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AT A GLANCE

Services provided by the Minnesota Department of Education (MDE) support three overarching strategies:

- Direct Support-MDE directly supports the continuous improvement of teaching and learning to schools, teachers, children, students and parents.
- E-12 Systems-MDE provides systems support through program and policy development and assessment.
- Guidance, Technical Assistance, and Funding-MDE provides supportive leadership to all education entities through guidance, technical assistance to meet state and federally legislated requirements, and administer school funding programs.

MDE also supports customers and stakeholders (2019):

- 883,004 students in prekindergarten through grade 12.
- Over 125,000 children participating in early learning programs.
- 331 school districts, 169 charter schools, and 4 tribal schools.
- 60,320 adult learners in fiscal year (FY) 2020.

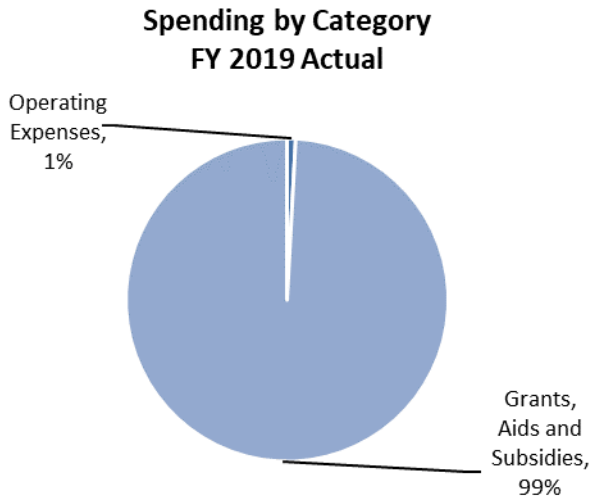
PURPOSE

The goal for education is: "Ensuring every child receives a quality education, no matter their race or zip code." The Minnesota Department of Education (MDE) is striving to make Minnesota the Education State, where the public education system is intentionally designed to help each individual student thrive.

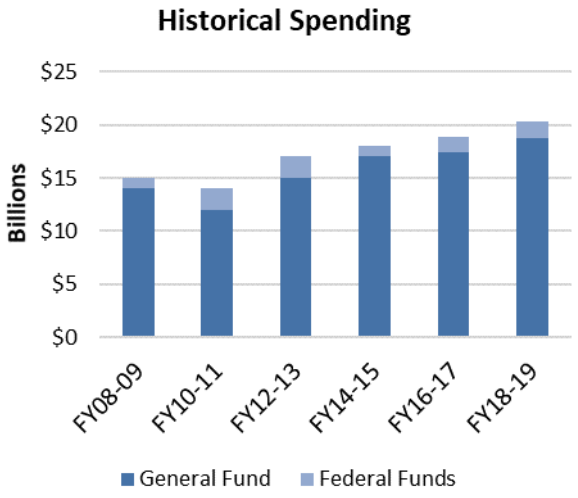
In this work, MDE is aiming for three objectives:

- Every student deserves a world-class education.
- Every student deserves to attend a safe, nurturing school.
- Every student deserves to learn in a classroom with caring, qualified teachers.

BUDGET



Source: Budget Planning & Analysis System (BPAS)



Source: Consolidated Fund Statement

*$2.7 billion in general fund aid to school districts was shifted beginning in FY 2010 in order to help balance the state budget, causing the FY 2010-11 spending to decrease. Repayment of the shifts began in FY 2012, causing the FY 2012-13 spending to increase.

In FY 2018-19, 91.9 percent of education funding was from the state general fund and 7.7 percent was from federal funds. In FY 2019, actual spending was $10.4 billion; $10.3 billion was passed through the agency as grants and aids, $47.0 million was passed through as testing/assessment/other contracts, and $41.4 million was spent on salary/fringe and other operating costs.

STRATEGIES

In order to reach measurable goals for student achievement, Minnesota must prioritize diversity, equity, inclusion, and support for the student's entire experience with school.

To achieve its mission, MDE provides leadership and support to students, teachers and schools using the following strategies:

- **Direct Support**

  Department programs provide direct support in continuous improvement of teaching and learning to schools and districts. The Regional Centers of Excellence provide strategic instructional and leadership support and implementation of best practice strategies to improve teaching and learning in the classroom. While the most intensive support is aimed at those schools that need the most assistance, direct support is available to all districts, as needed, through the Regional Centers.

- **Prekindergarten through 12 Systems**

  MDE programs provide support for systems improvement through a comprehensive, collaborative approach. For example, MDE works to improve teacher and leader quality by supporting and improving implementation of local teacher and principal professional development and evaluation support systems that will benefit all Minnesota students. The state accountability system under the federal Every Student Succeeds Act and WBWF legislation measures student performance from pre-K through postsecondary education and provides a comprehensive model of continuous system improvement for all districts.

- **Guidance, Technical Assistance and Funding**

  Department programs provide supportive leadership to all educational entities by providing guidance and technical assistance to meet the myriad of state and federally legislated requirements. For instance, the technical assistance to districts in the development of their World's Best Workforce plans results in a plan for continuous improvement of school districts through the systemic alignment of legislative requirements in a manner that is streamlined, equitable, and effective for all districts. The department also administers school funding programs, including the calculation and distribution of various funding sources.

M.S. 119A; M.S. 120-129; M.S. 134-135

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	9,209,053	9,558,969	9,736,226	9,991,692	10,010,141	10,221,610	10,256,270	10,712,265
2000 - Restrict Misc Special Revenue	10,710	6,478	6,560	8,440	7,718	7,727	7,721	7,730
2001 - Other Misc Special Revenue	829	456	75,348	71,380	71,166	71,166	74,561	74,561
2301 - Arts & Cultural Heritage	2,469	2,500	2,550	2,286	364		364	
2403 - Gift	101	104	101	130	105	104	105	104
3000 - Federal	771,633	794,988	844,552	1,687,514	1,012,715	893,717	1,012,715	893,717
3010 - Coronavirus Relief			302	259,581				
3801 - Endowment School	33,023	35,996	39,090	39,235	41,698	41,963	41,698	41,963
6000 - Miscellaneous Agency	1	2	2	4	3	3	3	3
Total	**10,027,818**	**10,399,493**	**10,704,730**	**12,060,262**	**11,143,910**	**11,236,290**	**11,393,437**	**11,730,343**
Biennial Change				2,337,681		(384,792)		358,788
Biennial % Change				11		(2)		2
Governor's Change from Base								743,580
Governor's % Change from Base								3

Expenditures by Program								
Education Leadership and Support	111,968	116,692	129,811	387,850	136,801	131,296	149,307	140,205
General Education	7,103,062	7,252,308	7,377,302	7,473,881	7,440,717	7,518,309	7,583,784	7,864,866
Other General Education	47,898	48,311	48,303	51,653	49,835	50,236	50,092	51,073
Choice Programs	166,312	168,699	181,142	198,580	201,567	205,336	202,111	205,799
Indian Education	12,486	12,862	12,979	13,661	14,513	15,239	17,990	18,826
Innovation and Accountability	104,182	103,508	102,235	102,226	101,975	101,937	100,608	100,610
Special Student and Teacher	269,956	289,632	296,864	1,005,852	400,687	325,599	467,596	388,701
Special Education	1,509,769	1,688,831	1,768,615	1,907,205	2,004,096	2,127,153	2,026,402	2,176,773
Facilities and Technology	114,498	132,699	163,405	140,981	140,466	138,940	140,621	158,464
Nutrition	334,329	331,283	351,815	472,962	381,420	349,067	381,851	349,498
Libraries	20,416	20,593	20,746	20,922	18,549	18,183	18,549	18,183
Early Childhood and Family Support	177,537	179,333	194,716	215,844	193,237	193,396	194,479	195,746
Community Education	1,253	1,173	1,108	1,017	961	936	961	936
Self Sufficient and Lifelong Learning	54,153	53,568	55,691	67,628	59,086	60,663	59,086	60,663
Total	**10,027,818**	**10,399,493**	**10,704,730**	**12,060,262**	**11,143,910**	**11,236,290**	**11,393,437**	**11,730,343**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Category								
Compensation	39,344	41,462	43,525	49,130	49,870	48,632	54,847	53,879
Operating Expenses	44,601	47,015	53,964	63,849	60,272	56,939	71,404	63,573
Grants, Aids and Subsidies	9,943,852	10,311,010	10,607,212	11,947,283	11,033,768	11,130,719	11,267,186	11,612,891
Capital Outlay-Real Property	2							
Other Financial Transaction	20	5	29					
Total	**10,027,818**	**10,399,493**	**10,704,730**	**12,060,262**	**11,143,910**	**11,236,290**	**11,393,437**	**11,730,343**
Total Agency Expenditures	10,027,818	10,399,493	10,704,730	12,060,262	11,143,910	11,236,290	11,393,437	11,730,343
Internal Billing Expenditures	5,434	5,468	6,198	6,902	7,124	6,457	7,124	6,457
Expenditures Less Internal Billing	**10,022,384**	**10,394,025**	**10,698,533**	**12,053,360**	**11,136,786**	**11,229,833**	**11,386,313**	**11,723,886**
Full-Time Equivalents	**375.27**	**380.16**	**386.45**	**417.22**	**405.72**	**405.80**	**441.44**	**440.77**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	9,059,505	9,339,154	9,618,813	9,855,753	9,921,102	10,148,070	10,126,724	10,619,518
Levies	2,711,755	2,892,067	3,119,279	3,351,612	3,441,896	3,587,635	3,441,896	3,487,992
District Revenue	11,771,260	12,231,221	12,738,092	13,207,365	13,362,998	13,735,705	13,568,620	14,107,510
Direct Appropriation	9,216,274	9,588,185	9,825,481	10,058,132	10,080,026	10,294,783	10,329,550	10,788,833
Open Appropriation	3,253	3,257	3,290	3,265	3,288	0	3,288	0
Balance Forward In	19,472	29,037	8,619	6,745				
Transfers In	9,113	293	1,382	1,887	304	350	717	771
Transfers Out	12,225	4,187	79,036	75,085	73,477	73,523	77,285	77,339
Cancellations	1,740	44,190	16,767	3,252				
Balance Forward Out	18,273	32	6,744					
Expenditures	**9,209,053**	**9,558,969**	**9,736,226**	**9,991,692**	**10,010,141**	**10,221,610**	**10,256,270**	**10,712,265**
Biennial Change in Expenditures				959,896		503,833		1,240,617
Biennial % Change in Expenditures				5		3		6
Governor's Change from Base								736,784
Governor's % Change from Base								4
Full-Time Equivalents	140.11	141.07	138.07	149.71	141.84	141.26	177.56	176.23

2000 - Restrict Misc Special Revenue								
Balance Forward In	4,215	3,540	3,666	4,262	2,874	2,263	2,874	2,260
Receipts	10,571	6,441	7,273	7,052	7,107	7,124	7,107	7,124
Internal Billing Receipts	5,400	5,491	6,215	6,214	6,214	6,214	6,214	6,214
Transfers In	10							
Transfers Out	661	12	118					
Balance Forward Out	3,426	3,491	4,262	2,874	2,263	1,660	2,260	1,654
Expenditures	**10,710**	**6,478**	**6,560**	**8,440**	**7,718**	**7,727**	**7,721**	**7,730**
Biennial Change in Expenditures				(2,187)		445		451
Biennial % Change in Expenditures				(13)		3		3
Governor's Change from Base								6
Governor's % Change from Base								0
Full-Time Equivalents	26.66	26.34	29.22	31.49	31.43	31.43	31.43	31.43

2001 - Other Misc Special Revenue

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Balance Forward In	155	4	0	109				
Receipts	683	452	248	562	457	457	457	457
Transfers In			75,209	70,709	70,709	70,709	74,104	74,104
Transfers Out	5							
Balance Forward Out	4		109					
Expenditures	**829**	**456**	**75,348**	**71,380**	**71,166**	**71,166**	**74,561**	**74,561**
Biennial Change in Expenditures				145,444		(4,396)		2,394
Biennial % Change in Expenditures				11,325		(3)		2
Governor's Change from Base								6,790
Governor's % Change from Base								5
Full-Time Equivalents	5.02	2.63	5.49	4.54	4.54	4.54	4.54	4.54

2301 - Arts & Cultural Heritage

Balance Forward In	66			50	364		364	
Direct Appropriation	2,500	2,500	2,600	2,600	0	0	0	0
Transfers In					364		364	
Transfers Out					364		364	
Balance Forward Out	97		50	364				
Expenditures	**2,469**	**2,500**	**2,550**	**2,286**	**364**		**364**	
Biennial Change in Expenditures				(133)		(4,472)		(4,472)
Biennial % Change in Expenditures				(3)		(92)		(92)
Governor's Change from Base								0
Governor's % Change from Base								

2403 - Gift

Balance Forward In	174	176	173	170	127	114	127	114
Receipts	101	97	98	87	92	94	92	94
Transfers In		1						
Transfers Out		1						
Balance Forward Out	174	169	169	127	114	104	114	104
Expenditures	**101**	**104**	**101**	**130**	**105**	**104**	**105**	**104**
Biennial Change in Expenditures				27		(22)		(22)
Biennial % Change in Expenditures				13		(10)		(10)

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.04	0.04		0.03	0.03	0.03	0.03	0.03

2820 - Maximum Effort School Loan

Balance Forward In	48	288	287	959	42	24	42	24
Receipts	288	287	854	42	24	26	24	26
Transfers Out	48	288	287	959	42	24	42	24
Net Loan Activity			105					
Balance Forward Out	288	287	959	42	24	26	24	26

3000 - Federal

Balance Forward In		163	26	27				
Receipts	771,633	794,825	844,553	1,687,487	1,012,715	893,717	1,012,715	893,717
Balance Forward Out			27					
Expenditures	**771,633**	**794,988**	**844,552**	**1,687,514**	**1,012,715**	**893,717**	**1,012,715**	**893,717**
Biennial Change in Expenditures				965,444		(625,634)		(625,634)
Biennial % Change in Expenditures				62		(25)		(25)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	203.44	210.08	213.67	228.95	227.88	228.54	227.88	228.54

3010 - Coronavirus Relief

Direct Appropriation			323	259,581	0	0	0	0
Cancellations			21					
Expenditures			**302**	**259,581**				
Biennial Change in Expenditures				259,883		(259,883)		(259,883)
Biennial % Change in Expenditures						(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents				2.50				

3801 - Endowment School

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Balance Forward In			0					
Transfers In	33,023	35,996	39,090	39,235	41,698	41,963	41,698	41,963
Expenditures	**33,023**	**35,996**	**39,090**	**39,235**	**41,698**	**41,963**	**41,698**	**41,963**
Biennial Change in Expenditures				9,306		5,336		5,336
Biennial % Change in Expenditures				13		7		7
Governor's Change from Base								0
Governor's % Change from Base								0

6000 - Miscellaneous Agency

Balance Forward In	61	2		1				
Receipts	3	1	3	3	3	3	3	3
Transfers Out	61							
Balance Forward Out	2		1					
Expenditures	**1**	**2**	**2**	**4**	**3**	**3**	**3**	**3**
Biennial Change in Expenditures				2		0		0
Biennial % Change in Expenditures				66		(3)		(3)
Governor's Change from Base								0
Governor's % Change from Base								0

(Dollars in Thousands)

	FY21	FY22	FY23	Biennium 2022-23
Direct				
Fund: 1000 - General				
FY2021 Appropriations	**10,116,432**	**10,116,432**	**10,116,432**	**20,232,864**
Base Adjustments				
All Other One-Time Appropriations		(768)	(768)	(1,536)
Current Law Base Change		132,675	272,104	404,779
Pension Allocation		20	40	60
Forecast Open Appropriation Adjustment		18,458	35,892	54,350
November Forecast Adjustment	(105,877)	(103,977)	(47,182)	(151,159)
February Forecast Adjustment	(38,945)	(82,814)	(81,735)	(164,549)
Forecast Base	**9,971,610**	**10,080,026**	**10,294,783**	**20,374,809**
Change Items				
General Education Formula Increase of 1 Percent for FY2022 and 2.5 Percent for FY2023		63,413	233,119	296,532
Special Education Reduce Cross Subsidy		21,263	48,859	70,122
Reduce English Learner Cross-Subsidy			13,664	13,664
Simplify School Levies and Improve Equalization			96,620	96,620
Pandemic Enrollment Loss	26,272	2,919		2,919
Summer Early Learning Opportunities for 4 and 5 year olds -Summer 2021	20,000			
Expand Mental Health and Well-being Supports During the Summer - Summer 2021	1,000			
Community Partnerships - Summer 2021	5,000			
Neighborhood Programs - Summer 2021	5,000			
Expand Access to Tutoring	3,250	5,000	5,000	10,000
Field Trips and Hands-On Learning Opportunities - Summer 2021	10,000			
Summer College for High School Graduates - Summer 2021	6,000			
Increase Adult Basic Education (ABE) Program Funding - Summer 2021	10,000			
Student Support Personnel		21,772	26,415	48,187
Full Service Community Schools		5,000	5,000	10,000
Maintain Existing Voluntary Prekindergarten Seats and Require Assessment Profile		19,557	21,258	40,815
Kindergarten Student Accounting Simplification		69	77	146
Voluntary Pre-K, School Readiness Plus, and Early Childhood Special Education (ECSE) Alignment		627	792	1,419
Expand Rigorous Course Work for BIPOC Students		5,032	5,028	10,060
Ethnic Studies Added to Standards and Curriculum		144	148	292
Indigenous Education for All		887	437	1,324
Tribal Early Learning Package		3,300	3,300	6,600
American Indian Education Aid Extended to Joint Powers		81	110	191
Data Analytics for State Count of American Indian Students		455	865	1,320
Tribal Relations Training for School Leaders		250	250	500
Statewide Teacher Mentoring Program		5,000	5,000	10,000

(Dollars in Thousands)

	FY21	FY22	FY23	Biennium 2022-23
Grow Your Own Expansion		2,000	2,000	4,000
Educator Career Pathways		4,000	4,000	8,000
Multi-Tiered Systems of Support		5,000	5,000	10,000
Non-exclusionary Discipline Training		5,000	5,000	10,000
MDE Equity Diversity and Inclusion Center - Ant-Bias Professional Development		4,000		4,000
MDE Equity Diversity and Inclusion Center - Trauma Informed Grants		4,000		4,000
Expanded Language Access for Families		3,000	3,000	6,000
Modernizing District Data Submission to Support Students and Educators		3,279	3,384	6,663
Legal Costs		4,500		4,500
Operating Adjustment		375	751	1,126
Postsecondary Enrollment Option Clarification		(150)	(155)	(305)
Statewide Assessment Reduction		(1,200)	(1,200)	(2,400)
Right Size College Entrance Exam Reimbursement		(500)	(500)	(1,000)
Compensatory Hold Harmless		61,451	6,828	68,279
Total Governor's Recommendations	**10,058,132**	**10,329,550**	**10,788,833**	**21,118,383**
Fund: 2301 - Arts & Cultural Heritage				
FY2021 Appropriations	**2,600**	**2,600**	**2,600**	**5,200**
Base Adjustments				
One-Time Legacy Fund Appropriations		(2,600)	(2,600)	(5,200)
Forecast Base	**2,600**	**0**	**0**	**0**
Total Governor's Recommendations	**2,600**	**0**	**0**	**0**
Fund: 3010 - Coronavirus Relief				
FY2021 Appropriations	**259,581**	**259,581**	**259,581**	**519,162**
Base Adjustments				
All Other One-Time Appropriations		(259,581)	(259,581)	(519,162)
Forecast Base	**259,581**	**0**	**0**	**0**
Total Governor's Recommendations	**259,581**	**0**	**0**	**0**
Open				
Fund: 1000 - General				
FY2021 Appropriations	**3,265**	**3,265**	**3,265**	**6,530**
Base Adjustments				
Forecast Open Appropriation Adjustment			(3,265)	(3,265)
November Forecast Adjustment		41		41
February Forecast Adjustment		(18)		(18)
Forecast Base	**3,265**	**3,288**	**0**	**3,288**
Total Governor's Recommendations	**3,265**	**3,288**	**0**	**3,288**

(Dollars in Thousands)

	FY21	FY22	FY23	Biennium 2022-23
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Planned Spending	**8,440**	**7,718**	**7,727**	**15,445**
Forecast Base	**8,440**	**7,718**	**7,727**	**15,445**
Change Items				
Online Learning Application Fee Spending Authority		3	3	6
Total Governor's Recommendations	**8,440**	**7,721**	**7,730**	**15,451**
Fund: 2001 - Other Misc Special Revenue				
Planned Spending	**71,380**	**71,166**	**71,166**	**142,332**
Forecast Base	**71,380**	**71,166**	**71,166**	**142,332**
Change Items				
Grow Your Own Expansion		3,395	3,395	6,790
Total Governor's Recommendations	**71,380**	**74,561**	**74,561**	**149,122**
Fund: 2403 - Gift				
Planned Spending	**130**	**105**	**104**	**209**
Forecast Base	**130**	**105**	**104**	**209**
Total Governor's Recommendations	**130**	**105**	**104**	**209**
Fund: 3000 - Federal				
Planned Spending	**1,687,514**	**1,012,715**	**893,717**	**1,906,432**
Forecast Base	**1,687,514**	**1,012,715**	**893,717**	**1,906,432**
Total Governor's Recommendations	**1,687,514**	**1,012,715**	**893,717**	**1,906,432**
Fund: 6000 - Miscellaneous Agency				
Planned Spending	**4**	**3**	**3**	**6**
Forecast Base	**4**	**3**	**3**	**6**
Total Governor's Recommendations	**4**	**3**	**3**	**6**
Revenue Change Summary				
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Forecast Revenues	**7,052**	**7,107**	**7,124**	**14,231**
Total Governor's Recommendations	**7,052**	**7,107**	**7,124**	**14,231**
Fund: 2001 - Other Misc Special Revenue				
Forecast Revenues	**562**	**457**	**457**	**914**
Total Governor's Recommendations	**562**	**457**	**457**	**914**

(Dollars in Thousands)

	FY21	FY22	FY23	Biennium 2022-23
Fund: 2403 - Gift				
Forecast Revenues	87	92	94	186
Total Governor's Recommendations	87	92	94	186
Fund: 2820 - Maximum Effort School Loan				
Forecast Revenues	42	24	26	50
Total Governor's Recommendations	42	24	26	50
Fund: 3000 - Federal				
Forecast Revenues	1,687,487	1,012,715	893,717	1,906,432
Total Governor's Recommendations	1,687,487	1,012,715	893,717	1,906,432
Non-Dedicated				
Fund: 1000 - General				
Forecast Revenues	598	606	610	1,216
Total Governor's Recommendations	598	606	610	1,216
Fund: 6000 - Miscellaneous Agency				
Forecast Revenues	3	3	3	6
Total Governor's Recommendations	3	3	3	6

Change Item Title: General Education Formula Increase of 1 Percent for FY 2022 and 2.5 Percent for FY 2023

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	63,413	233,119	251,345	250,508
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	63,413	233,119	251,345	250,508
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends increasing the general education basic formula by 1 percent in fiscal year (FY) 2022 and an additional 2.5 percent in FY 2023. The per-pupil formula would increase by $66, from $6,567 to $6,633 in FY 2022, and by an additional $166 to $6,799 in FY 2023.

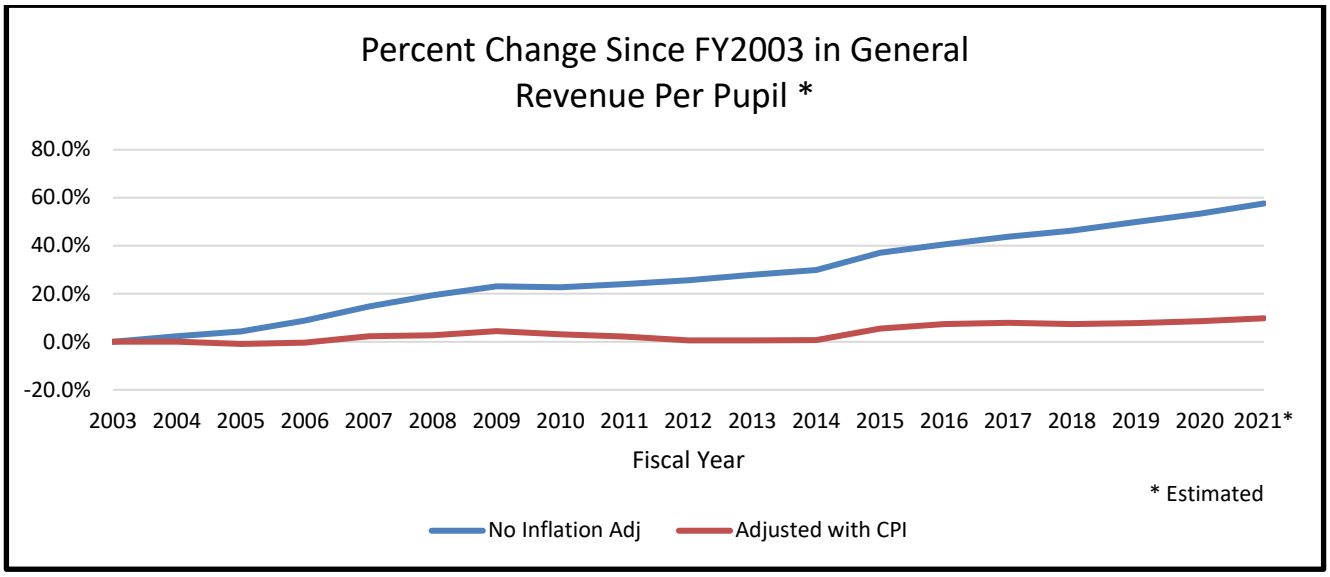
Rationale/Background:

Increases in the general education basic formula are needed to maintain Minnesota's investment in educational programs for all prekindergarten through 12th-grade students in schools throughout the state. The general education basic formula is the primary means by which the state funds its constitutional duty to provide a general and uniform, thorough and efficient system of public schools. Operating costs for school districts and charter schools increase annually due to inflation. School districts and charter schools need annual increases in general operating funds to maintain quality education programs for students and close the achievement gap. The general education formula is the largest component of Minnesota's school funding system, accounting for 60 percent of total state E-12 education aid for FY 2021. Several other school funding formulas (e.g., compensatory, sparsity, transportation sparsity, early childhood family education, nonpublic pupil, nonpublic transportation, shared time) are linked to the general education formula.

Over the past two decades, increases in the general education basic formula have lagged behind the rate of inflation, causing school districts to rely more heavily on voter-approved referendum levies to maintain basic education programs.

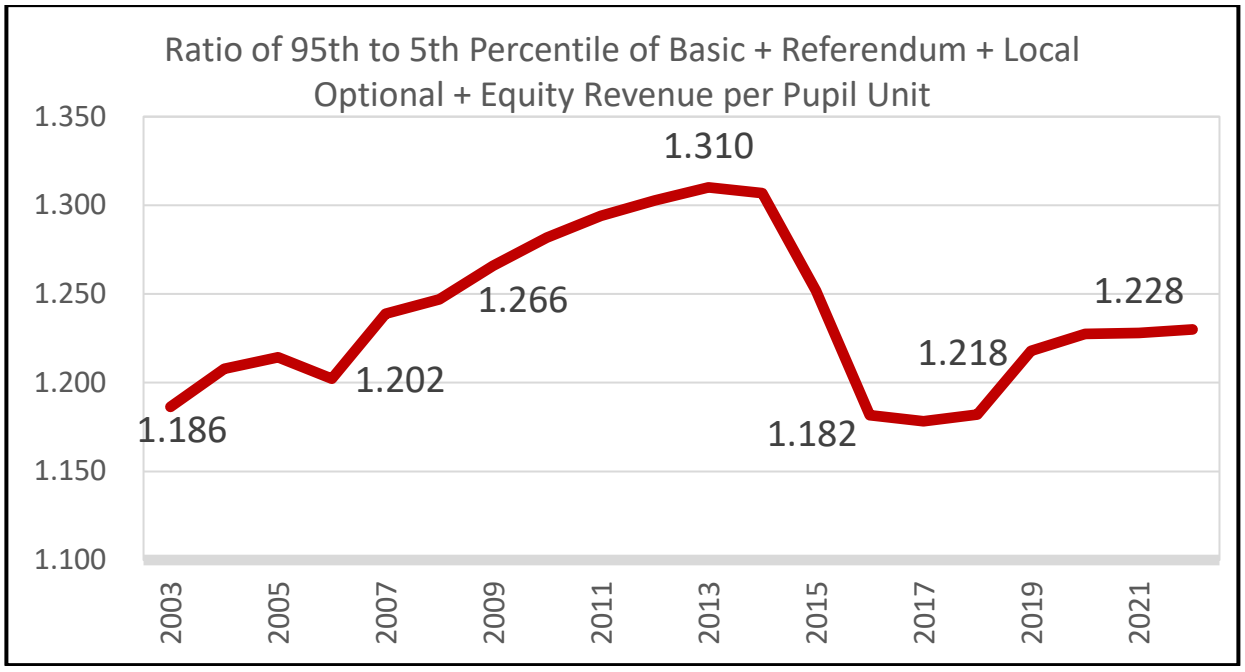
The general education formula has increased 2 percent per year over the last seven years. This has exceeded inflation as measured by the Consumer Price Index (CPI), resulting in a net increase of 3.1 percent ($200) in the basic formula over the seven-year period after adjusting for inflation. However, the increase over these recent years has not been sufficient to offset the 10.7 percent ($762) decrease in the basic formula, adjusted for inflation and pupil unit weighting changes, which occurred between FY 2003 and FY 2014. As a result, the general education formula for FY 2021 is $562 per pupil (7.9 percent) less than it was in FY 2003 in inflation adjusted (FY 2021) dollars. The inflation rate, as measured by the CPI, is projected to be 2.39 percent for FY 2022 and 2.23 percent for FY 2023.

This chart shows the percentage change in general education revenue per student between FY 2003 and FY 2021, based on unadjusted current dollars and adjusted for inflation using the consumer price index. Revenue per student in unadjusted current dollars increased by almost 58 percent during this period. However, when adjusted for inflation, revenue per student increased just 9.8 percent.



*General education revenue, including local referendum revenue

This chart shows the ratio of unrestricted general education funding per student in high-revenue districts versus low-revenue districts for FY 2003 through FY 2021. The funding gap between high-revenue and low-revenue districts increased from 19 percent in FY 2003 to 31 percent in FY 2013, then declined to 18 percent by FY 2016. Between FY 2017 and FY 2019 the gap has remained constant at 18 percent but increased to 23 percent in FY 2021. The gap between high-revenue and low-revenue districts is primarily driven by property tax disparities.



Proposal:

This proposal will: Increase the general education formula allowance by 1 percent ($66) for FY 2022, from $6,567 to $6,633, and an additional 2.5 percent ($166) for FY 2023 and later, to $6,799.

This increase to the general education formula allowance will also increase other linked school aid and levy programs including:

- Increase the early childhood family education allowance, set at 2.3 percent of the general education formula allowance, from $151.04 to $152.56 for FY 2022 and to $156.38 for FY 2023 and later.
- Adjust state aid calculations for the nonpublic pupil transportation, nonpublic pupil, shared time, tribal contract, and postsecondary enrollment options programs to reflect the higher formula allowances for FY 2022 and later.

Impact on Children and Families:

Increasing the general education basic formula benefits all students statewide as school districts and charter schools will receive increased funding through the basic formula, and linked formulas, to keep up with rising costs, such as salary, benefits, supplies, and transportation in order to continue to deliver high quality programming and a world-class education for all students.

Equity and Inclusion:

Because compensatory revenue is linked to the basic formula, increasing the basic formula also increases resources targeted to closing opportunity gaps for students.

Results:

General education revenue provides core funding to promote a general and uniform, thorough and efficient system of public schools throughout the state. Increases in the basic formula allowance are intended to provide increased funding for all school districts and charter schools. Results for general education revenue are currently measured by the percentage change in general education revenue and general education aid per student compared to inflation. This measure helps to evaluate growth in per pupil spending on education.

Change Item Title: Special Education Reduce Cross-Subsidy

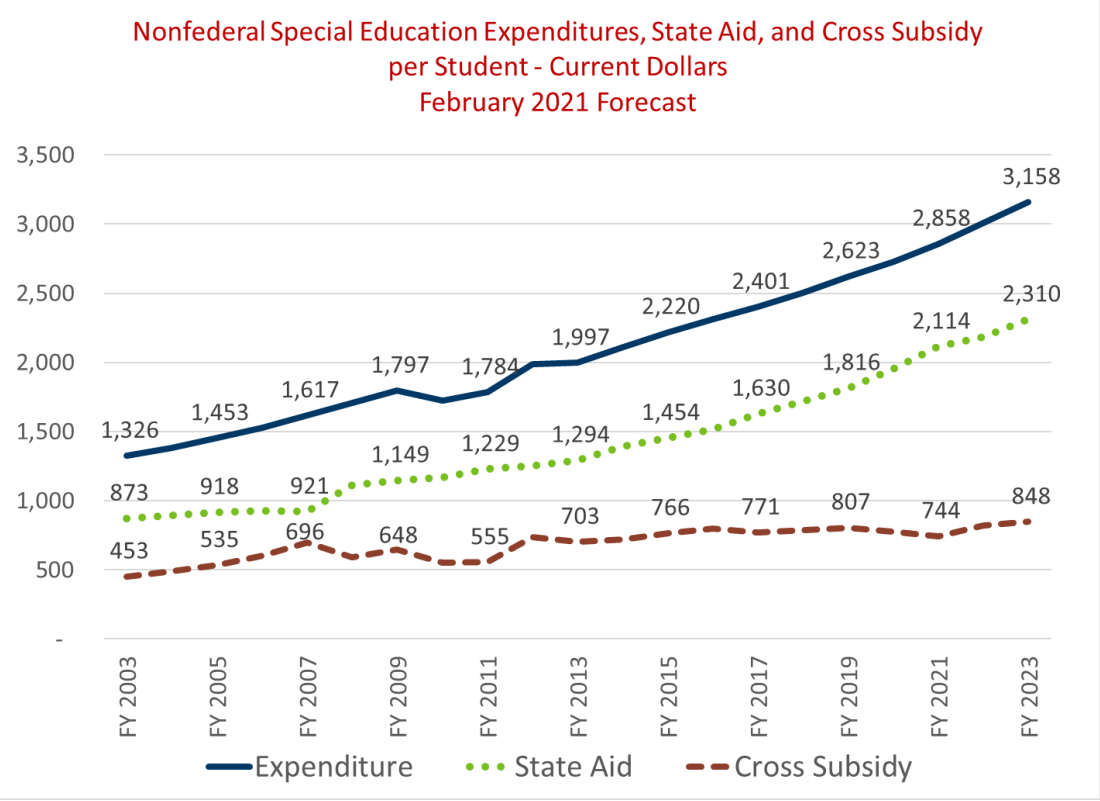
Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	21,263	48,859	54,066	56,426
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	21,263	48,859	54,066	56,426
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends that special education aid be increased by an amount sufficient to reduce the state total cross-subsidy per student in average daily membership (ADM) from the fiscal year (FY) 2019 level of $807 per ADM to $795 per ADM in FY 2022 and to $788 per ADM in FY 2023.

Rationale/Background:

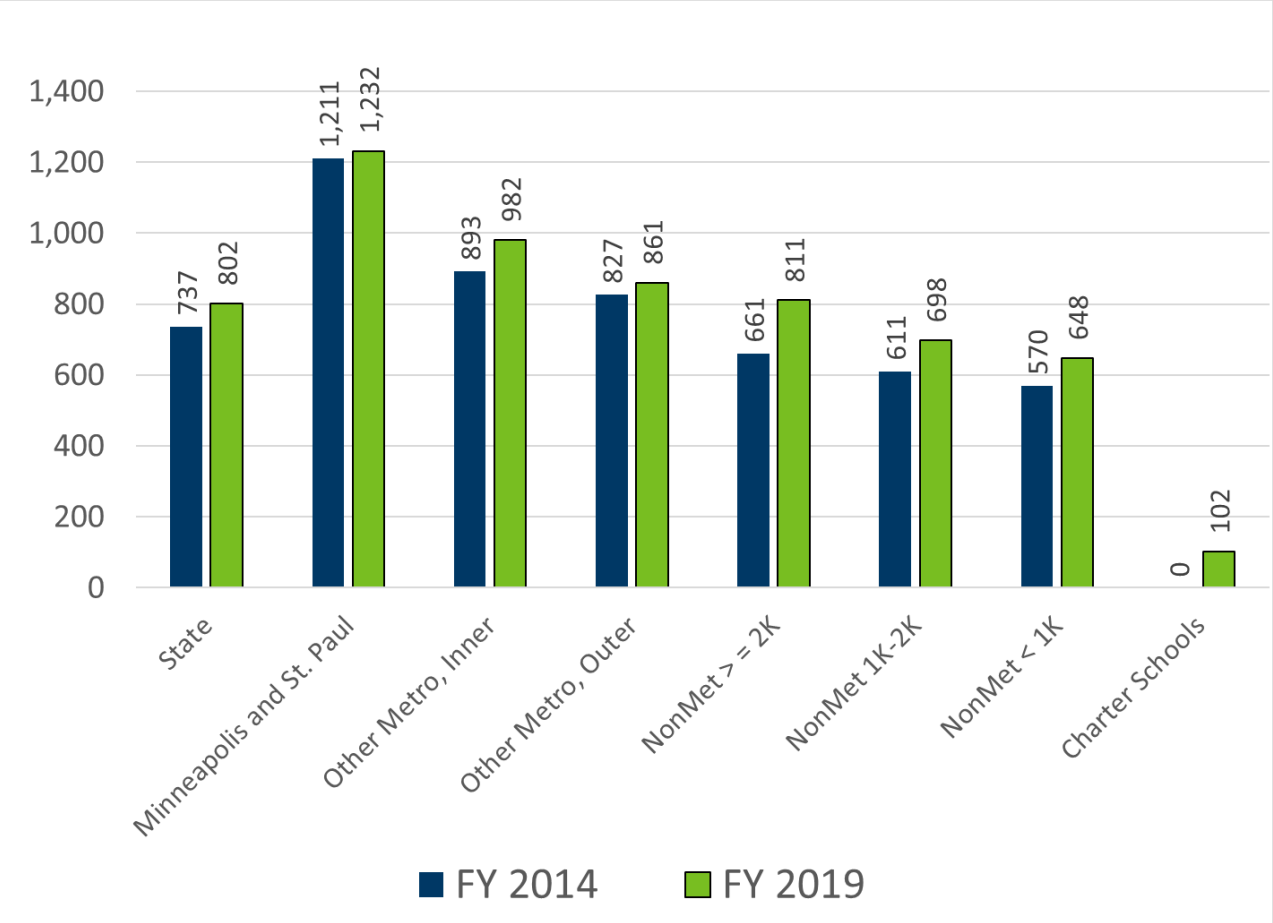
Despite steady increases in state special education aid over the past decade, the special education cross-subsidy continues to grow. Between FY 2009 and FY 2019, state special education aid per student increased from $1,149 to $1,816, and the cross-subsidy per student increased from $648 to $807, as shown in the chart below:



The cross-subsidy is the unfunded cost of special education programs for students with disabilities, which school districts and charter schools need to cover using unrestricted general fund resources. As the cross-subsidy grows, school districts and charter schools have fewer resources available in their general fund to maintain quality education programs and improve achievement for all students.

The special education cross-subsidy is expected to decrease in FY 2020 and FY 2021. After this, it is projected to continue increasing to $822 per ADM for FY 2022 and to $848 per ADM for FY 2023.

While the cross-subsidy affects all school districts and most charter schools, the size of the cross-subsidy varies widely among districts and charter schools, creating inequities in the resources available to support general education programs. The chart below shows the average special education cross-subsidy per weighted pupil unit by district type for FY 2014 and FY 2019.



Between FY 2014 and FY 2019, the average cross-subsidy per pupil unit increased for all district types. The Minneapolis and St Paul school districts have the largest cross-subsidies, while charter schools have the lowest cross-subsidies. In general, cross-subsidies are larger in suburban metro districts and large non-metro districts than in smaller non-metro districts, but there is also wide variation among districts within each district type. While this proposal will not reduce the disparities across districts, it should help slow the growth.

Proposal:

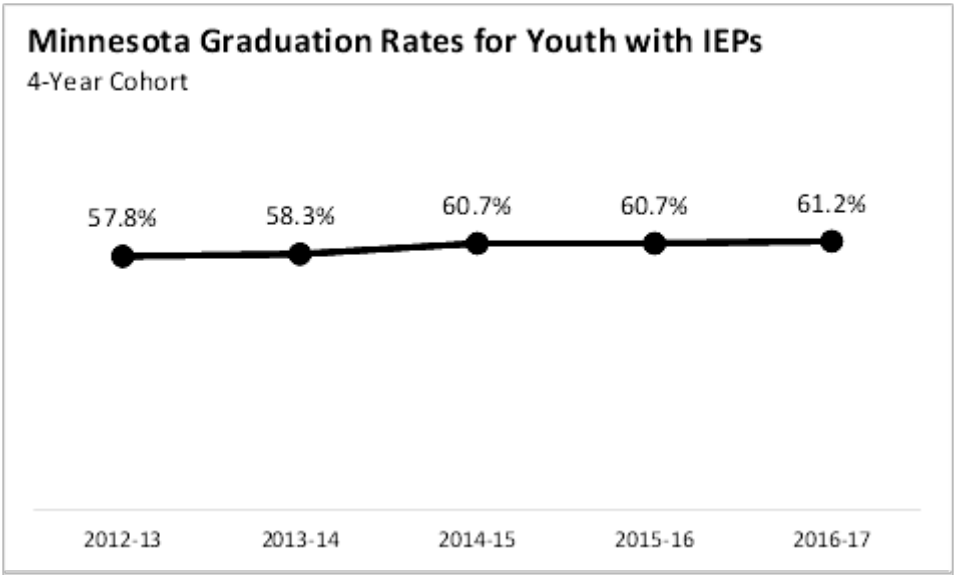
The Governor recommends that cross-subsidy reduction aid be increased by $21.3 million in FY 2022 and by $48.9 million in FY 2023. This would increase the cross-subsidy reduction aid from 6.43 percent to 9.33 percent of the cross-subsidy in FY 2022 to 12.11 percent of the cross-subsidy in FY 2023 and later years.

Impact on Children and Families:
Increasing special education aid will benefit all students by reducing cross-subsidies, freeing up resources for improved educational programs for all learners.

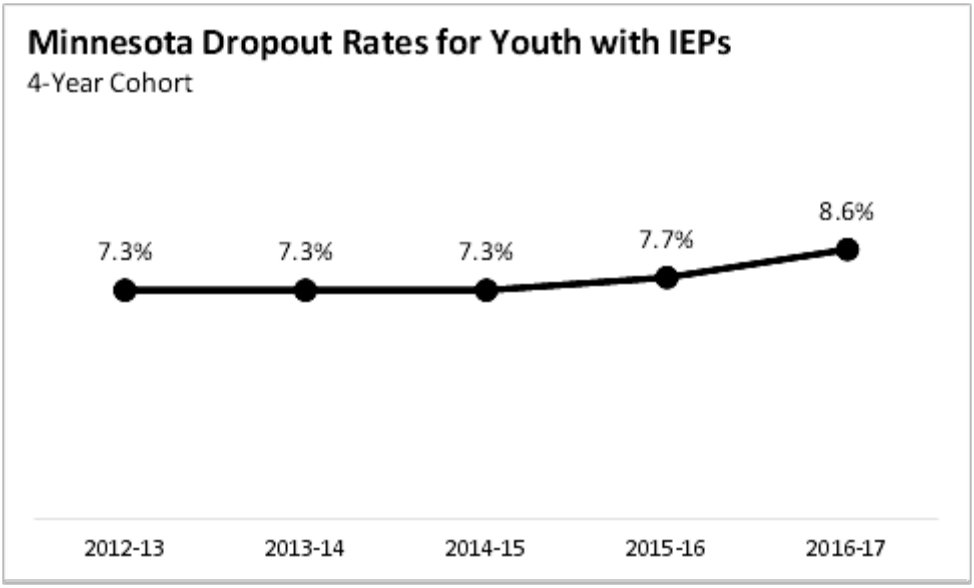
Equity and Inclusion:
Addressing inequities in the current formula and targeting the largest increases to districts with the highest cross subsidies will reduce disparities among districts and the students they serve

Results:
As part of implementing the Every Student Succeeds Act (ESSA) plan, MDE applied changes to graduation and dropout calculations retroactively back to the 2013 school year in order to provide a trend that uses consistent data. Therefore, the graduation and dropout data reported below reflects the changes in rate calculations and is different than what was reported in the FY 2018 biennial narrative.

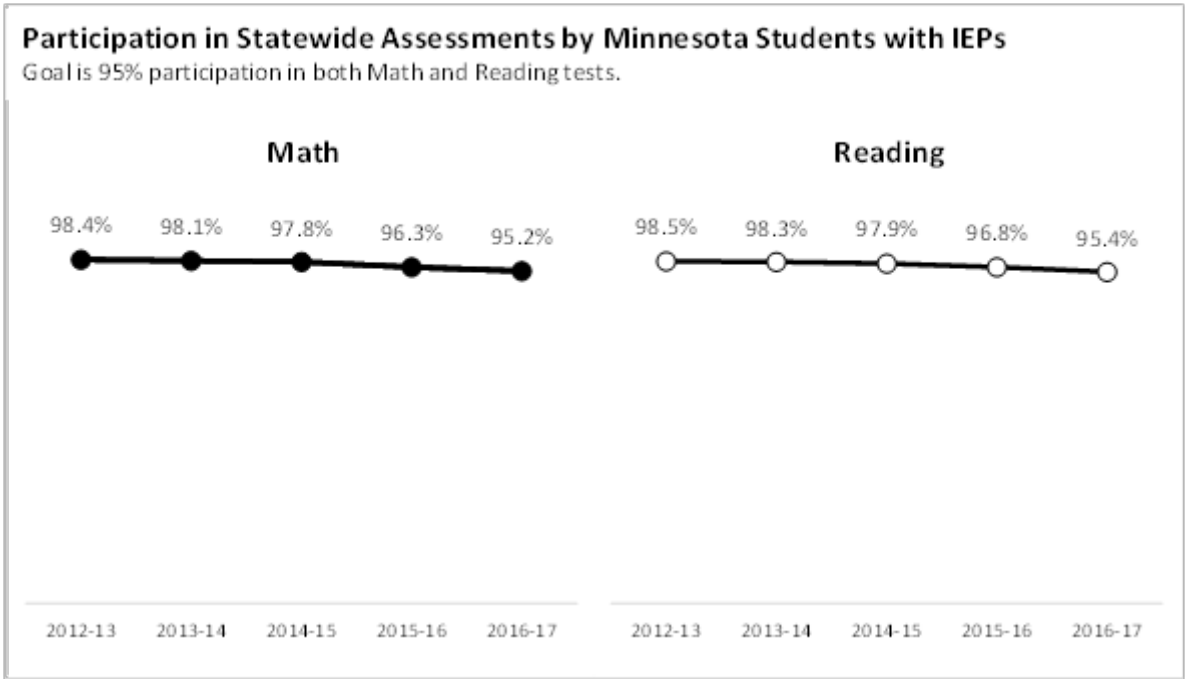
Goal: To increase the graduation rate of students with disabilities.
Measure: Graduation rate of students with disabilities.



Goal: To decrease the dropout rate of students with disabilities.
Measure: Dropout rate of students with disabilities.



Goal: To support the inclusion of students with disabilities in the statewide assessment system.
Measure: Participation and performance rates on statewide assessments (Minnesota Comprehensive Assessment [MCA] and the Minnesota Test of Academic Skills [MTAS]).

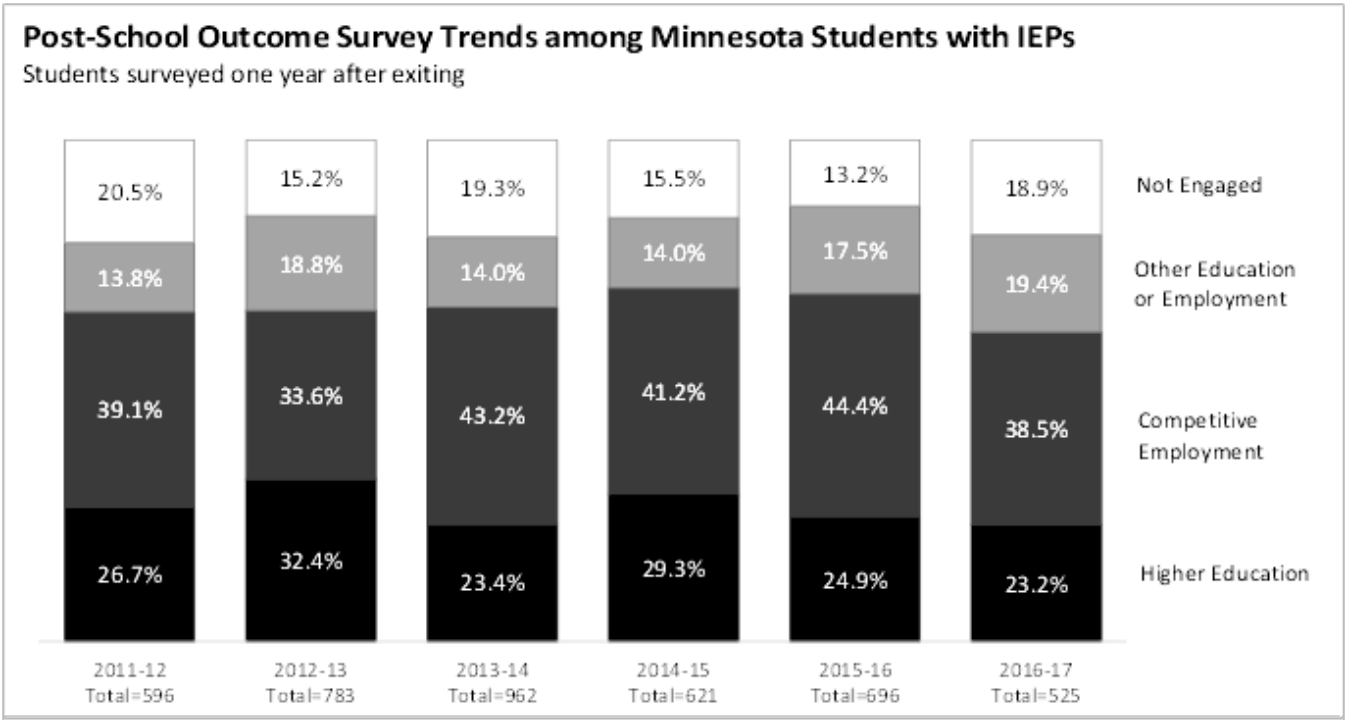


Proficiency Rates for Students with IEPs on the Minnesota Statewide Math and Reading Assessments.
Only students with valid scores are included in the table below.

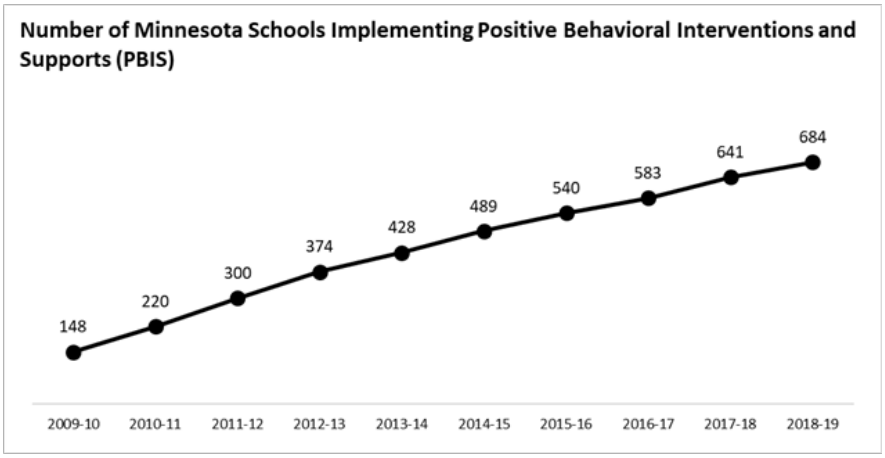
	Math		Reading	
	2015-16	2016-17	2015-16	2016-17
Grade 3	45.6%	43.8%	33.6%	32.9%
Grade 4	42.8%	41.9%	32.8%	32.2%
Grade 5	30.3%	29.8%	36.8%	36.7%
Grade 6	26.0%	26.6%	29.1%	30.4%
Grade 7	22.9%	21.6%	25.5%	24.7%
Grade 8	23.7%	24.1%	26.1%	26.2%
High School*	15.8%	15.5%	26.2%	27.2%

*Math is assessed in Grade 11; Reading is assessed in Grade 10

Goal: To increase postsecondary education and employment outcomes for students with disabilities.
Measure: The Post-School Outcome Survey results are based on a sample of special education students interviewed each year regarding their post-high-school education and employment experiences one year after exiting high school. The data reported below are a percent participation rate per category. Because not all students sampled respond to the survey the total of responses will not add to 100 percent.



Goal: To increase Positive Behavioral Interventions and Supports (PBIS), which is a comprehensive, data-driven and educational set of practices ensuring all students, staff and families are working from the same playbook when it comes to supporting positive behavior and academic achievement, in Minnesota schools.
Measure: Number of schools implementing PBIS.


Number of Minnesota Schools Implementing Positive Behavioral Interventions and Supports (PBIS)
148
220
300
374
428
489
540
583
641
684
2009-10
2010-11
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
2017-18
2018-19

Change Item Title: Reduce English Learner Cross-Subsidy

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	13,664	15,378	15,665
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	13,664	15,378	15,665
FTEs	**0**	**0**	**0**	**0**

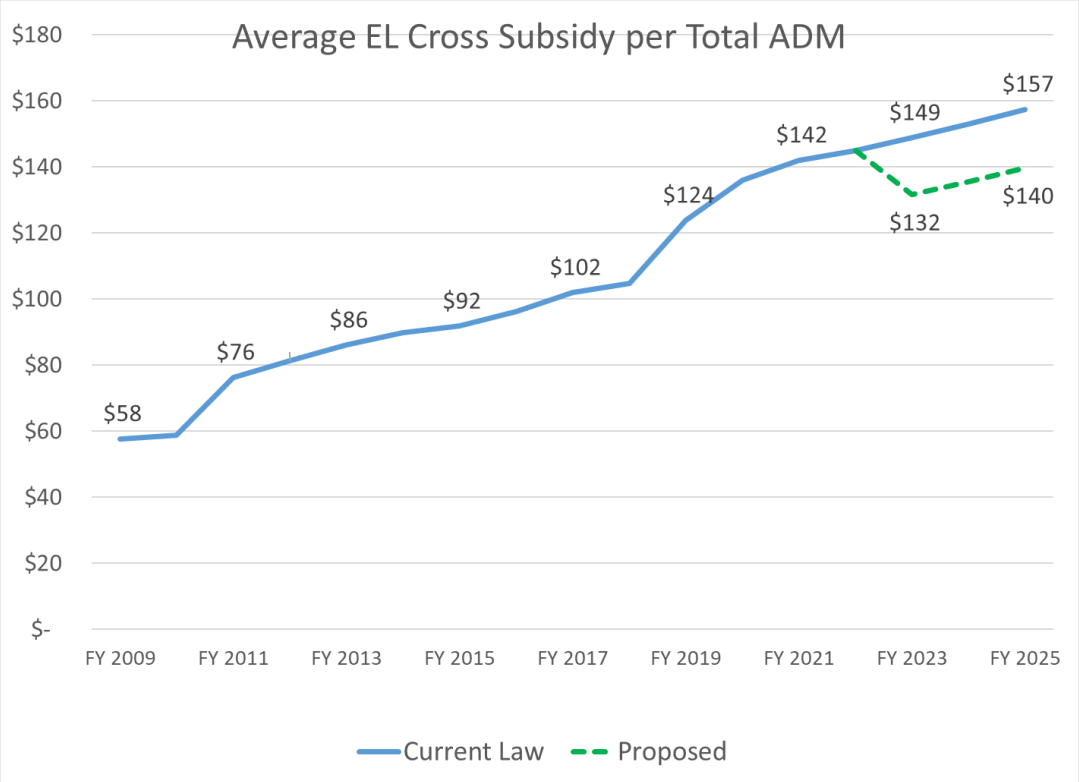
Recommendation:

The Governor recommends increasing general fund expenditures for English learner (EL) aid by $13.664 million in fiscal year (FY) 2023, $15.378 million in FY 2024, and $15.665 million in FY 2025 to reduce the EL cross-subsidy. This would reduce the state total EL cross-subsidy from $130.7 million or 68.8 percent of EL expenditures to $115.5 million or 60.8 percent of EL expenditures.

Rationale/Background:

The EL funding formula was enacted in 2003, effective for FY 2004, and has remained flat. Formula parameters, including the initial allowance per EL student ($704), the concentration allowance for districts with high concentration of EL students ($250), and the sliding scale for EL student concentration (capped at 11.5% of total enrollment) have not been adjusted for inflation or growing concentration of EL students since its enactment 18 years ago. Since that time, the Consumer Price Index has climbed 47 percent and the statewide concentration of EL students has increased from 6.3 percent of total enrollment to 8.4 percent of total enrollment. For FY 2023, 21 school districts and 52 charter schools are projected to have EL concentrations exceeding the 11.5 percent cap used in calculating concentration revenue. Many districts and charter schools with high concentrations of EL have students speaking more than 20 different languages, which adds to the challenge of effectively meeting achievement and opportunity goals and student needs. Current EL funding covers about one-third of EL costs, and the cross-subsidy, estimated at $130.7 million for FY 2023, is about two-thirds of EL costs. Due to the wide variation in EL concentration among districts, the impact of the cross-subsidy on general education programs varies considerably from district to district, creating inequities in programming.

The chart below shows the trend in the average cross-subsidy per ADM since 2009:



The cross-subsidy per student varies widely among districts and charters. For FY 2019, the following 19 districts and charter schools had a cross-subsidy per ADM more than double the state average of $124:

EL Cross Subsidy		FY 2019 Expenditure	FY 2019 Revenue	Cross Subsidy	ADM 19	Cross Sub per ADM
625	ST. PAUL	29,360,434	8,631,792	20,728,642	35,937	577
4018	ACHIEVE LANGUAGE ACADEMY	342,712	120,423	222,289	441	504
4153	DUGSI ACADEMY	362,920	214,927	147,994	295	502
4204	ROCHESTER STEM ACADEMY	106,070	51,983	54,087	113	477
1.2	MINNEAPOLIS	20,581,953	5,497,902	15,084,051	34,088	443
656	FARIBAULT	2,260,684	701,190	1,559,494	3,553	439
518	WORTHINGTON	2,678,440	1,028,412	1,650,028	3,902	423
279	OSSEO	9,233,537	1,727,527	7,506,010	21,072	356
4029	ST. PAUL CITY SCHOOL	312,356	173,609	138,747	441	314
191	BURNSVILLE	3,971,353	1,286,946	2,684,407	8,672	310
286	BROOKLYN CENTER	1,039,844	310,050	729,794	2,487	293
4192	BEST ACADEMY	419,848	219,153	200,695	692	290
623	ROSEVILLE	3,128,551	952,092	2,176,459	7,580	287
4201	CORNERSTONE MONTESSORI E	55,818	15,615	40,203	142	284
347	WILLMAR	2,123,603	975,942	1,147,661	4,253	270
4015	COMMUNITY OF PEACE ACADE	343,845	139,751	204,094	769	266
837	MADELIA	251,726	95,400	156,326	595	263
2159	BUFFALO LAKE-HECTOR	147,917	17,551	130,366	506	258
4038	SOJOURNER TRUTH ACADEMY	139,273	41,709	97,564	379	257

The School Finance Working Group (SFWG), established in 2019, recommended 1) increasing the initial allowance per EL student to make up the ground lost to inflation since the EL formula was established in 2004; 2) extending the EL concentration formula sliding scale from 11.5 percent to 23 percent; and, 3) increasing the concentration allowance to make up the ground lost to inflation since FY 2004. The intended result is to reduce the cross-subsidy from two-thirds to one-half of EL cost, enabling districts to strengthen EL programing to help close achievement and opportunity gaps, and reduce inequities in general programming caused by the cross-subsidy.

Proposal:

This proposal includes the following changes in EL funding beginning in FY 2023:

- Increase the initial EL revenue allowance from $704 to $755 to adjust for a portion of the inflation since the current EL formula was initiated in FY 2004.
- Extend the cap for the EL concentration revenue sliding scale from 11.5 percent to 16.8 percent concentration of EL students.
- Increase the EL concentration allowance for districts with EL concentration of 16.8 percent or more from $250 to $536 to adjust for a portion of the inflation since the current EL formula was initiated in FY 2004, for the extension of the sliding scale cap, and to further reduce the cross-subsidy for districts with high concentration of EL students.

Impact on Children and Families:

The statewide concentration of EL students is approximately 8.4 percent of total enrollment and many districts and charter schools with high concentrations of EL have students speaking more than 20 different languages. For FY 2023, 21 school districts and 52 charter schools are projected to have EL concentration exceeding the 11.5 percent cap used in calculating concentration revenue while at the same time many are experiencing growth in the English learner population, particularly in Greater Minnesota

Equity and Inclusion:

The proposal will provide targeted increases to districts with high EL cross-subsidies, freeing up resources for improved educational programs for all learners in those districts. Improved EL funding will also enable districts to improve EL programming and better serve EL students, closing opportunity gaps. 95 percent of students generating EL revenue are students of color.

Results:

This proposal will increase support English learner's academic achievement as measured by their progress at comprehensive and targeted support schools.

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quality	English Learner Progress in Comprehensive and Targeted Support Schools	71.3%	62.8%	2018, 2019
Quantity	English language learners	74,315	76,361	2019, 2020

Change Item Title: Simplify School Levies and Improve Equalization

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	89,920	110,232	112,540
Revenues	0	2,180	2,390	2,410
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	87,740	107,842	110,130
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends $87.740 million in general funds in FY 2022-23 and $217.972 million in FY 2024-25 funding to simplify school funding formulas and improve levy equalization by replacing two tiers of Local Optional Revenue (LOR) with one tier, replacing two tiers of operating referendum revenue with one tier, and replacing two tiers of Debt Service Equalization with one tier beginning in FY 2023.

Rationale/Background:

Under current law:

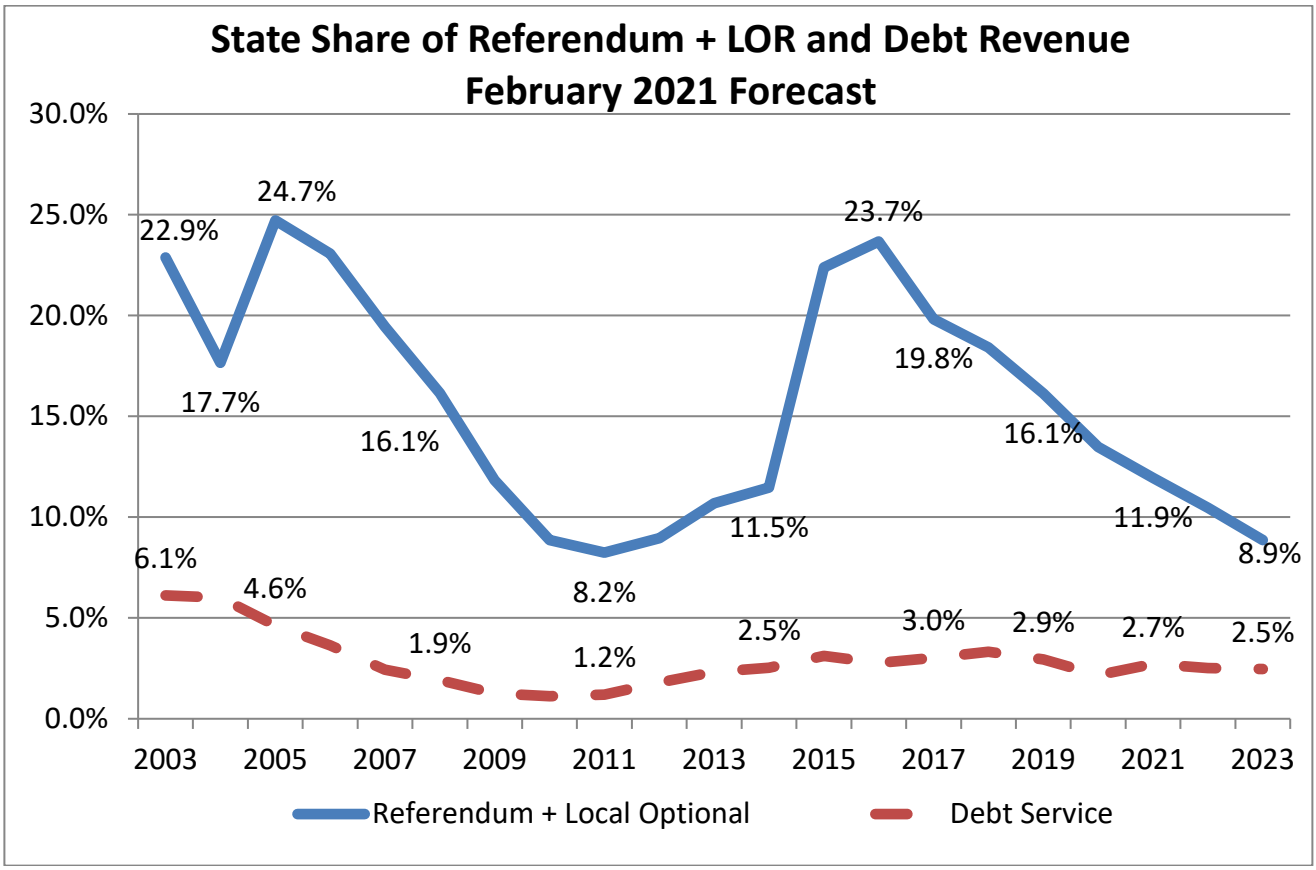
- The first $300 of LOR is equalized at $880,000 per pupil based on referendum market value (RMV) tax base. This is currently about 131 percent of the statewide average RMV per pupil. The remaining $425 of LOR is equalized at the much lower rate of $510,000 per pupil or about 76 percent of the statewide average RMV per pupil.
- The first $460 of operating referendum is equalized at $576,000 per pupil based on RMV; a slightly higher rate than the second tier of LOR. The second tier of operating referendum up to the equalization cap is equalized at $290,000 per pupil, or only about 43 percent of the statewide average RMV per pupil.
- The two tiers of debt service equalization provide equalization for debt levies over a certain threshold. The threshold is 15.74 percent of the adjusted net tax capacity (ANTC) tax base of the district. The first tier of equalization applies to debt revenue between 15.74 and 26.24 percent of ANTC and is equalized at 55.33 percent of the statewide average ANTC per third year prior adjusted pupil unit. The second tier equalizes the remaining revenue over 26.24 of ANTC and is equalized at 100 percent of the statewide average ANTC per third year prior adjusted pupil unit.

The recommendations for these three programs are a variation of the recommendations made by the School Finance Working Group, and support the following principals for education funding and levy equalization identified by the working group:

- School finance calculations should be simplified as much as possible without sacrificing equity.
- When equalization is provided using equalizing factors, the equalizing factors should be set at or above the state average tax base per student to ensure that districts with low tax base per student are not disadvantaged in raising revenue compared with districts having higher tax base per student.

Improved equalization is needed for these programs because over time the equalization levels erode as the tax base grows. The state share of operating referendum and LOR revenue has fallen from 22.9 percent in FY 2003 to 11.9 percent in FY 2021 as shown in the chart below. While significant improvements were made to the state

share of these programs in FY 2015 and FY 2016, with fixed equalizing factors the equalization tends to erode over time as property values increase. This also occurred in the earlier period between FY 2005 and FY 2011.



Proposal:

This proposal includes funding for operating referendum equalization by replacing the two-tiered equalization formula with a single equalization tier, up to the current equalization cap beginning in FY 2023. Referendum revenue would be equalized at the greater of 85 percent of the state average RMV per third year prior resident pupil unit or $574,300. For LOR, this proposal replaces the two-tiered equalization formula with a single tier beginning in FY 2023. LOR would be equalized at the greater of 123 percent of the state average RMV per third year prior resident pupil unit or $844,600. For debt service equalization aid, this proposal includes replacing the current two-tiered equalization formula with a single equalization tier, maintaining the existing 15.74 percent threshold for qualifying for equalization aid, and fully equalizing the remainder at 100 percent of the state average ANTC per third year prior pupil unit.

- This will increase general education aid by $77.269 million in FY 2023, $97.207 million in FY 2024, and $100.246 million in FY 2025. This will also increase debt service equalization aid by $19.351 million in FY 2023, $20.655 million in FY 2024, and $19.894 million in FY 2025. The breakdown of these changes is shown in the table below:

Appropriation Summary	FY 23	FY 22-23 Biennium	FY 24	FY 25	FY 24-25 Biennium
Referendum	$9,691	$9,691	$15,375	$14,588	$29,963
Local Optional Revenue	$67,578	$67,578	$81,832	$85,658	$167,490
Debt Service Equalization	$19,351	$19,351	$20,655	$19,894	$40,549
Total Appropriation	$96,620	$96,620	$117,862	$120,140	$238,002

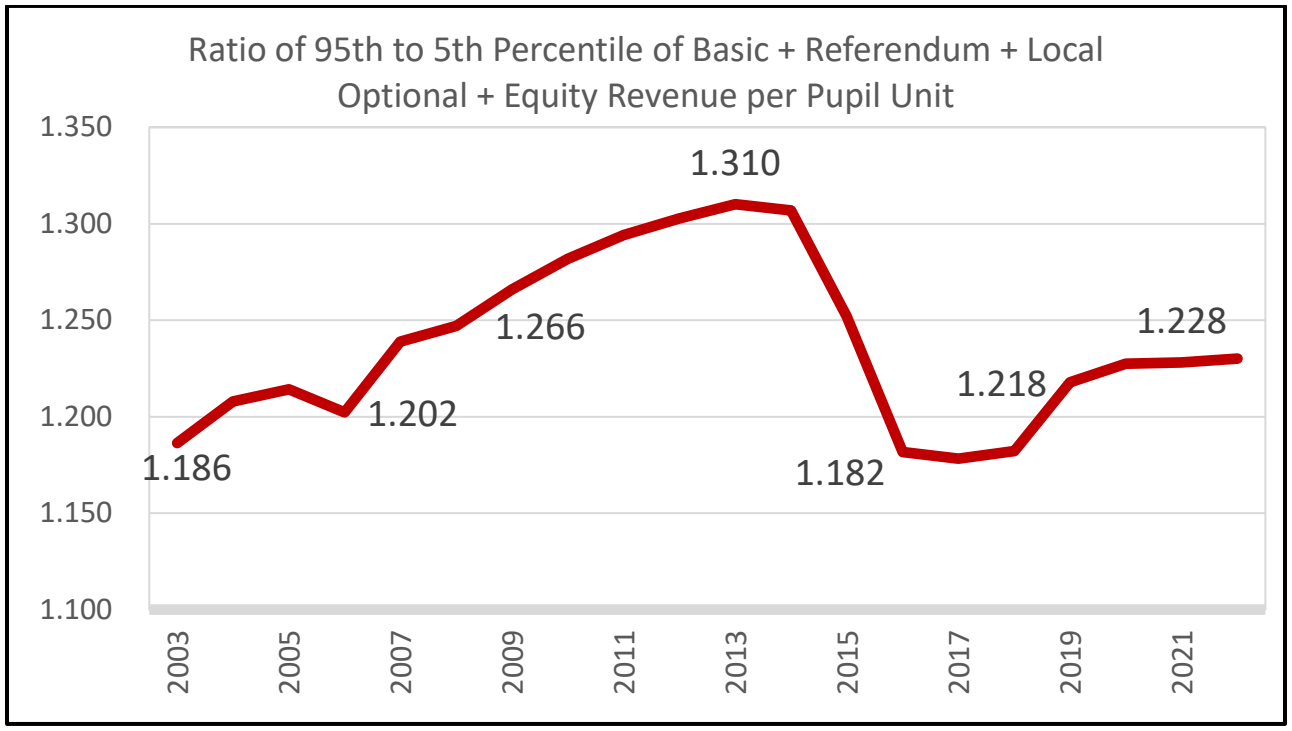
Because this proposal decreases the levy share of these program allowances, property taxes on all property will decrease. Decreased property taxes will result in lower homeowner property tax refunds, which is a savings to the state general fund, a decrease of $5.510 million in FY2022-23 and a decrease of $12.350 in FY 2024-25. The reduction in debt levies will also lower the basis for the school building bond ag bond credit, which is also a savings to the state general fund. This results in a decrease of $1.190 million in FY 2022-23 and a decrease of $2.880 million in FY 2024-25. The decrease in property taxes will also decrease income tax deductions, which increases revenues to the state general fund by $2.180 million in FY 2022-23 and by $4.800 million in FY 2024-25.

Impact on Children and Families:
This proposal increases state aid for districts with low tax bases per student providing property tax relief for families while maintaining resources for education.

Equity and Inclusion:
For every school levy dollar passed in a lower property wealth school district, the state pays a portion to lower the tax burden on local taxpayers. The intent of equalization is to make the taxpayer cost for a levy dollar more uniform throughout the state. Improving levy equalization makes it more equitable for districts with low tax base per student in raising revenue compared with districts having higher tax base per student.

Results:
As this proposal is meant to increase the state share of funding for several education programs, the result of this proposal can be measured by changes in the state share of referendum, local optional revenue and debt service revenue over time. This proposal is also intended to reduce disparities between high property tax base districts and low property tax base districts as shown in the chart below.

Quality Result: This chart shows the ratio of unrestricted general education funding per student in high revenue districts versus low revenue districts for FY 2006 through FY 2021. The funding gap between high revenue and low revenue districts increased from 20 percent in FY 2006 to 31 percent in FY 2013, then declined to 18 percent by FY 2016. Between FY 2017 and FY 2019 the gap has remained constant at 18 percent. The gap between high revenue and low revenue districts is primarily driven by property tax disparities.



Other measures for debt service equalization aid are as follows:

Type of Measure	*Name of Measure*	*FY 2019*	*FY 2021*
Quality	Percentage of districts ineligible for Tier 1 debt service equalization because tax base exceeds statutory Tier 1 equalizing factor	88%	88%
Quantity	Districts receiving regular debt service equalization aid	34	38

Change Item Title: Priorities for COVID-19 Federal Funding and Summer Programming

Fiscal Impact ($000s)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
General Fund					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Other Funds					
Expenditures	[78,347]	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	[78,347]	0	0	0	0
FTEs	**0**	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends spending federal funds to expand K-12 Summer Academic Programming in school buildings, provide funding to schools that aren't eligible for funding through the Elementary and Secondary School Emergency Relief (ESSER) fund formula distribution, provide grants to service co-ops, and support school age care and youth programming.

Rationale/Background:

The federal Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) has allocated $19.484 million in flexible Governor's Emergency Education Relief Funds (GEER II) and $588.036 million in Elementary and Secondary School Emergency Relief Fund (ESSER II), of which 9.5%, or $55.863 million, is flexible for discretionary grant funding. Additionally, $3 million of the GEER I funding from the CARES Act remains unspent. These sources of funding are needed to support the needs in Minnesota that are described in the change item below.

It is important to note that CRRSAA, in addition to providing emergency relief funds to address the impact COVID-19 has had on schools, also has a maintenance of effort requirement. States that receive ESSER II and GEER II funds must maintain support for elementary and secondary education and higher education in FY 2022 based on the proportional share of the state's support for education relative to the state's overall spending averaged over FYs 2017, 2018, 2019. We are working to better understand how the federal Department of Education will apply this MOE requirement and any opportunities for waivers because with the November 2020 forecast, Minnesota may not meet the required level of spending.

Expand Summer Programming - $57.5 million

Thousands of students have not experienced in-person learning since March 2020 due to the COVID-19 pandemic. Even with the best efforts of our schools, students who experienced opportunity gaps prior to distance learning face exacerbated ones now. In addition to those who have been historically underserved in school, distance learning posed new and significant challenges. Lack of access to technology and structured support, inconsistent participation, and student reliance on resources that can be provided by their families are some of the reasons that distance learning has not been successful for all students. The lack of access and reliance on family resources disproportionately impacts families that are already struggling with housing, employment, and food insecurity. Even as more students move back to in-person learning, many of them will benefit from additional access to high quality, effective, and impactful in-person programs during summer 2021.

Summer programming supports students in need of learning acceleration and/or credit recovery. These programs provide participants with continuity of learning between school years and provide reinforcement of learning from

the prior school year. Allowing schools and districts to establish in-person summer programs that are open to all students irrespective of academic need will ensure that all students are able to continue their academic and social emotional growth.

A RAND report recently stated that in order to meet the need of our most underserved children, an effective summer program needs to have a set of common research-based elements:

- Voluntary, full-day programming combining academics and enrichment for five days per week for no less than five weeks of the summer.
- At least three hours of instruction (language arts and mathematics) per day taught by certified teachers,
- Small class sizes of no more than 15 students per class.
- No fee to families for participation.
- Free transportation and meals.

School Age Care and Youth Programming - $15.947 million

School-age care and wrap-around supports have been supporting students through the social, emotional and academic challenges they are facing this school year. However, Community Education partners and others have shared that the strain that providing Tier I childcare has had on staffing and budgets has been severe. Despite their efforts, there are still deep needs to help support the school-age care and youth programs providing critical services and supports to children and families. In addition, access to high-quality care is still very much a need throughout the state.

Funding for Staff at Service Cooperatives - $1 million

The Minnesota Service Cooperatives is a joint powers organization comprised of nine educational service agencies. The Minnesota Service Cooperatives perform planning on a regional basis and assists in meeting specific needs of clients in participating governmental units which could be better provided by a Service Cooperative than by members themselves. The nine educational service agencies are geographically distributed across the state and serve members in their respective areas. Each agency has a unique understanding of the strengths and needs of their members and use these insights to positively impact and improve outcomes.

Service Cooperatives have been fundamental to the efforts of the Regional Support Teams comprised of staff from MDE, the Minnesota Department of Health, and local public health agencies. These teams have been the backbone of support for Minnesota's school districts and charter schools as they have been transitioning between learning models based on the Safe Learning Plan. For the past ten months, they have provided one FTE per site in nine sites with no charge to the state.

Proposal:

The Governor recommends dedicating the federal funding in the following ways.

$ in thousands		
Sources		
	GEER I	3,000
	GEER II	19,484
	ESSER II (9.5% of $588.036M)	55,863
	Total	**78,347**
Uses		
	Allocation to schools/entities that aren't eligible to receive Title 1 formula distribution	1,500
	Expand Summer Programming	57,500
	Funding for staff at service co-ops	1,000
	Additional Free and Reduced Price Lunch Applications (SS7 Ch. 2)	2,400
	Support for school age care and youth programming	15,947
	Total	**78,347**

Expand Summer Programming- $57.5 million

This proposal provides $57.5 million of GEER and ESSER II funds to expand the number of teachers teaching summer programs so that all districts and charter schools can provide in-person academic instruction and support during summer 2021. More staff will be needed because of the expanded eligibility to all students for summer learning and enrichment.

In addition to providing funding for additional teachers to allow for expanded participation in summer programming, funding may also be used to enhance the effectiveness of programs by allowing smaller class sizes, offering longer programming either in hours per day or by operating for more days, partnering with community organizations to offer enrichment that supports the academic portion of the program, providing student transportation, and purchasing personal protective equipment (PPE) for staff providing direct support services for extended periods of time

School Age Care and Youth Programming - $15.947 million

This proposal allocates $15.947 million in GEER funds to address areas of need in school-age care and youth programming. The funds would be used to support school-age care, before/after/summer school youth wrap-around programming, and access to high-quality childcare services and supports. This will be done through supporting certified school-age centers operated through schools and districts to support staffing and administration, grants to non-profit partners that offer wrap around services to youth, and providing additional scholarships to the most underserved communities through additional Early Learning Scholarships.

$6.473 million will support school-age care staffing and administration. $3 million will provide access to increased before, after, and summer school wrap-around services, and $6.473 million will reduce the Early Learning Scholarship waitlist to the extent possible.

Service Cooperatives

This proposal includes $1 million for the Minnesota Service Cooperatives. This will provide funding for one full-time position at each of the nine cooperatives and allow them to partner with organizations to provide summer programing through subgrants. The funding will cover their costs related to administering grants, payments, and technical assistance.

Additional Uses of the Federal Funds

- $1.5 million to school districts that are not eligible to receive funding through the Title I distribution formula.
- $2.4 million is reserved for responding to Minnesota Session Law 2020, 7th Special Session, Chapter 2, Article 6, which requires MDE to use federal funds for the amount of compensatory revenue attributable to the pupils eligible for free and reduced-price lunch that had applications certified between December 16, 2020 and January 4, 2021.

Impact on Children and Families:

Students will be the primary focus and beneficiaries of this extended-year programming. The past two school years have been challenging, and these programs will be vital as the education system recovers from the impacts of the pandemic. The proposal also benefits the community as organizations collaborate with district extended-year programs to effectively support families and communities at large.

Equity and Inclusion:

Expanding summer 2021 programming ensures that each and every student has access to needed academic supports to be prepared for fall 2021. Providing transportation and other support during these programs is critical to ensuring that all students are able to participate in the programming.

Results:

These are new programs targeted at providing relief from the impacts of the COVID-19 pandemic. MDE will evaluate the successful implementation of the program by collecting information on indicators for each program such as:

- Summer Programming
    - Number of teachers hired or funded to provide summer programming
    - Number of students receiving programming or services
    - Number of hours students are served
    - Number of community partnerships
    - Other services provided like transportation to students and provision of PPE for staff
    - Available locally measured outcomes from programming
- School Age Care and Youth Programming
    - Number of students provided school age care, before and after school programming, or youth wrap-around programming, including those specifically from historically underserved communities.
    - Number of partnerships created
    - Types of services provided
    - Number of staff funded to provide services and programming
    - Number of Early Learning Scholarships provided to and where
- Service Cooperatives
    - Number of students served by programming coordinated or worked on by service cooperative hires
    - Number and type of partner organizations
    - Geographic reach of impacted programming
    - Available local measured outcomes from the programming

Change Item Title: Pandemic Enrollment Loss

Fiscal Impact ($000s)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
General Fund					
Expenditures	26,272	2,919	0	0	0
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	26,272	2,919	0	0	0
FTEs	**0**	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends a one-time increase in general fund resources for declining enrollment revenue of $29.191 million for fiscal year (FY) 2021 school district and charter school aid entitlements to limit the impact of enrollment loss due to the COVID-19 pandemic. This will increase general fund expenditures by $26.272 million in FY 2021 and by $2.919 million in FY 2022.

Rationale/Background:

Declining enrollment revenue is a component of general education revenue which is largely based on the number of pupils served by the district compared to the prior year pupils served by the district. This funding source helps cushion the loss of revenue resulting from enrollment loss.

For districts and charter schools with enrollment losses from the previous year, revenue equals 28 percent of the basic formula allowance ($1,838.76 for FY 2021) times the difference in the number of adjusted pupils from the previous year to the current school year.

In response to changing learning models offered by schools and safety concerns due to the pandemic, many school districts and charter schools are experiencing large enrollment losses in the 2020-2021 school year as families choose nonpublic and home school options and delayed kindergarten starts. This creates a financial hardship for schools as districts anticipate less revenue than they had budgeted for. This ultimately affects students who have remained, since education services and personnel may have to be reduced or offered less frequently to make up for budget losses.

Proposal:

This proposal is to increase the percentage of the formula allowance used to calculate declining enrollment revenue from 28 to 48.5 percent of the basic formula allowance for FY 2021. This increases the declining enrollment allowance by $1,346.24 per declining pupil, from $1,838.76 to $3,185.00. The additional state aid will be part of the general education, general fund appropriation. For tribal contract schools a similar provision would be added to the tribal contract aid formula for FY 2021. Tribal contract aid supplements federal aid for these schools to ensure an adequate and uniform education to their students. The aid formula is similar to general education basic and compensatory revenue but does not provide additional revenue for declining enrollment. This proposal would provide a similar increase at 20.5 percent of the basic formula allowance.

The following table shows the breakdown between general education and tribal contract aid.

Appropriation Summary	FY 21	FY 22	FY 23	FY 22-23 Biennium
Gen Ed	$26,220	$2,913	$0	$2,913
Tribal Contract Aid	$52	$6	$0	$6
Total Appropriation Change	$26,272	$2,919	$0	$2,919

Impact on Children and Families:
Addressing enrollment revenue helps districts with unexpected enrollment losses due to the pandemic, which benefits all students served by those districts.

Equity and Inclusion:
This helps districts maintain programming that serves all students, including those that are historically underserved.

IT Related Proposals:
N/A

Results:
This proposal is intended to increase resources, one-time, for districts that may see decreases in state aid due to pandemic related enrollment loss. This proposal aims to ensure programming for students is not reduced as a result of enrollment loss. By maintaining resources for districts, the intended result is the preservation of education programming throughout the state.

Change Item Title: Summer Early Learning Opportunities for 4 and 5-year Olds - Summer 2021

Fiscal Impact ($000s)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
General Fund					
Expenditures	20,000	0	0	0	0
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	20,000	0	0	0	0
FTEs	**0.75**	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends a one-time $20 million general fund allocation to provide preschool or pre-kindergarten to 4- and 5-year-olds. These funds can be used in a star-rated, public or private, preschool or pre-kindergarten in-person learning program.

Rationale/Background:

Many children who have not yet enrolled in kindergarten, and children who were eligible for kindergarten in the 2020-21 school year, but whose families made the choice to not enroll in kindergarten are likely to need support before enrolling in kindergarten. Some children not yet in kindergarten for the 2020-21 school year were able to receive other services but many still have high levels of unmet needs. In-person learning opportunities during summer 2021 will be particularly valuable in the building of social emotional learning and executive functioning skills.

This proposal builds on the positive results already being achieved in school readiness, voluntary prekindergarten (VPK), school readiness plus (SRP), Head Start, and community-based Parent Aware Three- and Four-Star rated preschool programs. Some programs may be able to extend their school year, build upon summer programs they are already offering, or offer a new summer program.

Proposal:

This proposal includes $20 million for grants to programs at a rate of $4,800 per child ($400 per week for up to 12 weeks). This should enable 4,166 children to participate in preschool or pre-kindergarten programs. Children who are 4 or 5 years old on September 1, 2020, but who have not yet enrolled in kindergarten, and children who were eligible for kindergarten in the 2020-21 school year, but whose families made the choice to not enroll in kindergarten, would be eligible. The opportunity would be available for both new children and children receiving services during the school year but needing additional support.

Funding under this proposal would prioritize 4-year-olds and 5-year-olds not yet enrolled in kindergarten who qualify for Free and Reduced Price Lunch (FRL) and meet at least one of the following eligibility categories: foster care, child protection, those experiencing homeless, or children of teenage parents. Children who fall under multiple categories would have the highest priority. Children receiving Early Childhood Special Education (ECSE) services would also be considered high priority for these programs.

For any seats still available after using the above criteria, families may be able to participate on a sliding scale fee for services.

In order to qualify for this funding, a preschool program must offer a minimum of six instructional hours a day, for five days a week, for between 10 and 12 weeks. The program must continue to meet school-year standards of school readiness, VPK, SRP, Head Start, or Three- or Four-Star Parent Aware rating. The program must use the funding to cover the costs of tuition, transportation, food service, and interpreters or multilingual supports for eligible students.

Up to 0.5 percent of this proposal would be used to cover MDE costs related to administering the program, payments, and for providing technical assistance.

Impact on Children and Families:

Children and families with low incomes and in other vulnerable situations are less likely to have stable access to high quality early learning opportunities. The pandemic highlighted further inequities, including many kindergarten aged children delaying going to kindergarten due to COVID-19. By providing comprehensive, intensive programming experiences during the summer months, this proposal aims to close the opportunity gap by better preparing early learners to fully participate in kindergarten. Additionally, preschool and pre-kindergarten programming can build relationships and structures that will provide higher quality environments for children and their families during the summer months that may have been lacking during the school year.

Equity and Inclusion:

Programs funded under this proposal will make every effort to identify underserved children meeting the identified risk factors when filling their seats first.

Results:

Success of this program can be measured by the number of children receiving summer early care and education services in a 3- or 4-star Parent Aware rated program. Below is historical data on these programs.

Type of Measure	*Name of Measure*	*2015*	*2016*	*2017*	*2018*
Quantity	Number of early care and education programs participating in Parent Aware.	1,892	2,343	2,684	2,610
Quality	Percent of rated early care and education programs with a 3- or 4-Star Parent Aware rating.	74%	71%	77%	79%
Quantity	Number of high-needs children attending a 3- or 4-Star Parent Aware rated public education program.	24,818	26,748	28,851	28,851
Quantity	Number of children receiving a scholarship	8,225	11,219	15,079	17,091

FY 2022-23 Biennial Budget Change Item

Change Item Title: School-Linked Mental Health Grants – Summer 2021

Fiscal Impact ($000s)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
General Fund					
Expenditures	6,000	0	0	0	0
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	6,000	0	0	0	0
FTEs	**0**	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends increased funding for School-linked Mental Health Grants administered by the Department of Human Services to address an increased need for community mental health services, as a result of the COVID-19 pandemic. This proposal results in a $6 million general fund impact in FY 2021.

Rationale/Background:

More than ever, families are in need of clinical supports to effectively cope with mental health needs that have increased due to the COVID-19 pandemic. Minnesota's School-Linked Mental Health program helps schools and families identify and treat mental illness by providing assessments, counseling sessions, and tools for teachers and staff to help support students – all while keeping students close to home and in school.

Many children with mental health conditions lack access to the treatment and supports they need. Untreated mental health conditions can be a significant barrier to learning and educational success. To address this, Minnesota has pioneered efforts to bring mental health services to students through the school-linked mental health program.

Under Minnesota's model of school-linked mental health, which began in 2007, community mental health agencies place mental health professionals and practitioners in partnering schools to provide mental health services to students. These mental health providers also consult with teachers and provide care coordination as well as offer classroom presentations and school-wide trainings on mental health issues. In 2019, current grantees provided 20,957 students with school-linked mental health services in 1,116 schools buildings (53 percent of total public school buildings) across 328 school districts (58 percent of total school districts) located throughout Minnesota.

With appropriate identification, evaluation, and treatment, children and adolescents living with mental illnesses can achieve success in family life, in school, and in work. Outcome data shows that when children receive services through school-linked mental health their mental health symptoms decrease and their overall mental health improves.

School Linked Mental Health services have also proven particularly effective in reaching children who have never accessed mental health services. Many children with serious mental health needs are first identified through this program, including 45 percent of children who met the criteria for "severe emotional disturbances." In addition, the program has been effective in addressing equity in access to mental health services. Students of color

receiving school-linked mental health services were significantly more likely to be accessing mental health services for the first time compared to white students.

Proposal:

This proposal invests a total of $6 million in FY 2021: $4.976 million to address students' mental health and $1 million to support school staff. This also includes $35 thousand for overtime costs to amend existing contracts with grantees in FY 2021.

Increasing school-linked mental health grant funding will support the mental health needs of children, youth, and families during the COVID-19 pandemic. The funds will be distributed to school-linked mental health providers and other mental health providers who serve children and families with young children. The funds may be used to mitigate service interruptions and prioritize in-person services, purchase critical care supplies, cover public health-related training costs, and address the mental health needs of communities of color and American Indian communities related to the COVID-19 public health emergency.

This investment would serve approximately 8,100 students who are in need of mental health services in more than 1,100 school sites across Minnesota. Teachers in more than 1,100 school sites will have access to consultations with mental health professionals to process their struggles as they serve students with mental health needs. School-linked mental health staff will also partner with specialized instructional support personnel to support school wide efforts to mitigate the mental health impact on teachers and students.

The $5 million will add to current contracts for school-linked mental health providers as well as for providers serving children and families across the State. The Department of Human Services (DHS) will amend the current contracts and issue a quick call of proposals to provide the following services to children and families:

- Provide mental health and chemical health treatment to children.
- Provide support to families through family therapy, family education, peer support and connection with experienced parents.
- Services to meet the needs for children and families from Black, Indigenous, and People of Color (BIPOC) communities.
- Develop response system to meet unique challenges that children and families will face during the pandemic.
- Identify outcomes of the above-mentioned ventures to make informed decisions around sustainability.

In addition, this proposal addresses the vulnerability of educational staff to experience stress and vicarious trauma during this pandemic. $1 million of this proposal is designated for school staff to create spaces for teachers and other school staff to seek support. DHS will provide technical assistance support in collaboration with the Minnesota Department of Education (MDE). This can be done by a quick call of proposals from not-for-profit organizations across the state to run these programs. Funding will be administered through amendment of current contracts with school-linked mental health providers through DHS. In addition, DHS will issue a quick call for proposals issuing mini grants to providers serving children and families.

Fiscal Impact:

This proposal recommends an appropriation of $6 million to be used in FY 2021 to provide mental health and substance use disorder treatment and services to children, families, school teachers, and school staff. $4.976 million of this appropriation will be used for students' mental health support, and $1 million will be used for school staff mental health support. Another $354 thousand will be appropriated for overtime costs to amend grant contracts prior to the end of FY 2021.

Impact on Children and Families:
This proposal is providing direct mental health and substance use disorder services to Minnesota students and school staff. A student body and school workforce that has their mental health needs met will have a positive effect on the students' families and community, as well as that of school staff.

Equity and Inclusion:
The school-linked mental health program has been adjusted in recent years to support an expansion of culturally and linguistically diverse services and providers. This includes the first tribal school-linked program, an agency contracting with state academies for deaf/hearing impaired and blind/visually impaired students and allowing "practice groups" of providers to become eligible grantees in order to encourage small, culturally-specific providers access to the program to support students in their communities.

These grant dollars are intended to continue to develop and to sustain the statewide infrastructure necessary to ensure that children with mental health conditions, regardless of their insurance status or cultural background, receive evidence-based mental health services from highly-trained mental health professionals.

Results:
Success of this proposal will be measured as follows:

- Increase in the number of school districts and schools accessing mental health services through the grant
- Increase in the number of school districts and schools utilizing telemedicine delivery of mental health services
- Increase in the number of clinicians available to provide mental health treatment in a school setting
- Increase in the number of students of cultural minority groups receiving mental health services through the grant
- Improve early identification and interventions of mental health issues in elementary and middle school settings
- Improve system coordination and access for students who have been expelled or suspended from school

IT Related Proposals: N/A

Fiscal Detail:

Net Impact by Fund (dollars in thousands)			FY 21	FY 22	FY 23	FY 22-23	FY 24	FY 25	FY 24-25
General Fund			6,000	0	0	0	0	0	0
HCAF									
Federal TANF									
Other Fund									
		Total All Funds							
Fund	**BACT#**	**Description**	**FY 21**	**FY 22**	**FY 23**	**FY 22-23**	**FY 24**	**FY 25**	**FY 24-25**
GF	58	School-linked mental health providers- contracts	4,976	0	0	0	0	0	0
GF	58	School staff mental health support- contracts	1,000	0	0	0	0	0	0
GF	15	CSA Administration	35	0	0	0	0	0	0
GF	REV1	FFP @32%	(11)	0	0	0	0	0	0
		Requested FTE's							
Fund	**BACT#**	**Description**	**FY 21**	**FY 22**	**FY 23**	**FY 22-23**	**FY 24**	**FY 25**	**FY 24-25**

Change Item Title: Expand Mental Health and Well-being Supports During the Summer - Summer 2021

Fiscal Impact ($000s)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
General Fund					
Expenditures	1,000	0	0	0	0
Revenues		0	0	0	0
Other Funds					
Expenditures		0	0	0	0
Revenues		0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	1,000	0	0	0	0
FTEs	**0.10**	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends $1 million (one-time) in general funds to expand mental health and well-being supports to youth and adolescents attending school district and charter school summer learning programs.

Rationale/Background:

In the face of the COVID-19 pandemic, schools have confronted unprecedented challenges as they moved to quickly shift classes to an online format, provide equitable access for all students, support teachers' and students' educational needs, and make plans amidst great uncertainty. The pandemic itself has caused much worry, stress, and grief. These stressors can cause mental health challenges for anyone and can cause acute symptoms to appear for people who may experience preexisting mental health challenges. While mental health-promoting practices were widely used before the pandemic, they are likely to be even more integral as students experience education in these unprecedented times.

Mental health and academic achievement are linked, research shows. Chronic stress changes the chemical and physical structure of the brain, impairing cognitive skills like attention, concentration, memory, and creativity. The goal of this proposal is to ensure schools or community organizations who provide summer learning programs have resources to provide evidence-based interventions and practices shown to promote positive student mental health and well-being.

Proposal:

This proposal provides $1 million to create a new grant program for local education agencies that will fund student support personnel to offer summer school participants one-on-one or group mental health supports, trauma-informed practices, evidence-based social and emotional learning (SEL) programming, and other well-being activities like physical activity, mindfulness and other stress relieving activities during summer school programming. Summer learning programs may be provided by schools or by community organizations. Funding will be allocated to schools based upon the highest need, identified by the number of historically underserved students.

This proposal would put approximately 125 school support specialists to work over the summer to support students in our most underserved communities. Up to 2% is retained for grant administration.

Impact on Children and Families:

It is estimated that 80,000-100,000 students will attend summer programming. These students have experienced the trauma of a pandemic and other life changes and stressors. This proposal will provide mental health resources for those students so they can focus on learning and be as prepared as possible for fall.

Equity and Inclusion:

This proposal targets students that are the most likely to lack the resources to access mental health supports on their own.

IT Related Proposals:

NA

Results:

This is a new program. Results could be measured by the number of FTEs in these fields within schools and the results of future Minnesota Student Surveys.

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	FTEs in these fields in schools	3,814.81	3,918.08	2018, 2019
Quality	Ninth grade female students reporting long-term mental health, emotional or behavioral problems on Minnesota Student Survey	15%	30%	2013, 2019

Change Item Title: Community Partnerships – Summer 2021

Fiscal Impact ($000s)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
General Fund					
Expenditures	5,000	0	0	0	0
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	5,000	0	0	0	0
FTEs	**0.60**	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends $5 million in general funds, one-time, to provide new grants to public schools to partner with community businesses and organizations to develop a summer mentor and/or tutoring model that covers enrichment programming and other costs such as transportation and meals to increase student participation.

Rationale/Background:

Many students have not experienced in-person learning since March 2020. While some students have done well, too many are struggling to teach themselves through videos and various resources their families can provide. In some cases, students have not been able to consistently access the program due to technology needs. As schools head back towards in-person learning, there is an opportunity to provide in-person programs during the summer to help with education recovery and accelerate learning. Summer programs will need to engage and partner with community organizations to strengthen them.

As State Approved Alternative Programs serve students across the state to gain the academic skills they need to be on track to graduate on time with their peers, in order to engage students, developing partnerships with community organizations is critical.

Proposal:

The Minnesota Department of Education (MDE) will manage $5 million in grants in FY 2021 to school districts and charters schools to partner with community organizations to provide summer programing. MDE could support at least 50 programs across the state with grants of up to $100,000 each. This funding will allow programs to contract with organizations such as museums, youth programs, aquariums, and theaters to engage students in activities that will also support their academic knowledge.

This model would allow some summer programs to take place in the community, provide childcare for high school students in credit recovery, pay for food and neighborhood-based location rentals, and assist with transportation costs. Community programs may take many forms. The community organization may cover time when the academic program is not in session (before, after, or in providing additional days). They may operate alongside the academic programs to help with capacity issues. MDE would retain two percent of the funding in order to oversee the program and for grant support.

Impact on Children and Families:

The primary beneficiaries will be students. The past two school years have been difficult, and these programs will be important as we come back better and stronger. There are other beneficiaries as well: the community organizations will be strengthened, as will our families and communities at large.

Equity and Inclusion:

Distance learning has put historically underserved students and their families at a disadvantage, many times due to lack of access to devices, internet, and supplementary activities requiring private investment. This programming will provide students access to activities, especially those without readily available resources, for enrichment during the summer in programs they may not normally access and fill gaps that resulted due to distance learning.

Results:

This is a new program that provides supports to respond to the impact from the COVID-19 pandemic. Indicators of program success that will be collected from grant recipients may include the number of community partnerships formed, the number of students served, the types of services provided and paid for and contacts made.

Change Item Title: Neighborhood Programs - Summer 2021

Fiscal Impact ($000s)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
General Fund					
Expenditures	5,000	0	0	0	0
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	5,000	0	0	0	0
FTEs	**0.75**	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends $5 million in one-time general funds for a grant program to bring school-based summer programs into the community, providing opportunities for enrichment, social and emotional skill building, mental health supports, and tutoring services.

Rationale/Background:

Across the state there are students who need academic enrichment and mental health support. While schools have structures in place to support this in the traditional school setting, there are also students that need these services but cannot access them for a variety of reasons. For example, they may need to provide care for younger siblings or would not feel comfortable entering a school building yet. When students cannot come to the school, access to supports needs to be provided in other settings. One way to achieve this is by taking the school to them by bringing academic enrichment and mental health support to places like: apartment buildings, neighborhood parks, and community centers.

Proposal:

This funding will provide grants to schools who will use the awards to collaborate and, if appropriate, contract with community-based organizations, libraries, parks and recreation departments, Tribes and tribal organizations, faith-based organizations, and other similar learning providers to bring summer learning out of the school and into the neighborhood.

This proposal estimates that approximately 40 to 150 schools will participate in this program, allowing the schools to serve approximately 10,000 to 20,000 Minnesota students. This estimate comes from an assumed grant award range from $25 thousand to $100 thousand each.

Up to 2 percent of this proposal will be used to cover MDE costs related to administering the grants, providing technical assistance and IT services, if needed.

Impact on Children and Families:

Core academic enrichment and learning acceleration programming is necessary to satisfy the needs of and challenges faced by the whole child. Providing relief for quarantined or essential worker parents through additional school services closer to home will benefit both the students and their families.

Equity and Inclusion:

Distance learning has put historically underserved students and their families at a particular disadvantage, many times due to lack of access to devices, internet, and supplementary activities requiring private investment. This programming will provide students access to activities, especially those without readily available resources, enrichment during the summer in programs they may not normally access and fill gaps that resulted due to distance learning. The organizations that will be collaborating with schools to provide learning supplementation will also provide a diverse range of learning experiences for students, experiences that will reflect the communities that call Minnesota home.

Results:

This is a new program. Successful program implementation will be measured by how many districts and charters participate in the grant program, how many and which services and programs are provided, and the frequency and number of events held in communities and neighborhoods. Other indicators could include academic, mental health, and social and emotional learning outcomes.

Change Item Title: Expand Access to Tutoring Services

Fiscal Impact ($000s)	FY2021	FY 2022	FY 2023	FY 2024	FY 2025
General Fund					
Expenditures	3,250	5,000	5,000	5,000	5,000
Revenues		0	0	0	0
Other Funds					
Expenditures		0	0	0	0
Revenues		0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	3,250	5,000	5,000	5,000	5,000
FTEs	**0.45**	**0.95**	**0.95**	**0.95**	**0.95**

Recommendation:

The Governor recommends $3.25 million of general fund funding in FY 2021 and $5 million ongoing to expand access to tutoring services including academic enrichment, mental health supports, and other wrap-around services for K-12 children by partnering with experienced community organizations to deliver tutoring and increasing access to enrichment opportunities. Two percent of grant funds will be reserved for grant administration. This is $65,000 for 0.45 FTE in FY 2021 and $100,000 for 0.95 FTE in FY 2022 and beyond.

Rationale/Background:

Students have faced significant challenges during this pandemic and need varied supports to ensure that their academic needs are met and they are prepared to reenter classrooms. In addition to traditional enrichment programming offered through schools, collaborations with academic support organizations will provide accelerated learning that some students will need.

Proposal:

This proposal includes funds to establish and expand community resources and partnerships with youth serving program providers, especially those with experience providing mental health services and supports; social, emotional and physical health supports; summer learning or enrichment programs; or other activities that are necessary to maintain the operation of and continuity of services in youth development and education prioritizing the needs of historically underserved groups.

The application process would be modeled after the federal GEER I funding application process that was run during Summer 2020 for wrap-around supports for children ages 0-8, except providing resources to K-12 students. Eligible entities could include community-based organizations, faith-based organizations, institutions of higher education, public school districts and charter schools, nonpublic schools, Minnesota's 11 federally recognized tribes and American Indian organizations, nonprofit agencies and for-profit corporations. It is estimated that the proposal would fund approximately 35 to 45 entities assuming awards of between $100,000 to $200,000. MDE would reserve up to two percent to administer the grants.

Impact on Children and Families:

Varied supports in addition to core academic enrichment and learning acceleration programming is necessary to satisfy the needs of and challenges faced by the whole child. Mental health, physical health, and other wrap around services will relieve pressures on families.

Equity and Inclusion:

Distance learning has put historically underserved students and their families at a particular disadvantage, many times due to lack of access to devices, internet, and supplementary activities requiring private investment. This programming will provide students access to activities, especially those without readily available resources, enrichment they may not normally access and fill gaps that resulted due to distance learning.

Results:

This is a new program. MDE will measure program success through results indicators such as the number of students served, number of partnerships formed in underserved communities, and types of services provided.

Change Item Title: Field Trips and Hands-on Learning Opportunities – Summer 2021

Fiscal Impact ($000s)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
General Fund					
Expenditures	10,000	0	0	0	0
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	10,000	0	0	0	0
FTEs	**0.75**	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends $10 million (one-time) for a new program to provide every school district and charter school with supplemental funding to provide students with summer field trips for hands-on learning opportunities. Hands-on learning opportunities include activities such as trips to nature centers, state parks, zoos, museums or theaters.

Rationale/Background:

During the past year, students have missed out on a number of learning opportunities, including class field trips. Field trips play an integral part in education. They provide access to common experiences for our students, engage their thinking, reinforce their learning, and expose them to opportunities they may not otherwise have in their lifetimes. This is particularly true for historically underserved students. Ensuring schools have adequate funding for these activities will encourage them to provide engagement programming out of the classroom over the summer, as well as incentivize student attendance, participation and engagement in summer programming.

Proposal:

Grants will be provided to all school districts and charter schools based on estimated Average Daily Membership (ADM) and concentration of free and reduced-price-eligible or historically underserved students. An estimated 80,000-100,000 students could be served with this funding. Funding under this proposal will be used by schools to cover costs for providing field trip opportunities as part of summer programming including, but not limited to, costs for transportation (following appropriate COVID-19 mitigation and protocols if still in place), educators and educator incentives, meal reimbursement and entry or event fees.

Up to 2 percent will be used to cover the Minnesota Department of Education's (MDE) costs related to administering the grants, payments, technical assistance and IT services, if needed.

Impact on Children and Families:

In addition to providing learning and engagement opportunities for students outside of the classroom, this will also relieve pressure on families to find activities and learning opportunities on their own during the summer months. Bus drivers, educators, and the entities providing the learning opportunities will also benefit.

Equity and Inclusion:

The supplemental funding provided in this proposal will ensure that all students participating in summer programming have access to field trips and hands-on learning opportunities outside of the classroom.

Results:

This is a new program. MDE will evaluate the results of successful implementation by collecting information on indicators such as the number of students participating in field trips and hands on learning and the number and type of field trips and other programs offered.

Change Item Title: Summer College for High School Graduates – Summer 2021

Fiscal Impact ($000s)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
General Fund					
Expenditures	6,000	0	0	0	0
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	6,000	0	0	0	0
FTEs	**0.60**	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends $6 million in one-time general fund spending to provide 2021 graduates with academic programming by supporting postsecondary coursework for summer 2021.

Rationale/Background:

During the pandemic, students across the state had their education interrupted with loss of instruction in its entirety as well as multiple transitions to respond to the spread of COVID-19 across our communities. Structures are in place to support students academically who have not graduated from high school in the form of PSEO during the school year and summer programming. Similar structures, however, do not exist for those that did graduate, but still had their learning interrupted. This proposal builds a bridge to support those students as they transition to either postsecondary institutions or post-high school graduation careers.

Proposal:

This proposal provides funding for postsecondary courses for students that graduated from a public high school during the 2020-2021 school year to enroll in any non-secular, college-level course at a Minnesota public postsecondary institution during the summer 2021 term. Courses may be either credit-bearing or developmental, but may not begin until a student has received their diploma. Postsecondary institutions may opt to participate in the program.

Funding would be used to reimburse Minnesota public postsecondary institutions for the cost of tuition which ranges from approximately $165 to $512 depending on the institution and program. Reimbursements would be prorated if expenses exceed the funding available. MDE would retain up to 2 percent for administration, which would include two temporary positions. The temporary positions would provide support to postsecondary institutions that choose to participate, engage with the colleges and universities to recruit students, and ensure payments to postsecondary institutions are processed accurately.

There were 57,171 students who graduated in four years in fiscal year 2019. It is unknown how many students would participate in this program. While there would not be a limit on the number of credits a student could take, it is assumed that most students would take one to two courses for a total of between four and six credits. The funding for this program would provide for approximately 4.5 percent of graduating seniors to take six credits of college courses this summer. MDE would promote this program through collaborations with postsecondary institution partners, though the Minnesota Goes to College initiative, through school counselors networks and the Minnesota School Counselor Association, MDE's Career and College Success Division website, school leader mailings, and partners in the Office of Higher Education.

Summer College Credits for High School Graduates *some figures have been rounded*	
(1) Estimated Spring 2021 High School Graduates	57,171
(2) Estimated percentage participating	4.5%
(3) Estimated number of participants (1x2)	2,568
(4) Est number of credits per participant	6
(5) Number of total credits taken (3x4)	15,405
(6) Cost per credit (assumed)	$370
(7) Total PSI reimbursement	$ 5,700,000
(8) MDE Administrative (up to 5 percent)	$300,000
(9) Total	$6,000,000

Impact on Children and Families:

Graduating high school seniors and their families would benefit and have the opportunity to accelerate learning and preparation for post-secondary experiences.

Equity and Inclusion:

This proposal would provide new opportunities for getting postsecondary credits and experiences by removing financial barriers to enrolling in classes at postsecondary institutions for students who may otherwise not enroll. High school students during the pandemic are experiencing challenges to both course and graduation completion requirements. Even students who graduated experienced barriers to their full senior year course activities and learning opportunities due to the limits of distance learning. Higher education institutions have reported lower enrollments in fall of 2020-21 and the goal of this program is to promote college level coursework experiences to students to either give them an early advantage or confidence in their post secondary academic identity and affinity.

Results:

Type of Measure	***Name of Measure***	***Previous***	***Current***	***Dates***
Quantity	Public School Student PSEO Participation	8,275	7,516	2016, 2018
Quantity	Public School Student Concurrent Enrollment Participation	30,247	32,608	2016, 2018
Quantity	4-year High School Graduation Rates	82.7%	83.7%	2017, 2019

This is a new program. MDE would evaluate results of the program based on participation rate (with the goal of 25 percent of high school graduates (4, 5, 6, and 7 year graduates)) and program completion (with the goal of 80 percent of participating students successfully completing their courses and earning credit).

Change Item Title: Increase Adult Basic Education (ABE) Program Funding - Summer 2021

Fiscal Impact ($000s)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
General Fund					
Expenditures	10,000	0	0	0	0
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	10,000	0	0	0	0
FTEs	**0.75**	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends $10 million in one-time general funds to strengthen Adult Basic Education (ABE) programming statewide to ensure access to, enhance the quality of, and to increase the ABE programming available. This proposal would fund expanded ABE programming for the summer of 2021 and if funding remains available, it would be used throughout fiscal year (FY) 2022 in order to build and help sustain enhanced programming year-round.

Rationale/Background:

- **Adult Learners Lacking Access to Education**: Currently, there are many ABE students that are unable to access programming virtually due to limited or no access to devices or to the internet. Unlike K-12, most ABE programs cannot currently afford to provide tablets or laptops to their adult learners. This funding would allow more programs to purchase and provide devices and internet access to students.
- **Lack of Adult Career Pathway Program Options for Adult Learners**: Adult career pathway programming helps adults learn the career-specific skills they need to obtain and succeed in their future occupation with a family-sustaining wage. However, this programming is more expensive than other forms of adult education and some programs are unable to offer multiple adult career pathway options for students. This programming is more expensive because it frequently requires partnerships with postsecondary institutions, workforce development partners and employers. ABE programs would use this funding to work collaboratively to increase the adult career pathway programming options available.
- **Lack of High School Equivalency Testing Availability**: Due to the pandemic, many high school equivalency testing centers have had to close and/or limit their testing capacity to adhere to health and safety standards. Additional funding would help ABE programs increase funding for their high school equivalency testing centers to provide more testing availability and to pay for safety equipment and additional staffing.
- **Gap in Funding for Adult Learners Compared to K-12 Students**: The funding for ABE is a different model from K-12; significantly less funding goes to adult learners compared to K-12 students.

Currently, an estimated $50 million is allocated to serve 60,000 adult learners per year. The average state resources provided per ABE participant is $1,650. Additional funding would decrease this funding gap for adult learners.

Proposal:

This proposal would allow ABE to enhance existing programming for the entire period it is available. This funding would serve all 39 ABE grantees in Minnesota with an estimated 890 teachers working virtually or in-person at an

estimated 350 sites. This funding would enhance or enable better service for an estimated 60,000 adult learners. Local ABE programs would use this funding to:

- Increase ABE programming statewide, including English language learning, standard adult high school diploma, high school equivalency preparation, adult career pathway programming, etc.
- Help purchase devices and internet access hotspots for adult learners.
- Provide more high school equivalency testing.
- Launch additional or more robust programming that is currently too expensive (i.e., adult career pathway programming).
- Collaborate with workforce development partners, postsecondary institutions and employers to expand career services, navigation services, and integrated education and training programming to help adults, including English learners, reenter the workforce.

This funding would be a supplemental allocation to the current state ABE grant. It would be allocated based on the ABE grantees' proportion of state ABE funding they are currently receiving in FY2021. Applying this funding as a separate supplemental allocation would allow every ABE grantee to receive additional funding and could increase, enhance and improve student access to their programming options.

Up to 2 percent would be retained by MDE to administer the program, distribute funding and monitor the payments. The Minnesota Department of Education (MDE) staff would offer training and professional development to help ABE programs plan to use the funding strategically and collaborate to increase the effect of the funding.

This proposal includes authority to extend the appropriation into FY 2022 if funding is available at the end of the summer.

Impact on Children and Families:

Access to this program for many adults with children offers them the skills necessary to enhance their career advancement and educational horizons.

Equity and Inclusion:

Increased access to ABE will provide many opportunities for continuing learners who, for a litany of reasons, did not have a fully satisfying or beneficial K-12 education, or who are simply looking to broaden their educational horizons.

Results:

Below are historical results for the Adult Basic Education program. Additional resources for this program are intended to build upon these results.

Type of Measure	*Name of Measure*	*FY 2013*	*FY 2016*
Quantity	Clients who obtained a high school diploma or GED	3,932	1,782
Quantity	Clients who entered postsecondary education	2,971	8,562
Quality	Clients who were unemployed at program entry who obtained employment	42%	49%
Quality	Clients who were employed at program entry who retained employment	72%	73%

Change Item Title: Learning Acceleration and College Readiness Initiatives – Summer 2021

Fiscal Impact ($000s)	FY 2021	FY 2022	FY 2023	FY 2024
General Fund				
Expenditures	1,125	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	1,125	0	0	
FTEs				

Recommendation:

The Governor recommends a $1.125 million one-time allocation to the Office of Higher Education (OHE) to be used for two programs for the summer months. This will address educational challenges due to the pandemic, which is disproportionally impacting the most underserved students. This will increase funding to the Office of Higher Education's Summer Academic Enrichment Program by $625,000 and the Intervention for College Attendance Program by $500,000.

Rationale/Background:

This proposal funds two existing programs that will receive dedicated 2021 summer funding at the Office of Higher Education.

Intervention for College Attendance Program (ICAP) is a competitive grant that supports OHE's core mission of providing postsecondary education opportunities to all Minnesotans. ICAP directly targets students in grades 6-13 who are underrepresented in higher education (racial/ethnic minority, low-income, first in their families to go to college, English language learner, and/or has a disability) and creates supportive and compelling pathways to achieve a college education. ICAP-funded programs use the most innovative, culturally appropriate, and proven pedagogies/strategies to reach students and ensure their success in high school and college. ICAP has historically seen incredible success in terms of impact across Minnesota, with some programs boasting high school graduation and college enrollment rates up to 40 percentage points higher for students in the ICAP-funded program than their peers.

Programs funded through ICAP have been proven to create supportive learning environments for marginalized students that lead to success in both high school and college. Specifically, the funds would support program activities such as: college tours, mentoring, career awareness, tutoring, test preparation, academic support, financial awareness/education, parent engagement, and culturally specific cohort-based learning, among other academic and social-emotional activities.

The Summer Academic Enrichment Program (SAEP) serves low-income students in Minnesota who are underrepresented in postsecondary education participation. Based on eligibility for free or reduced-price lunch, 3rd-11th grade students can receive a stipend for up to $1,000 to cover cost of attendance at a summer academic enrichment program offered by Minnesota postsecondary institutions and nonprofit organizations. This program currently partners with 20 organizations that provide academic programming for low-income students over the summer months.

Distance learning disproportionately affects low-income students and its effects are cumulative over time. The difference between the summer learning rates of low-income students and students from higher-income families contribute substantially to the educational opportunity gap, further perpetuating inequities based on race/ethnicity and class. Even with programs like ICAP, summer breaks can take a toll on students' ability to retain knowledge and academic habits. When they return to school in the fall, students typically perform at the same academic level they were at during the beginning of the spring, prior to their return. This year, students must also attempt to fill in academic gaps created by COVID-19 distance learning and the digital divide. This is where an expansion in ICAP and SAEP funding could work in tandem to not only increase access to academic enrichment opportunities, but also address significant inequities in education for low-income students, students of color, and Indigenous students.

ICAP-funded programs specifically target students of color, Indigenous students, low income students, first generation students, and students with disabilities – populations that are most impacted by learning loss due to COVID-19 – in order to provide high quality postsecondary preparation, academic, and social support. Such programs include nonprofit/community organizations, school districts, colleges, and federal programs (i.e. Upward Bound) that work with these student populations in grades 6-13. Grantees must match ICAP funds dollar-for-dollar.

Proposal:

As a way to combat gaps in learning due to the historic educational opportunity gap and the COVID-19, additional funding is needed to support ICAP and SAEP, two programs proven to increase engagement and improve academic outcomes. Over the summer months, funds will be used to reach a greater number of Minnesota students, target specific high-need student populations, and deepen services offered to current participants in order to offer a full range of college/career awareness and academic success programs.

SAEP would reach more low-income students statewide and increase the number of students able to participate in these rigorous academic summer programs. The current appropriation, $250,000, serves approximately 300 low-income students. Making another $625,000 available for the summer would allow approximately 970 low-income students to participate in academically rigorous summer programming. This increased funding will also allow for the office to add more summer enrichment program providers and in turn mitigate some of the financial impacts they have endured due to COVID-19.

For ICAP, current grant awards do not exceed $60,000 per grantee based on a maximum funding request cap enforced by OHE. This cap is not statutorily set and was developed by OHE to fund reasonably as many programs as possible, because of the availability of funds, not actual community need. The last total request for ICAP funds in FY2020 totaled over $1,700,000; $675,000 was available to award. Typical grantee budgets include requests for personnel (program directors, tutors, student-workers, etc.), transportation to schools and project sites, transportation for campus tours, test prep materials, event materials, and stipends for speakers, and field trips.

The onset of the COVID-19 pandemic has highlighted educational and economic disparities that already existed in Minnesota. Students from underserved communities who participate in distance learning are struggling to find and maintain: digital services that can sustain their education during the pandemic, care for their families (particularly young children) so that they can concentrate on virtual learning, job opportunities with sustainable wages due to COVID-related job loss, motivation to plan for the future, and quiet space to work and study in multi-family homes. Low high school graduation rates among students of color and low-income students will not only persist through COVID, but become more severe, endangering Minnesota's economic vitality and ability to find highly skilled workers to fill open, in-demand jobs.

As the state's demographics continue to shift and communities of color continue to grow, the need to address educational disparities in Minnesota becomes urgent. If there is not an increased and intentional investment in

interrupting patterns of opportunity gaps, Minnesota's economy will be stifled due to a shortage of a qualified workforce.

Impact on Children and Families:

An increased investment in ICAP is an investment in students and families whom Minnesota has historically left behind. This program acts as an equalizer so that communities which have been disadvantaged by racism and cycles of poverty can have the same educational opportunities as white affluent families.

This proposal is directly related to the overall well-being of youth and their families, as access to higher education and a college degree lead to increased economic advancement and career flexibility. The benefits of pre-college services can be a multi-generational approach to addressing cycles of poverty and social, economic, and physical health disparities that are related to opportunity gaps.

The proposal would increase the number of low-income 3rd-11th grade students able to participate in rigorous summer academic learning programs.

Equity and Inclusion:

The implementation of this proposal will reduce inequities for people of color, American Indians, people with disabilities, and low-income Minnesotans by offering equalizing opportunities for educational and career advancement. ICAP is completely built to support these communities and reduce/eliminate attainment gaps that exist between them and wealthy whites.

Funds will improve the educational outcomes for groups who start at a disadvantage due to generations of oppression and marginalization.

Additionally, an impact on equity would occur as rigorous course taking would enhance high school graduation for low-income students and increase their preparation for success in academic programs and the career of their choice. Representatives of these groups are administrators and staff in the academic projects that enroll low-income students and provide guidance on how to increase positive academic outcomes for the targeted student group.

Results:

Intervention for College Attendance Program

ICAP currently uses a combination of performance measures that include high school graduation rate, college application rate, college enrollment rate, ACT scores, social -emotional development measures, number of students impacted, number of students enrolled in honors/advanced high school coursework, and college participation/retention rate, and qualitative student successes and challenges using student surveys. Current performance measures are consistently positive. In fiscal year 2020 alone, 15 programs were funded through ICAP, reaching 2,936 students.

Outcomes: High school graduation rates are higher in ICAP-funded programs than the state's average (89% in 2018). College enrollment is higher in ICAP-funded programs than the state average (90% in 2018)

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Results	Number of Matching Grants Awarded	23	15	2018, 2020
Results	ICAP Students Served	4,060	2,936	2018, 2020
Results	College Application Rate of ICAP Seniors	88%	90%	2017, 2018

Summer Learning Acceleration and College Readiness Initiatives

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Results	Students who participated in SAEP	801	568	2018, 2019
Results	Number of summer academic enrichment programs attended	35	36	2018, 2019
Results	Average Award	$875	$833	2018, 2019
Results	Total awarded	$700,787	$473,071	2018, 2019

Change Item Title: Student Support Personnel

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	21,772	26,415	27,854	28,170
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	21,772	26,415	27,854	28,170
FTEs	**3.25**	**3.25**	**3.25**	**3.25**

Recommendation:

The Governor recommends $48.187 million in fiscal year (FY) 2022-2023 and $56.024 million in FY 2024-2025 in general funds to support schools in addressing students' social, emotional, and physical health by addressing shortages of student support services personnel within Minnesota schools and to mitigate the effects of COVID-19. This proposal will fund 1) a new aid program for funding student support services personnel at schools 2) a workforce development initiative to increase the number of student support personnel each year 3) a school health services specialist at MDE.

Rationale/Background:

School districts and charter schools want their students to be ready for and succeed at college, work, and life. However, school districts face many challenges limiting their ability to ensure all students can learn and thrive such as absenteeism, behavior and discipline issues, violence, truancy and dropout. These challenges can often be linked to unmet social, emotional, and physical health needs that can significantly affect students' academic achievement. The COVID-19 pandemic has revealed, and exacerbated, students' unmet needs.

This proposal addresses the issue of inadequate access to support personnel for students which has only been magnified due to the COVID-19 pandemic. For years, Minnesota has had one of the lowest student-to-counselor ratios in the country. In FY 2017, Minnesota had just one school counselor for every 659 students. Minnesota's student-to-counselor ratio was 45 percent over the national average of 455 students per counselor. Only four states had higher student-to-counselor ratios than Minnesota. Increasing designated funds for hiring school counselors, and other support personnel, will reduce this ratio. By increasing support staff across the state, this proposal will help support and strengthen students' mental health and well-being, so they are more prepared for learning. Based on the recent Minnesota Student Survey, as well as feedback from communities on the effects of COVID-19, we know that mental health is declining in students. Research shows that a safe, nurturing environment with caring adults can help youth thrive, avoid risky behaviors, and recover from toxic stress.

The proposal will:

- Address shortages of student support services personnel within Minnesota schools;
- Decrease caseloads for existing student support services personnel to ensure effective services;
- Ensure that students receive effective academic guidance and integrated and comprehensive services to improve kindergarten through grade 12 school outcomes and career and college readiness;
- Ensure that student support services personnel serve within the scope and practice of their training and licensure;

- Fully integrate learning supports, instruction, and school management within a comprehensive approach that facilitates interdisciplinary collaboration; and,
- Improve school safety and school climate to support academic success and career and college readiness.

Additionally, the health services position at MDE will boost the agency's capacity to provide guidance and technical assistance to schools and policymakers and help with professional development and implementation of statewide programs. In Minnesota, schools are required to provide services to promote the health of their students so that all students are healthy and ready to learn. Until 2011, MDE had a staff person to provide leadership, support, and partnership to school districts to support their efforts to provide acute and emergency care, care coordination, chronic disease management, and family engagement in support of student health and well-being. This position was funded through a federal grant which ended. State funding was not provided to replace the loss of the federal funding.

The loss of this position has meant that MDE has no central point of contact for questions from superintendents about school nurse staffing requirements, from parents with questions about how to work with schools to support their children with chronic health conditions, or from school nurses with questions about policies and professional expectations. Additionally, the lack of a dedicated position has created challenges in coordination with Minnesota Department of Health (MDH) and the Department of Human Services (DHS) on issues such as vaccination requirements, third-party billing and medical assistance reimbursements for school nurses. Most relevant to our current situation, MDE was not positioned well to provide necessary technical support to schools during health emergencies, such as the current pandemic.

Proposal:

This proposal would fund three strategies to ensure that students receive needed social, emotional and physical health services in addition to academic guidance.

The first strategy would fund up to 335 additional school-based Student Support Personnel (Counselors, Social Workers, School Psychologists, School Nurses, and Chemical Dependency). Each school district participating in the support personnel program would receive $22 per student enrolled on October 1 of the prior school year or $35 thousand, whichever is greater. Charter schools would receive $22 per student enrolled on October 1 of the prior school year. Intermediate school districts and other cooperatives enrolling students would receive $6 per student enrolled in member districts on October 1 of the prior school year. The aid would be limited to the actual new costs of providing support services each year. Assuming an average cost of $80 thousand per position, the program would fund 335 positions statewide, beginning in FY 2022, an increase of 19 percent. In 2018, the full-time equivalents (FTEs) of school nurses, psychologists, social workers, or counselors in schools was 3,815. In 2019, this rose to 3,918, an increase of 2.7 percent. The number of chemical health dependency counselors across the state is not readily available. The cost of this portion of this proposal is estimated to be $43.087 million in FY 2022-2023 and $50.924 million in FY 2024-2025 and would paid out as an aid entitlement on a 90 percent current year appropriation and 10 percent prior year appropriation.

The second strategy would fund a workforce development initiative to increase the number of student support personnel each year. This strategy will bring together state agencies, higher education institutions, state student support personnel associations, and community-based mental health providers to implement a multi-faceted approach to increasing the number of student support personnel through four approaches:

1. Workforce Development Strategies to Increase Providers of Color – Minimum of 130
2. Re-specialization – 102 school psychologists, 100 school counselors
3. Recruitment – 230 school mental health providers
4. Retention – 1,750 school mental health providers

Strategies will increase the number of licensed school psychologists, school counselors, and school social workers, as well as other health professionals capable of providing services in schools and include increased enrollment and retention of students in existing university training programs whose graduates serve high-needs districts, along with retention of current practitioners in high-needs districts. Efforts will be enhanced by professional organizations that provide recruitment assistance, scholarships for professionals in training (especially to increase provider diversity), and support for internship supervision to increase in-state internships. Association professional development activities will support the retention of support personnel in high needs schools. Professional organizations also have influence on state-level licensure and practice regulations that could be modified to improve districts' access to qualified professionals. Community agencies that provide school-linked mental health services in many high-needs schools will supplement these strategies with training and practicum/internship sites for mental health professionals.

The third component of the proposal would provide state funding for a 1.0 FTE School Health Services Specialist position including funding for travel and contracted services to support the development of resources and provide training and technical assistance statewide. The position will add capacity at MDE to align health services related work that is distributed across the agency in Special Education, Early Learning Services, School Support's Full Service Community Schools initiatives, as well as the Improving School Health grant work in the Nutrition, Health and Youth Development division. This position would also work with school district staff and partners, including school nurses, nurse practitioners, dentists, health educators, physicians, physician assistants and allied health personnel, to provide school health services that address the needs of students in local school communities and produce better educational outcomes through promotion of evidence-based practices around school health, care coordination, chronic disease management, safe environment and a coordinated school health approach. In addition, this position would support stronger collaboration with MDH and DHS to influence policies that support quality school nurse services in Minnesota, deliver school nurse specific professional development, and increase utilization of third-party billing and medical assistance reimbursements for school nurses.

The total cost for the second and third strategy would be $2.550 million annually and would fund staff and professional technical services at MDE to support this work.

Impact on Children and Families:

Student mental health and well-being has suffered during the pandemic, which has impacted entire families. Providing adequate mental health support personnel for students will support children and families.

Equity and Inclusion:

The COVID-19 pandemic has revealed, and exacerbated, inequities for children in poverty and children of color, including educationally relevant health disparities. Their families suffer higher rates of infection, and the economic burden disproportionately falls on black and brown parents, who are less likely to be able to work from home during the pandemic. Adult mortality rates, coupled with the devastating economic consequences of the pandemic, will likely have an indelible impact on their health and well-being. Adding capacity in schools and at MDE to support student support services would allow for better quality and more quantity of policy, programs and services to reduce educationally relevant health disparities and confront the impacts COVID-19 has on students and their families.

IT Related Proposals:

NA

Results:

This is a new program. Results could be measured by the number of FTEs in these fields within schools and the results of future Minnesota Student Surveys.

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Increase FTEs in these fields in school support personnel Specific Areas and Goals: 1. Workforce Development Strategies to Increase Providers of Color – Minimum of 130 2. Re-specialization – 102 school psychologists, 100 school counselors 3. Recruitment – 230 school mental health providers 4. Retention – 1,750 school mental health providers	3,814.81	3,918.08	2018, 2019
Quality	Ninth grade female students reporting long-term mental health, emotional or behavioral problems on Minnesota Student Survey	15 percent	30 percent	2013, 2019

Change Item Title: Full-Service Community Schools

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	5,000	5,000	5,000	5,000
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	5,000	5,000	5,000	5,000
FTEs	**1.1**	**1.1**	**1.1**	**1.1**

Recommendation:

The Governor recommends $5 million per year to reestablish the Full-Service Community Schools grant program that expired in fiscal year (FY) 2018 in order to broaden access to wrap-around supports in schools and local communities.

Rationale/Background:

The Full-Service Community School model is an evidence-based school improvement strategy designed to help schools support students and their families so that they can fully engage in high-quality learning opportunities. The Full-Service Community School grant program was a new program established in 2015 that provided funding to eligible schools to plan, implement, and improve full-service community schools. Additional funds were appropriated in 2017 for expansion of the program. The funding provided grants to 13 schools—four in round one and nine additional schools in round two. Under this proposal, the Minnesota Department of Education (MDE) would be able to expand the numbers of schools who are awarded Full-Service Community School grants.

The full-service community school model is one strategy that evidence suggests can improve student outcomes in schools where other school improvement efforts have not demonstrated success. This includes reducing the rate of high school dropouts by supporting schools in fostering healthy school climates and communities. Previous evaluations have demonstrated that the provision of wrap-around supports through the full-service community school model improve factors associated with graduation while also improving several student outcomes related to school climate, including student attendance, school attachment and behavior outcomes. By providing grant funds to schools that are considering planning and implementing the full-service community school model, these schools will have the resources they need to address the factors that affect student outcomes the most.

In the wake of the COVID-19 pandemic and its disproportionate impacts on families already struggling with basic needs, the full-service community schools model is likely to be a beneficial policy for students and families. During the pandemic, MDE learned about schools that had adopted the full-service community school model prior to the start of the distance-learning period who were able to adapt to the needs of families and communities quickly by leveraging existing partnerships and resources. Evidence of the efficacy of full-service community schools also suggests that the program is well suited to address some of the biggest challenges facing our students post-COVID-19, such as attendance and missed learning opportunities, because of the model's inclusion of integrated student supports and expanded learning opportunities. A review by RAND of the New York City Community Schools found that the model had a positive impact on student attendance in elementary, middle, and high

schools. Full-Service Community Schools were also identified as being effective at reducing chronic absenteeism in a report published in collaboration between Georgetown University's FutureEd and Attendance Works.

Proposal:

This proposal restores funding to the full-service community school grant program. The grants will be structured to support schools with either creating a plan to implement the full-service community school model or, for schools that already have a plan in place, to fund a full-service community school coordinator. Planning grants to fund activities, including conducting a community survey and creating a full-service community school plan, will be no more than $100,000. Grants to implement wrap-around services to meet community needs and fund a community school coordinator will be no more than $200,000. At $5 million per year, MDE could grant 25 schools with the full $200,000 for implementation in a given year or expand the model to 50 new schools each year, or a combination thereof. Minnesota statute dictates that schools receiving the grant must be identified for improvement under the state's accountability system under the Elementary and Secondary Education Act and are not prioritized by location.

The immediate intended outcome for the grant program would be to create plans for the implementation of the Full-Service Community School program and for schools to hire a community school coordinator to implement the model. In the long term, the full-service community school model would result in improved academic outcomes for students as well as improvements in student attendance due to targeted services and programs that meet the specific needs of those students and communities. Services could include primary health and dental care, mental health, childcare, career counseling, and enriched learning experiences outside of the school day.

MDE will retain up to 5 percent of the funds to administer the grant. This would include funds to monitor the program, provide technical assistance to grantees, and to evaluate the effectiveness of the program.

Impact on Children and Families:

The purpose of a full-service community school is to coordinate resources that already exist to mitigate non-academic challenges for children, students, families and communities. By providing schools with funding to plan and implement the full-service community schools model, recipients will be able to better access existing programs by creating a system that coordinates supports for students and families beginning at birth and supporting them through high school. This model supports the most vulnerable children beginning at birth as well as supporting teen mothers and homeless children and families by ensuring they have the support services needed to thrive.

The full-service community school prioritizes collaborative leadership within schools, as well as active family and community engagement. Therefore, children and families must be consulted as schools plan and implement the model. In the wake of the COVID-19 outbreak, this process would aid schools in being responsive to the needs of their families in ways that may not have been necessary or considered prior to the outbreak.

Equity and Inclusion:

The full-service community school program is designed to be flexible enough to meet the needs of the communities served directly by the schools. Statute dictates that the funding be directed towards schools identified for improvement under the federal accountability system, which will result in the greatest benefit going to communities of color and American Indian communities. As the previously cited research states, this would result in positive outcomes for these communities.

Johnston, William R., Engberg, J., Opper, I., Sontag-Padilla, L., & Xenakis, L. Illustrating the Promise of Community Schools. (2020). *Illustrating the Promise of Community Schools: An Assessment of the Impact of the New York City Community Schools Initiative.* RAND Corporation.

Jordan, Phyllis. (2020, June). *Attendance Playbook: Smart Strategies for Reducing Chronic Absenteeism in the COVID Era.* Georgetown University's FutureEd and Attendance Works.

Results:

- **Quantity:** Number of grant recipients; number of plans created; number of coordinators hired; number of trainings (in-person and virtual) provided; number of new resources created and distributed to grantees; technical assistance opportunities provided
- **Quality:** Number of new student support services provided at schools; number of expanded learning opportunities provided; family, student, and community satisfaction based on survey results
- **Result:** MDE will be looking at the following outcomes at a systems level: Early Childhood Health and Developmental Screenings; Student achievement on MCAs and progress towards English language proficiency; consistent attendance; graduation. There are additional measures outlined in the full-service community schools statute. Sites may also look at specific results depending on the types of services and programming that the school adopts.
- **Data collection and reporting:** Many of the quality measures will need to be tracked through the grant monitoring and bi-annual and annual reporting processes and using surveys. Quantity measures will also largely come about through the grant monitoring process (such as monitoring whether or not they have completed a plan or hired coordinators) as well as internal tracking (documenting whether or not trainings have happened, for example). For the results, the office will use outcomes based on our own accountability data. Depending on funding, MDE would ideally partner with an organization that would help us conduct a rigorous evaluation of the program.

Change Item Title: Maintain Existing Voluntary Prekindergarten Seats and Require Assessment Profile

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	19,557	21,258	21,399	21,278
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	19,557	21,258	21,399	21,278
FTEs	**3.31**	**3.31**	**3.31**	**3.31**

Recommendation:

The Governor recommends maintaining the level of the voluntary prekindergarten (VPK) and school readiness plus (SRP) participants at 7,160 for fiscal year (FY) 2022 and later.

The Governor also recommends requiring programs to conduct Kindergarten Entry Profile (KEP) assessments and implementing service and staffing changes that will enhance data collection and analysis, and provide better technical assistance to school districts, charter schools and mixed delivery partnerships.

This proposal would increase general fund expenditures by $40.815 million in FY 2022-23 and $42.677 million in FY 2024-25.

Rationale/Background:

For FY 2021, the statewide cap on participation in the VPK and SRP programs was 7,160, which enabled 9.6 percent of 4-year-olds to participate. The cap is set to eliminate 4,000 current seats, thereby reducing the program to 3,160 participants, or about 4.2 percent of eligible 4-year-olds for FY 2022 and later. With the reduction in the cap, funding will be reduced or eliminated for 114 sites located in 61 school districts and charter schools. Last fiscal year, 12.5 percent of 4-year-olds were able to participate, so even maintaining the seat level at the higher rate reduces the overall percentage of children served. Too many of Minnesota's most vulnerable learners are not getting the high-quality services they need to prepare them for success in kindergarten and in life. Intensive, high-quality prekindergarten programs can close much of the early opportunity gap for children of low-income families. This substantially increases their school success and produces a host of life-long benefits, including increased school achievement and social and economic success as adults (Reynolds, 2000). These goals can be reached through high-quality prekindergarten programs.

There is a significant need for VPK and SRP programs that is seen in the number of applications submitted that cannot be funded due to the existing program cap of 7,160 participants. During the FY 20 and FY 21 application cycles, unfunded requests averaged 6,000 making the seat demand for these programs over 13,000 statewide.

While expanding high-quality prekindergarten throughout the state is the ultimate goal, this proposal protects existing programs that will sunset at the end of the current biennium and protects the state from taking a step backward in its work to give early learners the start they need. It gives school districts an intentional pathway to support their communities' youngest learners and to align curriculum, assessments, instruction, and professional development not just in prekindergarten but along the pre-K through third grade learning continuum. This provides the opportunity to engage with and prepare families prior to school entry, while also enabling districts to

effectively adhere to the World's Best Workforce legislation, as well as be supported in implementing English learner legislation.

Minnesota's VPK and SRP programs are sought after and have generated positive results for early learners. The annual program survey that is conducted as part of the VPK and SRP Measuring Impact process have consistently indicated a strong support for the programs and notes that the strength of the program is, "in improving what children know and are able to do as they enter kindergarten." However, the current KEP focuses on children in the first eight weeks of kindergarten and is voluntary. This leads to two significant challenges. First, participation is extremely limited. Fewer than 3 percent of all districts and charter schools, serving approximately 875 children, participated in the last two years. Second, the data produced by the initiative is not representative of the state or any groups of children, which in turn means that the data is of limited value at the state level. Requiring MDE to collect data as students exit prekindergarten is a more viable source of data to understand the skills children bring with them and can progress from in kindergarten and beyond. This will also provide participating schools with another tool to evaluate their progress on having young learners ready for kindergarten, a goal under the state's World's Best Workforce statute. Additionally, an improved data infrastructure is necessary to support the additional collection and analysis of data.

Proposal:

This proposal will maintain the participant cap for the voluntary prekindergarten and school readiness plus programs at 7,160. This proposal includes funding to cover the cost of managing this program. $340 thousand per year will be used to maintain technical assistance, training, professional development, resources, and program support.

Fiscal Impact of Maintaining VPK and SRP Seats and Technical Assistance Funding ($000s)			
FY 2022	FY 2023	FY 2024	FY 2025
18,822	20,754	20,695	20,774

This proposal also requires Kindergarten Entry Profile assessments to be conducted for all VPK and SRP students, and that the Minnesota Department of Education (MDE) produce both statewide and district-specific Measuring Impact Reports for all VPK and SRP students. The proposal includes increasing MDE's capacity to provide technical assistance, training, professional development, resources, and support program and fiscal oversight through the addition of 0.7 of a position and enhancing the data infrastructure and technology necessary to produce the Measuring Impact Report.

Fiscal Impact of Requiring Kindergarten Entry Profile Assessments ($000s)			
FY 2022	FY 2023	FY 2024	FY 2025
735	504	704	504

Impact on Children and Families:

If funding is not maintained for current VPK and SRP programs, districts' and charter schools' abilities to provide preschool programming for students will be greatly reduced, and in some cases eliminated. These programs serve Minnesota's most underserved children, including those that qualify for free or reduced priced lunch, are an English Language learner, are homeless or highly mobile, have an individualized education plan or individual interagency intervention plan, are identified through health or developmental screening, or being in foster care.

Equity and Inclusion:

Restoring the participant cap for the VPK and SRP programs to 7,160 will enable the programs added in FY 2018 and FY 2019 to continue to operate. These programs were selected, in part, based upon serving a high concentration of students experiencing poverty, and meet the needs of some of Minnesota's most undeserved 4-

year-old learners. Voluntary prekindergarten and school readiness plus programs are designed by statute to support equity, increase access, and diminish opportunity gaps. Demographic data collected each year shows that the race of more than half of the children served in VPK and SRP programs is black, brown, or Indigenous. The loss of funding would be detrimental to these objectives.

IT Related Proposals:

The costs listed above include the following costs for technology services.

Category	*FY 2022*	*FY 2023*	*FY 2024*	*FY 2025*	*FY 2026*	*FY 2027*
Payroll	223	230	230	230	230	230
Software	200	$0	200	$0	200	$0
Training						
Enterprise Services						
Professional/Technical Contracts	0	0	0	0	0	0
Other (Data integration from KEP)	50	0	0	0	0	0
Total	**473**	**230**	**430**	**230**	**430**	**230**
MNIT FTEs	1.7	1.7	1.7	1.7	1.7	1.7

Results:

This proposal will ensure that voluntary prekindergarten and school readiness plus seats are maintained. Increasing KEP resources will also provide feedback and data on student progress for those participating in this program.

Type of Measure	*Name of Measure*	*Previous*	*Current Law*	*Dates*
Quantity	Number of voluntary prekindergarten and school readiness plus seats	7,160	3,160	FY21 and FY22

Change Item Title: Kindergarten Student Accounting Simplification

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	69	77	77	77
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	69	77	77	77
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends changing the average daily membership (ADM) calculation for kindergarten students with a disability by making it the same as the ADM calculation for other kindergarten students. This will eliminate an unintended and inequitable disparity in funding between kindergarten students with a disability and other kindergarten students. Currently, kindergarten students with a disability generate slightly less general education revenue than their nondisabled peers who are served the same number of hours during the fiscal year.

This proposal would increase general education spending in the general fund by $146,000 in the FY 2022-23 biennium and $154,000 in the FY 2024-25 biennium.

Rationale/Background:

- ADM and pupil units for kindergarten students with a disability have long been calculated based on the ratio of the number of hours of assessment and education services required in the fiscal year by the student's individualized education program (IEP) to 875 hours, with a limit of one pupil unit per student.
- Since the ADM calculations for kindergarten students with a disability are based on total hours served during the fiscal year and are limited to 1.0 ADM, kindergarten students with a disability do not generate extended-time revenue when they are served in a targeted services program outside of the regular school day.
- Pupil units for nondisabled kindergarten students were historically limited to 0.50, and later to 0.612. When all-day, every day kindergarten funding was enacted in 2013, the ADM calculations for kindergarten students with a disability were inadvertently not updated to make them consistent with the calculations for kindergarten students without a disability. Kindergarten students without a disability generate one pupil unit if enrolled for 850 hours during the school year, and also qualify for extended-time funding if enrolled in a targeted services program outside of regular school hours.
- As a result, kindergarten students with a disability generate less general education revenue per hour enrolled than non-disabled kindergarten students for two reasons: (1) The number of hours required to generate one ADM is 875 for students with a disability and 850 for students without a disability; and, (2) students with a disability do not qualify for extended-time revenue if they are served outside of regular school hours in a targeted services program.
- For grades 1 through 12, ADM for students with a disability is calculated in the same manner as for students in the same grade level without a disability.

- Calculating ADM for kindergarten students with a disability in the same manner as for kindergarten students without a disability will simplify the school finance system by eliminating a separate set of ADM calculations for these students.
- Simplifying the ADM calculations also streamlines MARSS student reporting for school districts and charter schools by eliminating the need to compute membership differently for kindergarten students with a disability than for their nondisabled peers and older students.

Proposal:

Beginning in FY 2022, calculate ADM and pupil units for kindergarten students with a disability in the same manner as for kindergarten students without a disability. The impact on regular ADM for kindergarten students with a disability will be negligible because nearly all of these students are currently served in a program providing 875 or more hours of service per year.

- Kindergarten extended-time ADM is projected to increase by 15 in FY 2022 and later (a 5.4 percent increase).
- The cost of the proposal would be $69 thousand in FY 2022, $77 thousand in FY 2023, and $77 thousand each year thereafter.

Impact on Children and Families:

This proposal would assure that kindergarten students with an IEP are not discouraged from participation in targeted services programs because of the program's inability to generate extended-time revenue.

Equity and Inclusion:

The proposal would eliminate an unintended and inequitable disparity in funding between kindergarten students with a disability and kindergarten students without a disability. There is no justification for providing less funding for kindergarten students with a disability than for kindergarten students without a disability.

While there are no documented cases of kindergarten students with a disability being denied access to extended-time programs, the current ADM calculations create a financial disincentive for school districts to provide targeted services to kindergarten students with a disability.

The proposal also addresses a student population that is at risk academically, but also has a higher percentage of protected students and a higher percentage of students who are economically disadvantaged. As a whole, 36 percent of kindergarten students with disabilities are students of color or American Indians and 47 percent are eligible for free or reduced-price meals. By contrast, kindergarten students with disabilities in targeted services programs are 54 percent students of color or American Indians and 54 percent are eligible for the free or reduced-price meal program.

Change Item Title: Voluntary Pre-Kindergarten, School Readiness Plus, and Early Childhood Special Education (ECSE) Alignment

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	627	792	857	921
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	627	792	857	921
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends amending statute to make students receiving Early Childhood Special Education (ECSE) services eligible for English learner (EL) services and prekindergarten school breakfast reimbursements just like their voluntary prekindergarten (VPK) or school readiness plus (SRP) peers.

This proposal will increase general fund spending for general education revenue by $849 thousand in FY 2022-23 and by $1.208 million in FY 2024-25.

This proposal will increase general fund spending for school breakfast by $570 thousand in FY 2022-23 and by $570 thousand in FY 2024-25.

Rationale/Background:

ECSE students were unintentionally excluded from English learner revenue and school breakfast reimbursements extended to VPK and SRP students when that legislation was developed resulting in inequities in these programs. Only a change in legislation can generate the funding needed to treat all students enrolled in a general fund pre-kindergarten program the same.

Currently there is a lack of equitable treatment for all children participating in general fund pre-kindergarten programs because of this exclusion from English learner revenue and school breakfast revenue.

Proposal:

This proposal will make students receiving ECSE services eligible for EL services and prekindergarten school breakfast reimbursements just like their voluntary prekindergarten (VPK) or school readiness plus (SRP) peers. Approximately two-thirds of the proposal will be used to provide English learner services and approximately one-third will be used to provide school breakfast for students in ECSE ages 3-5.

As noted, ECSE student exclusion from English learner revenue and school breakfast revenue was a legislative oversight. Preschool-aged children with disabilities participating in the same classroom as children funded through VPK and SRP are not included in these funding streams and, are not generating EL revenue; therefore, ECSE students are not currently eligible for EL services.

Since FY 2015, 13.12 percent of ECSE students ages 3 to 5 spoke a language other than English at home. This number matches closely to the 13.79 percent of students in the student accounting grade for kindergarteners

with a disability. Of those kindergartners with a disability, about 81.5 percent have been identified as qualifying for EL services. The forecasted cost for expanding EL services to ECSE students uses the kindergartners with a disability identification rate to estimate the potential 1,900 ECSE students that qualify for EL services.

In FY 2020, 1,767 ECSE students were served in a VPK or SRP setting. The estimated cost for providing breakfast to ECSE students used the same participation rates, days served, and cost per meal used for estimating meals for VPK/SRP students.

All students impacted by being excluded from these services/programs provided to other general education funded prekindergarten peers are students with a disability.

This proposal is consistent with efforts to make sure that all early learning students enrolled in classrooms have equitable access to services and supports. This proposal also produces efficiencies for program management and creates inclusive classrooms that support a strong early start for young children.

Impact on Children and Families:

This proposal would ensure equitable access to EL and breakfast programs for students with disabilities participating in state funded preschool programs with their same-age peers.

Access to the breakfast program can help ensure student health and food stability.

Currently, children eligible for ECSE are not eligible to generate state EL funding. The Average Daily Membership (ADM) they generate as ECSE students do not count as part of the cumulative ADM toward funding eligibility. This proposal would ensure students receive services and generate funds.

Equity and Inclusion:

The proposed change in funding for breakfast and EL programming would eliminate the unintended inequities for preschool aged children funded by the state and are consistent with pre-K programs who currently qualify students that either qualify for free or reduced-price lunch, are English learners, are experiencing homelessness, have a disability or a potential risk factor that may influence learning, or are in foster care.

The proposed change in funding would ensure equitable access to resources for preschool aged children in all general fund pre-K programs, which support development and readiness for school.

IT Related Proposals:

NA

Results:

The results of this proposal can be measured by the number of ECSE students who will be provided EL services and school breakfast.

FY 2022-23 Biennial Budget Change Item

Change Item Title: Early Learning Scholarship Time Eligibility

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends reducing the amount of time a family receiving an Early Learning scholarship has to select a program from ten months to three months. This technical change will allow the agency to award more of the funds currently appropriated for this purpose but has no fiscal impact.

Rationale/Background:

The Early Learning Scholarship program supports access to the state's early care and education system for young children. Since scholarships can only be used at early learning programs that participate in Parent Aware, Minnesota's Quality Rating and Improvement System (QRIS), they serve as an incentive to be rated. Early Learning Scholarships, as a funding source, are intended to support improvement in school readiness outcomes for Minnesota children with high needs, by increasing access to high-quality early care and education programs.

Reducing the number of months to select a program solves two main issues:

- Underuse of the scholarship by a child awarded a scholarship; and,
- Promoting the child receiving the quality early learning experience earlier, rather than losing months of opportunity.

With a waiting list of eligible children that reached nearly 3,000 statewide by June 30, 2020, sooner identifying when a child will not use their scholarship is essential to be able to award scholarship funding to a child who is on the wait list.

Historically, the scholarship funds have been underspent, dating to 2014, the first year the statute was implemented. While some of the impact was reduced with the change to transferring the appropriation to a special revenue account, another approach is to award scholarships to as many children as possible in the funding year as eligible and as far as funds will cover. In FY 2019, 95 children did not choose a program after being awarded a scholarship, and had their scholarships cancelled at 10 months. This tied up $712 thousand or approximately 2 percent of the Pathway I funds. Those funds would have supported awards for a minimum of 71 children and as many as 108 children from the waitlist. For a 4-year-old on the wait list, this might have impacted them receiving any early learning program access at all as new funding is not available until July 1, just two months prior to the child aging out of scholarship eligibility.

The recommendation to decrease the maximum number of months has been identified by a wide range of groups, including Close Gaps by Five, Think Small, and an early childhood crisis work group. The 12 area early learning scholarship program administrators have identified this as a main issue in accurately forecasting use rates of the

scholarship funds they administer. MDE also consulted with child and family advocate groups convened through the Children's Defense Fund of Minnesota.

Proposal:

This proposal reduces the number of months a family receiving an Early Learning scholarship has to select a program. Currently, families have 10 months to select and enroll in an early learning program in which to use their scholarship. The proposed change is to reduce this time period to three months, with extensions available upon request. The extension would require a direct contact with the family and an established set of criteria for extension would be developed under the commissioner's authority.

Impact on Children and Families:

This proposal is an administrative change that helps ensure that funds awarded for scholarships go to children who are able to use the scholarship within the year the funds were originally appropriated.

The amount of money will not change, but rather the efficiency and effectiveness of using the funds to support enrollment in an eligible program will improve. The change promotes more timely interaction and case management for families to help them find and enroll in a program, since they will have fewer months to do so. To counter any unintended impact, such as not enough programs being available, or a family's relocation or instability in housing, MDE will engage stakeholders including families, on developing criteria for an extension of the proposed change from ten months to three months.

Funds that previously were reserved and unused will now be more fully utilized within the year appropriated, resulting in more children enrolled and receiving a high-quality early education sooner.

Families have been indirectly involved in this proposal through the advocate groups that work on behalf of children and families such as Close Gaps by Five and Children's Defense Fund.

Equity and Inclusion:

This proposal is targeted to direct funds more quickly to children that are in need of, and ready to select, enroll, and attend a high-quality program rather than holding funds for some point in the future. It is a proactive approach to supporting families quicker, and earlier to select a program, while providing an option for an extension, should unique circumstances warrant. Children in one or more priority groups including: children of teen parents, children experiencing homelessness, children in foster care, and children in child protection, made up 371 of the children left on the wait list on June 30. These are children with some of the greatest risk factors to not being developmentally ready for kindergarten by the time they are age eligible. Freeing up scholarship funds earlier that are unlikely to be used will directly decrease the wait list.

IT Related Proposals:

NA

Change Item Title: Expand Rigorous Coursework for BIPOC Students

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	5,032	5,028	5,029	5,028
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	5,032	5,028	5,029	5,028
FTEs	**1**	**1**	**1**	**1**

Recommendation:

The Governor recommends $5 million in general funds annually to expand rigorous coursework, such as Advanced Placement (AP), International Baccalaureate Career Program (IBCP), Career and Technical Education (CTE), and Concurrent Enrollment courses to foster opportunities for underserved and under-represented students, including students with a disability to prepare and train for career and college. In providing funds to expand CTE specifically, this recommendation is estimated to increase the state general fund CTE appropriation by $60 thousand in FY 2022-23 and by $57 thousand in FY 2024-25.

Rationale/Background:

More than 1,000 secondary CTE programs across 342 school districts prepare more than 180,000 students each year for careers and opportunities in Minnesota's major workforce industries including agriculture, food, natural resources, business, marketing, and communications, family and consumer sciences, human services, health and medical occupations, and trade and industry.

The Minnesota Business Vitality Council, which includes the commissioners of Education, Agriculture, Higher Education, Iron Range Resources & Rehabilitation, Labor and Industry, Natural Resources, and Transportation, made a recommendation, even before the impact of COVID-19, that there is a clear need for a renewed commitment to increased funding and support for expanding, and in some areas establishing, CTE programs across Minnesota. As stated by the group Advance CTE, "Looking ahead to the economic aftermath of COVID-19, there will be significant demands by learners of all ages for fast, but quality, upskilling and reskilling programs that result in careers with family-sustaining wages."

Minnesota is home to an over-representative number of Fortune 500 companies due to its highly educated and skilled workforce. Federal educational reform over the last 20 years (i.e., No Child Left Behind and the prioritization of reading and math) has resulted in a decreased emphasis and funding for career preparation and training. Minnesota's workforce is experiencing an employment gap, disparities for underrepresented populations, and a significant talent and skill misalignment. Investing in CTE will support revitalizing the economy and strengthening Minnesota to provide a world-class education and training for careers that earn a family-sustaining income.

There is a disparity in the percentages of students in poverty, students of color, English learner students, and students with disabilities that participate in CTE, as well as AP and concurrent enrollment courses compared to their peers. For example, students eligible for free and reduced-price lunch (FRL) make up 32.5 percent of students in grades 9 through 12, while they only comprise 17.4 percent of AP course participants and 18.6 percent

of concurrent enrollment course participants. Supporting students to participate in this type of rigorous coursework will benefit the both student and business communities.

The table below shows the demographic representation in statewide rigorous coursework in FY 2019:

FY 19 Grades 9-12	Statewide	AP	IB	Traditional PSEO	CTE PSEO	Concurrent Enrollment
Male	51.28%	45.28%	44.64%	33.14%	46.58%	42.18%
Female	48.72%	54.72%	55.36%	66.86%	53.42%	57.82%
Free + Reduced Lunch	32.51%	17.37%	29.48%	22.89%	22.08%	18.56%
Special Education	14.73%	NA	NA	3.20%	5.34%	2.27%
English Language Learners	5.65%	NA	NA	2.47%	1.08%	0.93%
Am. Indian/Alask Nat.	1.61%	1.36%	1.58%	1.05%	2.79%	2.08%
Asian/Pacific Islander	6.76%	9.76%	15.06%	9.07%	4.53%	6.03%
Hispanic or Latino	9.03%	6.09%	10.47%	5.36%	5.26%	4.99%
Black/African Am.	10.82%	6.05%	13.43%	10.04%	4.68%	4.36%
White	68.17%	74.48%	59.49%	71.91%	81.70%	82.90%
Two or More Races	3.62%	3.20%	2.03%	2.58%	3.08%	2.32%
SOC/American Indian	31.83%	25.52%	39.60%	28.10%	18.59%	18.47%

Proposal:

This proposal provides $1.8 million per year in competitive grants to school districts and charter schools for regional partnerships and statewide programs in order to support professional development and incentives for high school teachers to develop and expand offerings for CTE, AP, IBCP, and concurrent enrollment. Funds could also be used to compensate teachers to teach courses beyond their contract day or year. Grant recipients could supplement and braid, but not supplant, program funds with current state and federal funding sources such as AP, IB, CE, and CTE Perkins funds, as appropriate under those initiatives. Each grant would be up to $50 thousand.

This proposal also provides $3.2 million for 50-50 matching grants to school districts and charter schools to support rigorous course expansion and statewide CTE program quality improvements. Statewide support would be offered by the Minnesota Department of Education (MDE) in the form of professional development and training, mentoring and support, and support for CTE area reviews, including local industry advisory committee, teacher recruitment and preparation, work-based learning adoption, academic standards, and CTE integration. MDE will work with school districts and charter schools to determine the AP courses, concurrent enrollment courses, Postsecondary Enrollment Options (PSEO) CTE courses that have been shown to engage currently underserved students and will work with them to prepare to offer those courses. Each grant would be up to $100 thousand.

The applications for both grant programs would be evaluated by items such as, but not limited to, targeted students served, diversity of programming, meeting local workforce needs, and ability to self-sustain the programs in the future. Grants could be made for up to a three-year period. MDE would retain up to 5 percent for administration which includes staffing, training, and grant administration costs.

In providing funds to expand CTE specifically, this recommendation is estimated to increase the state general fund CTE appropriation by $60 thousand in FY 2022-23 and by $57 thousand in FY 2024-25 due to districts increasing investments in CTE programming and new programs being established with these grants.

Impact on Children and Families:

By investing in rigorous coursework, students will be better prepared for careers that earn a family-sustaining income.

Equity and Inclusion:

The courses included in this proposal have been shown to increase enrollment and engagement of disadvantaged and under-represented students, better prepare students for college and college level coursework/postsecondary training and increase their enrollment in and completion of postsecondary education and training programs.

IT Related Proposals:

NA

Results:

This is a new program. Results indicators of program success will be the percent of grants being awarded to school districts and charter schools that have a higher percentage of BIPOC students than the statewide average and the percent of awardees that will have classes in place by the spring of 2022.

Type of Measure	*Name of Measure*	*2018 Participation*	*Percent of Total Participation*
Quantity	AP Participation by BIPOC students	11,411	25%
Quantity	IB Participation by BIPOC Students	1,563	39%
Quantity	Public School PSEO Participation by BIPOC Students	1,979	26%
Quantity	Public School Concurrent Enrollment Participation by BIPOC Students	5,667	17%

Change Item Title: Ethnic Studies Added to Standards and Curriculum

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	144	148	148	148
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	144	148	148	148
FTEs	**1**	**1**	**1**	**1**

Recommendation:

The Governor recommends $144 thousand in general funds in fiscal year (FY) 2022 and $148 thousand in FY 2023 and beyond for the development, implementation and maintenance of an ethnic studies standards and curriculum process.

Rationale/Background:

Recent national conversations about racial justice have prompted policymakers to newly consider issues of race and inclusion in K-12 instruction. State standards across the country have been examined to ensure they promote racial equity, reduce implicit bias, and encourage curricula that recognizes the contributions of minority groups and the complex history and impact of racism in the United States. According to the National Conference of State Legislators Washington, Nevada, Illinois, California and Maine already embed ethnic studies into their standards. The Ethnic Studies Coalition came to MDE with a proposal about two years ago and began discussions on what might be good policy on a number of items ranging from licensure to standards to credits to professional development. The Coalition and other stakeholders have indicated a desire for legislative solutions.

A process for adopting and supporting implementation of ethnic studies across academic standards would include: an evaluation of the distribution of ethnic, racial and cultural backgrounds of the students; the use of demographic data by school districts for curricula and program planning as reflected in district continuous improvement plans; development of standards that are reflective of the racial and cultural backgrounds of students; identification and reviewing of exemplary multicultural curricula for different grade levels; and providing training and support for teachers on culturally sustaining pedagogies for instruction.

Proposal:

This proposal is to update statutory language to embed ethnic studies in all the standards and curriculum processes, and support material and professional development support for districts. These resources will fund one new FTE at MDE to provide expertise for adopting ethnic studies into academic standards and providing assistance to school districts and charter schools in implementing ethnic studies across standards. The staff member will also provide professional development and resources to districts implementing the standards. With this area being a growing and more prominent field, the expertise at the department is currently missing in this area.

MDE would begin the standards adoption process in the 2021-22 school year.

Impact on Children and Families:

This proposal would codify what the department has already made a priority in standards work so that all children and families in Minnesota are represented in their learning outcomes and their learning materials. This funding would create a dedicated MDE staff person to ensure that ethnic standards are reflective of the diverse makeup of the State of Minnesota and professional support for local implementation of ethnic studies across academic standards.

Equity and Inclusion:

This proposal is identified to reduce inequities for Latinx, African American, Asian American and Indigenous students by having a focus across all academic standards on the ways in which race and racism have been and continue to be a powerful force in our society.

IT Related Proposals:

N/A

Source:

Olneck-Brown, Benjamin. Education Policy Snapshot. National Conference of State Legislators. September 2020.

Results:

The following indicators will be used to determine the successful implementation of ethnic studies standards:

- Hiring of an ethnic studies specialist at MDE to provide expertise for adopting ethnic studies into academic standards and providing assistance to school districts and charter schools in implementing ethnic studies across standards.
- Embedding ethnic studies into the standards adoption process beginning in the 2021-22 school year.
- Ongoing support for districts in implementing standards into curriculum and professional development effectively deliver standards to students.

Change Item Title: Indigenous Education for All

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	887	437	437	437
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	887	437	437	437
FTEs	**2**	**2**	**2**	**2**

Recommendation:

The Governor recommends funding of $887,000 in fiscal year (FY) 2022 and $437,000 in FY2023 and beyond for programming, staff, and services to support requiring all students to learn about the cultural heritage and contributions of tribal nations. This includes instructional model recommendations, curricular resource support and development, programmatic staff at the Department of Education to manage implementation, and funding for the Tribal Nations Education Committee to consult with schools to protect, strengthen, and advance the educational experience of indigenous students.

Rationale/Background:

Every Minnesotan, whether indigenous or not, should be encouraged to learn about the distinct and unique heritage of American Indians in a culturally responsive manner. Every school and all personnel should work cooperatively with Minnesota tribes, or those tribes that are in close proximity, and indigenous communities when providing instruction or when implementing an educational goal. This should include information specific to the cultural heritage and contemporary contributions of American Indians, with particular emphasis on Minnesota's Tribal Nations and governments. This proposal is designed so that every Minnesota student learns about tribal history, culture, treaty rights, contemporary tribal and state government institutions and relations and the contribution of American Indian Tribal Nations and urban indigenous communities to the state of Minnesota.

The Constitution of the United States recognizes the sovereignty of American Indian tribes—their inherent right to govern themselves, define their own membership, manage tribal property, and regulate tribal business and domestic relations. The United States recognizes the existence of a government-to-government relationship between tribes and the federal government, which has been codified through numerous treaties. An essential part of these relationships is the "trust responsibility," a legal and ethical obligation of the United States to protect the welfare of the tribes and their members. This trust responsibility applies to indigenous education. Federal agencies involved in education are subject to it. (U.S. Department of the Interior—Indian Affairs, 2014b) Minnesota's Executive Order 19-24 is designed to improve relationships with Tribal Nations and Communities, and this proposal will build on that foundation to nurture and educate students to understand the rich history of Minnesota in its entirety; tribal histories are Minnesota histories.

Culturally competent education has been identified as a key factor in helping students succeed in school (Diller & Moule, 2005; Castagno & Brayboy, 2008). MDE recognizes that this goal has yet to be achieved in most of our state's schools and districts. As a result, American Indian students may not find the school curriculum, especially Minnesota state history curriculum, relevant to their lives or experiences. In addition, many students may remain

uninformed about the experiences, contributions, and perspectives of their tribal neighbors, fellow neighbors, and classmates. The lack of accurate and complete curricula may contribute to the persistent opportunity gap between American Indian and other students. There is an opportunity to establish collaborative government-to-government relationships between elected school boards and tribal councils to create local and/or regional curricula about tribal history and culture and to promote dialogue and cultural exchanges that can help tribal leaders and school leaders implement strategies to close opportunity gaps.

Proposal:

This is a new initiative building on the foundation of standards that contain the contributions of Minnesota's American Indian tribes and communities. This proposal will fund $450,000 in one-time competitive grants to organizations with knowledge on, and preferably expertise in, indigenous history and contemporary knowledge to provide curricular resources to schools, a $150,000 ongoing grant to the Tribal Nations Education Committee (TNEC), and two additional positions in the Academic Standards Division at the Minnesota Department of Education (MDE). TNEC is a group of tribally appointed representatives which advocates for American Indian students in Minnesota.

MDE will ensure that every school district and charter school in Minnesota implements tribally endorsed, historically accurate, culturally embedded, place-based, contemporary, and developmentally appropriate indigenous curriculum based on the contributions of Minnesota's Tribal Nations and urban indigenous communities in the existing standards, and all subsequent standards' additions or variations thereof.

An ongoing grant will be provided to the TNEC, who will consult with MDE and the Office of Indian Education on the development of standards, curricula, and professional development for grades prekindergarten through grade 12, using the existing standards and revisions as required by Minnesota Statutes, section 124D.79 subdivision 1, and section 120B.021, subdivision 4. The TNEC will work with MDE to cultivate professional development for teachers implementing Indigenous curriculum. This is predicated on the belief that all school personnel, including administrators and superintendents, should have an understanding and awareness of indigenous communities to gain an understanding of and appreciation for indigenous people. This legislation would require resources to be available to educators and schools in a user-friendly manner with guidance attached.

Each and every student in Minnesota will have a better understanding of Tribal Nations and urban indigenous communities in this state, their histories, cultures, and current issues. All district and charter school personnel will also have further understanding regarding Minnesota's indigenous histories and contemporary matters.

This proposal will support a world-class education so that all Minnesotans will have a better understanding of the lived experiences of Minnesota's first inhabitants who are still here, and help eliminate current disparities in the educational system by increasing the knowledge of future generations of Minnesotans. The implementation of this proposal would start in the 2021-22 school year and continue yearly thereafter.

Impact on Children and Families:

This proposal increases both American Indian student engagement as well as all student engagement. This proposal promotes more meaningful relations between schools and American Indian student identities. This proposal will also build on the current required standards and provide educators with the foundation for a shared understanding of the history, culture, and tribal sovereignty of Minnesota's Tribal Nations and urban indigenous communities. This policy supports a world-class education by ensuring all children are taught about the lived experiences of their peers, specifically American Indian students from across the state whose shared history is not currently a part of the curriculum.

Equity and Inclusion:

American Indian students are far less likely to have curriculum and lessons that reflect their communities and experiences. Student engagement and success are tied to how relevant schoolwork is for them. This policy also better prepares educators to meet the needs of all students and provide more relevant and complete lessons. This proposal leads to more student engagement by developing more meaningful and complete coursework. Potential positive impacts include increased student engagement, and increased understanding of indigenous communities for educators in the state.

Tribes have specifically communicated to the department their desire to have strong accountability factors in Indian Education, included, but not limited to, teaching standards that contain the contributions of Minnesota's Tribal Nations and indigenous communities.

Results:

The intended results of this new program include:

- An increase in mutual awareness and understanding of the importance of accurate, high-quality curriculum materials about the history, culture, and government of local tribes; and,
- To encourage school boards to identify and adopt curriculum that includes tribal experiences and perspectives, so that American Indian students are more engaged and learn more successfully, and so that all students learn about the history, culture, government, and experiences of their American Indian peers and neighbors.
- To identify the extent and nature of the achievement gap and strategies necessary to close it.

Change Item Title: Tribal Nations Consulted on Revising Academic Standards Required

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	**0**	**0**	**0**	**0**

Recommendation:
The Governor recommends the addition of the Tribal Nations Education Committee (TNEC) and representatives from Minnesota's Tribal Nations to the standards development process.

Rationale/Background:
Academic standards are reviewed and revised on a 10-year schedule pursuant to statute. The Minnesota Department of Education (MDE) must include the contributions of Minnesota American Indian tribes and communities as related to the academic standards during the review and revision of the required academic standards and must consult with a statutorily provided list of stakeholders. While MDE has the practice of consulting with TNEC and Tribal Nations on academic standards, current law does not require that TNEC and Tribal Nations be consulted as stakeholders during this process. TNEC is a group of tribally appointed representatives which advocates for American Indian students in Minnesota.

Including TNEC and Tribal Nations on the list of required participants who are consistently consulted across review cycles supports ensuring an accurate reflection of American Indian literature, history and culture. The standards development process should have guaranteed inclusion of diverse voices that are representative of all Minnesotans.

Proposal:
This proposal adds the TNEC and representatives from Minnesota's Tribal Nations to the standards development process codified in statute. The proposal is cost neutral. TNEC does not receive direct state funding. Participants in the standards development process are eligible for expense reimbursements.

Impact on Children and Families:
This proposal will help achieve the Governor's priorities for children and families by ensuring all children have academic support from the collaboration with Minnesota's tribal people by building on and aligning efforts with tribal agencies to increase equity and bridge the opportunity gap for children, youth and families through improved access to the standards, and the yearly revisions that include the contributions of Minnesota's Tribal Nations.

Equity and Inclusion:
When all students have an understanding of the American Indian content through the revised standards that are revised with Minnesota's Tribal Nations, this policy will improve the lives of the next generation of all Minnesotans by ensuring that society as a whole will have diverse cultural, academic and educational

perspectives. The TNEC represents Tribal Education initiatives, including those that will benefit American Indian students and their families.

Change Item Title: Tribal Early Learning Package

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	3,300	3,300	3,300	3,300
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	3,300	3,300	3,300	3,300
FTEs	**1**	**1**	**1**	**1**

Recommendation:

The Governor recommends $3.3 million in general fund spending in FY 2022 and beyond for a Tribal Early Learning Package that will be available to the 11 Tribal Nations to address educational opportunity gaps in tribal communities. The recommendation is for grants designed to increase family engagement and education, increase language and literacy outcomes through language revitalization and other efforts, enhance teaching practice through deep pedagogical professional development, and support opportunities for higher education to increase teacher diversity.

Rationale/Background:

While family engagement shows tremendous potential for improving outcomes, districts and schools face challenges when working to meaningfully engage families. To be effective, districts and schools must ensure that family engagement is equitable, inclusive, accessible and culturally competent. “Family engagement [recognizes] broader notions of family as well as a broader set of behaviors related to student learning and development both in and out of schools” (Ishimaru et al., 2016). Effective family engagement must be responsive and relevant to the needs of children and families in their communities while taking into consideration unique contexts. For example, in one approach called culturally responsive-sustaining (CRS) family engagement, it is defined as “the practice of authentic, equal partnership with families, rooted in a deep knowledge and appreciation for the rich social and cultural identities, assets, habits and contexts that families bring to learning” (NYU Metropolitan Center for Research on Equity and the Transformation of Schools).

Effective family engagement strategies must be authentic, comprehensive and responsive. “Families are the primary contexts in which Indigenous children learn who they are, Indigenous ways of knowing, and what is expected of them as they become adults and eventually become good elders. In this way, the strength and well-being of Indigenous families are fundamental to the strength and well-being of Indigenous nations” (M. Bang, Montaño Nolan, and McDaid-Morgan, 2018).

Research shows a wide range of links between student success and effective and relevant family engagement. According an American Institutes for Research publication on family engagement, “A wide body of evidence emphasizes the importance of family engagement for student achievement and social development over time and makes a strong case that engagement can be a powerful strategy for sustainable long-term student success” (Jacques and Villegas, 2018, American Institutes for Research). For example, when families are more engaged in their children's education, children participate in class more and show improved student-teacher interactions, they earn higher grades and receive higher scores on tests, attend school more regularly, have better social skills,

demonstrate more positive attitudes and behaviors, graduate from high school at higher rates, and are more likely to enroll in higher education.

Proposal:

This proposal provides $3.3 million annually for a Tribal Early Learning package. A Tribal Nation located in Minnesota may apply annually to the commissioner to receive a grant to provide programming and services for parents and children who are enrolled or eligible for enrollment in a federally recognized tribe. Admission may not be limited to those enrolled in, or eligible for, enrollment in a federally recognized tribe.

Each Tribal Nation may apply for up to $100,000 per focus area for a maximum amount of $285,000. Each Tribal Nation must submit an annual proposal to the commissioner that outlines specific strategies for providing early childhood family engagement and education programs and outreach.

Strategies must fit into one or more of the three focus areas:

1. Supporting comprehensive, authentic family engagement and education.
2. Increasing language and literacy outcomes through language revitalization and other efforts.
3. Supporting prospective teachers and enhancing the practice of current teachers/adults who work in Tribal communities through deep pedagogical professional development.

Each Tribal Nation will be encouraged to develop a proposal that includes, and connects, all three focus areas. These connections include both horizontal (throughout the community) and vertical (multi-generational) alignments within Tribal communities. To help with this endeavor, MDE will design, in collaboration with the Tribal Nations, guidance that includes potential strategies and examples of comprehensive, coherent approaches. This guidance will also include connections to work being done throughout the state so that efforts are aligned and focused on building further capacities.

Sample strategies for each focus area:

1. Hiring a family engagement coordinator, family-school liaison, or cultural liaison. Home visiting efforts. Ongoing professional development in family engagement to build capacities and competencies. Parent and family education efforts (e.g., utilizing curricula like Positive Indian Parenting). Family literacy efforts. Collaborative initiatives with community partners. Increase understanding and practices related to mental health and other issues that may impact learning and development.
2. Broaden family and community-based language learning. Create and improve access to language and literacy materials and resources. Build and sustain language revitalization efforts. Place language in a culturally grounded context of community well-being. Align with plans/efforts for Dakota and Ojibwe language revitalization. Language immersion. Create master-apprentice programs to build language and literacy capacities.
3. Work with higher education institutions to support prospective teachers by addressing known barriers to licensure completion. Engage in “grow-your-own” efforts by recruiting and supporting community members who strive to be teachers. Fund mentor teachers. Provide supports to the Minnesota Indian Teacher Training Program (MITTP). Provide ongoing, deep professional development to current workforce on topics like trauma-informed practice. Increase understanding and practices related to mental health and other issues that may impact learning and development.

Each Tribal Nation awarded a grant will submit an annual report to the commissioner on July 1 of numbers of families and children participating.

Up to 5 percent of this proposal is for grant administration.

Impact on Children and Families:
This proposal is specifically designed to build on and align with innovations from public, private, and tribal agencies. Each of the three focus areas allows tribes to develop plans that expand access to, and improved quality of, resources and services within their community. Effective and culturally relevant family engagement has the potential to improve the lives of both children and families, with a variety of data elements being potential indicators. This proposal also increases the number and quality of teachers and the quality of interactions and relationships between adults and children.

Equity and Inclusion:
This proposal is designed to reduce or eliminate inequities for American Indian children and families. Each of the three focus areas are related to known causes of disparities and inequities. Culturally relevant family engagement is designed specifically for the families in the community. Language-based work, including language revitalization, has the potential to address numerous topics, from literacy outcomes in children to family literacy, to cultural narratives and traditions. Lastly, this proposal addresses both teacher quality and teacher diversity.

Sources include:

Jacques, Catherine, & Villegas, A. (2018). Strategies for Equitable Family Engagement, p. 2. https://oese.ed.gov/files/2020/10/equitable_family_engag_508.pdf

Results:
This is a new program. Results will be measured based on the number of grants awarded to Tribal Nations, the number of language revitalization programs planned, implemented and evaluated, and the number of American Indian teacher candidates served by the continuing education incentives.

Change Item Title: Tribal Head Start Allocation Set Aside

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends an addition to Minnesota Statutes, section 119A.52, which dictates the allocation of state Head Start funds. This proposal will add language to designate 10.72 percent of the total Head Start annual allocation to Tribal Head Start programs, where the funds will be divided among the federally designated tribal Head Start programs. After the initial distribution of funds, any remaining funds from the 10.72 percent set aside will be redistributed within the tribal programs at the discretion of the commissioner. This proposal will not change the process to allocate Head Start state funds to non-tribal or migrant/seasonal Head Start programs. This recommendation is cost neutral and will not require additional funding.

Rationale/Background:

The proposed addition to the statute and change in allocation process will provide more consistent funding from year-to-year, stabilizing program operations for tribal Head Start programs. State Head Start funding is currently divided among all Head Start programs as a group. A shift in any of a program's share of federal funding impacts both tribal and non-tribal program allocations of state Head Start funding.

Since Fiscal Year (FY)2018, all but two tribal programs had a reduction in their share of federal Head Start funding. The causes for the reduction of federal funding may be the following:

- An addition of a new federal tribal program in FY 2019 caused the share of state funding to decrease slightly across all programs. It also increased the number of programs that split the capped state funding appropriation of $25.1 million.
- A greater proportional share of federal funds going to non-tribal Head Start programs causes a decrease in state funding for the smaller tribal and non-tribal programs.

At the request of Minnesota Head Start Association (MHSA) and Tribal Head Start Directors, MDE staff convened opportunities to discuss options for creating a more consistent and reliable funding formula so that deep cuts are not experienced by certain agencies when there are major shifts in federal funding that impact an agency's share of state funding.

Proposal:

This is a change to existing Minnesota Statutes, section 119A.52. This proposal is cost neutral and will not require additional funding.

This proposal will designate 10.72 percent of the total Head Start annual allocation to Tribal Head Start programs, where the funds will be divided among the federally designated Tribal Head Start programs. After the initial distribution of funds, any remaining funds from the 10.72 percent set aside, will be redistributed within the tribal programs at the discretion of the commissioner. This model was originally suggested by the Executive Director and legislative committee of MHSA. A Tribal Head Start Director is a member of the MHSA legislative committee.

In conversation with Tribal Head Start Directors and Tribal Nations Education Committee (TNEC) on October 13, 2020, all eight Tribal Head Start programs agreed on this funding model. MDE staff recommended, with agreement from Tribal Head Start programs, that remaining or unallocated funds set aside for tribal programs would be redistributed to Tribal Head Start programs at the discretion of the commissioner.

Impact on Children and Families:

Over the last several years, there have been increases in federal investments for some state Head Start agencies. In 2019, a new federal Tribal Early Head Start program was granted. Increases such as these proportionally impact the allocation of state funds and reduces overall enrollment. Under the current statute, some Tribal Head Start programs experienced reduced state Head Start fund allocations, and as a result, fewer enrollment opportunities for children.

The state Tribal Head Start percentage set aside model will designate 10.72 percent of the annual state Head Start allocation to be used solely by Tribal Head Start programs. This may provide a more consistent annual allocation for tribal programs that are not based on external factors.

Equity and Inclusion:

Overall, Tribal Head Start program funding will be more stable and have the potential to increase enrollment opportunities. Unused portions of the 10.72 percent set aside will be redistributed within Tribal Head Start programs with the capacity to serve additional children. This keeps funding allocated for increased Tribal Head Start programs within a tribal community.

Non-tribal programs will experience overall reduced funding of approximately.09 percent under this model.

IT Related Proposals:

NA

Change Item Title: American Indian Education Aid Extended to Joint Powers

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	81	110	132	136
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	81	110	132	136
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends extending American Indian Education Aid to joint powers districts beginning fiscal year (FY) 2022. The funding received by the joint powers districts would be used to fund American Indian education programming. This proposal seeks an increase of $191,000 for the FY 2022-23 biennium and $268,000 for the FY 2024-25 biennium.

Rationale/Background:

Many Minnesotan American Indian students attend school in districts formed under The Joint Powers Act. The Joint Powers Act provides authority for school districts to offer services to students cooperatively, often by creating another district that is largely independent of the forming school districts, through a joint powers agreement under Minnesota Statutes section 471.59. American Indian students attending joint powers districts do not generate American Indian Education Aid and are less likely to receive American Indian education programming. Families, American Indian education staff, and American Indian Parent Advisory Committees have reached out to the Minnesota Department of Education (MDE) to resolve this funding discrepancy so that American Indian students are ensured to receive cultural programs in any public school.

School districts, charter schools and tribal contract schools operating an American Indian education program and serving more than 20 American Indian students are eligible for American Indian Education Aid. This aid replaced the Success for the Future program in 2015 and increased the funding $2.1 million to over $9 million per year. In order to be entitled to aid, the school must develop and submit a plan to the American Indian education director at MDE. The aid amount is the greater of the district's previous grant from FY 2015, or $20,000 plus $358 for each enrolled American Indian student over 20 on the October 1 of the prior year; however, the aid may not exceed the actual costs of the programming in the schools approved plan. In fiscal year 2020, 133 school districts, 4 tribal schools and 21 charter schools qualified for aid. American Indian education aid supports programming outlined in Minnesota Statutes section 124D.74, subdivision 1.

Joint powers districts and other cooperatives are ineligible for state aid programs unless eligibility for the program is explicitly authorized by Minnesota Statutes, section 123A.482.

There are currently four joint powers districts that serve 20 or more American Indian students. That is projected to increase to six by FY 2024.

Proposal:

The proposed change is to extend American Indian Education Aid to joint powers districts under section 123A.482. Joint powers cooperatives may be established by two or more school districts in order to provide enhanced learning opportunities and broader curriculum offerings than would otherwise be available through an individual district. The agreements are subject to approval of the commissioner.

Impact on Children and Families:

Extending American Indian Education Aid to joint powers districts will empower those districts to provide equitable programming to American Indian students attending their schools. This policy aligns with the intentions of the Indian Education Act of 1988, which provides for a more adequate education for American Indian students in Minnesota. In order to make programming equitable, joint power districts should be eligible for the same aid to bridge the opportunity gap through increased access to resources and services within their communities.

Equity and Inclusion:

Extending American Indian Education Aid to joint powers districts supports equity by serving more identified American Indian students and families through American Indian Education programming and providing access to American Indian Education programming to all American Indian students in the state, regardless of ZIP code. American Indian Education Aid, and the accompanying programming, will have a positive impact for students and families who are in joint powers districts, as they have not been able to receive these services previously. By supporting American Indian student achievement, self-image, cultural heritage, and promoting intercultural awareness amongst students, parents, and staff, this proposal advances inclusivity for American Indian students.

Results:

The program serves nearly 97 percent of the state's American Indian students enrolled in public schools and enables participating students to take part in a variety of college- and career-readiness programs.

Type of Measure	*Name of Measure*	*FY 2016*	*FY 2017*
Results	Statewide American Indian Graduation Rate	51.92%	50.65%
Results	Statewide American Indian MCA Reading Proficiency – 8th Grade	35.9%	32.6%
Results	Statewide American Indian MCA Math Proficiency – 8th Grade	31.1%	26.8%

Change Item Title: Clarifying Intended Recipients of American Indian Education Aid

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends refining the uses for American Indian Education Aid to clarify that the intended recipients are American Indian students. The change would dedicate existing funding to educational programming for American Indian students in Minnesota.

Rationale/Background:

Currently, the way that Minnesota Statutes 124D.74 is written has led to misunderstandings within school districts as to who this aid can be spent on. Subdivision 3 explicitly allows voluntary enrollment of non-American Indian students into instructional components of American Indian education programming funded with American Indian Education Aid. Some districts have interpreted this subdivision to allow them to use American Indian Education Aid on other programming for non-American Indian students that is outside the intent of the statute.

The impact of this clarification will be positive specifically for the American Indian students, and will make it easier to evaluate American Indian education programs and the dollars spent specifically on the American Indian students. It will help address a number of equity and funding problems that have come to light due to the misunderstanding of the current statutory language and ensure that American Indian students receive programming intended to meet their unique cultural and academic needs before funding can be used to enroll non-Native students in programming.

Proposal:

This proposal is cost neutral by clarifying how existing American Indian Education Aid can be used. Additional statutory language in Minnesota Statutes, section 124D.74, will provide that American Indian Education Aid may only be used for the non-Native students to participate in American Indian educational programming after all American Indian students' specific cultural and academic needs are met, and student accountability factors match or exceed their non-Native peers.

Impact on Children and Families:

This proposal builds on and aligns with innovations from Tribal Nation Leaders and their educational organizations to increase educational opportunity and close the opportunity gap thereby improving the lives of the next generation of all Minnesotans.

Equity and Inclusion:

This proposal will reduce, with the goal of eliminating, inequities for American Indian students through targeted programs designed to improve their educational outcomes by ensuring American Indian Education aid reaches American Indian students as intended by statute and subsequently improves their educational outcomes.

Change Item Title: Data Analytics for State Count of American Indian Students

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	455	865	510	355
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	455	865	510	355
FTEs	**1**	**1**	**1**	**1**

Recommendation:

The Governor recommends $1.320 million in FY2022-23, $865,000 in FY2024-25, and $133,000 thereafter to provide data analysis of American Indian student indicators and reporting on the state count of American Indian students on all reports published by the Minnesota Department of Education (MDE). This proposal will fund a four-year IT project and a position in MDE's data analytics unit.

Rationale/Background:

This proposal will enable the MDE Office of American Indian Education to be strategic, build their capacity, and support their constituency. Through its data analytics and reporting, MDE will accurately reflect the state count of American Indian students. The need for data and information about American Indian students was expressed in the very first Indigenous task force meeting by a number of Tribal Nations Education Committee members and tribal representatives so that Tribal Nations educational organizations can better support American Indian students. Additional technology funding and staffing are required to achieve this needed work.

Proposal:

This proposal provides $133,000 annually for an additional position in the data analytics unit supporting the Office of American Indian Education. This data analyst and coordinator of American Indian student data will coordinate, compile, analyze, and report information needed to monitor progress, access gaps in achievement and opportunity, and support policy development proposals. The proposal will also fund the technology and resources needed to support the information technology development and updating of public reports in order to reflect the state count of American Indian students.

Impact on Children and Families:

This proposal would allow MDE to provide more accurate and comprehensive analysis on American Indian student achievement and opportunities so that families and other interested parties have a better understanding on the needs and outcomes related to American Indian student achievement.

Equity and Inclusion:

This proposal would allow Tribal Nations, schools, and other partners to be provided with the necessary data to inform proposals and changes to have a positive impact on American Indian students, families, and communities.

IT Related Proposals:

Category	*FY 2022*	*FY 2023*	*FY 2024*	*FY 2025*	*FY 2026*	*FY 2027*
Payroll	110	520	165	110	0	0
Infrastructure						
Software						
Training						
Enterprise Services						
Professional/Technical Contracts	200	200	200	100	0	0
Other						
Total	**310**	**720**	**365**	**210**	**0**	**0**
MNIT FTEs	2	7	2	1.5	0	0

Results:

The Office of American Indian Education is intended to provide support to American Indian communities and historically underserved Indigenous students. The Office needs data to communicate effectively what is needed to monitor student progress, understand gaps in achievement and opportunity, and propose policies that are effective at supporting American Indian students and their families. Data-focused work is supported for many other areas in education. The Office of American Indian Education has not received this same level of support. This proposal will increase the amount of information available to MDE and Tribal Nations educational organizations so that families and school leaders can be more deeply engaged in supporting American Indian students.

Area	*Outcome*
Data Access	The data needs of TNEC, Tribal Nations education organizations, and researchers working with the Office of American Indian Education will have access to more robust and complete information about American Indian student achievement and needs.
Reporting	American Indian students will be identified and reported more accurately on MDE reports. It is estimated that only reporting the federal definition of American Indian students undercounts the population by 30 percent because students that identify as more than one race are not counted.
Engagement	Families, tribal communities, and school leaders will be able to more easily and deeply engage in meaningful conversation about how to best support American Indian students, and will better be able to fulfill their tribal consultation requirements under the Every Student Succeeds Act (ESSA).

Change Item Title: Minnesota Indian Teacher Training Program (MITTP) Eligible Expenses Expanded

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends modifications to the Minnesota Indian Teacher Training Program (MITTP) to increase the amount of scholarship funding available to each student. The change will allow students to pay for up to the full cost of their postsecondary education.

Rationale/Background:

The MITTP provides scholarships to American Indian students who are pursuing any pre-K through grade 12 career in an educational setting. In addition to teaching degrees, other eligible academic programs include, but are not limited to, American Indian language and culture educators, early childhood educators, counseling or mental health services, paraprofessional services, administration, school healthcare and social work. The program is currently offered at six universities and colleges and is a partnership between postsecondary institutions and school districts, and it provides collaboration and support for aspiring American Indian education professionals. Scholarship funding is granted to applicants who are enrolled members of a federally recognized tribe, or a first- or second-degree descendant of an enrolled member.

In FY 2020, the combined six MITTP joint grantees returned $46,273 to the state. In FY 2019, $208,560 was returned from the then four joint grantees. For FY 2021, it is not anticipated that any funding will be returned. The program modification seeks to ensure that American Indian teacher candidates have fewer expenses to cover, and that more American Indian students are incentivized to participate in the program. The proposed change was precipitated because of the amount of funding for this program that has been returned to the general fund each year, meaning it is not going towards supporting American Indian students to become teachers or fully covering the costs for those that choose to do so.

Proposal:

The statutory updates will allow higher education program grantees the option to increase funding for students to cover the full cost of attendance. Currently, the scholarship recipients may only use funds to cover expenses that are greater than their federally determined expected family contributions (EFC). Many students and families do not have an EFC, which is determined based upon family income; however, those that do will now be able to use these funds to cover the portion that would have otherwise been expected to be covered by the family under the federal definition. The statutory update required is a change to an existing program. The change to the statute will increase postsecondary grantees' availability to distribute more funds to current and future American Indian students seeking careers in the prekindergarten through grade 12 setting. This will reduce or eliminate any funding returning to the state on an annual basis. The proposal does not increase funding for the program nor agency operating funds.

MITTP has six grantees across the state. Four joint grantees are written into the statute and each receives $96,000 annually. Currently, there are two additional grantees competitively awarded $46,000 each annually. These amounts are based upon commissioner discretion as are the two additional competitive grants. The grantees are located mostly in the northern region of the state, geographically closer to the more densely populated areas where American Indian students live and a majority of the Federally Recognized Tribes within Minnesota are established.

Per statute, each grantee is required to spend at least 80 percent of its funding on student scholarships. The remaining funding is to be directed to operational expenses including student programming, recruitment and other program expenses. In the current school year, 37 students are accessing the scholarships through this grant. The proposal will increase the number of students eligible to access the scholarship and increase the amount of scholarship each student is eligible to receive. The amount each student can receive varies due to financial need and the cost of attendance at each postsecondary institution.

Across multiple state agencies there is a variety of programs focused on increasing the number of teachers of color and American Indian teachers, and college graduates. This program complements other programs across MDE, Office of Higher Education, and the Professional Education Licensing and Standards Board to support grantees statewide in the effort to increase American Indian teachers.

Funding for the program increased in 2016 and was expanded from four to six participating grantees two years ago. This proposed statute change would be effectively implemented during the 2021-22 postsecondary school year.

Impact on Children and Families:

This budget proposal is a key component for postsecondary American Indian students seeking education and related careers. Many American Indian students access various funding opportunities and other support from tribal, public, and private agencies. Students completing their degree may be more inclined to take the opportunity to teach or be employed in nearby Tribal Nations or school serving American Indian students.

The proposed modifications will help ensure postsecondary students are fully supported financially to be successful in college. Many of the students utilizing MITTP are non-traditional students and some with children of their own. For those MITTP scholarship students, having access to funding to cover the entire cost of their attendance will be helpful to support their families while they pursue their postsecondary degrees.

American Indian teachers are largely underrepresented statewide. Having American Indian teachers is a benefit for the entire community. It will have a continued effect beyond the immediate scholarship recipient.

Equity and Inclusion:

MITTP is entirely focused on supporting the American Indian communities and individuals statewide. Any American Indian student that has intersectionality with any other protected class will receive the additional opportunity for scholarship support. The additional support may reduce the need for other state or tribal financial support and therefore that support could be directed to American Indian students in other non-teaching postsecondary programs.

This proposal is seeking to increase the amount of a scholarship a student is eligible for and to expand the reach of the program to bring in more American Indian students. All of the funds are being distributed to students in the form of scholarships currently. If there is more demand than funds in the future, additional criteria may need to be established to clarify the priority and amounts of scholarship awards.

Change Item Title: Tribal Relations Training for School Leaders

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	250	250	250	250
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	250	250	250	250
FTEs	**0.10**	**0.10**	**0.10**	**0.10**

Recommendation:

The Governor recommends $250,000 annually for a new program to partner with Tribal Nations to create and provide professional development for all school district superintendents and charter school leaders in Tribal Relations Training. The appropriation would enable the Minnesota Department of Education (MDE) to pay for the participation by all school leaders.

Rationale/Background:

Tribal Nations consistently report issues and concerns with relations with school districts and charter schools in how they treat American Indian students and families, and engage in tribal consultation required under federal law. Tribal-State Relations training has proven to enhance the working relationships and understanding between Tribal Nations and state agencies. A training program, tailored to school leaders, could provide similar benefits for relations between Tribal Nations and local educational agencies on behalf of all the American Indian students and families they serve. Currently, 37 districts, charters, and tribal schools must consult with Tribal Nations under the federal Every Student Succeeds Act (ESSA).

Proposal:

This proposal would establish a new program to provide annual training for all school leaders. The training would be similar to the annual Tribal-State Relations trainings for state agency personnel that is done in collaboration with Tribal Nations and the University of Minnesota. This training would be available for roughly 250-300 school leaders of all districts and charter schools, but could also include school leadership beyond district superintendents and charter school leaders, should funds be available.

Up to 5 percent of this proposal is for administration at the Department of Education.

Impact on Children and Families:

Training received by school leaders will enhance their ability to interact with American Indian students and their families, and to incorporate the American Indian perspective more accurately and easily into their curriculum and family engagement efforts.

Equity and Inclusion:

Training received by school leaders will benefit all American Indian students by ensuring their identity and voices are seen and heard.

Results:

This is a new program. Results will be measured based on the number of grants awarded to Tribal Nations, the number of language revitalization programs planned, implemented and evaluated, and the number of American Indian teacher candidates served by the continuing education incentives.

Change Item Title: Statewide Teacher Mentoring Program

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	5,000	5,000	5,000	5,000
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	5,000	5,000	5,000	5,000
FTEs	**1.50**	**1.50**	**1.50**	**1.50**

Recommendation:

The Governor recommends the creation of an annual $5 million statewide teacher induction and mentoring program that seeks to improve the experiences of early career teachers so that they remain in the profession and thrive as professional educators.

Rationale/Background:

According to Ingersoll's (2018) comprehensive review of national teacher workforce trends, the turnover rate is very high for new teachers in general and even higher for teachers of color, in particular. This trend is particularly strong in high-poverty communities (both urban and rural) and nonwhite communities. This is a significant contributing factor to widespread teacher shortages in our state.

Stronger supports—guidance, models, training, and other technical assistance—for districts and charters, lead to higher quality local induction programs. If local induction programs are higher quality, then teachers will be less likely to move positions as frequently in their career or leave the profession entirely. The intended results are improved induction program quality leading to reduced teacher mobility.

This proposal would address eight of the eleven recommendations from the New Teacher Center's 2016 Policy Report on Minnesota's New Educator Induction Program including:

- Require a rigorous mentor selection process and foundational training and ongoing professional development for mentors.
- Establish criteria for how and when mentors are assigned to beginning educators and allow for a manageable caseload of beginning educators and the use of full-time teacher mentors.
- Encourage programs to provide release time for teacher mentors and dedicated mentor-new teacher contact time.
- Address the overall quality of induction programs by requiring regular observation of new teachers by mentors, the provision of instructional feedback based on those observations, and opportunities for new teachers to observe experienced teachers' classrooms.
- Encourage the participation of beginning educators in learning community or peer network.
- Adopt formal program standards that govern the design and operation of local educator induction programs.
- Authorize and appropriate dedicated funding for local educator induction programs; and/or establish competitive innovation funding to support high-quality, standards-based programs.

- Assess and monitor induction programs through strategies such as program evaluation, program surveys, and peer review.

Proposal:

This proposal provides $4.5 million in competitive grants to Minnesota regional partners, such as institutes of higher education, regional service cooperatives, other district and charter collaboratives, and professional organizations to provide mentoring supports for new teachers as well as on-the-ground training, technical assistance, and networks/communities of practice for local new teachers, districts, and charters to implement Minnesota's induction model.

The proposal also provides $250,000 for contracts with national content experts and research collaboratives to assist in developing Minnesota's induction model and to evaluate the program over time, and up to 5 percent, or $250,000, for MDE program administration and coordination; program funds to start up the program, including financial support to bring stakeholder advisory groups together to set the vision for the work, craft a theory of action, establish program parameters and other activities; and funding for grants administration.

To establish this program, Minnesota would create partnerships among various entities, which could include a combination of institutions of higher education, regional district/charter networks such as, but not limited to, Minnesota service cooperatives, and national content experts and research collaboratives. The state grant program operated under the direction of MDE will ensure consistency in programming across Minnesota. Subgrants will be made to regional entities that will hire induction support teams that will work directly with Minnesota's schools and teachers. Funds would also be used to identify national partners and research collaboratives so that the statewide induction and mentoring program reflects the best and emerging practices in the field, including for example, seven components that should be part of an induction program from Breaux and Wong (2003):

1. An initial four or five days of induction before school begins;
2. A continuum of professional development through systematic training over a period of two or three years;
3. Study groups where new teachers can network and build support, commitment, and leadership in a learning community;
4. A strong sense of administrative support;
5. A mentoring component;
6. A structure for modeling effective teaching during in-services and mentoring; and,
7. Opportunities for inductees to visit demonstration classrooms.

Culturally responsive and sustaining practices must be foundational to the program. This includes, but is not limited to, unique programming developed by and for teachers of color and American Indian teachers (TOCAIT) to systematically disrupt the higher rates of TOCAIT leaving the profession in early career as compared with their white colleagues.

Impact on Children and Families:

Teacher effectiveness tends to increase dramatically in the first few years in the profession, and then the rate of improvement tapers off in middle to late years (though, often, teachers continue to improve every year).

Due to high teacher mobility, many educators may not reach their peak when they leave their jobs, and their replacements are often new teachers who need those first 2-5 years of experience to excel. The educator workforce is significantly more inexperienced than in previous decades. According to Ingersoll (2018), in 1987-88, the most common amount of time a teacher had been in the classroom was 15 years. In 2015-16, it was just 1-3 years of experience. This striking difference in experience is one factor contributing to inequitable opportunities for children of color, American Indian children, children from low-income families, and other marginalized groups, as teacher mobility rates are disproportionately higher in these settings.

Equity and Inclusion:

Foundational to this proposal will be support for all educators to be culturally responsive and sustaining in their practices. Teachers are the heart of the educational system, so supporting them to interrupt and transform the system to eliminate inequities is vital. This proposal will also identify practices to support teachers of color and American Indian teachers through induction and mentoring programs in an effort to reduce high teacher mobility, which is particularly high in districts that predominately service students of color and American Indian students.

Results:

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Percent licensed teachers of color/American Indian teachers working in their field	4.23%	4.3%	2015, 2018

MDE will track the following indicators to determine the success of the Statewide Teacher Mentor program:

- Number of mentors selected
- Number of teachers being mentored
- Number of observations by mentor in partnership with mentee
- Number of opportunities mentee has to observe experienced teachers
- Number of districts/charters who adopt formal induction program standards

Change Item Title: Grow Your Own Expansion

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Transfer Out	1,455	1,455	1,455	1,455
Transfer Out - increase	1,940	1,940	1,940	1,940
Expenditures	60	60	60	60
Special Revenue				
Transfer In	3,395	3,395	3,395	3,395
Expenditure	3,395	3,395	3,395	3,395
Net Fiscal Impact = (Expenditures – Revenues)	2,000	2,000	2,000	2,000
FTEs	**0.55**	**0.55**	**0.55**	**0.55**

Recommendation:

The Governor recommends increasing funding from the general fund for Grow Your Own (GYO) Teacher Training Program by $2 million each year and transferring the grant funds to the special revenue fund. This change aims to increase quality of – and participation in – GYO to specifically recruit teachers of color and Indigenous teachers (TOCAIT) by creating multiple program pathways to develop TOCAIT. By transferring the grant funds to the special revenue fund, it allows the agency more time to spend funds, recruit more participants, and create more quality programming.

With this recommendation, the existing grant funds of $1.455 million and the additional $1.94 million in grant funding will be transferred to the special revenue fund for spending. The Department of Education will spend $60,000 of the new $2 million appropriation and $45,000 of the existing general fund appropriation on grant administration. Grant administration funds will remain in the general fund and not be transferred to the special revenue fund.

Rationale/Background:

Minnesota's Grow Your Own grant program offers school districts and charter schools two pathways to develop their teaching workforce.

- **GYO teacher residency pathway for paraprofessionals**. Districts and charters may apply for GYO funds to support paraprofessionals, community members, and other non-licensed staff who are persons of color or American Indians to obtain a teaching license through a teacher residency program. State funding typically offsets the costs of tuition and programming for students, reducing the financial barrier to obtaining a license for participating individuals.
- **GYO programs for secondary students**. This program creates opportunities for secondary students—especially students of color and American Indian students—to explore careers in teaching, including offering dual-credit postsecondary courses, such as Introduction to Teaching or Introduction to Education. State funding typically pays for instructor salaries and programming experiences for students (e.g., campus visits, bussing to elementary schools to experience classroom settings).

The funds for the program have been shown to be effective in achieving the program's objectives. However, there are barriers that prevent the program from maximizing this effectiveness statewide. There is currently a significant logistical issue in the funding system. The timeline for awarding grant funding is in conflict with the timeline grantees would need to stand up a successful program. Typically a four- to six-month window is needed for a competitive grant making process to be fully awarded. This results in lost time for the grantees to design and

implement a program that aligns to a school calendar resulting in underutilized funds as well as a lack of predictability for programs. Programs that exist at larger schools may be able to weather the financial barriers resulting from these administrative complications, however, it can be a barrier for smaller, rural districts to participate entirely. Addressing this issue will increase the ability for grant applicants to be distributed more statewide.

Eligibility criteria for the teacher residency pathway for paraprofessionals requires that eligible districts have at least 30 percent of their student population be students of color or American Indians. This eliminates potential grantees from several communities around the state who have paraprofessionals and other adults of color and American Indians who would benefit from this program. Establishing a priority for applicants who can demonstrate that they have a population of adults of color and American Indian adults who would be eligible for either the teacher residency pathway or the general pathway for adults would allow for a broader grantee pool across the state.

Another limitation of the current criteria is the requirement that districts may only partner with a "non-conventional teacher residency program" that is pre-approved by the Minnesota Professional Educator Licensing and Standards Board (PELSB). Currently, there are only two such programs in Minnesota – University of St. Thomas and the University of Minnesota-Twin Cities. Both licensure programs have historically offered primarily in-person instruction and support. A consequence of this limitation is that greater Minnesota applicants could not establish a sufficient partnership with two metro-based institutions, thus making them functionally ineligible. By adding another pathway for adults that is not limited to the residency program, this allows any public school to partner with any PELSB-approved teacher preparation program for their GYO efforts. Also, several districts around the state are crafting their own innovative approaches to GYO, but they don't fit within the parameters of the existing grant language. This program change would make these other innovative districts eligible to compete for state funding.

Beyond the current barriers of the GYO pathways, there is the significant issue that Minnesota's educator workforce does not represent the racial and ethnic diversity of the student population. This is one of the pervasive factors contributing to opportunity gaps in our education system. The *2019 Biennial Minnesota Teacher Supply and Demand Report* identified Minnesota's struggle to recruit and retain teachers of color and American Indian teachers (TOCAIT). Nationally, TOCAIT represent approximately 20 percent of the teaching workforce, in Minnesota that number is closer to 4 percent.

According to research, this poses many negative effects for the increasingly diverse student population of our public K-12 schools. Having teachers of color in the classroom provides necessary and valuable attributes that are less likely contributed by the predominantly white teacher workforce and school leadership of traditional K-12 education. TOCAIT are inclined to include culturally responsive pedagogies into everyday curriculum and instructional experiences, and have demonstrated higher expectations for students of color, which leads to improved academic outcomes for marginalized populations. TOCAIT also provide a unique empathy and connection of experience in and outside of the school building with students of color and American Indian students. Furthermore, the research indicates that TOCAIT do not benefit only students of color, but also their white peers as they experience teaching and learning through a different lens that helps shape their perspective by offering curriculum and instruction from different lived experiences.

According to a 2012 study on closing the racial/ethnic gap between students of color and teachers[1] recruiting TOCAIT is generally achieved in five documented ways:

1. Financial incentives (e.g., scholarships, grants, loan forgiveness).

[1] Villegas, Ana Maria, Strom, K., & Lucas, T. (2012). Closing the Racial/Ethnic Gap Between Students of Color and Their Teachers: An Elusive Goal. *Equity and Excellence in Education, 45*(2), 293-301.

2. State-supported recruitment (e.g., state/local funded and run programs that target new TOCAIT through 2- or 4-year college agreements, paraprofessional career ladders).
3. District recruitment center/office (e.g., provide recruitment plans and administration of professional development).
4. Alternative certification (e.g., alternative routes to specifically target people of color to the teaching workforce).
5. Government mandates (e.g., state requirement to support teacher diversity goals).

Obtaining a teaching license in Minnesota is prohibitively expensive, which can be a barrier for historically marginalized groups. Successful programs also must attend to unique needs faced by Black, Indigenous and people of color (BIPOC) individuals as they navigate teacher licensing and as they begin teaching careers, so program funds often are dedicated to offering support programs beyond the traditional model of coursework. Minnesota's GYO grant program touches on the first four of the five methods mentioned above and slightly adjusting and expanding the program to support more potential TOCAIT is an efficient and effective use of funding.

Proposal:

This proposal expands the current GYO grant program by increasing the funding available by $2 million annually, adds a third pathway for districts and charter schools to develop their teaching workforce, modifies the teacher residency for paraprofessionals pathway eligibility criteria, and extends the timeframe over which grants can be used. These changes are expected to lead to additional approved applicants statewide and more grants being fully utilized.

The third pathway proposed would create another GYO pathway for adults. District, charter, or Head Start programs will be able to apply for GYO funding to provide financial assistance, mentoring, and other experiences to support persons of color and American Indian persons to become licensed teachers or preschool teachers, or move from Tier I or Tier 2 to a Tier 3 license. Under this new pathway, funds could be used for:

- Tuition scholarships or stipends for eligible Tier 2 licensed teachers, education assistants, cultural liaisons, or other non-licensed employees who are of color or American Indian and are enrolled in undergraduate or graduate-level coursework that is part of a board-approved teacher preparation program leading to a Tier 3 teacher license;
- Developing and implementing pathway programs with local community-based organizations led by and for communities of color or American Indian communities that provide stipends or tuition scholarships to parents and community members who are of color or American Indian to change careers and obtain a Tier 3 license or other credential needed to teach in a Head Start program; or
- Collaborating with a board-approved teacher preparation program provided by a postsecondary institution to develop and implement innovative teacher preparation programs that lead to Tier 2 or Tier 3 licensure, involve more intensive and extensive clinical experiences with more professional coaching or mentorship than are typically required in traditional college or university campus-based teacher preparation programs, provide candidates with support that is responsive to the unique needs of candidates who are of color or American Indian, and have more than half of their candidates identify as persons of color or American Indian.

This proposal would also permit any teacher preparation programs approved by the Professional Educator Licensing and Standards Board (PELSB) to apply for a GYO grant. Historically, only school districts and charter schools could apply for GYO grants.

Finally, this proposal seeks to extend the length of these grants up to five years and to award grants on an annual basis. This new cycle will give approved programs the time to design and implement programs, and each award cycle will give them a forecast for long-term stability of the program.

Impact on Children and Families:

Research indicates that TOCAIT not only benefit students of color, but also their white peers as they experience teaching and learning through a different lens that helps shape their perspective by offering curriculum and instruction from different lived experiences.

Equity and Inclusion:

The GYO program expansion would increase opportunities for historically marginalized groups to more easily access a career in teaching, which benefits students of color and indigenous students who see themselves in their educators.

Results:

This proposal will be evaluated on the percentage of licensed teachers of color and American Indian teachers working in Minnesota schools.

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Percent increase in licensed teachers of color/American Indian teachers working in their field	4.3%	4.3%	2015, 2018

Change Item Title: Educator Career Pathways

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	4,000	4,000	4,000	4,000
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	4,000	4,000	4,000	4,000
FTEs	**1.26**	**1.26**	**1.26**	**1.26**

Recommendation:

The Governor recommends $4 million annually for public school and charter school grants to create new educator career pathway program components in high schools and postsecondary institutions across the state, with a focus on disadvantaged and underrepresented populations.

Rationale/Background:

Minnesota is experiencing a critical shortage of educators. Minnesota also has one of the lowest percentage of teachers of color represented in the teaching force in the nation. About 34 percent of K-12 students are nonwhite, while teachers of color and American Indian teachers make up only 5 percent of full- and part-time teachers, according to a recent Start Tribune analysis.[1] Data from the 2019 Biennial Minnesota Teacher Supply and Demand report prepared by the Professional Educator Licensing and Standards Board demonstrates that there is a particular shortage of teachers of color and teachers in general in Greater Minnesota.

Minnesota also has a shortage of teachers qualified to teach concurrent enrollment classes. Under the new postsecondary credentialing requirements, high school teachers must have 18 graduate level courses in the relevant content area. Concurrent enrollment programs promote other state objectives to increase participation of students in rigorous coursework options and expanding career and technical education as an important part of the pipeline to creating the world's best workforce. This portion of the proposal would benefit both new and experienced teachers across the state.

The Educator Career Pathway Program will address teacher recruitment priorities by strengthening the teaching pathway by linking high school programs onto postsecondary teacher preparation or state-approved educator programs and licensure. There will be an emphasis on awarding grants to districts which demonstrate plans based on best practices to target recruitment of disadvantaged and underrepresented students and underrepresented prospective teachers.

Proposal:

This proposal would fund three competitive grant programs that create pathways to encourage middle and high school students (primarily ages 14-18 years old) to become teachers. The proposal also supports the recruitment and enrollment in teacher educator pathway programs at the postsecondary level, as well as the retention of new

[1]Mahmamud, F and Webster, M. Minnesota schools struggle with widening racial gap between students and teachers. *Star Tribune.* https://www.startribune.com/as-minnesota-students-become-more-diverse-teachers-remain-mostly-white/498947601/

teachers. All pathways would prioritize, but not be exclusive of, disadvantaged and underrepresented students and underrepresented teachers. All grants would be available and awarded statewide.

The proposal will provide $1.965 million each year to establish grants to districts and charter schools to establish pathways to teaching cohorts of students beginning their educator career pathway in high school, with articulation into postsecondary teaching programs. This would include developing experiential learning opportunities for high school students to explore the teaching profession, such as collaborative union/district sponsored job shadowing, apprenticeships, tutoring, and paid work-based learning in classrooms. School district and charter school grantees will identify cohorts of students who are interested in enrolling in an established path for high school courses that would lead to the college coursework necessary to become licensed teachers.

Through this cohort model, school districts and charter schools will receive MDE grants to develop mentorship and support programs, as well as the opportunity for grants for college tuition and materials for educator coursework. Grantees are encouraged to create a partnership with an institution of higher education. This would also allow MDE to provide grants for high schools, districts, and charters to collaborate with postsecondary institutions in the development of articulated high school to postsecondary teacher educator pathway curriculum.

The second grant will provide $765,000 annually for districts and charter schools to establish tuition incentives for high school teachers to obtain credentials for teaching concurrent enrollment so that concurrent enrollment course options for high school students in both the core content and career and technical education course areas are expanded.

The third grant program will provide $765,000 annually to establish 50-50 matching funds to school districts and charter schools for the development of an educator internship program pilot, along with curriculum, as an alternative pathway to traditional teacher certification. Grantees are encouraged to create a partnership with an institution of higher education. The internship would be developed in a district or charter partnership with a postsecondary educator program as an extended and alternative student teaching experience which provides intensive mentoring and support for aspiring teachers. The student teachers and mentors would be compensated to practice the profession for up to a full year. In the development of this internship program, MDE would provide leadership by utilizing the established Educator Workforce Development interagency team: Explore, Become, Grow, Thrive initiatives that focus on recruitment, retention and mentoring.

MDE would retain up to 5 percent of the grant in order to create a position to develop and oversee the program, administer the grants, and conduct the mentorship program. A portion of the administrative funds would support data analysis to track and research outcomes and effective practices.

Impact on Children and Families:

The primary focus of the grant will be on expanding educator pathways to ensure that we are developing a more diversified and qualified educator workforce. The education profession in general, students, and the state will benefit from the expansion of this work.

Equity and Inclusion:

This program's goal is to diversify the teacher workforce around the state to better reflect the makeup of our student population. This program will be focused on areas of the state with large American Indian populations but will be available throughout the state, especially Greater Minnesota where there is a teacher shortage in many key areas.

Results:

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quality	Percent increase in licensed teachers of color/American Indian teachers working in their field	4.3%	4.3%	2015, 2018

District's perception of the impact of the teacher shortage on their district (2021 Teacher Supply and Demand Report). This is a sample of the total number of districts in Minnesota.

Number of Districts	Very Insignificant	Insignificant	Neutral	Significant	Very Significant
375	7 (2%)	25 (7%)	80 (21%)	185 (49%)	78 (21%)

This is a new program. Results indicators for program success that will be collected from participants will be the number of school districts and charter schools that offer career educator pathways, the number of students served by those programs, and the number of students who matriculate and become licensed educators.

Change Item Title: Multi-Tiered Systems of Support

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	5,000	5,000	5,000	5,000
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	5,000	5,000	5,000	5,000
FTEs	**1.10**	**1.10**	**1.10**	**1.10**

Recommendation:

The Governor recommends $5 million in general funds annually to reinforce systemic approaches to meet the needs of individual students and ensure all schools effectively implement multi-tiered systems of support (MTSS) that deliver additional academic, social, emotional, and physical health services based on targeted, individual needs of students.

Rationale/Background:

Widespread school closures and rapid, unplanned shifts to and from distance learning hinder equitable opportunities to learn. Across school systems, a variety of approaches and platforms have been utilized. They are likely not equivalent to the curriculum and instruction students would have received onsite. Even where rigorous approaches are available, there are a number of challenges within students' home environments that reduce learning opportunities: internet and technology access; limited availability of necessary accommodations and modifications; and adults' availability and readiness to provide supervision and support for students' school work given their own educational background, language, acculturation, competing demands (e.g., child care, working from home, health) material resources, or mental health (NASP; Hansen-Burke and Weeks).

MTSS provides a framework for providing high-quality, research-based promotion, prevention and intervention supports to meet the needs of all students, using data to guide educational decisions to improve academic, social, emotional, and behavioral outcomes (Burns et al., 2016). Key features include organization of research-based practices along a continuum of intensity, use of a standardized problem-solving protocol, application of explicit data-based decision rules for assessing student progress and making instructional and behavior changes, commitment to implementation integrity, and regular systematic screening for early identification of students' responsiveness to supports (Burns et al., 2016; see also NASP, 2016).

Due the interruptions from COVID-19, the social and emotional well-being and physical health of students, families, and educators as a foundation for learning must be prioritized now more than ever. An MTSS framework provides districts and charter schools a system-wide approach to address not just the academic needs of children, but the social, emotional and physical health needs of children as well. The framework will accelerate learning through the implementation of culturally sustaining research, validated practices, and additional intervention and extended time learning opportunities. In order to meet the needs of all students, a MTSS framework provides grade-level learning, regardless of students' starting points; allows for the implementation of high quality curricula to ensure all students have coherent academic experiences; uses assessments that are sensitive to subject and grade band; provides teachers with the information to help students access essential grade-level

work; and organizes teacher and principal professional learning time, and resources to support these changing needs.

Proposal:

The proposal ensures school districts and charters schools intentionally implement a MTSS framework by providing additional state funds to support development, implementation and evaluation in two areas outlined below.

MDE has engaged in a grant-funded process to develop an Equity-Centered MTSS definition and corresponding implementation guidance. A MDE cross-divisional team convened a broad external task force to assist in developing the definition and guidance focused on MTSS implementation. This definition is included in the Governor's 2021 education policy bill. This proposal builds on that work and leverages Minnesota's Regional Centers of Excellence (RCE) to support districts and schools to implement the definition using the MDE guidance.

Another important part of this proposal is developing capacity for a central, binding mechanism that supports the technical assistance necessary for statewide MTSS implementation. The RCE are in a good position to offer assistance and implementation guidance if they are coordinated by, accountable to, and supported by MDE at the state level. Implementing MTSS with fidelity can take years for schools to put in place. The RCE currently support over 250 schools identified for improvement under the state's North Star Accountability system. This proposal would expand the capacity to support districts and schools specifically in the area of MTSS and student supports within MTSS. This proposal also includes creating an MTSS position and provides funds to select contract partners to ensure capacity is enhanced at MDE and in the RCEs. Several states like Wisconsin, Florida, and North Carolina have created statewide MTSS networks with good success.

There are several MTSS models that have demonstrated results, including Language Essentials for Teachers of Reading and Spelling (LETRS), Building Assets, Reducing Risks (BARR), Positive Behavioral Interventions and Supports (PBIS), and Early Childhood Pyramid. LETRS addresses four critical outcomes for effective literacy instruction: understanding the science of reading, converting research to practice, enhancing teacher effectiveness, and transforming instruction. By understanding the "why" behind science and evidence-based research, educators can effectively know how to aid students in learning to read. *LETRS* professional learning is relevant and applicable and designed to be the cornerstone of a multiyear, systemic literacy improvement initiative.

BARR uses eight interlocking strategies that facilitate real, meaningful relationships between adults and students. The BARR model allows teachers to focus on building relationships with students to access their strengths and areas for growth. Educators appreciate the opportunity to see the whole student, including the context of a student's life and experiences outside of the classroom. When implemented the BARR model builds intentional relationships, utilizes real-time data, and enables schools to achieve concrete outcomes for all students.

PBIS is a state-initiated project that provides districts and individual schools throughout Minnesota with the necessary training, coaching, technical support and evaluation to promote improvement in student behavior across the entire school, especially for students with challenging social behaviors. PBIS school teams establish clearly defined outcomes that relate to students' academic and social behavior, systems that support staff efforts, practices that support student success and data to guide decision-making. Over 800 schools are currently creating great results with PBIS.

Finally, the Early Childhood Pyramid Model is a conceptual framework of evidence-based practices for promoting young children's healthy social and emotional development. Currently Minnesota is implementing the Pyramid Model in 82 sites and have experienced positive results. Through the Early Childhood Centers of Excellence, the state has an establish framework in place to scale up training efforts and implementation.

Area 1

$3.2 million of this proposal would provide increased capacity in the six RCEs, the Early Childhood Special Education Centers of Excellence, and MDE to meet this statewide need across the birth through grade 12 learning continuum. This increased level of support through the RCE will include working with districts to enhance their student support services as part of their MTSS frameworks. Each of the six RCE will add 2 staff to provide support for the following areas:

- Training, technical assistance and coaching to districts and schools implementing MTSS and to provide statewide guidance.
- Ensuring the alignment of research validated practices across the early learning continuum prioritizing key early years for the learning of literacy and numeracy as well as the implementation of the Pyramid Model which supports social emotional well-being of our youngest learners.

In order for each district to have an MTSS implementation plan that is systematic yet flexible, the two core MTSS positions will work with cohorts of districts at their stages of MTSS implementation to ensure the necessary structures are in place to support strong student interventions and support services at Tiers II and III as well as Tier I implementation including:

- a master schedule that allows for comprehensive programming with intervention/enrichment blocks built in;
- team structures to facilitate communication, problem-solving, and data-based decision-making;
- integrated data systems to facilitate timely review across domains;
- advanced organization within the academic calendar for assessment activities (e.g., screening, progress monitoring), and
- team meetings for data inputting, analysis, and review.

Additional funds granted to the RCE will be used to defer costs for school and district personnel to participate in cohort activities and other learning activities including stipends, costs for substitute teachers, materials, travel expenses, etc.

These supports and activities would be available to all districts and schools across the state and could potentially impact more than half of the schools and students in the state. Schools and districts would participate by choice but would be strongly encouraged.

To coordinate the supports for schools and districts across the state, this proposal includes 1.1 position at MDE to coordinate the ongoing work of stakeholders, to produce implementation guidance for the state aligned to the state definition, to coordinate work between the staff dedicated to this work at the six RCEs above to ensure consistent quality of support for schools and districts, and to coordinate ongoing program evaluation.

Finally, these funds will be used to engage experts to facilitate planning activities, provide professional development to staff listed above, and to assist with development of the guidance and supporting tools for schools and districts.

Area 2

$1.8 million would fund competitive grants for school districts and community-based organization and programs to support the implementation of evidence-based policies, procedures, and practices within the MTSS Framework in schools and districts and will include before and after school programming. To further support the implementation of a statewide MTSS framework, for example, programs such as BARR and LETRS address the academic, social, emotional and physical health needs due to COVID, resulting in increased school readiness, literacy, student attendance, engagement, and increase graduation rates. In addition, before and after school program opportunities for the most underserved children would be funded for Tier II supports to ensure they receive high quality before and after school extended learning as well as mental health services. This will be done through partnership between schools and non-profit community partners

The additional $1.8 million of funding will complement the quality of before and after school programming by offering activities that advance student academic achievement and social emotional well-being and support student success through community non-profit partners. Organizations would not be required to hire licensed teachers and administrators to provide these opportunities but will work with school district personnel to ensure the opportunities would complement the activities being led by licensed teachers. The additional offerings will combine instructional time and linked enrichment opportunities that complement and reinforce, but not replicate the content, of instructional opportunities, as well as reinforce the need for community organizations and schools to engage in meaningful collaboration to plan for and implement programs that provide academic and enrichment opportunities intentionally designed to support the academic engagement, health, safety and well-being of students.

MDE projects that the $1.8 million will fund up to 10-15 grantees.

The Department will retain up to 5 percent of the allocation for administration and support.

Impact on Children and Families:

Given the impact that the COVID-19 pandemic has had on children and families across the state, supporting schools and communities in an effort to implement a multi-tiered system of support is needed now more than ever. A framework such as this would address multiple levels of need within a community and certainly within a school system by ensuring students receive the supports needed to move them beyond what they experienced (or did not expedience) during COVID with the constant transition from one learning model to another. The before and after school support will only enhance what the children receive during the school day and build back up their social emotional well-being.

Equity and Inclusion:

This MTSS framework is built on equity and inclusion. MTSS ensures each child receives the support needed both academically and emotionally. MDE's intent is to build capacity across the state in the implementation of MTSS and that every school system in the state will be implementing and providing this level of support for children and families.

IT Related Proposals:

N/A

Results:

This is a new program. MDE will be able to evaluate program success based on the number of school districts and charter schools that MDE supports in the formal implementation of an MTSS model. Indicators from those schools that will validate the model for further statewide expansion include:

- Improved reading scores and reduction in disparities between white students and students of color and American Indian students.
- Improved math scores and reduction in disparities between white students and students of color and American Indian students.
- Increased student engagement and attendance.
- Lower discipline rates, especially with exclusionary results.
- Increased participation in rigorous coursework.

Change Item Title: Non-exclusionary Discipline Training

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	5,000	5,000	5,000	5,000
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	5,000	5,000	5,000	5,000
FTEs	**4.1**	**4.1**	**4.1**	**4.1**

Recommendation:

The Governor recommends $10 million over the biennium in general fund spending for grants to train school staff on non-exclusionary disciplinary practices, an non-exclusionary/anti-bias team at the Department of Education, and grant administration.

Rationale/Background:

School discipline policies and practices have a significant impact on the educational and life outcomes of students, in large part due to the links between student discipline and their engagement with school and the extent to which they feel connected to the institution of school and the people within it. Young people want and deserve to feel respected, trusted, and heard. How schools respond to student behavior may be an indication of how young people are viewed by school personnel and the institution of school at large. When school responses to behavior communicate respect, trust, and attention, students tend to feel more connected to school and are more likely to exhibit positive behaviors. Conversely, when responses to student behavior fail to account for student perspectives and backgrounds, youth can experience feelings of alienation and disconnection.[1]

In the 2017-2018 school year, there were 52,136 out of school suspensions, resulting in 107,532 days of instruction missed by Minnesota students. Students with disabilities received 39% of those days missed, despite being only 16% of the student population. Black students received 37% of all disciplinary actions, despite being only 9.2% of the student population. Hispanic students received 10.8% of all disciplinary actions, despite being only 4.7% of the student population.

There are vast opportunity gaps between students of color and students with disabilities compared to their non-disabled, white peers. Black students, Hispanic students, and students with disabilities are excluded from the classroom at vastly disproportionate rates. This proposal aims to reduce some of the 100,000 or more days of school students are kept out of the classroom, to make some progress on the achievement gap.

Of the 57,928 disciplinary actions reported in the 2017-2018 school year, nearly a third (31.7%) of those were a result of disruptive behavior, disorderly conduct, or insubordination. Determining whether behavior is disorderly or disruptive is an inherently subjective decision. This proposal will train teachers to view student behavior though a restorative and non-exclusionary lens, to identify truly disruptive and disorderly behavior and mitigate it, rather than disproportionally excluding students of color and students with disabilities.

[1] Elizabeth Pufall Jones, Max Margolius, Miriam Rollock, Catalina Tang Yan, Marissa L. Cole, and Jonathan F. Zaff

Proposal:

This proposal includes $4.335 million annually in competitive grants which will be available for school districts and charter schools to support the creation and implementation of model policies in behavior and discipline. Grants of up to $50,000 would support up to 90 school districts and charter schools each year. Up to 5% may be used for grant administration.

$600,000 would be allocated for the creation of a non-exclusionary/anti-bias team consisting of four new positions at MDE. The team would develop training, work with schools to train staff on non-exclusionary practices that maintain the respect, trust, and attention of their students, and helps to keep students in classrooms and in school, and support schools in the implementation of model policies in behavior and discipline.

Impact on Children and Families:

Discipline practices in schools are correlated to student engagement. Non-exclusionary discipline practices are less likely to decrease engagement than exclusionary practices. Student success will be increased by creating a climate in which more students are engaged.

Equity and Inclusion:

This proposal will support ending the disproportional impact discipline has on students of color and American Indian students.

Results:

In the 2017-2018 school year, there were 52,136 out of school suspensions, resulting in 107,532 days of instruction missed by Minnesota students. Students with disabilities received 39 percent of those days missed, despite being only 16 percent of the student population. Black students received 37 percent of all disciplinary actions, despite being only 9.2 percent of the student population. Hispanic students received 10.8 percent of all disciplinary actions, despite being only 4.7 percent of the student population. Of the 57,928 disciplinary actions reported in the 2017-2018 school year, nearly a third (31.7 percent) of those were a result of disruptive behavior, disorderly conduct, or insubordination.

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Statewide Disciplinary Incidents	50,207	55,139	2016-17, 2017-18
Quantity	Statewide Disciplinary Actions	52,407	57,928	2016-17, 2017-18
Quantity	Out-of-school suspension	47,108	52,136	2016-17, 2017-18
Quantity	Expulsions	134	72	2016-17, 2017-18

This grant program will provide the resources and tools to district and charter schools around the state to reduce disciplinary action trends and the inequity in those trends.

Change Item Title: MDE Equity Diversity and Inclusion Center - Anti-Bias Professional Development

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	4,000	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	4,000	0	0	0
FTEs	**0.50**	**0**	**0**	**0**

Recommendation:

The Governor recommends $4 million one-time in general funds in fiscal year (FY) 2022 for competitive grants for districts and charters to implement professional development for staff focused on anti-bias instructional practices. The funds will also allow the Minnesota Department of Education's (MDE) new Equity, Diversity, and Inclusion Center (EDI) to create professional development tools and programs for school districts and charter schools on anti-bias instructional practices.

Rationale/Background:

Clear evidence of systemic and pervasive inequities for our students, families, and staff of color and American Indian students, families and staff has made it clear that we have been and continue to be in a racial inequity pandemic. The education system can and must be one of the main fronts to confront this problem. Educators stand in a unique position to influence the achievment of black and brown students but also positively challenge all students to confront overt and inherent bias. For educators to successfully contribute to anti-bias instruction, they must not only seek to combat bias and inequity but must also operate from a common understanding of what anti-bias instructional practices are and how they impact teaching and learning. This begins with examining and becoming aware of their own biases. Access to high-quality professional development will allow educators to obtain effective tools to engage in meaningful anti-bias work in their school communities. MDE's EDI Center will be well positioned to lead this effort by not only creating professional development opportunities, but also managing a grant program for districts and charters to access resources to implement the important work of anti-bias training for instructional practices.

Proposal:

The EDI Center will manage a new one-time grant pool of $3.8 million for grants of up to $50 thousand per school district or charter school applicant. The EDI Center will develop the parameters for recipients based on areas such as community needs, supporting students and families, quality of partner materials, and others. The EDI Center will retain $100 thousand for the development of best-practices and other resources for anti-bias instructional practices as well as build the capacity to provide technical assistance and ongoing guidance. This could result in programming in 75 to 150 school districts and charter schools with a potential impact on tens of thousands of students. MDE will retain up to 5% for program and grant administration (this includes funding for best practices).

Impact on Children and Families:

All children and families will be better served by educators with an increased awareness of inherent bias and strategies to combat them.

Equity and Inclusion:

Better equipping educators to practice instructional methods that are anti-biased will create a more equitable and inclusive teaching and learning environment for all.

IT Related Proposals:

N/A

Results:

This is a new program intended to provide educators with the tools to reduce disparate treatment of students. The success of the program will come from collecting information on the number of participating schools, the number of educators receiving professional development, and resulting trends in academics and achievement across student groups in schools with those trained educators.

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Statewide Disciplinary Incidents	50,207	55,139	2016-17, 2017-18
Quantity	Statewide Disciplinary Actions	52,407	57,928	2016-17, 2017-18
Quantity	Out-of-school suspension	47,108	52,136	2016-17, 2017-18
Quantity	Expulsions	134	72	2016-17, 2017-18

FY 2022-23 Biennial Budget Change Item

Change Item Title: MDE Equity Diversity and Inclusion Center – Trauma-Informed Grants

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	4,000	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	4,000	0	0	0
FTEs	**0.25**	**0**	**0**	**0**

Recommendation:

The Governor recommends $4 million one-time in general funds for competitive grants for districts and charters to implement professional development for staff focused on trauma-informed practices. The funds will also allow MDE's new Equity, Diversity, and Inclusion (EDI) Center to create the professional development for school districts and charter schools on trauma-informed practices.

Rationale/Background:

"Childhood trauma can have a direct, immediate, and potentially overwhelming impact on the ability of a child to learn. Yet, this issue has largely been ignored by our education system. By adopting a trauma-informed approach, schools undertake a paradigm shift at the staff and organizational level to recognize, understand and address the learning needs of children impacted by trauma. This requires a commitment to shaping school culture, practices, and policies to be sensitive to the needs of traumatized learners. This effort positively impacts schools and changes the life trajectory of vulnerable students." (Maura McInerney, Esq., and Amy McKlindon, M.S.W.)

Sadly, trauma in various forms is also a common byproduct of the COVID-19 pandemic and the resulting isolation students, families, and our educators face. Investing in professional development for educators around trauma informed practices best prepares those with the closest contact to students on a day-to-day basis and those creating more system-wide curriculum and resources to address the needs of students in a holistic manner to facilitate learning. Now more than ever, many of Minnesota's schools need that state support to build out these systems.

Proposal:

The EDI Center will manage a new, one-time grant pool of $3.8 million for grants of up to $50 thousand per district or charter school. The EDI Center will develop the parameters for recipients based on areas such as community needs, supporting students and families, quality of partner materials, and others. The EDI Center will retain $100 thousand for the development of best-practices and other resources for trauma-informed practices as well as build the capacity to provide technical assistance and ongoing guidance. This could result in programming in 75 to 150 districts and charter schools with a potential impact on tens of thousands of students. The funding will flow through the MDE EDI Center to districts and charter schools through a grant application process. Up to 5% will be retained for grant administration (this includes the $100 thousand for best-practices).

Impact on Children and Families:

Educators will be better able to create a learning environment that benefits all students, including those that have experienced trauma, and will be able to teach students self-care and resiliency strategies.

Equity and Inclusion:

Historical trauma is often associated with racial and ethnic population groups in the U.S. who have suffered major intergenerational losses and assaults on their culture and well-being. The legacies from enslavement of African Americans, displacement and genocide of American Indians, and Jews who endured the Holocaust have been transferred to current descendants of these groups and others. Historical trauma is a form of trauma that impacts entire communities. It refers to cumulative emotional and psychological wounding, as a result of group traumatic experiences, transmitted across generations within a community (SAMHSA, 2016; Yehuda et al., 2016; The National Childhood Traumatic Stress Network, *Race and Trauma in the Classroom*).

IT Related Proposals:

N/A

Results:

This is a new program. MDE will evaluate the success of program implementation based on the number participating schools, the number of educators receiving professional development, and the resulting mental health and engagement trends as measured by the Minnesota Student Survey and other tools created by MDE and/or used at the local level.

Change Item Title: Expanded Language Access for Families

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	3,000	3,000	3,000	3,000
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	3,000	3,000	3,000	3,000
FTEs	**5**	**5**	**5**	**5**

Recommendation:

The Governor recommends $3 million in general funds annually to enhance the Minnesota Department of Education's (MDE), school districts', and charter schools' capacity to expand language access for families by translating materials for students, families, and community members. This will fund dedicated public engagement and translation services within MDE and grants to districts and charter schools.

Rationale/Background:

Throughout the pandemic, MDE has heard from families, community members, and advocates that their families who do not speak English as a first language are struggling to get needed materials translated in their spoken and read language. This is despite language in executive orders strongly encouraging districts and charters to communicate with their families about learning models and other services in all languages spoken in their district or school community. This makes it difficult for all families to engage with their child's education on the same level. Increased capacity at MDE and at the local level will result in more meaningful engagement about educational programming with families and students whose first language is not English. The grant program to districts and charter schools would be new. While MDE currently uses general agency funds, if available, for translating agency documents and webpages, this funding stream would provide dedicated funding for that purpose and would allow MDE to build leadership and technical assistance capacity.

Proposal:

This proposal will provide $2 million annually for grants to districts and charter schools for translation services. Grants of up to $25 thousand would serve over 100 school districts and charter schools benefiting tens of thousands of students. Districts and charter schools will be prioritized based on the number or concentration of English language learners they serve.

$620 thousand of this proposal will fund five new positions and other resources dedicated to public engagement and translation services. Each position would focus on one of the five most commonly spoken languages other than English spoken by Minnesota families including Spanish, Somali, Hmong, Karen, and Oromo. The public engagement and translation professionals housed at MDE would be able to provide assistance to all districts through translated materials, site visits, professional development, community engagement, creation of guidance, and technical assistance.

The proposal also includes $280 thousand to fund TransACT software services that districts and charter schools may access through MDE and $100 thousand for training contracts. TransACT software allows districts to translate single documents and letters into multiple languages within minutes.

Impact on Children and Families:

This proposal will support school districts and charter schools with the highest concentration of English learners in ensuring all families have access to the same translated communication materials and are equally as informed as their English-speaking peers.

Equity and Inclusion:

The families of all students will be treated more equitably and inclusively by having access to information that is accessible and understandable. In the 2018-19 school year there were 74,315 students identified as English language (EL) learners speaking roughly 300 languages. The rate of growth in EL learners has outpaced the growth of total enrollment over the past several years, according to MDE's enrollment data.

Results:

Below is data that shows there are many languages spoken by families in Minnesota. Funding for this new program could be measured by the number of schools awarded grants and/or the number of materials and communications translated by the department.

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Languages spoken in Minnesota schools	299	312	2018-2019; 2019-2020
Quality	Percent of Minnesotans (age 5+) speaking a language other than English at home	N/A	11.7%	2020
Quantity	English language learner students	N/A	76,361	2019-2020

Change Item Title: Modernizing District Data Submission to Support Students and Educators

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	3,279	3,384	3,252	3,252
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	3,279	3,384	3,252	3,252
FTEs	**6**	**6**	**6**	**6**

Recommendation:

The Governor recommends $6.663 million in general funds in FY 2022-2023 and $6.504 million in general funds in FY 2024-2025 for modernizing data submission systems for school districts and charter schools through the expansion of the data collection and integration system known as "Ed-Fi", and improving data reporting and understanding through the use of business intelligence tools.

Rationale/Background:

Ed-Fi technology was initiated to support the Minnesota Department of Education's (MDE) implementation of the 2016 "All Kids Count Act" which requires the department to report graduation rates, results of the Minnesota Comprehensive Assessments, and more, by detailed ethnicity for students of color and American Indian students. The implementation of Ed-Fi thus far has been funded through a federal grant which ended December 31, 2020. There are currently 153 districts actively syncing to Ed-Fi, with 40 planned to be fully on board this year. By the 2021-22 school year, all districts are planned to be utilizing Ed-Fi. Additional resources are required to continue this implementation schedule and expand the number of both programs and districts using the Ed-Fi system for data collection.

In addition to expanded data collection, the transition to Ed-Fi will create reporting efficiencies for school districts and charter schools that will also benefit the public. Ed-Fi will reduce the number of files that districts and charter schools need to create and upload to MDE, saving them time that can be spent verifying the data's accuracy. Data collected through Ed-Fi can be synced to MDE much more frequently, allowing for more immediate data and information. Collecting new data items currently requires a new collection system or modified file formats, which take time and resources. Ed-Fi offers a nimbler method to collect new data items within a potentially shorter timeframe, allowing state government to focus resources on the needs of the schools, students, and families in timelier and more impactful ways. Without continued funding, progress will be paused on the implementation of the Ed-Fi system overall as well as the implementation of the "All Kids Count Act," and the efficiencies and advantages of Ed-Fi currently in progress would not be realized.

While Ed-Fi is critical for data to be more accurate, more complete, and timelier, the data must be analyzed and made available to interested parties to be of the most value. The demand for quick and user-friendly access to data has increased globally, and MDE is no exception. The spotlight has been put on opportunity gaps and the digital divide during the COVID-19 pandemic. It is more important now than ever to provide communities easy access to data relevant to answering questions about student achievement, student access to programing (Early Learning, Rigorous Coursework, 21st Century Community Learning Centers, English Learning, Homeless, Migrant), student access to technology (devices and internet connection), and student discipline. Additionally, funding to

implement business intelligence tools, such as Tableau, will provide families, decision-makers, and members of the public with more comprehensive and easier to understand student data.

MDE already collects and stores significant amounts of data, which will only increase in volume and detail with the implementation of Ed-Fi technology. MDE currently reports data in various interactive web-based reports and downloadable files. The business intelligence software Tableau was used to analyze and publish learning model data reported by school districts and charter schools as part of the Safe Learning Plan. Feedback from members of the public, policymakers, stakeholders, and families has been positive. MDE has received specific requests to use the same technology for other reports, including the Minnesota Report Card and the American Indian Achievement Report.

Proposal:

This proposal would provide dedicated funding to continue the implementation of the Ed-Fi system that is required in order to collect the data elements of the "All Kids Count Act," as well as produce data visualizations and analytics quickly and efficiently through the use of the business intelligence tool Tableau. The proposal will allow for all school districts and charter schools to be on-boarded to the Ed-Fi system and will expand the integration of data submissions from districts through Ed-Fi to other program areas beginning in July 2021. Funding is also included for maintaining hardware infrastructure and continuing to translate resources for families related to implementing "All Kids Count" legislation. Funding is needed until all Minnesota program areas' data collection efforts are fully transitioned to Ed-Fi over a 10-year period. Once all programs are utilizing Ed-Fi there will be significantly lower maintenance costs, however, maintenance costs for other legacy systems would also be expected to be eliminated.

Administrative or programmatic capacity needed to maintain current level of service after federal grant expires and to increase programs utilizing Ed-Fi requires the following:

Position	***Role***	***FTEs***
MDE Ed-Fi Project Manager	Coordinate tasks between MDE, MNIT, and districts; ensure objectives and vision of Ed-Fi is implemented.	1.0
Ed-Fi Outreach Communication Specialist	Provide communication support to districts for data disaggregation implementation; develop outreach and communication materials for Ed-Fi and data disaggregation (including usage and value of data collected).	1.0
Ed-Fi District Support	Support districts as they transition to Ed-Fi and continue to support the process after initial implementation; liaison between MDE, MNIT/technical, and districts; troubleshoot translation to ensure proper submission and interpretation of Ed-Fi into program databases.	1.0
Ed-Fi Technical Writer and District Support	Develop documentation to support districts and programs as they transition to Ed-Fi; backup to District Support.	1.0
Program Area Specialists for Ed-Fi Implementation	Define Ed-Fi data elements needed for program's collection; communicate quality expectations; suggest enhancements to program area Ed-Fi interface; support districts correcting errors (with some assistance from District Support); provide training on program data element "definitions."	0.0 (ensure maintenance of current staff levels)
Tableau Data Analysts	Support community interpretation of reports; liaison between MDE, MNIT/technical, and community to develop new reports and analysis; validate data reports.	2.0
IT Staffing for MNIT@MDE	This proposal would allow the state to continue to a more secure, consistent, and efficient process for transitioning their program	3.83 + 5.0 contractors

	areas to Ed-Fi submissions. More program areas utilizing Ed-Fi will increase efficiencies at districts as well as within MDE. For some of these additional potential program areas there will also be an increase in data security. Currently some program areas are collecting student information using an online survey tool. Ed-Fi would allow a secure collection of these data elements as well as the efficiency. Work would begin to transition more MDE program areas to Ed-Fi in July 2021.	

Impact on Children and Families:

This budget proposal builds on innovations from other public, private, and Tribal agencies to increase equity and bridge the opportunity gap for children, youth, and families through improved access to resources and services within their community by providing timely, accurate data to identify access and gaps. In order to make informed decisions on where to place resources, data that impacts Minnesota students and families should be transparent and easily accessible by all Minnesotans. Sustaining and expanding MDE's use of Tableau will support MDE's effort to ensure that data collected on Minnesota students is being consumed and understood by the public, policymakers, school leaders, and families so that decisions can be made that support their ability to succeed.

Equity and Inclusion:

Additional programs implementing Ed-Fi will allow for more efficient disaggregation of data by student groups as well as new reports which would provide disaggregation of data by detailed student groups. The opportunity gaps and access to technology that students of color experience will be able to be communicated more clearly, transparently, and will be unavoidably visible. To collectively forge a path forward in addressing the inequities that exist for our students of color, our American Indian students, our LGBTQ students, and our students with disabilities, everyone must be able to understand the depth of the data and relationship between data sets. Using a business intelligence tool such as Tableau will enable MDE to better communicate these disparities visually and in a manner that is easy to understand for non-data experts.

IT Related Proposals:

Category	***FY 2022***	***FY 2023***	***FY 2024***	***FY 2025***	***FY 2026***	***FY 2027***
Payroll	797	836	836	836	836	836
Infrastructure	386	386	241	241	241	241
Software						
Training						
Enterprise Services						
Professional/ Technical Contracts	1,300	1,365	1,365	1,365	1,365	1,365
Other (Rent for MNIT Staff)	41	41	41	41	41	41
Total	**$2,524**	**$2,628**	**$2,483**	**$2,483**	**$2,483**	**$2,483**
MNIT FTEs	8.83 (3.83 MNIT; 5 contractor)	8.83 (3.83 MNIT; 5 contractor)	8.83 (3.83 MNIT; 5 contractor)	8.839 (3.83 MNIT; 5 contractor)	8.83 (3.83 MNIT; 5 contractor)	8.83 (3.83 MNIT; 5 contractor)

Results:
MDE conducted, and published, a program evaluation for Ed-Fi in 2020. Additionally, MDE plans to continue gathering usage data and collecting ongoing feedback through processes such as focus groups. The information provided to MDE will guide which parts of the system are proving most useful and which elements may need to be changed. When this program is implemented, the following metrics will be used to evaluate its efficacy:

Quantity: How many current data collection efforts are manually submitted that can be transitioned to automated submissions? How many current data collection efforts are in isolation requiring manual linking of information across systems in order to provide data analysis?

Quality: Are the data systems more integrated and streamlined, for districts? For MDE?

Result: Are district users spending more time analyzing data trends rather than cleaning and submitting data?

FY 2022-23 Biennial Budget Change Item

Change Item Title: Legal Costs

Fiscal Impact ($000s)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
General Fund					
Expenditures	(2,000)	4,500	0	0	0
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	(2,000)	4,500	0	0	0
FTEs	**0**	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends reducing $2 million of the current general fund appropriation for legal costs and costs related to litigation in fiscal year 2021 and adding $4.5 million in general funds in fiscal year(FY) 2022 to cover legal support costs associated with the Attorney General's Office, discovery, mediation and other direct court costs for MDE. Resources for legal costs will need to continue into FY 2023 due to several complex lawsuits.

This recommendation represents about 18 percent of the Minnesota Department of Education's (MDE) general fund operating budget.

Rationale/Background:

During the 2019 legislative special session, $4.7 million of one-time funds were appropriated in 2020-21 for anticipated lawsuits. While this dedicated funding ends June 30, 2021, the major lawsuits remain in progress. MDE is a defendant in two cases that have the potential to establish landmark rulings in the state of Minnesota. These lawsuits will bring additional costs for attorneys, discovery and experts, court fees, mediation services, and potential trial costs. The total amount of these costs is uncertain and difficult to estimate.

Proposal:

This proposal is for $4.5 million of one-time general fund resources in FY 2022-23 for legal support costs associated with the Attorney General's Office and other costs related to defending and mediating lawsuits. If this proposal is not funded, all legal costs would be paid from general fund operating funds, significantly impacting the agency's ability to support schools, teachers and students. This proposal also cancels funds from FY 2021 for legal costs and costs related to litigation that are projected to go unused but are needed in the FY 2022-23 biennium.

This proposal would enable MDE to maintain programming and impacts the Attorney General's Office ability to budget and plan to provide adequate legal services.

Impact on Children and Families:

This proposal is intended to allow MDE to continue to provide current levels of leadership and support to students, educators, schools and families. MDE serves over 890,000 students from prekindergarten to grade 12, including over 300,000 students of color and American Indian students; 148,000 students receiving special education services; 72,000 English language learners; and over 320,000 students eligible for free and reduced-price lunch.

Equity and Inclusion:

MDE serves more than 2,000 schools across the state; over 58,000 full-time equivalent teachers; 65,000 non-licensed staff; and more than 890,000 prekindergarten to grade 12 students. MDE provides support, technical assistance, funding and much more to the thousands of educators and students in the state to provide an excellent and equitable education to all students in Minnesota.

IT Related Proposals:

NA

Results:

Resources for this new proposal can be measured by MDE's overall progress toward agency-wide goals and measures as current resources will not be directed away from education programming.

Change Item Title: Operating Adjustment

Fiscal Impact ($000s)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
General Fund					
Expenditures	($1,252)	375	751	751	751
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	(1,252)	375	751	751	751
FTEs	**0**	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends a reduction of $1.252 million to the fiscal year (FY) 2021 general fund operating appropriation and additional funding of $375 thousand in FY 2022 and $751 thousand in each subsequent year from the general fund to maintain the current level of service delivery at the Minnesota Department of Education (MDE).

This change represents a 2 percent increase over the FY 2022 – FY 2023 agency operating base general fund.

Rationale/Background:

The FY 2021 operating reduction amount reflects the savings generated due to the state hiring freeze and other operating efficiencies in the current year. Other operating efficiencies include a reduction in legal, building security, supplies and fuel costs, and the elimination of achievement awards and recognition events. These savings were slightly offset by increased communications and other technology costs related to working remotely.

The operating increases recommended in FY 2022 and FY 2023 fund a portion of the projected cost increases in the upcoming biennium. Each year, the cost of doing business rises—including growing costs for employer-paid health care contributions and other salary and compensation-related costs. Other operating costs, like rent and lease, fuel and utilities, IT and legal services also grow. This cost growth puts pressure on agency operating budgets that remain flat from year to year without enacted increases.

Agencies face challenging decisions to manage these costs within existing budgets, while maintaining the services Minnesotans expect. To manage costs, most agencies find ways to become more efficient with existing resources. For MDE, efficiencies have already been implemented to produce savings in FY 2021 and these efficiencies will continue into FY 2022 and FY 2023 along with additional efficiencies including:

- MDE's current lease ends 12/31/2021 (FY 2022). There is a Request for Proposal (RFP) out for a new lease that may result in reduced costs.
- MDE is also evaluating space and square footage needs based on what has been learned this past year with working remotely. This evaluation may indicate that less space is needed and therefore lease costs may be reduced.

Efficiencies will continue in the next biennium; however, cost growth will continue to put pressure on budgets and without additional resources, service delivery erodes. For MDE, this means that these budget pressures would be managed through attrition and other position management impacting the leadership, program and technical support to students, families, schools and educators. MDE serves pre-kindergarten students through Adult Basic

Education and provides statewide library services. There are 2,097 public schools, with 58,315 teachers in Minnesota, serving 842,932 students in pre-kindergarten through 12th grade. MDE support and services include:

- Provide support and leadership for, and partnership with, local education agencies and organizations
- Develop and provide tools and resources for students, educators, and families
- Provide professional development and technical assistance to teachers and school leaders
- Provide support and assistance to families
- Distribute state and federal school aid and grants
- Collect and analyze data
- Oversee state and federal accountability
- Provide state and federal compliance and regulatory responsibility
- Implement laws, programs and guidance to educators

Proposal:

The Governor recommends reducing the FY 2021 general fund operating appropriation by $1.252 million. In addition, the Governor recommends increasing agency-operating budgets to support the delivery of current services. This increase is below the assumed level of inflation, acknowledging continued efficiencies achieved by MDE. For MDE, this funding will cover expected and anticipated employee compensation growth.

Impact on Children and Families:

This proposal is intended to allow MDE to continue to provide current levels of leadership and support to the students, educators, schools and families. MDE serves 842,932 students from pre-kindergarten to 12th grade including over 300,000 students of color and American Indian students, 148,000 students receiving special education services, 72,000 English language learners and over 320,000 students eligible for free and reduced-price lunch.

Equity and Inclusion:

MDE serves more than 2,000 schools across the state, over 58,000 full-time equivalent teachers, 65,000 non-licensed staff and more than 840,000 pre-kindergarten to 12th grade students. MDE provides support, technical assistance, funding, and much more to the thousands of educators and students in the state to provide an excellent and equitable education to all students in Minnesota.

Results:

This proposal is intended to allow the Minnesota Department of Education (MDE) to continue to provide current levels of service and information to the public.

Change Item Title: Adult Basic Education Growth Formula-Hold Harmless

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends a statutory clarification of the Adult Basic Education (ABE) funding growth formula, ensuring continued funding for ABE at current levels (Minnesota Statutes 2019, section 124D.531). There is no cost for this proposal.

Rationale/Background:

ABE provides instruction to eligible adults in the basic academic skill areas of reading, writing, speaking and math. ABE courses include workforce instruction, literacy tutoring, English proficiency for speakers of other languages, citizenship training, work readiness, high school diploma instruction, and transition to postsecondary education.

Currently, Minnesota Statutes, section 124D.531, directs that ABE aid be equal to the prior year plus cap savings times either 1.03 or the actual growth rate of contact hours, whichever is less. Historically, the actual growth rate has increased. The average ABE growth in contact hours over the prior 10 years is now less than 1.00. COVID-19-related disruptions have exacerbated this issue.

For the FY 2019 ABE aid calculation, MDE determined that the statute was not intended to cause the aid to decline and that the statute had been written as it was because no one imagined the “growth” factor would ever be less than 1.00. MDE sought and received an Attorney General’s (AG) opinion that agreed with that assertion. As a result, the FY 2019 and FY 2020 ABE aids were calculated using a growth factor of 1.00.

Proposal:

This proposal will clarify the statute on the ABE funding growth formula to confirm that the growth formula projections would not mean that funding would automatically decrease from one year to the next, if growth trends decreased. The AG opinion supports this recommendation.

This is a change to an existing program and does not require additional funding. The average ABE growth in contact hours over the prior 10 years is now less than 1.00. The current statute directs that the ABE appropriation be equal to the prior year plus cap savings times either 1.03 or the actual growth rate, whichever is less.

Given the above, the statute should be changed to align with the AG’s opinion and current practice.

Impact on Children and Families:

This proposal would confirm at least level funds available for ABE programming, including programming supporting parents. In the 2019-20 school year, more than 48,900 individuals age 17 and over participated in ABE. Just over 10 percent of the individuals served by ABE were single parents (4,931 in the 2019-20 school year). Through ABE, parents have access to high-quality educational programming to help them build literacy skills, earn diplomas and complete job training. With literacy skills, diplomas and job training, parents can better support children with their education. Parents can also succeed in family-sustaining wage careers and create more stable homes for children.

Equity and Inclusion:

Approximately 80 percent of ABE participants are Black, Indigenous and/or People of Color (BIPOC). This proposal would ensure level or increasing funds are available for ABE programming to serve people that have not had access to or have not succeeded in traditional educational systems. Through ABE, adults have access to high-quality educational programming to help them build literacy skills, earn diplomas and complete job training. With literacy skills, diplomas and job training, adults can receive the education they deserve and can succeed in family-sustaining wage careers.

IT Related Proposals:

NA

Change Item Title: Compensatory Spending at Generating Site

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends increasing the amount of compensatory revenue that must be spent on qualifying programs at the generating sites from 50 percent to 80 percent. This proposal has no cost as it does not change overall state aid.

Rationale/Background:

Compensatory education revenue helps schools pay for the academic needs of and programming for students who need extra attention and support to stay on track academically. The funding is allocated based on the number and concentration of low-income children within a school, as defined by the prior year's count of students who receive free or reduced-price lunch.

A district must allocate its compensatory revenue to each school building in the district where the children who have generated the revenue are served. Statute allows school districts to reallocate up to 50 percent of their revenue to other sites based on a plan adopted by the school board.

The allocation requirement applies only to school districts. Charter schools have no similar restrictions on how the revenue may be allocated among the charter school sites.

Proposal:

This proposal will reduce the amount of compensatory revenue that may be reallocated between school sites from 50 percent to 20 percent. This will more closely align revenue to the sites generating the revenue.

Impact on Children and Families:

This proposal will more closely align compensatory funding with the students who generated the revenue.

Equity and Inclusion:

Free and reduced-price meal eligibility serves as a proxy mechanism for distributing more revenue to sites with higher proportions of under-prepared and under-performing learners. This proposal ensures that a higher proportion of the revenue is spent on programs serving students at the sites generating the revenue, while still providing the district with some flexibility to support programs for under-prepared and under-performing learners across the district.

IT Related Proposals: N/A

Change Item Title: Basic Skills and Safe Schools Revenue Use and Reporting Clarification

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends that statutory language defining the uses and reporting requirements for basic skills revenue be updated to align with related law changes and clarified to facilitate more uniform and transparent reporting of how this revenue is used. The Governor also recommends making clarifying changes to reporting requirements on the safe schools levy. This change has no fiscal impact.

Rationale/Background:

The safe schools levy under Minnesota Statutes, section 126C.44, and basic skills revenue under Minnesota Statutes, section 126C.15, which includes compensatory revenue and English learner revenue, have extensive lists of allowable uses outlined in statute. The revenue use lists include a number of overlapping items, and some uses are obsolete due to legislation enacted after the lists were established. In addition, until recently, Uniform Financial Accounting and Reporting Standards (UFARS) coding has not allowed the department to accurately isolate the amounts spent by each district for each of the allowable uses. As a result, policymakers have not had meaningful, transparent information on how the safe schools levy and basic skills revenue are being used and the lack of information on basic skills revenue usage was under review by the Office of the Legislative Auditor (OLA).

To address these issues, the Minnesota Department of Education (MDE) established a working group to gather input from school district officials who work directly with the data during the interim following the 2019 session. The working group was composed of several members of MDE's Advisory Committee on Financial Management, supplemented by volunteers representing other organizations with an interest in this reporting, including the Minnesota Association of School Administrators (MASA), the Minnesota School Board Association (MSBA), and the Minnesota Administrators of Special Education (MASE). The working group recommendations were reviewed and approved unanimously by the full advisory committee.

The working group and advisory committee found that nearly all of the concerns that have been raised about lack of information regarding how districts are using safe schools and basic skills expenditures can be addressed by adding new program and object codes in UFARS to provide more detailed reporting by functional area. MDE has implemented those recommendations, effective with reporting for FY 2021 and later.

With regard to safe schools expenditures, four new program codes and two new object codes were added to UFARS. Existing program codes already allow us to isolate expenditures for various pupil support services, including elementary and secondary counseling, psychological series, health services, and social work services. The four new program codes enable MDE to isolate expenditures for school security, drug abuse prevention, gang

resistance education, and other school safety expenditures. The two new object codes enable MDE to isolate expenditures for school resource officers from other contracted security service expenditures.

With regard to basic skills, nine new program codes were added to UFARS. Existing program codes already allow MDE to isolate expenditures for Assurance of Mastery programs, staff development, various pupil support services, EL programs, early learning programs, extended-time programs, and special education. The new codes enable MDE to isolate expenditures for developmental instruction in reading and language arts, remedial instruction in math, remedial instruction in other content areas, study skills improvement, additional teachers and teacher aides to provide more individualized instruction (broken down by kindergarten, elementary and secondary), additional hours during the regular school year (longer school day/week), and substantial parent involvement.

The advisory committee also recommended that minor technical changes be made in the statutory list of uses for basic skills revenue. These changes would not alter the allowable uses of revenue, but would eliminate obsolete language, add references to new programs, move language among line items to better align similar uses in the same paragraphs, and clarify reporting requirements. No changes were recommended in the statutory list of uses for the safe schools levy; however, optional language was identified to clarify reporting requirements if policymakers would like to see a specific reporting requirement added to the law.

Proposal:

Make clarifying changes to reporting requirements in statute for the safe school levy.

Make technical changes in statutory language defining the uses and reporting requirements for basic skills revenue, as follows:

1. Move language between paragraphs to consolidate all of the language relating to extended-time programming, including summer school, in one paragraph.
2. Eliminate providing "all-day kindergarten" as an allowable use of the revenue. This use has been obsolete since all-day kindergarten funding was initiated in FY 2015 by increasing the pupil unit weight for all-day kindergarten to 1.0, the same as grade 1. Districts can still use basic skills revenue to serve kindergarten students through other revenue uses, such as providing remedial instruction, adding teachers or teacher aides, or extended-time programs for kindergarten students.
3. Add new language referencing voluntary prekindergarten and school readiness plus to clarify the types of programs provided for four-year-olds.
4. Clarify that the annual report on basic skills expenditures provided through UFARS must include a breakdown of expenditures by functional area.

These technical language clarifications and updates, together with the changes that were implemented in UFARS, will facilitate more uniform and transparent reporting of how basic skills revenue is used. The UFARS changes were implemented in FY 2021; the proposed technical changes to statutory language would be effective for FY 2022.

Impact on Children and Families:

Clarifying and updating statutory language defining the allowable uses of basic skills revenue, together with more detailed UFARS reporting, will help ensure that state and local policymakers have better information on how basic skills revenue is being used. Combining this information with outcome data will help policymakers identify the most efficient and effective strategies for assisting students whose progress toward meeting state or local content or performance standards is below the level that is appropriate for learners of their age. In the long run, this will help improve graduation rates and close achievement gaps.

Equity and Inclusion:
Improved information about how school districts are spending basic skills revenue, together with outcome data, will help to improve the knowledge base needed to design strategies for eliminating inequities.

IT Related Proposals:
N/A

Change Item Title: Library Legislation Advisory Group

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	**0**	**0**	**0**	**0**

Recommendation:
The Governor recommends that the Minnesota Department of Education (MDE) establish a Library Legislation Advisory Group. The purpose of the group is to review, advise and, make recommendations as needed for rewriting library statutes (Minnesota Statutes Chapter 134) to the commissioner. The group would meet for approximately 18-24 months.

Rationale/Background:
Minnesota statutes governing libraries have not been reviewed in many years. The language in some statutes is outdated and the description of activities does not reflect changes that have happened in the library field in over 30 years.

An Advisory Group would be charged with reviewing Minnesota Statutes Chapter 134 with an eye toward updating. Moreover, it would consider how to best support libraries in providing essential public services to all Minnesotans on an equitable basis.

A robust conversation across the library community would provide an opportunity to more deeply reflect on the purpose and role of public libraries and review statutes and funding decisions in light of currently available and projected library services. This is particularly important as COVID-19 has had a significant impact on libraries across the state, causing the introduction of new services and service adaptations to meet the health and safety needs of staff and patrons.

Proposal:
This is a new, time-limited advisory group that would expire on December 31, 2022. Library Legislation Advisory Group members would not be eligible for per diems or expense reimbursement.

Impact on Children and Families:
This proposal does not have a direct impact on children and families. It could have the impact of drawing attention and resources to libraries as a primary community resource for children and families.

Equity and Inclusion:
There is a particular need to look at how the provision of library service reflects principles of equity and inclusion. A review of the statutes is a perfect time to assess how library statutes support equity and inclusion.

Change Item Title: Link Programs to General Education Formula Allowance

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends linking certain categorical programs to the general education basic formula allowance beginning with fiscal year (FY) 2024. The programs include English Learner (EL), Local Optional Revenue (LOR), Extended Time Revenue, and American Indian Education Aid. There are no costs to this biennium, but there would be additional costs if formula allowance increases are enacted in future years.

Rationale/Background:

- English Learner Revenue provides funds for instruction and supports for students with limited English-speaking skills. Regular EL revenue is generated at $704 per English learner (EL) ADM and has a concentration formula component with a sliding scale allowance of $250 based on the number of EL students in the district or charter school. Both these allowances have not been increased in over 15 years except to adjust for student accounting changes. As a result, the regular EL formula for FY 2021 is $286 per EL student (41 percent) less than it was in FY 2004 in inflation-adjusted (FY 2021) dollars. As the purchasing power of EL revenue has eroded over time, more pressure is put on unrestricted general education revenue to help support the shortfall. The School Finance Working Group considered the EL cross subsidy to be a key pressure point of concern in Minnesota's current school finance system.
- Extended Time Revenue provides additional services to underperforming, at-risk students in state approved programs offered outside of the regular school day. Students in extended time programs can generate up to an additional 0.2 in average daily membership (ADM) multiplied by an allowance of $5,117 per pupil. This allowance has also remained constant since FY 2014 except to neutralize the effects of the student accounting changes that were made in FY 2015. As such, this revenue has also not kept up with inflation. Extended time revenue for FY 2021 is $1,954 per extended time pupil (38 percent) less than it was in FY 2004 in inflation-adjusted (FY 2021) dollars.
- Local Optional Revenue was created in FY 2015, with a $424 allowance for school districts within the seven-county metro area, and $212 for larger nonmetro districts. Since FY 2016, all districts are eligible for $424 per pupil. In FY 2021, $300 per pupil unit of referendum revenue was transferred to LOR, but the original $424 tier has remained the same. LOR is a general-purpose revenue within general education revenue.
- American Indian Education Aid was enacted in 2015, expanding eligibility and replacing the grant program. School districts and charter schools with 20 or more American Indian students receive $20,000 plus $358 per American Indian student enrollment exceeding 20.
- General education formula increased 2% per year over the last seven years. This represents a modest increase over inflation as measured by the Consumer Price Index (CPI). Based on these past trends, linking

these formulas to the basic formula allowance increase would at least maintain the current purchasing power of these programs.

- Several other school funding formulas are already linked to the general education formula. They are compensatory, sparsity, transportation sparsity, Early Childhood Family Education, nonpublic pupil, nonpublic transportation, and shared time revenue.
- The School Finance Working Group addressed the erosion of funding for these programs by first, recommending a significant increase in the allowances to restore the purchasing power of these programs, and second, to adjust them for future inflation.

Proposal:

Beginning FY 2024, this proposal will automatically increase the allowances used to calculate revenue for regular EL and EL concentration revenue, extended time revenue, LOR and American Indian Aid in years where there is a basic general education formula allowance increase. There is no immediate cost, but districts receive an inflationary increase in these programs if future basic formula allowance increases are enacted.

Impact on Children and Families:

Increasing the funding for EL and extended time programs reduces the cross subsidy from general education revenue, benefiting all students. As LOR is a general-purpose revenue, increasing the funding for this program benefits all students statewide.

Equity and Inclusion:

Extended time revenue, EL revenue and American Indian Aid all provide support and services to students of color and underperforming students. In Minnesota:

- 95 percent of students generating EL revenue are students of color.
- 62 percent students generating EL revenue are students of color.
- 51 percent of American Indian students graduate on-time, compared to 88.4 percent for white students.

IT Related Proposals: N/A

Change Item Title: Online Learning Application Fee Spending Authority

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Special Revenue Fund				
Expenditures	3	3	3	3
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	3	3	3	3
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends granting the Minnesota Department of Education (MDE) authority to spend the revenue that is generated by the online program fees in Minnesota Statutes, section 124D.095. Currently, the agency has the authority to collect this fee, but not to spend it. MDE estimates that there will be revenue of $2,500 per year that will be spent out of the special revenue fund.

Rationale/Background:

Online learning provides a unique way for students to continue, expand or enhance their education. Online learning offers students the ability to engage in learning opportunities they have not had access to before. Some online learning combines traditional classroom courses and online courses at the student's local school, while others allow students to attend classes from home and other locations.

The department must review and approve or deny online learning providers within 90 calendar days of receiving an online learning provider's completed application. The commissioner, using research-based standards of quality for online learning programs, must review all approved online learning providers on a cyclical three-year basis. Approved online learning providers must annually submit program data to confirm statements of assurances for and provide program updates (including a current course list) to the commissioner.

Minnesota Statutes, section 124D.095, subdivision 7(d), allows MDE to collect a fee of up to $250 per application and $50 per course challenge. However, legislative authority is needed to spend the funds collected to support the online programs.

Proposal:

This proposal provides MDE with the authority to spend the revenue that is generated by the online program fees in Minnesota Statutes, section 124D.095. Currently the agency has the authority to collect this fee, but not to spend it. MDE estimates that there will be revenue of $2,500 per year that will be spent. The revenue will be used for:

- Research partnerships with organizations such as American Institutes for Research (AIR) to improve the quality of programs.
- Stipends to outside experts to validate and support program applications and reviews.
- Travel expenses for the online learning specialist to meet on site with staff planning an online learning program.

Impact on Children and Families:

This proposal is seeking authority to spend the funds that are already collected under current statute. These funds, while minor, will allow MDE to pursue avenues for strengthening programs. Upgrading the quality of any education program helps MDE pursue agency priorities for children and families by ensuring all children have access to a variety of quality education programs.

Equity & Inclusion:

By strengthening and improving the quality of state online programs, more education delivery options will be available for students for whom inequities exist.

IT Related:

NA

Change Item Title: Physical Education Standards Aligned with 10-year Cycle

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends delaying the review and revision of the 2017 Academic Standards in Physical Education from the 2022-23 school year to the 2026-27 school year. This proposal has no cost.

Rationale/Background:

The Minnesota K-12 Academic Standards program defines expectations for the educational achievement of public-school students across the state in grades K-12. The standards and benchmarks are important because they: 1) identify the knowledge and skills that all students must achieve by the end of a grade level or grade band; 2) help define the course credit requirements for graduation; and, 3) serve as a guide for the local adoption and design of curricula. Student mastery of the standards is measured through state and local assessments.

Each year, the Minnesota K-12 Academic Standards are in place for English language arts, mathematics, science, social studies and physical education. State standards are also available in the arts, or districts may choose to develop their own. Local standards must be developed by districts for health, world languages, and career and technical education.

State standards are revised on a schedule approved by the Minnesota Legislature.

When Minnesota Statutes, section 120B.021 was revised in 2016, the Legislature directed the Minnesota Department of Education (MDE) to put into rule the most recent SHAPE America standards and to modify and adapt them to accommodate state interest. They also created a 10-year review cycle and placed the review of physical education standards in the 2022-23 school year. Rather than review the standards in the 2022-23 school year when full implementation of the standards will only be in year two and very little data will be known, this recommendation is to have the review occur 10 years after the last review from 2016-17, which would delay the review to the 2026-27 school year.

Proposal:

This proposal recommends delaying the review of the physical education standards to the 2026-27 school year. As stated above, the Minnesota K-12 Academic Standards program reviews various state standards on a schedule approved by the Minnesota Legislature. The standards review process does not receive direct funding but MDE typically incurs costs of approximately $40,000 per standard review to support community engagement activities related to standards review such as substitutes for committee members, travel, and per diem for those who travel a distance. In addition, MDE does not receive direct funding for rulemaking expenses associated with standards review, however, costs related to rulemaking are usually around $15,000 annually.

It should be noted that even though there will be a delay in the physical education standards, the work of the Minnesota K-12 Academic Standards program continues for all standards requirements and thus, no savings can be realized.

Impact on Children and Families:

Students will still have strong outcomes from the current standards and current instruction may improve as teachers will be able to focus on the implementation of those standards rather than starting to review new standards.

Equity and Inclusion:

Students will still have clear expectations for learning and the delay will help to improve implementation and provide more data for a stronger review in 2026.

IT Related Proposals:

NA

Change Item Title: Postsecondary Enrollment Option Clarification

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	(150)	(155)	(155)	(155)
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	(150)	(155)	(155)	(155)
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends clarifying that students who have completed high school graduation requirements, but elect not to graduate, are not eligible for the Postsecondary Enrollment Options (PSEO). This change would be effective beginning fiscal year (FY) 2022.

Rationale/Background:

PSEO is a program that allows public and nonpublic students in 10th, 11th and 12th grades to earn college credit while still in high school through enrollment in and successful completion of college nonsectarian courses at eligible postsecondary institutions. Students generate both college credit and high school credit by successful completion of the course.

Current statute requires that credits earned through PSEO must count towards graduation requirements. Statutes also state that a student that has completed course requirements for graduation but has not received a diploma may participate in the program. This statutory conflict appears to be a technical oversight when Minnesota Statutes, section 124D.09, subdivision 12(d), was amended in 2012.

The intent of the PSEO program is to allow secondary students to receive credit for college courses while attending high school. Permitting students that have met all graduation requirements but have not received their high school diploma to participate in PSEO until age 21 results in some students being able to attend a postsecondary institution for the entirety of their postsecondary degree, which is not the intent of the program. Not addressing this conflict puts the state in a position of funding postsecondary education for certain students beyond their high school years.

Proposal:

The proposal is to eliminate language in section 124D.09, subdivision 8, that is in conflict with the 2012 statutory change resulting in clarity that all PSEO courses must count towards high school graduation requirements. A small savings may be recognized based upon the small number of students in a few districts that have been receiving state-funded college by choosing to delay receiving their high school diploma despite having met all graduation requirements. Based on an estimated 11,063 pupils, the savings to general education revenue would be $150,000 in FY2022 and $155,000 in FY2023 and beyond.

Impact on Children and Families:

This will put all students and families on the same playing field in that the law will be clear which courses are eligible for PSEO. Failing to address the conflict in statute allows families with students that are aware of this

unintended opportunity created by statute to continue to take advantage of it while students who are not able to, academically or otherwise, are not able to do the same.

Equity and Inclusion:

This proposal will ensure that all students have equal access to PSEO courses and that their access is not dependent communication from their district or awareness of the unintended opportunity created by statute by their family.

Change Item Title: State Approved Alternative Program (SAAP) Administration Funding

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	**1.0**	**1.0**	**1.0**	**1.0**

Recommendation:

The Governor recommends the Minnesota Department of Education (MDE) retain one-half of one percent of the district allocation to State Approved Alternative Learning Programs (SAAPs) to provide support for SAAPs.

This change would allow MDE to provide the support and resources SAAPs need to better engage and serve undeserved students and to provide intervention programs at the elementary level to help students acquire grade-level academic skills so that they do not need SAAP programs in later grades.

Rationale/Background:

The U.S. Department of Education defines alternative education as "schools and programs designed to address the needs of students that typically cannot be met in regular schools. The students who attend alternative schools and programs are typically at risk of educational failure (as indicated by poor grades, truancy, disruptive behavior, pregnancy, or similar factors associated with temporary or permanent withdrawal from school)".

Minnesota Statutes, section 123A.05, subdivision 1, defines the types of alternative programs that Minnesota authorizes:

- Area Learning Centers, both core-day and extended-learning programs.
- Alternative Learning Programs, both core-day and extended-learning programs.
- Contracted Alternative Programs, both core-day and extended-learning programs.

In addition to these programs, a separate program is available for Area Learning Centers.

SAAPs currently take students that are not finding success in the traditional setting and MDE needs to be more resourced to support them.

In the long term, administrative funding for SAAPs will be the greatest leverage to improve the elementary targeted services extended-time programs. Research is clear regarding the impact of ongoing, quality programs on addressing opportunity gaps by ninth grade. This is even more critical now, as the pandemic has caused students to miss large chunks of in-person education in early grades and summer and extended-time programs are a vehicle for MDE to provide the time students will need to accelerate learning.

Proposal:

Under this proposal, MDE will retain one-half of one percent of the district basic allocation for SAAP administration to enable MDE to provide support for SAAPs. Currently, school districts may retain up to 10

percent of the funding for their administrative costs. This proposal would reduce the school district share to no more than 9.5 percent and 0.5 percent would be used to cover MDE costs. The total general education funding would not change.

There is currently only 1.0 FTE to support programs that serve over 150,000 students and generate approximately $100 million in revenue for the schools. These funds will be used to hire two additional staff to support the core school day programs, to support the credit recovery programs, and to support elementary extended-time programs. MDE would provide mini-grants to SAAPs to develop engaging ways to educate at-risk students and provide additional funding for SAAPs with an Early Middle College (EMC) program so that programs do not have to choose between having adequate resources for teachers and students participate in this postsecondary education option (PSEO) program. Additionally, MDE would provide professional development to bring alternative educators together to develop strategies and practices to strengthen these programs.

MDE anticipates this will be approximately a $400 thousand increase to MDE's budget and a decrease to the schools' general education allocation each year. The formula to calculate the portion of general education revenue that is retained by MDE to administer the state approved alternative programs is the product of the basic formula allowance times the adjusted pupil units of students enrolled in a state approved alternative program times 0.5%.

The second prior year's student data and formula allowance will be used to compute the current year's transfer to MDE.

Funds will be spent as follows:

Approximately $200 thousand of this allocation would be used for two new grant programs. The first would be a series of mini-grants to SAAPs to bring staff together to develop new models for their program. The second grant would be specifically for SAAP Early Middle College (EMC) programs. Because of the funding model, SAAPS, which are small programs, sustain a loss when students attend the EMC program. For example, a SAAP with 100 students would lose 10% of their budget if 10 students participated in program. This is often not sustainable. Additionally, the law calls for, and students in SAAPs need, more intensive support than other PSEO programs. This grant would allow programs to either fill the hole that is made by student participation or provide resources to the program to support the EMC students. Early Middle College program is one of the best ways to re-engage overage under credit youth by either keeping them in school or bringing them back to school.

Approximately $200 thousand of this allocation would be used to hire one additional education program specialist with associated travel and supply costs. SAAP programs have distinct components. With a total of two education program specialists (existing and proposed), MDE would have one person who would support the comprehensive education programs at the middle- and high-school levels during the core school day and who would focus on credit-recovery programs at the high-school level and be responsible for professional development. The final education program specialist would focus on over 200 targeted services programs, which provide out-of-school time programs for students in elementary school. Research is clear: quality summer programs in the elementary years leads to a significant decrease in opportunity gaps by ninth grade.

This additional position and resources will provide the tools educators need to strengthen their programs. The goal is that this will greatly reduce the number of dropouts since MDE can develop and implement programs to either keep young people in school or bring them back to school.

Impact on Children and Families:

This proposal will help to address the inequities students in SAAPs face. MDE expects these programs to deal with students with significant needs and yet there is not dedicated funding at the state to provide the support needed to do so. This will help MDE to support SAAP's serving children and families.

Equity and Inclusion:

SAAP's provide additional support and resources to reduce or eliminate inequities for students who are not finding success in traditional programs. The goal of this proposal is to support programs in becoming places where young people are able to not only obtain academic skills but also the social emotional skills they need to be successful in the world.

IT Related Proposals:

N/A

Change Item Title: State Approved Alternative Programs (SAAP) Eligibility Narrowed

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	**0**	**0**	**0**	**0**

Recommendation:
The Governor recommends clarifying the eligibility for programs that operate under the Graduation Incentives law. This change will reduce the student population in core school day programs and increase the enrollment in traditional high school programs in districts and charter schools by an equivalent amount.

The revenue generated by a pupil in extended-time programs is the same amount as a pupil in credit-recovery programs at the secondary level. Therefore, this change has no fiscal impact.

Rationale/Background:
State Approved Alternative Programs (SAAP) were established under the Graduation Incentives Law, Minnesota Statutes, section 124D.68, and were designed for students who may not graduate on time with their peers. Under this law there are 12 qualifying factors for students to participate in SAAP programs which are broad enough to include nearly every student in the state. Often, students are referred to these programs in such a way they feel like they must participate.

MDE has heard repeatedly over the years that program staff were told they "had to take" certain students because they had issues that the high school was unable or unwilling to address. Making this change will allow schools to focus on the academic skills that students need to be successful, grade progress and graduate.

For example, students who are homeless may be behind in credits and may benefit from the opportunity to attend a SAAP. But there are also homeless students who are doing acceptable work at the traditional school and want to stay there. They are not behind, however, the school may refer them to a SAAP. In other examples, a student might be an English learner (EL) student and not behind, however, the school may refer them. Being off track should be the qualifying factor for SAAP eligibility and not other circumstances that do not necessarily equal being off track.

Proposal:
This proposal recommends changes to the qualifying factors included in Minnesota Statutes, section 124D.68. Under current law, there are 12 qualifying factors defining student eligibility to participate in state approved alternative programs, many of which are interrelated, and one of which is very broad and would allow nearly any student in the state to participate.

This proposal reduces the eligibility criteria for students to participate in a state approved alternative program to the following:

- Performs substantially below the performance level for pupils of the same age in a locally determined achievement test (elementary students);
- Is behind in satisfactorily completing coursework or obtaining credits for graduation (high school students); or,
- Has been excluded or expelled according to sections 121A.40 to 121A.56.

Nearly all of the qualifying factors tie back to being behind your peers—either on one of the tests needed for graduation or by being behind in credits. Currently, SAAP's are spread too thin to attempt to address the wide range of needs in law. By narrowing the scope of students they are working with, they will be able to more effectively serve them. Over half of the students served in alternative programs are 12th graders and beyond. The greatest need is serving students who benefit from these programs the most.

Impact on Children and Families:
Alternative programs would be clearly identified as programs to engage the disengaged, support students who need support, and provide options for students who choose to enroll in an opportunity to fulfill their high school requirements and move on to a career and/or college.

Equity and Inclusion:
By focusing the eligibility for these programs, they will be more equitable in that students cannot be referred out unless they are off track to graduate.

IT Related Proposals:
NA

Change Item Title: Tax Increment Financing (TIF) Adjustment Technical Correction

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends correcting a year reference used in the calculation of tax increment financing (TIF) adjustments made to school district aids and levies. This proposal has no cost as MDE has been administering the law as if the year reference had been changed as intended.

Rationale/Background:

School districts with Tax Increment Financing (TIF) districts within their boundaries may receive distributions of excess taxes or surplus increments generated from TIF districts. Since this revenue source is not equally available to all districts, a negative adjustment is made to the school districts aid and levy to neutralize the effect of the payments. The aid portion of the adjustment is based on the ratio of the district's equalized levies to total levies if the district qualifies for the corresponding equalization aid.

The calculation to split the adjustment between aid and levy is the same as what is specified for abatement revenue under Minnesota Statutes, section 127A.49, subdivision 2. When the basis for the ratio calculation was changed from the current year to a prior, finalized year to simplify both the abatement and TIF adjustment formulas, one of the year references was inadvertently not amended in the TIF adjustment formula. The Minnesota Department of Education (MDE) has been administering the law as if the year reference had been changed as intended.

If the underlying equalized levy formulas remain relatively unchanged, not correcting this inconsistency would have minor impacts on the proportion of aid and levy in the TIF adjustments. If underlying formulas were significantly changed, the effect of the mismatched data might be more pronounced.

Proposal:

This proposal will correct the year reference used for the levy ratio calculation so that all components of the TIF adjustment are computed using data from the same revenue year basis. This proposal has no cost as MDE has been administering the law as if the year reference had been changed as intended.

IT Related Proposals:

N/A

Change Item Title: Statewide Assessment Reduction

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	(1,200)	(1,200)	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	(1,200)	(1,200)	0	0
FTEs	**0**	**0**	**0**	**0**

Recommendation:
The Governor recommends including a onetime reduction in state general fund spending for statewide assessments in fiscal year (FY) 2022 and FY 2023 of $1.2 million per year. The FY 2022 and FY 2023 reductions are approximately 11 percent of the state's dedicated funding for statewide assessments.

Rationale/Background:
Statewide testing's mission is to design, develop and implement a system of assessments so Minnesota students, parents, teachers, administrators, legislators and taxpayers will have access to valid and reliable data to support and improve education in Minnesota. The Minnesota Department of Education's (MDE) purpose is to build a comprehensive assessment system and provide analytics that add value to Minnesota's education system.

MDE awards contracts to vendors, manages the contracts, supports districts' administration of the tests and reports test results. Part of the district and agency support provided by the division comes from the Data Analytics Team, which conducts complex analysis of program-specific data, which often includes test results.

Proposal:
This proposal is to reduce funding for the statewide testing and reporting system under Minnesota Statutes, section 120B.30, one time, in FY 2022 and FY 2023, by $1.2 million per year. In order to not adversely impact students, families, schools, districts and community members, MDE will utilize a greater percentage of federal funds to implement statewide assessments. There will not be a reduction in services or supports in FY 2022 or FY 2023 with this proposal.

Impact on Children and Families:
Students, families, and schools will not see a reduction in services or supports in FY 2022 or FY 2023 with this proposal.

IT Related Proposals:
NA

Change Item Title: Right Size College Entrance Exam Reimbursement

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	(500)	(500)	(500)	(500)
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	(500)	(500)	(500)	(500)
FTEs	**0**	**0**	**0**	**0**

Recommendation:
The Governor recommends a reduction of $500,000 each year to the funding for College Entrance Exam reimbursements. The fiscal year (FY) 2022 and FY2023 reduction is approximately 33 percent of the state's dedicated funding of $1.511 million per year for college entrance exam reimbursements. This is not expected to reduce services or students served because it will reduce the appropriation to align with long-term spending trends.

Rationale/Background:
This program reimburses school districts and charter schools for the cost of one nationally recognized college entrance exam per student who wishes to take the exam and is identified as receiving free or reduced-price lunch or is unable to pay. The district must provide grade 11 and 12 students the opportunity to take a college entrance exam at the student's high school during the school day in the district.

In previous years, the appropriation for college entrance exams was not fully utilized.

Proposal:
This proposal includes a reduction of $500,000 per year in funding. A reduction in services or supports for college entrance exams reimbursements is not anticipated with this proposal. Based on previous years, there are sufficient college entrance exam funds even with the proposed reduction to cover all school district and charter school reimbursement requests. This is further supported by indications from some post-secondary institutions that they will not require, at least for a period of time, a national recognized college entrance exam for entry into their programs.

Impact on Children and Families:
In previous years, the full allocation for college entrance exams was not requested or used. Based on previous reimbursement amounts, there are sufficient college entrance exam funds even with the proposed reduction.

Equity and Inclusion:
A reduction in services or supports is not anticipated.

Change Item Title: Compensatory Hold Harmless

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	61,451	6,828	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	61,451	6,828	0	0
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends a one-time increase in compensatory revenue of $68.279 million for fiscal year (FY) 2022 for school districts, charter schools, cooperative and intermediate school districts, and tribal contract schools aid entitlements to mitigate the revenue loss resulting from the underreporting of students eligible for free and reduced priced meals in the 2020-21 school year. This will increase general fund expenditures by $61.451 million in FY 2022 and by $6.828 million in FY 2023.

Rationale/Background:

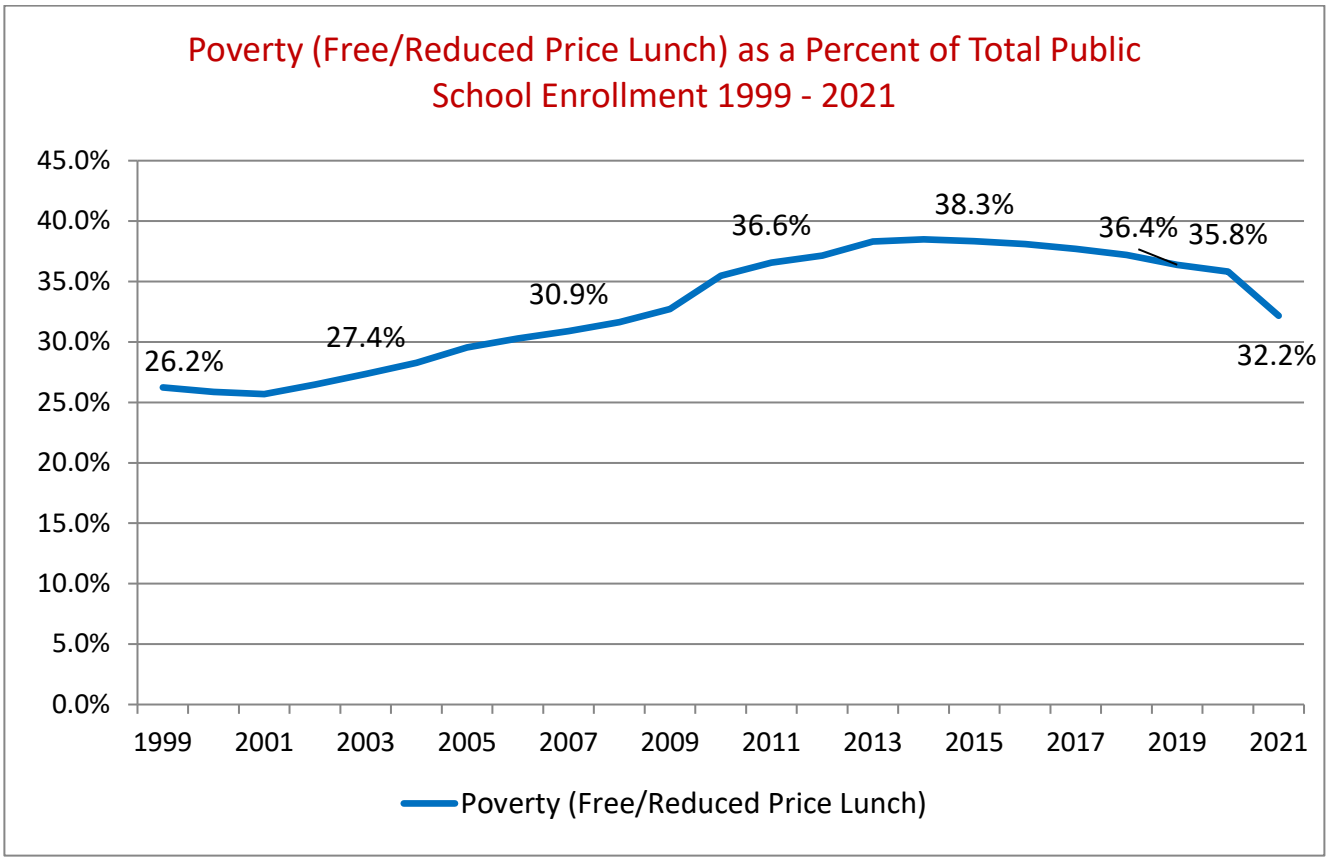
Compensatory revenue is a component of general education revenue. October 1 enrollments and free/reduced price meal eligibility data are used to calculate the following school year's compensatory revenue for each public-school site. The higher the concentration of students eligible for free or reduced-price meals, the more state aid is generated per eligible student. Fewer households have provided necessary applications this year, which will reduce next year's compensatory revenue.

To qualify for free/reduced priced meals and to generate compensatory revenue, the student's family must complete a household income statement, if they aren't directly certified by participating in a program through the Department of Human Services or categorically eligible as experiencing homelessness or as a foster student. Although families may complete these forms at any time during the year for meal program eligibility, they don't generate compensatory revenue unless the forms are completed by December 15th of each year (extended to January 4th this year due to legislation enacted in the 7th special session of the Legislature). The number of returned household income statements for students who cannot be directly certified is reduced this year for the following reasons:

- Students are already receiving free meals under a federal program so families have no immediate need to complete the form. They may be unaware of the financial benefit to the school.
- The exchange of paperwork may have been made more difficult under distance learning. Less contact with families has made it difficult for schools to educate their families about the need for the applications.
- Due to distance learning with no daily transportation to and from school, students experiencing homelessness may not have been identified by a change in a bus pick-up location. The identification of homelessness would have made the students categorically eligible for free meals.

As indicated in the chart below, the percentage of public-school students in poverty as measured by free/reduced price lunch eligibility peaked at 38.3 percent in 2015, followed by a gradual decline each year. From the fall of 2019 to the fall of 2020, the percentage dropped from 35.8 to 32.2 percent, largely due to the underreporting of

the household income statements. This drop will reduce compensatory revenue statewide from $541.8 million in FY 2021 to $464.8 million for FY 2022, affecting 75 percent of districts and schools across the state.



Proposal:

This proposal would guarantee that districts receive at least the same average compensatory revenue per student in FY 2022 as in FY 2021. The additional amount for eligible districts is equal to the difference between the compensatory revenue per prior year fall enrollment for FY 2021 and FY2022, multiplied the fall 2020 total enrollment. For tribal contract schools a similar provision would be added to the tribal contract aid formula for FY 2022. Tribal contract aid supplements federal aid for these schools to ensure an adequate and uniform education to their students. The formula relies on the same reporting of free and reduced-price lunch eligibility, so underreporting may impact the funding for these schools as well. The following table shows the breakdown between general education and tribal contract aid.

Appropriation Summary (in thousands)	FY 22	FY 23	FY 22-23 Biennium	FY 24	FY 25	FY 24-25 Biennium
Gen Ed Compensatory	$61,406	$6,823	$68,229	$0	$0	$0
Tribal Contract Aid	$45	$5	$50	$0	$0	$0
Total Appropriation Change	$61,451	$6,828	$68,279	$0	$0	$0

Impact on Children and Families:

Restoring the loss of compensatory revenue will help preserve programming for historically underserved students, while freeing up resources for improved educational programs for all learners.

Equity and Inclusion:
Underserved students and families have been particularly impacted by distance learning in response to the pandemic. Free and reduced-price meal eligibility serves as a proxy mechanism for distributing more revenue to schools with higher proportions of under-prepared and under-performing learners. This recommendation will help restore the funding loss from the underreporting of these students and which will support programs for students that are historically underserved.

IT Related Proposals:
N/A

Results:
This recommendation is intended to increase one-time resources, for districts that may see decreases in state aid due to pandemic related underreporting of students eligible for free and reduced priced meals. This proposal aims to ensure programming for students is not reduced as a result of the underreporting. By maintaining resources for districts, the intended result is the preservation of education programming throughout the state.

Change Item Title: Advanced Placement - International Baccalaureate STEM Grant Clarification

Fiscal Impact ($000s)	FY 2022	FY 2023	FY 2024	FY 2025
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	**0**	**0**	**0**	**0**

Recommendation:

The Governor recommends a clarification to the Advanced Placement and International Baccalaureate (AP/IB) science, technology, engineering, and math (STEM) Grant program to allow for more participation and access to these rigorous courses statewide by allowing the adoption of a three year plan after the grant is awarded, adjusting the maximum grant award, prioritizing AP computer science courses, and by encouraging the Commissioner to consider geographic balance when awarding the grants.

Rationale/Background:

In 2017, the Legislature passed the AP/IB STEM grant program at $250,000 per year to increase access to these courses for low-income and underserved students. The grant program specifically called for grant participants to (1) increase the availability of access to AP/IB courses, (2) expand the breadth of AP/IB courses available, (3) increase the number and diversity of students in AP/IB courses, (4) provide low-income and underserved students with more access to AP/IB courses, and (5) increase high school students who receive college credit through AP/IB courses.

STEM education creates critical thinkers, increases science literacy, and enables the next generation of innovators. Innovation leads to new products and processes that sustain our economy. Most jobs of the future will require a basic understanding of math and science. Additionally, the most in-demand jobs now and in the future require a strong background in the STEM fields in health care, construction, and finance.

The data consistently shows disparities in students' access to, participation in, and performance in AP courses throughout Minnesota. In 2017, the College Board introduced AP Computer Science Principles (CSP) which was designed to broaden participation in computing through a breadth-first introduction to the big ideas in computer science(creative development, data, algorithms and programming, computer systems and networks, and the impact of computing). Data provided by the College Board shows that on a national level this course has provided promising data to close the gaps of access, participation and performance but also shows Minnesota lags far behind in providing them. Prioritizing this course provides great potential to meet industry demands and close gender and racial gaps.

While these opportunities have proven to increase access to low-income and underserved students, resulting applications and discussions between the Minnesota Department of Education and districts who have considered applying has demonstrated that the language in the original legislation has been a barrier for some districts and charters to participate, especially smaller ones. The requirement of submitting a three-year plan before the

funding is awarded has proven to be too onerous. Additionally, the funding parameter of $85 per pupil has been particularly disadvantageous for smaller participants.

The barriers have resulted in only three charter schools and two districts applying for grants in FY 18 and FY 19, all of which were in the metro area. Only one charter and one district applied in FY 20 and FY 21. Both were in the Metro as well.

Proposal:

This is a no-cost change to the grant application requirements and funding parameters of the existing AP/IB STEM grant program. The changes will do the four following things:

1. Moves the adoption of a three-year plan by the school district or charter school board to 90 days after the grant is awarded instead of as a requirement to apply for the grant.
2. Removes the calculation of a per pupil maximum and budgeted expenditure maximum and sets the grant cap at $75,000 per district or charter school.
3. Prioritizes grants for applicants that add or expand AP Computer Science Principals courses.
4. Encourages the Commissioner to consider geographic balance when awarding the grants to better ensure a statewide approach.

These changes have been specifically identified as ways to entice more districts and charter schools to apply for the program, thereby increasing the reach to more students across the state. This change would be effective upon implementation to allow for as much time as possible to apply and set up programs for the 2021-22 school year.

Impact on Children and Families:

This program is targeted at increasing participation in AP/IB courses and access to postsecondary credit bearing opportunities. This will improve student's access to rigorous coursework and opportunities to lessen college debt with postsecondary credits.

Equity and Inclusion:

This program is targeted at increasing rigorous coursework and postsecondary credit-bearing opportunities for low-income and underserved students.

Results:

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quantity	Number of low-income students/percentage of low income students taking AP exams. These exam fees are fully funded.	5,251 (11%)	5,325 (12%)	FY18; FY19
Quantity	Number of low-income students/percentage of low income students taking IB exams. These exam fees are fully funded.	1,125 (28%)	1,117 (28%)	FY18; FY19
Quality	Percent of AP exams proficient (3 or above) or above (national average is 57% and 58%). These are scores of 3 out of 5 and above.	66%	66%	FY18; FY19
Quality	Number of IB exams proficient or above (national average is 74%, both years). These are scores of 4 out of 7 and above.	51%	61%	FY18; FY19

Statutory Change(s):

Minn. Stat. 120B.132

Program: Education Leadership and Support

education.mn.gov/MDE/index.html

AT A GLANCE

The Education Leadership & Support program sets policy and directs annual spending. In Fiscal Year (FY) 2019 this program directed the spending of $10.4 billion.

Also in FY 2019, this program provided guidance and assistance to:

- 883,004 students in prekindergarten through grade 12.
- Over 125,000 children participating in early learning programs.
- 331 school districts, 169 charter schools and four tribal schools.
- 60,320 adult learners (FY 2020).

PURPOSE & CONTEXT

The goal for education is: "Ensuring every child receives a quality education, no matter their race or zip code." The Minnesota Department of Education (MDE) is striving to make Minnesota the Education State, where the public education system is intentionally designed to help each individual student thrive.

In this work, MDE is aiming for three objectives:

- Every student deserves a world-class education.
- Every student deserves to attend a safe, nurturing school.
- Every student deserves to learn in a classroom with caring, qualified teachers.

SERVICES PROVIDED

Services provided by MDE's Education Leadership & Support program support three overarching strategies:

1. **Direct support:** MDE directly supports the continuous improvement of teaching and learning to schools, teachers, children, students and parents. In this work the Education Leadership & Support program:
   - Provides training and resources to assist schools, families, and the department in maintaining compliance with state and federal laws and policies.
   - Assists schools and childcare providers in providing nutritious meals and creating safe and healthy learning environments.
   - Develops and extends statewide library services.
   - Established and administers a School Safety Technical Assistance Center to assist districts and schools to provide a safe and supportive learning environment.
2. **Prekindergarten through 12th-grade systems:** MDE provides systems support through program and policy development and assessment. The Education Leadership & Support program:
   - Administers the Carl Perkins federal grant program.
   - Administers and collects data for the state's assessment and accountability system.
   - Develops and implements assessment systems to measure student knowledge and skills on Minnesota K-12 Academic Standards and Minnesota English Language Proficiency Standards.
   - Develops academic standards.
   - Monitors school district and MDE compliance with state and federal education laws.
   - Administers the Minnesota Braille and Talking Book Library.
   - Implements the student maltreatment, charter schools, and early education policies and programs.

3. **Guidance, technical assistance, and funding:** MDE provides supportive leadership to all educational entities by providing guidance and technical assistance to meet state and federally legislated requirements and administers school funding programs. Education Leadership & Support also:
   - Provides leadership, policy direction, and information technology services for the agency.
   - Develops tools and provides guidance to assist schools in the implementation of programs and academic standards.
   - Provides policy guidance for school choice programs, including online learning.
   - Distributes formula and competitive grants, as well as aid programs.
   - Calculates state aid and distributes payments to school districts and charter schools.
   - Calculates school district local property tax levies.

RESULTS

Goal: Early Learning – Minnesota will increase the proportion of students who make greater than expected developmental gains in language, literacy and communication by 5 percent overall, and by 10 percent for students of color, American Indian Students low-income students English learners, students receiving Special Education services, and homeless students (measured from Voluntary Prekindergarten, School Readiness Plus, and Early Childhood Special Education programs).

2018	*2019 Baseline*	*2022 Goal*	*Distance from Current Result to 2022 Goal*	*2025 Goal*
n/a	57% overall	62% overall	5% overall	n/a

Goal: Reading - Minnesota will increase the proportion of students demonstrating proficiency in third-grade reading to 79 percent, with no student group below 64 percent, which reflects progress towards existing 2025 goals.

2018	*2019 Baseline*	*2022 Goal*	*Distance from Current Result to 2022 Goal*	*2025 Goal*
55.6%	55% overall	79% overall	24% overall	90%

Goal: Math - Minnesota will increase the proportion of students demonstrating proficiency in eighth-grade math to 78 percent, with no student group below 63 percent, which reflects progress towards existing 2025 goals.

2018	*2019 Baseline*	*2022 Goal*	*Distance from Current Result to 2022 Goal*	*2025 Goal*
56.4%	56% overall	78% overall	22% overall	90%

Goal: Science - Minnesota will increase the proportion of students demonstrating proficiency in fifth-grade science to 78 percent, with no student group below 65 percent, which reflects progress towards existing 2025 goals.

2018	*2019 Baseline*	*2022 Goal*	*Distance from Current Result to 2022 Goal*	*2025 Goal*
58%	55% overall	78% overall	23% overall	90%

Goal: Graduation - Minnesota will increase the four-year graduation rate to 90 percent, with no group below 85 percent.

2018	*2019 Baseline*	*2022 Goal*	*Distance from Current Result to 2022 Goal*	*2025 Goal*
82.7%	87% overall	90% overall	3% overall	n/a

Goal: Dropout Rate - Minnesota will decrease the four-year high school dropout rate to 2.5 percent, with no group above 5 percent.

2018	*2019 Baseline*	*2022 Goal*	*Distance from Current Result to 2022 Goal*	*2025 Goal*
4.7%	5% overall	2.5% overall	2.5% overall	n/a

M.S. 119A; M.S. 120-129B; M.S. 134-135.

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	22,544	27,184	23,628	27,682	24,818	24,884	37,324	33,793
2000 - Restrict Misc Special Revenue	7,078	5,377	6,560	7,721	7,718	7,727	7,718	7,727
2001 - Other Misc Special Revenue	829	456	1,054	1,621	1,407	1,407	1,407	1,407
2403 - Gift	101	104	101	130	105	104	105	104
3000 - Federal	81,417	83,570	98,163	105,894	102,751	97,172	102,751	97,172
3010 - Coronavirus Relief			302	244,800				
6000 - Miscellaneous Agency		1	2	2	2	2	2	2
Total	**111,968**	**116,692**	**129,811**	**387,850**	**136,801**	**131,296**	**149,307**	**140,205**
Biennial Change				289,001		(249,564)		(228,149)
Biennial % Change				126		(48)		(44)
Governor's Change from Base								21,415
Governor's % Change from Base								8
Expenditures by Activity								
Education Leadership and Support	110,749	115,247	128,760	386,210	135,472	129,975	147,978	138,884
Regional Centers of Excellence	938	1,210	781	1,219	1,000	1,000	1,000	1,000
Office of Innovation	2							
Accountability and Improvement			6					
Student and School Success	40			47	10	2	10	2
Board of School Administrators	240	235	264	374	319	319	319	319
Total	**111,968**	**116,692**	**129,811**	**387,850**	**136,801**	**131,296**	**149,307**	**140,205**
Expenditures by Category								
Compensation	39,045	41,088	42,843	46,321	48,672	47,061	50,990	49,765
Operating Expenses	32,138	34,351	33,749	38,800	39,050	36,184	47,038	40,189
Grants, Aids and Subsidies	40,766	41,249	53,190	302,729	49,079	48,051	51,279	50,251
Capital Outlay-Real Property	2							
Other Financial Transaction	17	4	29					
Total	**111,968**	**116,692**	**129,811**	**387,850**	**136,801**	**131,296**	**149,307**	**140,205**
Total Agency Expenditures	111,968	116,692	129,811	387,850	136,801	131,296	149,307	140,205

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Internal Billing Expenditures	5,354	5,367	5,738	6,235	6,775	6,085	6,775	6,085
Expenditures Less Internal Billing	**106,614**	**111,325**	**124,073**	**381,615**	**130,026**	**125,211**	**142,532**	**134,120**
Full-Time Equivalents	**372.58**	**377.14**	**380.77**	**393.70**	**391.94**	**392.46**	**408.55**	**409.07**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	29,375	25,901	29,215	24,930	24,610	24,630	36,703	33,118
Balance Forward In	41	6,076	12	5,805				
Transfers In	311	293	622	1,887	304	350	717	771
Transfers Out	1,395	2,152	417	1,688	96	96	96	96
Cancellations		2,921		3,252				
Balance Forward Out	5,787	12	5,804					
Expenditures	**22,544**	**27,184**	**23,628**	**27,682**	**24,818**	**24,884**	**37,324**	**33,793**
Biennial Change in Expenditures				1,582		(1,608)		19,807
Biennial % Change in Expenditures				3		(3)		39
Governor's Change from Base								21,415
Governor's % Change from Base								43
Full-Time Equivalents	138.04	139.16	135.74	143.17	140.05	139.47	156.66	156.08
2000 - Restrict Misc Special Revenue								
Balance Forward In	2,612	1,958	2,997	3,593	2,871	2,257	2,871	2,257
Receipts	6,961	6,252	7,273	6,999	7,104	7,121	7,104	7,121
Internal Billing Receipts	5,400	5,491	6,215	6,214	6,214	6,214	6,214	6,214
Transfers In	10							
Transfers Out	661	12	118					
Balance Forward Out	1,844	2,821	3,592	2,871	2,257	1,651	2,257	1,651
Expenditures	**7,078**	**5,377**	**6,560**	**7,721**	**7,718**	**7,727**	**7,718**	**7,727**
Biennial Change in Expenditures				1,826		1,164		1,164
Biennial % Change in Expenditures				15		8		8
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	26.66	26.34	29.22	31.44	31.43	31.43	31.43	31.43
2001 - Other Misc Special Revenue								
Balance Forward In	155	4	0	109				
Receipts	683	452	248	562	457	457	457	457
Transfers In			915	950	950	950	950	950
Transfers Out	5							

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Balance Forward Out	4		109					
Expenditures	**829**	**456**	**1,054**	**1,621**	**1,407**	**1,407**	**1,407**	**1,407**
Biennial Change in Expenditures				1,391		139		139
Biennial % Change in Expenditures				108		5		5
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	5.02	2.63	5.49	4.54	4.54	4.54	4.54	4.54

2403 - Gift

Balance Forward In	174	176	173	170	127	114	127	114
Receipts	101	97	98	87	92	94	92	94
Transfers In		1						
Transfers Out		1						
Balance Forward Out	174	169	169	127	114	104	114	104
Expenditures	**101**	**104**	**101**	**130**	**105**	**104**	**105**	**104**
Biennial Change in Expenditures				27		(22)		(22)
Biennial % Change in Expenditures				13		(10)		(10)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.04	0.04		0.03	0.03	0.03	0.03	0.03

2820 - Maximum Effort School Loan

Balance Forward In	48	288	287	959	42	24	42	24
Receipts	288	287	854	42	24	26	24	26
Transfers Out	48	288	287	959	42	24	42	24
Net Loan Activity			105					
Balance Forward Out	288	287	959	42	24	26	24	26

3000 - Federal

Balance Forward In		163	7	27				
Receipts	81,417	83,407	98,183	105,867	102,751	97,172	102,751	97,172
Balance Forward Out			27					
Expenditures	**81,417**	**83,570**	**98,163**	**105,894**	**102,751**	**97,172**	**102,751**	**97,172**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Biennial Change in Expenditures				39,070		(4,134)		(4,134)
Biennial % Change in Expenditures				24		(2)		(2)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	202.82	208.97	210.32	214.02	215.89	216.99	215.89	216.99

3010 - Coronavirus Relief

Direct Appropriation			323	244,800	0	0	0	0
Cancellations			21					
Expenditures			**302**	**244,800**				
Biennial Change in Expenditures				245,102		(245,102)		(245,102)
Biennial % Change in Expenditures						(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents				0.50				

6000 - Miscellaneous Agency

Balance Forward In	60	0						
Receipts	1	1	2	2	2	2	2	2
Transfers Out	61							
Balance Forward Out	0							
Expenditures		**1**	**2**	**2**	**2**	**2**	**2**	**2**
Biennial Change in Expenditures				3		0		0
Biennial % Change in Expenditures						(5)		(5)
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Educational Leadership and Support
Activity: Regional Centers of Excellence

education.mn.gov/MDE/dse/rc/

AT A GLANCE

- In fiscal year (FY) 2019, the Regional Centers provided support to:
  - 3 School Improvement Grant schools
  - 120 schools identified for targeted support and improvement
  - 160 schools identified for comprehensive support and improvement
  - 83 Continuous Improvement schools
- From July 2019 to June 2020, Center staff provided 54,262 hours of direct support to schools identified for support and improvement and school leaders.

PURPOSE AND CONTEXT

The Regional Centers of Excellence were established in partnership with Minnesota Service Cooperatives to provide supports to districts and schools to meet goals in Minnesota World's Best Workforce legislation and to support schools identified as needing support under Minnesota's plan for the federal Every Student Succeeds Act (ESSA). Comprehensive Support and Improvement (CSI) schools are the 5 percent most persistently low-performing Title I schools or any public high school with a graduation rate less than 67 percent overall or for any student group. Targeted support and improvement schools include any public school that has one or more student groups performing at a similar level as CSI schools or the school's overall performance is similar to CSI schools, but they were not selected due to higher attendance.

- The Centers provide onsite technical assistance and professional development to schools and districts identified as underperforming based on Minnesota's accountability system under ESSA.
- The Centers support the Minnesota Department of Education's commitments to equity by prioritizing equity, developing leadership teams across levels of the system, making data visible and actionable, working on the conditions for learning, and supporting budget decisions that more equitably distribute resources.
- The Centers use a stage-based framework with schools that incorporates three core support elements:
  1. Building and using implementation teams to actively lead implementation efforts.
  2. Using data and consistent, frequent feedback loops to drive decision-making and promote continuous improvement.
  3. Developing an implementation infrastructure that uses evidence-based practices, fosters change, and enables continuous improvement.

SERVICES PROVIDED

Identified schools and districts receive intensive on-site coaching and technical assistance in alignment with Minnesota's support and improvement timeline in the following areas:

- School leadership teams that work on continuous improvement.
- Continuous improvement processes including comprehensive needs assessment, root-cause analysis, improvement plan design and implementation.
- Selection and implementation of evidence-based practices.
- School, family and community engagement.
- Engagement of tribal communities
- Identification and implementation of quick wins for school improvement.

- District or charter level practices that support school improvement including resource equity studies and alignment of school improvement activities to local World's Best Workforce initiatives.

Schools and districts also participate in professional development activities.

The Centers also develop resources and tools for use by all schools and districts in Minnesota to support data use, planning, teaching and learning, and community engagement. In addition, the Centers provide support for individual school leaders in all schools and supports for schools working to improve school climate through social emotional learning and restorative practices, revisions to discipline policy, mental health supports for students, and community engagement.

The Minnesota Department of Education provides program evaluation, strategic leadership, coordination, and support for this program.

RESULTS

Type of Measure	***Name of Measure***	***FY 2018***	***FY 2019 or Most Current Data***
Result	Students proficient in math in Comprehensive and Targeted Support Schools	37.6%	36.0%
Result	Students proficient in reading in Comprehensive and Targeted Support Schools	45.0%	44.1%
Result	English Learner Progress in Comprehensive and Targeted Support Schools	71.3%	62.8%
Result	Graduation rates in Comprehensive and Targeted Support Schools	51.1%	52.4%
Result	Attendance rates in Comprehensive and Targeted Support Schools	67.2%	67.3%

M.S. 120B.115

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	930	1,210	781	1,219	1,000	1,000	1,000	1,000
3000 - Federal	8							
Total	**938**	**1,210**	**781**	**1,219**	**1,000**	**1,000**	**1,000**	**1,000**
Biennial Change				(148)		0		0
Biennial % Change				(7)		(0)		(0)
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Compensation	59	73	132	185	186	187	186	187
Operating Expenses	251	205	10	158	158	158	158	158
Grants, Aids and Subsidies	629	932	639	876	656	655	656	655
Total	**938**	**1,210**	**781**	**1,219**	**1,000**	**1,000**	**1,000**	**1,000**
Total Agency Expenditures	938	1,210	781	1,219	1,000	1,000	1,000	1,000
Internal Billing Expenditures	8							
Expenditures Less Internal Billing	**930**	**1,210**	**781**	**1,219**	**1,000**	**1,000**	**1,000**	**1,000**
Full-Time Equivalents	**1.02**	**0.47**	**0.87**	**1.30**	**1.30**	**1.30**	**1.30**	**1.30**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Balance Forward In		230		219				
Cancellations		20						
Balance Forward Out	70		219					
Expenditures	**930**	**1,210**	**781**	**1,219**	**1,000**	**1,000**	**1,000**	**1,000**
Biennial Change in Expenditures				(140)		0		0
Biennial % Change in Expenditures				(7)		(0)		(0)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.54	0.47	0.87	1.30	1.30	1.30	1.30	1.30
2000 - Restrict Misc Special Revenue								
Balance Forward In	5							
Transfers Out	5							
2001 - Other Misc Special Revenue								
Balance Forward In	78							
Receipts	(78)							
3000 - Federal								
Receipts	8							
Expenditures	**8**							
Biennial Change in Expenditures				(8)		0		0
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	0.48							

Program: Educational Leadership
Activity: Board of School Administrators

https://bosa.mn.gov/BOSA/LicInfo/index.html

AT A GLANCE

- The Board of School Administrators is a ten-member board appointed by the governor and confirmed by the senate for their outstanding contributions in their respective fields and for their commitment to the highest ethical standards for Minnesota's administrators.
- There are 7,037 Minnesota licensed school administrators, up 2.3% since 2016. The Board processes over 550 new licenses every year.
- The board reviews each of the 43 administrative preparation programs at Minnesota's fourteen universities every five years to ensure quality and effectiveness.
- The board processes over 100 ethics inquiries per year ensuring due process for all Minnesota administrators.
- The board awards over 1,500 certificates of continuing education every year.

PURPOSE & CONTEXT

The Board of School Administrators was created by the state legislature in 2001 to ensure a system of accountability that leads to the highest performing superintendents, principals, directors of special education and directors of community education for Minnesota's schools. Standards are enforced through licensing, approving university preparation programs and alternative pathways for administrators, establishing rules on continuing education and professional development, and adopting and implementing a rigorous code of ethics.

SERVICES PROVIDED

The Board of School Administrators (BOSA) is an autonomous body created by the Minnesota Legislature in 2001 with the support of the Minnesota educational administration organizations. Ten board members are appointed by the governor and confirmed by the senate to serve four-year terms. The Board members represent secondary and elementary principals, superintendents, directors of special education, community education directors, higher education institutions, teachers, school board members and the public. Two employees are hired by the Board; an executive director and an administrative assistant.

The duties of the board include:

- Licensing and re-licensing of superintendents, principals, directors of special education, and directors of community education who want to work in Minnesota
- Leadership on legislative issues involving school administrators
- Offering advice on best practices to administrators and school districts
- Reviewing variance requests from school boards to determine if they are in the public's interest
- Reviewing, approving and monitoring university administrative preparation programs
- Establishing and certifying continuing education activities that promote the highest standards of professional development
- Reviewing ethical complaints and determining appropriate discipline
- Collecting fees for administrative license renewal
- Data collection and analysis

RESULTS

Type of Measure	*Name of Measure*	*FY 2018*	*FY 2019*	*FY 2020*
Quantity	Number of first-time Minnesota administrative licenses issued	545	606	479
Quantity	Number of school boards served through the granting of variances	23	37	24
Quantity	Number of board-approved continuing education certificates issued to administrators	1,814	1,686	15,697*
Quantity	Number of Code of Ethics inquiries reviewed	104	121	80**

*The agency refined this measurement by counting the number of individual certificates projected to be issued by approved organizations instead of counting the actual number of organizations receiving approval to issue certificates.

**The 2019-20 school year transitioned to a distance format in March 2020, dramatically lowering ethics complaints.

M.S. 122A.14; MN Rule 3512

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	229	235	264	374	319	319	319	319
2000 - Restrict Misc Special Revenue	10							
Total	**240**	**235**	**264**	**374**	**319**	**319**	**319**	**319**
Biennial Change				164		0		0
Biennial % Change				35		(0)		(0)
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Compensation	195	203	172	267	220	221	220	221
Operating Expenses	45	32	93	107	99	98	99	98
Total	**240**	**235**	**264**	**374**	**319**	**319**	**319**	**319**
Full-Time Equivalents	**2.19**	**2.03**	**1.62**	**2.00**	**2.00**	**2.00**	**2.00**	**2.00**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	231	232	319	319	319	319	319	319
Balance Forward In		4		55				
Cancellations		1						
Balance Forward Out	2		55					
Expenditures	**229**	**235**	**264**	**374**	**319**	**319**	**319**	**319**
Biennial Change in Expenditures				174		0		0
Biennial % Change in Expenditures				38		(0)		(0)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	2.14	2.03	1.62	2.00	2.00	2.00	2.00	2.00

2000 - Restrict Misc Special Revenue								
Transfers In	10							
Expenditures	**10**							
Biennial Change in Expenditures				(10)		0		0
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	0.05							

Program: General Education
Activity: General Education

education.mn.gov/MDE/dse/schfin/GenEd/

AT A GLANCE

In fiscal year (FY) 2019 general education revenue:

- Served 883,004 prekindergarten through grade 12 students.
- Served 331 school districts and 169 charter schools.
- Provided $7.2 billion in state aid and $1.2 billion in local property taxes.
- On average provided $9,711 per student.
- Was the largest single item of state general fund spending.
- Was the largest resource available to school districts and charter schools.
- Beginning in FY 2019, general education funding for prekindergarten was made available to 226 school sites.

PURPOSE AND CONTEXT

General education revenue provides core funding to promote a general and uniform, thorough and efficient system of public schools throughout the state. Funding is provided for:

- All public school students in kindergarten through grade 12, voluntary prekindergarten, school readiness plus and prekindergarten children with disabilities.
- Students receiving dual college credit.
- Private contracted education services.
- Private school students enrolled part time in public school programs.

SERVICES PROVIDED

The following are components of general education revenue. Dollars associated with each component reflect school district aid entitlements.

Core funding allowances for all districts and charter schools (in FY 2019):

- Basic Revenue ($6.0 billion) provides districts and charter schools with uniform funding per pupil unit. The basic education funding formula is $6,312 and $6,438 per weighted student in FY 2019 and FY 2020, respectively. Elementary students are weighted at 1.0; secondary students are weighted at 1.2.

Additional funding for students with unique needs:

- English Learner Revenue ($58.4 million) is based on the number and concentration of English Learner students enrolled in a district or charter school. The English Learner program is a state aid program.
- Compensatory Revenue ($553.5 million) is additional funding based on the concentration of students who are income-eligible for the federal free and reduced-price lunch programs. This revenue is calculated on a site level instead of a district level. In 2018, Compensatory Pilot Grants, a program that grants additional money to several districts for compensatory purposes outside of the normal compensatory calculation, were permanently added to this funding. The amounts for this program are the same from year to year and are in perpetuity. The Compensatory program is a state aid program.

- Extended-Time Revenue ($57.4 million) provides districts with additional revenue to fund educational programs for at-risk students outside the traditional school year schedule. The Extended-Time program is a state aid program.
- Gifted and Talented Revenue ($12.3 million) provides districts and charter schools with funding for gifted and talented educational programs. The gifted and talented funding formula is $13 per weighted student. The Gifted and Talented is a state aid program.

Additional funding for cost differences among school districts:

- Sparsity Revenue ($27.7 million) funds the added costs of operating small schools that are too isolated to reduce costs by cooperating or consolidating. The Sparisty program is a state aid program.
- Transportation Sparsity Revenue ($70.3 million) funds the added cost of pupil transportation in areas with low population density and includes a pupil transportation adjustment for schools with transportation expenses that exceed allocations. The Transportation Sparsity is a state aid program.
- Small Schools Revenue ($16.3 million) provides additional funding to small districts with less than 960 weighted students. The Small Schools program is a state aid program.
- Declining Enrollment Revenue ($11.9 million) provides districts and charter schools with funding to limit the impact of declining enrollment. The Declining Enrollment program is a state aid program.
- Pension Adjustment Revenue ($18.9 million) provides state aid for districts with a below state average revenue increase from the elimination of an aid reduction for changes in pension contribution rates beginning in 2015. Beginning in 2019 additional pension adjustment revenue was made available for all districts based on a percentage of teacher salaries in the district. The Pension Adjustment program is a state aid program.

Additional funding for Voluntary Prekindergarten (2017) and School Readiness Plus Programs (2018):

- In FY 2019, the participant cap for voluntary prekindergarten (VPK) and school readiness plus (SRP) was increased to 7,160. An additional 1,420 students were served in the programs; however, the districts did not receive funding for these additional students due to the funding cap. In FY 2022 the funding for School Readiness Plus programs sunsets and the cap for Voluntary Prekindergarten is set to 3,160 participants.
- Aid entitlements for FY 2019 voluntary prekindergarten are estimated to be $36.1 million. In addition, there was an estimated $6.8 million in property tax levies associated with the program.
- School districts and charter schools with sites approved for funding receive funding on a per pupil basis, with pupil units limited to 0.6 per participant. All pupil-driven formulas apply (e.g., basic revenue, compensatory revenue, referendum revenue, long-term facilities maintenance revenue, safe schools levy, achievement and integration revenue).
- Requirements outlined in law include providing at least 350 hours of instruction for the school year, staff-to-child ratios not to exceed one-to-ten with class size not to exceed 20; instructional salaries comparable to local K-12 staff and for school readiness plus, classrooms must have a licensed teacher, and several more program requirements.

Additional funding with property tax components (school districts must tax local property to receive state aid for these revenues):

- Operating Referendum Revenue ($850.4 million) is optional revenue raised by either public vote or school board resolution to provide funding for their district. The Operating Referendum program is made up of a mixture of state aids and levies. The program is comprised of $152 million in state aid and $698.4 million in levies.
- Operating Capital Revenue ($214.6 million) is reserved for facilities and equipment purposes. The Operating Capital program is made up of a mixture of state aids and levies. The program is comprised of $ 147.2 million in state aid and $67.5 million in levies.

- Equity Revenue ($111.1 million) provides additional funding targeted primarily to districts with low referendum revenue per weighted student. The Equity program is made up of a mixture of state aids and levies. The program is comprised of $24.2 million in state aid and $86.8 million in levies.
- Transition Revenue ($29.9 million) is funding to protect districts from loss of revenue due to law changes. The Transition program is made up of a mixture of state aids and levies. The program is comprised of $6.1 million in state aid and $23.8 million in levies.
- Local Optional Revenue (LOR) ($371.4 million) provides up to $424 per weighted student and is deducted from referendum revenue approved by voters in 2013 or earlier. Beginning FY 2021, LOR will increase to $724 per weighted student, with an additional $300 deducted from board approved or voter approved referendum authority. The Local Optional Revenue program is made up of a mixture of state aids and levies. The program is comprised of $52.4 million in state aid and $319 million in levies.

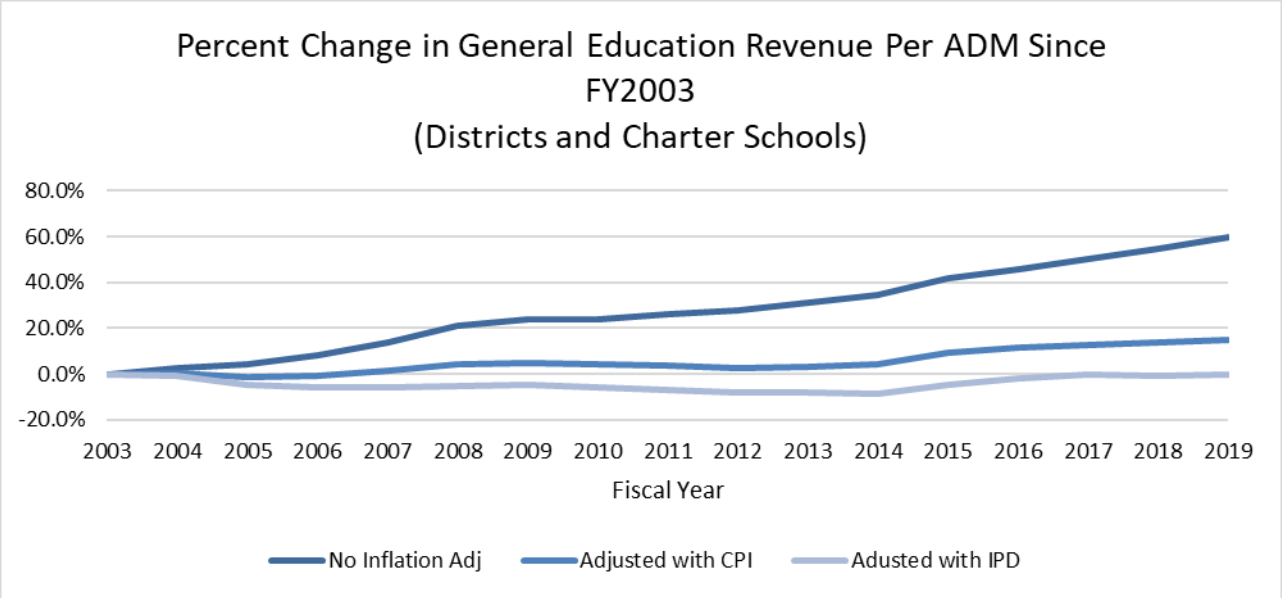
Miscellaneous Adjustments to General Education Revenue:

- Postsecondary Enrollment Options (PSEO) Aid is paid to Minnesota colleges and universities for courses taken by eligible 11th- through 12th-grade students, and 10th-grade students on a more limited basis, for high school credit.
- Contract Alternative Aid is paid to districts for students eligible to participate in the graduation incentives program who enroll in nonpublic, nonsectarian schools that have contracted with the serving school district to provide education services.
- Shared Time Aid is paid to districts for students who attend public schools on a part-time basis while also attending private schools.
- Online Learning (OLL) Aid is paid to state-approved OLL programs on behalf of students who have completed supplemental OLL courses while enrolled in another public school district or charter school.

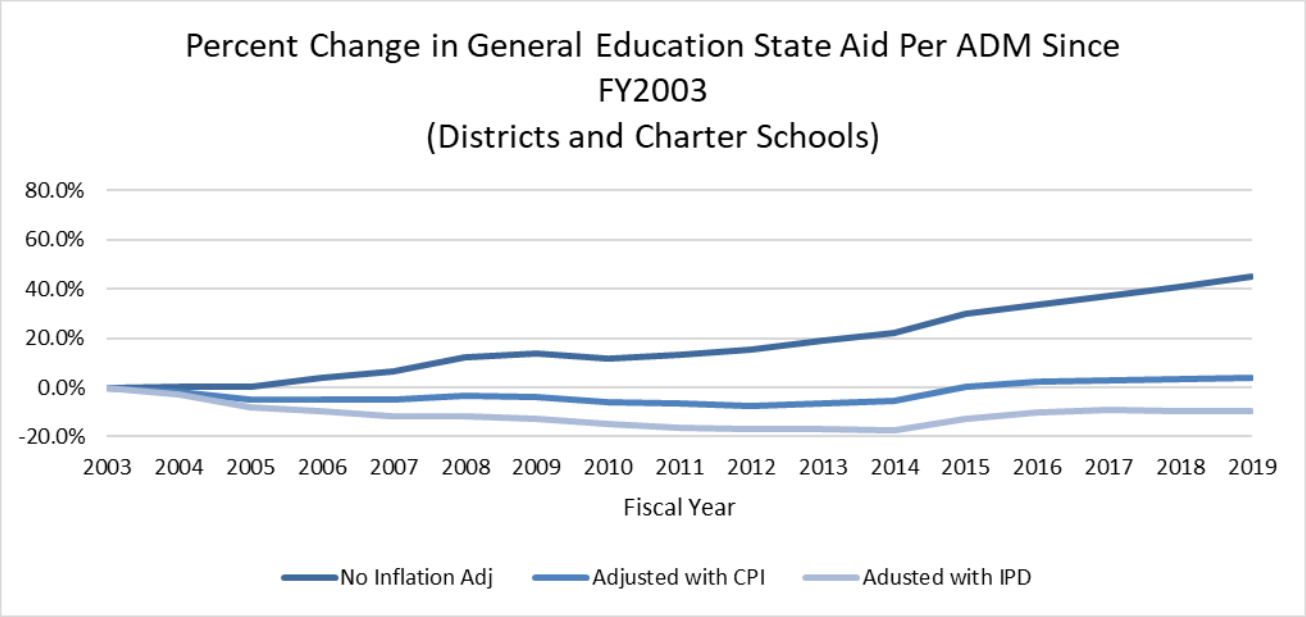
MDE calculates and processes aid payments and provides technical support for these programs.

RESULTS

Quality Result: This chart shows the percentage change in general education revenue per student between FY 2003 and FY 2019, based on unadjusted current dollars and adjusted for inflation using the consumer price index and the implicit price deflator. Revenue per student in unadjusted current dollars increased by 60 percent during this period. However, when adjusted for inflation, revenue per student remained essentially constant.



Quality Result: This chart shows the percentage change in general education state aid per student between FY 2003 and FY 2019, based on unadjusted current dollars and adjusted for inflation using the consumer price index and the implicit price deflator. Revenue per student in unadjusted current dollars increased by nearly 45 percent during this period. However, when adjusted for inflation, revenue per student remained essentially constant.



M.S.126C.10 – General Education Revenue

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	7,070,039	7,216,312	7,338,212	7,434,646	7,399,019	7,476,346	7,542,083	7,822,900
2000 - Restrict Misc Special Revenue							3	3
3801 - Endowment School	33,023	35,996	39,090	39,235	41,698	41,963	41,698	41,963
Total	**7,103,062**	**7,252,308**	**7,377,302**	**7,473,881**	**7,440,717**	**7,518,309**	**7,583,784**	**7,864,866**
Biennial Change				495,812		107,843		597,467
Biennial % Change				3		1		4
Governor's Change from Base								489,624
Governor's % Change from Base								3
Expenditures by Category								
Operating Expenses							3	3
Grants, Aids and Subsidies	7,103,062	7,252,308	7,377,302	7,473,881	7,440,717	7,518,309	7,583,781	7,864,863
Total	**7,103,062**	**7,252,308**	**7,377,302**	**7,473,881**	**7,440,717**	**7,518,309**	**7,583,784**	**7,864,866**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	7,057,265	7,222,479	7,348,691	7,443,560	7,397,643	7,485,017	7,553,842	7,853,189
Levies	1,138,767	1,209,125	1,317,674	1,427,646	1,446,214	1,555,151	1,446,214	1,475,017
District Revenue	8,196,032	8,431,604	8,666,365	8,871,206	8,843,857	9,040,168	9,000,056	9,328,206
Direct Appropriation	7,070,039	7,255,778	7,347,424	7,434,646	7,399,019	7,476,346	7,542,496	7,823,321
Current Year	6,375,186	6,523,349	6,637,829	6,723,320	6,681,693	6,760,636	6,822,257	7,091,976
Prior Year	686,828	680,309	700,188	711,326	717,326	715,710	720,239	731,345
Transfers Out			380				413	421
Cancellations		26,888	8,832					
Expenditures	**7,070,039**	**7,216,312**	**7,338,212**	**7,434,646**	**7,399,019**	**7,476,346**	**7,542,083**	**7,822,900**
Biennial Change in Expenditures				486,507		102,507		592,125
Biennial % Change in Expenditures				3		1		4
Governor's Change from Base								489,618
Governor's % Change from Base								3
2000 - Restrict Misc Special Revenue								
Balance Forward In					3	6	3	3
Receipts				3	3	3	3	3
Balance Forward Out				3	6	9	3	3
Expenditures							**3**	**3**
Biennial Change in Expenditures				0		0		6
Biennial % Change in Expenditures								
Governor's Change from Base								6
Governor's % Change from Base								
3801 - Endowment School								
Balance Forward In				0				
Transfers In	33,023	35,996	39,090	39,235	41,698	41,963	41,698	41,963
Expenditures	**33,023**	**35,996**	**39,090**	**39,235**	**41,698**	**41,963**	**41,698**	**41,963**
Biennial Change in Expenditures				9,306		5,336		5,336
Biennial % Change in Expenditures				13		7		7
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Other General Education
Activity: Enrollment Options Transportation

AT A GLANCE

- 70 students served in fiscal year (FY) 2020.
- Of the 70 students, five were from the postsecondary enrollment options program, five were in the open enrollment program and 60 were in charter schools.

PURPOSE AND CONTEXT

This state aid program helps students from low-income families participate in Postsecondary Enrollment Options (PSEO), school district enrollment options, and charter school programs by reimbursing transportation costs.

This aid program supports the goal of reducing the racial and economic opportunity gaps for low-income students by reimbursing their transportation costs.

SERVICES PROVIDED

School districts and charter schools get state aid to reimburse transportation costs for qualifying students who participate in PSEO or open enrollment. PSEO is a program that allows students in grades 10-12 to earn secondary and college credit (dual-credit) while still in high school, through enrollment in and successful completion of college-level courses at higher education institutions. Open enrollment programs allow voluntary prekindergarten through grade 12 students and prekindergarten children with disabilities to apply to attend a public school outside of their resident district.

PSEO students apply for reimbursement through their resident district or charter school (or the postsecondary institution, if nonpublic). Open enrollment students apply through the enrolling district. Charter school students apply through the enrolling school. Students and families provide their own transportation in these programs.

School districts and charter schools providing out-of-district transportation for a fee are reimbursed for the transportation costs of qualifying low-income students. The reimbursement rate is set at $0.15 per mile and no more than 250 miles per week. MDE processes reimbursement requests and provides technical support.

RESULTS

The table below provides the average amount of a claim for mileage reimbursement per student per year in postsecondary enrollment options, school district enrollment options, and charter school programs over the last four years. It also provides the number of students served by the program for the last four years. It is difficult to see any trend from the data. With a qualifying income level that is very low, the number of families that fall into that qualifying level vary from year to year. Because there are few participants in the program, a few students who travel long distances to the postsecondary institution can skew the data.

Name of Measure	***FY 2017***	***FY 2018***	***FY 2019***	***FY 2020****
Average Claim per Student per Year	$306	$307	$336	$260
Number of Students Served	74	65	50	70

* Although the number of students requesting reimbursement remained high in FY 2020, the Executive Orders to plan for and implement distance learning effective March 18, 2020 eliminated requests for reimbursements for the last three months of the school year.

M.S. 124D.03; M.S. 124D.09; M.S. 124E.15

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	20	17	11	123	68	68	68	68
Total	**20**	**17**	**11**	**123**	**68**	**68**	**68**	**68**
Biennial Change				97		2		2
Biennial % Change				262		1		1
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	20	17	11	123	68	68	68	68
Total	**20**	**17**	**11**	**123**	**68**	**68**	**68**	**68**

Enrollment Options Transportion

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
1000 - General								
Entitlement	20	17	11	11	12	13	12	13
District Revenue	20	17	11	11	12	13	12	13
Direct Appropriation	29	22	75	67	68	68	68	68
Current Year	20	17	11	11	12	13	12	13
Balance Forward In				56				
Transfers Out	9							
Cancellations			8					
Balance Forward Out			56					
Expenditures	**20**	**17**	**11**	**123**	**68**	**68**	**68**	**68**
Biennial Change in Expenditures				97		2		2
Biennial % Change in Expenditures				262		1		1
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Other General Education
Activity: Abatement Revenue

AT A GLANCE

- The Abatement Aid entitlement totaled $1.66 million in fiscal year (FY) 2020 based on 2019 revenue losses.
- The Abatement Levy totaled $8.51 million in FY 2021 based on 2019 revenue losses.

PURPOSE AND CONTEXT

This state aid and local property tax levy program maintains equity for students and taxpayers by replacing revenue the district was entitled to but did not receive due to abatements. An "abatement" occurs when property taxes on a real estate parcel are decreased after the district certifies levy revenue.

For FY 2020, 258 school districts in Minnesota participated in this program.

SERVICES PROVIDED

Abatement aid and levy is calculated annually based on abatements reported by counties to the Minnesota Department of Education (MDE).

The aid and levy are designed to replace the revenue in the same proportion of aid and levy as the original entitlement. The aid reimbursement is received one year after the revenue loss and the levy reimbursement is received two years after the revenue loss.

MDE calculates and processes aid payments and levy limitations for this program.

RESULTS

Type of Measure	*Name of Measure*	*Calendar Year 2019*	*Calendar Year 2020*
Quantity	Statewide District Revenue Loss Prevented	$15 M	$9.8 M

M.S. 126C.46; M.S. 127A.49, subdivision 2

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	2,374	2,939	1,770	2,595	2,897	3,558	2,897	3,558
Total	**2,374**	**2,939**	**1,770**	**2,595**	**2,897**	**3,558**	**2,897**	**3,558**
Biennial Change				(948)		2,090		2,090
Biennial % Change				(18)		48		48
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	2,374	2,939	1,770	2,595	2,897	3,558	2,897	3,558
Total	**2,374**	**2,939**	**1,770**	**2,595**	**2,897**	**3,558**	**2,897**	**3,558**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	2,580	2,745	1,662	2,698	2,919	3,629	2,919	3,629
Levies	10,844	13,330	11,571	10,443	8,933	9,896	8,933	9,896
District Revenue	13,424	16,075	13,233	13,141	11,852	13,525	11,852	13,525
Direct Appropriation	2,374	2,939	1,770	2,595	2,897	3,558	2,897	3,558
Current Year	2,112	2,471	1,496	2,429	2,628	3,267	2,628	3,267
Prior Year	262	468	274	166	269	291	269	291
Cancellations	0	0						
Expenditures	**2,374**	**2,939**	**1,770**	**2,595**	**2,897**	**3,558**	**2,897**	**3,558**
Biennial Change in Expenditures				(948)		2,090		2,090
Biennial % Change in Expenditures				(18)		48		48
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Other General Education
Activity: Consolidation Transition

education.mn.gov/MDE/dse/schfin/

AT A GLANCE

- There were four school district consolidations in fiscal year (FY) 2014.
- There were no school district consolidations between FY 2015 and FY 2020.
- There is one consolidation planned in FY 2021.

PURPOSE & CONTEXT

School districts consolidate to expand programs and services and to become more financially stable. The consolidation transition revenue program provides funds for reorganization to districts that have recently consolidated. Students and communities in the consolidating districts are served by this program.

SERVICES PROVIDED

Consolidation Transition revenue must be used to cover district costs for early retirement incentives granted by the district, to reduce operating debt, to enhance learning opportunities, and to cover reorganization expenses.

Aid is $200 per resident pupil unit in the new district in the first year of consolidation and $100 per resident pupil unit the year after consolidation. The number of pupil units used to calculate aid for a district in either year is limited to 1,500.

This program is mainly funded with state aid. Optional local property taxes may be used to cover additional costs.

The Minnesota Department of Education (MDE) calculates state aid payments and property tax levy limits, and provides technical assistance to districts that choose to consolidate.

RESULTS

There were no consolidations between FY 2015 and FY 2020. In FY 2021 the Eveleth-Gilbert (#2154) and Virginia (#706) districts will consolidate to form Rock Ridge School District (#2909). While the number of consolidations is easy to calculate, the true performance measure is in the satisfaction and achievement of the districts that consolidated, which we do not evaluate.

Type of Measure	*Name of Measure*	*FY 2018*	*FY 2019*	*FY 2020*	*FY 2021*
Quantity	First Year of Consolidation	0	0	0	1

Note: District 2859, Eagle Valley dissolved as of July 1, 2017. The district was split between District 786, Bertha and District 787, Browerville.

M.S. 123A.485, M.S. 123A.48, M.S. 123B.82

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General			270		309	373	309	373
Total			**270**		**309**	**373**	**309**	**373**
Biennial Change			270			412		412
Biennial % Change								
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies			270		309	373	309	373
Total			**270**		**309**	**373**	**309**	**373**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement				300	310	380	310	380
District Revenue				300	310	380	310	380
Direct Appropriation	185	20		270	309	373	309	373
Current Year				270	279	342	279	342
Prior Year					30	31	30	31
Transfers Out	185							
Cancellations		20						
Expenditures				**270**	**309**	**373**	**309**	**373**
Biennial Change in Expenditures				270		412		412
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Other General Education
Activity: Nonpublic Pupil

https://education.mn.gov/MDE/fam/nphs/
https://education.mn.gov/MDE/dse/schfin/Non/

AT A GLANCE

- Number of nonpublic students participating in Fiscal Year (FY) 2019:
  - Textbook/materials 65,846
  - Health services 61,222
  - Guidance and counseling 24,754
- Rates per nonpublic student in FY 2019:
  - Textbook/materials $86.94
  - Health services $78.61
  - Guidance and counseling $267.62

All nonpublic students requesting materials and/or services by the statutory deadline have been and are being accommodated.

PURPOSE AND CONTEXT

This state aid program exists to ensure fair access to nonreligious study materials and student support services for students who choose nonpublic education.

This aid program supports the objective of ensuring every student receives a world-class education.

SERVICES PROVIDED

Funding is allocated to public school districts for the benefit of nonpublic school students and not directly to the nonpublic schools. School districts are reimbursed for the costs of the educational materials loaned to nonpublic school students and for the costs of providing support services to nonpublic school students.

There are three basic categories of nonpublic pupil aid supporting the following services:

- Textbooks, individualized instructional materials, and standardized tests.
- Health services.
- Guidance and counseling services.

School districts receive additional funds to cover administrative costs. This amount is equal to 5 percent of their total aid reimbursement amount.

MDE calculates and processes aid payments and provides technical support to school districts and nonpublic schools for this program.

RESULTS

Type of Measure	*Name of Measure*	*FY2018*	*FY2019*
Quantity	Percentage of nonpublic students applying for access to textbooks.	78%	78%
Quantity	Percentage of nonpublic students applying for access to health services.	73%	73%
Quantity	Percentage of secondary nonpublic students applying for access to guidance and counseling services.	92%	90%

M.S. 123B.40-48

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	17,396	15,870	17,456	18,653	16,873	17,209	16,922	17,392
Total	**17,396**	**15,870**	**17,456**	**18,653**	**16,873**	**17,209**	**16,922**	**17,392**
Biennial Change				2,843		(2,027)		(1,795)
Biennial % Change				9		(6)		(5)
Governor's Change from Base								232
Governor's % Change from Base								1
Expenditures by Category								
Grants, Aids and Subsidies	17,396	15,870	17,456	18,653	16,873	17,209	16,922	17,392
Total	**17,396**	**15,870**	**17,456**	**18,653**	**16,873**	**17,209**	**16,922**	**17,392**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	15,592	15,711	17,909	19,031	16,633	17,273	16,687	17,471
District Revenue	15,592	15,711	17,909	19,031	16,633	17,273	16,687	17,471
Direct Appropriation	18,197	18,093	17,925	18,653	16,873	17,209	16,922	17,392
Current Year	15,614	14,379	16,119	17,128	14,970	15,546	15,019	15,724
Prior Year	1,304	1,559	1,337	1,525	1,903	1,663	1,903	1,668
Transfers Out	418							
Cancellations	383	2,223	469					
Expenditures	**17,396**	**15,870**	**17,456**	**18,653**	**16,873**	**17,209**	**16,922**	**17,392**
Biennial Change in Expenditures				2,843		(2,027)		(1,795)
Biennial % Change in Expenditures				9		(6)		(5)
Governor's Change from Base								232
Governor's % Change from Base								1

Program: Other General Education
Activity: Nonpublic Transportation

https://education.mn.gov/MDE/dse/schfin/Trans/Type/

AT A GLANCE

- 41,707 nonpublic students were transported to and from school in fiscal year (FY) 2019.
- 192 of 331 districts transported nonpublic students in FY 2019.

PURPOSE AND CONTEXT

This program ensures that nonpublic school students receive the same level of transportation services as public school students, and that the school districts are able to provide this transportation without significant costs being paid from their general fund.

SERVICES PROVIDED

School districts must provide equal transportation services within the district for public and nonpublic school students living within the district. If the district transports nonpublic school students to a school in another district, the nonpublic school or the parents pay the cost of transportation outside of the district boundaries.

Public school districts must provide nonpublic school student transportation within the district boundaries for health and secondary guidance/counseling services that the school district provides to the nonpublic school students.

The public school district must transport nonpublic school students on late activity bus routes if it provides that service for public school students.

The Minnesota Department of Education (MDE) calculates and processes aid payments and provides technical support to school districts and nonpublic schools for this program.

RESULTS

Participation is measured by the percentage of nonpublic students transported to and from school.

Type of Measure	*Name of Measure*	*FY 2018*	*FY 2019*
Quantity	Percentage of nonpublic students transported	66.9%	63.4%

M.S. 123B.92, subdivision 9; M.S. 123B.84-87

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	17,564	19,492	18,809	19,029	19,344	19,084	19,520	19,710
Total	**17,564**	**19,492**	**18,809**	**19,029**	**19,344**	**19,084**	**19,520**	**19,710**
Biennial Change				782		590		1,392
Biennial % Change				2		2		4
Governor's Change from Base								802
Governor's % Change from Base								2
Expenditures by Category								
Grants, Aids and Subsidies	17,564	19,492	18,809	19,029	19,344	19,084	19,520	19,710
Total	**17,564**	**19,492**	**18,809**	**19,029**	**19,344**	**19,084**	**19,520**	**19,710**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	18,374	18,807	18,720	19,105	19,371	19,052	19,566	19,726
District Revenue	18,374	18,807	18,720	19,105	19,371	19,052	19,566	19,726
Direct Appropriation	18,372	19,492	19,168	19,029	19,344	19,084	19,520	19,710
Current Year	16,537	16,845	16,848	17,195	17,434	17,147	17,610	17,754
Prior Year	1,835	1,837	1,961	1,834	1,910	1,937	1,910	1,956
Transfers Out	808							
Cancellations			359					
Expenditures	**17,564**	**19,492**	**18,809**	**19,029**	**19,344**	**19,084**	**19,520**	**19,710**
Biennial Change in Expenditures				782		590		1,392
Biennial % Change in Expenditures				2		2		4
Governor's Change from Base								802
Governor's % Change from Base								2

Program: Other General Education
Activity: Career and Technical Aid

education.mn.gov/MDE/dse/cte/

AT A GLANCE

- 312 districts levied a total of $26.3 million for Career and Technical Education programs for fiscal year (FY) 2019.
- 142 districts received Career and Technical Education aid in FY 2019, totaling $4 million.

PURPOSE AND CONTEXT

Career and Technical Education (CTE) revenue is a state aid and local property tax levy program that allows districts to receive revenue for Career and Technical program expenses.

All school districts with approved CTE programs are eligible for this revenue.

Federal Carl D. Perkins funds are also available to help provide career and technical education program and services.

CTE programs are a sequence of courses that integrate core academic knowledge with technical and occupational knowledge and skills to provide students a pathway to postsecondary education and careers. CTE teaches transferable workplace skills in applied learning contexts to provide opportunities to explore high-demand career options, and gives students the technology and skills needed for success in adult life.

SERVICES PROVIDED

Districts must submit annual budgets for their CTE programs to qualify for this revenue. A district with a CTE program approved by the Minnesota Department of Education (MDE) may levy for costs associated with the program.

- A district is eligible for revenue equal to 35 percent of approved expenditures in the fiscal year in which the levy is certified.

CTE property tax levy equals:

- CTE revenue, times
- The lesser of:
    - one; or,
    - the ratio of the adjusted net tax capacity per student in the fiscal year in which the levy is certified, to $7,612.

CTE aid equals:

- CTE revenue minus CTE levy.

MDE reviews district programs for approval, calculates aid and property tax levies, and makes federal and state aid payments for these programs.

RESULTS

Type of Measure	*Name of Measure*	*FY 2018*	*FY 2019*
Quantity	Number of districts participating in CTE programs	312	312
Quantity	Amount of property tax levy for CTE program	$24,358,307	$26,278,834

Note: In FY 2014, state aid was added to the Career and Technical Education Revenue program. Prior to FY 2014, CTE was funded by property tax levies only.

M.S. 124D.4531

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	4,505	4,216	3,857	3,296	2,668	2,279	2,700	2,307
3000 - Federal	5,974	5,713	6,335	7,622	7,611	7,600	7,611	7,600
Total	**10,479**	**9,929**	**10,192**	**10,918**	**10,279**	**9,879**	**10,311**	**9,907**
Biennial Change				702		(952)		(892)
Biennial % Change				3		(5)		(4)
Governor's Change from Base								60
Governor's % Change from Base								0
Expenditures by Category								
Compensation				9	5		5	
Operating Expenses			67	13	6		6	
Grants, Aids and Subsidies	10,479	9,929	10,125	10,896	10,268	9,879	10,300	9,907
Total	**10,479**	**9,929**	**10,192**	**10,918**	**10,279**	**9,879**	**10,311**	**9,907**
Total Agency Expenditures	10,479	9,929	10,192	10,918	10,279	9,879	10,311	9,907
Internal Billing Expenditures			4	2	2		2	
Expenditures Less Internal Billing	**10,479**	**9,929**	**10,188**	**10,916**	**10,277**	**9,879**	**10,309**	**9,907**
Full-Time Equivalents				**0.06**	**0.03**		**0.03**	

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	4,407	3,993	3,813	3,233	2,605	2,243	2,641	2,270
Levies	21,588	25,877	28,272	30,348	32,657	36,990	32,657	37,943
District Revenue	25,995	29,870	32,085	33,581	35,262	39,233	35,298	40,213
Direct Appropriation	4,561	4,260	3,857	3,296	2,668	2,279	2,700	2,307
Current Year	3,998	3,570	3,435	2,910	2,345	2,019	2,377	2,043
Prior Year	420	409	422	386	323	260	323	264
Cancellations	56	44						
Expenditures	**4,505**	**4,216**	**3,857**	**3,296**	**2,668**	**2,279**	**2,700**	**2,307**
Biennial Change in Expenditures				(1,568)		(2,206)		(2,146)
Biennial % Change in Expenditures				(18)		(31)		(30)
Governor's Change from Base								60
Governor's % Change from Base								1
3000 - Federal								
Receipts	5,974	5,713	6,335	7,622	7,611	7,600	7,611	7,600
Expenditures	**5,974**	**5,713**	**6,335**	**7,622**	**7,611**	**7,600**	**7,611**	**7,600**
Biennial Change in Expenditures				2,270		1,254		1,254
Biennial % Change in Expenditures				19		9		9
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents				0.06	0.03		0.03	

Program: Other General Education
Activity: Special Provisions For Select Districts

AT A GLANCE

- The One-Room Schoolhouse revenue program was implemented in fiscal year (FY) 1995.

PURPOSE AND CONTEXT

The One-Room Schoolhouse program provides additional revenue to the Warroad school district to assist with expenses related to the Angle Inlet Elementary School.

SERVICES PROVIDED

This program provides $65,000 each year to the isolated one-room schoolhouse. In addition, in 2018 the Angle Inlet Elementary School Building was provided with $600,000 to make improvements to the building.

The Minnesota Department of Education (MDE) processes the aid payment for this program.

RESULTS

MDE does not collect data regarding utilization of One-Room Schoolhouse aid.

Type of Measure	*Name of Measure*	*FY 2019*	*FY 2020*
Quantity	Number of Minnesota resident students attending Angle Inlet School	9	10

MN Laws 2019, 1st Special Session, Chapter 11, Article 1, Section 25, subdivision 8

MN Laws 2018, Chapter 214, Article 1, section 4, subdivision 6

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	65	65	65	65	65	65	65	65
Total	**65**	**65**	**65**	**65**	**65**	**65**	**65**	**65**
Biennial Change				0		0		0
Biennial % Change				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	65	65	65	65	65	65	65	65
Total	**65**	**65**	**65**	**65**	**65**	**65**	**65**	**65**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	65	65	65	65	65	65	65	65
Expenditures	**65**	**65**	**65**	**65**	**65**	**65**	**65**	**65**
Biennial Change in Expenditures				0		0		0
Biennial % Change in Expenditures				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Other General Education
Activity: State Paid Property Tax Credits and Education Reserve

AT A GLANCE

- 10 credit programs in fiscal year (FY) 2019 (one program is for prior year adjustments).
- The General Fund Reserve transferred $302,793 between one excess and two deficient programs in FY 2019.
- Community Education funds had no deficiencies in FY 2019 and the Reserve was not utilized.

PURPOSE AND CONTEXT

Property tax credits and aids calculated by the Minnesota Department of Revenue provide a vehicle for property tax reform or relief for targeted real property classes. The effect of these state paid property tax credits and aids is to shift a portion of property tax burden for education from property owners to the state.

- All school districts in the state receive some form of state paid property tax credits.
- The number and the amount of state paid tax credits that districts and property tax owners in the district receive is dependent upon the local conditions, such as natural disasters, existence of agricultural property, economic depression, and others noted below.

The two "Education Reserves" allow the commissioner to transfer the excess from a direct general fund appropriation for any education aid or grant authorized in specified chapters that exceeds the amount required to be used to any education aid or grant appropriation that is insufficient.

- The general fund reserve pertains to chapters 127A, 122A, 123A, 123B, 124D, 124E, 125A, 126C, and 134, excluding appropriations under sections 124D.135, 124D.16, 124D.20, 124D.22, 124D.52, 124D.531, 124D.55, and 124D.56.
- The community education fund reserve pertains to sections 124D.135, 124D.16, 124D.20, 124D.22, 124D.52, 124D.531, 124D.55, and 124D.56.

SERVICES PROVIDED

There are several property tax credit and aid programs paid to school districts by the Minnesota Department of Education (MDE) that reduce property taxes paid by property owners:

Programs reducing the property tax rate applied to the property value to calculate property tax:

- *Disparity Reduction Aid provides relief to high tax rate areas.* The Department of Revenue calculates a reduction to the initial tax rate to reduce the rate as much as 10 percent.

Programs providing a reduction to the calculated property tax:

- *Local Option Disaster Abatement Credit* provides relief related to the damage or destruction of homestead and non-homestead property. The property need not be located within a disaster or emergency area.
- *Homestead and Disaster Credit* provides relief related to the damage or destruction that occurred for each reassessed homestead property within the county that is located within a disaster or emergency area.

Local Option Disaster Credit provides relief related to the damage or destruction that occurred for: (1) homestead property that meets all the requirements under the Local Option Disaster Abatement, subdivision 1, paragraph (a),

but that does not qualify for a credit under the Homestead and Disaster Credit; and, (2) non-homestead and utility property that meets all the requirements under the Local Option Disaster Abatement, subdivision 1, paragraph (b).

Agricultural Preserves Credit provides relief to owners of agricultural property in the seven-county metropolitan area.

Disparity Reduction Credit provides relief to apartments, commercial, industrial, and public utilities in economically depressed areas located at Minnesota borders designated as enterprise zones.

Residential Homestead Market Value Credit provides relief to residential homestead property, including the house, garage, one acre of land for farm homesteads, and certain resort homesteads. The credit is computed as 0.4 percent of the first $76,000 market value of each homestead property. The maximum credit is $304 and is phased out at a rate of .09 percent of the value over $76,000.

Agricultural Land Market Value Credit provides relief to agricultural homestead property, excluding the house, garage, and one acre. The credit is computed as 0.3 percent of the first $115,000 market value of each homestead property. The maximum credit is $345 and is phased out at a rate of .05 percent of the value over $115,000 with a maximum reduction of $115.

School Building Bond Agricultural Credit, enacted in 2017, provides relief to agricultural homestead property, excluding the house, garage, and one acre. The credit is computed as 40 percent of the property's eligible net tax capacity, multiplied by the school debt tax rate.

In addition to the property tax relief aids and credits listed above, school districts may receive other credits paid by the county, including power line credit, county conservation credit, taconite homestead credit, and supplementary homestead credit. Taconite homestead credit and supplementary homestead credit targets Iron Range homeowners with a credit of either 66 percent or 57 percent, depending on characteristics of the mining industry within the school district. The 66 percent credit has a maximum of $315.10 per property. The 57 percent credit has a maximum of $289.80 per property.

The Education Reserves allow full funding or closer to full funding for programs that may be underfunded due to the difference between forecast estimates and the actual costs of specified programs.

RESULTS

Type of Measure	*Program Name*	*FY 2018 2016 Pay 2017*	*FY 2019 2017 Pay 2018*	*FY 2020 2018 Pay 2019*
Quantity	*Disparity Reduction Aid*	$7,933,846	$8,009,266	$7,966,830
Quantity	*Local Option Disaster Abatement Credit*	$0	$0	$0
Quantity	*Homestead and Disaster Credit*	$44,233	$0	$31,290
Quantity	*Local Option Disaster Credit*	$4,485	$0	$30
Quantity	*Agricultural Preserves Credit*	$242,182	$209,834	$140,929
Quantity	*Disparity Reduction Credit*	$2,527,796	$2,525,948	$2,534,911
Quantity	*Residential Homestead Market Value Credit*	$5,432	$-3402	$20,704
Quantity	*Prior Year Real Property Credit*	$-80,519	$13,584	$21,739
Quantity	*Agricultural Land Market Value Credit*	$8,667,219	$8,543,993	$8,639,885
Quantity	*School Bonding Credit*	n/a	$36,032,508	38,054,515

M.S. 273.119; M.S. 273.1233; M.S. 273.1234; M.S. 273.1235; M.S. 273.1384; M.S. 273.1387; M.S. 273.1398; M.S.127A.41, subd.8; M.S.127A.41, subd.9;

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Transfers In	7,811		380					
Transfers Out	991		380					

Program: Other General Education
Activity: Miscellaneous Levies (information only)

http://education.state.mn.us/MDE/dse/datasub/LevyCertSys/

AT A GLANCE

- 12 levy programs had estimated levies for FY 2019.

PURPOSE AND CONTEXT

These programs provide additional local property tax levy revenue to school districts to fund specific obligations of the district's general fund.

SERVICES PROVIDED

The following levies are currently in effect:

- Reemployment Insurance Levy
  - A school district may levy for unemployment insurance and for job-placement services offered to eligible employees.
- Judgment Levy
  - A school district may levy for judgments against the district, including interest costs or for its proportionate share of the costs of a judgment against an intermediate district.
- Health Benefit Levy
  - A school district may levy for health insurance and unreimbursed medical expenses of employees who retired before 7-1-92.
- Additional Retirement Levy
  - The Minneapolis and St. Paul school districts may levy for certain pension obligations.
- St. Paul Severance Levy
  - The St. Paul school district may levy to pay for severance costs.
- Safe Schools Levy
  - A school district may levy up to $36 per pupil unit to provide a drug abuse prevention program in the elementary schools; to provide police liaison services in the schools; to provide a gang resistance education program in the schools; to pay the costs for security on school property and/or pay for other crime prevention, drug abuse, student and staff safety; to pay costs for licensed school counselors, licensed school nurses, licensed school social workers, licensed school psychologists, and licensed alcohol and chemical dependency counselors to help provide early responses to problems; to pay for facility security enhancements including laminated glass, announcement systems, communication devices and other modifications to violence prevention and facility security; pay for the costs associated with improving school climate; to pay costs associated with collaborating with mental health professionals who are not district employees or contractors. Intermediate districts may levy up to $15 per pupil unit through their member districts to provide the same allowed services as school districts.
- Ice Arena Levy
  - A school district may levy for the net operational costs of the ice arena for the previous fiscal year. To qualify for the levy, a district must demonstrate to MDE gender equity in usage of the ice arena during peak times throughout the year.

- Severance Levies
    - A school district that reorganizes under dissolution and attachment may levy the costs of severance pay or early retirement incentives for licensed and non-licensed employees who resign or retire early as a result of the reorganization. A school district with a secondary agreement with another district must pay severance to licensed employees placed on unrequested leave and may levy for the expenses. Districts with an agreement to allow pupils to attend school in an adjoining state may levy for severance costs resulting from the agreement.
- Swimming Pool Levy
    - Certain school districts on the Canadian border may levy for the net operational costs of a swimming pool, not to exceed the net actual costs of operation of the swimming pool for the previous year.
- Economic Development Abatement Levy
    - The governing body of a political subdivision may grant an abatement of the taxes imposed by the political subdivision on a parcel of property, or defer the payments of the taxes and abate the interest and penalty that otherwise would apply. The political subdivision must add to its levy amount for the current year the total estimated amount of all current year abatements granted. No abatement aid is generated for these abatements.
- Tree Growth Replacement Levy
    - Districts may levy an amount not to exceed its tree-growth revenue for taxes payable in 2001.
- Reorganization Operating Debt Levy
    - A school district that reorganizes under consolidation or dissolution and attachment may levy to retire the net negative undesignated fund balance in the operating funds.

Other Miscellaneous Severance Pay/Early Retirement Incentive Levies

- Annual Other Postemployment Benefits Levy
    - A school district may levy for other postemployment benefit expenses if the district: 1) has created an actuarial liability to pay postemployment benefits; and, 2) has a sunset clause in effect for the current collective bargaining agreement.
- Consolidation Transition Revenue
    - For a school district that consolidates under Minnesota Statutes, section 123A.485, subdivision 2, consolidation transition aid is equal to a maximum of $200 per resident pupil unit for the first year of consolidation and $100 per resident pupil unit for the second year of consolidation. If the cost of the early retirement incentives offered by the district under subdivision 2 exceeds the amount of consolidation transition aid, the district may levy for the difference for a period not to exceed three years.
- Consolidation/Transition Levies
    - The board(s) of districts combining or combined under Minnesota Statutes, section 123A.485, subdivision 3, may levy over three years or less for costs directly related to the transition from cooperation to combination.
- Administrative Services Levy
    - The school district may levy for costs of retirement incentives or severance pay or other costs related to the discontinuance of administrative positions, under certain circumstances.

MDE collects data from the districts, calculates the levy authority and in some cases, reviews and approves levy requests.

RESULTS

Type of Measure	*Name of Measure*	*Pay 2018: In Thousands*	*Pay 2019: In Thousands*
Quantity	Reemployment Insurance Levy	$5,584.3	$4,866.9
Quantity	Judgment Levy	$1,034.8	$1,067.9
Quantity	Health Benefit Levy	$1,712.9	$1,514.9
Quantity	Additional Retirement Levy	$24,666.6	$25,761.1
Quantity	St. Paul Severance Levy	$1,046.6	$1,110.1
Quantity	Safe Schools Levy (includes both school district and intermediate levies)	$35,410.2	$35,499.5
Quantity	Ice Arena Levy	$2,273.8	$2,116.6
Quantity	Severance Levies	$241.4	$447.2
Quantity	Swimming Pool Levy	$622.8	$633.5
Quantity	Economic Development Abatement Levy	$1,608.8	$1,510
Quantity	Tree-Growth Replacement Levy	$667.2	$667.2
Quantity	Reorganization Operating Debt Levy	$30.7	$260

M.S. 126C.43, subd. 2; M.S. 126C.43, subd. 3; M.S. 126C.41, subd. 2; M.S. 126C.41, subd. 3; M.S. 126C.41, subd. 4; M.S. 126C.41, subd. 5; M.S. 126C.44; M.S. 126C.45; M.S. 123A.30, subd. 6; M.S. 123A.39, subd. 3; M.S. 123A.73, subd. 12; M.S. 123A.444; M.S. 124D.05, subd. 3; M.S. 126C.41, subd. 6; M.S. 126C.455; M.S. 469.1812-1815; M.S. 126C.445; M.S. 123A.73, subd. 9; M.S. 123B.82; M.S. 126C.445; M.S. 123A.485; M.S. 123A.41, subd. 4; M.S. 123A.76; M.S. 123A.12

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
Levies	319,610	335,219	469,213	469,339	501,361	504,351	501,361	504,413
District Revenue	319,610	335,219	469,213	469,339	501,361	504,351	501,361	504,413

Program: Choice Programs
Activity: Charter School Lease Aid

education.mn.gov/MDE/dse/chart

AT A GLANCE

- In fiscal year (FY) 2019, 161 of the 164 charter schools in Minnesota received lease aid.
- Maximum lease aid per pupil unit is $1,314.

PURPOSE AND CONTEXT

Unlike school districts, charter schools cannot generate property tax revenue to pay for school buildings. The Charter School Lease Aid program provides partial funding to charter schools to lease facilities and land. This program supports the objective that every student receives a world-class education.

SERVICES PROVIDED

This program provides funding to charter schools to lease facilities for instructional purposes. Charter schools submit applications for lease aid that are approved or denied based on:

- Reasonableness of the price per square foot.
- Appropriateness of the proposed lease in the context of the space needs, code compliance and financial circumstances of the charter school.
- Conformity of the leased space and lease agreement to the laws and rules of the state and federal governments.

State aid is the lesser of:

- Ninety percent of the actual net lease costs; or
- $1,314 times the number: (pupil units served plus PSEO pupil units).

The Minnesota Department of Education (MDE) approves charter school lease aid applications.

Beginning FY 2017, lease aid is available for approved pre-K school programs.

RESULTS

Type of Measure	*Name of Measure*	*FY 2018*	*FY 2019*	*Preliminary FY 2020**
Quantity	Charter Schools receiving lease aid	161	161	163
Quantity	Pupil Units Served	60,411	63,366	68,064
Quantity	Average Lease Cost per Pupil Unit	$1,496	$1,578	$1,589
Quantity	Average Aid per Pupil Unit	$1,225	$1,246	$1,248

*Does not reflect FY 2020 UFARS adjustments to lease costs or final FY 2020 pupil units served.

M.S. 124E.22 M.S. 124E.22

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	73,205	79,646	83,171	85,918	93,181	99,553	93,547	99,819
3000 - Federal	7,542	3,990	6,180	10,000	11,744	7,319	11,744	7,319
Total	**80,747**	**83,636**	**89,351**	**95,918**	**104,925**	**106,872**	**105,291**	**107,138**
Biennial Change				20,886		26,528		27,160
Biennial % Change				13		14		15
Governor's Change from Base								632
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	80,747	83,636	89,351	95,918	104,925	106,872	105,291	107,138
Total	**80,747**	**83,636**	**89,351**	**95,918**	**104,925**	**106,872**	**105,291**	**107,138**

Charter School Lease Aid

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	74,038	78,972	83,500	86,179	93,959	100,175	94,366	100,425
District Revenue	74,038	78,972	83,500	86,179	93,959	100,175	94,366	100,425
Direct Appropriation	73,440	79,646	83,214	85,918	93,181	99,553	93,547	99,819
Current Year	66,590	70,951	75,150	77,562	84,564	90,158	84,930	90,383
Prior Year	6,850	7,448	8,021	8,356	8,617	9,395	8,617	9,436
Transfers Out	235							
Cancellations			43					
Expenditures	**73,205**	**79,646**	**83,171**	**85,918**	**93,181**	**99,553**	**93,547**	**99,819**
Biennial Change in Expenditures				16,238		23,645		24,277
Biennial % Change in Expenditures				11		14		14
Governor's Change from Base								632
Governor's % Change from Base								0
3000 - Federal								
Receipts	7,542	3,990	6,180	10,000	11,744	7,319	11,744	7,319
Expenditures	**7,542**	**3,990**	**6,180**	**10,000**	**11,744**	**7,319**	**11,744**	**7,319**
Biennial Change in Expenditures				4,648		2,883		2,883
Biennial % Change in Expenditures				40		18		18
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Choice Programs
Activity: Achievement and Integration Aid

education.mn.gov/MDE/dse/acint/

AT A GLANCE

- During the 2019-2020 school year 50 racially identifiable schools* (in 13 different districts) and 63 racially isolated districts** participated in this program. Some of these racially isolated districts also have racially identifiable schools.
- 109 additional districts were in the program and partnered with racially isolated districts to implement integration activities for students.
- Based on their 2018 fall enrollment, 25 additional racially isolated districts joined the program and generated revenue starting in FY 2020. Twenty additional districts also joined the program to work with the new racially isolated districts on integration activities. They also generated revenue.
- Districts use this revenue to increase racial and economic integration, to reduce achievement disparities within their districts, and to partner with neighboring districts on integration activities for students.

**A school with an enrollment of students of color and American Indian students that is more than 20 percentage points above that of the district average for schools serving the same grade levels.*

***A district with districtwide enrollment of students of color and American Indian students that exceeds that of any adjoining district by more than 20 percentage points.*

PURPOSE AND CONTEXT

This program exists to increase racial and economic integration, reduce achievement disparities for specific student groups, and provide students equitable access to a qualified and racially diverse teaching staff.

Students served include prekindergarten through grade 12 students attending a public school district that is either *racially isolated*, has a *racially identifiable school*, or is in close proximity to a racially isolated school district as defined above.

Achievement and Integration revenue is made up of two different funding streams: *initial revenue* which may be used to fund the strategies in a district's approved achievement and integration plan and *incentive revenue* which must be used for strategies to reduce racial and economic enrollment disparities. All strategies funded with either revenue stream must have the effect of increasing student integration and help reduce academic disparities that are identifiable by students' race or economic status. Incentive revenue may be used only to fund strategies designed specifically to increase enrollment of students of color and American Indian students or students that qualify for free or reduce priced lunch into the following: schools, classes, programs, or districts where there are documented enrollment disparities for students from one or more of these groups. Both types of revenue are funded through local property tax levy (30 percent) and state aid (70 percent).

This program supports the goals of closing all racial and economic opportunity gaps.

Districts that have not met their plan goals at the end of three years must develop an improvement plan and use up to twenty percent of their achievement and integration revenue to fund that plan.

SERVICES PROVIDED

Achievement and Integration revenue is used to implement strategies in a district's achievement and integration plan. These strategies must increase integration and reduce achievement disparities within the district or racially identifiable school. Most plans include student integration activities between neighboring districts.

Achievement and Integration plans may include the following types of strategies:

- Family involvement programs.
- Integrated prekindergarten to grade 12 programs with school enrollment choices designed to decrease racial and economic enrollment disparities within or between districts.
- Training for teachers and administrators to improve the achievement of all students.
- Rigorous coursework and career and college readiness programs for underserved students.
- Recruitment and retention of a racially and ethnically diverse staff.

The Minnesota Department of Education (MDE) reviews and approves district plans and budgets, calculates and processes aid payments, and provides ongoing assistance to districts on developing effective plans, monitoring their progress, improvement processes, and reporting results.

RESULTS

The table below lists the number of racially identifiable schools and racially isolated districts participating in the program for the years listed.

Type of Measure	***Name of Measure***	***2016-2017***	***2017-2018***	***2018-2019***	***2019-2020***
Quantity	Number of participating racially isolated districts	40	39	45	63
Quantity	Number of participating racially identifiable schools	55	55	50	50
Quantity	Number of participating districts with racially identifiable schools	15	15	16	13

Districts self-report on the extent to which they've realized the goals in their plans. Achievement and integration plans were in effect starting in FY 2018 and ending in FY 2020. Third year results for these three-year plans will be available in late fall 2020 and have not been reported to MDE at the time of this document's preparation. Additionally, many districts included goals in their FY2018-2020 plans that are different from the goals in their three-year plans which ended in FY 2017.

Districts' progress toward the goals in their prior three-year plan are listed below.

Type of Measure	*Name of Measure*	*2015*	*2017*	*2019*	*Number of Districts*
Quality	Progress toward goal for reducing reading achievement gap among participating districts	23.9% on track	10.16% met goal		13
Quality	Progress toward goal for reducing math achievement gap among participating districts	26.9% on track	4.69% met goal		6
Quality	Progress toward new goals for reducing academic disparities* among participating districts			18% met goal	24
Quality	Progress toward integration goals to increase opportunities for students to learn from and work with students from racial and economic backgrounds that are different from their own.	66.8% on track	51.56% met goal	23% met goal	66 (2017) / 29 (2019)

*In 2018, districts defined new goals to measure academic disparities that cannot be compared to the reading and math achievement gaps measured in 2015 and 2017.

M.S.124D.861; M.S.124D.862; MN Rules 3535.0100-3535.0180

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	70,563	71,251	76,848	86,204	83,582	82,891	83,760	83,088
Total	**70,563**	**71,251**	**76,848**	**86,204**	**83,582**	**82,891**	**83,760**	**83,088**
Biennial Change				21,238		3,421		3,796
Biennial % Change				15		2		2
Governor's Change from Base								375
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	70,563	71,251	76,848	86,204	83,582	82,891	83,760	83,088
Total	**70,563**	**71,251**	**76,848**	**86,204**	**83,582**	**82,891**	**83,760**	**83,088**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	66,917	69,645	77,814	88,391	83,345	83,222	83,543	83,419
Levies	29,387	29,756	33,089	35,701	35,720	35,667	35,720	35,836
District Revenue	96,304	99,401	110,903	124,092	119,065	118,889	119,263	119,255
Direct Appropriation	71,384	70,994	77,247	86,492	83,879	83,234	84,057	83,431
Current Year	60,131	62,587	70,065	79,523	75,011	74,900	75,189	75,077
Prior Year	6,182	6,787	7,058	6,681	8,868	8,334	8,868	8,354
Transfers Out	279	286	275	288	297	343	297	343
Cancellations	543	396	124					
Expenditures	**70,563**	**71,251**	**76,848**	**86,204**	**83,582**	**82,891**	**83,760**	**83,088**
Biennial Change in Expenditures				21,238		3,421		3,796
Biennial % Change in Expenditures				15		2		2
Governor's Change from Base								375
Governor's % Change from Base								0

Program: Choice Programs
Activity: Inter-district Desegregation Transportation

education.mn.gov/MDE/dse/acint/

AT A GLANCE

- In fiscal year (FY) 2019, over 6,200 open enrolled students were transported to and from schools participating in achievement and integration programs at a total district cost of $15.7 million. Districts received state aid in the amount of $13.7 million, as districts already receive a portion of general education revenue to cover the cost.
- Other students were transported to achievement and integration programs and events at a total district cost of $531,810 in FY 2019. Districts received $531,810 in state aid as there is no general education deduction for this type of transportation.

PURPOSE AND CONTEXT

This state aid program supports the achievement and integration program by funding unreimbursed transportation costs for students in an inter-district desegregation program. The majority of school districts participating in the state's Achievement and Integration program are required to partner with each other on integration activities for their students. These 'inter-district' programs, classes, or events are designed and implemented to bring together racially and economically diverse groups of students from each partnering district. The objective is for students to learn from and work with each other. Demographics of these groups are supposed to reflect the demographics of each district and include students or color, white students, American Indian students accordingly.

This aid program supports the objective that every child receives a world-class education.

SERVICES PROVIDED

Transportation is provided between the student's home or school and the achievement and integration program.

The aid paid to school districts is the difference between the cost of transportation and the portion of general education revenue attributable to transportation that the students generate.

The Minnesota Department of Education (MDE) calculates aid payments and provides technical support for this program.

RESULTS

Both the number of districts and the number of students participating has fluctuated over time.

Type of Measure	*Name of Measure*	*FY2016*	*FY2017*	*FY 2018*	*FY 2019*
Quantity	Number of Districts	61	65	59	49
Quantity	Number of Students Transported	8,668	6,688	6,439	6,252

M.S. 124D.87

Inter-district Desegregation Transportation

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	14,328	13,100	14,231	15,670	12,310	14,823	12,310	14,823
Total	**14,328**	**13,100**	**14,231**	**15,670**	**12,310**	**14,823**	**12,310**	**14,823**
Biennial Change				2,473		(2,768)		(2,768)
Biennial % Change				9		(9)		(9)
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	14,328	13,100	14,231	15,670	12,310	14,823	12,310	14,823
Total	**14,328**	**13,100**	**14,231**	**15,670**	**12,310**	**14,823**	**12,310**	**14,823**

Inter-district Desegregation Transportation

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	14,327	13,672	14,231	15,670	12,310	14,823	12,310	14,823
District Revenue	14,327	13,672	14,231	15,670	12,310	14,823	12,310	14,823
Direct Appropriation	13,337	13,193	14,231	15,670	12,310	14,823	12,310	14,823
Current Year	14,327	13,672	14,231	15,670	12,310	14,823	12,310	14,823
Transfers In	991							
Expenditures	**14,328**	**13,100**	**14,231**	**15,670**	**12,310**	**14,823**	**12,310**	**14,823**
Biennial Change in Expenditures				2,473		(2,768)		(2,768)
Biennial % Change in Expenditures				9		(9)		(9)
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Choice Programs
Activity: Recovery Program

AT A GLANCE

- Grant funds in the amount of $750,000 per year were available in fiscal year (FY) 2019 and 2020. Grant funds are used to cover a portion of the costs of licensed support staff and unreimbursed transportation expenses
- Recovery programs are eligible for grants of up to $125,000 per year.

PURPOSE AND CONTEXT

The Recovery Program Grant provides additional revenue to help with the cost of substance abuse recovery program support staff at approved recovery schools. Recovery programs must provide academic instruction designed to meet graduation requirements and assist students recovering from substance abuse or dependency.

This grant program supports the objective that every student should receive a world-class education in a safe and nurturing environment.

SERVICES PROVIDED

Grants pay for a portion of the costs of recovery program support staff. In FY 2018, coverage for unreimbursed transportation expenses was added to the list of eligible costs.

Recovery program support staff are defined as:

- Licensed alcohol and chemical dependency counselors;
- Licensed school counselors;
- Licensed school psychologists;
- Licensed school nurses; and
- Licensed school social workers.

The Minnesota Department of Education provides the following services for the program:

- Approving recovery programs;
- Developing application process and reporting forms for applicants/recipients;
- Providing technical assistance to applicants/recipients;
- Creating grant contracts including work plans and budget information;
- Calculating, auditing and processing payments; and
- Providing guidance as it relates to Minnesota statutes and state policies.

RESULTS

Type of Measure	*Name of Measure*	*FY 2019*	*FY 2020*
Quantity	Number of schools receiving grants	6	6
Quantity	Number of students served	152	146
Quantity	Number of licensed recovery program support staff paid using grant funds	8.98 FTE	9.37 FTE

M.S.124D.695

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	674	712	712	788	750	750	750	750
Total	**674**	**712**	**712**	**788**	**750**	**750**	**750**	**750**
Biennial Change				114		0		0
Biennial % Change				8		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	674	712	712	788	750	750	750	750
Total	**674**	**712**	**712**	**788**	**750**	**750**	**750**	**750**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	750	750	750	750	750	750	750	750
Balance Forward In		76		38				
Cancellations		114						
Balance Forward Out	76		38					
Expenditures	**674**	**712**	**712**	**788**	**750**	**750**	**750**	**750**
Biennial Change in Expenditures				114		0		0
Biennial % Change in Expenditures				8		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Program: American Indian Education
Activity: Minnesota Indian Teacher Training Program

https://education.mn.gov/MDE/dse/indian/mnindtrain/

AT A GLANCE

- Historically, grants were awarded to four project sites: Augsburg University, in collaboration with Minneapolis Public Schools and St. Paul Public Schools; Bemidji State University, in collaboration with Red Lake Public Schools; Minnesota State University Moorhead, in collaboration with Mahnomen Public Schools; and the University of Minnesota-Duluth, in collaboration with Duluth Public Schools.
- In Fiscal Year (FY) 2019, the Minnesota Indian Teacher Training Program (MITTP) expanded to award competitive joint grants. In FY 2019 and 2020 MITTP joint grants were awarded to St. Cloud State University in partnership with St. Cloud Area Schools and Fond du Lac Tribal and Community College in partnership with Fond du Lac Ojibwe School.
- In FY2019, MITTP grantees awarded scholarships to 21 students. In FY2020, MITTP support extended to 39 scholarship recipients with a total of $375,657.89 provided in scholarships. More information about the 39 scholarship recipients includes, four graduated, one was a current teacher who accessed support for certification, one is awaiting a required course, and 23 are continuing their education this fall.

PURPOSE AND CONTEXT

The Minnesota Indian Teacher Training Program (MITTP) provides scholarships and program support to assist American Indian students to become teachers and to assist current American Indian teachers in gaining additional education, credentials or certifications. The program seeks to increase the number of American Indian teachers and school staff in Minnesota. Access to American Indian teachers is important for all students to receive the highest quality education.

This program is designed to ensure all students receive a world-class education from caring, qualified teachers.

SERVICES PROVIDED

This program provides scholarships and program support to American Indian students and teachers who have the potential to complete a teacher-training program or certification needed to work in a prekindergarten through grade 12 school setting. The program receives $460,000 per year.

MDE calculates and processes payments and provides technical support for this program.

RESULTS

Students receive scholarship funds and are supported for multiple years during their teacher training or educational certification program. MITTP students also receive other state, federal, and tribal grant dollars to support their education.

Type of Measure	*Name of Measure*	*FY 2019*	*FY2020*
Quantity	Program Participants	21	39
Quantity	Graduates	3	4

M.S. 122A. 63; M.S. 124D.72.

Indian Teacher Training Program

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	460	457	460	460	460	460	460	460
Total	**460**	**457**	**460**	**460**	**460**	**460**	**460**	**460**
Biennial Change				3		0		0
Biennial % Change				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	460	457	460	460	460	460	460	460
Total	**460**	**457**	**460**	**460**	**460**	**460**	**460**	**460**

Indian Teacher Training Program

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	460	460	460	460	460	460	460	460
Cancellations		3						
Expenditures	**460**	**457**	**460**	**460**	**460**	**460**	**460**	**460**
Biennial Change in Expenditures				3		0		0
Biennial % Change in Expenditures				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Indian Education
Activity: Tribal Contract Schools

education.mn.gov/MDE/fam/indian/

AT A GLANCE

- In fiscal year (FY) 2019, 691 American Indian students attended the four federal Bureau of Indian Education (BIE) tribal contract schools in Minnesota.

PURPOSE AND CONTEXT

The program seeks to provide tribal schools with sufficient funding so they can provide an adequate and uniform education to their students, as required by the Minnesota Constitution. This funding provides aid to tribal contract schools to bring them closer to the amount public schools and districts in Minnesota receive per pupil. Tribal contract schools do not receive per-pupil funding by the State of Minnesota. Participants include the four tribal contract schools in the state: Bug-O-Nay-Ge-Shig School, Leech Lake; Circle of Life Academy, White Earth; Nay ah Shing School, Mille Lacs; and Fond du Lac Ojibwe School, Fond du Lac.

This program supports the objective that all students should receive a world-class education.

SERVICES PROVIDED

This state aid program provides funding to promote equal education for American Indian students enrolled in BIE tribal contract schools. The funds provide general education services and are not specifically set aside to meet any legislated goals. State aid is calculated based on the difference between the state per pupil adjusted aid amount minus the amount provided by the federal government. State aid to BIE tribal contract schools increases alongside the state per-pupil general education aid.

The Minnesota Department of Education (MDE) calculates and processes aid payments to tribal contract schools for this program.

RESULTS

MDE does not track or report participant performance. Tribal contract schools are under federal jurisdiction and therefore are not state public schools under Minnesota statutes, so MDE cannot require tribal schools to submit assessment data related to this program.

Type of Measure	*Name of Measure*	*FY 2018*	*FY 2019*
Quantity	Number of BIE Tribal contract schools	4	4
Quantity	Number of BIE students served	685	691

M.S. 124D.83

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	2,954	3,059	2,766	2,319	2,634	2,936	2,730	3,113
Total	**2,954**	**3,059**	**2,766**	**2,319**	**2,634**	**2,936**	**2,730**	**3,113**
Biennial Change				(928)		485		758
Biennial % Change				(15)		10		15
Governor's Change from Base								273
Governor's % Change from Base								5
Expenditures by Category								
Grants, Aids and Subsidies	2,954	3,059	2,766	2,319	2,634	2,936	2,730	3,113
Total	**2,954**	**3,059**	**2,766**	**2,319**	**2,634**	**2,936**	**2,730**	**3,113**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	1,712	1,675	2,741	2,459	2,660	2,966	2,760	3,151
District Revenue	1,712	1,675	2,741	2,459	2,660	2,966	2,760	3,151
Direct Appropriation	3,623	3,059	2,766	2,319	2,634	2,936	2,730	3,113
Current Year	1,346	1,375	2,467	2,213	2,394	2,670	2,484	2,837
Prior Year	323	366	299	106	240	266	246	276
Transfers Out	669							
Expenditures	**2,954**	**3,059**	**2,766**	**2,319**	**2,634**	**2,936**	**2,730**	**3,113**
Biennial Change in Expenditures				(928)		485		758
Biennial % Change in Expenditures				(15)		10		15
Governor's Change from Base								273
Governor's % Change from Base								5

Program: American Indian Education
Activity: Tribal Early Childhood Program

education.mn.gov/MDE/fam/indian/

AT A GLANCE

- Provides support to four tribal early childhood family education (ECFE) programs.
- Serves 800 to 1,100 children, birth to age 5, every year.
- Program sites: Bug-O-Nay-Ge-Shig school in Leech Lake; Circle of Life Academy in White Earth; Fond du Lac Ojibwe School in Cloquet; and, Wewinabi Early Education Center in Mille Lacs.

PURPOSE AND CONTEXT

This program ensures Early Childhood and Family Education (ECFE) services are available for parents who live in tribal communities and who will send their children to tribal schools.

This program supports the objective that all children deserve a world class education in a safe and nurturing school.

SERVICES PROVIDED

The program uses culturally appropriate materials and strategies to deliver the basic ECFE program, with an added emphasis on preserving American Indian history, language and culture.

The programs require the direct presence and substantial involvement of the children's parents, especially fathers, and may include any or all of the following education services:

- Programs to educate parents about the physical and mental development of the children.
- Programs to enhance parents' skills in providing for their children's learning and development.
- Participation in "Positive Indian Parenting" programs.
- Learning experiences for children and parents.
- Activities designed to detect children's physical, mental, emotional or behavioral problems that may cause learning problems.
- Activities and materials designed to encourage self-esteem, skills, and behaviors that prevent sexual and other interpersonal violence.
- Educational materials that may be borrowed for home use.
- Home visits or center-based activities.
- Other programs or activities to improve the health, development, and school-readiness of children.

The Minnesota Department of Education (MDE), through the Office of Indian Education, works with each of the four project sites annually to determine how allocations will be utilized and verifies how many children and families are served. MDE also calculates and processes aid payments for this program.

RESULTS

Tribally controlled schools are under federal jurisdiction and, therefore, are not state public schools under Minnesota statutes. They are not required to submit assessment data for this program. MDE does not track or report participant performance.

M.S. 124D.83, subd.4

Tribal Early Childhood Program

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	68	68	68	68	68	68	3,368	3,368
Total	**68**	**68**	**68**	**68**	**68**	**68**	**3,368**	**3,368**
Biennial Change				0		0		6,600
Biennial % Change				0		0		4,853
Governor's Change from Base								6,600
Governor's % Change from Base								4,853
Expenditures by Category								
Compensation							132	132
Operating Expenses							33	33
Grants, Aids and Subsidies	68	68	68	68	68	68	3,203	3,203
Total	**68**	**68**	**68**	**68**	**68**	**68**	**3,368**	**3,368**
Full-Time Equivalents							**1.00**	**1.00**

Tribal Early Childhood Program

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	68	68	68	68	68	68	3,368	3,368
Expenditures	**68**	**68**	**68**	**68**	**68**	**68**	**3,368**	**3,368**
Biennial Change in Expenditures				0		0		6,600
Biennial % Change in Expenditures				0		0		4,853
Governor's Change from Base								6,600
Governor's % Change from Base								4,853
Full-Time Equivalents							1.00	1.00

Program: American Indian Education
Activity: American Indian Education Aid

education.mn.gov/MDE/fam/indian/

AT A GLANCE

- Provides formula funding to 152 eligible school districts, charter schools and tribal contract schools.
- Funding is intended to reach 100 percent of state identified American Indian students.
- 23,870 American Indian students served annually.

PURPOSE AND CONTEXT

This program seeks to increase the academic achievement, decrease the dropout rate, and improve the school climate for American Indian students in culturally appropriate ways. The program serves American Indian students in school districts, federal Bureau of Indian Education tribal contract schools, and charter schools.

The Minnesota Department of Education's Office of Indian Education convened a stakeholder group to recommend how to improve educational outcomes for American Indian students. The working group decided that the Success for the Future program, a $4.2 million competitive grant program, needed to be replaced to reach more American Indian students. The recommendation, and eventual statutory funding formula that was enacted by the legislature in 2015, expands funding to eligible districts and schools from 32 to 143, serving nearly 97 percent of American Indian students in Minnesota. Under the new formula, school districts, charter schools, and tribal schools that have 20 or more American Indian students enrolled are eligible to receive $20,000 for the first 20 students, and an additional $358 per student beyond the initial count of 20.

This program is designed to aid American Indian students with reaching their full potential within their school communities through meaningful, equitable, and targeted educational experiences that affirms and values their unique cultural identities.

SERVICES PROVIDED

American Indian education programs are designed to meet the unique educational and cultural needs of American Indian students.

The following services are funded by the American Indian formula aid program with the goals of increasing student achievement, increasing graduation rates, reducing the achievement gap, and lowering dropout rates:

- support postsecondary preparation for pupils;
- support the academic achievement of American Indian students;
- make the curriculum relevant to the needs, interests, and cultural heritage of American Indian pupils;
- provide positive reinforcement of the self-image of American Indian pupils;
- develop intercultural awareness among pupils, parents, and staff; and
- supplement, not supplant, state and federal educational and co-curricular programs.

The Minnesota Department of Education administers the aid program and calculates payments to school districts, charter schools, and tribal contract schools.

RESULTS

The program is designated for 100 percent of Minnesota's state-identified American Indian students enrolled in public schools and Tribal schools and enables participating students to take part in a variety of culturally relevant programs. *Note: this information is from the federal count of American Indian students and does not represent the more accurate count of state-identified students. The federal count does not include American Indian students who mark any other race in combination with American Indian heritage, therefore the federal count does not accurately reflect tribal members nor descendants with mixed ancestry. The state count uses self-identification; either American Indian or not.*

Type of Measure	***Name of Measure***	***FY 2018***	***FY 2019***
Results	Statewide American Indian Graduation Rate	51.0%	50.8%
Results	Statewide American Indian MCA Reading Proficiency – 8th Grade	34.3%	34.0%
Results	Statewide American Indian MCA Math Proficiency – 8th Grade	26.1%	23.7%

M.S. 124D.81

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	9,004	9,278	9,685	10,814	11,351	11,775	11,432	11,885
Total	**9,004**	**9,278**	**9,685**	**10,814**	**11,351**	**11,775**	**11,432**	**11,885**
Biennial Change				2,217		2,627		2,818
Biennial % Change				12		13		14
Governor's Change from Base								191
Governor's % Change from Base								1
Expenditures by Category								
Grants, Aids and Subsidies	9,004	9,278	9,685	10,814	11,351	11,775	11,432	11,885
Total	**9,004**	**9,278**	**9,685**	**10,814**	**11,351**	**11,775**	**11,432**	**11,885**

American Indian Education Aid

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	8,569	8,676	9,996	11,025	11,387	11,818	11,477	11,930
District Revenue	8,569	8,676	9,996	11,025	11,387	11,818	11,477	11,930
Direct Appropriation	9,244	9,573	10,113	10,814	11,351	11,775	11,432	11,885
Current Year	7,936	7,980	8,997	9,923	10,249	10,637	10,330	10,738
Prior Year	646	633	688	891	1,102	1,138	1,102	1,147
Cancellations	240	295	428					
Expenditures	**9,004**	**9,278**	**9,685**	**10,814**	**11,351**	**11,775**	**11,432**	**11,885**
Biennial Change in Expenditures				2,217		2,627		2,818
Biennial % Change in Expenditures				12		13		14
Governor's Change from Base								191
Governor's % Change from Base								1

Program: Innovation and Accountability
Activity: Alternative Compensation (Q Comp)

education.mn.gov/MDE/dse/qc/

AT A GLANCE

- In fiscal year (FY) 2020, 185 districts and charter schools participated (36 percent):
  - 111 school districts participated (33 percent).
  - 72 charter schools participated (45 percent).
  - One intermediate district participated (25 percent).
  - One education district participated (8 percent).
- 490,440 students in the state were served by school participating in the program (55 percent).
- 37,368.69 full-time equivalent (FTE) licensed staff in the state were served (56 percent).
- 25 districts and charter schools are on the waiting list with pending applications awaiting funding.

PURPOSE AND CONTEXT

The alternative teacher professional pay system (commonly known as Q Comp) provides school districts and charter schools with up to $260 per student and education districts and intermediate districts with $3,000 per teacher in additional revenue for designing and implementing a program.

Q Comp programs approved by the Minnesota Department of Education (MDE) use various methods to improve classroom instruction and student learning while also recruiting and retaining highly qualified teachers.

Program revenue is available to all districts and sites that apply and have an approved plan. However, basic aid was limited to $88,118,000 for FY 2017 and later. Program expenditures have reached this cap as of the start of FY 2017. Due to enrollment increases, all participating programs are seeing funding statutorily prorated to 97.4 percent in FY 2021 to ensure the basic aid cap is not exceeded. Applications are still accepted for the waiting list but no plans will be approved until revenue is available.

This program supports the objective that every student should receive a world-class education from caring, qualified teachers.

SERVICES PROVIDED

Interested education sites are required to submit an application that includes:

- A plan of how licensed staff members can provide leadership to help others improve their instructional skills.
- Student achievement goals and the professional development plan that will help meet the goals.
- A description of the teacher observation/evaluation process and training plans.
- An explanation of salary schedule reform linking movement to performance measures and an overview of the performance pay system.

Approved districts or schools use the program funding to provide:

- Compensation to teacher leaders and licensed staff members.
- Professional development, training, and resources related to the program.

MDE performs several functions in support of this program, including:

- Review and approve applications and subsequent program changes.
- Provide technical assistance on program development and implementation.
- Provide professional development, networking and coaching to support educators to effectively implement the program including but not limited to observation and feedback, professional learning communities, and teacher leadership development.
- Calculate and process Q Comp payments.

Basic alternative compensation aid was capped at $88.1 million for FY 2017 and was available to districts on a first-come, first-served basis. State total basic aid is currently at the cap. The funding cap was reached in FY 2017. Minnesota Statute 2019, 122A.415, subdivision 4(b) states that the funding cap cannot be exceeded and the aid must be prorated among the participating districts. The cap would need to be increased in order to provide full funding for all current districts and to provide funding to all interested districts. However, districts have the authority to levy for an amount equal to the shortfall due to proration.

School districts receive 65 percent of the $260 per pupil amount ($169) in the form of state aid and the balance ($91 per pupil) in the form of equalized levy revenue.

Charter schools (which do not have levy authority) receive a prorated aid amount based on the percentage of $260 per pupil that all school districts receive.

Education districts and intermediate districts (which do not have levy authority) receive $3,000 per teacher.

RESULTS

Since Q Comp was enacted, two outside studies have been done to investigate its effectiveness:

- A 2014 study published in The Journal of Human Resources found a 0.03 standard deviation increase in student achievement on two different reading assessments and on one math assessment at districts receiving Q comp revenue (Journal of Human Resources study).
- A 2009 study identified a positive correlation between the implementation of Q Comp over a number of years and improved student achievement (Hezel Associates Q Comp for Teachers Summative Evaluation).

M.S. 122A.414; M.S. 122A.415

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	89,924	89,799	89,125	88,814	88,563	88,525	88,896	88,898
Total	**89,924**	**89,799**	**89,125**	**88,814**	**88,563**	**88,525**	**88,896**	**88,898**
Biennial Change				(1,784)		(851)		(145)
Biennial % Change				(1)		(0)		(0)
Governor's Change from Base								706
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	89,924	89,799	89,125	88,814	88,563	88,525	88,896	88,898
Total	**89,924**	**89,799**	**89,125**	**88,814**	**88,563**	**88,525**	**88,896**	**88,898**

Alternative Compensation

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	90,267	89,713	89,033	88,778	88,539	88,524	88,909	88,897
Levies	35,190	37,121	39,952	40,826	41,440	42,087	41,440	42,458
District Revenue	125,457	126,834	128,985	129,604	129,979	130,611	130,349	131,355
Direct Appropriation	90,169	89,817	89,166	88,814	88,563	88,525	88,896	88,898
Current Year	81,239	80,739	80,151	79,901	79,686	79,672	80,019	80,008
Prior Year	8,786	9,028	8,974	8,913	8,877	8,853	8,877	8,890
Transfers Out	114							
Cancellations	131	21	41					
Expenditures	**89,924**	**89,799**	**89,125**	**88,814**	**88,563**	**88,525**	**88,896**	**88,898**
Biennial Change in Expenditures				(1,784)		(851)		(145)
Biennial % Change in Expenditures				(1)		(0)		(0)
Governor's Change from Base								706
Governor's % Change from Base								0

Program: Innovation and Accountability
Activity: Assessments

AT A GLANCE

- Serves approximately 65,000 students per grade, grades 3-8 Mathematics and Reading, grade 10 Reading, grade 11 Mathematics, and grades 5, 8, and high school Science. This totals approximately a million assessments across the grades for Minnesota Comprehensive Assessments (MCAs).
- Serves approximately 73,000 English learners (ELs), grades K-12.
- Serves approximately 6,000 students with severe cognitive disabilities.
- Supports all charter schools, districts, Minnesota Department of Education (MDE) divisions, and stakeholders with data requests and data analysis.

PURPOSE AND CONTEXT

Statewide testing's mission is to design, develop, and implement a system of assessment so Minnesota students, parents, teachers, administrators, legislators, and taxpayers will have access to valid and reliable data to support and improve education in Minnesota. Our purpose is to build a comprehensive assessment system and provide analytics that adds value to Minnesota's education system.

This program supports the objective of ensuring every student receives a world-class education.

SERVICES PROVIDED

This program provides data and analysis to inform parents, teachers, and the public on the achievement of students against the Minnesota K-12 Academic Standards and Minnesota English Language Proficiency Standards. This includes special populations such as English learners, students receiving special education services and student receiving free or reduced-price meals.

MDE awards contracts to vendors, manages the contracts, supports districts' administration of the tests, and reports test results. Part of the district and agency support provided by the division comes from the Data Analytics Team, which conducts complex analysis of program-specific data, which often includes test results.

RESULTS

Type of Measure	*Name of Measure*	*FY 2019*	*FY 2020*
Quality	District satisfaction with support/training materials. (baseline of 75-85% in FY16)	~80-90%	Not available
Quantity	Number of data requests fulfilled. This includes internal and external requests.	100-125	150-175

M.S.120B.30; M.S. 120B.31; M.S. 124D.59
ESEA 1965, Title VI, Part A, Subpart I, Section 1111(b) (2)

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	12,403	13,051	12,223	12,403	12,403	12,403	10,703	10,703
3000 - Federal	1,155	458	457	809	809	809	809	809
Total	**13,558**	**13,509**	**12,680**	**13,212**	**13,212**	**13,212**	**11,512**	**11,512**
Biennial Change				(1,176)		532		(2,868)
Biennial % Change				(4)		2		(11)
Governor's Change from Base								(3,400)
Governor's % Change from Base								(13)
Expenditures by Category								
Compensation	3	1						
Operating Expenses	12,045	11,349	11,169	11,701	11,701	11,701	10,501	10,501
Grants, Aids and Subsidies	1,511	2,159	1,511	1,511	1,511	1,511	1,011	1,011
Total	**13,558**	**13,509**	**12,680**	**13,212**	**13,212**	**13,212**	**11,512**	**11,512**
Total Agency Expenditures	13,558	13,509	12,680	13,212	13,212	13,212	11,512	11,512
Internal Billing Expenditures	5	5	5	4	4	4	4	4
Expenditures Less Internal Billing	**13,553**	**13,504**	**12,675**	**13,208**	**13,208**	**13,208**	**11,508**	**11,508**
Full-Time Equivalents	**0.03**	**0.01**						

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	12,403	12,403	12,223	12,403	12,403	12,403	10,703	10,703
Balance Forward In		648						
Cancellations	0	0						
Expenditures	**12,403**	**13,051**	**12,223**	**12,403**	**12,403**	**12,403**	**10,703**	**10,703**
Biennial Change in Expenditures				(828)		180		(3,220)
Biennial % Change in Expenditures				(3)		1		(13)
Governor's Change from Base								(3,400)
Governor's % Change from Base								(14)
3000 - Federal								
Receipts	1,155	458	457	809	809	809	809	809
Expenditures	**1,155**	**458**	**457**	**809**	**809**	**809**	**809**	**809**
Biennial Change in Expenditures				(348)		352		352
Biennial % Change in Expenditures				(22)		28		28
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.03	0.01						

Program: Innovation and Accountability
Activity: Minnesota Principals Academy

AT A GLANCE

- The two-year program consists of 13 units of study across 30 days of training.
- In fiscal year (FY) 2016, the program served approximately 56 school leaders in two cohorts in the Twin Cities and northwest Minnesota.

PURPOSE AND CONTEXT

The Minnesota Principals Academy is an executive development program for school and system leaders focused on instructional leadership.

- Research underscores the importance of an effective school leader in school quality and student achievement.
- The overall goal of the program is to increase participants' capacities to lead effective schools and systems.

SERVICES PROVIDED

The Minnesota Principals Academy is operated by the University of Minnesota College of Education and Human Development. In this program, school leaders

- Participate in the research-based curriculum from the National Institute of School Leadership.
- Complete an action research project focused on an individual problem of practice.
- Receive more than 30 days of professional development over two years.

The Minnesota Department of Education (MDE) administers an annual grant to support the program. It was $150,000 per year through FY 2017. Beginning in FY 2018, it is $200,000 per year.

RESULTS

This program was new in FY 2016. A program evaluation was completed by the Center for Applied Research and Educational Improvement at the University of Minnesota in June 2017. Highlights of outcomes include:

Program completion: Twenty-four of the 26 participants in the Northwest cohort fully completed the program, and all 31 participants in the Twin Cities cohort (representing 18 school districts, three charter schools and the State Academy of the Deaf) completed the program.

Engagement and completion of Action Learning Project: Twenty-one of the 24 participants in the Northwest cohort completed an Action Learning Project, and 26 of the 31 participants in the Twin Cities cohort completed the Action learning Project. The Action Learning Projects focused on a local problem of practice that the participant saw as important to address in striving to increase student outcomes. Participants presented projects to their cohorts of peers in June of 2017.

Leadership expertise: The number of *participants* who rated their perception of expertise (on an online survey) as good increased for the most part due to moving from moderate to good. On the pre-survey, the majority of respondents rated their individual level of expertise as good in four of the seven areas on the pre-survey; however, on the post-survey, the majority of respondents rated their expertise level as good in every area.

Leadership skills: Over 85 percent of the *principal supervisors* respondents agreed or strongly agreed (on an online survey) that their school leaders had enhanced their leadership skills, as a result of participating in the Minnesota Principals Academy. These areas included their ability to motivate and support teachers, especially related to new instructional practices; their thinking around how to improve instruction and build teams; their willingness and ability to ensure that they and their teachers use data and research to make curricular and instructional decisions; their commitment to high expectations for all students; and their willingness to listen to a variety of stakeholders.

MN Laws of 2019, 1st Special Session, Chapter 11, Article 2, Section 33, Subdivision 15.

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	200	200	200	200	200	200	200	200
Total	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**
Biennial Change				0		0		0
Biennial % Change				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	200	200	200	200	200	200	200	200
Total	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	200	200	200	200	200	200	200	200
Expenditures	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**
Biennial Change in Expenditures				0		0		0
Biennial % Change in Expenditures				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Special Student and Teacher
Activity: Advanced Placement-International Baccalaureate

education.state.mn.us/MDE/dse/ccs/ap/
education.state.mn.us/MDE/dse/ccs/ib/

AT A GLANCE

In fiscal year (FY) 2019:

- 74 International Baccalaureate (IB) programs were in place in 55 authorized IB schools.
- 45,656 Advanced Placement (AP) students took 74,291 exams.
- 4,014 IB students took 9,020 exams.
- Efforts focused on increasing the number of low-income students taking AP or IB exams.
- 647 AP teachers attended in-depth training.
- 939 IB teachers attended in-depth training.

PURPOSE AND CONTEXT

This state-aid program gives high school students the opportunity to take college-level courses and earn college credit while in high school. The funding is used to pay all Advanced Placement (AP) and International Baccalaureate (IB) exam costs for students from low-income families and a portion of exam costs for all students. The program also provides funding for AP/IB teachers to attend training programs.

SERVICES PROVIDED

Most of Minnesota's public and private colleges and universities have credit-awarding policies for AP and IB course credits for exams taken by students.

- Colleges and universities in Minnesota State must award college credit to high school students who receive a score of three or higher on an advanced placement examination or four or higher on the international baccalaureate program examination.
- The University of Minnesota and private postsecondary institutions are encouraged, but not required, to award college credit to high school students who receive a score of three or higher on an advanced placement examination or four or higher on the international baccalaureate program examination.

The AP and IB programs provide financial incentives to support:

- Teacher training and support.
- Student examination fees.

The Minnesota Department of Education (MDE) reviews and approves applications and calculates and processes aid payments for this program.

RESULTS

Type of Measure	*Name of Measure*	*FY 2018*	*FY 2019*
Quality	Percent of AP exams proficient (3 or above) or above (national average is 57% and 58%). These are scores of 3 out of 5 and above.	66%	66%

Type of Measure	*Name of Measure*	*FY 2018*	*FY 2019*
Quality	Number of IB exams proficient or above (national average is 74%, both years). These are scores of 4 out of 7 and above.	51%	61%
Quantity	Number of low-income students/percentage of low income students taking AP exams. These exam fees are fully funded.	5,251 (11%)	5,325 (12%)
Quantity	Number of low-income students/percentage of low income students taking IB exams. These exam fees are fully funded.	1,125 (28%)	1,117 (28%)

M.S.120B.13

Advanced Placement-International Baccalaureate

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	4,500	4,596	4,498	4,502	4,500	4,500	4,500	4,500
Total	**4,500**	**4,596**	**4,498**	**4,502**	**4,500**	**4,500**	**4,500**	**4,500**
Biennial Change				(96)		0		0
Biennial % Change				(1)		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Operating Expenses			3					
Grants, Aids and Subsidies	4,500	4,596	4,495	4,502	4,500	4,500	4,500	4,500
Total	**4,500**	**4,596**	**4,498**	**4,502**	**4,500**	**4,500**	**4,500**	**4,500**

Advanced Placement-International Baccalaureate

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
Balance Forward In		96		2				
Balance Forward Out			2					
Expenditures	**4,500**	**4,596**	**4,498**	**4,502**	**4,500**	**4,500**	**4,500**	**4,500**
Biennial Change in Expenditures				(96)		0		0
Biennial % Change in Expenditures				(1)		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Special Student and Teacher
Activity: Concurrent Enrollment

education.mn.gov/MDE/dse/ccs/pseo/index.htm

AT A GLANCE

- Of the 32,272 students that participated in concurrent enrollment in fiscal year (FY) 2019, 5,990 were low-income students and 299 were English learners.
- For FY 2019, the state aid amount was prorated to $52.43 per student, per course.

PURPOSE AND CONTEXT

The Concurrent Enrollment program provides funding to districts to defray the cost of delivering concurrent enrollment courses in high schools. This program is available to all students in grades 11 and 12; students participating in career and technical education classes in grade 10 and students in grades 9 and 10 on a limited basis. This program provides dual high school and college credit.

This aid program supports the One Minnesota objective that every student receives a world-class education.

SERVICES PROVIDED

This program provides funding to districts that offer an agreed-upon concurrent enrollment course for students who take the course at the high school.

- Concurrent enrollment courses are taught during the regular school day at the high school.
- These courses are offered in partnership with a college or university.
- State aid is set at $150 per student per course. However, because funding is capped and enrollment is increasing, full course reimbursement exceeds the appropriation, and the program is prorated. For FY19, districts received $52.43 per student in state aid, with local funding making up an increasing portion of the cost.

Participating students are provided:

- Credit for both high school and college credits at no cost to the student;
- Qualified high school instructors or college faculty teaching the course;
- Exposure to college-level courses and coursework;
- Similar coursework and testing as is used in classes taught on a college campus; and
- Continued participation in the high school culture while earning college credits.

The Minnesota Department of Education:

- Helps districts interpret the laws regarding concurrent enrollment;
- Reviews and approves annual partnership agreements between school districts and colleges or universities; and
- Verifies student eligibility, calculates and processes aid payments to districts.

RESULTS

In 2018-19, 323 districts and charter schools had 76,296 student enrollments in concurrent enrollment courses through 38 Minnesota colleges and universities.

Type of Measure	*Name of Measure*	*FY 2018*	*FY 2019*
Quantity	Number of student enrollments	76,223	76,296
Quantity	College credits earned that generated Concurrent Enrollment aid	261,829 credits	261,019 credits
Quantity	Number of unique students	32,608	32,272
Quantity	Number of districts and charters with Concurrent Enrollment courses	324	323

M.S. 124D.091

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Total	**4,000**	**4,000**	**4,000**	**4,000**	**4,000**	**4,000**	**4,000**	**4,000**
Biennial Change				0		0		0
Biennial % Change				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Total	**4,000**	**4,000**	**4,000**	**4,000**	**4,000**	**4,000**	**4,000**	**4,000**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Expenditures	**4,000**	**4,000**	**4,000**	**4,000**	**4,000**	**4,000**	**4,000**	**4,000**
Biennial Change in Expenditures				0		0		0
Biennial % Change in Expenditures				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Special Student and Teacher
Activity: Literacy Incentive Aid

AT A GLANCE

- Fiscal year (FY) 2019, 54.5 percent of third-grade students were proficient statewide.
- FY 2019, 75 percent of fourth-grade students met their growth target statewide.

PURPOSE AND CONTEXT

This program provides schools with additional aid based on student reading performance.

Literacy incentive aid is available to all public school districts and charter schools with students in grades 3 and 4.

This program supports the objective that every student receives a world-class education.

SERVICES PROVIDED

Part of literacy incentive aid is based on the portion of students in a school that meet or exceed proficiency on the MCA grade three reading test (called "proficiency aid"). Part of literacy incentive aid is based on the portion of students that show medium or high growth in reading proficiency between grades three and four (called "growth aid").

Proficiency aid is calculated by school site using a three-year average of the number of third grade students who meet or exceed proficiency on the MCA grade three reading test times $530 times the grade three fall enrollment from the prior year. The average proficiency aid revenue per student tested was $306.

Growth aid is calculated by school site using a three-year average of the number of fourth grade students showing medium or high growth in reading proficiency times $530 times the grade four fall enrollment from the prior year. The average growth aid revenue per student tested was $425.

The legislature provided temporary guidance to exclude test data for the 2019-2020 school year due to the COVID-19 outbreak. (Minnesota Session Laws – 2020 Regular Session Chapter 116 – H.F. No.4415)

The Minnesota Department of Education (MDE) calculates and processes aid payments for this program.

RESULTS

Type of Measure	*Name of Measure*	*FY 2015*	*FY 2016*	*FY 2017*	*FY 2018*	*FY 2019*
Quality	Portion of grade three students generating proficiency aid	58.8%	57.3%	56.6%	55.7%	54.5%
Quality	Portion of grade four students generating growth aid	74.0%	73.8%	74.0%	74.0%	75.0%

M.S.124D.98

Literacy Incentive Aid

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	46,267	45,668	44,498	44,658	45,075	45,968	45,075	45,968
Total	**46,267**	**45,668**	**44,498**	**44,658**	**45,075**	**45,968**	**45,075**	**45,968**
Biennial Change				(2,779)		1,887		1,887
Biennial % Change				(3)		2		2
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	46,267	45,668	44,498	44,658	45,075	45,968	45,075	45,968
Total	**46,267**	**45,668**	**44,498**	**44,658**	**45,075**	**45,968**	**45,075**	**45,968**

Literacy Incentive Aid

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	46,341	45,594	44,351	44,632	45,124	46,062	45,124	46,062
District Revenue	46,341	45,594	44,351	44,632	45,124	46,062	45,124	46,062
Direct Appropriation	47,264	45,987	44,985	44,658	45,075	45,968	45,075	45,968
Current Year	41,647	41,012	39,916	40,169	40,612	41,456	40,612	41,456
Prior Year	4,581	4,694	4,582	4,489	4,463	4,512	4,463	4,512
Transfers Out	981							
Cancellations	16	46	487					
Expenditures	**46,267**	**45,668**	**44,498**	**44,658**	**45,075**	**45,968**	**45,075**	**45,968**
Biennial Change in Expenditures				(2,779)		1,887		1,887
Biennial % Change in Expenditures				(3)		2		2
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Special Student and Teacher
Activity: Student Organizations

AT A GLANCE

- There are seven career and technical education student organizations supported by the Minnesota Foundation for Student Organizations (MSFO).
- MFSO is governed by a 23-member board of directors, half of which are appointed by the governor and half which serve as representatives to the student organizations.

PURPOSE AND CONTEXT

The Minnesota Foundation for Student Organizations (MFSO) ~~funds~~ supports secondary and postsecondary career and technical student organizations that are operated as co-curricular activities and/or integrated into Career and Technical Education (CTE) coursework.

SERVICES PROVIDED

The MFSO supports career and technical student organizations as they provide opportunities for students in Career and Technical Education pathways to further their knowledge and skills by participating in leadership activities, events, community service and competitions. :
The student organizations provide those opportunities in the following areas:

- Health Occupations (HOSA)
- Service Occupations (HERO)
- Trade and Industry Technology (SKILLSUSA)
- Business (BPA)
- Agriculture, Food and Natural Resources (FFA)
- Family and Consumer Science (FCCLA)
- Marketing (DECA)

The MFSO coordinates joint activities and outreach among its member student organizations. The MFSO requires member organizations to provide desired support and opportunities for students.

The Minnesota Department of Education (MDE) processes payments and provides technical support for this program.

RESULTS

Type of Measure	*Name of Measure*	*FY 2017*	*FY 2019*
Quantity	Membership in career and technical education student organizations	20,573	24,510

M.S.124D.34; M.S. 124D.355

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	725	725	768	768	768	768	768	768
Total	**725**	**725**	**768**	**768**	**768**	**768**	**768**	**768**
Biennial Change				86		0		0
Biennial % Change				6		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	725	725	768	768	768	768	768	768
Total	**725**	**725**	**768**	**768**	**768**	**768**	**768**	**768**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	725	725	768	768	768	768	768	768
Balance Forward In	0	0						
Cancellations		0						
Expenditures	**725**	**725**	**768**	**768**	**768**	**768**	**768**	**768**
Biennial Change in Expenditures				86		0		0
Biennial % Change in Expenditures				6		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Special Student and Teacher
Activity: Early Childhood Literacy

minnesotareadingcorps.org/

AT A GLANCE

- This program is implemented by Reading Corps, an initiative of ServeMinnesota.
- In fiscal year (FY) 2017, there was a 57.6 percent pass rate on the statewide third-grade MCA test of reading proficiency for participants who completed their Minnesota Reading Corps tutoring.
- In the 2018-19 school year, Reading Corp served 18,068
- Children in 78 Minnesota counties in 948 individual sites
- In the 2018-2019 school year, Minnesota Reading Corps worked with 430 elementary schools and 124 pre-K sites.

PURPOSE AND CONTEXT

This program's purpose is to reduce Minnesota's opportunity gap, better prepare preschoolers for kindergarten, and increase the number of students meeting literacy standards by the end of third grade, which support the objective of ensuring every student receives a world-class education.

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

SERVICES PROVIDED

The Minnesota Reading Corps places AmeriCorps members in early childhood and elementary school settings. AmeriCorps members:

- Are trained in research-based tutoring techniques and work with children age 3 to grade three.
- Monitor each student's progress.

The Minnesota Reading Corps provides master literacy coaches to all sites. They:

- Train internal literacy coaches on early literacy curriculum and coaching techniques.
- Administer the early learning classroom observation tool in pre-K settings.
- Provide feedback/coaching to AmeriCorps members.

The Minnesota Department of Education awards and makes payments for the program grant, approves work plans and invoices, and reviews annual reports.

RESULTS

Type of Measure	*Name of Measure*	*FY 2015*	*FY 2016*	*FY 2017*	*FY 2018*	*FY 2019*
Quantity	Number of prekindergarten children receiving individualized instruction.	9,082	6,816	6,074	4,730	4,346
Quality	Percentage of prekindergarten children who meet their growth goals.	86%	86%	85%	92%	83%

Type of Measure	*Name of Measure*	*FY 2015*	*FY 2016*	*FY 2017*	*FY 2018*	*FY 2019*
Quantity	Number of K-3 children receiving individualized instruction.	21,802	17,296	17,272	15,490	13,953
Quality	Percentage of K-3 children who meet their growth goals.	69%	84%	78%	75%	79%

M.S. 119A.50; M.S.124D.42

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	6,950	6,950	7,950	7,950	7,950	7,950	7,950	7,950
Total	**6,950**	**6,950**	**7,950**	**7,950**	**7,950**	**7,950**	**7,950**	**7,950**
Biennial Change				2,000		0		0
Biennial % Change				14		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	6,950	6,950	7,950	7,950	7,950	7,950	7,950	7,950
Total	**6,950**	**6,950**	**7,950**	**7,950**	**7,950**	**7,950**	**7,950**	**7,950**

Early Childhood Literacy

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	6,950	6,950	7,950	7,950	7,950	7,950	7,950	7,950
Expenditures	**6,950**	**6,950**	**7,950**	**7,950**	**7,950**	**7,950**	**7,950**	**7,950**
Biennial Change in Expenditures				2,000		0		0
Biennial % Change in Expenditures				14		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Special Student and Teacher
Activity: Elementary and Secondary Education Act (ESEA) Programs

education.mn.gov/mde/index.html

AT A GLANCE

- The Elementary and Secondary Education Act (ESEA) provides supplementary educational funds for underserved learner programs, professional development of teachers and principals, and English language development.
- ESEA was reauthorized December 2015 and is now more commonly referred to as the Every Student Succeeds Act (ESSA).

PURPOSE AND CONTEXT

The Elementary and Secondary Education Act (ESEA) is federal legislation that promotes student achievement through school and district reform.

The law requires each state to develop and implement a system for holding all districts and schools accountable for the education of students.

Annual federal education grants are allocated to eligible districts using census and student enrollment information.

SERVICES PROVIDED

Funds are authorized for instructional programs and materials, professional development, and for promoting family engagement under:

- Improving Academic Achievement, Title I, Part A of ESEA, which provides technical and financial assistance to local education agencies (LEAs) and schools with high numbers or percentages of children from low-income families, in order to help schools make sure that all children meet challenging state academic standards.
- Migrant Education, Title I, Part C, which ensures that migratory children receive appropriate educational services that address their special needs.
- Neglected and Delinquent Education, Title I, Part D, which provides prevention and intervention programs for children who are neglected delinquent and at-risk.
- Supporting Effective Instruction, Title II, Part A, which improves the preparation of prospective teachers and enhances professional development activities for teachers and other school leaders.
- English Acquisition and Language Enhancement and Academic Achievement, Title III Part A, which helps LEAs ensure that English learners, and immigrant students attain English proficiency and meet the same standards required of all students.
- Student Support and Academic Enrichment, Title IV, Part A, which provides access to holistic education in three main areas: well-rounded education, safe and healthy schools and effective use of technology.
- The Rural and Low-Income Schools Grant, Title VI,Part B, which helps small rural districts with high concentrations of poverty meet challenging state academic standards.
- Educating Homeless Children and Youth (ECHY), McKinney-Vento Act which provides sub grants for districts and charter schools with large populations of children and youth experiencing homelessness.

The Minnesota Department of Education administers federal education programs for learners under ESEA and provides school districts:

- Leadership to ensure that programs funded under ESEA are implemented according to legislation and demonstrate reasonable promise of success.
- Support for the design, development, implementation, administration and evaluation of ESEA programs.
- Programmatic accountability with ESEA programs.

RESULTS

With the reauthorization of ESEA, all states were required to submit a state plan to the federal government in 2017 to meet the new requirements in ESSA. Implementation of ESSA began in the 2018-2019 school year. Minnesota's plan establishes accountability indicators that will be used to prioritize support for schools identified as low-performing in areas such as academic achievement, English language proficiency, graduation rates, and attendance rates.

Type of Measure	***Name of Measure***	***FY 2019***
Quantity	Schools identified for comprehensive support and improvement	198
Quantity	Schools identified for targeted support and improvement	159
Quantity	Schools identified for support	133

No Child Left Behind (NCLB) Act of 2001, Pub. L. No. 107-110, § 115, Stat. 1425 (2002) Reauthorized Every Student Succeeds Act (ESSA) December 2015.

CFDA 84.010; CFDA 84.011; CFDA 84.358B; CFDA 84.365A; CFDA 84.367.

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
3000 - Federal	190,658	207,110	214,065	902,869	328,910	252,936	328,910	252,936
Total	**190,658**	**207,110**	**214,065**	**902,869**	**328,910**	**252,936**	**328,910**	**252,936**
Biennial Change				719,166		(535,088)		(535,088)
Biennial % Change				181		(48)		(48)
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Compensation			2	707	48	427	48	427
Operating Expenses			0	1,116	789	330	789	330
Grants, Aids and Subsidies	190,658	207,110	214,063	901,046	328,073	252,179	328,073	252,179
Total	**190,658**	**207,110**	**214,065**	**902,869**	**328,910**	**252,936**	**328,910**	**252,936**
Total Agency Expenditures	190,658	207,110	214,065	902,869	328,910	252,936	328,910	252,936
Internal Billing Expenditures			0	166	54	80	54	80
Expenditures Less Internal Billing	**190,658**	**207,110**	**214,065**	**902,703**	**328,856**	**252,856**	**328,856**	**252,856**
Full-Time Equivalents				**5.80**	**3.90**	**3.50**	**3.90**	**3.50**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
3000 - Federal								
Receipts	190,658	207,110	214,065	902,869	328,910	252,936	328,910	252,936
Expenditures	**190,658**	**207,110**	**214,065**	**902,869**	**328,910**	**252,936**	**328,910**	**252,936**
Biennial Change in Expenditures				719,166		(535,088)		(535,088)
Biennial % Change in Expenditures				181		(48)		(48)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents				5.80	3.90	3.50	3.90	3.50

Program: Special Student and Teacher
Activity: Special Student and Teacher Opportunities

AT A GLANCE

- The Race 2 Reduce program funds four project sites in FY 2020 – FY 2021.
- P-TECH schools establishes a public-private partnership structure to teach students skills for jobs in the STEM field. A grant was awarded to Rochester, ISD 535 as a named recipient in FY 2020.
- Suicide prevention training for teachers establishes an online training curriculum accessible statewide.
- Reach Out and Read MN supports early childhood development in clinics across the state.
- Javits encourages interest in computer science for underrepresented groups.

PURPOSE & CONTEXT

Grant funding provides additional resources to achieve specific programmatic objectives and services as described below. The programs support the goals of the objective of ensuring every student receives a world-class education. The majority of these programs are state funded.

SERVICES PROVIDED

The Race 2 Reduce program educates students about water resources and engages youth to be leaders of change and environmental stewards of the future. $10,000 of the funding was awarded competitively in FY2020. Two project sites were funded competitively. A second competition will be run in F20Y21.

- Grantees include H2O for Life, ISD 624 (White Bear Lake), and competitive grantees.
- $50,000 for FY 2020
    - $10,000 is for H2O for Life
    - $30,000 is for ISD 624 (White Bear Lake)
    - $10,000 is for competitive grantees

P-TECH schools are established as a public-private partnership that will prepare students for high-skill jobs of the future in identified growth industries. Rochester, ISD 535 was the named recipient for the FY 2020 and FY 2021 funds.

- $500,000 in FY 2020.
- $500,000 in FY 2021.
- The base for fiscal years 2022 and 2023 is $791,000 in each year.

The P-TECH school model must deliver five core benefits to students:

1. a rigorous, relevant, and cost-free education in grades 9 to 14, inclusive, focused on knowledge and skills that students need for science, technology, engineering, and mathematics (STEM) careers;
2. workplace learning that includes mentoring by industry professionals, worksite visits, speakers, and internships;
3. intensive, individualized academic support by both secondary and postsecondary faculty within an academic year or school day that enables students to progress through the program at their own pace;
4. an opportunity to earn an associate's degree; and
5. a commitment to students who complete the program to be first in line for a job with participating business partners following completion of the program.

Construction Skilled Trade Counseling Report - For a transfer to the commissioner of labor and industry for staff collaboration with the Department of Education on construction and skilled trades counseling under Minnesota Statutes, section 120B.126.

- $125,000 in FY 2020.
- $25,000 in FY 2021.

Minnesota Independence College and Community - For a transfer to the Office of Higher Education for grants to Minnesota Independence College and Community(MICC) for tuition reduction and institutional support. MICC is a three year postsecondary, life-skills training program for young adults with Autism Spectrum Disorder or other learning differences.

- $500,000 in FY 2020.
- $625,000 in FY 2021.

The *Suicide Prevention Training for Teachers* program funds a grant to a nationally-recognized provider of evidence-based online training on suicide prevention and engagement of students experiencing mental distress. Training funded by the grant must be accessible to teachers in every school district, charter school, intermediate school district, service cooperative, and tribal school in Minnesota.

- $265,000 in FY 2020.

The goal of *Reach Out and Read Minnesota* is to expand a program that encourages early childhood development through a network of health care clinics, and for the purchase of culturally and developmentally appropriate books to sustain and expand the program in partnership with health clinics statewide.

- $75,000 in FY 2020.
- $75,000 in FY 2021.

The *Javits Gifted & Talented* programis federally funded under PL 107-110 V NO CHILD LEFT BEHIND ACT OF 2001. Six named school districts received grants for the following activities:

- increasing student interest in and positive attitude towards their learning in general and computer science in particular;
- identifying greater numbers of students as gifted, particularly in computer science;
- increasing the number of students who are limited English proficient, twice-exceptional (2e), or are from a traditionally underrepresented racial/ethnic group, or gender identified as gifted, particularly in computer science;
- and for educators from participating districts to demonstrate a greater awareness of gifted student characteristics and effective instructional best practices.
    - $240,000 awarded as grants in FY 2020.

The Minnesota Department of Education administers all aspects of the grant program. Services include:

- Providing technical assistance to applicants/recipients.
- Creating grant contract including work plans and budget information.
- Calculating, auditing, and processing payments.
- Providing guidance as it relates to Minnesota Statutes and state policies.

RESULTS

Excluding Race 2 Reduce these are all new programs that began in FY 2020, as such, data is limited.

Type of Measure	*Name of Measure*	*Previous*	*Current*	*Dates*
Quality	Number of schools utilizing the Race 2 Reduce curriculum	N/A	4	FY20

Laws of Minnesota 2015, 1st Spec. Sess. Chapter 3, article 2, section 70, subdivision 24; Laws of Minnesota 2016, chapter 189, article 25, section 51.

Minnesota Session Laws 2019, 1st Special Session, Chapter 11, Article 2, Section 33, Subdivision 24 (P-Tech) 25 (Race 2 Reduce) 26 (Construction) 30 (Independence)

Minnesota Session Laws 2019, 1st Special Session, Chapter 11, Article 5, Section 6, Subdivision 2 (Training)

Minnesota Session Laws 2019, 1st Special Session, Chapter 11, Article 8, Section 13, Subdivision 11 (Reach)

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	230		1,160	1,005	791	791	791	791
3000 - Federal			58	590	595	595	595	595
Total	**230**		**1,218**	**1,595**	**1,386**	**1,386**	**1,386**	**1,386**
Biennial Change				2,583		(41)		(41)
Biennial % Change						(1)		(1)
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Compensation			1	5	5	5	5	5
Operating Expenses			247	200	125	125	125	125
Grants, Aids and Subsidies	230		970	1,390	1,256	1,256	1,256	1,256
Total	**230**		**1,218**	**1,595**	**1,386**	**1,386**	**1,386**	**1,386**
Total Agency Expenditures	230		1,218	1,595	1,386	1,386	1,386	1,386
Internal Billing Expenditures			9	19	19	19	19	19
Expenditures Less Internal Billing	**230**		**1,209**	**1,576**	**1,367**	**1,367**	**1,367**	**1,367**
Full-Time Equivalents			**0.01**	**0.15**	**0.15**	**0.15**	**0.15**	**0.15**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	241		1,865	1,575	1,416	1,416	1,416	1,416
Balance Forward In		11		80				
Transfers Out			625	650	625	625	625	625
Cancellations		11						
Balance Forward Out	11		80					
Expenditures	**230**		**1,160**	**1,005**	**791**	**791**	**791**	**791**
Biennial Change in Expenditures				1,935		(583)		(583)
Biennial % Change in Expenditures						(27)		(27)
Governor's Change from Base								0
Governor's % Change from Base								0
3000 - Federal								
Receipts			58	590	595	595	595	595
Expenditures			**58**	**590**	**595**	**595**	**595**	**595**
Biennial Change in Expenditures				648		542		542
Biennial % Change in Expenditures						84		84
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents			0.01	0.15	0.15	0.15	0.15	0.15

Program: Special Student and Teacher
Activity: Other Special Student Opportunities

starbasemn.org/
minnesotamathcorps.org/

AT A GLANCE

- The Museum and Education Centers program provides grants to four museums and education centers.
- The Civic Education Grants program was first implemented in fiscal year (FY) 2014. The Civic Education Coalition consists of Minnesota Civic Youth, Learning Law and Democracy Foundation, and YMCA Youth in Government.
- 13 AmeriCorps Innovation programs served rural and urban communities in FY 2019.
- More than 600 AmeriCorps Innovation members served approximately 38,000 Minnesotans in FY 2019.
- The Starbase Minnesota program was implemented in FY 2014 and serves 3,400 students and more than 200 educators each year.
- The Minnesota Math Corps program placed more than 120 tutors in more than 170 schools, and approximately 3,000 students received services in FY 2019.
- Grow Your Own funding supports a teacher initiative involving non-licensed educational professionals, including paraprofessionals and cultural liaisons.
- Concurrent enrollment grants are focused on providing professional development opportunities for teachers.
- STEM grants encourage low-income and other underserved students to participate in advanced placement and international baccalaureate programs.
- The Water Safety program provides low-income and underserved children with scholarships for swimming lessons.
- Rural Career and Technical Education provides grants for students to participate in new career and technical programs.
- The agricultural educator program funds summer programs in schools.

PURPOSE AND CONTEXT

Grant funding provides additional resources to achieve specific programmatic objectives and services as described below. These grants or grant programs support the objective of ensuring every student receives a world-class education.

SERVICES PROVIDED

Museums and Education Centers:

- 2016 legislation adds the Headwaters Science Center (HSC) to the list of museums and education centers that receive funding. HSC must use the funding for "hands-on science, technology, engineering, and math (STEM) education." Other grantees include the Minnesota Children's Museum, Minnesota Children's Museum Rochester the Duluth Children's Museum, and the Minnesota Academy of Science. There is no specific purpose identified for these three grantees.
- $460,000 for 2020.
- $460,000 for 2021.
    - $319,000 each year is for the Minnesota Children's Museum ($50,000 each year to Minnesota Children's Museum, Rochester).
    - $50,000 each year is for the Duluth Children's Museum.

- $41,000 each year is for the Minnesota Academy of Science.
- $50,000 each year is for the Headwaters Science Center.

The Civics Education Grants program is awarded to the Minnesota Civic Education Coalition for a civics education program serving youth age 18 and under. This program instructs students in:

- The constitutional principles and democratic foundation of our national, state, and local institutions.
- The political processes and structures of government, grounded in the understanding of constitutional government.
- $75,000 in FY 2020.
- $75,000 in FY 2021.

Starbase Minnesota is a grant program focusing on science, technology, engineering, and math. The grant is awarded to Starbase Minnesota for a program serving students in grades 4-6.

- $1,850,000 for FY 2020.
- $500,000 for FY 2021.

Minnesota Math Corps provides ServeMinnesota AmeriCorps members with a model of mathematics instruction they can use to help elementary and middle school students and their teachers meet state academic standards in mathematics.

- Students in select elementary, middle and junior high schools in Minnesota are served by this program.
- $500,000 for FY 2020.
- $500,000 for FY 2021.

The Grow Your Own teacher program is a competitive grant program that provides grants to school districts with more than 30 percent minority students for a Professional Educator and Licensing Standards Board (PELSB) approved nonconventional teacher residency program.

- Programs provide tuition scholarships or stipends to enable school district employees or community members to seek an education license.
- Grants may also be used to develop innovative programs that encourage secondary students to pursue teaching.
- $1,500,000 for FY 2020.
- $1,500,000 for FY 2021.

Expanded concurrent enrollment and statewide concurrent enrollment grants focus on providing professional development opportunities for teachers to acquire the graduate credits they need to teach concurrent enrollment courses in the high school. These additional credits are being required by the Higher Learning Commission.

- Statewide - $775,000 in FY 2020 and $375,000 FY 2021, with up to 5% for grant administration.
- Expanded – $375,000 for FY 2020 and FY 2021.
- Northwest Regional Partnership concurrent enrollment program (Lakes Country) - $1,000,000 in FY 2020.

The STEM program provides grants to schools to encourage low-income and other underserved students to participate in advanced placement and international baccalaureate programs according to Minnesota Statutes, section 120B.132.

- $250,000 in FY 2020.
- $250,000 in FY 2021.

The Water Safety program provides low-income and underserved children with scholarships for swimming lessons based on nationally recognized water safety curriculum and hires water safety instructors or lifeguards, providing them instruction in nationally recognized water safety practices.

- $50,000 in FY 2020.
- $50,000 in FY 2021.
- The program was reduced at the end of FY 2020 by 14% due to projected revenue reduction in the Legacy fund account. FY2021 funds were reduced.

The Rural Career and Technical Education Consortium provides grants for students to participate in new career and technical programs that develop the advance skills needed by regional employers. The funds are granted to regional service cooperatives.

- $3,000,000 in FY 2020.
- $3,000,000 in FY 2021.

Agricultural Educator grants pay for licensed agricultural education teachers who are working in the summer with high school students on extended projects.

- $250,000 in FY 2020.
- $250,000 in FY 2021.

ServeMN - Youth Works provides an "innovation hub" working with 11 regional non-profits to empower youth to improve their life opportunities through literacy, job placement, and other essential skills as authorized by Minnesota Statutes 124D.37-124D.45.

- $900,000 in FY 2020
- $900,000 in FY 2021

MDE administers all aspects of these grant programs including:

- Developing application process and reporting forms for applicants/recipients.
- Providing technical assistance to applicants/recipients.
- Creating grant contracts including work plans and budget information.
- Calculating, auditing, and processing payments.
- Providing guidance as it relates to Minnesota Statutes and state policies.

RESULTS

Type of Measure	***Name of Measure***	***FY 2018***	***FY 2019***
Quantity	Number of programs in museum and education centers	3	4
Quantity	Number of civics programs offered through participating non-profits	3	3
Result	Starbase facility remodeled to serve additional students		Ongoing
Quantity	AmeriCorps total service hours for Minnesota Math Corps and Minnesota Reading Corps	707,522	769,481
Quantity	Number of children in grades 4-8 receiving individualized Minnesota Math Corps instruction.	2,482	3,145
Quantity	Number of children in grades 4-8 completing the Minnesota Math Corps program.	1,739	2,028

Type of Measure	*Name of Measure*	*FY 2018*	*FY 2019*
Result	Ratio of children who completed the Minnesota Math Corps program and met their academic goals.	54%	60%s
Quantity	Grow Your Own number of participating sites		6
Quantity	Concurrent enrollment teacher training program credits earned	2,499	2,163
Quantity	Rural Career and Tech. Ed. number of students receiving Career and Tech. Ed. credits through program	490	900
Quantity	Ag. Educator number of summer programs	43	44

M.S. 124D.36 – M.S. 124D.45; Federal Citation: National and Community Service Trust Act 1993

Minnesota Session Laws 2019, 1st Special Session, Chapter 2, Article 4, Section 5, Subdivision 5(b) water safety

Minnesota Session Laws 2019, 1st Special Session, Chapter 11, Article 2, Section 23 Subdivision 2 and 6 section 33, Subdivision 7-9 (literacy), 12 (museums), 13 (Starbase), 20 STEM, 21 RTE, 25 Race 2 Reduce, 28 Civics

Other Special Student Opportunities

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	8,016	7,627	12,088	38,429	8,091	8,091	71,605	67,798
2001 - Other Misc Special Revenue							3,395	3,395
2301 - Arts & Cultural Heritage				93	7		7	
3000 - Federal	128	38						
Total	**8,144**	**7,665**	**12,088**	**38,522**	**8,098**	**8,091**	**75,007**	**71,193**
Biennial Change				34,802		(34,421)		95,590
Biennial % Change				220		(68)		189
Governor's Change from Base								130,011
Governor's % Change from Base								803
Expenditures by Category								
Compensation	38	39	43	481	34	34	2,428	2,308
Operating Expenses	131	44	2	169	11	11	3,717	3,437
Grants, Aids and Subsidies	7,975	7,582	12,043	37,872	8,053	8,046	68,862	65,448
Total	**8,144**	**7,665**	**12,088**	**38,522**	**8,098**	**8,091**	**75,007**	**71,193**
Total Agency Expenditures	8,144	7,665	12,088	38,522	8,098	8,091	75,007	71,193
Internal Billing Expenditures	21	6						
Expenditures Less Internal Billing	**8,122**	**7,659**	**12,088**	**38,522**	**8,098**	**8,091**	**75,007**	**71,193**
Full-Time Equivalents	**0.38**	**0.24**	**0.36**	**3.50**	**0.25**	**0.25**	**17.66**	**16.91**

Other Special Student Opportunities

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement							21,358	24,143
District Revenue							21,358	24,143
Direct Appropriation	8,042	6,216	9,916	38,416	8,091	8,091	75,000	71,193
Current Year							19,222	21,729
Prior Year								2,136
Balance Forward In		3,454	2,185	13				
Transfers Out							3,395	3,395
Cancellations		2,044						
Balance Forward Out	26		13					
Expenditures	**8,016**	**7,627**	**12,088**	**38,429**	**8,091**	**8,091**	**71,605**	**67,798**
Biennial Change in Expenditures				34,874		(34,335)		88,886
Biennial % Change in Expenditures				223		(68)		176
Governor's Change from Base								123,221
Governor's % Change from Base								761
Full-Time Equivalents	0.35	0.23	0.36	3.50	0.25	0.25	17.66	16.91

2001 - Other Misc Special Revenue								
Transfers In							3,395	3,395
Expenditures							**3,395**	**3,395**
Biennial Change in Expenditures				0		0		6,790
Biennial % Change in Expenditures								
Governor's Change from Base								6,790
Governor's % Change from Base								
2301 - Arts & Cultural Heritage								
Balance Forward In				50	7		7	
Direct Appropriation			50	50	0	0	0	0
Transfers In					7		7	
Transfers Out					7		7	
Balance Forward Out			50	7				
Expenditures				**93**	**7**		**7**	
Biennial Change in Expenditures				93		(86)		(86)
Biennial % Change in Expenditures								
Governor's Change from Base								0

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Governor's % Change from Base								

3000 - Federal

Receipts	128	38						
Expenditures	**128**	**38**						
Biennial Change in Expenditures				(166)		0		0
Biennial % Change in Expenditures				(100)				
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	0.03	0.01						

Program: Special Student and Teacher
Activity: Nonrecurring Grant Programs

AT A GLANCE

Nonrecurring grant programs are grants or grant programs where the funds have already been granted out and grantees are spending down the funds. No new funds have been appropriated for these grants or grant programs.

PURPOSE AND CONTEXT

Grant funding provides additional resources to achieve specific programmatic objectives and services, as described below. These grants or grant programs support the objective of ensuring every student receives a world-class education.

SERVICES PROVIDED

The *Support our Students Grant* program is designed to address shortages of student support services personnel within Minnesota schools. Student support services personnel included individuals licensed to serve as a school counselor, school psychologist, school social worker, school nurse, or chemical dependency counselors. Grant funds will be used to fund new positions for student support services personnel.

- $12,133,000 in 2017, available until June 30, 2022.

Seventy-seven school sites received awards in 37 school districts. Forty grants were awarded to non-metro sites and 37 to metro sites.

The *Minnesota Council on Economic Education (MCEE)* seeks to address the gap in teacher knowledge regarding economic education. Through teacher staff development, MCEE will provide opportunities for educators to improve their understanding of economics content and instructional strategies to help all students achieve the state economics standards.

- $117,000 in FY 2020.
- $118,000 in FY 2021.

The *Certificate Incentive Program* will enable the Minnesota Department of Education to establish a list of qualifying career and technical education certificates that will be posted on the agency website.

- In collaboration with the governor's Workforce Development Council and the P-20 education partnership, 109 industry-recognized certificates were identified for reimbursement, which spanned all six available career fields and included 11 career clusters.
- $1,000,000 in FY 2017, $860,000 available until FY 2021

Minnesota Center for the Book program funding provides grants to the entity designated by the Library of Congress to provide statewide programming related to the Minnesota Book Awards and for additional programming throughout the state related to the center for the book designation.

- $125,000 in FY 2020.
- $125,000 in FY 2021.

MDE administers all aspects of these grant programs including:

- Developing application process and reporting forms for applicants/recipients.
- Providing technical assistance to applicants/recipients.
- Creating grant contracts including work plans and budget information.
- Calculating, auditing, and processing payments.
- Providing guidance as it relates to Minnesota Statutes and state policies.

RESULTS

Type of Measure	***Name of Measure***	***FY 2018***	***FY 2019***
Quantity	Support Our Students number of student support positions funded	75	75
Quantity	Minnesota Council on Economic Education teacher participants in economic education courses	438	527
Quantity	Certificate Incentive program - number of industry recognized credentials earned	277	268
Result	MN Center for the Book is able to offer MN Book Awards, One Book One Minnesota statewide programs annually		

MN Laws 2019 1st Special Session, Chapter 11, Article 2, Section 33, Subdivision 18
MN Laws 2019 1st Special Session, Chapter 11, Article 2, Section 24 and Section 25
MN Laws 2016, Chapter 189, Article 25, Section 55, Section 56, and Section 62, subdivisions 3, 12, 14 and 15.

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	7,482	10,966	7,778	988				
3000 - Federal		788						
Total	**7,482**	**11,754**	**7,778**	**988**				
Biennial Change				(10,470)		(8,766)		(8,766)
Biennial % Change				(54)		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
Expenditures by Category								
Compensation		7						
Operating Expenses		477						
Grants, Aids and Subsidies	7,482	11,270	7,778	988				
Total	**7,482**	**11,754**	**7,778**	**988**				
Total Agency Expenditures	7,482	11,754	7,778	988				
Internal Billing Expenditures		1						
Expenditures Less Internal Billing	**7,482**	**11,753**	**7,778**	**988**				
Full-Time Equivalents		**0.04**						

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	2,353	150	2,102	243	0	0	0	0
Balance Forward In	15,250	12,697	6,421	745				
Cancellations		1,862						
Balance Forward Out	10,121	19	745					
Expenditures	**7,482**	**10,966**	**7,778**	**988**				
Biennial Change in Expenditures				(9,682)		(8,766)		(8,766)
Biennial % Change in Expenditures				(52)		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
3000 - Federal								
Receipts		788						
Expenditures		**788**						
Biennial Change in Expenditures				(788)		0		0
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents		0.04						

Program: Special Education
Activity: Special Education Regular

education.mn.gov/MDE/dse/sped/

AT A GLANCE

- In FY 2019, 152,016 children and youth, ages birth-21, received special education services.
- In FY 2019, 123,822 K-12 students (15.2 percent of total K-12 students) received special education services.
- In FY 2019 26,488 full-time equivalent special education teachers and paraprofessional staff were employed.

PURPOSE AND CONTEXT

This state aid program funds specially designed instruction and related services for children and youth with disabilities ages birth-21.

Districts also receive federal funds through the Individuals with Disabilities Education Act (IDEA) for special education services. IDEA ensures that all children with disabilities receive a Free Appropriate Public Education (FAPE). FAPE emphasizes that special education and related services must meet students' unique needs and prepare them for postsecondary education, employment and independent living.

This program supports the objective of ensuring every student receives a world-class education.

SERVICES PROVIDED

Goals of special education:

- Provide FAPE in the least restrictive environment.
- Increase participation and improve performance on statewide assessments.
- Increase special education student graduation rates and decrease dropout rates.
- Coordinate services for students receiving support from more than one agency.

Students receiving special education services must have an Individualized Education Program (IEP). The IEP helps students with disabilities with schoolwork and helps them make progress toward graduation according to their individualized goals. Students are eligible for IDEA Part B services if they meet specific state eligibility requirements under one or more of 13 disability categories as defined in Minnesota Rules.

To be eligible for special education IDEA Part B services, students ages 3-21 must be:

- Found to have a disability.
- In need of specialized instruction and related services.

To be eligible for special education IDEA Part C infant and toddler intervention services, infants and toddlers aged birth-2 must meet at least one of the three components:

- They meet the criteria for any one of Minnesota's recognized special education disability categories.
- They have a demonstrated developmental delay.
- They are diagnosed with a physical or mental condition that has a high probability of resulting in developmental delay.

The combination of these laws and rules require the provision of FAPE for all eligible children and youth with disabilities. FAPE is defined as instruction and services that are:

- Based on eligibility and need.
- Written into an Individualized Education Program (IEP) or an Individualized Family Service Plan (IFSP).
- Provided in the least restrictive environment possible and at no cost to parents.

The Minnesota Department of Education (MDE) calculates and processes aid payments and provides technical support for this program.

RESULTS

Minnesota 4-year Graduation and Dropout Rates for Students with IEPs

Type of Measure	Name of Measure	2016-17	2017-18	2018-19
Quantity	Minnesota 4-Year Adjusted Cohort Graduation Rates for Students with IEPs	61.2%	62.3%	63.0%
Quantity	Minnesota 4-Year Adjusted Cohort Dropout Rates for Students with IEPs	8.6%	8.3%	7.8%

Minnesota State Assessment Participation Rates for Students with IEPs

Type of Measure	Name of Measure	2016-17	2017-18	2018-19
Quantity	Participation Rates for Students with IEPs on the Minnesota Statewide Math Assessments	95.2%	94.3%	94.4%
Quantity	Participation Rates for Students with IEPs on the Minnesota Statewide Reading Assessments	95.4%	94.9%	94.8%

Proficiency Rates for Students with IEPs on the Minnesota Statewide Math and Reading Assessments

Only students with valid scores[1] are included in the table below.

	Math		Reading	
	2017-18	2018-19	2017-18	2018-19
Grade 3	42.9%	43.0%	31.3%	32.1%
Grade 4	39.9%	40.1%	32.1%	29.9%
Grade 5	28.1%	28.4%	36.2%	35.7%
Grade 6	25.0%	25.2%	30.4%	30.5%
Grade 7	21.5%	21.3%	25.8%	25.5%
Grade 8	22.6%	23.4%	25.2%	25.7%
High School*	16.0%	14.4%	27.4%	27.9%

*Math is assessed in Grade 11; Reading is assessed in Grade 10

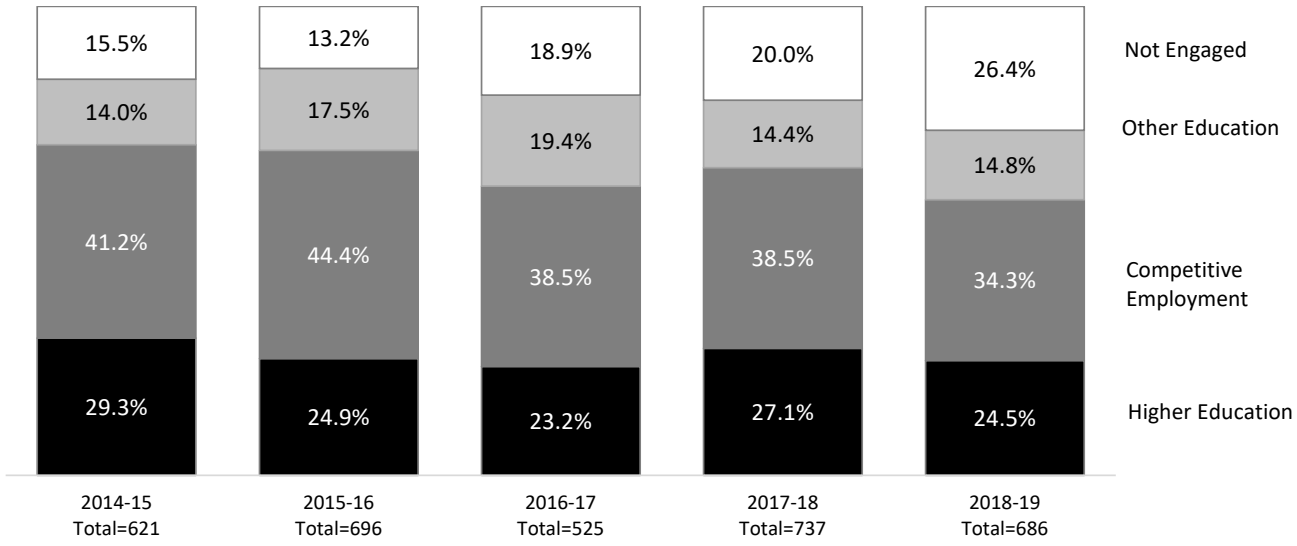
Goal: To increase postsecondary education and employment outcomes for students with disabilities.

[1] For reporting purposes, students who responded to at least 90 percent of the accountability portion of the assessment on the MCA-III or the test administrator entered a score for every task students complete on the MTAS-III are considered a valid score. Scores considered not valid include Absent, Invalid-Student, Invalid-Device, Invalid-Other, Medical Excuse, Not Enrolled, Not Attempted, Not Complete, Refused by Parent, Refused by Student and Wrong Grade. Valid student cases are used for reporting purposes.

Measure: The Post-School Outcome Survey results are based on a sample of special education students interviewed each year regarding their post-high-school education and employment experiences one year after exiting high school. Students identified as 'not engaged' reported not being enrolled in school or employed during window of time the survey was conducted. The data reported below are a percent participation rate per category. Because not all students sampled respond to the survey the total of responses will not add to 100 percent.

Post-School Outcome Survey Trends among Minnesota Students with IEPs

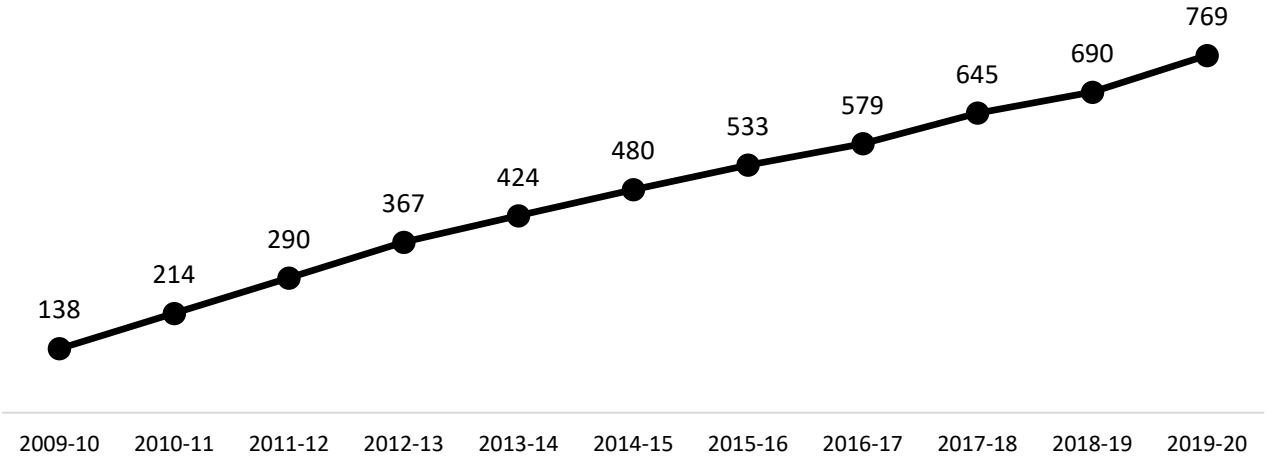
Students surveyed one year after exiting



Goal: To increase Positive Behavioral Interventions and Supports (PBIS), which is a comprehensive, data-driven and educational set of practices ensuring all students, staff and families are working from the same playbook when it comes to supporting positive behavior and academic achievement, in Minnesota schools.

Measure: Number of schools implementing PBIS.

Number of Minnesota Schools Implementing Positive Behavioral Interventions and Supports (PBIS)



M.S.125A.02; M.S.125A.03; M.S.125A.75; M.S.122A.726; MN Rules 3525;
Special Education disability categories MN Rules 3525.1325 to 3525.1348;
Eligibility criteria for infant and toddler intervention services MN Rules 3525.1350
Federal Law [Individuals with Disabilities Education Act (IDEA) 20 U.S.C. §1400 (2004)]; Federal Regulations (34 CFR 300)

Special Education - Regular

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	1,342,297	1,513,738	1,596,279	1,725,490	1,821,955	1,944,772	1,844,261	1,994,392
3000 - Federal	163,535	172,512	169,936	179,419	179,419	179,419	179,419	179,419
Total	**1,505,832**	**1,686,250**	**1,766,215**	**1,904,909**	**2,001,374**	**2,124,191**	**2,023,680**	**2,173,811**
Biennial Change				479,042		454,441		526,367
Biennial % Change				15		12		14
Governor's Change from Base								71,926
Governor's % Change from Base								2
Expenditures by Category								
Operating Expenses	0							
Grants, Aids and Subsidies	1,505,829	1,686,250	1,766,215	1,904,909	2,001,374	2,124,191	2,023,680	2,173,811
Other Financial Transaction	3							
Total	**1,505,832**	**1,686,250**	**1,766,215**	**1,904,909**	**2,001,374**	**2,124,191**	**2,023,680**	**2,173,811**
Total Agency Expenditures	1,505,832	1,686,250	1,766,215	1,904,909	2,001,374	2,124,191	2,023,680	2,173,811
Internal Billing Expenditures	0							
Expenditures Less Internal Billing	**1,505,832**	**1,686,250**	**1,766,215**	**1,904,909**	**2,001,374**	**2,124,191**	**2,023,680**	**2,173,811**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	1,385,374	1,476,203	1,610,671	1,743,315	1,833,025	1,960,502	1,858,472	2,013,525
District Revenue	1,385,374	1,476,203	1,610,671	1,743,315	1,833,025	1,960,502	1,858,472	2,013,525
Direct Appropriation	1,342,297	1,513,013	1,600,889	1,725,490	1,821,955	1,944,772	1,844,261	1,994,392
Current Year	1,183,070	1,291,728	1,411,916	1,528,190	1,606,830	1,718,577	1,629,136	1,765,056
Prior Year	156,403	202,333	184,363	197,300	215,125	226,195	215,125	229,336
Cancellations		1,813	4,610					
Expenditures	**1,342,297**	**1,513,738**	**1,596,279**	**1,725,490**	**1,821,955**	**1,944,772**	**1,844,261**	**1,994,392**
Biennial Change in Expenditures				465,734		444,958		516,884
Biennial % Change in Expenditures				16		13		16
Governor's Change from Base								71,926
Governor's % Change from Base								2
3000 - Federal								
Receipts	163,535	172,512	169,936	179,419	179,419	179,419	179,419	179,419
Expenditures	**163,535**	**172,512**	**169,936**	**179,419**	**179,419**	**179,419**	**179,419**	**179,419**
Biennial Change in Expenditures				13,308		9,483		9,483
Biennial % Change in Expenditures				4		3		3
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Special Education
Activity: Other Federal Special Education Programs

education.mn.gov/MDE/dse/schfin/sped/
helpmegrowmn.org/HMG/index.htm

AT A GLANCE

This budget activity currently consists of five programs: The Minnesota Deaf Blind Technical Assistance Project, the Preschool Special Education Part B program, the State Systemic Improvement Plan, the Employment Capacity Building Cohorts, and Project SEARCH. Highlights for these programs include:

- Deaf-blindness is the categorical area of special education with the lowest percentage of students (0.07 percent).
- In 2019, census data from the Minnesota Deaf-Blind Project indicated that 354 special education students had both vision and hearing loss reported as disabilities.
- 19,196 children ages 3-5 with disabilities were counted as being served through Individualized Education Programs on December 1, 2019, and more than half of these children participate in regular early childhood programs and receive special education services in those settings.
- In 2015, the U.S. Department of Education's Office of Special Education and Rehabilitative Services awarded the Minnesota Department of Education (MDE) a five-year State Personnel Development Grant (SPDG) to support State Systemic Improvement Plan (SSIP) implementation. Current SSIP partner districts include Duluth, Minneapolis, Osseo and St. Paul.
- In the 2018-19 school year, 23 local education agencies (LEAs) participated in the Employment Capacity Building Cohort (ECBC) with 138 students with developmental cognitive disabilities entering into competitive integrated employment. In 2019-20, the COVID-19 pandemic impacted the number of students entering employment.
- In the 2019-20 school year, nine Minnesota businesses participated as Project SEARCH sites hosting 63 student interns with developmental cognitive disabilities.

PURPOSE AND CONTEXT

This budget activity currently consists of five programs: The Minnesota Deaf Blind Technical Assistance Project (DB Project), the Preschool Special Education Part B program, the State Systemic Improvement Plan (SSIP), the Employment Capacity Building Cohorts (ECBC), and Project SEARCH.

- The DB Project is a federally funded formula grant received by the Minnesota Department of Education (MDE) to support services for students with both vision and hearing loss and their families.
- The Preschool Special Education Part B program provides individualized education services to preschool children with disabilities.
- The SSIP is a comprehensive, multi-year plan that focuses on improving results for children and youth with disabilities.
- The ECBC is a training and technical assistance program provided for school districts to improve their employment practices for students with developmental cognitive disabilities.
- Project SEARCH provides educational internships for students with intellectual/developmental cognitive disabilities through workplace immersion at participating business sites with the goal of obtaining competitive integrated employment within four to 11 months after completion of their internship experience.

SERVICES PROVIDED

The Minnesota Deaf Blind Technical Assistance Project (DB Project)

- Supports appropriate and timely evaluation of students suspected of having dual sensory loss to help ensure earlier identification of student who are DeafBlind.
- Provides support to teams, including educators and parents, to enhance their ability to address the unique education and service needs of children with deaf blindness.
- Provides training to new cohorts of interveners, educational aides who help the student who is DeafBlind, each year.

Federally mandated Preschool Special Education Part B program

- Federal funds support statewide efforts to:
    - Seek out and identify potentially eligible children; and,
    - Provide professional development opportunities promoting evidence-based practices through the Regional Centers of Excellence.
- Services are provided to each eligible child through an Individualized Education Program.
- The goal is to increase each child's ability to actively and independently participate in current and future environments such as home, preschool and kindergarten.
- Services most often include special instruction, speech therapy, occupational or physical therapy, and transportation.
- To support program implementation the Minnesota Department of Education interprets regulations, statutes and rules; collects and reports data; processes payments/reimbursements; provides professional development; and connects children and families to appropriate local programs and monitors local implementation.

State Systemic Improvement Plan (SSIP) goals and partnerships

- Increase the six-year graduation rates for American Indian and Black students with disabilities.
- Develop capacity of districts to select and implement effective and sustainable evidence-based practices that support improving graduation outcomes for students with disabilities.
- MDE was awarded a $5.5 million, five-year State Personnel Development Grant in 2015 to support SSIP implementation, among other grant initiatives. The grant entered a 'no cost extension year' in 2020-21 to allow the expenditure of the remaining balance of the 5-year federal grant. MDE continues to work with SSIP partner districts, Duluth, Minneapolis, Osseo, and Saint Paul, supporting districts to implement Check & Connect with fidelity.

The Employment Capacity Building Cohorts (ECBC)

- The Employment Capacity Building Cohorts (ECBC) provides training and technical assistance to school districts in their efforts to learn and change employment practices for students with developmental cognitive disabilities in their school districts and associated counties. Districts partner with their local vocational rehabilitation supervisors and counselors, as well as county level supervisors and case-managers from disability services.

Project SEARCH

- Project SEARCH is an internationally recognized evidence-based, one-year internship program for students with intellectual/developmental cognitive disabilities, ages 18-21, in their last year of high school. The Project SEARCH Transition Program is a program that provides educational experiences for these students through workplace immersion at participating business sites. Students receive skill-based training in independent living and employability skills. The goal of Project SEARCH's is that student interns obtain competitive integrated employment within four to 11 months after completion of their internship experience.

RESULTS

Deaf Blind Project

Type of Measure	Name of Measure	2018	2019
Quantity	Unduplicated child count where deafblind is listed as the primary disability	118	126
Quantity	Number of deafblind interveners completing training cohort.	41	37
Quality	Percentage of the participants of intervener training for deafblind, who report enhancement of their understanding of deaf-blindness and best practices which affect their current practice.	Evaluator unable to access data due to COVID-19 building access restrictions. Data collection methods were recently transitioned to electronic system.	100%

Preschool Education Part B Program

The table below shows Minnesota's performance on the federally required child outcomes for federal fiscal years (FFY) 2016-18.

Child Outcomes	FFY 2016	FFY 2017	FFY 2018
Children will demonstrate positive relationships			
(A) Greater than expected progress	68.4%	69.1%	65.9%
(B) Exited Part C within age expectations	54.2%	53.2%	51.4%
Children will acquire and use knowledge and skills			
(A) Greater than expected progress	70.1%	69.5%	67.8%
(B) Exited Part C within age expectations	52.8%	51.9%	49.9%
Children will take action to meet needs			
(A) Greater than expected progress	69.1%	70.1%	67.4%
(B) Exited Part C within age expectations	63.5%	62.8%	61.7%

State Systematic Improvement Plan

MDE's SIMR is to increase six-year graduation rates for American Indian and Black students with disabilities by at least one percent per year over six years.

State Identified Measurable Result—Targets and Data

Type of Measure	***Name of Measure***	***FFY 2016***	***FFY 2017***	***FFY 2018***
Result-Target	Minnesota 6-Year Adjusted Cohort Graduation Rates for American Indian and Black Students with IEPs	55.0%	56.0%	57.0%
Result-Data	Minnesota 6-Year Adjusted Cohort Graduation Rates for American Indian and Black Students with IEPs	57.0%	57.9%	58.9%

State Identified Measurable Result—Six-Year Cohort Statewide Cohort Totals and Graduation Rates 2018

Race/Ethnicity Group	Total Special Education Students in Six-year Cohort	Total Special Education Students Graduating	Percent of Special Education Graduates	Total Special Education Students Not Graduating in 2018
American Indian	345	166	48.1%	179
Black	1,352	817	60.4%	535
American Indian and Black	1,697	983	**57.9%**	714
All Race/Ethnic Groups Combined	9,631	6,944	72.1%	2,687

State Identified Measurable Result—Six-Year Cohort Statewide Cohort Totals and Graduation Rates 2019

Race/Ethnicity Group	Total Special Education Students in Six-year Cohort	Total Special Education Students Graduating	Percent of Special Education Graduates	Total Special Education Students Not Graduating in 2019
American Indian	321	176	54.8%	145
Black	1,402	838	59.8%	564
American Indian and Black	1,723	1,014	**58.9%**	709
All Race/Ethnic Groups Combined	9,7989	7,0270	72.8%	2,719

Employment Capacity Building Cohorts (ECBC)

In the 2018-19 school year, 23 local education agencies continued or were new to the ECBC. In the same year, 138 students with developmental cognitive disabilities entered into competitive, integrated employment. In the 2019-20 school year, 25 local education agencies continued or were new to the ECBC. In the same year, 66 students with developmental cognitive disabilities entered into competitive, integrated employment. The drop in numbers from 2018-19 to 2019-20 is due to the impact of the COVID-19 pandemic.

Project SEARCH

In 2018-19, eight Minnesota businesses participated as Project SEARCH sites and hosted a total of 64 interns who completed the program. In 2019-20, nine Minnesota businesses participated as Project SEARCH sites and hosted a total of 63 interns who completed the program.

M.S.125A.01, Subdivision 1-3;
Federal law [Individuals with Disabilities Education Act (IDEA) 20 U.S.C. §1400 (2004)]; Federal Regulations (34 CFR 300);
IDEA (P.L. 108-466); Preschool Incentive Program (P.L. 108-466, Sec. 619); Infants and Toddlers Program (P.L. 108-466, Part C); (P.L. 108-446 IDEA; Part B/Section 619 of the Individuals with Disabilities Education Act

Other Federal Special Education Programs

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
3000 - Federal	253	165	216	165	165	165	165	165
Total	**253**	**165**	**216**	**165**	**165**	**165**	**165**	**165**
Biennial Change				(37)		(51)		(51)
Biennial % Change				(9)		(13)		(13)
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	253	165	216	165	165	165	165	165
Total	**253**	**165**	**216**	**165**	**165**	**165**	**165**	**165**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
3000 - Federal								
Receipts	253	165	216	165	165	165	165	165
Expenditures	**253**	**165**	**216**	**165**	**165**	**165**	**165**	**165**
Biennial Change in Expenditures				(37)		(51)		(51)
Biennial % Change in Expenditures				(9)		(13)		(13)
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Special Education
Activity: Other State Special Education Programs

education.mn.gov/MDE/dse/schfin/sped/

AT A GLANCE

- There are 4 additional state special education funding sources including; Children with Disabilities, Homebased Services, Court-Placed Revenue and Out-of-State Tuition
- 226 students with disabilities were placed in care and treatment facilities in fiscal year (FY) 2019.
- 101 students without disabilities were placed in care and treatment programs in FY 2019.
- In FY 2019, the average length of stay in a foster facility for care and treatment for students both with and without disabilities was 59 school days, at an average cost of $4,342.00 per stay.
- 6,260 early childhood special education (ECSE) (birth-4) children served in the Homebased Services program in FY 2019.
- In FY 2019, Minnesota courts placed zero non-Minnesota students with Individual Education Programs (IEP) into care and treatment facilities.
- In FY 2017, court action placed 150 Minnesota students out of state.

PURPOSE AND CONTEXT

The state provides four additional special education appropriations to help cover district costs for students who are considered wards of the state, placed out of state for services by court action, out of state students placed into Minnesota programs by court action where the other state is unwilling to pay the educational costs and finally staff transportation costs for Homebased services to students with disabilities under the age of 5.

The Children with Disabilities program provides funding for individuals who are placed for care and treatment in a licensed residential facility or foster facility, and for whom no district of residence can be determined. Children with disabilities are eligible for this program if no district of residence can be determined because:

- Parental rights have been terminated by court order.
- The parent or guardian is not living in the state.
- No other district of residence can be established.
- The parent or guardian with legal custody of the child is an inmate of a Minnesota correctional facility or is a resident of a halfway house under the supervision of the commissioner of Corrections.

Children without disabilities are eligible for this program if no district of residence can be determined because parental rights have been terminated by court order.

Districts that serve these students receive full payment for the cost of their education from varying state sources, including children with disabilities aid.

This program contributes to the objective that all students receive a world-class education.

The Homebased Services aid program reimburses school districts for travel costs associated with early childhood special education (ECSE) services.

This program contributes to the objective of all students ready for school.

Court-Placed Revenue pays for special education for non-Minnesota students with Individual Education Programs (IEP) when the school district is unable to collect tuition from the responsible state, school district, or other non-Minnesota agency. Without this aid, a school district would have to pay for special education costs out of their general fund.

This program contributes to the objective of all students graduating from high school.

The Out-of-State Tuition program provides education funding for Minnesota resident students placed by court action in out-of-state care and treatment facilities, in a state that does not have a reciprocity agreement. Students are placed in specialized care and treatment services when those services are not available in Minnesota, either because the facilities are full, or Minnesota does not have the specialized treatment center available.

This program contributes to the objective of all students graduating from high school.

SERVICES PROVIDED

The Children with Disabilities program ensures a free and appropriate education for eligible children. This funding is for both special and general education students whom are placed in residential facilities and whom are considered wards of the state. These students are considered residents of the district in which the facility is located and these funds help to cover the full cost of educating these students.

- State expenditures were $980,799 for FY 2019.
- Districts are reimbursed for 100 percent of the additional costs of educating these children; they are reimbursed the year after they provide the services.
- The Minnesota Department of Education (MDE) processes reimbursement requests and provides technical support for this program.
- Aid is based on prior year cost, so students whom were served in FY 2019 were funded with FY 20 aid in the spring of 2020.

With the Homebased Services program, the state reimburses districts half of the amount spent, based on mileage, by workers traveling to provide home- or community-based services to children under age 5 who have disabilities.

- $429,001 for FY 2019
- For very young children, services may also include parent consultation and training.
- Federal funding may be used for this purpose.
- MDE calculates and processes aid payments and provides technical support for this program.

With the Court-Placed Revenue program, Minnesota school districts that provide special education and related services to court-placed non-Minnesota students with IEPs are reimbursed for those services if the out-of-state placing agencies do not pay tuition.

- $7,538 for FY 2019
- In FY2020, Minnesota courts placed zero non-Minnesota students with Individual Education Programs (IEP) into care and treatment facilities.
- Districts must document that they tried to collect tuition from the students' resident districts or states and submit proof to MDE.
- Districts are reimbursed the fiscal year after they provide the services.
- MDE processes reimbursement requests and provides technical support for this program.

Out-of-State Tuition is provided when a Minnesota student is placed in an out-of-state care and treatment facility:

- The out-of-state care and treatment facilities submit tuition bills to the Minnesota resident district, based on the actual cost of providing education.
- The Minnesota resident district submits the tuition bills to MDE.
- MDE calculates state aid and processes aid payments to the district.

- The aid is paid as a reimbursement in the year after the services are provided.
- This appropriation is not forecasted but rather the state provides $250,000 annually to help cover these costs. The amounts below are the actual amount the program cost districts. In the year after aid is paid if there are funds available in the commissioner's reserve help further cover this shortfall.
- $529,734.68 for FY 2019
- MDE also provides technical support for this program.

RESULTS

The name "Children with Disabilities" is for a specific subset of students for which this funding is made available. These are either students with or without disabilities whose parent rights have been terminated and who are receiving services in a residential program. They are therefore considered a resident of the district in which the resident facility is located and these funds help to fully cover the cost of education for these local districts.

Type of Measure	***Name of Measure***	***FY 2016***	***FY 2017***	***FY 2018***	***FY 2019***
Quantity	Children with Disabilities - Number of eligible Average Daily Memberships (ADM) with disabilities in placement.	70.11	78.61	61.58	75.32
Quantity	Children with Disabilities - Number of eligible Average Daily Memberships (ADM) without disabilities in placement.	13.38	19.65	15.440	22.56
Quantity	Homebased Services - Number of children under age five receiving special education services.	5,992	5,788	6,067	6,260
Quantity	Partial-year students aggregated to determine average daily membership (ADM) placed out-of-state for care and treatment.	71.03	42.45	56.36	55.76

Over the past five years, the number of students eligible for court-placed revenue has declined and remains low. Many school districts are making sure that the resident state or district pays for the cost of special education services.

Type of Measure	***Name of Measure***	***FY 2015 Placement/ FY 2016 Aid***	***FY 2016 Placement/ FY 2017 Aid***	***FY 2017 Placement/ FY 2018 Aid***	***FY 2018 Placement/ FY 2019 Aid***	***FY 2019 Placement/ FY 2020 Aid***
Quantity	Partial-year students aggregated to determine the Number of Eligible Full-Year Students (ADM) in Court Placement	1.06	0.41	0	0.85	0

M.S.125A.75, Subdivision 3; M.S.125A.75, Subdivision 1; M.S.125A.79, Subdivision 4; M.S.125A.79, Subdivision 8
IDEA (P.L. 108-466); Preschool Incentive Program (P.L. 108-466, Sec. 619); Infants and Toddlers Program (P.L. 108-466, Part C)

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	3,684	2,417	2,184	2,131	2,557	2,797	2,557	2,797
Total	**3,684**	**2,417**	**2,184**	**2,131**	**2,557**	**2,797**	**2,557**	**2,797**
Biennial Change				(1,786)		1,039		1,039
Biennial % Change				(29)		24		24
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	3,684	2,417	2,184	2,131	2,557	2,797	2,557	2,797
Total	**3,684**	**2,417**	**2,184**	**2,131**	**2,557**	**2,797**	**2,557**	**2,797**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	1,506	1,419	1,938	1,877	2,333	2,549	2,333	2,549
District Revenue	1,506	1,419	1,938	1,877	2,333	2,549	2,333	2,549
Direct Appropriation	2,401	1,914	1,804	2,131	2,557	2,797	2,557	2,797
Current Year	1,455	1,378	1,894	1,854	2,284	2,498	2,284	2,498
Prior Year	17	51	40	27	23	49	23	49
Balance Forward In	2,595	763						
Transfers In			380					
Transfers Out	621							
Cancellations	31	3						
Balance Forward Out	660							
Expenditures	**3,684**	**2,417**	**2,184**	**2,131**	**2,557**	**2,797**	**2,557**	**2,797**
Biennial Change in Expenditures				(1,786)		1,039		1,039
Biennial % Change in Expenditures				(29)		24		24
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Facilities and Technology
Activity: Debt Service Equalization

AT A GLANCE

- In fiscal year (FY) 2021, 249 districts have regular debt service equalization revenue.
- In FY 2021, 38 districts will receive regular debt service equalization aid.
- In FY 2021, 2.9 percent of eligible regular debt service revenue is state aid.
- In FY 2021, two districts will receive natural-disaster debt service equalization aid.

PURPOSE AND CONTEXT

School districts must receive approval from a majority of those voting in a school bond referendum before issuing bonds to construct, acquire or improve school facilities. Debt Service Equalization is a state aid and local property tax levy program that helps to ensure that all school districts can provide adequate educational facilities for their students.

Natural Disaster Debt Service Equalization revenue is available beginning in FY 2017 to districts that suffered a natural disaster.

This program serves all public school students and communities in Minnesota. School districts with a relatively high debt service tax rate and low-to-moderate tax base per pupil unit may receive aid to reduce property owners' tax burdens.

SERVICES PROVIDED

The regular Debt Service Equalization program under Minnesota Statutes, section 123B.53, includes several components:

- Required Debt Service Levy
  - A school district must levy for the principal and interest payments on its general obligation bonds, plus an additional 5 percent to cover potential tax delinquencies, for the following fiscal year.
  - The required debt service levy for all years is established and approved by the local school board at the time that bonds are sold.
  - To be eligible for debt service equalization, the bonds must have been sold by July 1 of the calendar year the levy is certified. In addition, debt service for repayment of bonds issued after July 1, 1992 must be for construction projects that have received a positive review and comment according to section 123B.71, and have a bond schedule approved by the commissioner and, if necessary, adjusted to reflect a 20-year maturity schedule; and debt service for repayment of bonds issued after July 1, 1997, must be for facilities whose primary purpose is to serve students in kindergarten through grade 12.
  - Beginning in FY 2017, bonds related to the Long-Term Facilities Maintenance program are equalized through that program and are no longer eligible for debt service equalization.
- Debt Service Equalization Revenue
  - School districts qualify for state debt service equalization aid if the eligible debt service levy exceeds 15.74 percent of the district's tax base (as measured by Adjusted Net Tax Capacity (ANTC)) and the district's tax base per student is below the guaranteed tax base per student set in law.
  - There is no state aid on the portion of the levy falling below 15.74 percent of the district's ANTC.

    - The state provides aid to pay a portion of the levy exceeding 15.74 percent of the district's ANTC using a two-tiered sliding scale that varies with district tax base per student. As the district tax base per student declines, the state share of equalized revenue increases.
- Debt Service Equalization Aid equals the difference between the revenue and the levy.

To be eligible for Natural Disaster Debt Service Equalization under Minnesota Statutes, section 123B.535, a district must:

- Have been impacted by a natural disaster occurring after January 1, 2005, in an area eligible for Federal Emergency Management Agency (FEMA) payments.
- Have damage of $500,000 or more to school district buildings that is not covered by insurance or FEMA payments.
- Notify the commissioner of education of its intended natural disaster debt service revenue every year by July 1.
- A district receives aid under this program if its total debt service levy exceeds 10 percent of its tax base and the district's tax base per student is below a guaranteed tax base per student set in state law.
- The aid a district receives varies depending on the amount of the district's eligible debt service levy, the number of students it has, and its property tax capacity.
- The state guaranteed tax base for this program is significantly higher than under the regular state debt service equalization program.

MDE reviews and comments on proposed school construction projects and calculates state aid and property tax levies for this program.

RESULTS

MDE does not collect data regarding unmet facility needs.

Type of Measure	*Name of Measure*	*FY 2019*	*FY 2021*
Quality	Percentage of districts ineligible for Tier 1 debt service equalization because tax base exceeds statutory Tier 1 equalizing factor	88%	88%
Quantity	Districts receiving regular debt service equalization aid	34	38

M.S.123B.53; M.S.123B.54; M.S.123B.55; M.S.123B.59; M.S.123B.61; M.S.123B.62; M.S.126C.40; M.S.126C.63; M.S.126C.68; M.S.475.61; MN Laws 2014, Chapter 312, Article 18, section 5; M.S.123B.535

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	24,907	23,137	20,684	25,335	25,001	24,286	25,001	43,637
Total	**24,907**	**23,137**	**20,684**	**25,335**	**25,001**	**24,286**	**25,001**	**43,637**
Biennial Change				(2,025)		3,268		22,619
Biennial % Change				(4)		7		49
Governor's Change from Base								19,351
Governor's % Change from Base								39
Expenditures by Category								
Grants, Aids and Subsidies	24,907	23,137	20,684	25,335	25,001	24,286	25,001	43,637
Total	**24,907**	**23,137**	**20,684**	**25,335**	**25,001**	**24,286**	**25,001**	**43,637**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	25,092	22,920	20,435	25,880	24,903	24,217	24,903	45,719
Levies	736,175	789,151	763,551	834,347	820,981	819,259	820,981	797,758
District Revenue	761,267	812,071	783,986	860,227	845,884	843,476	845,884	843,477
Direct Appropriation	24,908	23,137	20,684	25,335	25,001	24,286	25,001	43,637
Current Year	22,583	20,628	18,392	23,292	22,413	21,796	22,413	41,147
Prior Year	2,324	2,509	2,292	2,043	2,588	2,490	2,588	2,490
Transfers Out	1							
Cancellations			0					
Expenditures	**24,907**	**23,137**	**20,684**	**25,335**	**25,001**	**24,286**	**25,001**	**43,637**
Biennial Change in Expenditures				(2,025)		3,268		22,619
Biennial % Change in Expenditures				(4)		7		49
Governor's Change from Base								19,351
Governor's % Change from Base								39

Program: Facilities and Technology
Activity: Telecommunications Access

education.mn.gov/MDE/dse/schfin/fac/

AT A GLANCE

- In fiscal year (FY) 2020, school districts combined into 20 telecommunications clusters, and three individual school districts received telecommunications access aid.
- Demand from districts in FY 2020 totaled $8.23 million.
- Aid is capped at $3.75 million per year. As a result, the aid for FY 2020 was prorated at approximately 46 percent.

PURPOSE AND CONTEXT

This program provides telecommunication and internet access funding for all public and nonpublic schools in Minnesota.

All public school districts, charter schools, intermediate school districts, and nonpublic schools in Minnesota are eligible to participate in this program. Home schools are not eligible.

SERVICES PROVIDED

Schools and districts can be reimbursed for the following costs:

- Specific ongoing or recurring telecommunications/internet access costs.
- Recurring costs of specified maintenance on the school district's wide area network.
- Recurring costs of cooperative arrangements for delivery of telecommunications/internet access between certain entities.
- Specific service provider installation fees.

Eligible costs for schools and school districts that are not members of a telecommunications cluster must exceed $16 per student to qualify for aid. Telecommunications access clusters are school associations, which do not need to meet the $16 per student threshold.

MDE calculates and processes aid payments for this program.

RESULTS

Type of Measure	*Name of Measure*	*FY 2018*	*FY 2020*
Quantity	Number of public school districts receiving aid	313	298
Quantity	Number of charter schools receiving aid	11	11
Quantity	Number of nonpublic schools receiving aid	1	0

M.S.125B.26

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	3,750	3,795	3,750	3,750	3,750	3,750	3,750	3,750
Total	**3,750**	**3,795**	**3,750**	**3,750**	**3,750**	**3,750**	**3,750**	**3,750**
Biennial Change				(45)		0		0
Biennial % Change				(1)		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	3,750	3,795	3,750	3,750	3,750	3,750	3,750	3,750
Total	**3,750**	**3,795**	**3,750**	**3,750**	**3,750**	**3,750**	**3,750**	**3,750**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750
Balance Forward In	0	51	0					
Cancellations		6						
Balance Forward Out	0							
Expenditures	**3,750**	**3,795**	**3,750**	**3,750**	**3,750**	**3,750**	**3,750**	**3,750**
Biennial Change in Expenditures				(45)		0		0
Biennial % Change in Expenditures				(1)		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Facilities and Technology
Activity: Long-Term Facilities Maintenance

education.mn.gov/MDE/dse/schfin/fac/ltfm/

AT A GLANCE

- This program began in fiscal year (FY) 2017.
- This program replaces the Alternative Facilities, Deferred Maintenance, and Health & Safety revenue programs that were funded through FY 2016.
- In taxes payable 2020, there were 335 district and secondary cooperative 10-year facility plans approved for FY 2021 revenue.

PURPOSE AND CONTEXT

Students need a healthy, safe, accessible, and well-maintained place to learn and likewise, for school and district employees to work. The long-term facilities maintenance program is a state aid and levy program to address facility and grounds issues that impact safety, health, deferred maintenance, and accessibility concerns. One of the primary purposes of the program was to reduce the disparity in funding between the largest 25 districts that were eligible for Alternative Facilities Revenue and all other districts.

School districts, intermediate school districts and other cooperatives (through member districts), and charter schools are eligible to participate in the program

SERVICES PROVIDED

Program revenue may be used for qualifying facility issues in any existing public school building or site. However, the district must own or have contractually agreed to purchase (lease-purchase) any building or facility where program-funded work is done. New construction and portable classrooms are not eligible for funding. The program has its own equalization formula. Projects may be funded on a pay-as-you-go basis or by issuing debt. Intermediate districts and cooperatives do not receive state aid and charter school revenue is 100 percent state aid.

The program addresses a wide array of areas impacting facilities and school environments, including the following:

- Asbestos removal or encapsulation.
- Hazardous substance, including provisions for fuel storage repairs, cleanup, storage tank removal, and lead removal.
- Fire safety, including compliance with state fire marshal orders.
- Indoor air quality.
- Environmental health and safety management.
- Physical hazard control, including indoor air quality.
- Accessibility to accommodate persons with a disability.
- Deferred capital and maintenance projects.
- School districts with an approved voluntary prekindergarten program under Minnesota Statutes, section 124D.151, may include costs approved by the commissioner for remodeling existing instructional space to accommodate prekindergarten instruction.

The Minnesota Department of Education (MDE) reviews and approves 10-year facility plans that have been approved by the school board and submitted for commissioner approval. MDE calculates state aids and property tax levies for this program.

RESULTS

Type of Measure	***Districts broken down by former Alternative Facility districts and all other districts***	***FY 2017 (Long-Term Facilities Maintenance)***	***FY 2021 (Long-Term Facilities Maintenance)***
Quantity	Alternative Facility Districts (revenue per Average Daily Membership)	$510	$755
Quantity	All Other Districts (revenue per Average Daily Membership)	$330	$539

Type of Measure	***Name of Measure***	***FY 2019 Charter***	***FY 2019 District***	***FY19 Total***	***FY 2021 Charter***	***FY 2021 District***	***FY 2021 Total***
Quantity	Districts, Intermediates, Cooperatives and charter schools receiving revenue for approved 10-year plans	164	329	493	168	335	503
Quantity	Districts and Charter Schools receiving state aid	164	246	410	168	260	428
Quantity	State aid as a percentage of revenue	100%	20.4%	21.8%	100%	19.3%	20.8%

M.S.123B.595

Long-Term Facilities Maintenance Aid

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	80,238	100,161	103,331	106,281	108,427	110,904	108,582	111,077
Total	**80,238**	**100,161**	**103,331**	**106,281**	**108,427**	**110,904**	**108,582**	**111,077**
Biennial Change				29,213		9,719		10,047
Biennial % Change				16		5		5
Governor's Change from Base								328
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	80,238	100,161	103,331	106,281	108,427	110,904	108,582	111,077
Total	**80,238**	**100,161**	**103,331**	**106,281**	**108,427**	**110,904**	**108,582**	**111,077**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	82,822	101,655	103,127	106,604	108,629	111,157	108,802	111,330
Levies	342,408	372,910	374,927	420,131	470,987	493,660	470,987	494,097
District Revenue	425,230	474,565	478,054	526,735	579,616	604,817	579,789	605,427
Direct Appropriation	80,238	102,823	104,690	106,281	108,427	110,904	108,582	111,077
Current Year	74,422	91,190	92,867	95,944	97,767	100,042	97,922	100,197
Prior Year	5,815	8,400	10,464	10,337	10,660	10,862	10,660	10,880
Cancellations		245	1,359					
Expenditures	**80,238**	**100,161**	**103,331**	**106,281**	**108,427**	**110,904**	**108,582**	**111,077**
Biennial Change in Expenditures				29,213		9,719		10,047
Biennial % Change in Expenditures				16		5		5
Governor's Change from Base								328
Governor's % Change from Base								0

Program: Facilities and Technology
Activity: Special Facilities and Technology Opportunities

AT A GLANCE

- Early Repayment Incentive grants are paid annually for fiscal Year (FY) 2017 through FY 2021 to seven districts that retired their state capital loans in 2016. The total aid paid will be $11,750,000.
- Maximum Effort Loan Aid is paid annually for FY 2018 through FY 2022 to 10 school districts that had state capital loans outstanding as of June 30, 2016. The total aid, over the course of the program, will be approximately $16.3 million.
- School Safety Grant funding was made available in the FY 2018 bonding bill. The grants will be used for improvements related to violence prevention and facility security.
- $30 million was made available in the 2019 1st special session for Safe Schools Supplemental aid and was paid to all districts and charter schools in FY 2020.

PURPOSE AND CONTEXT

The Early Repayment Incentive Grant provided an incentive for districts to retire their state capital loans by November 30, 2016. With the retirement of the capital loan, however, school districts lose the ability to issue a form of debt known as “one-day bonds” that fund various capital projects. Early Repayment Incentive Grants offset the loss of “one-day bond” funding with a dollar amount specified in law for each district.

The Maximum Effort Loan Aid provides property tax relief to offset the amount of interest paid on state maximum effort loans between December 1, 1990, and June 30, 2016, and capital loans between June 30, 2017, and June 30, 2021, by the 10 qualifying districts.

The School Safety Grants program provides general fund funding in FY 2019 for school safety facility grants for improvements related to violence prevention and facility security.

The Safe Schools Supplemental Aid provided additional state funding in FY 2020 to districts for costs associated with the safe schools levy, and charter schools for costs associated with the safe school levy or building lease expenses for school building security enhancement that are not funded by school building lease aid.

SERVICES PROVIDED

The *Early Repayment Incentive Grant* payments may be expended for any school-related purpose. The annual amounts by district are as follows:

- $150,000 ISD 36, Kelliher
- $180,000 ISD 95, Cromwell
- $495,000 ISD 299, Caledonia
- $220,000 ISD 306, Laporte
- $150,000 ISD 362, Littlefork
- $650,000 ISD 682, Roseau
- $505,000 ISD 2580 East Central

It is estimated that the last installment of *Maximum Effort Loan Aid*, totaling $16.3 million over the course of the program, will be paid in FY 2021.

Safe Schools Supplemental Aid was a onetime appropriation of $30 million made available in the 2019, 1st special legislative session based on an excess in the state general fund upon close. It was made available to all Minnesota school districts and charter schools in FY 2020 for the purpose of additional funding for building security. It was allocated on an Average Daily Membership basis.

School Safety Grant funding was made available to all Minnesota school districts, charter schools, intermediate districts, cooperatives enrolling students, the Perpich Center for Arts Education, and the State Academies for school safety facility improvements. Grants may be used to predesign, design, construct, furnish, and equip school facilities for improvements related to violence prevention and facility security for a qualifying school building.

- $25,000,000 for FY 2019.
- Grants are no more than $500,000 for each eligible building site.

MDE administers all aspects of the grant programs. Services include:

- Developing application process and reporting forms for applicants/recipients.
- Providing technical assistance to applicants/recipients.
- Calculating, auditing, and processing payments.
- Providing guidance as it relates to Minnesota statutes and state policies.

RESULTS

Type of Measure	***Name of Measure***	***FY 2017***	***FY 2019***
Quantity	Number of districts with capital loan at end of fiscal year	4	0
Quantity	Repayment of capital loan principal as a percent of total capital loan principal balance at beginning of fiscal year*	0%	0%

* Calculated as the percent of outstanding principal paid off during the two fiscal years.

Minnesota Session Laws 2018, Chapter 214, Article 1, Section 4, Subdivision 3 (School Safety)

Minnesota Session Laws 2019, 1st Special Session, Chapter 11, Article 5, Section 5 (Safe Schools Supplemental Aid)

Special Facilities and Technology Opportunities

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	5,603	5,607	35,640	5,615	3,288		3,288	
Total	**5,603**	**5,607**	**35,640**	**5,615**	**3,288**		**3,288**	
Biennial Change				30,046		(37,967)		(37,967)
Biennial % Change				268		(92)		(92)
Governor's Change from Base								0
Governor's % Change from Base								
Expenditures by Category								
Grants, Aids and Subsidies	5,603	5,607	35,640	5,615	3,288		3,288	
Total	**5,603**	**5,607**	**35,640**	**5,615**	**3,288**		**3,288**	

Special Facilities and Technology Opportunities

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	3,253	3,257	3,291	3,265	3,288		3,288	
District Revenue	3,253	3,257	3,291	3,265	3,288		3,288	
Direct Appropriation	2,350	2,350	32,350	2,350	0	0	0	0
Open Appropriation	3,253	3,257	3,290	3,265	3,288	0	3,288	0
Current Year	3,253	3,257	3,291	3,265	3,288		3,288	
Expenditures	**5,603**	**5,607**	**35,640**	**5,615**	**3,288**		**3,288**	
Biennial Change in Expenditures				30,046		(37,967)		(37,967)
Biennial % Change in Expenditures				268		(92)		(92)
Governor's Change from Base								0
Governor's % Change from Base								

Program: Nutrition
Activity: School Lunch

education.mn.gov/MDE/dse/FNS/SNP/index.htm

AT A GLANCE

- More than 93 million lunches (including snacks) served in federal fiscal year (FY) 2019.
- Commodities equaling $33,283,426 received by 663 schools in federal FY 2019.

PURPOSE AND CONTEXT

This program provides nutritious lunches during the school day to help meet children's nutritional needs and foster lifelong healthy eating habits.

The United States Department of Agriculture (USDA) provides funding for the National School Lunch Program (NSLP). The afterschool snack component of the NSLP provides reimbursement for snacks served to children in afterschool educational and enrichment programs. The state of Minnesota provides additional funding to schools to keep lunch prices affordable.

These programs support the objective of ensuring students receive a world class education in a safe and nurturing environment.

SERVICES PROVIDED

Student health and learning are improved through daily access to a nutritious school lunch. Students in afterschool care programs receive access to a nutritious snack.

- School lunch menus are planned and served according to federal meal-pattern guidelines.
- Students from families with incomes under 185 percent of federal poverty guidelines receive meals at no cost to household.
- Commodities such as meat, cheese, poultry, fruits, and vegetables are donated by the USDA to contribute to the school lunch menu.
- Schools complete commodity preference surveys for more than 1,000 raw processed products, fresh fruit and vegetable products through the Department of Defense (DoD), as well as for commercial products that have commodities in them.

School lunch programs are supported financially and administratively through:

- Federal and state reimbursements for lunches and afterschool snacks.
- Surveys of school preferences for USDA commodities.
- Notification to schools of students electronically certified for meal benefits.
- Cyber-Linked Interactive Child Nutrition System (CLICS), an interactive website which allows schools to meet their application, commodity, and claim requirements online.

Reimbursement rate: 2020-2021 (July 1, 2020-June 30, 2021):Payment Type	*Paid Lunch Rates*	*Reduced-Price Lunch Rates*	*Free Lunch Rates*
Federal Lunch – *Regular*	.33 or .35[1]	.33 or .35[1]	.33 or .35[1]
Federal Lunch – *Free and Reduced Price*	N/A	2.78	3.18
Federal Lunch - 7 *Cent Certified*	.07	.07	.07
State Lunch	.125	.525[2]	.125
Total Federal/State Payments (*not* including value of USDA Foods)	.525 or .545[1]	3.705 or 3.725[1]	3.705 or 3.725[1]

[1]Federal rate for "additional two cents": The higher federal reimbursement rate and higher total payments are paid for all lunches if the school food authority served 60 percent or more free/reduced price lunches in SY 2018-2019 (at all sites combined). To check whether a school food authority is approved for the higher rate, refer to the SY 2020-21 sponsor application in CLiCS.

[2]State payment for reduced-price lunches: Reduced-price lunches receive 40 cents of state reimbursement (in addition to the 12.5 cents received for all lunches) so that lunches can be served at no charge to students approved for reduced-price meals, as provided by state law. Although these meals are served at no charge, they must be claimed for reimbursement as reduced-price lunches so that the correct federal and state reimbursements are paid.

The Minnesota Department of Education (MDE):

- Conducts administrative reviews of school lunch and afterschool snack programs.
- Provides technical assistance and resource materials to schools and residential childcare settings.
- Processes reimbursement claims for meals served.

RESULTS

Type of Measure	*Name of Measure*	*FY 2017*	*FY 2018*	*FY 2019*
Quantity	Percent of lunches sold that are free or reduced price	49%	48%	48%
Quantity	Number of school food authorities receiving administrative reviews to assure program compliance	185	270	260

M.S. 124D.111; National School Lunch Act (7 CFR 210).

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	15,670	15,227	11,155	4,796	16,625	16,918	16,661	16,954
3000 - Federal	171,834	167,566	127,110	178,814	177,514	177,514	177,514	177,514
Total	**187,504**	**182,793**	**138,265**	**183,610**	**194,139**	**194,432**	**194,175**	**194,468**
Biennial Change				(48,421)		66,696		66,768
Biennial % Change				(13)		21		21
Governor's Change from Base								72
Governor's % Change from Base								0
Expenditures by Category								
Compensation	13	3	20	132	132	132	132	132
Operating Expenses	3	1	5	50	50	50	50	50
Grants, Aids and Subsidies	187,488	182,789	138,241	183,428	193,957	194,250	193,993	194,286
Total	**187,504**	**182,793**	**138,265**	**183,610**	**194,139**	**194,432**	**194,175**	**194,468**
Total Agency Expenditures	187,504	182,793	138,265	183,610	194,139	194,432	194,175	194,468
Internal Billing Expenditures	3	1	4	27	27	27	27	27
Expenditures Less Internal Billing	**187,501**	**182,793**	**138,262**	**183,583**	**194,112**	**194,405**	**194,148**	**194,441**
Full-Time Equivalents	**0.01**	**0.03**	**0.14**	**1.15**	**1.15**	**1.15**	**1.15**	**1.15**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	15,672	15,232	11,155	4,796	16,625	16,918	16,661	16,954
District Revenue	15,672	15,232	11,155	4,796	16,625	16,918	16,661	16,954
Direct Appropriation	16,769	15,990	11,155	4,796	16,625	16,918	16,661	16,954
Current Year	15,672	15,232	11,155	4,796	16,625	16,918	16,661	16,954
Transfers Out	1,099							
Expenditures	**15,670**	**15,227**	**11,155**	**4,796**	**16,625**	**16,918**	**16,661**	**16,954**
Biennial Change in Expenditures				(14,946)		17,592		17,664
Biennial % Change in Expenditures				(48)		110		111
Governor's Change from Base								72
Governor's % Change from Base								0
3000 - Federal								
Receipts	171,834	167,566	127,110	178,814	177,514	177,514	177,514	177,514
Expenditures	**171,834**	**167,566**	**127,110**	**178,814**	**177,514**	**177,514**	**177,514**	**177,514**
Biennial Change in Expenditures				(33,475)		49,104		49,104
Biennial % Change in Expenditures				(10)		16		16
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.01	0.03	0.14	1.15	1.15	1.15	1.15	1.15

Program: Nutrition
Activity: School Breakfast

education.mn.gov/MDE/dse/fns/snp

AT A GLANCE

- Over 37.5 million breakfasts were served in the federal fiscal year 2019.

PURPOSE AND CONTEXT

This program provides nutritious breakfasts to school children to help meet their nutritional needs and foster lifelong healthy eating habits.

The United States Department of Agriculture (USDA) provides funding for the School Breakfast Program (SBP), which is augmented with state funding.

These programs support the objective of ensuring students receive a world class education in a safe, nurturing environment.

SERVICES PROVIDED

School breakfast menus are planned according to federal meal pattern guidelines. Students from families with incomes under 185 percent of federal poverty guidelines receive free or reduced-price meals. Student health and achievement are improved through daily access to a nutritious school breakfast.

School breakfast programs are supported through:

- Federal and state reimbursements for school breakfasts.
- USDA commodity food items.
- Cyber-Linked Interactive Child Nutrition System (CLiCS) is a website that allows schools to meet their application and claims requirements online.

Reimbursement rates: 2020-2021 (July 1, 2020-June 30, 2021)

Payment Type	Paid Breakfast Rates	Paid Breakfast Rates (KG only)	Reduced-Price Breakfast Rates	Free Breakfast Rates
Federal Breakfast	**.32**	**.32**	**1.59** or **1.96**[1]	**1.89** or **2.26**[1]
State Breakfast	**.55**[2]	**.55**[2] + **.75**[3]	**.30**[4]	N/A
Total Federal/State Payments	**.87**	**1.62**	**1.89** or **2.26**[1]	**1.89** or **2.26**[1]

[1]Federal rates for reduced-price and free breakfasts: The higher federal reimbursement rates and higher total reimbursements are paid for free and reduced-price breakfasts served at "Severe Need" sites (sites that served 40 percent or more free/reduced price lunches in SY 2017-2018). To check whether a site is approved for Severe Need reimbursement, refer to the site application in CLiCS.

[2]State payments for paid breakfasts: All paid breakfasts receive a state payment of 55 cents.

[3]State payments for kindergarten students: Paid breakfasts served to kindergarten students receive a state payment of 75 cents (in addition to the 55 cents state payment) so that breakfasts can be served at no charge to all kindergarten students as provided by state law. Although these breakfasts are served at no charge, they must be claimed for reimbursement as paid breakfasts so that the correct federal and state reimbursements are paid.

[4]State payments for reduced-price breakfasts: Reduced-price breakfasts receive a state payment of 30 cents so that breakfasts can be served at no charge to students who qualify for reduced-price meals, as provided by state law. Although these breakfasts are served at no charge, they must be claimed for reimbursement as reduced-price breakfasts so that the correct federal and state reimbursements are paid.

Free is up to 135% of poverty rate and is up to 185% of poverty

The Minnesota Department of Education (MDE):

- Conducts administrative reviews of school breakfast programs.
- Provides technical assistance and resource materials to schools and residential childcare settings.
- Processes reimbursement claims for meals served.

RESULTS

Type of Measure	***Name of Measure***	***FY 2017***	***FY 2018***	***FY 2019***
Quantity	Percent of school breakfasts served that are free or reduced price	70%	67%	65%
Quantity	Number of school food authorities receiving administrative reviews to assure program compliance	185	275	185

M.S. 124D.1158; M.S. 124D.117
National School Lunch Act (7 CFR 220)

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	10,053	10,293	8,051	3,242	11,738	12,090	12,133	12,485
3000 - Federal	53,875	52,957	39,931	53,300	53,300	53,300	53,300	53,300
Total	**63,928**	**63,250**	**47,982**	**56,542**	**65,038**	**65,390**	**65,433**	**65,785**
Biennial Change				(22,655)		25,904		26,694
Biennial % Change				(18)		25		26
Governor's Change from Base								790
Governor's % Change from Base								1
Expenditures by Category								
Grants, Aids and Subsidies	63,928	63,250	47,982	56,542	65,038	65,390	65,433	65,785
Total	**63,928**	**63,250**	**47,982**	**56,542**	**65,038**	**65,390**	**65,433**	**65,785**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	10,024	10,295	8,051	3,242	11,738	12,090	12,133	12,485
District Revenue	10,024	10,295	8,051	3,242	11,738	12,090	12,133	12,485
Direct Appropriation	10,694	10,660	8,051	3,242	11,738	12,090	12,133	12,485
Current Year	10,024	10,295	8,051	3,242	11,738	12,090	12,133	12,485
Transfers Out	641							
Expenditures	**10,053**	**10,293**	**8,051**	**3,242**	**11,738**	**12,090**	**12,133**	**12,485**
Biennial Change in Expenditures				(9,053)		12,535		13,325
Biennial % Change in Expenditures				(44)		111		118
Governor's Change from Base								790
Governor's % Change from Base								3
3000 - Federal								
Balance Forward In			19					
Receipts	53,875	52,957	39,912	53,300	53,300	53,300	53,300	53,300
Expenditures	**53,875**	**52,957**	**39,931**	**53,300**	**53,300**	**53,300**	**53,300**	**53,300**
Biennial Change in Expenditures				(13,602)		13,369		13,369
Biennial % Change in Expenditures				(13)		14		14
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Nutrition
Activity: Summer Food Service Replacement

AT A GLANCE

- Over 3.6 million meals were served during the summer of 2019.
- $11,896,651 was reimbursed to 978 sites that served meals
- $150,000 of the total reimbursement was state funding.

PURPOSE AND CONTEXT

This Summer Food Service Program (SFSP) helps children who rely on the school breakfast and lunch programs to get the healthy food they need outside the school year.

The United State Department of Agriculture (USDA) funds the program.

State funds are available to supplement meals and snacks.

This program supports the objective that every student attends a safe, nurturing school.

SERVICES PROVIDED

Menus for healthy meals and snacks are planned according to federal guidelines. Meals and snacks are provided at no charge at a variety of sites to children in low-income areas during the summer. Nutritional meals and snacks improve children's health which leads to stronger academic outcomes.

Reimbursement rates: Federal FY 2019:

Reimbursement Rates (Operating plus Administrative)

Effective January 1, 2020 - December 31, 2020 Type of Meal	Self-preparation or Rural Sites	Other Sites (Vended-Urban)
Breakfast	2.3750 (2.16 + .2150)	2.3300 (2.16 + .1700)
Lunch or Supper	4.1525 (3.76 + .3925)	4.0875 (3.76 + .3275)
Supplement (Snack)	0.9775 (0.87 + .1075)	0.9550 (0.87 + .0850)

Self-preparation means the sponsor prepares the meals that will be served at the site(s) and does not contract with a food service management company, caterer or school for the preparation of meals, which are considered “vended.” Self-preparation includes sponsors that prepare meals in a central facility and deliver meals to their sites.

Camp sponsors are paid only based on the percentage of children eligible for free and reduced price meals. Reimbursement may be estimated by taking the number of meals to be served (by type) to all children during a camp session and multiplying it by the percentage of children eligible for free and reduced price meals. That number is then multiplied by the appropriate operational and administrative reimbursement rate.

State funding of $150,000 is allocated in proportion to the total number of meals served by each sponsor. Sponsors, such as a nonprofit, school, or other local government entity, are organizations that take on the administrative responsibility of managing the program at the local level. Program sites refer to the location of the meals being served and receive approximately $0.02 per meal.

The Minnesota Department of Education (MDE):

- Reaches out to schools, anti-hunger and youth serving organizations to increase SFSP participation.
- Reviews summer sites and provides training and technical assistance to sponsors.
- Calculates and processes reimbursement claims from sponsors.

RESULTS

Type of Measure	***Name of Measure***	***FY 2017***	***FY 2018***	***FY 2019***
Quantity	Number of sponsors	184	194	204
Quantity	Number of sites	832	865	973

M.S. 124D.119
National School Lunch Act (7 CFR 225)

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	150	150	8,818	150	150	150	150	150
3000 - Federal	9,698	10,744	84,416	122,250	35,699	15,699	35,699	15,699
3010 - Coronavirus Relief				14,781				
Total	**9,848**	**10,894**	**93,234**	**137,181**	**35,849**	**15,849**	**35,849**	**15,849**
Biennial Change				209,673		(178,717)		(178,717)
Biennial % Change				1,011		(78)		(78)
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Compensation				240				
Operating Expenses				139				
Grants, Aids and Subsidies	9,848	10,894	93,234	136,802	35,849	15,849	35,849	15,849
Total	**9,848**	**10,894**	**93,234**	**137,181**	**35,849**	**15,849**	**35,849**	**15,849**
Total Agency Expenditures	9,848	10,894	93,234	137,181	35,849	15,849	35,849	15,849
Internal Billing Expenditures				86				
Expenditures Less Internal Billing	**9,848**	**10,894**	**93,234**	**137,095**	**35,849**	**15,849**	**35,849**	**15,849**
Full-Time Equivalents				**2.00**				

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	150	150	8,818	150	150	150	150	150
District Revenue	150	150	8,818	150	150	150	150	150
Direct Appropriation	150	150	8,818	150	150	150	150	150
Current Year	150	150	8,818	150	150	150	150	150
Expenditures	**150**	**150**	**8,818**	**150**	**150**	**150**	**150**	**150**
Biennial Change in Expenditures				8,668		(8,668)		(8,668)
Biennial % Change in Expenditures				2,889		(97)		(97)
Governor's Change from Base								0
Governor's % Change from Base								0
3000 - Federal								
Receipts	9,698	10,744	84,416	122,250	35,699	15,699	35,699	15,699
Expenditures	**9,698**	**10,744**	**84,416**	**122,250**	**35,699**	**15,699**	**35,699**	**15,699**
Biennial Change in Expenditures				186,224		(155,268)		(155,268)
Biennial % Change in Expenditures				911		(75)		(75)
Governor's Change from Base								0
Governor's % Change from Base								0
3010 - Coronavirus Relief								
Direct Appropriation				14,781	0	0	0	0
Expenditures				**14,781**				
Biennial Change in Expenditures				14,781		(14,781)		(14,781)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents				2.00				

Program: Nutrition
Activity: Commodities

AT A GLANCE

- Minnesota schools receive an estimated 20 million pounds of commodity foods each year.

PURPOSE AND CONTEXT

The commodity program began in the early 1930s as an outgrowth of federal agriculture policies designed to shore up farm prices and help American farmers suffering from the Great Depression. When the National School Lunch Act was passed in 1946, its stated purpose was both to improve the health of children and to provide a market for agricultural production. The program serves to supplement food resources through entitlement funding for schools to directly purchase from available USDA commodities and Department of Defense programs.

The United States Department of Agriculture (USDA) provides the entire funding for the program.

This program supports the objective that every student attends a safe, nurturing school.

SERVICES PROVIDED

Schools participating in the National School Lunch Program (NSLP):

- Receive commodity foods, called "entitlement" foods, at a value of 23.25 cents (July 2017) for each lunch served. Foods purchased support meeting the dietary guidelines for nutritious meals and include grains, vegetables, fruits, proteins and dairy products grown and processed in the United States.
- May also get "bonus" commodities such as meat, cheese, poultry, grains, rice, fruits and vegetables, as they are available through USDA. These foods are offered periodically, but only as they become available through agricultural surpluses.

A state revolving fund was established in 2001 for the cash received for commodity donated foods that have been lost, damaged, recalled or diverted for processing. Minnesota uses the fund to issue payments for the value of those foods.

The Minnesota Department of Education (MDE) assists schools in spending and ordering products with their entitlement funds through technical assistance, food ordering, deliveries, inventories, monitoring and other issues concerning the USDA Foods program.

RESULTS

Type of Measure	*Name of Measure*	*FY 2018*	*FY 2019*
Quantity	Total dollar amount of commodities received by schools	$32,170,833	$33,283426

M.S. 124D.1195

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
2000 - Restrict Misc Special Revenue	3,632	1,101		669				
3000 - Federal	1,831	2,154	2,215	1,680	1,680	1,680	1,680	1,680
Total	**5,463**	**3,255**	**2,215**	**2,349**	**1,680**	**1,680**	**1,680**	**1,680**
Biennial Change				(4,155)		(1,204)		(1,204)
Biennial % Change				(48)		(26)		(26)
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	5,463	3,255	2,215	2,349	1,680	1,680	1,680	1,680
Total	**5,463**	**3,255**	**2,215**	**2,349**	**1,680**	**1,680**	**1,680**	**1,680**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
2000 - Restrict Misc Special Revenue								
Balance Forward In	1,604	1,581	670	669				
Receipts	3,610	189						
Balance Forward Out	1,581	670	670					
Expenditures	**3,632**	**1,101**		**669**				
Biennial Change in Expenditures				(4,064)		(669)		(669)
Biennial % Change in Expenditures				(86)				
Governor's Change from Base								0
Governor's % Change from Base								
3000 - Federal								
Receipts	1,831	2,154	2,215	1,680	1,680	1,680	1,680	1,680
Expenditures	**1,831**	**2,154**	**2,215**	**1,680**	**1,680**	**1,680**	**1,680**	**1,680**
Biennial Change in Expenditures				(91)		(535)		(535)
Biennial % Change in Expenditures				(2)		(14)		(14)
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Nutrition
Activity: Child and Adult Care Food

AT A GLANCE

- 7,150 family child care homes, 1,174 child care centers, 44 adult care centers, and 13 emergency shelters participated in the Child and Adult Care Food Program (CACFP) in federal fiscal year 2019
- 47.7 million meals and snacks were served in federal fiscal year 2019

PURPOSE AND CONTEXT

CACFP helps ensure that children and youth, those receiving emergency shelter services, chronically disabled adults, and senior citizens receiving licensed organized care, have access to nutritious meals.

Child care centers, family child care homes, school-age care sites, after-school programs, emergency shelters, and adult day care centers may participate in the CACFP.

The federal government provides all funding for the program. The United States Department of Agriculture (USDA) administers CACFP through the Minnesota Department of Education (MDE).

SERVICES PROVIDED

Health is improved through access to nutritional meals and snacks.

- Menus for healthy meals and snacks are planned according to federal guidelines.
- Most CACFP locations provide meals and snacks at no charge to all enrolled children.

CACFP is supported through:

- Federal reimbursement for meals and snacks. (Reimbursement rates are for federal FY 2020.)

Category	Breakfast	Lunch and Supper Including Cash-in-Lieu-of Commodities *	Snack
A- Free	$1.89	$3.755 ($3.51 + $0.245)	$0.96
B- Reduced Price	$1.59	$3.355 ($3.11 + $0.245)	$0.48
C- Paid	$0.32	$0.575 ($0.33 + $0.245)	$0.08

- Federal administrative reimbursements to family child care homes is defined by poverty level in geographic area served. Tier 1 sites are reimbursed at a higher rate as a result of serving more families that qualify for free or reduced price meals in a geographical area. For purposes of determining the tiering status of day care homes, the attendance area of a school in which at least 50 percent of the enrolled children are certified eligible for free or reduced-price meals, or the area based on the most recent census data in which at least 50 percent of the children residing in the area are members of households that meet the income standards for free or reduced-price meals.

	Tier 1	*Tier 2*
Breakfast	$1.39	$ .50
Lunch/supper	$2.61	$1.58
Snack	$0.78	$.21

The Minnesota Department of Education (MDE):

- Assists in meeting program requirements.
- Conducts administrative reviews.
- Provides technical assistance, workshops on nutrition and program regulations, and provides resource materials.
- Processes meal reimbursement claims.

RESULTS

Type of Measure	*Name of Measure*	*FY 2017*	*FY 2018*	*FY 2019*
Dollars	Total value of meals served, all settings (in dollars)	$58,771,416	$61,527,401	$66,268,899
Quantity	Number of participating child care centers	914	1,041	1,174
Quantity	Number of participating family day care homes	8,321	7,853	7,150
Quantity	Number of participating adult day care centers	43	51	67
Quantity	Number of participating emergency shelters	14	14	14

Child Nutrition Act and National School Lunch Act (7 CFR 226)

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
3000 - Federal	66,150	69,811	69,120	92,357	83,700	70,700	83,700	70,700
6000 - Miscellaneous Agency	1	2		2	1	1	1	1
Total	**66,151**	**69,812**	**69,120**	**92,359**	**83,701**	**70,701**	**83,701**	**70,701**
Biennial Change				25,516		(7,077)		(7,077)
Biennial % Change				19		(4)		(4)
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Compensation				63				
Operating Expenses	1	2		272	1	1	1	1
Grants, Aids and Subsidies	66,150	69,811	69,120	92,024	83,700	70,700	83,700	70,700
Total	**66,151**	**69,812**	**69,120**	**92,359**	**83,701**	**70,701**	**83,701**	**70,701**
Total Agency Expenditures	66,151	69,812	69,120	92,359	83,701	70,701	83,701	70,701
Internal Billing Expenditures	0			50				
Expenditures Less Internal Billing	**66,151**	**69,812**	**69,120**	**92,309**	**83,701**	**70,701**	**83,701**	**70,701**
Full-Time Equivalents				**0.98**				

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
3000 - Federal								
Balance Forward In			0					
Receipts	66,150	69,811	69,120	92,357	83,700	70,700	83,700	70,700
Expenditures	**66,150**	**69,811**	**69,120**	**92,357**	**83,700**	**70,700**	**83,700**	**70,700**
Biennial Change in Expenditures				25,517		(7,077)		(7,077)
Biennial % Change in Expenditures				19		(4)		(4)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents				0.98				
6000 - Miscellaneous Agency								
Balance Forward In	1	1		1				
Receipts	2	0	1	1	1	1	1	1
Balance Forward Out	1		1					
Expenditures	**1**	**2**		**2**	**1**	**1**	**1**	**1**
Biennial Change in Expenditures				(1)		0		0
Biennial % Change in Expenditures				(33)				
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Nutrition
Activity: Kindergarten Milk

AT A GLANCE

- 3,164,266 half pints of milk were subsidized in fiscal year (FY) 2019 by the Special Milk Program (SMP).
- 3,135,281 half pints were subsidized in FY 2019 through the Minnesota Kindergarten Milk Program (MKMP).

PURPOSE AND CONTEXT

Providing milk during the school day helps meet children's nutritional needs and fosters lifelong healthy eating habits. The health and achievement of preschoolers and kindergarteners are improved through daily access to milk.

MKMP is funded by state aid at 20 cents per half pint. This is the rate also set by the USDA to reimburse milk by the half pint. This reimbursement rate doesn't always cover the cost, the cost is dependent on the vendor where milk is purchased.

SMP is funded by the U.S. Department of Agriculture at 20 cents per half pint.

Schools that participate in SMP may also participate in MKMP, allowing participating districts to be reimbursed up to 40 cents per half pint of milk served to children. SMP is only allowed when students do not have access to other child nutrition programs such as the National School Lunch Program (NSLP) or School Breakfast Program (SBP).

SERVICES PROVIDED

Both programs are supported financially and administratively through:

- Federal and state reimbursements for half pints of milk served.
- Cyber-Linked Interactive Child Nutrition System (CLiCS) – a website that allows participants to meet their application and claims requirements online.

The Minnesota Department of Education (MDE):

- Conducts administrative reviews of milk programs.
- Provides technical assistance and resource materials.
- Processes reimbursement claims for cartons of milk served.

RESULTS

Type of Measure	*Name of Measure*	*FY 2017*	*FY 2018*	*FY 2019*
Quantity	Number of school food authorities receiving administrative reviews to assure program compliance	225	192	173

M.S. 124D.118

National School Lunch Act (7 CFR 215)

Kindergarten Milk

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	690	627	457	494	656	658	656	658
3000 - Federal	745	651	542	427	357	357	357	357
Total	**1,435**	**1,278**	**999**	**921**	**1,013**	**1,015**	**1,013**	**1,015**
Biennial Change				(793)		108		108
Biennial % Change				(29)		6		6
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	1,435	1,278	999	921	1,013	1,015	1,013	1,015
Total	**1,435**	**1,278**	**999**	**921**	**1,013**	**1,015**	**1,013**	**1,015**

Kindergarten Milk

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	691	628	457	494	656	658	656	658
District Revenue	691	628	457	494	656	658	656	658
Direct Appropriation	758	691	457	494	656	658	656	658
Current Year	691	628	457	494	656	658	656	658
Transfers Out	68							
Expenditures	**690**	**627**	**457**	**494**	**656**	**658**	**656**	**658**
Biennial Change in Expenditures				(366)		363		363
Biennial % Change in Expenditures				(28)		38		38
Governor's Change from Base								0
Governor's % Change from Base								0
3000 - Federal								
Receipts	745	651	542	427	357	357	357	357
Expenditures	**745**	**651**	**542**	**427**	**357**	**357**	**357**	**357**
Biennial Change in Expenditures				(428)		(255)		(255)
Biennial % Change in Expenditures				(31)		(26)		(26)
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Libraries
Activity: Basic Support and Federal Grants

education.mn.gov/MDE/dse/Lib/sls/Reg/

AT A GLANCE

- Public library services are available in all 87 counties.
- 12 regional public library systems support 355 public libraries; 46% of all libraries are in non metro areas.
- Public libraries shared over 1.2 million items to other libraries through interlibrary loan, which expanded the reach of local collections.
- In 2019, over 3.7 million Minnesotans had a library card, and public libraries were visited 21 million times.

PURPOSE AND CONTEXT

Minnesota's public libraries ensure all residents have equitable access to information regardless of educational or economic status or location in the state. This program helps Minnesota's public libraries offer free and equitable access to a variety of educational, cultural and informational resources, programs and activities.

Libraries support the One Minnesota Plan objective that every student deserves a world class education. Ninety-four percent offer summer learning programs for children and teens.

SERVICES PROVIDED

Public libraries collect and make information available in a number of different formats—print book, magazine, DVD, CD, and download-only formats. Trained staff help Minnesotans of all ages and abilities to access this information.

Regional library basic system support:

- Provides incentives such as access to regionally administered programs (i.e., interlibrary loans) for counties and cities to work together in regional public library systems, extending service across jurisdictions at the most reasonable cost.
- Distributes funding between cooperating jurisdictions and encourages sharing of library materials through library-to-library lending and borrowing.
- Maintains and improves library programs, materials, and outreach to diverse residents.

The Minnesota Department of Education (MDE) administers all aspects of the aid program. Services include:

- Developing application and report forms for aid recipients.
- Providing technical assistance to applicants/recipients.
- Calculating and processing aid payments.
- Providing guidance as it relates to Minnesota statutes.
- Managing the statutory library annual report program.
- Giving technical assistance and training to all public libraries and regional library systems.

RESULTS

Type of Measure	*Name of Measure*	*FY 2018*	*FY 2019*
Quantity	Number of Minnesotans attending library programs including story times, summer reading programs, digital literacy and job search. Thirty-seven out of 100 non metro residents attended a program in 2019; 25 out of 100 for metro area.	1,601,400	1,588,068
Quantity	Circulation of downloadable books, movies and music	6,950,642	7,765,650
Quantity	Number of weekly open hours	740,498	736,645

M.S. 134.31; M.S. 134.32; M.S. 134.34; M.S. 134.355

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	13,570	13,570	13,570	13,570	13,570	13,570	13,570	13,570
2301 - Arts & Cultural Heritage	2,469	2,500	2,550	2,193	357		357	
3000 - Federal	108	110	126	609	122	113	122	113
Total	**16,146**	**16,180**	**16,246**	**16,372**	**14,049**	**13,683**	**14,049**	**13,683**
Biennial Change				292		(4,886)		(4,886)
Biennial % Change				1		(15)		(15)
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Compensation	53	55	60	68	64	63	64	63
Operating Expenses	55	53	66	50	52	50	52	50
Grants, Aids and Subsidies	16,039	16,070	16,120	16,254	13,933	13,570	13,933	13,570
Other Financial Transaction		2						
Total	**16,146**	**16,180**	**16,246**	**16,372**	**14,049**	**13,683**	**14,049**	**13,683**
Total Agency Expenditures	16,146	16,180	16,246	16,372	14,049	13,683	14,049	13,683
Internal Billing Expenditures	46	44	48	18	18	17	18	17
Expenditures Less Internal Billing	**16,100**	**16,136**	**16,198**	**16,354**	**14,031**	**13,666**	**14,031**	**13,666**
Full-Time Equivalents	**0.50**	**0.50**	**0.49**	**0.54**	**0.51**	**0.50**	**0.51**	**0.50**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	13,570	13,570	13,570	13,570	13,570	13,570	13,570	13,570
District Revenue	13,570	13,570	13,570	13,570	13,570	13,570	13,570	13,570
Direct Appropriation	13,570	13,570	13,570	13,570	13,570	13,570	13,570	13,570
Current Year	12,213	12,213	12,213	12,213	12,213	12,213	12,213	12,213
Prior Year	1,357	1,357	1,357	1,357	1,357	1,357	1,357	1,357
Cancellations	0	0						
Expenditures	**13,570**	**13,570**	**13,570**	**13,570**	**13,570**	**13,570**	**13,570**	**13,570**
Biennial Change in Expenditures				0		0		0
Biennial % Change in Expenditures				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
2301 - Arts & Cultural Heritage								
Balance Forward In	66				357		357	
Direct Appropriation	2,500	2,500	2,550	2,550	0	0	0	0
Transfers In					357		357	
Transfers Out					357		357	
Balance Forward Out	97			357				
Expenditures	**2,469**	**2,500**	**2,550**	**2,193**	**357**		**357**	
Biennial Change in Expenditures				(226)		(4,386)		(4,386)
Biennial % Change in Expenditures				(5)		(92)		(92)
Governor's Change from Base								0
Governor's % Change from Base								
3000 - Federal								
Receipts	108	110	126	609	122	113	122	113
Expenditures	**108**	**110**	**126**	**609**	**122**	**113**	**122**	**113**
Biennial Change in Expenditures				517		(500)		(500)
Biennial % Change in Expenditures				238		(68)		(68)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.50	0.50	0.49	0.54	0.51	0.50	0.51	0.50

Program: Libraries
Activity: Multi-county Multi-type

education.mn.gov/MDE/dse/Lib/sls/Mult/

AT A GLANCE

- Seven multi-county, multi-type library systems serve approximately 1,800 academic, public, school and special libraries. Services are provided across all types of libraries.
- Multi-county, multi-type libraries serve all 87 Minnesota counties.

PURPOSE AND CONTEXT

Minnesota's multi-county, multi-type library systems promote excellence in library services and connections between public libraries and libraries in schools, colleges and universities so that library staff can better serve residents.

Multi-county, multi-type library systems work across libraries of all types to provide collections, events and other resources that support students and teachers. Libraries support the objective that every student deserves a world class education with caring, qualified teachers.

State aid provides operating funds based on a formula that includes population and land square miles served. Multi-county, multi-type library systems may increase revenue through grants and/or cost-recovery fees for workshops and other continuing-education activities.

SERVICES PROVIDED

Multi-county, multi-type library systems activities include:

- Organizing and promoting professional development and continuing education activities for library staff.
- Identifying and responding to regional needs across types of libraries.
- Encouraging communication and increasing knowledge of best practices among libraries.
- Supporting resource sharing and collaborative projects among participating libraries.

The Minnesota Department of Education (MDE) administers all aspects of the aid program. Services include:

- Developing application and report forms for aid recipients.
- Providing technical assistance to applicants/recipients.
- Calculating and processing payments.
- Providing guidance as it relates to Minnesota statutes.

RESULTS

Type of Measure	*Name of Measure*	*FY 2018*	*FY 2019*
Quantity	Number of multicounty multi-type member libraries.	1,578	1,588
Quantity	Number of scholarships awarded to library staff for participation in professional development and continuing education.	87	60
Quantity	Attendance at multi-county, multi-type sponsored professional-development activities.	2,146	2,355

MS 134.351; MS 134.353; MS 134.354

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Total	**1,300**	**1,300**	**1,300**	**1,300**	**1,300**	**1,300**	**1,300**	**1,300**
Biennial Change				0		0		0
Biennial % Change				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Total	**1,300**	**1,300**	**1,300**	**1,300**	**1,300**	**1,300**	**1,300**	**1,300**

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY18	FY19	FY20	FY21	FY22	FY23	FY22	FY23
1000 - General								
Entitlement	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
District Revenue	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Direct Appropriation	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Current Year	1,170	1,170	1,170	1,170	1,170	1,170	1,170	1,170
Prior Year	130	130	130	130	130	130	130	130
Cancellations		0						
Expenditures	**1,300**	**1,300**	**1,300**	**1,300**	**1,300**	**1,300**	**1,300**	**1,300**
Biennial Change in Expenditures				0		0		0
Biennial % Change in Expenditures				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Libraries
Activity: Electronic Library for Minnesota (ELM)

www.elm4you.org/

AT A GLANCE

- Electronic Library for Minnesota (ELM) provides access to millions of articles, books, images, test preparation and other information at no cost to users.
- ELM resources are accessible to Minnesotans through computers, smart phones and tablets from homes, schools, school library media centers, academic libraries, public libraries and government agencies.

PURPOSE AND CONTEXT

The Electronic Library for Minnesota (ELM) provides all Minnesotans with access to online high-quality and vetted information resources from all Minnesota Internet Protocol (IP) addresses, including home computers, libraries and government agencies. ELM supports the objective that every student receives a world class education with caring, qualified teachers.

SERVICES PROVIDED

This program:

- Offers free and equitable online access to millions of magazine, journal, newspaper, and encyclopedia articles, e-books, and other information resources to Minnesota residents.
- Provides tools for career exploration, resume and cover letter writing, test preparation, adult learning and college readiness through LearningExpress Library.
- Reduces costs by negotiating statewide database licenses.

ELM's resources:

- Support K-12 and postsecondary students and teachers.
- Provide information and research on a wide range of topics.
- Are available from all Minnesota IP addresses 24 hours a day, seven days a week.
- Support digital literacy and workforce development efforts.

The Minnesota Department of Education (MDE), through its State Library Services division, recommends and/or approves school and public library representatives on ELM's selection task force and makes final approval of the resources recommended. MDE sets up and processes payments and compiles report information annually.

RESULTS

Type of Measure	*Name of Measure*	*FY 2018*	*FY 2019*
Quantity	Number of ELM searches conducted by Minnesotans	60.2 million	61.8 million
Quantity	Number of LearningExpress Library user sessions	36,435	44,413

MN Laws 2019, 1st Special Session, Chapter 11, Article 7, Section 1, Subdivision 8

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	900	900	900	900	900	900	900	900
Total	**900**	**900**	**900**	**900**	**900**	**900**	**900**	**900**
Biennial Change				0		0		0
Biennial % Change				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	900	900	900	900	900	900	900	900
Total	**900**	**900**	**900**	**900**	**900**	**900**	**900**	**900**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	900	900	900	900	900	900	900	900
Expenditures	**900**	**900**	**900**	**900**	**900**	**900**	**900**	**900**
Biennial Change in Expenditures				0		0		0
Biennial % Change in Expenditures				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Libraries
Activity: Regional Library Telecom Aid (RLTA)

AT A GLANCE

- Statutory changes in 2020 expanded the allowable use of funds to include digital content and technology items that are not covered by the federal e-rate broadband subsidy program for public libraries
- 342 public library sites benefit from the aid program.
- Statewide, average available download speeds purchased with program funds grew from 205 Mbps in 2017 to 258 Mbps in 2019.
- 99.6 percent of public libraries provide wireless access.

PURPOSE AND CONTEXT

The Regional Library Telecommunications Aid program (RLTA) helps regional public library systems and their branch or member public libraries provide community-based broadband accessible to residents statewide. Increasingly, public libraries provide portable internet access through mobile hotspots that circulate for home use.

RLTA funds the telecommunications infrastructure necessary for library-based programs and services that support the objective that every student receives a world-class education. Through public libraries, students have greater access to online learning resources such the state-provided Electronic Library for Minnesota and locally provided e-books and online homework help services.

SERVICES PROVIDED

This program:

- Allows libraries to leverage federal funds and state and local investments that improve technology infrastructure.
- Facilitates optimal and equitable access to online resources and information, such as the Electronic Library for Minnesota, and to the statewide web-based infrastructure for interlibrary loan.

Activities that rely on internet access and benefit from this program include:

- Equitable community access to high-speed internet, including weekends and evenings.
- Access to online resources, including the Electronic Library for Minnesota and Ebooks Minnesota.
- Connections to school districts, postsecondary education and other governmental agencies.
- Government-related activities and information, such as unemployment insurance filing.
- Automation systems that improve efficiency and cost-effectiveness in resource sharing.

The Minnesota Department of Education (MDE) administers all aspects of the aid program. Services include:

- Developing application and report forms for aid recipients.
- Providing technical assistance to applicants/recipients.
- Calculating and processing payments.
- Providing technical assistance on the federal e-rate program as it relates to regional library telecommunications aid.

RESULTS

Type of Measure	*Name of Measure*	*FY 2018*	*FY 2019*
Quantity	Internet and wireless sessions in public libraries	11,319,883	10,504,559
Quantity	Percentage of public libraries with internet speeds above 20 megabits per second (Mbps)	83.1% download 72.7% upload	87.6% download 78% upload
Quantity	Number of internet devices in public libraries; about 46% of public libraries are in non urban areas	6,702	6,738

M.S. 134.355

Regional Library Telecom Aid

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	2,070	2,213	2,300	2,300	2,300	2,300	2,300	2,300
2000 - Restrict Misc Special Revenue				50				
Total	**2,070**	**2,213**	**2,300**	**2,350**	**2,300**	**2,300**	**2,300**	**2,300**
Biennial Change				367		(50)		(50)
Biennial % Change				9		(1)		(1)
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Compensation				2				
Operating Expenses				48				
Grants, Aids and Subsidies	2,070	2,213	2,300	2,300	2,300	2,300	2,300	2,300
Total	**2,070**	**2,213**	**2,300**	**2,350**	**2,300**	**2,300**	**2,300**	**2,300**
Total Agency Expenditures	2,070	2,213	2,300	2,350	2,300	2,300	2,300	2,300
Internal Billing Expenditures				5				
Expenditures Less Internal Billing	**2,070**	**2,213**	**2,300**	**2,345**	**2,300**	**2,300**	**2,300**	**2,300**
Full-Time Equivalents				**0.05**				

Regional Library Telecom Aid

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
District Revenue	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Direct Appropriation	2,300	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Current Year	2,070	2,070	2,070	2,070	2,070	2,070	2,070	2,070
Prior Year	230	230	230	230	230	230	230	230
Cancellations	230	87						
Expenditures	**2,070**	**2,213**	**2,300**	**2,300**	**2,300**	**2,300**	**2,300**	**2,300**
Biennial Change in Expenditures				317		0		0
Biennial % Change in Expenditures				7		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
2000 - Restrict Misc Special Revenue								
Receipts				50				
Expenditures				**50**				
Biennial Change in Expenditures				50		(50)		(50)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents				0.05				

Program: Early Childhood and Family Support
Activity: Early Childhood Family Education (ECFE)

education.mn.gov/MDE/fam/elsprog/ECFE/

AT A GLANCE

- 22,353 children and 31,264 parents participated in ongoing ECFE classes in fiscal year (FY) 2019.

PURPOSE AND CONTEXT

The purpose of the program is to provide parenting education to support children's learning and development. All families with children prenatal to kindergarten are eligible for services. School districts with pre-Kindergarten through third grade initiatives may continue to serve families up to third grade.

This program helps meet the objective of all children attend a safe, nurturing school.

SERVICES PROVIDED

ECFE provides programming and services to educate parents and other relatives about the physical, cognitive, social, and emotional development of children, and to enhance the skills of parents and other relatives in providing for their children's learning and development. Each year, programs must: 1) conduct a community needs assessment that identifies new and underserved populations; 2) identify child and family risk factors, particularly those that impact children's learning and development; and, 3) assess family and parenting education needs in the community. Programs are required to provide programming and services that are tailored to the needs of families and parents prioritized in the community needs assessment.

Additional ECFE Program Requirements

- Provide programming to educate parents and other relatives about the development of children and to enhance the skills of parents and other relatives in providing for their children's learning and development.
- Provide structured learning activities requiring interaction between children and their parents or relatives.
- Provide learning experiences for children, parents, and other relatives that promote children's early literacy and, where practicable, their native language skills and activities for children that require substantial involvement of the children's parents or other relatives.
- Provide structured learning activities for children that promote children's development and positive interaction with peers, which are held while parents or relatives attend parent education classes.
- Provide information on related community resources.
- Provide information, materials, and activities that support the safety of children, including prevention of child abuse and neglect.
- Provide information about and, if needed, assist in making arrangements for an early childhood health and developmental screening when the child nears the third birthday.

ECFE programs should also:

- Encourage parents and other relatives to involve four- and five-year-old children in School Readiness programs, and other public and nonpublic early learning programs.
- Provide parents of English learners with translated oral and written information to monitor the program's impact on their children's English language development, to know whether their children are progressing

in developing their English and native language proficiency, and to actively engage with and support their children in developing their English and native language proficiency.

Revenue

ECFE revenue is a combination of state aid and local property tax levy. It is 2.3 percent of the general education formula allowance times 150, or the number of children under age 5 who lived in the district as of October 1 of the previous school year, whichever is greater.

Collaboration

It is common for other state-funded programs to work collaboratively with ECFE. MDE calculates and processes payments and provides technical support for these programs as well:

- Adult Basic Education (ABE), which provides family literacy programs.
- The Educate Parents Partnership program, which provides parents of newborns with informational materials on a wide range of subjects before they are discharged from the hospital.
- Help Me Grow, an infant and toddler intervention and preschool special education program, disseminates information to families and professionals who have concerns about their child's development.
- The Parent-Child Home Program, which is a national model focusing on early literacy, parenting, and school readiness. Families are eligible for up to 60 home visits per year for two years.
- The Home Visiting program, which is a parent education component of ECFE programs that is designed to reach isolated or at-risk families. Starting in FY 2018, local Home Visiting levies were supplemented with state aid.
- School Readiness and Voluntary Prekindergarten, which provide family engagement and parenting education.

RESULTS*

Type of Measure	*Name of Measure*	*FY 2016*	*FY 2017*	*FY 2018*	*FY 2019*
Quantity	Parents participating in regular parent/child weekly sessions.	75,136	74,302	32,292	31,264
Quantity	Referrals from ECFE to community resources and partner organizations.	18,367	18,014	0	0
Quantity	Class offerings for parents.	10,623	10,495	1,720**	1,897**

* Note: Starting in 2015, Early Learning Services started a transition to new data reporting systems for ECFE programs. Data is now pulled from Early Education Student, a student identification process for children registered in ECFE, and the Minnesota Common Course Catalogue (MCCC), a course classification and data collection system. Early Education Student is a newer system with revised reporting thresholds and districts are still not reporting at full capacity. Until full implementation is complete, comparisons to previous systems reporting is not appropriate.

**Note: Data is now pulled from Minnesota Common Course Catalogue (MCCC). Not all districts have reported and there has been confusion between how districts report sections offered and instructional hours offered.

M.S. 124D.13

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	31,227	33,650	33,616	34,619	35,183	35,448	35,690	37,294
Total	**31,227**	**33,650**	**33,616**	**34,619**	**35,183**	**35,448**	**35,690**	**37,294**
Biennial Change				3,358		2,396		4,749
Biennial % Change				5		4		7
Governor's Change from Base								2,353
Governor's % Change from Base								3
Expenditures by Category								
Compensation	45	44	45	45	46	46	46	46
Operating Expenses	3	3	3	5	3	3	3	3
Grants, Aids and Subsidies	31,179	33,603	33,568	34,569	35,134	35,399	35,641	37,245
Total	**31,227**	**33,650**	**33,616**	**34,619**	**35,183**	**35,448**	**35,690**	**37,294**
Full-Time Equivalents	**0.38**	**0.35**	**0.35**	**0.34**	**0.34**	**0.34**	**0.34**	**0.34**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	30,399	31,490	32,704	33,889	34,273	34,524	34,837	36,512
Levies	22,603	22,681	22,463	22,692	22,566	22,794	22,566	22,794
District Revenue	53,002	54,171	55,167	56,581	56,839	57,318	57,403	59,306
Direct Appropriation	31,881	32,444	33,621	34,618	35,183	35,448	35,690	37,294
Current Year	27,358	28,340	29,520	30,501	30,846	31,072	31,353	32,861
Prior Year	2,903	3,041	3,148	3,168	3,388	3,427	3,388	3,484
Balance Forward In	1,320	1,320		1				
Transfers Out	653							
Cancellations	1	75	4					
Balance Forward Out	1,320		1					
Expenditures	**31,227**	**33,650**	**33,616**	**34,619**	**35,183**	**35,448**	**35,690**	**37,294**
Biennial Change in Expenditures				3,358		2,396		4,749
Biennial % Change in Expenditures				5		4		7
Governor's Change from Base								2,353
Governor's % Change from Base								3
Full-Time Equivalents	0.38	0.35	0.35	0.34	0.34	0.34	0.34	0.34

Program: Early Childhood and Family Support
Activity: School Readiness

https://education.mn.gov/MDE/dse/early/elprog/read/index.htm

AT A GLANCE

In fiscal year (FY) 2019:

- The estimated population of 3- and 4-year-olds in Minnesota was 147,398.
- 28,093 children participated in the School Readiness program.

PURPOSE AND CONTEXT

The purpose of the School Readiness program is to prepare children to enter kindergarten by creating greater access to educational opportunities for children with high needs and to make progress on closing the opportunity gap upon school entrance. This supports the objective that every student receive a world class education.

The state-funded program is established through the school district and serves children age three to kindergarten entrance with identified risk factors.

SERVICES PROVIDED

School Readiness programs are designed by communities in order to meet their unique needs. Most school-based programs have classes that are a half-day and meet one to five days per week.

Other program models include:

- Kindergarten transition classes for children and parents.
- One or two days of child-only activities added to Early Childhood Family Education (ECFE).
- Fully inclusive, integrated classrooms with early childhood special education.
- Coordination of referrals and follow-up to early childhood screening, which is required.
- Staff development and consultation for family child care providers.
- Head Start and family literacy/English learner programs.
- Partnering with other programs to provide full-day programming and wrap-around services.

Programs include the following requirements:

- Assess each child's cognitive skills at entrance to and exit from the program.
- Provide a program based on early childhood research and professional practice that prepares children to move into kindergarten.

School Readiness aid is calculated in two parts:

- Fifty percent of aid is based on the number of 4-year-old children living in the district as of October 1 of the previous school year.
- Fifty percent of aid is based on the number of students enrolled in the school district and eligible for free or reduced-price meals for the second previous school year.

The Minnesota Department of Education calculates and processes aid payments and provides technical support to districts for this program.

RESULTS

Type of Measure	*Name of Measure*	*FY 2016**	*FY 2017*	*FY 2018*	*FY 2019*
Quantity	Percentage of all preschoolers served: 3-year-olds 4-year-olds	 7% 22.4%	 8% 21.2%	 10.5% 21.9%	 11% 21.9%
Quantity	Percentage of 3 year-old preschoolers served in School Readiness by race:				
	American Indian or Alaska Native	2.1%	2.2%	2.4%	2.0%
	Asian	3.5%	4.0%	5.5%	5.6%
	Black or African American	4.8%	6.7%	8.0%	8.3%
	Hispanic	6.8%	6.8%	7.3%	7.9%
	Native Hawaiian or Other Pacific Islander	0.2%	0.3%	0.2%	0.5%
	Not Identified	17.5%	16.8%	14.2%	11.9%
	White	65%	63.2%	62.4%	63.9%
Quantity	Percentage of 4 year-old preschoolers served in School Readiness by race:				
	American Indian or Alaska Native	2.5%	2.7%	2.6%	2.9%
	Asian	7.2%	7.4%	9.2%	7.1%
	Black or African American	11.2%	10.7%	13.5%	13.2%
	Hispanic	8.3%	8.1%	8.0%	8.4%
	Native Hawaiian or Other Pacific Islander	0.4%	0.2%	0.3%	0.5%
	Not Identified	12.5%	11.3%	9.9%	7.4%
	White	57.8%	59.6%	56.6%	60.5%

* Note: Starting in 2016, data is now pulled from Early Education Student, a student identification process for children registered in School Readiness. Early Education Student is a newer system with revised reporting thresholds. Comparisons to other systems reporting is not appropriate.

M.S. 124D.15; M.S.124D.16

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	33,683	33,682	33,683	33,683	33,683	33,683	33,683	33,683
Total	**33,683**	**33,682**	**33,683**	**33,683**	**33,683**	**33,683**	**33,683**	**33,683**
Biennial Change				1		0		0
Biennial % Change				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	33,683	33,682	33,683	33,683	33,683	33,683	33,683	33,683
Total	**33,683**	**33,682**	**33,683**	**33,683**	**33,683**	**33,683**	**33,683**	**33,683**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	33,683	33,683	33,683	33,683	33,683	33,683	33,683	33,683
District Revenue	33,683	33,683	33,683	33,683	33,683	33,683	33,683	33,683
Direct Appropriation	33,683	33,683	33,683	33,683	33,683	33,683	33,683	33,683
Current Year	30,315	30,315	30,315	30,315	30,315	30,315	30,315	30,315
Prior Year	3,368	3,368	3,368	3,368	3,368	3,368	3,368	3,368
Cancellations		1						
Expenditures	**33,683**	**33,682**	**33,683**	**33,683**	**33,683**	**33,683**	**33,683**	**33,683**
Biennial Change in Expenditures				1		0		0
Biennial % Change in Expenditures				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Early Childhood and Family Support
Activity: Kindergarten Entry Profile (KEP) *(previously Kindergarten Readiness)*

education.mn.gov/MDE/dse/kind/KEP/index.htm

AT A GLANCE

- The Kindergarten Entry Profile (KEP) is a standards-based assessment system that offers districts a menu of comprehensive, developmentally appropriate assessment tools that help teachers and administrators understand what students know and are able to do at the start of kindergarten in order to support their success in kindergarten and beyond.
- Participation in the KEP is voluntary.
- In fiscal year (FY) 2019, fewer than 5 percent of all kindergartners were in districts that participated in the KEP.

PURPOSE AND CONTEXT

The 2013 Race to the Top-Early Learning Challenge grant (RTT-ELC) provided the state with an opportunity to improve on the state's pre-existing kindergarten entry assessment model (the School Readiness Study), resulting in a new model: the Kindergarten Entry Profile (KEP). The KEP reflects advances in our understanding of child development, neuroscience, and the importance of early childhood assessment in systems reform.

The KEP is a standards-based assessment system; each of the approved assessment tools are aligned to Minnesota's early learning standards (the Early Childhood Indicators of Progress, or ECIPs). The ECIPs are a shared set of developmentally appropriate expectations for children ages birth to kindergarten and define the foundational skills necessary to build toward the Minnesota K-12 Academic Standards and college and career readiness.

MDE encourages Pre-K-3rd Grade (P3) systems to consider adopting KEP-approved assessments since these assessments can be used with children across ages, grades, and programs (e.g., kindergarten, Voluntary Pre-Kindergarten (VPK), School Readiness, School Readiness Plus (SRP), Early Childhood Special Education, Head Start, and child care programs). The data from KEP-approved assessments can help teachers, administrators, and families understand what students know and support their success in school and beyond.

The Minnesota Department of Education (MDE) supports analyses of this data that embraces a well-rounded view of education by presenting data by each of the domains of learning: approaches to learning; the arts; language, literacy, and communications; mathematics; physical and movement development; scientific thinking; social and emotional development; and social systems. Reporting data by ECIP domain also makes the data more actionable and valuable to teachers and administrators.

SERVICES PROVIDED

KEP approved assessment tools undergo a rigorous review to ensure that each assessment is valid and reliable to use with kindergartners, aligned to the ECIPs and Minnesota Academic Standards, represent a whole-child view of development and education, cover all eight domains of learning, provide real-time formative data that can be used to individualize instruction, and rely on authentic assessment.

No more than 10 percent of kindergarteners in the state are able to participate due to budgetary constraints. MDE provides training to teachers and administrators in their chosen tool and reimburses participants for the costs of the assessment tool at the state-negotiated rate.

The KEP assessment tools produce data that can be used to:

1) Provide teachers and other educators with a holistic view of a child's strengths and areas of growth based on their own unique identities, experiences, and development.
2) Inform, in real-time, practice and programming (e.g. instruction, lesson plans, curriculum, professional development, resources and supports).
3) Build coherence in pre-K to third grade teaching and learning (e.g. strengthening transitions to kindergarten and professional development).
4) Inform educators/administrators/policy makers how well incoming kindergarteners meet age expectations in the following eight domains of learning:
    - approaches to learning
    - the arts
    - language, literacy, and communications
    - mathematics
    - physical and movement development
    - scientific thinking
    - social and emotional development
    - social systems
5) Guide local community and school district efforts to ensure that every single child in Minnesota will grow up and begin to compete with workers in the global economy.

RESULTS

Teachers and administrators are building their capacity to implement standards-based assessment, which includes discussions centered on which students need more support based on their assessment data. KEP assessment trainings have brought prekindergarten and kindergarten teachers together, enabling them to engage in conversations centered on shared expectations of student outcomes, aligning instruction and curriculum across grades/ages, and strengthening transitions to kindergarten.

Though efforts have been made to obtain a representative sample of kindergartners, the voluntary nature of the KEP does not produce a representative sample of kindergartners across the state. Because it is not representative of the general population, generalizations regarding the data should not be made (i.e., these numbers should not be taken as an accurate portrayal of the percentage of students meeting or exceeding age expectations statewide) and results should not be compared from year to year. Participants, however, may be able to compare their results from year to year and make generalizations about their district/charter school.

For detailed results of the KEP for FY 2017, please read the Transforming the School Readiness Study into the KEP Initiative.

Type of Measure	***Name of Measure***	***FY 2015***	***FY 2016***	***FY 2017***	***FY 2018***	***FY 2019***
Status	KEP Pilot or Regular	Pilot†	Pilot†	Full	Full	Full
Quantity	Percentage of kindergarteners participating in the KEP	1.2%	3.1%	5.8%	4.5%	2.3%

M.S. 124D.162

†: During the three KEP pilot years (FY2014 – FY2016) participation in the KEP was relatively small, ranging from 0.7 percent to 1.1 percent of kindergartners statewide. This was not a concern, though, given the pilot status of the KEP.

Kindergarten Entry Profile

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	243	240	276	286	281	281	1,016	785
Total	**243**	**240**	**276**	**286**	**281**	**281**	**1,016**	**785**
Biennial Change				79		0		1,239
Biennial % Change				16		0		221
Governor's Change from Base								1,239
Governor's % Change from Base								220
Expenditures by Category								
Compensation	148	163	201	198	200	200	333	337
Operating Expenses	95	77	75	88	81	81	683	448
Total	**243**	**240**	**276**	**286**	**281**	**281**	**1,016**	**785**
Full-Time Equivalents	**1.34**	**1.33**	**1.62**	**1.20**	**1.20**	**1.20**	**1.90**	**1.90**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	281	281	281	281	281	281	1,016	785
Balance Forward In		41		5				
Cancellations		82						
Balance Forward Out	38		5					
Expenditures	**243**	**240**	**276**	**286**	**281**	**281**	**1,016**	**785**
Biennial Change in Expenditures				79		0		1,239
Biennial % Change in Expenditures				16		0		221
Governor's Change from Base								1,239
Governor's % Change from Base								220
Full-Time Equivalents	1.34	1.33	1.62	1.20	1.20	1.20	1.90	1.90

Program: Early Childhood and Family Support
Activity: Access to Quality Early Learning

AT A GLANCE

- Approximately 23 percent of the eligible 3 and 4-year-olds in the state are served by the Early Learning Education Scholarship program, with a maximum award of $7,500. Effective July 1, 2020, children in a priority status may have an increased award up to $10,000.
- While children ages 0-2 were eligible if the child of a teen parent or a sibling of a scholarship recipient, in fiscal year (FY) 2018, Early Learning Scholarships were expanded to serve children 0-2 years of age in foster care, in child protective services, or those who have experienced homelessness in the last 24 months. These four populations are prioritized for receiving a scholarship.
- Early learning scholarships can be layered with other funding streams. Fifteen percent of scholarships in FY2019 were used with Child Care Assistance.

PURPOSE AND CONTEXT

The Early Learning Scholarship program supports access to the state's early care and education system for young children. Since scholarships can only be used at early learning programs that participate in Parent Aware, Minnesota's Quality Rating and Improvement System (QRIS), they serve as an incentive to be rated. Early Learning Scholarships, as a funding source, are intended to support improvement in school readiness outcomes for Minnesota children with high needs, by increasing access to high-quality early care and education programs.

These two activities assist in the improvement of high-quality early care and education programs and, in providing financial assistance to families to attend high quality programs. Early learning program quality is based on Parent Aware, Minnesota's tiered quality rating and improvement system.

SERVICES PROVIDED

- Passed in a 2011 special session, $4 million was authorized for Early Learning Scholarships beginning in FY 2013. For FY 2014, the state expanded the program with a $23 million appropriation. That program has grown to a base of $70.7 million in each FY 2020 and FY 2021.
- Under this program children receive scholarships for a 12-month period and may renew their scholarship until they are eligible for kindergarten.

The Early Learning Scholarship program has two pathways:

- Pathway I scholarships are awarded directly to eligible families.
    - Scholarship funds are paid directly to the early learning program.
- Pathway II scholarships are awarded to families through an eligible Four-Star Parent Aware-rated program.
    - Participating programs receive funding to provide scholarships to a specified number of eligible children to cover the cost of the program.

Efforts for Parent Aware and state-funded early learning scholarships ran parallel to the Race to the Top Early-Learning Challenge (RTT-ELC) federal grant. The RTT-ELC grant supported the expansion of the Parent Aware program statewide over four years and ended December 31, 2016. In order to support the continuation of Parent Aware beyond RTT-ELC, the Legislature allocated $3.5 million dollars to MDE for the 2018-19 biennium to transfer to the Department of Human Services to support the implementation of Parent Aware.

The Minnesota Department of Education (MDE) administers all aspects of the grant program. Services include:

- Developing application process and reporting forms for applicants/recipients.
- Providing technical assistance to applicants/recipients.
- Creating grant contracts, including work plans and budget information.
- Calculating, auditing, and processing payments.
- Providing guidance as it relates to Minnesota Statutes and state policies.

RESULTS

Type of Measure	*Name of Measure*	*2016*	*2017*	*2018*	*2019*
Quantity	Number of early care and education programs participating in Parent Aware.	2,343	2,684	2,610	2,869
Quality	Percent of rated early care and education programs with a 3- or 4-Star Parent Aware rating.	71%	77%	79%	71%
Quantity	Number of high-needs children attending a 3- or 4-Star Parent Aware rated public education program.	26,748	28,851	28,851	28,687
Quantity	Number of children receiving a scholarship	11,219	15,079	17,091	15,022

Number of Children Receiving a Scholarship by Race

Race	**2016**	**2017**	**2018**	**2019**
American Indian or Alaskan Native	367	561	670	584
Asian	617	715	733	609
Black or African	2,287	2,407	3,630	3,544
Native Hawaiian or Pacific Islander	26	22	38	31
Hispanic/Latino	Noted under white or black	2,129	2,086	1,835
White	5,654	5,803	5,647	4,893
Two or More 9.3%	921	1,192	1,428	1,292
Not Answered	1,347	2,250	2,305	2,138
Total	**11,219**	**15,079**	**16,537**	**15,022**

Parent Aware data on quantity and quality for FY 2016 comes from the Minnesota Race to the Top – Early Learning Challenge, final 2016 report.

Parent Aware data on quantity and quality for FY2017 and FY2018 was provided by the Fast Facts page of Develop, the Minnesota Quality Improvement and Registry tool.

Quantity data for children with high needs attending a 3- or 4-star rated program comes from the Early Learning Scholarship Pathway II applications from school and Head Start programs.

Scholarship data comes from final data from each fiscal year.

CFDA 84.412; M.S. 124D.165

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	69,258	68,091		20,000				
2001 - Other Misc Special Revenue			74,294	69,759	69,759	69,759	69,759	69,759
3000 - Federal		596	8,887	11,512	8,942	8,942	8,942	8,942
Total	**69,258**	**68,687**	**83,181**	**101,271**	**78,701**	**78,701**	**78,701**	**78,701**
Biennial Change				46,508		(27,050)		(27,050)
Biennial % Change				34		(15)		(15)
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Compensation		62	310	739	664	664	664	664
Operating Expenses		533	8,577	10,873	8,278	8,278	8,278	8,278
Grants, Aids and Subsidies	69,258	68,091	74,294	89,659	69,759	69,759	69,759	69,759
Other Financial Transaction	(1)							
Total	**69,258**	**68,687**	**83,181**	**101,271**	**78,701**	**78,701**	**78,701**	**78,701**
Total Agency Expenditures	69,258	68,687	83,181	101,271	78,701	78,701	78,701	78,701
Internal Billing Expenditures		44	390	290	225	225	225	225
Expenditures Less Internal Billing	**69,258**	**68,643**	**82,792**	**100,981**	**78,476**	**78,476**	**78,476**	**78,476**
Full-Time Equivalents		**0.52**	**2.71**	**7.00**	**6.25**	**6.25**	**6.25**	**6.25**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	69,259	69,259	75,209	90,709	70,709	70,709	70,709	70,709
Balance Forward In		3,332						
Transfers Out			75,209	70,709	70,709	70,709	70,709	70,709
Cancellations		4,500						
Balance Forward Out	1							
Expenditures	**69,258**	**68,091**		**20,000**				
Biennial Change in Expenditures				(117,349)		(20,000)		(20,000)
Biennial % Change in Expenditures				(85)				
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents				0.75				
2001 - Other Misc Special Revenue								
Transfers In			74,294	69,759	69,759	69,759	69,759	69,759
Balance Forward Out			0					
Expenditures			**74,294**	**69,759**	**69,759**	**69,759**	**69,759**	**69,759**
Biennial Change in Expenditures				144,053		(4,535)		(4,535)
Biennial % Change in Expenditures						(3)		(3)
Governor's Change from Base								0
Governor's % Change from Base								0
3000 - Federal								
Receipts		596	8,887	11,512	8,942	8,942	8,942	8,942
Expenditures		**596**	**8,887**	**11,512**	**8,942**	**8,942**	**8,942**	**8,942**
Biennial Change in Expenditures				19,804		(2,515)		(2,515)
Biennial % Change in Expenditures						(12)		(12)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents		0.52	2.71	6.25	6.25	6.25	6.25	6.25

Program: Early Childhood and Family Support
Activity: Health and Developmental Screening

https://education.mn.gov/MDE/dse/early/elprog/scr/

AT A GLANCE

- In fiscal year (FY) 2019, a total of 60,467 children were screened by school districts. Outcomes included:
  - 7,273 children referred to the school readiness program.
  - 4,307 families referred to early childhood family education.
  - 1,304 children referred to Head Start.
  - 293 parents referred to adult education/literacy.
  - 5,377 referred to special education.
  - 4,088 children received interpreter services during screening.

PURPOSE AND CONTEXT

The purpose of this program is to detect factors that may impede children's learning, growth and development. Every school board must provide for a mandatory program of early childhood health and developmental screening for children at least once before they start school, targeting children between 3 and 4 years of age. Districts receive state aid for every child screened prior to starting kindergarten, or within 30 days after first entering kindergarten. Charter schools may elect to apply to provide a screening program.

This program supports the objective of ensuring every student receives a world class education and attends a safe, nurturing school.

SERVICES PROVIDED

A screening program must include the following components:

- Outreach to inform each resident family about the availability of the program.
- Developmental screening.
- Hearing and vision screening.
- Immunization review.
- The child's height and weight.
- Identification of risk factors that may influence learning.
- Identification of health care coverage and referral to an appropriate provider.
- An interview with the parent about the child.
- Referral and follow up for assessment, diagnosis, and treatment when potential needs are identified.

A district may also offer additional health screening components such as nutritional, physical and dental assessments; review of family circumstances that might affect development; blood pressure; laboratory tests; and, health history.

Families may opt out by submitting a signed statement of conscientiously held beliefs.

Children may receive a comparable screening through Head Start, Child and Teen Checkups/Early and Periodic Screening, Diagnostic and Screening (EPSDT), or their health care provider.

A district must provide the parent or guardian of the child screened with a record indicating the month and year the child received screening and the results of the screening.

The Minnesota Department of Education (MDE) calculates and processes screening aid payments and provides technical support to districts for this program. 2020 session law, in response to the COVID-19 pandemic and the implementation of distance learning, directs MDE to calculate the aid for FY 2020 and FY 2021 using the formula amounts set in statute for each age group and the 2018-2019 school year counts of children screened for each age group. In FY 2022 and beyond aid payments resume under M.S. 121A.19.

RESULTS

Type of Measure	*Name of Measure*	*FY 2017*	*FY 2018*
Quality	Percentage of all Minnesota 3-year-old children receiving health and developmental screening.	38%	38%
Quality	Percentage of districts providing interpreter assistance for diverse populations to access screening.	54%	56%
Quantity	Referrals for further assistance made for children identified as having possible health and/or development problems or needs.	14,980	15,753

M.S.121A.16; M.S.121A.17; M.S.121A.19; Minnesota Session Law 2020, Chapter 116, Article 3, Section 6, Subdivision 10

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	3,606	3,632	3,611	3,608	3,582	3,476	3,582	3,476
Total	**3,606**	**3,632**	**3,611**	**3,608**	**3,582**	**3,476**	**3,582**	**3,476**
Biennial Change				(19)		(161)		(161)
Biennial % Change				(0)		(2)		(2)
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	3,606	3,632	3,611	3,608	3,582	3,476	3,582	3,476
Total	**3,606**	**3,632**	**3,611**	**3,608**	**3,582**	**3,476**	**3,582**	**3,476**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	3,603	3,608	3,608	3,608	3,579	3,465	3,579	3,465
District Revenue	3,603	3,608	3,608	3,608	3,579	3,465	3,579	3,465
Direct Appropriation	3,606	3,632	3,611	3,608	3,582	3,476	3,582	3,476
Current Year	3,243	3,245	3,248	3,248	3,222	3,119	3,222	3,119
Prior Year	358	360	363	360	360	357	360	357
Expenditures	**3,606**	**3,632**	**3,611**	**3,608**	**3,582**	**3,476**	**3,582**	**3,476**
Biennial Change in Expenditures				(19)		(161)		(161)
Biennial % Change in Expenditures				(0)		(2)		(2)
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Early Childhood and Family Support
Activity: Head Start

eclkc.ohs.acf.hhs.gov/hslc

AT A GLANCE

- 33 Head Start and Early Head Start grantees served 14,319 children and families in fiscal year (FY) 2019[1].
- 18.1 percent of Head Start and 12.4 percent of Early Head Start children had a diagnosed disability in FY 2019.[2]
- 1,194 homeless children received services in FY 2019.[2]

PURPOSE AND CONTEXT

Head Start and Early Head Start are federal programs that support comprehensive development and promote school readiness of children from birth to age 5 from low-income families. Head Start and Early Head Start services include early learning, health and family well-being.

Minnesota supplements federal Head Start funds with state funds. With the additional state funding, Head Start and Early Head Start programs are able to expand services and access to educational opportunities for additional children, thus preparing children and families experiencing multiple risk factors for kindergarten. Head Start and Early Head Start supports families and children with high needs to make progress on closing the opportunity gap upon school entrance, which supports the objective of ensuring every student receives a world-class education.

SERVICES PROVIDED

Head Start and Early Head Start programs promote children's development through comprehensive services that support early learning, health, and family well-being which include:

- Health, dental and nutrition support and resources
- Education
- Parent engagement
- Social services and family supports including assistance with housing, medical insurance, heating and food

Programs operate a center-based, home-based, or combination delivery model.

- Head Start center-based programs must operate at least 3.5 hours per day, four days a week, for 128 days a year, and have at least two home visits.
- Early Head Start home-based programs must offer at least 46 home visits of 1.5 hours each, and at least 22 group socializations distributed over the course of the program year.
- Many programs offer full-day, full-year services, through partnerships with child care and school-based programs.

Minnesota Department of Education (MDE):

- Houses the state's Head Start Collaboration Office. The Head Start Collaboration Director facilitates partnerships among Head Start agencies and entities to carry out activities designed to benefit low-income children from birth to school entry, providing a structure and a process for the Office of Head Start (OHS) to work and partner with state agencies and local entities. The Head Start Collaboration Office works with state and community partners to leverage common interests around young children and their families to formulate, implement, and improve state and local policy and practices.

- Provides support to Head Start agencies across the state in the implementation of Parent Aware, Minnesota's Quality Rating and Improvement System, as well as other state agencies' early learning services initiatives.
- Calculates and processes aid payments and provides technical support to grantees for the implementation of this program.

RESULTS

Type of Measure	***Name of Measure***	***FY2017-2018[3]***	***FY 2018-2019[3]***
Results	Percentage of children who met developmental targets upon exiting Head Start	3 year olds 83% 4 year olds 71%	3 year olds 80% 4 year olds 71%
Quantity	Number of children assessed upon exiting Head Start	3 year olds (n=1775) 4 year olds (n=2079)	3 year olds (n=1724) 4 year olds (n=2087)

[1]FY 2019 Enrollment retrieved from internal MDE records.

[2] FY 2019 Data retrieved from the Office of Head Start Program Information Report (PIR). This may not include all state funded Head Start/Early Head Start enrollment as there are not requirements to report non-federal funded children on the PIR.

[3] In FY 2017 and beyond, the Teaching Strategies Gold assessment development target for 4 year olds was raised, making it more challenging for some children to meet targets, particularly children with only one year of preschool experience.

M.S.119A.50 -545; U.S.C.9840 et seq.

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	25,100	25,100	25,100	25,100	25,100	25,100	25,100	25,100
Total	**25,100**	**25,100**	**25,100**	**25,100**	**25,100**	**25,100**	**25,100**	**25,100**
Biennial Change				0		0		0
Biennial % Change				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	25,100	25,100	25,100	25,100	25,100	25,100	25,100	25,100
Total	**25,100**	**25,100**	**25,100**	**25,100**	**25,100**	**25,100**	**25,100**	**25,100**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	25,100	25,100	25,100	25,100	25,100	25,100	25,100	25,100
Expenditures	**25,100**	**25,100**	**25,100**	**25,100**	**25,100**	**25,100**	**25,100**	**25,100**
Biennial Change in Expenditures				0		0		0
Biennial % Change in Expenditures				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Early Childhood and Family Support
Activity: Infants and Toddlers Part C

helpmegrowmn.org/HMG/index.htm

AT A GLANCE

- 6,128 Minnesota infants and toddlers with disabilities were counted as being served through Individual Family Service Plans (IFSP) on December 1, 2019.
- Part C services are funded with federal grant dollars, state special education aid and general education revenue.

PURPOSE AND CONTEXT

The federally regulated Infants and Toddlers program provides individualized family-centered services to eligible children and their families in order to aid in the development of very young children showing delays in development.

This program supports the objective that every student deserves a world class education. This program also supports the Minnesota Department of Education's (MDE) Ten Minnesota Commitments to Equity including Start Early, Value People, and Prioritize Equity by setting and communicating a vision and targets for high outcomes for all infants and toddlers with or suspected of having developmental delays in Minnesota, regardless of factors such as income level or immigration status.

SERVICES PROVIDED

Federal funds support 12 Interagency Early Intervention Committees (IEICs) that conduct public awareness and outreach activities to seek out and identify potentially eligible infants and toddlers.

- Specific services are determined for each eligible child and family based on the child's needs and family priorities.
- Services most often include special instruction, speech therapy and occupational or physical therapy.
- Ninety-seven percent of eligible infants and toddlers receive early intervention services in their homes.

The Minnesota Department of Education (MDE) is responsible for:

- Individualized family service plans and service coordination.
- Personnel development to ensure that personnel are appropriately and adequately prepared and trained.
- Carrying out general administration and supervision.
- Policy for contracting or otherwise arranging for services, and procedure for securing timely reimbursement of funds.

RESULTS

Performance Measure 1:

Type of Measure	*Child Outcomes*	*FFY 2016*	*FFY 2017*	*FFY 2018*
Result	Children will demonstrate positive relationships			
	a. Greater than expected progress	49.2%	50.9%	50.4%
	b. Exited Part C within age expectations	50.2%	48.2%	48.4%
Result	Children will acquire and use knowledge and skills			
	a. Greater than expected progress	58.8%	55.8%	55.8%
	b. Exited Part C within age expectations	44.4%	42.0%	41.7%
Result	Children will take action to meet needs			
	a. Greater than expected progress	58.0%	59.4%	57.7%
	b. Exited Part C within age expectations	50.9%	49.6%	50.0%

Performance Measure 2:

Type of Measure	*Child Outcomes*	*FFY 2016*	*FFY 2017*	*FFY 2018*
Quality	Percent of participating families who report that the Infants and Toddlers program has helped their child develop and learn	89.9%	89.5%	94.2%

M.S. 125A.26 – 48
Part C of the Individuals with Disabilities Education Act

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
3000 - Federal	6,288	5,961	6,246	7,877	7,877	7,877	7,877	7,877
Total	**6,288**	**5,961**	**6,246**	**7,877**	**7,877**	**7,877**	**7,877**	**7,877**
Biennial Change				1,874		1,631		1,631
Biennial % Change				15		12		12
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Operating Expenses	5							
Grants, Aids and Subsidies	6,283	5,961	6,246	7,877	7,877	7,877	7,877	7,877
Total	**6,288**	**5,961**	**6,246**	**7,877**	**7,877**	**7,877**	**7,877**	**7,877**
Total Agency Expenditures	6,288	5,961	6,246	7,877	7,877	7,877	7,877	7,877
Internal Billing Expenditures	5							
Expenditures Less Internal Billing	**6,283**	**5,961**	**6,246**	**7,877**	**7,877**	**7,877**	**7,877**	**7,877**
Full-Time Equivalents	**0.05**							

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
3000 - Federal								
Receipts	6,288	5,961	6,246	7,877	7,877	7,877	7,877	7,877
Expenditures	**6,288**	**5,961**	**6,246**	**7,877**	**7,877**	**7,877**	**7,877**	**7,877**
Biennial Change in Expenditures				1,874		1,631		1,631
Biennial % Change in Expenditures				15		12		12
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.05							

Program: Early Childhood and Family Support
Activity: Preschool Special Education

helpmegrowmn.org/HMG/index.htm

AT A GLANCE

- 13,570 children ages 3-5 with disabilities were counted as being served through Individual Education Programs on December 1, 2019.
- More than half of these children participate in regular early childhood programs and receive special education services in those settings.

PURPOSE AND CONTEXT

The Preschool Special Education program provides individualized education services to preschool children with disabilities.

Funding for services is a combination of federal funds, state special education aid and general education revenue.

This program supports the objective that every student deserves a world class education. This program also supports the Minnesota Department of Education's (MDE) Ten Minnesota Commitments to Equity including Start Early, Value People, and Prioritize Equity by setting and communicating a vision and targets for high outcomes for young children with disabilities and their families. For Minnesota's youngest students with disabilities this commitment is realized through early intervention and preschool special education where equity and inclusion are cornerstones of the rights provided through the Individuals with Disabilities Education Act (IDEA). This is federal law first signed in 1975 supporting all children with disabilities and their families.

SERVICES PROVIDED

The program is federally mandated. Federal funds support statewide efforts to:

- Seek out and identify potentially eligible children.
- Provide professional development opportunities promoting evidence-based practices through the Regional Centers of Excellence.

Services are provided to each eligible child through an Individualized Education Program. The goal is to increase each child's ability to actively and independently participate in current and future environments including in the home, preschool and kindergarten.

Services most often include special instruction, speech therapy, occupational or physical therapy and transportation.

The Minnesota Department of Education:

- Processes payments/reimbursements.
- Provides professional development.
- Collects and reports data.
- Interprets regulations, statutes and rules.
- Connects children and families to appropriate local programs and monitors local implementation.

RESULTS

The table below shows Minnesota's performance on the federally required child outcomes for federal fiscal years (FFY) 2014-16. While data demonstrates mixed performance trends, some evidence shows positive impact of efforts to turn the curve or, at a minimum, to slow downward progress.

Type of Measure	*Child Outcomes*	*FFY 2016*	*FFY 2017*	*FFY 2018*
Result	Children will demonstrate positive relationships			
	a. Greater than expected progress	68.4%	69.1%	65.9%
	b. Exited Part C within age expectations	54.2%	53.2%	51.4%
Result	Children will acquire and use knowledge and skills			
	a. Greater than expected progress	70.3%	69.5%	67.8%
	b. Exited Part C within age expectations	52.8%	51.9%	49.9%
Result	Children will take action to meet needs			
	a. Greater than expected progress	69.1%	70.1%	67.6%
	b. Exited Part C within age expectations	63.5%	62.8%	61.7%

M.S. 125A.01–03

Part B/Section 619 of the Individuals with Disabilities Education Act

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
3000 - Federal	5,058	5,289	5,152	5,550	5,750	5,750	5,750	5,750
Total	**5,058**	**5,289**	**5,152**	**5,550**	**5,750**	**5,750**	**5,750**	**5,750**
Biennial Change				355		798		798
Biennial % Change				3		7		7
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	5,058	5,289	5,152	5,550	5,750	5,750	5,750	5,750
Total	**5,058**	**5,289**	**5,152**	**5,550**	**5,750**	**5,750**	**5,750**	**5,750**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
3000 - Federal								
Receipts	5,058	5,289	5,152	5,550	5,750	5,750	5,750	5,750
Expenditures	**5,058**	**5,289**	**5,152**	**5,550**	**5,750**	**5,750**	**5,750**	**5,750**
Biennial Change in Expenditures				355		798		798
Biennial % Change in Expenditures				3		7		7
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Early Childhood and Family Support
Activity: Special Family Opportunities

northsideachievement.org/
wilder.org/community-leadership/saint-paul-promise-neighborhood/Pages/default.aspx

AT A GLANCE

- State funding for the Northside Achievement Zone and St. Paul Promise Neighborhood programs was made available beginning in fiscal year (FY) 2015.
- The Northside Achievement Zone and St. Paul Promise Neighborhood are Promise Neighborhoods, a federal designation for eligible neighborhoods that seek to improve educational and developmental outcomes of children and youth in those communities.
- The Education Partnership Pilot Program was implemented in FY 2016. FY 2020-21 grantees include the Northfield Health Community, the Jones Family foundation, the United Way of Central Minnesota, Austin Aspires, Rochester Area Foundation and competitive grants.
- The Legislature allocated funding to the Minnesota Department of Education for the FY 2020-21, for transfer to the Department of Human Services to support the implementation of the Parent Aware Quality Rating and Improvement System.

PURPOSE AND CONTEXT

Special Family Opportunities includes the Education Partnership Program Tier 1 sustaining grants, Tier 2 implementing grants and the Quality Rating and Improvement System.

The Northside Achievement Zone and St. Paul Promise Neighborhood programs receive annual grants that fund efforts designed to reduce multigenerational poverty, prepare children for kindergarten, support third-grade reading proficiency, and reduce the educational achievement gap.

These programs are available to Minneapolis residents living within the geographic boundaries of the Northside Achievement Zone, and residents of the St. Paul Promise Neighborhood, a 250-square block area in the central neighborhoods of St. Paul.

Each Education Partnership Pilot Program grantee is to support partnerships in the community focusing on:

- Academic achievement and youth development.
- Use of a comprehensive and data-driven approach to increase student success.
- Measuring outcomes, such as kindergarten readiness, reading proficiency at third grade, high school graduation, and college and career readiness.

The Quality Rating and Improvement System framework is designed to ensure that Minnesota's children have access to high-quality early learning and care programs in a range of settings so that they are fully ready for kindergarten by 2022. The Quality Rating and Improvement System supports the One Minnesota Plan objective that every student deserves a world class education.

SERVICES PROVIDED

The Education Partnership program Tier 1 sustaining grants provide the Northside Achievement Zone and the St. Paul Promise Neighborhood each with an annual grant of $1.3 million for programming and services, consistent with federal Promise Neighborhood program requirements.

The Education Partnership program Tier 2 implementing grant recipients each receive $250,000 in FY 2020 and FY 2021:

- The Northfield Healthy Community Initiative for a pilot site in Northfield.
- The Jones Family Foundation for the Every Hand Joined program site in Red Wing.
- The United Way of Central Minnesota for the Partners for Student Success program.
- Austin Aspires.
- The Rochester Area Foundation for the Cradle to Career program.

The base amount for competitive grants for FY 2022 and FY 2023 is $480,000 per year.

By February 15 of every even-numbered year, each Education Partnership Pilot grant recipient shall submit to the Minnesota Legislature a report describing:

- Activities funded by the grant.
- Changes in outcome measures attributable to the grant-funded activities.
- The recipient's program plan for the following year.

The Quality Rating System, supported by an appropriation of $3.5 million for FY 2020-21 transferred from MDE to the Department of Human Services, creates a standards-based voluntary quality rating and improvement system for early learning and care programs which includes:

- Quality opportunities to improve the educational outcomes of children so that they are ready for school.
- A tool to increase the number of publicly funded and regulated early learning and care services in both public and private market programs that are high quality.
- Progress tracking of statewide access to high-quality early learning and care programs, low-income children with parents who can access quality programs, and increases in the number of children who are fully prepared to enter kindergarten.

The Minnesota Department of Education (MDE) processes aid payments for these programs.

RESULTS

Education Partnership Program Tier 1 sustaining grants

Type of Measure	***Name of Measure (For Northside Achievement Zone)***	***FY 2015***	***FY 2016***	***FY 2017***	***FY 2018***	***FY 2019***
Quantity	Number of families enrolled in the Northside Achievement Zone	873	1,231	966	1163	990
Quantity	Number of scholars enrolled	1,867	2,443	2,104	2416	2182

Type of Measure	***Name of Measure (For Northside Achievement Zone)***	***2015-16***	***2016-17***	***2017-18***	***2018-19***
Results	MCA 3rd-8th grade reading proficiency for students	23%	25%	23%	23%
Results	MCA 3rd-8th grade math proficiency for students	29%	32%	27%	24%

Type of Measure	*Name of Measure (For St. Paul Promise Neighborhood Freedom Schools)*	*2015*	*2016*	*2017*	*2018*	*2019*
Quantity	Number of students participating in the St. Paul Promise Neighborhood Freedom Schools	431	428	563	484	533
Quality	Percentage of students who were consistent participants in the St. Paul Promise Neighborhood Freedom School	93%	92%	93%	93%	95%
Quantity	Number of Freedom School Sites	2	2	2	2	2

Education Partnership Tier 2 Implementing Grants

Northfield Healthy Community Initiative for a pilot site in Northfield.

- Please go to Benchmarks Northfield Promise to see progress made on their 10 benchmarks.

Jones Family Foundation for the Every Hand Joined program site in Red Wing.

- 20 additional local early childhood preschool educators were trained by a certified Pyramid Model trainer.
- 62 community mentors were trained with mentoring skills to work with high school students.
- Prekindergarten through grade 12 teachers worked to align math curriculum.

United Way of Central Minnesota for the Partners for Student Success program.

- Please go to PFSS PRESENTATION Report Card to see profess made on their 3 benchmarks.

Austin Aspires.

- Increased number off 3-and 4 year olds that have completed early childhood screening
- Increased number of children of families of poverty or families of color that are enrolled in high quality childcare or preschool programs.
- Addition of Bilingual Community Navigators position longitudinal data cannot determined at this time.

Rochester Area Foundation for the Cradle to Career program.

- Please go to Annual Impact Report to see progress made on their benchmarks.

Quality Rating and Improvement System

Type of Measure	*Name of Measure (For Parent Awareness)*	*2016*	*2017*	*2018*	*2019*
Quantity	Number of early care and education programs participating in Parent Aware	2,343	2,684	2,610	2,821
Quality	Percent of rated early care and education programs with a 3- or 4-Star Parent Aware rating**	71%	77%	79%	74%
Quantity	Number of high-needs children attending a 3- or 4-Star Parent-Aware rated public education programs	26,748	28,851	28,851	26,145
Quantity	Number of children receiving a scholarship***	11,219	15,079	17,091	15,022

**All Parent Aware data comes from the DEVELOP Fast Facts 2017/2018.

***Scholarship data comes from final data from each fiscal year.

Laws of 2019, 1st Special Session, Chapter 11, Article 8, section 13, Subdivision 9.
Laws of 2019, 1st Special Session, Chapter 11, Article 9, section 3, Subdivision 6 and Subdivision 7.

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	3,074	3,091	3,850	3,850	3,080	3,080	3,080	3,080
Total	**3,074**	**3,091**	**3,850**	**3,850**	**3,080**	**3,080**	**3,080**	**3,080**
Biennial Change				1,534		(1,540)		(1,540)
Biennial % Change				25		(20)		(20)
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	3,074	3,091	3,850	3,850	3,080	3,080	3,080	3,080
Total	**3,074**	**3,091**	**3,850**	**3,850**	**3,080**	**3,080**	**3,080**	**3,080**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	4,830	4,830	5,600	5,600	4,830	4,830	4,830	4,830
Balance Forward In		11						
Transfers Out	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750
Balance Forward Out	6							
Expenditures	**3,074**	**3,091**	**3,850**	**3,850**	**3,080**	**3,080**	**3,080**	**3,080**
Biennial Change in Expenditures				1,534		(1,540)		(1,540)
Biennial % Change in Expenditures				25		(20)		(20)
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Community Education
Activity: Community Education

AT A GLANCE

- Every Minnesota school district operates a community education program.
- For fiscal year (FY) 2020, school districts received $29.9 million in general community education revenue, $5.4 million in youth service program revenue, and $5 million in after-school enrichment revenue.
- For FY 2020, the state share of community education revenue (aid entitlement) was $317,585 and the local property tax share was $40 million.

PURPOSE AND CONTEXT

The community education program is a state aid and local property tax levy program, designed to maximize the community's use of public schools and to promote the use of school facilities beyond the regular school day.

Programs serve participants of all ages from preschool through senior citizens.

SERVICES PROVIDED

Community education provides services beyond the regular K-12 program. Programs may include:

- Programs for adults with disabilities.
- Adult basic education (ABE).
- Youth development and youth service.
- Early childhood family education (ECFE) and school readiness programs.
- School-age care.
- Summer programs for elementary and secondary pupils and youth after-school enrichment programs.
- Non-vocational, recreational and leisure activities.

School boards must establish a community education advisory council and, with some exceptions, must employ a licensed community education director.

An annual report is required from each district that provides a community education program.

Total community education revenue includes a district's general community education revenue, youth service program revenue, and youth after-school enrichment revenue. These revenues are calculated based on a school district's population and its property tax capacity.

The Minnesota Department of Education (MDE) calculates and processes aid payments for this program.

RESULTS

MDE does not collect data to show the impact of the programming other than the number of individuals that received services.

Type of Measure	*Name of Measure*	*FY 2017*	*FY 2019*
Quantity	Number of districts submitting general annual report	308	300

M.S.124D.18–20

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	477	395	327	236	180	155	180	155
Total	**477**	**395**	**327**	**236**	**180**	**155**	**180**	**155**
Biennial Change				(309)		(228)		(228)
Biennial % Change				(35)		(41)		(41)
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	477	395	327	236	180	155	180	155
Total	**477**	**395**	**327**	**236**	**180**	**155**	**180**	**155**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	471	386	318	227	175	153	175	153
Levies	39,523	39,749	39,989	40,380	40,634	41,375	40,634	41,375
District Revenue	39,994	40,135	40,307	40,607	40,809	41,528	40,809	41,528
Direct Appropriation	483	410	327	236	180	155	180	155
Current Year	424	345	287	205	158	138	158	138
Prior Year	53	47	40	31	22	17	22	17
Transfers Out	6							
Expenditures	**477**	**395**	**327**	**236**	**180**	**155**	**180**	**155**
Biennial Change in Expenditures				(309)		(228)		(228)
Biennial % Change in Expenditures				(35)		(41)		(41)
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Community Education
Activity: Adults with Disabilities

AT A GLANCE

- This program funds local community education programs for adults with disabilities.
- Approved programs may receive revenue equal to the lesser of $30,000 or 50 percent of actual expenditures.

PURPOSE AND CONTEXT

This aid and property tax levy program has provided revenue to the same set of school districts to support community education programs and services for adults with disabilities for more than two decades.

SERVICES PROVIDED

Revenue for most districts is 50 percent state aid and 50 percent local property tax levy.

Programs use the following service strategies:

- Assistance for adults participating in community activities (including one-on-one assistance, braille, and interpreter services).
- Classes specifically for adults with disabilities.
- Outreach to identify adults needing services.
- Activities to increase public awareness of the roles of people with disabilities.

The Minnesota Department of Education (MDE) calculates and processes aid payments to districts and determines their property tax levy for this program.

RESULTS

Program performance data is not collected by MDE and school districts are not required to report on the details of their programs. District reporting of funding use is limited to the reporting of expenditures in the Uniform Financial Accounting and Reporting System.

Type of Measure	*Name of Measure*	*FY18*	*FY19*
Quantity	# of districts participating in program	63	63
Quantity	# of Metropolitan districts participating in program	28	28

M.S.124D.56

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	706	707	710	710	710	710	710	710
Total	**706**	**707**	**710**	**710**	**710**	**710**	**710**	**710**
Biennial Change				7		0		0
Biennial % Change				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	706	707	710	710	710	710	710	710
Total	**706**	**707**	**710**	**710**	**710**	**710**	**710**	**710**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	710	710	710	710	710	710	710	710
District Revenue	710	710	710	710	710	710	710	710
Direct Appropriation	710	710	710	710	710	710	710	710
Current Year	639	639	639	639	639	639	639	639
Prior Year	71	71	71	71	71	71	71	71
Cancellations	4	3						
Expenditures	**706**	**707**	**710**	**710**	**710**	**710**	**710**	**710**
Biennial Change in Expenditures				7		0		0
Biennial % Change in Expenditures				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Community Education
Activity: Hearing Impaired Adults

education.mn.gov/MDE/dse/sped/cat/dhh/index.htm

AT A GLANCE

- In 2019, five sites submitted qualified requests for funds under this program.

PURPOSE AND CONTEXT

The hearing-impaired adults program provides educational opportunities for adults who are deaf and hard-of-hearing. This program provides assistance with the one-time costs of interpreter and note-taker services for adults participating in school district adult education classes, adult technical college programs, or private community agencies.

SERVICES PROVIDED

- This program provides assistance with the one-time costs of interpreter and note-taker services.
- The program is not meant to support all interpreter services for adult learners who are deaf and hard-of-hearing, but to help in unforeseen situations.

The Minnesota Department of Education (MDE) calculates and processes aid payments for this program.

RESULTS

The rate at which sites request funds in consecutive years provides a gauge as to whether providers are anticipating, and budgeting for, support for individuals with hearing impairments. It is difficult to draw assumptions regarding the true statewide demand for services, since most districts or non-profit providers also seek other resources to meet their needs.

Type of Measure	*Name of Measure*	*FY 2018*	*FY 2019*
Quantity	Number of educational programs for which interpreter and note-taker services costs were reimbursed.	130	107

M.S. 124D.57

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	70	70	70	70	70	70	70	70
Total	**70**	**70**	**70**	**70**	**70**	**70**	**70**	**70**
Biennial Change				0		0		0
Biennial % Change				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies	70	70	70	70	70	70	70	70
Total	**70**	**70**	**70**	**70**	**70**	**70**	**70**	**70**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	70	70	70	70	70	70	70	70
Expenditures	**70**	**70**	**70**	**70**	**70**	**70**	**70**	**70**
Biennial Change in Expenditures				0		0		0
Biennial % Change in Expenditures				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Community Education
Activity: School Age Care

AT A GLANCE

- School age care revenue was funded totally by local property tax levy in fiscal year (FY) 2020 ($0 state aid).
- The total levy for FY 2020 was $19.8 million.

PURPOSE AND CONTEXT

School Age Care is a program that helps ensure all students within a district have equal access to after-school care and summer educational programming.

School districts with school age care programs are served by this levy program.

This program supports the objective that every student deserves a world class education and attends a safe and nurturing school.

SERVICES PROVIDED

School age care revenue reimburses districts for approved additional costs incurred to provide school age care to children with disabilities or children experiencing family or, related problems of a temporary nature.

The school age care property tax levy equals:

- School age care revenue, times
- The lesser of:
  - One; or,
  - The ratio of (the adjusted net tax capacity of the district the year prior to levy certification, divided by the number of students living in the district for the levy year) to $2,318.

School Age Care aid equals:

- School age care revenue minus school age care property tax levy.

Because of the low equalizing factor that offsets property taxes with state aid, all revenue has been in the form of local property tax.

The Minnesota Department of Education calculates aid and property tax levies and makes state aid payments for this program.

RESULTS

Type of Measure	*Name of Measure*	*FY 2018*	*FY 2019*	*FY 2020*
Quantity	Number of districts with school age care expenditures	157	157	163

M.S.124D.19; M.S.124D.22

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General		1	1	1	1	1	1	1
Total		**1**	**1**	**1**	**1**	**1**	**1**	**1**
Biennial Change				1		0		0
Biennial % Change						0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Grants, Aids and Subsidies		1	1	1	1	1	1	1
Total		**1**	**1**	**1**	**1**	**1**	**1**	**1**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement			1	1	1	1	1	1
Levies	15,661	17,148	18,578	19,759	20,403	26,405	20,403	26,405
District Revenue	15,661	17,148	18,579	19,760	20,404	26,406	20,404	26,406
Direct Appropriation	1	1	1	1	1	1	1	1
Current Year			1	1	1	1	1	1
Transfers Out	1							
Expenditures		**1**	**1**	**1**	**1**	**1**	**1**	**1**
Biennial Change in Expenditures				1		0		0
Biennial % Change in Expenditures						0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Self Sufficient and Lifelong Learning
Activity: Adult Basic Education (ABE)

education.mn.gov/MDE/fam/abe/

AT A GLANCE

- 1,496 licensed teachers and 2,697 volunteers served over 58,984 students at more than 330 locations in fiscal year (FY) 2019.
- Of all enrollees, 45 percent were English learners, 5 percent had never attended school, 23 percent were unemployed and 17 percent were in correctional facilities.

PURPOSE AND CONTEXT

Adult basic education (ABE) is a state and federally funded program that provides adults educational opportunities to acquire and improve the literacy skills they need to become self-sufficient.

This program supports the objective that all students receive a world-class education.

SERVICES PROVIDED

ABE program options:

- High School Equivalency Diploma (previously called the GED or General Education Development diploma)
- Adult Diploma
- English as a Second Language
- Family Literacy
- Basic Skills Education
- Workforce Preparation
- U.S. Citizenship and Civics
- Transition to Postsecondary Education

ABE is provided at more than 300 sites in every Minnesota County. Sites include public schools, workforce centers, community/technical colleges, prisons/jails, libraries, learning centers, tribal centers, and nonprofit organizations. Programs have voluntarily formed ABE consortia (41 administrative units) to maximize efficiency and share resources.

The Minnesota Department of Education provides technical support, calculates aid entitlements, and pays aid to districts and consortia.

RESULTS

Type of Measure	*Name of Measure*	*FY 2018*	*FY 2019*
Quantity	Clients who obtained a high school diploma or high school equivalency diploma	2,693	2,718
Quantity	Clients who entered an integrated education and training program	N/A	2,138
Quality	Participants who made a measurable skill gain	40%	43%
Quality	Participants who were employed six months after exiting ABE	34%	38%

M.S. 124D.52; M.S. 124D.531; MN Laws of 2019, 1st special session, Chapter 11, Article 9, section 3, subdivision 8.

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	48,643	48,639	50,050	61,613	53,191	54,768	53,191	54,768
3000 - Federal	5,384	4,804	5,396	5,770	5,770	5,770	5,770	5,770
Total	**54,028**	**53,443**	**55,446**	**67,383**	**58,961**	**60,538**	**58,961**	**60,538**
Biennial Change				15,358		(3,330)		(3,330)
Biennial % Change				14		(3)		(3)
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Compensation				120				
Operating Expenses				80				
Grants, Aids and Subsidies	54,028	53,443	55,446	67,183	58,961	60,538	58,961	60,538
Total	**54,028**	**53,443**	**55,446**	**67,383**	**58,961**	**60,538**	**58,961**	**60,538**
Full-Time Equivalents				**0.75**				

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Entitlement	48,476	48,649	50,204	51,770	53,347	54,926	53,347	54,926
District Revenue	48,476	48,649	50,204	51,770	53,347	54,926	53,347	54,926
Direct Appropriation	50,010	48,831	50,052	61,613	53,191	54,768	53,191	54,768
Current Year	43,681	43,783	45,184	46,593	48,014	49,434	48,014	49,434
Prior Year	4,777	4,795	4,866	5,020	5,177	5,334	5,177	5,334
Balance Forward In	67	27						
Transfers Out	1,302							
Cancellations	104	219	2					
Balance Forward Out	27							
Expenditures	**48,643**	**48,639**	**50,050**	**61,613**	**53,191**	**54,768**	**53,191**	**54,768**
Biennial Change in Expenditures				14,380		(3,704)		(3,704)
Biennial % Change in Expenditures				15		(3)		(3)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents				0.75				

3000 - Federal								
Receipts	5,384	4,804	5,396	5,770	5,770	5,770	5,770	5,770
Expenditures	**5,384**	**4,804**	**5,396**	**5,770**	**5,770**	**5,770**	**5,770**	**5,770**
Biennial Change in Expenditures				977		374		374
Biennial % Change in Expenditures				10		3		3
Governor's Change from Base								0
Governor's % Change from Base								0

Program: Self Sufficient and Lifelong Learning
Activity: General Education Development (GED) Tests

education.mn.gov/MDE/dse/abe/ged/

AT A GLANCE

- 85 GED testing centers, including 10 at state correctional facilities.
- In fiscal year (FY) 2020, 4,123 examinees took at least one GED test; 2,517 examinees completed all the modules.
- More than 45% of GED graduates enroll in college within 3 years, according to the GED Testing Service.
- Individuals earning a GED are eligible to receive federal financial aid, including Pell Grants, if they meet income requirements.

PURPOSE AND CONTEXT

This state aid program provides increased access for eligible individuals to complete the General Education Development (GED) battery of tests. Six percent of Minnesotans aged 25-64 lack a high school diploma or its equivalent.

The GED examination consists of four tests that measure outcomes associated with a high school education:

- Successful completion of the GED tests results in the awarding of a state of Minnesota GED diploma.
- A high school diploma or GED is required by many employers, is accepted by almost all of Minnesota's postsecondary institutions, and serves as the evidence of "ability to benefit" required in order to receive a Pell Grant.

This program supports the objective of all students receiving a world-class education and earn a family sustaining wage.

SERVICES PROVIDED

This program provides supplemental funds that are used to pay a portion of the GED testing fee for eligible Minnesotans.

- For FY 2020 and FY 2021, the GED testing allocation was $245,000.
- The GED testing allocation paid 100 percent of students' GED testing fees (up to $120 per student).

The Minnesota Department of Education (MDE) processes reimbursement payments to the GED Testing Service so that tests are offered at discounted rates.

RESULTS

Type of Measure	*Name of Measure*	*FY 2017*	*FY 2020*
Quantity	Test subsidies provided	7,096	7,819
Quality	Percentage of GED candidates completing the full battery who passed	82.5%	82%

M.S. 124D.55

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
Expenditures by Fund								
1000 - General	125	125	245	245	125	125	125	125
Total	**125**	**125**	**245**	**245**	**125**	**125**	**125**	**125**
Biennial Change				240		(240)		(240)
Biennial % Change				96		(49)		(49)
Governor's Change from Base								0
Governor's % Change from Base								0
Expenditures by Category								
Operating Expenses	125	125		245	125	125	125	125
Grants, Aids and Subsidies			245					
Total	**125**	**125**	**245**	**245**	**125**	**125**	**125**	**125**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23	Governor's Recommendation FY22	Governor's Recommendation FY23
1000 - General								
Direct Appropriation	125	125	245	245	125	125	125	125
Balance Forward In		69						
Cancellations		69						
Expenditures	**125**	**125**	**245**	**245**	**125**	**125**	**125**	**125**
Biennial Change in Expenditures				240		(240)		(240)
Biennial % Change in Expenditures				96		(49)		(49)
Governor's Change from Base								0
Governor's % Change from Base								0

(Dollars in Thousands)

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	New Grant	FY 2020 Actuals	FY 2021 Revised Budget	FY 2022 Revised Base	FY 2023 Revised Base	Required State Match or MOE?	FTEs
Agriculture 10.536	**Child & Adult Care Food Program Training** The overall goal of this project is for the selected applicant to plan, develop, design, promote, and ultimately execute and evaluate a training program that uses a tiered approach to equip State agencies with the knowledge and skills necessary to train their CACFP program operators (including CACFP institutions such as sponsoring organizations and/or independent centers as well as CACFP facilities including child care centers and day care homes) to effectively operate the CACFP at the local-level.		$ 68	$ -	$ -	$ -		
Agriculture 10.541	**Child Nutrition-Technology Innovation Grant** To allow State agencies that administer the Child Nutrition Programs (CNPs) to apply for grant funding to implement innovative technology solutions that will improve program accountability, data accuracy, program performance measurement, and the capacity to identify and target error-prone areas (locations or program functions) within and across the CNPs at the State and Local Educational Agency (LEA) or Sponsor Organization (SO) levels.		$ 845	$ 771	$ 50	$ 50		2.10
Agriculture 10.553	**Food & Nutrition Services-Breakfast** To assist States in implementing a nutritious nonprofit breakfast service for school children, through meal reimbursements and food donations.		$ 39,912	$ 53,300	$ 53,300	$ 53,300		
Agriculture 10.555	**Food & Nutrition Services-Lunch** To assist States, through cash grants and food donations, in providing a nutritious nonprofit lunch service for school children and to encourage the domestic consumption of nutritious agricultural commodities.		$ 124,228	$ 173,400	$ 173,400	$ 173,400		
Agriculture 10.555	**Child Nutrition Program (CNP) Cares Grants to States** Under the CARES Act, this funding is to be used for the following purposes: Additional funding to cover the reimbursable meal costs of National School Breakfast and Lunch, Child and Adult Care Food, and Summer Food Programs during the COVID-19 health emergency.		$ 65,962	$ 94,301	$ -	$ -		
Agriculture 10.555	**Child Nutrition Program (CNP) Cares Grants to States** This funding is to be used for the following purposes: Provide additional funding to cover lost reimbursable meal revenue of the National School Breakfast and Lunch programs during the COVID-19 health emergency.				$ 20,000	$ -		

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	New Grant	FY 2020 Actuals	FY 2021 Revised Budget	FY 2022 Revised Base	FY 2023 Revised Base	Required State Match or MOE?	FTEs
Agriculture 10.556	**Food & Nutrition Services-Special Milk** To provide subsidies to schools and institutions to encourage the consumption of fluid milk by children.		$ 542	$ 427	$ 357	$ 357	Match	
Agriculture 10.558	**Food & Nutrition Services-Child & Adult Care Food Program Commodities** Provide additional funding for lost meal reimbursement revenue for sponsors of the Child and Adult Care Food Program. Sponsors provide meals to children and elderly or impaired adults enrolled in nonresidential day care facilities, children attending afterschool care programs in low-income areas, and children residing in emergency shelters.				$ 13,000			
Agriculture 10.558	**Food & Nutrition Services-Child & Adult Care Food Program Commodities** To initiate and maintain nonprofit food service programs for children and elderly or impaired adults enrolled in nonresidential day care facilities, children attending afterschool care programs in low-income areas, and children residing in emergency shelters.		$ 2,215	$ 1,680	$ 1,680	$ 1,680		
Agriculture 10.558	**Food & Nutrition Services-Child & Adult Care Food Program Audit** To initiate and maintain nonprofit food service programs for children and elderly or impaired adults enrolled in nonresidential day care facilities, children attending afterschool care programs in low-income areas, and children residing in emergency shelters.		$ 1,410	$ 1,417	$ 1,417	$ 1,417		9.60
Agriculture 10.558	**Food & Nutrition Services-Child & Adult Care Food Program Food Service** To initiate and maintain nonprofit food service programs for children and elderly or impaired adults enrolled in nonresidential day care facilities, children attending afterschool care programs in low-income areas, and children residing in emergency shelters.		$ 64,606	$ 86,851	$ 65,500	$ 65,500		
Agriculture 10.558	**Food & Nutrition Services-Child & Adult Care Food Program Sponsor Admin** To initiate and maintain nonprofit food service programs for children and elderly or impaired adults enrolled in nonresidential day care facilities, children attending afterschool care programs in low-income areas, and children residing in emergency shelters.		$ 4,514	$ 5,200	$ 5,200	$ 5,200		
Agriculture 10.559	**Food Nutrition Services-Summer Food Service Program State Admin Expenses** Nonprofit food service programs for low-income children during the summer months and at other approved times, when schools are out of session or are closed for vacation.		$ 486	$ 686	$ 5,035	$ 686		1.70

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	New Grant	FY 2020 Actuals	FY 2021 Revised Budget	FY 2022 Revised Base	FY 2023 Revised Base	Required State Match or MOE?	FTEs
Agriculture 10.559	**Food & Nutrition Services-Summer Food Program Sponsor Admin** Initiate and maintain nonprofit food service programs for low-income children during the summer months & at other approved times, when schools are out of session or closed for vacation.		$ 10,737	$ 13,506	$ 3,900	$ 3,900	Match	
Agriculture 10.559	**Food & Nutrition Services-Summer Food Program** Initiate and maintain nonprofit food service programs for low-income children during the summer months & at other approved times, when schools are out of session or closed for vacation.		$ 7,716	$ 14,443	$ 11,799	$ 11,799		
Agriculture 10.560	**Food & Nutrition Services-State Admin Expense** To provide each State agency with funds for its administrative expenses in supervising and giving technical assistance to local schools, school districts and institutions in their conduct of Child Nutrition Programs. State agencies that administer the distribution of USDA Foods to schools and child or adult care institutions are also provided with State Administrative Expense (SAE) funds.		$ 4,931	$ 5,530	$ 5,771	$ 5,852	Match	31.50
Agriculture 10.574	**Food & Nutrition Services-Team Nutrition Training Grants** Team Nutrition is an initiative of the U.S. Department of Agriculture (USDA) Food and Nutrition Service (FNS) to support their Child Nutrition Programs through training and technical assistance for foodservice, nutrition education for children and their caregivers, and school and community support for healthy eating and physical activity. Team Nutrition Training Grants for Healthy School Meals have been identified in USDA's national Strategic Plan for Training and Technical Assistance as one of the anchor delivery systems for supporting the implementation of USDA's nutrition requirements and the Dietary Guidelines for Americans in Child Nutrition programs. Team Nutrition's goal is to improve children's lifelong eating & physical activity habits by using the principles of the Dietary Guidelines for Americans & the USDA Food Guidance System.		$ 177	$ 220	$ 220	$ 220		1.00
Agriculture 10.575	**Farm to School Grant Program** To support food skills development with emphasis placed on Family and Consumer Sciences (FCS) programs and school gardens.		$ 67	$ 22	$ 11	$ -	Match	0.06

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	New Grant	FY 2020 Actuals	FY 2021 Revised Budget	FY 2022 Revised Base	FY 2023 Revised Base	Required State Match or MOE?	FTEs
Agriculture 10.579	**Child Nutrition Discretionary Grants Limited Availability** National School Lunch Program (NSLP) Equipment Assistance Grants are awarded via a competitive grant process to school food authorities giving priority to high need schools where 50% or more of the enrolled students are eligible for free or reduced meals. Direct Certification Improvement Grants awarded to assist State agencies in improving their direct certification processes and rates. Admin Review Training grants awarded to State agencies to conduct additional administrative reviews of selected local educational agencies and to provide funding for state agencies to be used for oversight and training of admin personnel on application, certification, verification, meal counting, and meal claiming procedures.		$ 401	$ 394	$ 394	$ 394		0.15
Agriculture 10.582	**Food & Nutrition Services-Fresh Fruits & Vegetables** To assist States, through cash grants, in providing free fresh fruits and vegetables to elementary schools with high percentages of children who receive free or reduced price meals through the National School Lunch Program.		$ 2,621	$ 5,020	$ 3,720	$ 3,720		1.00
Agriculture 10.589	**Direct Certification Performance Award** Direct Certification Performance Awards are designed to encourage States to ensure that all eligible children living in households receiving benefits under the Supplemental Nutrition Assistance program (SNAP) are directly certified for free school meals. Each year for three years, USDA may award a total of up to 15 States for exemplary performance in their direct certification efforts with SNAP.		$ 31	$ 80	$ -	$ -		
Labor 17.283	**DEED WIF Subgrant**		$ 48	$ -	$ -	$ -		
Institute of Museum & Library Services 45.310	**Library Services and Technology Act – Grants to States** Promote improvement in library services in all types of libraries to better serve the public by facilitating access to resources for the purpose of cultivating an educated and informed citizenry and encouraging resource sharing among libraries for the purpose of achieving economical and efficient delivery of library services to the public.		$ 2,907	$ 2,727	$ 2,838	$ 2,838	Match & MOE	8.24
Institute of Museum & Library Services 45.310	**Library Services and Technology Act – Grants to States** Cares Act to promote improvement in library services in all types of libraries to better serve the public by facilitating access to resources for the purpose of cultivating an educated and informed citizenry and encouraging resource sharing among libraries for the purpose of achieving economical and efficient delivery of library services to the public.		$ 1	$ 500	$ 9	$ -		

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	New Grant	FY 2020 Actuals	FY 2021 Revised Budget	FY 2022 Revised Base	FY 2023 Revised Base	Required State Match or MOE?	FTEs
Education 84.002	**Adult Basic Education** To fund local programs of adult education and literacy services, including workplace literacy services, family literacy services, and English literacy and integrated English literacy-civics education programs. Participation in these programs is limited to adults and out-of-school youths aged 16 and older who do not have a high school diploma or equivalent and who are not enrolled or required to be enrolled in a secondary school under State law. See 20 USC 9202(1).		$ 6,252	$ 6,900	$ 6,900	$ 6,900	Match & MOE	4.81
Education 84.010	**Title 1** To help local educational agencies (LEAs) improve teaching and learning in high-poverty schools in particular for children failing, or most at-risk of failing, to meet challenging State academic standards.		$ 179,203	$ 178,586	$ 178,694	$ 178,699		11.25
Education 84.011	**Migrant Education** To assist States in ensuring that migratory children have the opportunity to meet the same challenging State content and performance standards that all children are expected to meet.		$ 1,864	$ 2,019	$ 2,021	$ 1,892		1.22
Education 84.013	**Title I Neglected & Delinquent** To help provide educational continuity for neglected and delinquent children and youth in State-run institutions for juveniles and in adult correctional institutions, so that these youth can make successful transitions to school or employment once they are released.		$ 401	$ 439	$ 529	$ 436		
Education 84.027	**Special Education–Children with Disabilities** To provide grants to States to assist them in providing special education and related services to all children with disabilities.		$ 192,205	$ 205,569	$ 205,707	$ 205,714	MOE	76.10
Education 84.048	**Carl Perkins Act – Vocational Education** Develop more fully the academic, career, and technical skills of secondary and postsecondary students who elect to enroll in career and technical education programs.		$ 7,395	$ 8,936	$ 8,936	$ 8,936	Match & MOE	6.70
Education 84.144	**Migrant Education - Coordination Program** To provide financial incentives to State Educational Agencies (SEAs) to participate in consortia that provide high-quality project designs and services to improve the interstate or intrastate coordination of migrant education programs by addressing key needs of migratory children who have their education interrupted.		$ -	$ 47	$ 10	$ 2		
Education 84.173	**Early Childhood – Special Education Preschool Grants Part B** To provide grants to States to assist them in providing special education and related services to children with disabilities ages 3 through 5 years, and at a State's discretion, to 2- year- old children with disabilities who will reach age three during the school year.		$ 7,589	$ 7,986	$ 8,238	$ 8,260	MOE	4.45

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	New Grant	FY 2020 Actuals	FY 2021 Revised Budget	FY 2022 Revised Base	FY 2023 Revised Base	Required State Match or MOE?	FTEs
Education 84.181	**Early Childhood – Special Education-Grants for Infants and Families Part C** To provide grants to States to assist them to implement and maintain a Statewide, comprehensive, coordinated, multidisciplinary, interagency system to make available early intervention services to infants and toddlers with disabilities and their families.		$ 8,194	$ 9,731	$ 9,761	$ 9,764	MOE	5.03
Education 84.184	**School Climate Transformation (SCT) Grant Program--State Educational Agency Grants** To improve students' safety and well-being during and after the school day.		$ 708	$ 569	$ 569	$ 569		4.25
Education 84.196	**Education for Homeless Children and Youth** To ensure that all homeless children and youth have equal access to the same free, appropriate public education available to other children, the Education for Homeless Children and Youth program provides assistance to States to: (1) establish or designate an Office of Coordinator for Education of Homeless Children and Youths; (2) develop and carry out a State plan for the education of homeless children; and (3) make subgrants to local educational agencies (LEAs) to support the education of those children.		$ 1,058	$ 1,063	$ 1,066	$ 1,069		1.39
Education 84.206	**Javits Gifted and Talented Students Education** To promote and initiate a coordinated program of evidence-based research, demonstration projects, innovative strategies, and similar activities designed to build and enhance the ability of elementary and secondary schools nationwide to identify gifted and talented students and meet their special education needs.		$ 58	$ 590	$ 595	$ 595		0.15
Education 84.282	**Charter Schools** The program supports startup of new charter schools and the replication and expansion of high-quality charter schools. Charter schools increase educational options for parents and students and, in exchange for stricter academic accountability, are exempt from many statutory and regulatory requirements. Funds also support State efforts to improve charter schools' access to facilities.		$ 7,053	$ 10,670	$ 12,419	$ 8,000		2.18

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	New Grant	FY 2020 Actuals	FY 2021 Revised Budget	FY 2022 Revised Base	FY 2023 Revised Base	Required State Match or MOE?	FTEs
Education 84.287	**21st Century Community Learning Centers** To provide opportunities for communities to establish or expand activities in community learning centers that provide opportunities for academic enrichment for children, particularly students who attend high-poverty and low-performing schools. The program is intended to help students meet state and local student academic achievement standards in core academic subjects, such as reading and math; to offer students a broad array of enrichment activities that reinforce and complement their regular academic programs; and to offer literacy and other educational services to the families of participating children.		$ 14,671	$ 13,389	$ 13,389	$ 13,389		4.05
Education 84.323	**Special Education – State Personnel Development** To assist State educational agencies in reforming and improving their systems for personnel preparation and professional development in early intervention, educational and transition services, to improve results for children with disabilities. As used in this program, personnel means special education teachers, regular education teachers, principals, administrators, related services personnel, paraprofessionals, and early intervention personnel serving infants, toddlers, preschoolers, or children with disabilities, except where a particular category of personnel, such as related services personnel, is identified.		$ 1,304	$ 1,710	$ 1,475	$ 1,179		1.29
Education 84.326	**Deaf & Blind - Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities** The purpose of the Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities program is to promote academic achievement and to improve results for children with disabilities by providing technical assistance (TA), supporting model demonstration projects, disseminating useful information, and implementing activities that are supported by scientifically based research.		$ 216	$ 165	$ 165	$ 165		
Education 84.358	**Rural & Low Income Schools** Provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools.		$ 258	$ 220	$ 220	$ 220		
Education 84.365	**English Language Acquisition State Grants** To help ensure that English learners (ELs), including immigrant children and youth, attain English proficiency and meet the same challenging State academic content and student academic achievement standards that all children are expected meet.		$ 9,110	$ 10,738	$ 10,072	$ 10,075	MOE	2.55

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	New Grant	FY 2020 Actuals	FY 2021 Revised Budget	FY 2022 Revised Base	FY 2023 Revised Base	Required State Match or MOE?	FTEs
Education 84.365	**Asian American and Pacific Islander Data Disaggregation Initiative Part D** To collect student data on all populations reporting 1,000 or more residents in the most recent decennial census, beginning in the 2017-2018 school year. To ensure that schools and districts have access to disaggregate data that can strengthen academic programs and close the achievement gap.		$ 495	$ 679	$ 680	$ 681	MOE	2.30
Education 84.367	**Title II Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)** To provide grants to State Educational Agencies (SEAs), and, through the SEAs, to Local Educational Agencies (LEAs) in order to increase student academic achievement consistent with challenging State academic standards; improve the quality and effectiveness of teachers, principals, and other school leaders; increase the number of teachers, principals, and other school leaders who are effective in improving student academic achievement in schools; and provide low-income and minority students greater access to effective teachers, principals, and other school leaders. (Under the antecedent program, State agencies for higher education also were eligible grantees. State agencies for higher education are no longer eligible grantees.) NOTE: The program was reauthorized by P.L. 114-95. The provisions listed here reflect changes made to the program and are applicable for awards made with FY 2017 and subsequent year funds.		$ 26,722	$ 33,418	$ 28,423	$ 28,428		9.17
Education 84.368A	**Competitive Grants for State Assessments** Minnesota is the lead state in the Advancing ALTELLA: Alternate Assessment Redesign (Advancing ALTELLA) collaborative, including the 40 states and entities of the WIDA Consortium and the Texas Education Agency. The goal is to redesign, update, and extend the current Alternate ACCESS, which includes: 1) developing an English language proficiency screener for English learners with significant cognitive disabilities; 2) revamping the current Alternate ACCESS that includes developing a Kindergarten version and updating the current forms; 3) creating professional learning materials to support the implementation and administration of the new and updated assessments; 4) conducting research and evaluation to enhance the new and updated assessments; and 5) disseminating project findings, results, and updates on a project website, in publications, and at national conferences and state meetings.		$ 457	$ 809	$ 809	$ 809		

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	New Grant	FY 2020 Actuals	FY 2021 Revised Budget	FY 2022 Revised Base	FY 2023 Revised Base	Required State Match or MOE?	FTEs
Education 84.369	**State Assessments** The purpose of this program is: to pay the costs of developing the standards and high-quality assessments required by Title I of the ESEA. Once a State has put in place those standards and assessments, it may use program funds to pay for the administration of the assessments and for other activities related to ensuring that the State's schools and LEAs are held accountable for results and helping students attain challenging academic standards linked to college- and career-readiness. Such activities may include, among other things, developing standards and assessments in subjects other than those required by Title I, refining State assessments to ensure continued alignment with standards, expanding the range of testing accommodations for students with disabilities and for English Learner students, developing multiple measures to ensure the validity and reliability of State assessments, and using academic assessment instruments such as performance and technology-based assessments or computer adaptive assessments to better reflect the kind of complex work students do in an effective classroom and the real world.		$ 4,859	$ 4,210	$ 6,643	$ 6,661		12.82
Education 84.371	**Comprehensive Literacy State Development Program** The objective of the Striving Readers/Comprehensive Literacy Development program is to advance literacy skills, including pre-literacy skills, reading and writing for students from birth through grade 12, including English learner and students with disabilities.		$ 12,720	$ 13,143	$ 10,318	$ 9,500		2.91
Education 84.372	**Statewide Longitudinal Data Systems** To enable State educational agencies to design, develop, and implement statewide, longitudinal data systems to efficiently and accurately manage, analyze, disaggregate, and use individual student data, to facilitate analyses and research to improve student academic achievement and close achievement gaps.		$ 2,139	$ 459	$ 74	$ -		
Education 84.377	**School Improvement Grants** Competitive subgrants to local educational agencies that demonstrate the greatest need for the funds and the strongest commitment to use the funds to provide adequate resources in order to raise substantially the achievement of students in their lowest-performing schools.		$ 4,433	$ 3,511	$ 100	$ -		

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	New Grant	FY 2020 Actuals	FY 2021 Revised Budget	FY 2022 Revised Base	FY 2023 Revised Base	Required State Match or MOE?	FTEs
Education 84.424	**Student Support and Academic Enrichment (SSAE) Grants** To improve student's academic achievement by increasing the capacity of States, local educational agencies (LEAs), schools and local communities to: (1) provide all students with access to a well-rounded education; (2) improve school conditions for student learning; and (3) improve the use of technology in order to improve the academic achievement and digital literacy for all students.		$ 11,279	$ 15,544	$ 12,554	$ 12,557		3.19
Education 84.425C	**Governor's Emergency Education Relief Fund (GEER Fund)** Grants for the purpose of providing local educational agencies (LEAs), institutions of higher education (IHEs), and other education related entities with emergency assistance as a result of the Novel Coronavirus Disease 2019 (COVID-19). Funds may be used to provide support to IHE, LEA, or education-related entities within the State that the Governor deems essential for carrying out emergency educational services to students for authorized activities described in section 18003(d)(1) of the CARES Act or the Higher Education Act of 1965, as amended (HEA), the provision of childcare and early childhood education, social and emotional support, and the protection of education-related jobs.		$ -	$ 13,028	$ 21,714	$ 8,685	MOE	
Education 84.425C	**Governor's Emergency Education Relief Fund (GEER II) Public School Portion** Grants for the purpose of providing local educational agencies (LEAs), institutions of higher education (IHEs), and other education related entities with emergency assistance as a result of the Novel Coronavirus Disease 2019 (COVID-19). Funds may be used to provide support to IHE, LEA, or education-related entities within the State that the Governor deems essential for carrying out emergency educational services to students as authorized in section 312 of the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, 2021 or the Higher Education Act of 1965, as amended (HEA), the provision of childcare and early childhood education, social and emotional support, and the protection of education-related jobs. ***See "Federal Funds and Expand Summer Programming" change page for more detail.**			$ 19,484	$ -	$ -	MOE	

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	New Grant	FY 2020 Actuals	FY 2021 Revised Budget	FY 2022 Revised Base	FY 2023 Revised Base	Required State Match or MOE?	FTEs
Education 84.425R	Governor's Emergency Education Relief Fund (GEER II) - **Non Public Schools Portion** Grants for the purpose of providing local educational agencies (LEAs), institutions of higher education (IHEs), and other education related entities with emergency assistance as a result of the Novel Coronavirus Disease 2019 (COVID-19). Funds may be used to provide support to IHE, LEA, or education-related entities within the State that the Governor deems essential for carrying out emergency educational services to students as authorized in section 312 of the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, 2021 or the Higher Education Act of 1965, as amended (HEA), the provision of childcare and early childhood education, social and emotional support, and the protection of education-related jobs. ***See "Federal Funds and Expand Summer Programming" change page for more detail.**			$ 20,849	$ 20,949	$ 109		
Education 84.425D	**Elementary and Secondary School Emergency Relief Fund (ESSER Fund)** Grants to State educational agencies (SEAs) for the purpose of providing local educational agencies (LEAs), including charter schools that are LEAs, with emergency relief funds to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools across the Nation as authorized in Section 18003 of Division B of the Coronavirus Aid, Relief, and Economic Security (CARES) Act.		$ 3	$ 42,367	$ 69,871	$ 27,896	MOE	2.30
Education 84.425D	**Elementary and Secondary School Emergency Relief Fund II (ESSER II)** Grants to State educational agencies (SEAs) for the purpose of providing local educational agencies (LEAs), including charter schools that are LEAs, with emergency relief funds to address the impact that COVID-19 as authorized in section 312 of the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, 2021. ***See "Federal Funds and Expand Summer Programming" change page for more detail**.			$ 586,076	$ 980	$ 980	MOE	3.00

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	New Grant	FY 2020 Actuals	FY 2021 Revised Budget	FY 2022 Revised Base	FY 2023 Revised Base	Required State Match or MOE?	FTEs
Health & Human Services 93.243	**Project AWARE (Advancing Wellness & Resilience in Education) Grant** This program is to build or expand the capacity of State Educational Agencies, in partnership with State Mental Health Agencies (SMHAs; this is DHS in Minnesota) overseeing school-aged youth, and with three local education agencies (LEAS), to: (1) increase awareness of mental health issues among school-aged youth; (2) provide training for school personnel and other adults who interact with school-aged youth to detect and respond to mental health issues; and (3) connect school-aged youth, who may have behavioral health issues (including serious emotional disturbance [SED] or serious mental illness [SMI]), and their families to needed services.			$ 1,800	$ 1,800	$ 1,800		3.05
Health & Human Services 93.434	**Preschool Development Grant Birth Through Five** In summary, the PDG B-5 grants will support States in their efforts to analyze the current landscape of their ECE mixed delivery system and implement changes to the system that maximize the availability of high-quality early childhood care and education options for low-income and disadvantaged families across providers and partners, improve the quality of care, streamline administrative infrastructure, and improve State-level early childhood care and education funding efficiencies.		$ 8,887	$ 11,512	$ 8,942	$ 8,942	Match	6.25
Health & Human Services 93.600	**Head Start** Promote school readiness by enhancing the social and cognitive development of low-income children, including children on federally recognized reservations and children of migratory farm workers, through the provision of comprehensive health, educational, nutritional, social and other services; and to involve parents in their children's learning and to help parents make progress toward their educational, literacy and employment goals.		$ 114	$ 125	$ 126	$ 127	Match	0.68

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	New Grant	FY 2020 Actuals	FY 2021 Revised Budget	FY 2022 Revised Base	FY 2023 Revised Base	Required State Match or MOE?	FTEs
Health & Human Services 93.981	**CDC Improving Student Health & Academic Achievement thru Nutrition, Physical Activity & Mgmt of Chronic Conditions in Schools** This program supports evidence-based strategies and activities to reduce the risk of children and adolescents developing chronic disease in the future, manage chronic conditions prevalent in student populations (asthma, diabetes, epilepsy, food allergies, oral health) and improve academic success. Long-term outcomes include: (1) increasing the number of students who consume nutritious food and beverages, (2) increasing the number of students who participate in daily physical activity, and (3) reducing chronic health issues among students and improving health outcomes in schools.		$ 480	$ 698	$ 365	$ 365		2.01
	Federal Fund – Agency Total		**$ 844,552**	**$ 1,687,514**	**$ 1,012,715**	**$ 893,717**		**228.45**

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23
Expenditures by Fund						
1000 - General	500		230			
Total	**500**		**230**			
Biennial Change				(270)		(230)
Biennial % Change						
Expenditures by Category						
Grants, Aids and Subsidies	500		230			
Total	**500**		**230**			

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23
1000 - General						
Direct Appropriation	500		230			
Balance Forward In	200	200				
Cancellations		200				
Balance Forward Out	200					
Expenditures	**500**		**230**			
Biennial Change in Expenditures				(270)		(230)
Biennial % Change in Expenditures						

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	FY23
Expenditures by Fund						
1000 - General	1,000	1,164				
Total	**1,000**	**1,164**				
Biennial Change				(2,164)		0
Biennial % Change				(100)		
Expenditures by Category						
Grants, Aids and Subsidies	1,000	1,164				
Total	**1,000**	**1,164**				

Collaborative Urban Educator

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY18	Actual FY19	Actual FY20	Estimate FY21	Forecast Base FY22	Forecast Base FY23
1000 - General						
Direct Appropriation	1,000	1,000				
Balance Forward In		164				
Expenditures	**1,000**	**1,164**				
Biennial Change in Expenditures				(2,164)		0
Biennial % Change in Expenditures				(100)		