	280	90	124	124
Grade 12	85	32	40	40
Total	2,760	2,157	2,522	2,875

4. Staff Employed^c
 (Regular school year)

Teachers	73	76	76	76
Instructional aides	36	51	59	59
Total	109	127	135	135

^a Annual funding available for institution projects. Due to carryover provisions, annual expenditures may differ from entitlement.

^b In F.Y. 1967, the initial year of the program, only nine districts participated. Currently 28 districts submit applications for the 65 Neglected and Delinquent (N&D) institutions participating.

^c Full-time equivalent count is not required for federal reports.

EFFECTIVENESS:

The U.S. Department of Education does not require standardized testing for evaluation for local neglected or delinquent Chapter 1 projects. Many of the institutions provide short-term care, where the average length of stay is two to three weeks. These programs do not lend themselves to accepted qualitative measures of student progress. In long-term care institutions, where the length of stay is six months or longer, the growth rate of students receiving Chapter 1 services is approximately one month's growth for each month of service.

1990-91 Biennial Budget

ACTIVITY: 1409 DISADVANTAGED NEGLECTED/DELINQUENT IN RESIDENT FACILITIES
 (Continuation)
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	Actual	Estimate	Governor's Recommendation	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	<u>\$ 954</u>	<u>\$ 1,025</u>	<u>\$ 819</u>	<u>\$ 835</u>

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1410 COMPENSATORY EDUCATION - DISADVANTAGED
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Education Consolidation Improvement Act,
 Chapter 1, (P.L. 97-35)
 MDE Admin.: 1201-12 Special Programs

PURPOSE:

To improve the scores of students participating in Chapter 1 supported supplementary reading and mathematics projects by 7 Normal Curve Equivalents (NCEs), as measured by nationally normed standardized tests of academic achievement.

DESCRIPTION:

The Chapter 1 program provides federal funds to raise the basic skills performance of educationally disadvantaged students through supplementary reading and mathematics instruction. Although the funds are allocated to state and local education agencies on the basis of data reflecting economic deprivation, children from eligible attendance areas are selected to participate in the program on the basis of academic performance which is substantially below grade level in skill areas.

The Chapter 1 Section of the Minnesota Department of Education is responsible for:

1. Determining local district entitlements and distributing funds to local education agencies (LEAs) through an application process consistent with federal regulations and state guidelines;
2. Establishing, maintaining, and upgrading a statewide system to evaluate the academic progress of students served;
3. Monitoring local programs to verify compliance and provide technical assistance for programmatic improvement; and
4. Providing leadership and assistance to improve local project management and administration.

STATISTICS/EFFECTIVENESS:

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Students participating (unduplicated count)				
Pre-kindergarten	0	0	0	0
Kindergarten	7,266	7,416	7,568	7,724
Grade 1	12,769	13,010	13,256	13,507
Grade 2	11,470	11,939	12,427	12,936
Grade 3	9,501	9,912	10,342	10,789
Grade 4	6,641	6,669	6,697	6,725
Grade 5	4,183	3,848	3,540	3,256
Grade 6	3,238	3,037	2,849	2,672
Grade 7	2,175	2,696	3,341	4,141
Grade 8	1,712	2,219	2,877	3,729
Grade 9	711	355	399	371
Grade 10	578	165	149	149
Grade 11	308	90	124	124
Grade 12	105	32	40	40
Total	60,657	61,389	63,609	66,164
2. Staff employed				
Teachers				
Number	862	879	896	913
FTE	1,462	1,491	1,520	1,549
Instructional aides				
Number	1,932	1,970	2,046	2,084
FTE	1,141	1,164	1,210	1,256
Total				
Number	2,794	2,849	2,942	2,997
FTE	2,603	2,655	2,730	2,805
3. Entitlement funding (000's)*	\$ 42,300	\$ 46,586	\$ 47,786	\$ 49,000

* Annual funding available for school district projects. Due to carryover provisions, annual expenditures may differ from entitlement.

EFFECTIVENESS:

Pupil performance is measured through nationally normed standardized tests of academic achievement in reading and mathematics. It is anticipated that gains of participants will continue to be three times as great as it is for children with similar characteristics who receive no Chapter 1 assistance. Current evaluation data show average Normal Curve Equivalent (NCE) gains of 7 in reading and 8 in mathematics. The national average NCE gain is 5. (An NCE is the measurement unit for evaluation of the Chapter 1 program. It is similar to a percentile ranking, but has additional statistical properties which allow scores to be added and averaged.)

1990-91 Biennial Budget

ACTIVITY: 1410 COMPENSATORY EDUCATION - DISADVANTAGED
 (Continuation)
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	Actual	Estimate	Governor's	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Other Funds				
Federal	\$ 42,724	\$ 45,561	\$ 47,786	\$ 49,000

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1411 MIGRANT EDUCATION
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Education Consolidation Improvement Act (1981),
 Chapter 1
 MDE Admin.: 1201-12 Special Programs

PURPOSE:

To provide compensatory and remedial instruction services to children of migratory agricultural workers.

DESCRIPTION:

This program serves mainly elementary and secondary age students, and also assists students who qualify for General Education Development (GED) programs, other adult basic education, or vocational programs.

Local school districts in areas of heavy migrant population concentrations conduct the program. The program uses local school district facilities and personnel, as well as instructional personnel from Texas and from the migrant stream. Education programs are designed to serve approximately 4,500 eligible migrant students ranging in age from 3-21 years. Local project services include instructional and support services appropriate to the needs of the students.

Funding to districts conducting migrant education projects is determined by past fiscal expenditures, number of students to be served, and program scope. It is allocated through annual grants. The Migrant Education Program is primarily a summer activity administering 13 projects statewide. In addition, 13 supplemental tutorial programs are funded each year for migrant students who attend Minnesota schools during the regular school year.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Number of districts				
Summer	12	13	13	13
School year	13	14	14	14
Number of students served				
Age 3-5	579	665	665	665
Age 6-11	1,126	1,171	1,171	1,171
Age 12-17	623	648	648	648
Age 18-21	83	86	86	86
TOTAL	2,411	2,570	2,570	2,570
Funding level (000's)	\$ 1,233.3	\$ 1,351.7	\$ 1,351.7	\$ 1,351.7

EFFECTIVENESS:

During F.Y. 1988, the total number of migrant students served in Minnesota increased by 5.2% over F.Y. 1987.

Following are examples of academic achievement related to this program:

1. Oral language - A total of 475 students (73%) accomplished a minimum of three or more oral language objectives after at least 23 days of instruction.
2. Reading - A total of 731, or 93%, of the students enrolled gained at least one month in reading as determined by pre- and post-tests after at least 23 days of instruction.
3. Mathematics - A total of 688 students, or 88%, gained a minimum of one month in mathematics after at least 23 days of instruction.

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u>	<u>Estimate</u>	<u>Governor's</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	\$ 1,047	\$ 1,300	\$ 1,352	\$ 1,352

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1412 TRANSITION PROGRAM FOR REFUGEE CHILDREN
Program : 14 FEDERAL PROGRAMS
Agency : EDUCATION AIDS

Citation : Immigration & Nationality Act, as amended by
the Refugee Act (1980)
MDE Admin.: 1201-12 Special Programs

PURPOSE:

To assist local school districts in meeting the unique educational needs of refugee children who have been in the United States for not more than three years.

DESCRIPTION:

Eligible activities for which funds can be used include: Bilingual Education programs, English as a Second Language programs, native language tutors, special instructional materials, staff inservice training, and participation of refugee parents in activities related to the education of their children.

Program funding to school districts is based on weighted pupil units, with more weight given for students who are more recent arrivals in the country, and for secondary students. The total number of students, by category, is multiplied by the weighting factor, and the sum of the products is then multiplied by the pupil unit allocation. Approximately 1% of the grant is available for Minnesota Department of Education administrative costs.

1990-91 Biennial Budget

ACTIVITY: 1412 TRANSITION PROGRAM FOR REFUGEE CHILDREN
 (Continuation)
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

STATISTICS/EFFECTIVENESS:	F.Y. 1988			F.Y. 1989			F.Y. 1990			F.Y. 1991		
	Number	Factor	Pupil Units	Number	Factor	Pupil Units	Number	Factor	Pupil Units	Number	Factor	Pupil Units
A. Number of districts	63			59			59			59		
B. Number of students:												
1. Less than 1 year in U.S.												
a. Grades K-6	666	10	6,600	604	10	6,040	610	10	6,100	620	10	6,200
b. Grades 7-12	467	10	4,670	492	10	4,920	510	10	5,100	515	10	5,150
2. 1-2 years in U.S.												
a. Grades K-6	413	3	1,239	519	3	1,557	535	3	1,605	540	3	1,620
b. Grades 7-12	428	5	2,140	432	5	2,160	440	5	2,200	445	5	2,225
3. 2-3 years in U.S.												
a. Grades K-6*		0			0			0			0	
b. Grades 7-12	<u>426</u>	3	<u>1,278</u>	<u>432</u>	3	<u>1,296</u>	<u>435</u>	3	<u>1,305</u>	<u>440</u>	3	<u>1,320</u>
4. Total	2,400		15,927	2,479		15,973	2,530		16,310	2,560		16,515
C. District Funding:												
1. Rate per unit		\$ 32.30			\$ 31.69			\$ 31.00			\$ 31.00	
2. Amount (000's)		\$ 516.4			\$ 503.9			\$ 505.6			\$ 512.0	

*Data are not gathered because this category is not eligible for grant funding.

1990-91 Biennial Budget

ACTIVITY: 1412 TRANSITION PROGRAM FOR REFUGEE CHILDREN
 (Continuation)
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	Actual	Estimate	Governor's	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Other Funds				
Federal	\$ 516	\$ 504	\$ 506	\$ 512

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is funded entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1413 EMERGENCY IMMIGRANT EDUCATION
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Emergency Immigrant Education Act (P.L. 96-511)
 MDE Admin.: 1201-12 Special Programs

PURPOSE:

To provide support for school districts to provide supplementary educational services to immigrant children.

DESCRIPTION:

Funds received under this federal program may be used by the states to meet the costs of providing supplementary educational services, including English language instruction, other bilingual education services, special materials and supplies, and inservice training for personnel.

Federal funds are available to school districts in which the number of immigrant children enrolled is equal to at least 500, or is equal to at least 5% of the total number of children enrolled. Immigrant children are defined as children who were not born in a state, and who have been attending schools in any one or more states for less than three complete academic years. Children classified as refugees are not eligible.

Based on the eligibility criteria, three Minnesota districts were eligible to apply for funds in F.Y. 1988 (St. Paul, Minneapolis, and Rochester), and two districts were eligible in F.Y. 1989 (St. Paul and Minneapolis).

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Districts	3	2	2	2
Immigrant students	2,981	2,494	2,300	2,300
Federal funds (000's)	\$ 167	\$ 127.8	\$ 120	\$ 120

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	<u>Actual F.Y. 1988</u>	<u>Estimate F.Y. 1989</u>	<u>Governor's Recommendation</u>	
			<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	\$ 165	\$ 126	\$ 120	\$ 120

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1414 SECONDARY VOCATIONAL - HANDICAPPED
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Vocational Education Act (1984), Title 2A
 (P.L. 98-524)
 MDE Admin.: 1201-07 Secondary Vocational Education

PURPOSE:

To provide funds for specialized projects designed to provide vocational program information, vocational assessment, special support services, career guidance and counseling, and transition activities to handicapped students.

DESCRIPTION:

Federal funds are distributed to the states under an entitlement basis by a formula specified in the Vocational Education Act. In Minnesota, the funds available for services to handicapped students at the secondary level are determined by a cooperative agreement between the State Board of Education and the State Board of Vocational Technical Education. Eligible recipients must indicate activities they will provide in order to meet the requirements of the Act.

The federal law also requires equitable state and local matching of the federal funds on a statewide basis. Participants may request state support under Budget Activity 0307 to supplement the federal entitlements.

The term handicapped refers to individuals who are mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, orthopedically impaired, or other health impaired persons, or persons with specific learning disabilities who by reason thereof require special education and related services, and who, because of their handicapping condition, cannot succeed in the regular vocational education program without special education assistance.

The federal law provides criteria for services and activities for the handicapped persons who are part of the special needs population in vocational education.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Funds available (000's)	\$ 287.2	\$ 259.1	\$ 270	\$ 285
Participants funded	42	53	55	56
Students served	1,984	2,000	2,100	2,300

TRENDS:

Annual applications for the federal funds continue to increase. Student participation in vocational education also continues to grow, thus creating a need for additional support services, such as vocational counseling.

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	<u>Actual F.Y. 1988</u>	<u>Estimate F.Y. 1989</u>	<u>Governor's Recommendation</u>	
	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>		
Other Funds				
Federal	\$ 287	\$ 259	\$ 270	\$ 285

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1415 SECONDARY VOCATIONAL - DISADVANTAGED
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Vocational Education Act (1984), Title 2A (P.L. 98-524)
 MDE Admin.: 1201-07 Secondary Vocational Education

PURPOSE:

To provide funds for specialized projects designed to provide vocational program information, vocational assessment, special support services, career guidance and counseling, and transition activities to disadvantaged students.

DESCRIPTION:

Federal funds are distributed under an entitlement basis by a formula specified in the Vocational Education Act. In Minnesota, the funds available for services to disadvantaged students at the secondary level are determined by a cooperative agreement between the State Board of Education and the State Board of Vocational Technical Education. Eligible recipients must indicate activities they will provide in order to meet the requirements of the Act.

The federal law also requires equitable state and local matching of the federal funds on a statewide basis. Participants may request state support under Budget Activity 0309 to supplement the federal entitlements.

The term disadvantaged refers to individuals, other than handicapped persons, who have economic or academic disadvantages and who require special services and assistance in order to succeed in vocational education programs. The term includes: students who are members of economically disadvantaged families, migrants, persons with limited English proficiency, and individuals who are drop outs from, or who are identified as potential dropouts from secondary school.

The federal law provides criteria for services and activities for the disadvantaged persons who are part of the special needs population in vocational education.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Funds available (000's)	\$ 423.3	\$ 337.9	\$ 355	\$ 370
Participants funded	36	46	50	53
Students served	2,157	2,300	2,400	2,650

TRENDS:

Annual applications for the federal funds have been increasing. Student participation in vocational education also continues to grow, thus creating a need for additional support services, such as vocational counseling.

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	<u>Actual F.Y. 1988</u>	<u>Estimate F.Y. 1989</u>	<u>Governor's Recommendation</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	\$ 423	\$ 338	\$ 355	\$ 370

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1416 SECONDARY VOCATIONAL - CONSUMER HOMEMAKING
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Vocational Education Act (1984), Title 3 (P.L. 98-524)
 MDE Admin.: 1201-07 Secondary Vocational Education

PURPOSE:

To provide support to colleges, universities, and local school districts for curriculum development, research, development of instructional materials, inservice training to instructional staff, and leadership activities for students in consumer and homemaking education programs.

DESCRIPTION:

Consumer homemaking funds support special projects, located at various postsecondary education institutions, at a 100% level for curriculum development, inservice education, and field testing of new curriculum materials. After field testing, curriculum materials are printed and disseminated through teacher inservice. Evaluation is an integral part of each special project. Funds are also available to school districts to support field testing of new programs, and to Dakota County Technical Institute to provide state level leadership for the Minnesota Association of Future Homemakers of America.

Funds are distributed through competitive grants to the universities and school districts. Aid to Dakota County Technical Institute supports the Future Homemakers of America (FHA) activities as part of the Vocational Student Organization Center.

STATISTICS/EFFECTIVENESS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Funds available (000's)	\$ 246.8	\$ 225.4	\$ 225.4	\$ 225.4
2. Allocations (000's)				
Dakota County TI	\$ 83.0	\$ 87.0	\$ 87.0	\$ 87.0
Minneapolis P.S.	7.0	5.8	6.0	6.0
U of M, St. Paul	42.0	44.3	45.0	45.0
Mankato State University	67.6	76.0	77.0	77.0
School districts	13.1	5.0	5.4	5.4
Printing	20.8	7.3	5.0	5.0
Administration	13.3	0	0	0
Total	\$ 246.8	\$ 225.4	\$ 225.4	\$ 225.4

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991 (Contd.)

3. Student participation in leadership activities	9,000	8,000	7,000	7,000
Teacher participation in inservice activities and implementation of new curriculum	604	500	400	400

TRENDS:

Programs involved in curriculum inservice are focusing more on thinking skills and are placing emphasis on resource management, family life, parenting, and nutrition.

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

Fund Source	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
Other Funds				
Federal	\$ 202	\$ 203	\$ 225	\$ 225

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

GOVERNOR'S RECOMMENDATION:

ACTIVITY : 1417 SECONDARY VOCATIONAL - SINGLE PARENT
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

This activity is supported entirely with federal funds.

Citation : Vocational Education Act (1984), Title II, Part A
 MDE Admin.: 1201-07 Secondary Vocational Education

PURPOSE:

To provide special services for single teenage parents in order to increase their probability of achieving a high school diploma with skills necessary for post high school employment and/or education.

DESCRIPTION:

Special programs/projects are designed to serve single teenage parents enrolled in secondary vocational education programs. The federal funds available for these services at the secondary level is determined by a cooperative agreement between the State Board of Education and the State Board of Vocational Technical Education. The funds are distributed under a grant program in which local education agencies (LEAs), in cooperation with other organizations serving single teenage parents, agree to provide assessment, child care, transportation, and transition services.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Funds available (000's)	\$ 227	\$ 227	\$ 250	\$ 300
LEAs funded	30	30	35	40
Students served	300	325	350	400

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	<u>Actual F.Y. 1988</u>	<u>Estimate F.Y. 1989</u>	<u>Governor's Recommendation</u>	
			<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	\$ 306	\$ 225	\$ 250	\$ 300

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

1990-91 Biennial Budget

ACTIVITY : 1418 SECONDARY VOCATIONAL - SEX EQUITY
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Vocational Education Act (1984), Title II, Part A
 MDE Admin.: 1201-07 Secondary Vocational Education

PURPOSE:

To provide funds for specialized secondary vocational projects designed to reduce gender bias and sex role stereotyping through grants to school districts working in cooperation with other agencies and entities.

DESCRIPTION:

Special programs/projects are designed to reduce gender bias and sex stereotyping in secondary vocational education programs. The federal funds available for these services at the secondary level is determined by a cooperative agreement between the State Board of Education and the State Board of Vocational Technical Education. The funds are distributed under a grant program in which recipients identify activities that will be undertaken to address this initiative.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Funds available (000's)	\$ 114	\$ 114	\$ 120	\$ 130
Projects funded	10	10	10	15
Students served	2,000	4,000	4,500	5,000

NOTE: Due to limited resources, the development of specialized projects are spread over a two year time period. Implementation of the activities will encompass more than two years.

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	<u>Actual F.Y. 1988</u>	<u>Estimate F.Y. 1989</u>	<u>Governor's Recommendation</u>	
			<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	\$ 72	\$ 85	\$ 120	\$ 130

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1419 SECONDARY VOCATIONAL - STUDENT FOLLOW-UP
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Vocational Education Act (1984), Title II, Part B
 MDE Admin.: 1201-07 Secondary Vocational Education

PURPOSE:

To determine the extent to which secondary student education and vocational desires and needs are met through secondary vocational programs.

DESCRIPTION:

The federal legislation requires that states obtain follow-up data each year on the graduating class from 20% of the school districts. In order for Minnesota to fulfill the federal compliance regulations, each district is required to participate in the survey at least once every five years. The sampling must reflect district size and location. The number of districts actually surveyed exceeds 20% because local districts volunteer to participate in order to receive valuable local district management data.

The federal government distributes funds annually to the sole state agency for vocational education. In Minnesota, the sole state agency is the State Board for Vocational Technical Education (SBVTE). The Minnesota Department of Education (MDE), Secondary Vocational Education Section, negotiates with SBVTE for an equitable share of the federal funds. The federal funds transferred to MDE for secondary student follow-up provide for data processing services and for reimbursement to districts of \$3 per vocational student in the mandated class year to cover postage costs. Administration of the secondary follow-up process is the responsibility of the SBVTE. The results are shared with MDE.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Total Grade 12 students	58,089	56,570	52,061	49,149
Students surveyed	21,400	20,930	19,260	18,185
Funding (MDE) (000's)	\$ 56	\$ 57	\$ 57	\$ 58

The student response rate is 80%.

TRENDS:

1. The percent of students enrolling in a four-year college or university is increasing.
2. The percent of students enrolling in a vocational school is decreasing slightly.
3. The percent of students working and going to school is remaining stable, indicating a continued need to provide vocational opportunities to acquire job skills even for those pursuing further education.
4. Approximately 32 percent of students in Grade 12 do not enroll in postsecondary education programs.
5. Students who have earned vocational credits in high school are three times as likely to pursue postsecondary vocational training. Students with three years or more, are four times as likely to enroll in postsecondary vocational training.
6. The percent of students who have earned vocational credits in high school has been decreasing.

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	<u>Actual F.Y. 1988</u>	<u>Estimate F.Y. 1989</u>	<u>Governor's Recommendation</u>	
			<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	\$ 59	\$ 57	\$ 57	\$ 58

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

ACTIVITY : 1420 SECONDARY VOCATIONAL - INCARCERATED YOUTH
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Vocational Education Act (1984), Title II, Part A
 MDE Admin.: 1201-07 Secondary Vocational Education

PURPOSE:

To provide funds for educational support services such as vocational assessment/evaluation, curriculum development, equipment and other supportive services through grants to school districts working in cooperation with other agencies and entities on behalf of juvenile offenders and incarcerated youth.

DESCRIPTION:

Special programs/projects are designed to serve juvenile offenders and incarcerated youth with special vocational education services. The federal funds available for these services at the secondary level are determined by a cooperative agreement between the State Board of Education and the State Board of Vocational Technical Education. The funds are distributed under a grant program in which recipients identify activities that will be undertaken to serve this population.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Funds available (000's)	\$ 51	\$ 51	\$ 60	\$ 80
Recipients funded	6	7	10	15
Students served	175	200	300	500

NOTE: Funds identified in F.Y. 1989 may be carried over.

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u>	<u>Estimate</u>	<u>Governor's Recommendation</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	\$ 38	\$ 50	\$ 60	\$ 80

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

1990-91 Biennial Budget

ACTIVITY : 1421 ADULT BASIC EDUCATION
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Adult Education Act (P.L. 91-230);
 Refugee Resettlement Act (P.L. 96-212)
 Immigration Reform and Control Act (P.L. 99-603)
 MDE Admin.: 1201-01 Community and Adult Education

PURPOSE:

To provide funding and support services to school districts and other agencies to provide basic and high school-level education to adults.

DESCRIPTION:

The Adult Education Act provides adult basic education (ABE) grant funds that are distributed by the Minnesota Department of Education (MDE) on the basis of competitive applications by school districts and other agencies such as Indian reservations, job training agencies, community colleges, public television broadcasting stations, etc. The Act also stipulates allocation requirements, which are not necessarily additive, as follows:

1. At least 10% of the federal ABE grant must be used for institutionalized adults;
2. At least 80% must be used for adults functioning below a ninth grade equivalency;
3. At least 10% must be used for staff development and special projects; and
4. No more than 5% may be used to administer the statewide program.

In addition, other federally required activities including technical assistance to local projects may be provided with federal ABE funds. A required local match will increase from 10% in F.Y. 1989, to 15% in F.Y. 1990 and 25% in F.Y. 1991.

The allocation of the federal grant funds is coordinated with the state program allocation in order to assure that no applicant receives more than 90% of the actual cost of providing the program. Federal ABE funds must be used to supplement, not supplant, state and local funds.

The Refugee Resettlement Act provides funds for employment-related English language training for adult refugees who have been in the United States for fewer than 31 months. The Minnesota Department of Human Services (DHS) is the recipient State agency for approximately \$500 thousand per year in refugee funds, which DHS grants to eligible providers. Program development, evaluation, testing, staff development, and technical assistance to grantees is provided by MDE through an interagency agreement with DHS.

The Immigration Reform and Control Act provides up to \$500 per recently legalized alien for required classes in citizenship, civics, English language training, and other basic skills. DHS also receives these Federal funds and,

through an interagency agreement, channels them to MDE for distribution to approved local providers. MDE provides technical assistance regarding required instructional components, curricular and assessment materials, and reporting requirements; and develops linkages between the Immigration and Naturalization Service and local adult education providers to ensure that eligible legalized aliens are able to participate in required classes.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

Many statistics for the federally and state-funded ABE programs are the same, and these are presented in Budget Activity 0403.

1. Adult enrollment summary

Adult Education Act	40,960 ^a	45,421	50,400	55,900
Refugee Resettlement	1,207	1,500	1,600	1,700
Immigration Reform	442	442	442	442

2. MDE Sponsored Inservice Workshops

	46	48	50	52
Participants	1,960	2,090	2,228	2,375

3. ABE Program Funding (000's):

Basic Grants	\$ 1,185	\$ 1,218	\$ 1,601	\$ 1,601
Special Projects and Inservice Grants	148	154	223	223
Total Grants	\$ 1,333	\$ 1,372	\$ 1,824	\$ 1,824

Administration	74	77	101	101
Technical Assistance	74	92	101	101
Total ABE funding	\$ 1,481	\$ 1,541	\$ 2,026	\$ 2,026

4. Refugee Resettlement Act:

Technical Assistance	\$ 81.8	\$ 80.0	\$ 85.7	\$ 85.7
Assessment	0	10.0	11.0	11.0

5. Immigration Reform and Control Act:

Basic Grants	\$ 92.8 ^b	\$ 92.8	\$ --	\$ --
Administration	1.4	1.4	--	--

^a F.Y. 1988 ABE data are from July 1, 1987 - April 30, 1988.

^b This allocation will become available beginning in F.Y. 1989.

1990-91 Biennial Budget

ACTIVITY: 1421 ADULT BASIC EDUCATION (ABE)
 (Continuation)
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	Actual	Estimate	Governor's	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	<u>\$ 1,388</u>	<u>\$ 1,433</u>	<u>\$ 1,824</u>	<u>\$ 1,824</u>

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1422 ADULT BASIC EDUCATION FOR HOMELESS
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Homeless Assistance Act (P.L. 100-77)
 MDE Admin.: 1201-01 Community and Adult Education

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

PURPOSE:

To develop and implement a literacy training and basic skills remediation program for adult homeless individuals.

DESCRIPTION:

A federal grant of \$159.1 thousand is anticipated in the fall of 1988 of which \$77.4 must be spent by September 30, 1989, and \$81.7 must be spent by September 30, 1990.

It is anticipated that not less than two and no more than five program sites will become operational by the end of the funding period. Program funds will be used to evaluate Adult Basic Education (ABE) curricular and teaching materials for the homeless, to develop appropriate ABE instructional models, to disseminate information regarding ABE for the homeless and appropriate models, and to implement ABE programming for the homeless.

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u>	<u>Estimate</u>	<u>Governor's</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	\$ 0	\$ 77	\$ 82	\$ 0

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

1990-91 Biennial Budget

ACTIVITY : 1423 HOMELESS CHILD EDUCATION
Program : 14 FEDERAL PROGRAMS
Agency : EDUCATION AIDS

Citation : Homeless Assistance Act, Title VII-B (P.L. 100-77)
MDE Admin.: 1201-02 Learner Support/Learners At Risk

PURPOSE:

To ensure that homeless children and youth have access to a free, appropriate public education as is provided to children of residents of the state and is consistent with state attendance laws.

DESCRIPTION:

This project is in its first year. The following activities are being conducted:

1. Review residency requirements of Minnesota's compulsory education laws to identify any barriers to the education of homeless children and youth. If indicated, initiate changes to revise those requirements.
2. Use federal funds, in part, to establish a program coordinator within the Learner Support Systems Section in the Minnesota Department of Education.
3. Gather data on the number and location of homeless children and youth, including data on the nature and extent of problems of access to, and placement of, these children in elementary and secondary schools, and the difficulties in identifying the special needs of such children.
4. Develop a state plan, in accordance with federal requirements, for the education of homeless children and youth.
5. Coordinate efforts with other state agencies and, where appropriate, advisory groups, local agencies, and other interested groups.
6. Develop and conduct this project in the context of addressing inter-related issues that place learners at risk, i.e., alcohol and drug abuse, mental illness, children in poverty, Acquired Immunodeficiency Syndrome (AIDS), etc.

STATISTICS/EFFECTIVENESS:

F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

According to federal definitions, numbers of homeless children and youth identified in Minnesota:

1. School Level

Grades K-6		7,120	7,120	7,120
Grades 7-9		9,902	9,902	9,902
Grades 10-12		9,595	9,595	9,595
Total	0	26,617*	26,617*	26,617*

2. Type of Housing

Public operated shelters		4,834	4,834	4,834
Privately operated shelters		1,991	1,991	1,991
Relatives or friends		18,292	18,292	18,292
Runaway/throwaway youth on the street		1,500	1,500	1,500
Total	0	26,617	26,617	26,617

3. Funding Level (000's) \$ 0 \$ 0 \$ 50 \$ 50

* School levels are estimates; total is accurate.

TRENDS:

Consistent with national trends, Minnesota has an increasing number of young children in homeless single parent families.

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

Fund Source	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Other Funds				
Federal	\$ 0	\$ 0	\$ 50	\$ 50

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1424 DRUG ABUSE PREVENTION
Program : 14 FEDERAL PROGRAMS
Agency : EDUCATION AIDS

Citation : Drug-Free Schools & Communities Act, Title V
(P.L. 100-297)
MDE Admin.: 1201-02 Learner Support/Learners At Risk

PURPOSE:

To reinforce and coordinate the efforts of concerned parents, state and local officials, and community organizations to eliminate the use of drugs, including alcohol, by youth.

DESCRIPTION:

At the direction of the Governor, the Criminal Justice Policy Task Force (JPTF) has developed policy and provided coordination for all federal drug funds. For the Minnesota Department of Education (MDE), these policies include developing policies and programs in a "learners at risk" framework; encouraging maximization of funds through resource pooling by the Educational Cooperative Service Units (ECSUs); providing training/professional development; and instructing MDE to devise evaluation procedures for school districts.

Each year in the spring, school districts submit forms to MDE indicating intent to file individual applications or to pool resources with an ECSU or other consortium. Applications detailing goals and activities are submitted by September 30. In F.Y. 1988, funding amounts per student were required to be distributed according to school-age populations based on 1980 census figures. In F.Y. 1989 the formula is changed to a school enrollment basis, resulting in an equalization of funds distributed. In F.Y. 1988, districts were allocated an average of \$1.89/student with ranges from \$.90 to \$3.70. In F.Y. 1989, districts will receive \$2.52/student.

STATISTICS/EFFECTIVENESS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Participation/Activities				
Applications approved	136	139	140	140
School district participants	435	435	435	435
Districts filing individual applications	123	127	130	140
Districts pooling funds with ECSUs	299	266	260	250

STATISTICS/EFFECTIVENESS:
(Contd.)

	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Districts pooling funds with other consortia	13	42	45	45
MDE workshops conducted	16	16	16	16
Districts developing new policies or updating existing policies (F.Y. 1988 Goal)	365	--	--	--
Districts pursuing training/professional development activities (F.Y. 1988 & F.Y. 1989 Goal)	391	390	--	--
Districts pursuing parent/family programs (F.Y. 1989 Goal)	--	380	--	--

2. Funding level (000's) \$ 1,694.5 \$ 1,996.4 \$ 2,000.0 \$ 2,000.0

TRENDS:

The federal drug abuse prevention program was first operational in F.Y. 1988. The program has been authorized for six years, with a funding increase for F.Y. 1989 and F.Y. 1990. Current research supports and encourages developing programs in an "at-risk" context, due to the inter-relatedness of factors, issues, or circumstances that place learners at risk. Examples of learners-at-risk issues are suicide, Acquired Immunodeficiency Syndrome (AIDS), teen pregnancy, child abuse, and dropping out of school.

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

Fund Source	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Other Funds				
Federal	\$ 1,689	\$ 1,996	\$ 2,000	\$ 2,000

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1425 SCHOOL LUNCH PROGRAM
Program : 14 FEDERAL PROGRAMS
Agency : EDUCATION AIDS

Citation : National School Lunch Act, Sections 4, 11, and 14
MDE Admin.: 1202-04 Child Nutrition

PURPOSE:

To promote the health and well-being of children.

DESCRIPTION:

Under the National School Lunch Program (NSLP), public and nonpublic schools and residential child care institutions receive United States Department of Agriculture (USDA) commodities and are reimbursed at various rates (basic, reduced price, and free) for lunches served to eligible children. The basic rate of reimbursement (from federal Section 4 funds) is paid on all lunches served, including free and reduced price. In addition to the basic reimbursement, schools and residential child care institutions receive federal Section 11 funds for lunches served to students eligible for free or reduced price meals. Eligibility is determined by family size and income.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

1. Public School Districts

a. School food authorities	431	431	431	431
b. Lunches served (000's)				
Fully paid	49,316	49,316	49,316	49,316
Reduced price	4,696	4,696	4,696	4,696
Free	16,165	16,165	16,165	16,165
Total	70,177	70,177	70,177	70,177
c. Section 4 funds received (000's)	\$ 9,803	\$ 10,097	\$ 10,097	\$ 10,097
d. Section 11 funds received (000's)	\$ 25,260	\$ 26,017	\$ 26,017	\$ 26,017

STATISTICS/EFFECTIVENESS:
(Contd.)

2. Private Schools, Public & Nonpublic Residential Child Care Institutions

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
a. School food authorities	261	261	261	261
b. Lunches served (000's)				
Fully paid	3,556	3,556	3,556	3,556
Reduced price	312	312	312	312
Free	1,281	1,281	1,281	1,281
Total	5,149	5,149	5,149	5,149
c. Section 4 funds received (000's)	\$ 763	\$ 786	\$ 786	\$ 786
d. Section 11 funds received (000's)	\$ 2,061	\$ 2,122	\$ 2,122	\$ 2,122
3. Funding Level (000's)				
Total Section 4 funds	\$ 10,566	\$ 10,883	\$ 10,883	\$ 10,883
Total Section 11 funds	\$ 27,321	\$ 28,139	\$ 28,139	\$ 28,139
Grand total funds	\$ 37,887	\$ 39,022	\$ 39,022	\$ 39,022

TRENDS:

The number of meals served in the NSLP increased by approximately one-half million from 1987 to 1988. While the number of fully paid lunches increased by over one million, the number of free meals declined, and the reduced price meals increased slightly. Therefore, the average federal reimbursement per meal is declining.

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u> <u>F.Y. 1988</u>	<u>Estimate</u> <u>F.Y. 1989</u>	<u>Governor's</u> <u>Recommendation</u> <u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	\$ 37,887	\$ 39,400	\$ 39,022	\$ 39,022

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1426 SPECIAL MILK PROGRAM
Program : 14 FEDERAL PROGRAMS
Agency : EDUCATION AIDS

Citation : Child Nutrition Act (1966), Section 3
MDE Admin.: 1202-04 Child Nutrition

PURPOSE:

To encourage the consumption of fluid milk by children in nonprofit elementary and secondary schools, nonprofit nursery schools, child care centers, summer camps, and similar nonprofit institutions devoted to the care and training of children.

DESCRIPTION:

Schools and institutions not participating in any other federal child nutrition feeding program, i.e., National School Lunch, Breakfast, etc., are eligible to participate in the Special Milk Program. Also, schools with split-session kindergartens where no other child nutrition program is available for kindergarten students may participate. For each half pint of milk served to non-needy children, the school or institution is reimbursed at a set rate which is adjusted annually to reflect changes in the Producer Price Index for fresh processed milk. The rate of reimbursement for the period of July 1, 1988 through June 30, 1989 is 9.5 cents for each half pint. Schools or institutions which elect to serve milk free to eligible needy children are reimbursed at the average cost of a half pint of milk.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

1. Public School Districts

Districts participating				
Special milk	3	3	3	3
Split-session	53	65	65	65
Students participating				
Special milk	1,928	1,928	1,928	1,928
Split-session	17,018	20,000	20,000	20,000
Amount received (000's)	\$ 190	\$ 240	\$ 240	\$ 240

2. Private Schools, Summer Camps,
and Other Public and Private
Institutions

Units participating	239	239	239	239
Children participating	33,000	33,000	33,000	33,000
Amount received (000's)	\$ 440	\$ 440	\$ 440	\$ 440

3. Total Federal Aid (000's) \$ 630 \$ 680 \$ 680 \$ 680

TRENDS:

Participation in the Special Milk Program has increased because of inclusion of split-session kindergarten students.

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

Fund Source	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Other Funds				
Federal	\$ 630	\$ 650	\$ 680	\$ 680

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1427 SCHOOL BREAKFAST PROGRAM
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Child Nutrition Act (1966), Section 4
 MDE Admin.: 1202-04 Child Nutrition

PURPOSE:

To enable schools and residential child care institutions to initiate, maintain, or expand nonprofit breakfast programs through federal grants-in-aid.

DESCRIPTION:

Schools and residential child care institutions participating in the School Breakfast Program are reimbursed at various rates (paid, reduced price, and free) for breakfast served to eligible children. Rates of reimbursement are established each year on July 1 by the United States Department of Agriculture, Food and Nutrition Service. The amount that a school or residential child care institution receives for each breakfast depends on the eligibility of the student receiving the meal. Family size and income determine whether the student is eligible for a free, reduced price, or fully paid breakfast.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

1. Public School Districts

School food authorities participating	181	181	181	181
Breakfasts served (000's)				
Fully paid	369	369	369	369
Reduced price	95	95	95	95
Free	1,516	1,516	1,516	1,516
Total	1,980	1,980	1,980	1,980
Amount received (000's)	\$ 1,486	\$ 1,486	\$ 1,486	\$ 1,486

STATISTICS/EFFECTIVENESS:
 (Contd.)

F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

2. Private Schools and Residential Child Care Institutions

School food authorities/ institutions	63	63	63	63
Breakfasts served (000's)				
Fully paid	57	57	57	57
Reduced price	5	5	5	5
Free	648	648	648	648
Total	704	704	704	704

Amount received (000's)	\$ 560	\$ 560	\$ 560	\$ 560
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3. Total federal aid (000's)	\$ 2,046	\$ 2,046	\$ 2,046	\$ 2,046
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TRENDS:

The number of breakfasts served is rising after a period of decline. It is estimated that participation will return to the F.Y. 1985 levels, largely due to increases in the free meals served. An extensive breakfast outreach campaign is planned for the 1988-89 school year.

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

Fund Source	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Other Funds				
Federal	\$ 2,046	\$ 2,001	\$ 2,046	\$ 2,046

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1428 NUTRITION EDUCATION AND TRAINING
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Child Nutrition Act (1966) as amended by P.L. 95-166
 MDE Admin.: 1201-09 Curriculum Services

PURPOSE:

To enable students to acquire the knowledge, skills, and attitudes necessary to make informed and healthy food choices.

DESCRIPTION:

Federal funds are allocated by the United States Department of Agriculture (USDA) to each state based on student enrollment. In F.Y. 1988, the Minnesota Department of Education (MDE) received \$73.3 thousand or about 9 cents per child, based on 810,874 children.

The Nutrition Education and Training (NET) Program is designed to provide teachers, pre-school through twelfth grade students, and school food service personnel with information and materials to increase their knowledge about nutrition and to promote improved student behavior concerning food and nutrition.

Minnesota health data for adults provide strong support for a nutrition education program in schools and child care institutions. Heart disease, stroke, and cancer are the leading causes of death in Minnesota. Being overweight is associated with hypertension, adult-onset diabetes, heart disease, gout, gallbladder disease, arthritis, and some cancers. There is evidence to suggest that these and other nutrition-related diseases begin in childhood.

Although students are intended to be the primary beneficiaries of NET Program services, the program also focuses on teachers, administrators, and food service personnel in schools and child care facilities. Student nutrition education needs can best be served by informed and educated staff who have appropriate materials and resources to use.

The NET Program has three areas of service:

1. In-service training of teachers, school nurses, and principals in nutrition and strategies to integrate nutrition instruction into the curriculum;
2. Training for school food service personnel; and
3. Development, identification, and dissemination of resource materials.

Specific activities to be implemented in each area are planned yearly, based on the needs of the target groups and current nutrition-related health findings. The client needs assessment data indicate:

1. NET Program emphasis should be placed on training elementary and preschool teachers.
2. At the secondary level, teachers need resources pertaining to current nutritional concerns such as eating disorders, food and fitness, and being overweight.
3. Students and teachers want readily available materials and resources on nutrition education.

A major activity during F.Y. 1988 was the development of a resource packet that reached 2,000 First and Second Grade teachers and 68,000 students. In addition, a news tabloid was developed in cooperation with two other agencies that reached 30,000 Third to Sixth Grade students. The MDE conducted in-service workshops attended by approximately 500 elementary and secondary teachers. During F.Y. 1988, staff assisted in developing the health learner outcomes. In F.Y. 1989, time and resources will be devoted to working with teachers to improve nutrition education teaching methods and to serve school staff working with special needs students, such as pregnant, anorexic, bulimic students, etc.

STATISTICS/EFFECTIVENESS:

	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Persons reached				
Children	98,000	50,000	40,000	30,000
Teachers	2,500	1,500	1,500	1,000
Foodservice personnel	90	100	100	100
2. Funding level (000's)				
Administration	\$ 65.8	\$ 68.1	\$ 70.0	\$ 71.0
Program services	7.7	3.9	2.0	1.0
Total	\$ 73.5	\$ 72.0	\$ 72.0	\$ 72.0

EFFECTIVENESS:

Each year, MDE prepares an annual plan and report that is submitted to the USDA. Program effectiveness is determined by the number of clients served in target populations--students, teachers, and school food service personnel--and by their evaluation of the services offered. Target populations participating in NET Program activities during the last two years were positive in their evaluation of the quality and potential utility of the services. The majority of respondents indicated that they had an increased understanding of nutrition information and an awareness of available materials to use in their classrooms.

1990-91 Biennial Budget

ACTIVITY: 1428 NUTRITION EDUCATION AND TRAINING
 (Continuation)
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u>	<u>Estimate</u>	<u>Governor's</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	\$ 8	\$ 4	\$ 2	\$ 1

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1429 CHILD CARE FOOD PROGRAM
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : National School Lunch Act, Section 17
 MDE Admin.: 1202-04 Child Nutrition

PURPOSE:

To initiate, maintain, and expand food service programs for children in nonresidential institutions which provide child care.

DESCRIPTION:

Through this program, child care institutions and facilities, such as sponsoring organizations, licensed or approved child care centers, family day care homes, or outside-school-hours care centers, are able to integrate nutritious food service programs and organized child care services for the benefit of the children enrolled.

Child care institutions and facilities are reimbursed for meals (breakfast, lunch, supper, or supplement) served to eligible children. Reimbursement is limited to no more than two meals and one supplement per day per child. The rates of reimbursement are established each year on July 1 by the United States Department of Agriculture, Food and Nutrition Service, and vary, depending upon the type of child care institution or facility serving the meal, and the family size and income of the eligible child. In addition, sponsoring organizations of family day care homes receive differing rates of administrative payments, per day care home, depending upon the number of homes administered.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

1. Public Institutions

Child care centers participating	25	25	25	25
Children participating	3,350	3,350	3,350	3,350
Amount received (000's)	\$ 335	\$ 340	\$ 340	\$ 340

STATISTICS/EFFECTIVENESS:
 (Contd.)

F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

2. Private Institutions

Child care centers and family day care homes participating	8,149	8,150	8,150	8,150
Children participating	51,676	52,000	52,000	52,000
Amount received (000's)	\$ 23,542	\$ 24,247	\$ 24,247	\$ 24,247

3. Total Federal Aid (000's) \$ 23,877 \$ 24,587 \$ 24,587 \$ 24,587

TRENDS:

The Child Care Food Program continues to expand. It now also serves elderly through adult day care centers, which should increase the rate of growth. Current federal legislation increases the number of reimbursable feedings from three to four, if children are in attendance for eight hours or more a day. This provision will increase the federal aid received.

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

Fund Source	Actual F.Y. 1988	Estimate F.Y. 1989	Governor's Recommendation F.Y. 1990	F.Y. 1991
Other Funds				
Federal	\$ 26,877	\$ 28,050	\$ 24,587	\$ 24,587

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1430 SUMMER FOOD SERVICE PROGRAMS
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : National School Lunch Act, Section 13
 MDE Admin.: 1202-04 Child Nutrition

PURPOSE:

To assist states in conducting nonprofit food service programs for children during the summer months; and to provide food service to children from needy areas during periods when schools are closed for vacation.

DESCRIPTION:

The Summer Food Service Program (SFSP) provides reimbursement to school districts, governmental organizations, and residential camp sponsors for meals (breakfast, lunch, supper, or supplement) served to eligible children. In addition, sponsoring organizations are reimbursed for administrative costs. Total program reimbursement is based on the reimbursement rates for each type of meal served, multiplied by the number of meals served for each category. The rates of reimbursement are established each year on January 1 by the United States Department of Agriculture (USDA), Food and Nutrition Service (FNS). This program was administered by USDA, FNS until January 1, 1987, at which time program administration was assumed by the state.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Sponsoring organizations	20	20	20	20
Number of sites	204	204	204	204
Average daily attendance	8,000	8,000	8,000	8,000
Federal aid received (000's)	\$ 1,723	\$ 1,775	\$ 1,775	\$ 1,775

TRENDS:

The rate of participation is anticipated to increase due to proposed regulatory changes enabling additional sponsors to participate. Presently, the metropolitan school districts and the migrant program have the largest number of participants.

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u>	<u>Estimate</u>	<u>Governor's</u>	
	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	\$ 1,723	\$ 1,314	\$ 1,775	\$ 1,775

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1431 CONSOLIDATED FEDERAL PROGRAMS (BLOCK GRANT)
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Education Consolidation and Improvement Act, (ECIA)
 Chapter 2, Title V (P.L. 97-35)
 MDE Admin.: 1201-03 Education Development

PURPOSE:

To more equitably allocate federal funds to schools, while reducing the complexity of applications and reports.

DESCRIPTION:

The Omnibus Budget Reconciliation Act of 1981 combined 30 smaller categorical education aid programs into one Block Grant program. School districts submit a single application for funding, rather than up to 30 separate applications, and have complete discretion in expenditures. Beginning in F.Y. 1990, new federal legislation modifies the list of programs which are eligible for Chapter 2/Block Grant funding. In that year, school districts must focus on a more restrictive listing of eligible programs than was previously the case. New program priorities include services for at risk learners, staff development, instructional materials, innovative projects, and educational effectiveness.

The federal legislation requires the Governor to appoint a state advisory committee (SAC) which recommends a distribution formula for the funds. Federal law allows the Minnesota Department of Education (MDE) to allocate up to 20% of the funds for state priorities, and requires at least 80% to be distributed equitably to all school districts. In F.Y. 1989, MDE will allocate 18% of the funds for state priorities and will provide local districts with 82% of the funds. The additional 2% (over 80%) will be available to districts in F.Y. 1989 under a competitive grant program for general improvement of instruction.

The formula for distributing the flow-through funding is as follows:

1. 79.5% of available funds distributed according to average daily membership;
2. 4.5% of available funds distributed according to low income children (as defined by ECIA Chapter 1);
3. 4.5% of available funds distributed according to economically depressed areas, as measured by the lowest quartile of adjusted assessed property valuation per pupil unit;
4. 4.5% of available funds distributed according to sparsity, defined as an average of 5.0 or fewer students per square mile;

5. 3.5% of available funds distributed according to the number of minority children enrolled in the school district; and
6. 3.5% of available funds distributed according to the number of children in the school district who are receiving financial assistance from the Aid For Families With Dependent Children (AFDC) program.

STATISTICS/EFFECTIVENESS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Applications reviewed:				
Formula flow-through	434	434	434	434
Special projects (competitive)	48	48	50	50
School district participants:				
Formula flow-through	434	434	434	434
Special projects (competitive)	56	50	50	50
Workshops conducted	11	11	11	11
Monitoring Visits	59	60	60	60
Evaluation reports	449	449	450	450
Teachers in staff development:				
Formula flow-through	18,093	18,000	18,000	18,000
Special projects (competitive)	733	700	700	700
Student participants:				
Formula flow-through	373,561	370,000	370,000	370,000
Special projects-competitive	13,210	12,000	10,000	10,000
Funding level (000's)	\$ 6,751	\$ 6,346	\$ 6,200	\$ 6,200

TRENDS:

Federal funding has been declining slightly in recent years. However, the funding level is expected to remain fairly constant in F.Y. 1990 and F.Y. 1991, but a major change in program focus will occur.

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

Fund Source	Actual	Estimate	Governor's Recommendation	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Other Funds				
Federal	\$ 9,792	\$ 6,553	\$ 6,200	\$ 6,200

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

1990-91 Biennial Budget

ACTIVITY: 1431 CONSOLIDATED FEDERAL PROGRAMS (BLOCK GRANT)
(Continuation)
Program : 14 FEDERAL PROGRAMS
Agency : EDUCATION AIDS

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1432 PUBLIC LIBRARY AID
Program : 14 FEDERAL PROGRAMS
Agency : EDUCATION AIDS

Citation : Library Services & Construction Act (LSCA)
MDE Admin.: 1202-05 Library Development and Services

PURPOSE:

To assist the states in extending and improving public library services; improving library services for physically handicapped, institutionalized, disadvantaged, bilingual and elderly persons; strengthening the state library administrative agency; strengthening major urban resource libraries; improving public library facilities; and promoting cooperation among all types of libraries.

DESCRIPTION:

A basic allotment is made to each state, and any funds remaining are distributed proportionally to the states on a population basis. Funds must be matched approximately 50/50, and maintenance of effort is required.

Federal funds are to be used within the state for purposes identified in the Act and in the state's five-year long-range plan for library development. The level of federal funds assigned to each of the grant categories in order to accomplish these purposes is determined by the state. Because the amount of federal funds available varies from year to year, and because the allotment often is not known until well into the state fiscal year, these funds are used in Minnesota primarily for programs of limited duration, or for capital outlay expenditures.

The federal public library grant program supports eight types of grants:

1. Establishment grants to regional public library systems to extend public library services to counties previously without such services. Funds are used for materials, equipment, and personnel needed to provide library services in the newly participating county. Grant levels are determined by a formula established in State Board of Education rule. The formula allots \$1 per capita plus \$10 per square mile for the first year of county participation, and one-half that amount for the second year. Establishment grants are made with federal funds.
2. Regional library basic system support grants to the 12 regional public library systems to assist them in developing and performing ongoing cooperative services. Grant levels are determined by a formula established in state law. These grants are made with state and federal funds.
3. Major urban resource library grants made to city libraries serving populations greater than 100,000. Grants assist these libraries in sharing their resources with other libraries in the state. These grants

are made only in years for which the congressional appropriation for LSCA Title I exceeds \$60 million.

4. Grants to improve library services in institutions operated by the Minnesota Department of Human Services and the Minnesota Department of Corrections, and to assist in development of services of the Communications Center, State Services for the Blind in the Minnesota Department of Jobs and Training. The amounts of these grants are based on project applications submitted by the departments. These federal funds supplement state funds for institutional library service and provide services which otherwise could not be provided.
5. A grant for interlibrary exchange to encourage statewide sharing of library resources by supporting the Public Library Access Network (PLANET) administered by the St. Paul Public Library. Included are state-wide access to and delivery of materials in metropolitan public libraries, and reference information.
6. Multi-county multi-type library cooperation grants to assist the seven multi-county multi-type library systems develop cooperative programs involving academic, public, school and special libraries. Services include interlibrary loan, delivery of library materials requested, and cooperative staff development. State and federal funds are used for these grants.
7. Special grants are made from federal funds for innovative and experimental library services projects of limited duration. Grant levels are determined by project applications submitted under procedures established in state rule. Other special grants are made from federal funds for other activities which strengthen and improve library services and carry a special priority as determined by the State Board of Education. Examples of such grants are support of bookmobile services to residents of the White Earth Indian Reservation, and planning for library automation.
8. Public library construction grants awarded for construction or remodeling of public library buildings. Under State Board of Education rules, grants have been awarded recently for projects in Detroit Lakes, Pelican Rapids, and Waterville. Projects are underway or have been completed recently in Cloquet, Forest Lake, Minneapolis, Minnetonka, Moorhead, Rush City, and St. Peter.

STATISTICS/EFFECTIVENESS: F.Y. 1988 F.Y. 1989 F.Y. 1990 F.Y. 1991

Types of Aid (Grants) Expenditures in 000's

1. Establishment grants for regional library systems				
Number of grants	1	1	9	8
Expenditures	\$ 15.3	\$ 34.7	\$ 173.4	\$ 78.0
2. Regional library basic system support grants				
Number of grants	12	12	12	12
Expenditures	\$ 1,000.0	\$ 1,000.0	\$ 1,000.0	\$ 1,000.0

1990-91 Biennial Budget

ACTIVITY: 1432 PUBLIC LIBRARY AID
(Continuation)
Program : 14 FEDERAL PROGRAMS
Agency : EDUCATION AIDS

<u>STATISTICS/EFFECTIVENESS:</u> (Contd.)	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
3. Major urban resource library grants				
Number of grants	2	2	2	2
Expenditures	\$ 47.5	\$ 47.5	\$ 47.5	\$ 47.5
4. Grants to improve library services to welfare and corrections institutions and for the blind and physically handicapped				
Number of grants	3	3	3	3
Expenditures	\$ 55.9	\$ 55.9	\$ 55.9	\$ 55.9
5. Grants for interlibrary exchange				
Number of grants	1	1	1	1
Expenditures	\$ 207.1	\$ 205.0	\$ 220.0	\$ 220.0
6. Multi-county multi-type library cooperation operating grants				
Number of grants	7	7	7	7
Expenditures	\$ 308.9	\$ 319.6	\$ 319.6	\$ 319.6
7. Special project grants				
Number of grants	2	2	1	1
Expenditures	\$ 67.5	\$ 92.4	\$ 70.0	\$ 70.0
8. Public library construction grants				
Number of grants	3	5	3	3
Expenditures	\$ 345.6	\$ 645.4	\$ 384.9	\$ 384.9
TOTALS				
Number of grants	31	33	38	37
Expenditures	\$ 2,047.7	\$ 2,400.5	\$ 2,271.3	\$ 2,175.9

NOTE: Amounts for F.Y. 1990 and F.Y. 1991 are projections based on F.Y. 1988 allotments.

Because state funds also are used for these grants, performance measures are shown in Budget Activities 1001 and 1002.

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	<u>Actual</u> <u>F.Y. 1988</u>	<u>Estimate</u> <u>F.Y. 1989</u>	<u>Governor's</u> <u>Recommendation</u> <u>F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	\$ 2,445	\$ 3,068	\$ 2,271	\$ 2,176

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1433 TEACHER INSERVICE PROGRAMS
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Education for Economic Security, Title II (P.L. 98-377)
 Math & Science Education Act (1988) (P.L. 100-297)
 MDE Admin.: 1201-03 Education Development

PURPOSE:

To train or retrain teachers in the areas of mathematics, science, foreign languages, and computer learning.

DESCRIPTION:

Each school district is eligible to receive funds based on a formula allocation and, in addition, may submit a proposal for demonstration project funding subject to competitive review.

Funding allocations for each district are determined according to the following formula:

Seventy percent or more of available funds must be distributed to school districts according to a described formula, and 20 percent or more support competitively reviewed demonstration project proposals.

Criteria for formula flow-through fund distribution are:

50% based on Average Daily Membership (ADM) of the school district.

25% based on number of children who are from below poverty level families, as determined by Chapter 1, Education Consolidation and Improvement Act (ECIA).

25% based on number of children who are from above poverty level families as determined by Chapter 1, ECIA.

School districts are to determine needs for staff development in the eligible program areas and submit an application for funding. Districts may elect to pool funds and submit a joint application through an Educational Cooperative Service Unit (ECSU) or other cooperative agency. An annual report is required which describes effectiveness of the program.

Funds are also available for demonstration projects in local school districts or consortia of districts. Applicants submit proposals for staff development activities in eligible program areas. Proposals are reviewed competitively by a panel of knowledgeable persons, and projects are funded to the extent of available dollars.

In addition, Minnesota has received two special awards under the Discretionary Programs (000's):

Higher Order Thinking Skills for Mathematics and Computer Learning (\$94.7).

A Summer Science Institute for Elementary Teachers of Minority Students (\$124.1).

STATISTICS/EFFECTIVENESS:	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
1. Applications approved:				
Formula flow-through	112	135	150	150
Demonstration projects	17	22	5	5
2. District participants:				
Formula flow-through	325	350	350	350
Demonstration projects	118	130	130	130
3. Workshops conducted	12	12	9	9
4. Monitoring visits:	45	50	50	50
5. Evaluation reports	112	135	150	150
6. Teachers in staff development:				
Formula flow-through	7,860	10,900	10,900	10,900
Demonstration projects	660	700	350	350
Special projects	120	80	--	--
7. Student participants:				
Formula flow-through	--	--	--	--
Demonstration projects	300	300	300	300
8. Funding level (000's)	\$ 859	\$ 1,262	\$ 1,262	\$ 1,262

TRENDS:

The Title II program was first operational in F.Y. 1986. Federal funding declined through F.Y. 1988, before increasing sharply. With drafting of new federal amendments, the program is expected to remain a high federal priority in future years. A change in priorities beginning with F.Y. 1990 will increase formula flow-through to 90% of available dollars, and reduce demonstration funding to 5%.

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

Fund Source	Actual	Estimate	Governor's	
	F.Y. 1988	F.Y. 1989	F.Y. 1990	F.Y. 1991
Other Funds				
Federal	\$ 1,059	\$ 1,137	\$ 1,262	\$ 1,262

1990-91 Biennial Budget

ACTIVITY: 1433 TEACHER INSERVICE PROGRAMS
(Continuation)
Program : 14 FEDERAL PROGRAMS
Agency : EDUCATION AIDS

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

1990-91 Biennial Budget

ACTIVITY : 1434 HONORS SCHOLARSHIP PROGRAM
 Program : 14 FEDERAL PROGRAMS
 Agency : EDUCATION AIDS

Citation : Higher Education Act (1965), Title IV, Part A,
 Subpart 6
 MDE Admin.: 1201-10 Instructional Design

PURPOSE:

To promote student excellence and achievement by giving scholarships and recognition to exceptionally able students who show promise of continued excellence.

DESCRIPTION:

The Robert C. Byrd Honors Scholarship Program, now in its second year, allows each state that participates, to award scholarships to high school seniors for outstanding academic achievement. The federal grant amount, after deducting an amount for administration and award ceremony expenses, is allocated for scholarships evenly among the eight congressional districts in Minnesota.

The law provides for individual, non-renewable scholarships of \$1,500. The criteria used in making the awards include academic performance, leadership ability, education/career goals statement, and references. The scholarship is to be used for first year tuition and book expenses at any postsecondary institution where the student has been accepted for enrollment. The dollar award is sent directly to the institution of enrollment.

<u>STATISTICS/EFFECTIVENESS:</u>	<u>F.Y. 1988</u>	<u>F.Y. 1989</u>	<u>F.Y. 1990</u>	<u>F.Y. 1991</u>
1. Funding allotment (000's)	\$ 149.1	\$ 145.4	\$ 145.4	\$ 145.4
2. Scholarships awarded	82	93	90	90
3. Scholarship rate (000's)	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5
4. Total awarded (000's)	\$ 123.0	\$ 139.5	\$ 135	\$ 135
5. Recipients by institution type:				
In-state public	25	28	27	27
In-state private nonprofit	29	27	26	26
Out-of-state public	19	20	19	19
Out-of-state private nonprofit	9	18	18	18
Total	82	93	90	90

APPROPRIATION FUNDING: (000's)

Historical Expenditures and Governor's Recommendation

<u>Fund Source</u>	<u>Actual F.Y. 1988</u>	<u>Estimate F.Y. 1989</u>	<u>Governor's Recommendation F.Y. 1990</u>	<u>F.Y. 1991</u>
Other Funds				
Federal	\$ 123	\$ 140	\$ 135	\$ 135

NOTE: Federal historical expenditures reported above are from the statewide accounting system. These amounts may differ from funding levels shown in the statistical tables due to fund carryover provisions and statewide accounting period closing requirements.

GOVERNOR'S RECOMMENDATION:

This activity is supported entirely with federal funds.

**MINNESOTA EDUCATIONAL COMPUTING
CONSORTIUM**

AGENCY: MINNESOTA EDUCATIONAL COMPUTING CORPORATION 1990-91 Biennial Budget

The legislature created the Minnesota Educational Computing Corporation (MECC) in the 1984 Session with the intent that MECC would be autonomous from direct state support. However, M.S. 119.05 requires MECC to submit its biennial budget to the commissioner each even-numbered year. That budget was submitted to the commissioner as a separately bound document entitled:

Minnesota Education Computing Corporation
Biennial Budget
1989-1991

Since MECC has no direct request for state funds, the Governor is not including their budget as part of his education budget volume, but is rather submitting their separately bound budget document, mentioned above, directly to the legislature.