

**DEPARTMENT OF PUBLIC INSTRUCTION****TESTIMONY TO  
GOVERNMENT FINANCE COMMITTEE****August 5, 2014****by Stephanie Gullickson, Director of Fiscal Management  
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Mr. Chairman and Members of the Committee:

Good afternoon, my name is Stephanie Gullickson, Director of Fiscal Management for the Department of Public Instruction. I am here to provide you information regarding the status of the Department's 2013-2015 budget, federal funding and the one-time funding that was included in our budget. Following my testimony Jerry Coleman, Director of School Finance will update the committee on the one-time funding items in HB 1261 Rapid Enrollment Grants, SB 2267 School Safety Grants and an update on State School Aid.

**Status of 2013-2015 Budget**

See Attachment A for a June 30<sup>th</sup> report which shows actual expenditures for the first year of the biennium for the Department.

**Status of Federal Funding**

The Department's 2013-2015 biennial budget is approximately \$2.16 billion, with 13.6% or about \$295,297,569 million being federal funds. The Department anticipates receiving the federal funds that were included in the budget.

**Status of One-Time Expenditures**

The Department’s one-time expenditures are as follows:

**HB 1013**

**DPI Initiative Pool**

The DPI initiative pool included several areas where the funds can be expended: management information systems projects; common core state standards implementation; principal and teacher evaluation system; safe and drug-free schools administrative funds; statewide accreditation system; and business manager certification program. As of June 30, 2014, the amount of pool funds spent in the various programs are:

DPI Initiative Pool Funds Appropriation		\$ 2,750,000
Project Name	Expenditures thru 6/30/2014	
Management Information Systems	\$ 274,697.85	
Common Core State Standards	\$ 13,100.47	
Principal and Teacher Evaluation System	\$ 63,492.77	
Safe and Drug-Free Administration	\$ 139,516.21	
Statewide Accreditation System	\$ 304,200.00	
Business Manager Certification Program	\$ 66,000.00	
<b>Total Spent</b>	<b>\$861,007.30</b>	
Pool Funds Remaining		\$1,888,992.70

The Department does anticipate expending all the initiative pool funds within the next year.

IT Staffing Analysis (HB 1013, Section 15) - \$100,000.

The MIS staffing study is being completed in two phases. During Phase I, the Department contracted with Eide Bailly to perform a staff analysis of the Department's existing MIS employees. Eide Bailly evaluated the structure of the MIS unit and their support of the Department. In addition, they completed interviews with staff from DPI, Edutech, CTE and school districts. This first phase of the study is almost complete and a report should be available soon. During Phase II an external contractor, yet to be determined, will perform a data mapping process to determine if all the data elements currently being collected by DPI's MIS staff are still being utilized. We anticipate the entire project to be completed yet this year or early 2015. As of June 30, 2014 \$ 26,222.50 has been spent, but the full amount will be spent by the end of the biennium.

Governing North Dakota textbook - \$20,000

A grant award was issued to the ND Historical Society in the amount of \$20,000 for the governing ND textbook updates. As of June 30, 2014 the full amount has been paid to the historical society.

SB 2229 - Early Childhood Care and Education Study - \$200,000

Senate Bill 2229 Early Care and Early Education Study funds have been used to contract with an external facilitator from the University of Denver and provide travel reimbursements to the study committee members. The results of the study were presented to the Education Funding Committee on Friday, August 1<sup>st</sup>. The Executive Summary has been posted on the DPI website at:

[http://www.dpi.state.nd.us/EarlyChildhoodEduc/study/executive\\_summary.pdf](http://www.dpi.state.nd.us/EarlyChildhoodEduc/study/executive_summary.pdf)

The Department has renewed the external facilitator and the committee member's contracts for an additional year. The upcoming year's work will focus on producing information papers that will be posted on the Department's website for public use. As of June 30, 2014 we have spent \$ 112,049.38 but anticipate spending the full \$200,000 appropriated for this activity.

SB 2238 – CPR Training Grants for Students - \$450,000

SB 2238 appropriated \$450,000 for grants to school districts with the intent to defer costs for infusing CPR (cardiopulmonary resuscitation) and AED (automated external defibrillator) training into existing classes. The purpose of the grant is to provide valuable training to students, expose students to medical or

emergency services as a career, and encourage students to consider voluntary emergency medical services within their community.

During year one, 2013-2014 school year, 19 schools requested \$20,857.73. Since the reimbursement formula decreased for year two, 2014-2015 school year, we anticipate that even fewer schools may apply for the funds. Even though there have been multiple attempts using various media methods by both the Department and American Heart Association to encourage districts to participate in this program and utilize the appropriated funds, we anticipate there will be a turnback of general funds.

### **2015-2017 Budget**

The Department has received a budget extension until August 29, 2014. We are currently working on the biennial budget and expect it to be final and ready for submission to OMB by the extended deadline date. In addition, the Department is not anticipating any major changes that would impact the federal funding to be received in 2015-2017 biennium.

Mr. Chairman, this concludes my remarks and I would be happy to take any questions from the committee before I turn the podium over to Jerry Coleman, Director of School Finance. Thank you.