

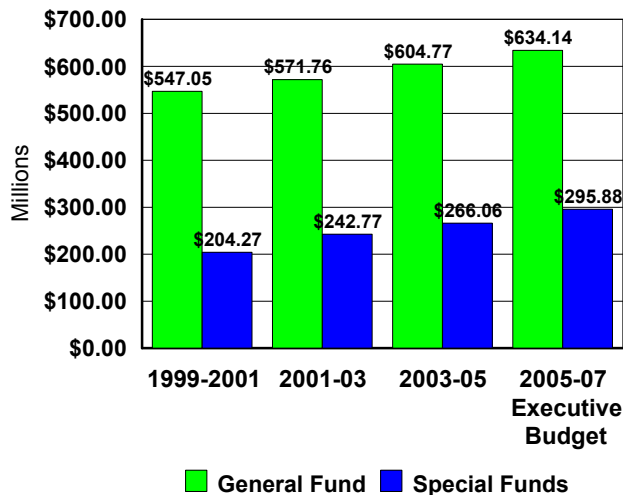
**Department 201 - Department of Public Instruction
 House Bill No. 1013**

	FTE Positions	General Fund	Other Funds	Total
2005-07 Executive Budget	92.75	\$634,144,940	\$295,876,672	\$930,021,612
2003-05 Legislative Appropriations	92.75 ¹	604,765,006	266,058,803	870,823,809 ²
Increase (Decrease)	0.00	\$29,379,934	\$29,817,869	\$59,197,803

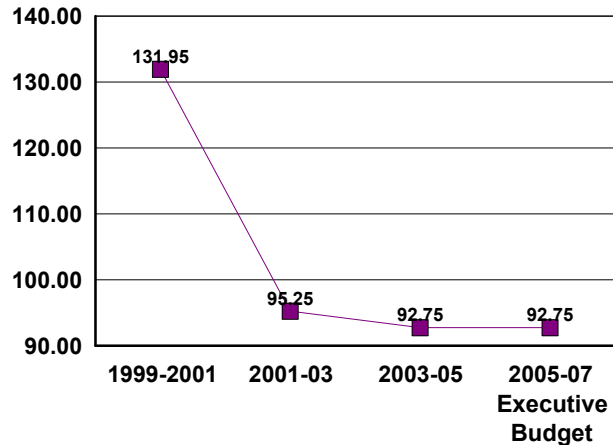
¹The number of FTE positions for the 2003-05 biennium has been adjusted to reflect the reduction and transfer of .5 of an FTE position relating to information technology services, including electronic mail, file and print server administration, data base administration, storage, application server, and hosting services from the Department of Public Instruction to the Information Technology Department as of November 1, 2003, provided for in Section 10 of House Bill No. 1505.

²The 2003-05 appropriation amounts include \$40,000 appropriated from the general fund to the Education Standards and Practices Board for the purpose of procuring federal matching grants to provide for the national certification of teachers. The 2003-05 appropriation amounts do not include \$105,000 of general fund carryover from the 2001-03 biennium.

Agency Funding



FTE Positions



Executive Budget Highlights

	General Fund	Other Funds	Total
Salaries and wages			
1. Includes funding to continue 2003-05 salary levels	(\$84,232)	\$260,581	\$176,349
2. Includes the statutory changes necessary to increase the Superintendent's salary as follows:			
<u>Annual Salary Authorized by the 2003 Legislative Assembly</u>			
July 2003-June 2005 - \$77,434			
<u>Proposed Annual Salary Recommended in the 2005-07 Executive Budget</u>			
July 2005-June 2006 - \$80,531			
July 2006-June 2007 - \$83,752			
Operating expenses			
3. Increases operating expenses for ConnectND charges		\$167,747	\$167,747
4. Decreases operating expenses to reflect savings associated with information technology functional consolidation required by House Bill No. 1505 (2003)		(\$38,562)	(\$38,562)

5. Removes funding provided in the 2003-05 biennium for the data envelopment analysis project	(\$50,000)		(\$50,000)
6. Adjusts the funding source for expansion of the summer school monitoring program	\$52,775	(\$52,725)	\$50
7. Increases funding for a special education information technology project		\$700,000	\$700,000
8. Increases funding for information technology data processing relating to child nutrition and food distribution		\$10,250	\$10,250
9. Increases funding for information technology software and supplies relating to education improvement information		\$995,000	\$995,000
Capital assets			
10. Removes funding provided in the 2003-05 biennium for capital assets		(\$15,000)	(\$15,000)
Grants			
11. Increases funding for state school aid , including payment for limited English proficient students and transportation aid, by \$22,773,769, from the 2003-05 legislative appropriation of \$489,379,990 to \$512,153,759	\$22,773,769		\$22,773,769
12. Decreases funding for teacher compensation payments by \$941,880, from the 2003-05 legislative appropriation of \$51,854,000 to \$50,912,120, to properly reflect the level of funding needed to fund the current teachers at the current level of compensation payments	(\$941,880)		(\$941,880)
13. Increases funding for special education grants by \$2,601,305, from the 2003-05 legislative appropriation of \$49,898,695 to \$52,500,000	\$2,601,305		\$2,601,305
14. Increases funding for revenue supplemental payments by \$2,500,000, from the 2003-05 legislative appropriation of \$5,000,000 to \$7,500,000	\$2,500,000		\$2,500,000
15. Increases funding for tuition apportionment payments by \$2,104,629, from \$69,495,371 to \$71,600,000		\$2,104,629	\$2,104,629
16. Includes funding of \$500,000 for reorganization bonus payments, the same level of funding provided for the 2003-05 biennium			
17. Provides funding of \$2 million for providing incentives to districts participating in joint powers agreements that increase educational opportunities for students	\$2,000,000		\$2,000,000
18. Increases funding for the North Dakota LEAD Center by \$21,500, from \$215,000 to \$236,500	\$21,500		\$21,500
19. Increases funding for the North Dakota Museum of Art by \$125,000, from \$125,000 to \$250,000, for the museum's educational outreach initiative	\$125,000		\$125,000
20. Increases funding for the North Dakota Governor's School by \$45,000, from \$225,000 to \$270,000, for creation of a school for the arts	\$45,000		\$45,000
21. Increases funding for the Red River Valley Writing Project by \$20,000, from \$20,000 to \$40,000	\$20,000		\$20,000
22. Increases funding for the Northern Plains Writing Project by \$20,000, from \$28,000 to \$48,000	\$20,000		\$20,000
23. Increases federal funding for other grants by \$25.3 million from \$179.2 million to \$204.5 million, including:			
Title I basic grants		\$9,834,306	\$9,834,306
School health programs		\$915,796	\$915,796
Title V innovative programs		\$1,757,228	\$1,757,228
School renovation, IDEA, and technology		(\$790,602)	(\$790,602)
Title II teacher and principal training and recruiting		\$3,820,642	\$3,820,642
Special education - IDEA Part B and state improvement		\$4,140,711	\$4,140,711
21st century community learning centers		\$4,565,313	\$4,565,313
Reading First		\$924,294	\$924,294
Other		\$106,151	\$106,151
Total		\$25,273,839	\$25,273,839

Major Related Legislation

House Bill No. 1013 - Distribution of special education aid - Section 6 of House Bill No. 1013 provides legislative intent that the special education appropriation be distributed as follows:

1. \$15,500,000 to reimburse school districts or special education units for excess costs incurred relating to contracts for students with disabilities (\$2,500,000 more than the amount appropriated for the 2003-05 biennium).
2. \$400,000 to reimburse school districts or special education units for gifted and talented programs (no change from the amount appropriated for the 2003-05 biennium).
3. \$36,600,000 to distribute on a per student basis pursuant to North Dakota Century Code (NDCC) Section 15.1-27-10 (\$101,305 more than the amount appropriated for the 2003-05 biennium).

House Bill No. 1013 - Payments for limited English proficient students - Section 7 of House Bill No. 1013 provides that \$650,000 of the amount appropriated for state school aid is for payments to school districts educating limited English proficient students as provided in NDCC Section 15.1-27-12.

House Bill No. 1032 - Supplemental payments - This bill removes unrestricted federal revenue from the supplemental payment formula.

House Bill No. 1033 - School district transportation payments - This bill requires that school district transportation payments be calculated using data envelopment analysis.

House Bill No. 1038 - Advisory commission on the No Child Left Behind Act - This bill creates a 13-member advisory commission on the No Child Left Behind Act and continues the interim No Child Left Behind Committee through the 2005-06 interim.

House Bill No. 1154 - Per student payments - This bill increases per student state school aid payments from \$2,623 in 2004-05 to \$2,726 in 2005-06 and \$2,826 in 2006-07.

House Bill No. 1154 - Weighting factors - The bill consolidates the school district size categories and increases the weighting factors so no factor is set below 1.0.

House Bill No. 1154 - Teacher compensation - This bill continues the current level of teacher compensation payments of \$1,000 for first-year teachers and \$3,000 for second-year teachers and provides that each school district shall use an amount equal to at least 70 percent of all new money received for per student payments and tuition apportionment for the purpose of increasing the compensation paid to teachers.

House Bill No. 1154 - Contingent state school aid distributions - This bill provides that any state school aid funds remaining unspent at the end of the 2003-05 biennium will be distributed as follows:

1. The first \$900,000 for the purpose of providing reorganization bonuses pursuant to NDCC Section 15.1-12-11.1 and reorganization bonus advanced payments pursuant to NDCC Section 15.1-12-11.2.
2. Any remaining amount as additional per student payments.