

DEPARTMENT OF PUBLIC INSTRUCTION**TESTIMONY TO
GOVERNMENT FINANCE COMMITTEE****February 3, 2016****by Jamie Mertz, Director of Fiscal Management****701-328-2176 or jdmertz@nd.gov**

Mr. Chairman and Members of the Committee:

Good morning, my name is Jamie Mertz, Director of Fiscal Management for the Department of Public Instruction. I am here to provide you information regarding the status of the Department's 2015-2017 budget, federal funding and the one-time funding that was included in our budget.

Status of 2015-2017 Budget

See Attachment A for a December 31st report which shows actual expenditures for the first quarter of the biennium for the Department.

Status of Federal Funding

The Department's 2015-2017 biennial budget is approximately \$2.33 billion, with 12.4% or about \$288.1 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 2013

Civics Education - \$200,000

A one-time funding of \$200,000 was included in our appropriation to provide a pass-through grant to the North Dakota Humanities Council for the development of elementary and secondary civics education. As of January 31, 2016 none of this grant has been requested.

CPR Training Grants for Students - \$450,000

The Department was 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 the first half of the 2015-2016 school year, 2 schools requested \$1,122. However, based on our experience from the prior biennium, the majority of schools made requests on this grant during the second half of the school year.

Free or Reduced Meals Information Technology - \$30,000.

The Department was appropriated \$30,000 for changes to our NDFoods system, which is the computer system that manages child nutrition meal reimbursement payments. These changes were needed when State funding of Reduced Price breakfast was approved. As of December 31, 2015 we have spent \$2,647 on this project.

Rapid Enrollment Grants - \$14,800,000

The Department was appropriated \$14.8 million to provide grants to districts experiencing rapid enrollment. Districts increasing by 4.0 percent or 150 students, with a minimum growth of 20 students, will receive Tier 1 supplemental payments of \$4,000 per student. Districts with Tier 2 growth of at least 2.0 percent or 75 students, with a minimum of 10 students, will receive \$2,000 per student. As of December 31, 2015 just over \$5.4 million of funds have been disbursed.

2017-2019 Budget

As it is very early in our budget process, the Department has only had some preliminary discussions on the 2017-2019 budget. I have nothing of substance to report to the committee at this time.

Mr. Chairman, this concludes my remarks and I would be happy to take any questions from the committee. Thank you.

APPROPRIATION STATUS REPORT

For the Month Ending Dec 2015
Percent of Biennium Remaining 75%

	Original Appropriation	Current Appropriation	Expenditures	Remaining Appropriation	Encumbrances	% Remaining
Expenditures by Line Item						
20110 Salaries & Wages	18,280,006.00	18,282,070.00	3,868,054.42	14,414,015.58	0.00	79%
20130 Operating Expenses	30,828,192.00	30,828,192.00	3,901,056.38	26,927,135.62	0.00	87%
20160 Integrated Formula Payments	1,916,640,000.00	1,918,242,627.00	700,910,909.11	1,217,331,717.89	0.00	63%
20162 Grants-Special Education	17,300,000.00	17,300,000.00	1,838,196.09	15,461,803.91	0.00	89%
20163 School District Safety Grants	0.00	849,130.17	240,449.20	608,680.97	0.00	72%
20164 Grants- Transportation	57,000,000.00	57,000,000.00	21,485,074.51	35,514,925.49	0.00	62%
20167 Grants-Other Grants	268,617,227.00	268,617,227.00	46,073,349.73	222,543,877.27	0.00	83%
20168 Rapid Enrollment Grants	14,800,000.00	14,800,000.00	5,432,780.00	9,367,220.00	0.00	63%
20169 Power School	6,000,000.00	6,000,000.00	1,023,753.59	4,976,246.41	0.00	83%
20178 Transportation Efficiency	30,000.00	30,000.00	1,259.34	28,740.66	0.00	96%
20179 National Board Certification	120,000.00	120,000.00	0.00	120,000.00	0.00	100%
Total Expenditures	2,329,615,425.00	2,332,069,246.17	784,774,882.37	1,547,294,363.80	0.00	66%
Expenditures by Funding Source						
General Funds	1,820,982,952.00	1,823,436,773.17	681,970,438.55	1,141,466,334.62	0.00	63%
Federal Funds	288,125,283.00	288,125,283.00	48,396,456.52	239,728,826.48	0.00	83%
Special Funds	220,507,190.00	220,507,190.00	54,407,987.30	166,099,202.70	0.00	75%
Total Expenditures by Source	2,329,615,425.00	2,332,069,246.17	784,774,882.37	1,547,294,363.80	0.00	66%