
AGENCY OVERVIEW**201 Dept of Public Instruction**

Date: 12/07/2012**Time:** 13:43:36**Statutory Authority**

North Dakota Century Code Title 15.1, Sections 25-06-02.1, 25-07-01.1, 54-24-01, 23-09-4-01 through 08, 57-64, 12-60-24, and 54-59-17.

Agency Description

Responsibilities charged to the Superintendent of Public Instruction by the Constitution of North Dakota and the North Dakota Legislative Assembly require the enforcement of all state statutes and federal regulations pertaining to the establishment and maintenance of public schools and related programs. Specifically, the duties include:

- Supervise the provision of elementary and secondary education; approve and accredit schools; manage a system of background checks for private and parochial schools; approve school construction; approve the school calendar; implement a uniform system of school district accounting, budgeting, and reporting; and administer school district aid and transportation.
- Develop course content standards and assessments.
- Direct school district annexation, reorganization, and dissolution efforts.
- Promulgate administrative rules.
- Collaborate with ITD and other governmental agencies to assist in the development of a Longitudinal Data System.
- Administer state and federal programs identified in state law.
- Chair, Board of Higher Education Nominating Committee.
- Supervise the ND School for the Deaf/Resource Center for Deaf and Hard of Hearing, ND Vision Services/School for the Blind, and the ND State Library.
- Develop teacher contracts and personnel policies needed for administration of state-supported schools (NDSD/RCDHH and NDVS/SB).
- Implement and administer the ND Academic and ND Career and Technical Education Scholarship Programs.
- Establish common goals to align and coordinate educational efforts that support the work of the Joint Board, Professional Development, Early Childhood Education initiatives, and implementation of minimal graduation requirements.
- Promote and support student health and wellness initiatives.

Agency Mission Statement

DPI will partner with schools and communities to provide a statewide system of excellent service and support to ensure a healthy school environment that fosters student success.

Agency Performance Measures

The North Dakota Department of Public Instruction's strategic plan for public education outlines strategic initiatives that focus on student achievement, community involvement, operational excellence and support. The following six priorities have been established to provide us with a roadmap to success. Each agency unit provides specific program goals that align with the six newly established agency priorities.

- Provide customer service and support.
- Attract and retain quality staff.
- Support school climate and academics.
- Provide effective communication.
- Provide high-quality professional development and technical assistance.
- Engage in collaborative data-driven decision making.

Major Accomplishments

1. Implemented the ND Scholarship Program and awarded scholarships to over 4,100 North Dakota graduating seniors.
2. Provided four scholarships for graduate level speech-language pathologists through the State Personnel Development Grant to help combat the shortage of Speech-Language Pathologists in North Dakota.
3. Administered statewide ACT and WorkKeys testing to each high school junior in the state.

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4. Revised the dual credit application and approval process, in a cooperative effort with the ND University System.
5. Cooperated in expanding the North Dakota STEM Network.
6. Developed, published and disseminated two key documents, in collaboration with the ND Department of Health; the *School Health Guidelines* and the *School Emergency Guidelines* to all ND schools.
7. Collaborated with distinguished educators, to create a tool box of exemplary school improvement practices and strategies.
8. Met federal performance indicators in fifteen adult education content/instructional areas and was one of only four states to do so.
9. Completed the Direct Certification System in STARS, which notifies districts of students' eligibility for free school meals as a result of receiving Supplemental Nutrition Assistance Program (SNAP) or Temporary Assistance for Needy Families (TANF) benefits.
10. Designed and implemented a new web-based program for the management of Child Nutrition and Food Distribution program sponsors, USDA Food orders and inventory, child nutrition reimbursement payments and program applications.
11. Facilitated the development and drafting of a statewide education improvement plan to meet the numerous provisions of the American Recovery and Reinvestment Act (ARRA) and established a readily accessible public accountability and reporting system to monitor the state's progress of achieving all required assurances within the ARRA.
12. Facilitated the development and drafting of a possible statewide flexibility waiver application regarding specified provisions of the Elementary and Secondary Education Act (ESEA).
13. Developed and conducted a statewide survey of effective teacher and principal evaluation practices in anticipation of establishing uniform statewide teacher and principal evaluation guidelines for voluntary adoption by local school districts.
14. Generated annual adequate yearly progress reports and detailed school and district profile reports at various levels of specificity.
15. Participated in several multi-state consortia to develop voluntary, national, high-quality formative and summative assessments based on the Common Core Standards.
16. Began roll-out of the state longitudinal data system (SLDS) to select districts.

Future Critical Issues

Demographics: North Dakota school demographics are in a transition period. From 1995 to 2010, public school enrollment declined by 25,000 students. School districts declined by 70 over the same period. However, birth rates reached a record low in 2001 and have been rising slowly since then. Statewide projections show moderate enrollment increases over the next decade. The increases are expected to occur in North Dakota's major cities where 60% of the students are educated. Many rural areas will continue to see declines. The exception will be schools in oil producing counties.

Oil and gas development in those areas is expanding at unprecedented rates. Demands for employees, housing, transportation systems, and other infrastructure needs are immediate and real. Undoubtedly, the economic expansion North Dakota is experiencing will impact student enrollment requiring new investment in school facilities, teachers and operating expenditures.

ESEA Reauthorization: Congressional reauthorization of the Elementary & Secondary Education Act (ESEA) remains incomplete and reauthorization is not expected until after the election this fall and when Congress reconvenes. In the meantime, NCLB provisions are still in effect and the DPI continues to develop a statewide flexibility waiver application.

Common Core: The implementation of common core state standards and assessments will necessitate statewide implementation strategies, including professional development for teachers and administrators, along with necessary technical assistance.

Federal Funding: As required by the Budget Control Act, federal funding for U.S. Department of Education programs will be cut by 8.4 percent should Congress allow the implementation of sequestration. Almost all education program funding would be reduced and school districts will be impacted for the 2013-14 school year. Title I, IDEA special education, teacher quality grants, CTE, and Adult Education are among the many programs slated to receive reduced funding. School districts and local school boards will have very limited capacity to replace sequestered funding.

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As a result of the loss of federal Title IV funding (\$1,700,000) in 2011, as well as the influx of diverse families moving into the state, administrators across the state express concern for the lack of dedicated funding to specifically address student risk behaviors. The need for prevention education for K-12 students, as well as counselors, school resource officers, alternative programming and community partnerships, is well documented by various data sources.

Technology: It is no longer enough to memorize facts and figures. Instruction must be given in how and where to access and apply relevant data. Teachers must learn how to incorporate technology into their instructional delivery. The ND Department of Public Instruction must ensure that electronic curriculum aligns with ND state standards, the online instructor is highly qualified, and there is communication between the student and the instructor. The grade awarded in a course taken electronically is based on mastery of the content, not the "seat time" spent covering the curriculum. The 'seat time versus content mastery' debate must be addressed in the near future.

REQUEST SUMMARY201 Dept of Public Instruction
Biennium: 2013-2015

Bill#: HB1013

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Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
By Major Program					
Admin and School District Support Services	1,253,805,339	1,327,914,719	534,708,368	1,862,623,087	322,943
Educational Success and Improvement	244,360,090	260,874,950	(36,842,121)	224,032,829	9,851,697
Administrative Services	5,226,867	6,079,880	(1,879,524)	4,200,356	(5,224)
Education and Community Support	92,070,956	102,582,730	(2,911,974)	99,670,756	1,332,073
Total Major Program	1,595,463,252	1,697,452,279	493,074,749	2,190,527,028	11,501,489
By Line Item					
Salaries and Wages	12,646,572	14,384,300	340,221	14,724,521	425,081
Operating Expenses	20,570,714	29,683,187	(482,835)	29,200,352	1,543,408
Grants-State School Aid	802,021,184	927,459,478	(927,459,478)	0	0
Integrated Formula Payment	0	0	1,787,400,000	1,787,400,000	0
Grants-Special Education	13,671,469	16,000,000	500,000	16,500,000	0
Grants-Transportation	47,500,000	48,500,000	5,000,000	53,500,000	0
Grants-Supplemental One-Time	85,644,337	0	0	0	0
Grants-Supplemental Operations	16,795,584	0	0	0	0
Grants-Other Grants	284,061,365	310,109,393	(37,937,238)	272,172,155	9,443,000
Grants-Mill Levy Reductions	299,444,264	341,790,000	(341,790,000)	0	0
Rapid Enrollment Grants	0	0	17,000,000	17,000,000	0
National Board Certification Fund	500,000	0	0	0	0
Education Jobs Fund	12,549,580	9,310,921	(9,310,921)	0	0
Transportation Efficiency	433	30,000	0	30,000	(30,000)
National Board Certification	57,750	185,000	(185,000)	0	120,000
Total Line Items	1,595,463,252	1,697,452,279	493,074,749	2,190,527,028	11,501,489
By Funding Source					
General Fund	1,103,726,148	1,253,480,651	(213,237,027)	1,040,243,624	11,501,489
Federal Funds	399,510,005	335,437,019	(41,026,555)	294,410,464	0
Special Funds	92,227,099	108,534,609	747,338,331	855,872,940	0
Total Funding Source	1,595,463,252	1,697,452,279	493,074,749	2,190,527,028	11,501,489
Total FTE	99.75	99.75	0.00	99.75	0.00

REQUEST DETAIL201 Dept of Public Instruction
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Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
Salaries and Wages					
Salaries - Permanent	8,984,419	9,859,250	468,124	10,327,374	0
Salaries - Other	0	0	0	0	281,360
Temporary Salaries	186,677	484,520	(209,072)	275,448	188,121
Overtime	2,726	0	0	0	0
Fringe Benefits	3,472,750	4,040,530	81,169	4,121,699	0
Reduction In Salary Budget	0	0	0	0	(44,400)
Salary Increase	0	0	0	0	0
Benefit Increase	0	0	0	0	0
Total	12,646,572	14,384,300	340,221	14,724,521	425,081
Salaries and Wages					
General Fund	4,302,818	4,464,612	158,289	4,622,901	425,081
Federal Funds	8,339,770	9,917,792	180,439	10,098,231	0
Special Funds	3,984	1,896	1,493	3,389	0
Total	12,646,572	14,384,300	340,221	14,724,521	425,081
Operating Expenses					
Travel	933,080	941,371	20,000	961,371	18,000
Supplies - IT Software	30,404	68,700	0	68,700	0
Supply/Material-Professional	99,017	792,658	0	792,658	(43,417)
Bldg, Ground, Maintenance	184	0	0	0	0
Miscellaneous Supplies	11,898	61,500	0	61,500	0
Office Supplies	80,850	106,435	0	106,435	5,000
Postage	75,740	105,445	0	105,445	0
Printing	218,575	228,140	0	228,140	5,000
IT Equip Under \$5,000	88,556	211,933	0	211,933	0
Other Equip Under \$5,000	6,987	7,723	0	7,723	0
Office Equip & Furn Supplies	125,967	108,500	0	108,500	0
Insurance	10,566	33,729	0	33,729	0
Rentals/Leases-Equip & Other	34,736	37,289	0	37,289	0
Rentals/Leases - Bldg/Land	274,843	237,967	0	237,967	7,500
Repairs	10,588	7,000	0	7,000	0
IT - Data Processing	1,271,230	1,790,629	76,165	1,866,794	915,326
IT - Communications	123,600	217,336	0	217,336	0
IT Contractual Srvcs and Rprs	400	4,105,250	(584,000)	3,521,250	0
Professional Development	270,023	467,509	0	467,509	0
Operating Fees and Services	2,583,482	3,563,084	20,000	3,583,084	5,000
Fees - Professional Services	14,319,988	16,590,989	(15,000)	16,575,989	630,999
Total	20,570,714	29,683,187	(482,835)	29,200,352	1,543,408

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Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
Operating Expenses					
General Fund	3,639,015	5,834,150	(384,000)	5,450,150	1,543,408
Federal Funds	15,760,274	22,389,324	216,165	22,605,489	0
Special Funds	1,171,425	1,459,713	(315,000)	1,144,713	0
Total	20,570,714	29,683,187	(482,835)	29,200,352	1,543,408
Grants-State School Aid					
Grants, Benefits & Claims	802,021,184	927,459,478	(927,459,478)	0	0
Total	802,021,184	927,459,478	(927,459,478)	0	0
Grants-State School Aid					
General Fund	629,754,488	825,821,478	(825,821,478)	0	0
Federal Funds	85,644,337	0	0	0	0
Special Funds	86,622,359	101,638,000	(101,638,000)	0	0
Total	802,021,184	927,459,478	(927,459,478)	0	0
Integrated Formula Payment					
Grants, Benefits & Claims	0	0	1,787,400,000	1,787,400,000	0
Total	0	0	1,787,400,000	1,787,400,000	0
Integrated Formula Payment					
General Fund	0	0	932,900,162	932,900,162	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	854,499,838	854,499,838	0
Total	0	0	1,787,400,000	1,787,400,000	0
Grants-Special Education					
Grants, Benefits & Claims	13,671,469	16,000,000	500,000	16,500,000	0
Total	13,671,469	16,000,000	500,000	16,500,000	0
Grants-Special Education					
General Fund	13,671,469	16,000,000	500,000	16,500,000	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	13,671,469	16,000,000	500,000	16,500,000	0
Grants-Transportation					
Grants, Benefits & Claims	47,500,000	48,500,000	5,000,000	53,500,000	0

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Total	47,500,000	48,500,000	5,000,000	53,500,000	0
Grants-Transportation					
General Fund	47,500,000	48,500,000	5,000,000	53,500,000	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	47,500,000	48,500,000	5,000,000	53,500,000	0
Grants-Supplemental One-Time					
Grants, Benefits & Claims	85,644,337	0	0	0	0
Total	85,644,337	0	0	0	0
Grants-Supplemental One-Time					
General Fund	85,644,337	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	85,644,337	0	0	0	0
Grants-Supplemental Operations					
Grants, Benefits & Claims	16,795,584	0	0	0	0
Total	16,795,584	0	0	0	0
Grants-Supplemental Operations					
General Fund	16,795,584	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	16,795,584	0	0	0	0
Grants-Other Grants					
Fees - Professional Services	0	0	0	0	0
Grants, Benefits & Claims	284,061,365	310,109,393	(37,937,238)	272,172,155	9,443,000
Total	284,061,365	310,109,393	(37,937,238)	272,172,155	9,443,000
Grants-Other Grants					
General Fund	6,648,990	11,040,411	(800,000)	10,240,411	9,443,000
Federal Funds	277,216,044	293,818,982	(32,112,238)	261,706,744	0
Special Funds	196,331	5,250,000	(5,025,000)	225,000	0
Total	284,061,365	310,109,393	(37,937,238)	272,172,155	9,443,000

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Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
Grants-Mill Levy Reductions					
Grants, Benefits & Claims	299,444,264	341,790,000	(341,790,000)	0	0
Total	299,444,264	341,790,000	(341,790,000)	0	0
Grants-Mill Levy Reductions					
General Fund	295,211,264	341,790,000	(341,790,000)	0	0
Federal Funds	0	0	0	0	0
Special Funds	4,233,000	0	0	0	0
Total	299,444,264	341,790,000	(341,790,000)	0	0
Rapid Enrollment Grants					
Grants, Benefits & Claims	0	0	17,000,000	17,000,000	0
Total	0	0	17,000,000	17,000,000	0
Rapid Enrollment Grants					
General Fund	0	0	17,000,000	17,000,000	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	0	0	17,000,000	17,000,000	0
National Board Certification Fund					
Transfers Out	500,000	0	0	0	0
Total	500,000	0	0	0	0
National Board Certification Fund					
General Fund	500,000	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	500,000	0	0	0	0
Education Jobs Fund					
Salaries - Permanent	5,593	17,700	(17,700)	0	0
Fringe Benefits	2,068	7,300	(7,300)	0	0
Salary Increase	0	0	0	0	0
Benefit Increase	0	0	0	0	0
Grants, Benefits & Claims	12,541,919	9,285,921	(9,285,921)	0	0
Total	12,549,580	9,310,921	(9,310,921)	0	0

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Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
Education Jobs Fund					
General Fund	0	0	0	0	0
Federal Funds	12,549,580	9,310,921	(9,310,921)	0	0
Special Funds	0	0	0	0	0
Total	12,549,580	9,310,921	(9,310,921)	0	0
Transportation Efficiency					
Travel	433	15,000	0	15,000	0
IT - Data Processing	0	10,000	0	10,000	0
Professional Development	0	5,000	0	5,000	0
Non-Operating Expenses	0	0	0	0	(30,000)
Total	433	30,000	0	30,000	(30,000)
Transportation Efficiency					
General Fund	433	30,000	0	30,000	(30,000)
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	433	30,000	0	30,000	(30,000)
National Board Certification					
Grants, Benefits & Claims	57,750	185,000	(185,000)	0	120,000
Total	57,750	185,000	(185,000)	0	120,000
National Board Certification					
General Fund	57,750	0	0	0	120,000
Federal Funds	0	0	0	0	0
Special Funds	0	185,000	(185,000)	0	0
Total	57,750	185,000	(185,000)	0	120,000
Funding Sources					
General Fund	1,103,726,148	1,253,480,651	(213,237,027)	1,040,243,624	11,501,489
Federal Funds	399,510,005	335,437,019	(41,026,555)	294,410,464	0
Special Funds	92,227,099	108,534,609	747,338,331	855,872,940	0
Total Funding Sources	1,595,463,252	1,697,452,279	493,074,749	2,190,527,028	11,501,489

CHANGE PACKAGE SUMMARY

201 Dept of Public Instruction
Biennium: 2013-2015

Bill#: HB1013

Date: 12/07/2012

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Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
Base Budget Changes						
One Time Budget Changes						
A-E 21 Remove Prior Biennium One Time Funds		0.00	(10,184,000)	(9,285,921)	(5,500,000)	(24,969,921)
Total One Time Budget Changes		0.00	(10,184,000)	(9,285,921)	(5,500,000)	(24,969,921)
Ongoing Budget Changes						
A-A 1 State School Aid - Integrated Formula		0.00	(225,711,316)	0	752,861,838	527,150,522
A-A 2 Rapid Enrollment Grants		0.00	17,000,000	0	0	17,000,000
A-A 20 Federal Grant and Special Fund Adjustments		0.00	0	(31,896,073)	(25,000)	(31,921,073)
A-A 3 Transportation and Special Ed		0.00	5,500,000	0	0	5,500,000
Base Payroll Change		0.00	158,289	155,439	1,493	315,221
Total Ongoing Budget Changes		0.00	(203,053,027)	(31,740,634)	752,838,331	518,044,670
Total Base Budget Changes		0.00	(213,237,027)	(41,026,555)	747,338,331	493,074,749

Optional Budget Changes

Ongoing Optional Changes

A-C 300 AC300 General Fund Salary Dollars	1	0.00	281,360	0	0	281,360
A-C 3 General Fund Operating Increases	2	0.00	61,550	0	0	61,550
A-C 4 General Fund IT Increases/Projects	3	0.00	893,000	0	0	893,000
A-C 23 Common Core State Standards	4	0.00	500,000	0	0	500,000
A-C 24 Statewide Teacher & Principal Evaluation System	5	0.00	400,000	0	0	400,000
A-C 5 ACT Testing	6	0.00	188,900	0	0	188,900
A-C 6 Safe & Drug Free Salary Funds	7	0.00	209,621	0	0	209,621
A-C 7 Title I School Improvement Grants	8	0.00	7,500,000	0	0	7,500,000
A-C 8 Continuing Education Grants	9	0.00	50,000	0	0	50,000
A-C 25 Statewide Accreditation System	10	0.00	606,250	0	0	606,250
A-C 9 ND Museum of Arts	11	0.00	35,000	0	0	35,000
A-C 10 Red River Valley Writing Project	12	0.00	15,000	0	0	15,000
A-C 11 We the People Program	13	0.00	(2,000)	0	0	(2,000)

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Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
A-C 12 Young Entrepreneur Education Program	14	0.00	80,000	0	0	80,000
A-C 13 North Central Council of School Televisions	15	0.00	50,000	0	0	50,000
A-C 14 North Dakota Governor's School	16	0.00	150,000	0	0	150,000
A-C 15 Northern Plains Writing Project	17	0.00	35,000	0	0	35,000
A-C 16 ND Teacher Center Network	18	0.00	45,000	0	0	45,000
A-C 17 Education Standards & Practices Board	19	0.00	200,000	0	0	200,000
A-C 18 ND Lead Center	20	0.00	20,000	0	0	20,000
A-C 19 Gearing Up for Kindergarten	21	0.00	365,000	0	0	365,000
A-C 22 ESPB National Board Certification	22	0.00	120,000	0	0	120,000
Total Ongoing Optional Changes		0.00	11,803,681	0	0	11,803,681
Total Optional Budget Changes		0.00	11,803,681	0	0	11,803,681
<u>Optional Savings Changes</u>						
A-G 1 3% Optional Savings Package	1	0.00	(302,192)	0	0	(302,192)
Total Optional Savings Changes		0.00	(302,192)	0	0	(302,192)

BUDGET CHANGES NARRATIVE

201 Dept of Public Instruction

Bill#: HB1013

Date: 12/07/2012

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Change Group: A	Change Type: A	Change No: 1	Priority:
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State School Aid - Integrated Formula

This change reallocates funding from the State School Aid and Mill Levy Reduction Grant lines to the new Integrated Formula Payment line.

Change Group: A	Change Type: A	Change No: 2	Priority:
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Rapid Enrollment Grants

This change provides \$17 million from the general fund for rapid enrollment grants. Funding is included in a new special line.

Change Group: A	Change Type: A	Change No: 3	Priority:
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Transportation and Special Ed

This change increases the transportation aid line item by \$5 million and the special education contracts line item by \$500,000.

Change Group: A	Change Type: A	Change No: 20	Priority: 1
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Federal Grant and Special Fund Adjustments

The NDLSSEDS federal grant will be half used by the end of the 2009-2011 biennium. There is an adjustment to remove the first half of the NDSLEDS expenditures from the DPI budget.

Change Group: A	Change Type: C	Change No: 3	Priority: 2
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General Fund Operating Increases

Operating Line Optional Package Narrative

The Department of Public Instruction is seeking a General Fund increase in the operating line to cover the rising costs of travel, ITD charges and other inflationary items.

The cost of travel has increased over the last couple of years which impacts the Department's budget. The state rate for mileage reimbursement increased as well as the charges for state fleet vehicles. However, the largest increase in travel expenses has been for hotel rooms. The hotel rates vary across the state but remain higher than the state rate in the western and northwestern portion of the state. It has become necessary to request a waiver from the Office of Management and Budget to exceed the state rate of reimbursement for hotel stays so as to not require our employees and contracted personnel to pay out of pocket to travel for their work related trips. Department staff members are advised to try to secure hotel rooms for state rates but there are areas of the state and certain times during the year that this has proven extremely difficult. The travel expenses are charged to the various federal and state programs; however, the estimated state portion of increased travel for the Department is \$14,000.

ITD has projected an increase in the rates for their professional staff, general hosting & networking rates along with the ConnectND fee. Based on DPIs current usage, the ITD charges will increase by approximately \$ 78,715 for the 2013-2015 biennium. Because a portion of these costs will be covered by federal funding sources, we are not requesting the full amount as an increase in our budget; instead we are requesting approximately 35% of the cost or \$ 27,550.

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In addition, the Department is also seeking a general operating increase for other items that we have been notified will also increase. The costs to utilize Central Supply and Central Duplicating is slated to increase by approximately 3% each year of the biennium. Finally, the costs of contracting for summer school monitors and professional development will also increase. For these costs, the Department is seeking an additional \$ 20,000 in general funds.

The Department is hereby requesting \$ 61,550.00 in General Funds for Operating increases.

Change Group: A	Change Type: C	Change No: 4	Priority: 3
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General Fund IT Increases/Projects

STARS is the primary educational data collection system used by the state. This educational data is used by DPI, ESPB, and CTE to monitor and administer state and federally mandated programs, including the payment system for distributing state aid to schools totaling \$1.2 billion over the 2011-2012 biennium and pass-through state and federal grants. The state also maintains a web-based teacher licensure and approval system. All data systems require ongoing maintenance including updates to funding formulas, regular data cleansing and corrections, modifications to increase performance and additional request from stakeholders for reports and data. STARS is also the primary source for collecting federal EDFacts reporting data. There continues to be a federal push to collect and report more data through the EDFacts system. This federally reported data is used to calculate much of the federal education funding received by the state. There is also a need to make enhancements to STARS in order to collect data from non-PowerSchool data sources and supply to the SLDS. These data sources include the non-public student information systems and the data from public districts not contained in PowerSchool. Based on the previous biennium, we estimate this will total **\$529K**.

In order to continue providing outstanding customer support to the public, DPI needs to make updates to its website. DPI needs to shift to a more 'customer centric' website based on the role of the site visitor. Changes will also be made to underlying structure of the site making it easier to maintain and update. There is also a need for DPI to more mobile while still being able to access and share data among multiple users, often not physically located together. Due to the sensitive nature of much of the data used by DPI, normal 'cloud based' solutions do not provide adequate security. We estimate this will total **\$174K**

We are also completing two federally funded system upgrades. The first is an older Adult Education grant management system. The other is an automated system used to review and generate federal reports. The federal dollars didn't completely cover the entire system development. We estimate this will total **\$190K**

The Department hereby requests an additional \$ 893,000.00 in General Funds for STARS Maintenance.

Change Group: A	Change Type: C	Change No: 5	Priority: 6
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ACT Testing

NDCC 15.1-21-19 and NDCC 15.1-21-20 requires the Superintendent of Public Instruction administer and finance the ACT or WorkKeys test for each junior enrolled in a high school in North Dakota. The ACT and WorkKeys were administered in the 2009-10 and 2010-11 school years. The 2011 Legislative Assembly amended the law to include the writing portion of the ACT. The ACT + Writing and the WorkKeys were administered in the 2011-12 school year and will be administered in future years.

Below is an estimate of the cost of the testing for the 2013-14 and 2014-15 school years.

2013-14 Estimate of cost for ACT + Writing and WorkKeys

ACT	7600 students x \$49 per test	\$ 372,400
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WorkKeys	600 students x \$18 for 3 tests	\$ <u>10,800</u>
		\$ 383,200
	Estimated Program management fee	\$ 50,000
Total estimated contract:		\$ 433,200

2014-15 Estimate of cost for ACT + Writing and WorkKeys

ACT	7700 students x \$49 per test	\$ 373,300
WorkKeys	600 students x \$18 for 3 tests	\$ <u>10,800</u>
		\$ 384,100
	Estimated Program management fee	\$ 50,000
Total estimated contract:		\$ 434,100

Total estimate for the biennium: \$867,300

With \$678,400 allocated for the testing, a difference of \$188,900 is requested to ensure full funding for the legislative mandate for testing.

The Department hereby requests an additional \$ 188,900.00 in General Funds for ACT Testing.

Change Group: A	Change Type: C	Change No: 6	Priority: 7
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Safe & Drug Free Salary Funds

In the 2007 legislative session, the Department was appropriated \$23,112/biennium to offset 20% of one (1) FTE for addressing the 11 health related requirements in the NDCC and assuring compliance.

Since that time, the Department's Safe & Healthy Schools unit has responded to the demands of LEAs in addressing the ever increasing risk behaviors of students and schools. Specifically, the Department Safe & Healthy Schools unit has responsibilities for resources, technical assistance, professional development and guidance as it relates to the issues of: *alcohol and drugs; tobacco; violence and weapons; suspension/expulsion and truancy; drop-out prevention; bullying and discipline; general student health issues; physical activity; crisis management; school climate; school safety; health education; the Youth Risk Behavior Survey (YRBS); and HIV/AIDS prevention*

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education. In 2007, there were 11 related references in NDCC; prior to the 2013 legislative session, there were 23 references. Additionally, the Safe & Healthy Schools unit is called upon daily by schools for assistance in general health related issues/concerns of students.

In 2011, the US Dept of Education eliminated state funding for the Safe & Drug Free Schools program, however, multiple unfunded federal mandates (gun free schools, suspension, expulsion and truancy, persistently dangerous status) and associated reporting continue to exist which requires staff time with no federal compensation.

No longer can the Department put the state demands upon federal funded employees with other responsibilities. In the last 12 months, the average time per week spent in the area of health and safety was 27 hours (68%), triple since 2007. Having designated staff will allow the agency the opportunity to actively coordinate a strong School Health program grounded in prevention and interventions, rather than just respond in a 'knee jerk' fashion. State funds should support a position within DPI to coordinate this critical and growing effort.

DPI has the requested FTE's; only funding and related costs are being requested to meet the growing demands placed upon the agency to provide districts with professional development, current resources, research based/best practice curricular resources, technical assistance, and material dissemination. Additionally, LEAs look to the Department to be current and knowledgeable about national laws, practices and curriculums as it relates to risk behaviors and prevention strategies/interventions, as well as fulfilling the NDCC requirements for related health issues.

Biennial Funding

Ed Program Administrator III	\$ 129,647. (salary & fringe)
Administrative Assistant (.5FTE)	\$ 58,474. (salary & fringe)
Rent, phone, IT	\$ 7,500.
In state travel (provide PD, presentations, etc)	\$ 4,000.
Material development, resources	\$ 5,000.
Other / misc	\$ 5,000.

TOTAL BIENNIAL REQUEST \$ 209,621.

The Department hereby requests an additional \$ 209,621.00 in General Funds for Safe & Drug Free Schools.

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Title I School Improvement Grants

Under the federal No Child Left Behind Act (NCLB), the North Dakota Department of Public Instruction (NDDPI) is required to review state assessment results and identify schools that have not reached established proficiency targets for improvement. The proficiency requirements are increased each year and subsequently, we are seeing a dramatic increase in the number of schools identified for improvement. At the onset of NCLB we had 14 schools identified for improvement while in the 2012-2013 school year there will be approximately 120 schools identified. This number will increase for the 2013-2014 school year.

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Once identified, schools have the opportunity to apply for additional federal funding to assist them in making improvements and implement innovative practices to help address students' individual needs. In the beginning we had sufficient funding to help all identified schools. However, the past several years the process has become much more competitive and there simply isn't enough funding to assist all schools identified for improvement.

The NDDPI is requesting funding to help North Dakota schools identified for improvement to implement innovative practices directly impacting students statewide. In an ideal situation, every school identified for improvement would receive a grant. An appropriation of approximately \$7.5 million would allow each school identified for improvement to receive an approximate \$50,000 grant to implement evidence based practices. Then the minimal federal funding (our annual grant is approximately \$1.3 million) could provide supplemental grants to high need schools.

The Department hereby requests an additional \$ 7,500,000.00 in General Fund Grants for Schools Identified for Improvement.

Change Group: A	Change Type: C	Change No: 8	Priority: 9
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Continuing Education Grants

The 61st Legislative Assembly authorizing the Department of Public Instruction to award grants in amounts up to \$1200 for the purpose of providing continuing education grants. North Dakota residents may receive a \$1200 grant if the eligible recipient is enrolled in a Master of Education program or Specialist Diploma in Education Leadership or is pursuing a Career Development Certification or School Counselor Credential. The initial provision provided for funding of continuing education grants for the biennium beginning July 1, 2009, and ending June 30, 2011. Approval for continuation of the grant program was authorized by the 62nd Legislative Assembly, permitting funding of the program through June 30, 2013. The total amount allocated for the Continuing Education Grant Program each biennium was \$100,000.

In the initial-funded biennium, the entire \$100,000 was dispersed. The allocated amount was not sufficient to cover payments to all applicants. The total possible disbursement exceeded the allocated amount by \$800.

In the current biennium, \$76,000 was dispersed during 2011-12, the first year of the biennium, leaving \$24,000 for the entire second year of the biennium. Once the \$100,000 is disbursed, application requests for funding will be denied. It is estimated that requests will surpass the allocation by \$50,000.

To ensure adequate funding for the Continuing Education Grant Program, an allocation for the 2013-15 biennium is requested in the amount of \$150,000.

The Department hereby requests an additional \$ 50,000.00 in General Funds for Continuing Education Grants.

Change Group: A	Change Type: C	Change No: 9	Priority: 11
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ND Museum of Arts

Budget for Rural Arts Initiative for the biennium. This includes 36 exhibitions and 24 visiting artist workshops, plus curatorial work developing exhibitions for following year.

Both air travel for artists and curatorial development have doubled and tripled in most instances. Because the Museum provides movable walls in most instances, this also includes truck rental. Hotels in Western North Dakota average at least \$80 - \$100 more per night. State rates are \$69 per night however most hotels in the West either don't honor state rates or have increased them significantly. For example, state rates in Williston in June 2012 were charged at \$130 per night (a discount from \$180). Staff

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raises are estimated at 3% although staff only received 2% in the current year. Workshop supplies have increased across the boards. This includes replacement equipment for the visiting ceramic artist and non-reusable materials for the beading workshops scheduled for four reservations and six non-reservation communities. The workshops accompany exhibitions.

Budget Increase for next Biennium

Truck rental, gas, 18 exhibitions	7,200
Hotel costs, Western ND	1,000
All travel	13,000
Salaries & fringe, 3% increase	7,600
Workshop supplies	6,200

Total Biennium Increase \$35,000

The North Dakota Museum of the Arts hereby requests an additional \$ 35,000.00 in General Funds.

Change Group: A	Change Type: C	Change No: 10	Priority: 12
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Red River Valley Writing Project

The Red River Valley Writing Project is one of two National Writing Project (NWP) sites in North Dakota. Its mission is to improve the teaching of writing, K-16. For the 2013-2015 biennium, we request a \$15,000 increase in our state DPI funding, for a total of \$90,000. This increase will allow RRVWP to adapt to changes in the way the National Writing Project is federally funded. Previously, NWP received funding from the U.S. Department of Education, which it passed through to NWP sites to fund an array of teacher development activities. Now, NWP competes annually for Department of Education SEED grants, which it may then award to sites in limited amounts only for specific projects.

In essence, this means that the RRVWP competes for federal funding only for our intensive summer institute; all our other efforts at teacher development, including other summer workshops and any programming during the school year, must be covered from state funds. To successfully compete for federal funds, maintain a robust presence throughout the Red River Valley, and assist teachers in transitioning to the Common Core Standards, RRVWP plans to use state funding in 2013-2015 to support the following types of programs:

- Multiple one-week summer workshops, for specific groups of teachers, on improving the use and teaching of writing to boost student achievement. In the past, such workshops have targeted elementary teachers, STEM teachers, foreign language teachers, teachers at rural schools, etc.
- Evening, one-day, and weekend workshops during the school year on specific aspects of writing instruction and the best uses of writing in the classroom.
- Professional study groups that meet monthly or bi-weekly during the school year to apply best practices research on the teaching and use of writing directly to the classroom.
- School- or district-requested in-service programs, including follow-up.
- Partnerships with specific schools to evaluate and improve the use and teaching of writing in those schools. (Previous and ongoing partnerships include Circle of Nations school in Wahpeton and Cheney Middle School in West Fargo.)

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- Identifying teachers engaged in the best practices for the use and teaching of writing and develop their leadership potential within their schools and districts through travel support to national and regional conferences. These teachers are required to bring back what they learned as part of in-service programs for schools in the RRVWP region.

The NWP model of teacher development is a grassroots model: the most talented K-16 teachers (in all subject areas) attend a four-week summer institute in which they refine their best practices for teaching writing, investigate current research on writing instruction, and develop workshops for other teachers. Through RRVWP's in-service and continuity programs, these teachers share the knowledge they gain with a wider audience of educators. Independent data shows that the students of teachers who receive NWP site-based training score higher on all criteria of writing assessment; this data may be found at www.nwp.org/cs/public/print/doc/results.csp.

In the most recent biennium, RRVWP programs reached 1,100 teachers for a total of 6,500 contact hours. With the transition to Common Core Standards, particularly the new literacy standards for social studies, science, and technical subjects, we anticipate even more interest in our workshops and in-services. RRVWP partners closely with both the University of North Dakota and North Dakota State University English departments, and is uniquely poised to help teachers aid students in the transition to college writing.

The Red River Valley Writing Project requests an additional \$ 15,000.00 in General Funds.

Change Group: A	Change Type: C	Change No: 11	Priority: 13
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We the People Program

We The People civic education programs (Citizen and the Constitution, Project Citizen) would like to request legislative support and disbursement of funding (\$10,000.00 per year) as appropriated by the state legislature for the We The People: Citizen and the Constitution state competition (possibly national) and professional development. This funding provides for North Dakota high school students to attend the State WTP competition and for the teacher training of government and/or social studies teachers. Held annually, teams from across the state compete in Bismarck and engage in a simulated congressional hearing competition. As students continue to engage in the congressional hearing civic education initiative; this authentic interactive model creates opportunities for civic growth and provides our young people with opportunities to learn more about the importance of civic engagement. The teacher professional development provides teachers with intensive pedagogical and content knowledge designed specifically to create and facilitate learning opportunities for North Dakota students. The disbursement will defray costs associated with conducting the State We The People competition as well as the professional development.

The We the People Program hereby requests \$ 20,000.00 in General Funds which is a \$2,000.00 decrease from the current budget

Change Group: A	Change Type: C	Change No: 12	Priority: 14
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Young Entrepreneur Education Program

To learn entrepreneurship, kids must do entrepreneurship.

In our weeklong summer camps, 9 – 13 year olds organize themselves into a self-governing community where they become the innovative entrepreneurs, smart consumers and active citizens. They turn their own good ideas into business opportunities and then market their goods or services to the other kids and adults in the camp. As their businesses develop and their town grows, dilemmas naturally arise, so they create their own town council to resolve community issues.

We are partners in a statewide effort encouraging youth to consider business ownership as a real career option and community leadership as a rewarding outlet for their natural creativity. We are helping grow new North Dakota entrepreneurs and active citizens from the ground up.

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Communities are getting better at supporting their local programs, but can't support the whole program cost - the administrative costs of running a full time, year around office. That's where the Legislature can help - supporting the state program.

Our mission has been clear: to make "entrepreneur" a household word where it's not often heard. Ask yourself, "How many kids, parents or teachers can spell or even confidently pronounce it?" It is a wonderfully optimistic word to know because it describes a person who, "has the insight to recognize an opportunity overlooked by others, the determination to gather the resources necessary to turn that opportunity into reality and the self-reliance and resilience to handle the risk of initiating that new venture". Entrepreneurial thinking is the catalyst for all economic and social progress.

Opportunity recognition requires an intelligent, attentive, active mind. Entrepreneurs are fluent, divergent, self-confident thinkers. In our summer camps, we focus our instruction on these skills. Yes, we do some classroom-style teaching to give students a few historical and contemporary examples of opportunity recognition in North Dakota from the Mandan Indians to contemporary examples of North Dakota entrepreneurship - **localized to each program site**.

However, the real learning comes from the kids turning their own ideas into camp businesses or proposing solutions to community problems in their town council meetings. At the end of every camp day we talk about why some businesses attract more customers than others or why some ideas attracted more votes than others. We ask, "What opportunities did some entrepreneurs spot that others missed?"

Our goal is to lead a broad and diverse population of young people to see the opportunities around them here in North Dakota, recognize new value in themselves, discover real purpose in what they are learning in classrooms and at home and develop new respect for their essential role in making our state & our communities better places in which to live.

We are not offering just another summer diversion; we are purposefully planting seeds in young brains that will grow into the attitudes and skills necessary for their personal economic and social success. Kids thrive in our camps because they are the ones who make things happen there. Our intention is that they stay and thrive in their own communities for the same reason - they can make things happen there.

The ND Youth Entrepreneurship Education Program hereby requests an additional \$ 80,000.00 in General Funds.

Change Group: A	Change Type: C	Change No: 13	Priority: 15
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North Central Council of School Televisions

The North Central Council for School Television (NCCST) is a 53-year-old non-profit organization of North Dakota schools that put public broadcasting on the air to support and enhance school curriculum, providing multimedia resources for classroom use and professional development in integrating those resources. Today, the NCCST contracts with Prairie Public to provide to provide a virtual service center to address unmet needs of its member schools and the families they serve:

- easily accessible, multimedia instructional resources available by broadcast and the Web
- professional development for teachers integrating multimedia resources
- cost effective programs that address literacy and school readiness deficiencies
- digital access to multimedia resources and lesson plans consistent with Common Core standards
- ndstudies.org, a North Dakota multimedia website to support ND Studies and cross-curricular common core standards.

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Through its partnership with Prairie Public, the NCCST is able to leverage the vast resources of both local and national public broadcasting, tap into public media grant opportunities, and establish relationships with other regional agencies to provide services to achieve advancement in these areas all in and expand support of the Common Core. Going forward, the NCCST recognizes that to increase student achievement levels, effective teaching practices depend less on standardized textbooks and more on multimedia resources and learning modules to supplement local curriculum. And as schools invest in more interactive technologies, projection systems, tablets, and other new technologies as well as more preK-12 educators look to online courses for professional development, additional resources need to be easily accessible and readily available.

To cost-effectively use the limited but valuable resources available to North Dakota teachers, continue these services, and provide for the future, the NCCST requests a total of \$535,000. The requested budget continues support for obtaining engaging student learning activities, providing downloadable instructional video, accessing a wealth of other teacher and family resources, and again requesting an increase to upgrade the ndstudies.org platform. The budget addresses \$139,900 for preK-12 resources and services; \$58,300 to support early childhood readiness trainings and initiatives; \$134,700 for ongoing additions, maintenance, and training for the ND Studies website plus and additional \$40,000 for a critical ndstudies.org platform upgrade.

The North Central Council of School Televisions hereby requests an additional \$ 50,000.00 in General Funds.

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North Dakota Governor's School

Governor's Schools of North Dakota began in 1990 as a 6-week summer program in science and mathematics for 40 exceptional high school students from across the state. We admitted 95 students for the 2012 class, which will ultimately enroll more than 80 students with a continued emphasis on STEM areas but also an expansion into the arts and humanities. Students will attend in science, mathematics, information technology, creative writing, and drama. To support the expansion of our programs, we request an increase of \$75,000/year for 2012-2014. Below we present additional information about the value of our program and a detailed explanation of the request for a budget increase.

Governor's Schools of North Dakota is important for the advancement of individual students, but it also plays an important role in retaining our best students in the state and ultimately as part of North Dakota' workforce. Consider the following comments from our recent alums:

- It has been challenging at times, but that is the reason I came. I wanted to expand my knowledge and be pushed academically. Governor's School is the place that can achieve both but still allow me to have a fun summer and meet new people. - Olivia Duletski, Mathematics, Bowman, ND-GS2011
- I live in a small town, so being in Fargo for six weeks this summer is really exciting for me. Every day is new and interesting and the learning environment is unlike anything I have ever been a part of. It is safe to say that Governor's School has been one of the greatest experiences of my life, and that the things I have learned here I will carry with me for the rest of my life- Rebecca Opp, Visual Arts, Glen Ullin, ND- GS2011
- Governor's School gave me academic opportunities that I couldn't find anywhere else. It also put me in an environment that helped me grow and learn an enormous amount about myself, other Governor's School students who became great friends, and the world. -Marie Goerger, Science, Wyndmere, ND-GS2010
- Gov School is a once in a lifetime chance to meet people that will become your best friends for the rest of your life. The people that I met are like a second family to me. I will never forget them. They are the best people that I have ever had the privilege of meeting. The classes were difficult but totally worth it and the feeling of success you feel, and to be able to say, ya, I did that, I mathematically bounced a point off a plane and hit a moving target, I programmed that software that will find the prime factorization of any number, I did the research that further the cure for cancer, I published that story that you are all reading, or I was the lead role in that vaudeville play. These are things that people did while at Gov School and because of Gov School. So just go for it, you won't regret it.-John Bickler, Information Tech, Williston, ND-GS2010

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- The North Dakota Governor’s School Program (NDGS) is a far-reaching program that impacts students from all corners of the states. The students that participate in NDGS overwhelmingly choose to pursue careers in areas that have a large impact to ND as well as many, if not most, graduates live in North Dakota to raise their families. The impact on state is substantial and will only be increased with increased funding - Victoria J. Gelling, Associate Professor, Dept. of Coatings & Polymeric Materials, North Dakota State University, Mathematics, Inkster, ND-GS1991

Budget Justification

The Governor’s School program is presently exceeding its appropriated expenditure, largely because we have never asked for administrative expenses (e.g., for a Director of the program). Given the program’s growth and demands of working with 80+ students in an on-campus living environment, we seek this additional funding for the coming biennium.

Director’s Position \$47,000/year (\$35,000 salary and \$12,000 fringe benefits)

Office Help and Recruiting \$10,000/year

Weekend Meals \$18,000/year (\$20*10days*90 participants)

****Total Requested Increase** \$75,000/year

\$150,000 biennium

**The present budget is \$230,000/year or \$460,000 for the biennium (plus foundation payments). Thus, our request for 2012-2014 is \$305,000/year--\$610,000 for the biennium.

The North Dakota Governor’s School hereby requests an additional \$ 150,000.00 in General Funds.

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Northern Plains Writing Project

What NPWP Does:

- Institutes:** Ron Fischer, Director (MSU), and Chad Gifford, Co-Director (Central Campus Minot). Institutes are held in the month of July and run 4 days a week, teachers meeting from 9 to 4. The Pre-Institutes start teachers reading, writing, and preparing lessons for the Institutes
 - Pre-Institutes: May 19 and June 2; 36 teachers each day
 - Summer Institute Minot, July 9-Aug.2; we have 13 applications for summer 2012
 - Summer Institute Bismarck, July 9-Aug.2; we have 6 applications for summer 2012
 - Advanced Institute, July 16-Aug.2; we have 6 applications for summer 2012
- Young Writers Institutes:** Candace Brannan (Mandan HS) and Ashley Syekora (Towner HS) Co-coordinators. NPWP teachers do activities to improve student writing and creativity
 - BSC Campus: June 4-7, ages 10-17
 - MSU Campus: *Graphic Novels for Beginners*, June 11-14, ages 10-17
- Outreach:** Melissa Cournia, Coordinator (Bismarck Horizon MS); Teachers offer in-service Workshops or present at conferences
 - Annual Session Presentation at North Dakota Council of Teachers of English (NDCTE): Conference July 29-31, 2012;

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- In-Service Workshops: Fall 2012, Standing Rock
- American Indian Higher Education Consortium sessions
- NPWP Mini-Conference: *Conference on Implementing Common Core Standards for Language Arts* in June 2013.
- **Continuity:** Laurie Larson, Coordinator (Bismarck, Adult Learning Center); Teachers who serve as coordinators or who have attended an Institute receive professional development funding
 - NPWP Planning Team members and two teachers from the Summer Institute attend National Council of Teachers Annual Fall Conference Nov.15-18, Las Vegas
 - NPWP Planning Team members attend National Writing Project Annual Spring Conference April 2013
 - NPWP Fall Retreat: October 2012
 - NPWP Spring Retreat: May 2012

Request for \$35,000 increase in State Funding.

- **Decreased Federal Funding.** Federal funds \$47,500 (2010), \$35,000 (2011), \$20,000 (2012)
- **State Funding for NPWP Budget of \$41,500 per year.** NPWP uses this amount to pay salaries, fringe benefits, supplies (including printing and copying); and travel for professional development activities. State funds are sufficient for only 1 stipend.
- **Teacher Participants.** 2009 Institutes (20 teachers), 2010 Institutes (32 teachers), 2011 Institutes (15 teachers—low enrollment due to flooding), 2012 Institutes (25 teachers)
- **Insufficient Stipend Funding.** Federal and State funding that NPWP receives presently pays \$1,300 in stipends to 16 teachers, yet the number of teachers who participate tends to be above 20, with a high of 32 in 2010.
- **Increase of \$35,000 (budgeted at \$17,500 per year)**
 - This increase will allow NPWP to use \$23,400 in State Funding to pay another 18 stipends of \$1,300, which is 9 stipends a year so that a total of 25 teachers a year can continue to participate in NPWP Institutes or to increase the stipend to \$1,400 should fewer than 25 teachers participate
 - This increase will allow NPWP to use \$12,000 in State Funding to pay Travel expenses for 6 (an addition of 3 a year) teachers to attend national conferences so that a total of 9 teachers a year can attend professional development Conferences and Retreats
 - This increase will allow NPWP to use \$2,200 to add a second week of Young Writers Institutes to Minot and Bismarck (\$1,100) and to offer one in Dickinson and one in Williston (\$1,100)

The Northern Plains Writing Project hereby requests an additional \$ 35,000.00 in General Funds.

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ND Teacher Center Network

The mission of the North Dakota Teacher Center Network (NDTCN) is to assist practicing teachers, education students and other educational personnel in professional knowledge and skill development to improve the learning of students.

The goals of the NDTCN are to:

- Deliver professional development based on research and best practices.
- Facilitate joint projects and exchange of services between K-12 schools, state and federal agencies and institutions of higher education for professional development of practicing teachers, education students and other educational personnel.
- Communicate via print and/or electronic mediums to all constituents.

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- Provide practicing teachers, education students and other educational personnel with access to instructional resources and educational equipment.

The NDTCN is a major contributor to professional development and resource sharing for educators in North Dakota and will continue to serve educators as new networks are formed to support the teachers of the state in the most important work there is – that of preparing the next generation for the world.

The NDTCN includes nine local teacher centers: Bismarck Teacher Center, Grand Forks Area Teacher Center, Lake Region Teacher Center (Devils Lake), Mayville Area Teacher Center, Minot Area Teacher Center, Valley City Area Teacher Center, Wahpeton Area Teacher Center, West River Teacher Center (Dickinson) and Williston Area Teacher Center.

The NDTCN funding request for the 2013-2015 biennium is \$360,000. This would provide \$20,000 for each center per year, allowing the centers to continue to offer their services to teachers. **In addition, the NDTCN requests a one-time appropriation of \$45,000** to purchase hands-on resources and update curricula for use by North Dakota teachers, as many center materials are now outdated.

The ND Teacher Center Network hereby requests a one-time appropriation of \$ 45,000.00 in General Funds.

Change Group: A	Change Type: C	Change No: 17	Priority: 19
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Education Standards & Practices Board - IT Costs

The Department of Public Instruction and the Education Standards and Practices Board share a mainframe and have spent the last six plus years developing a database capable of meeting the data reporting demands that were required by federal and state laws. The ultimate goal of the project is to provide services to school districts and teachers to reduce their reporting burdens and the ability to provide quality and timely information to data consumers. Programmers have a very difficult time, because of the shared system, identifying who should be responsible financially for the programming and maintenance that is needed to maintain the system.

During the years as the mainframe is rewritten into a modern database, federal laws have changed to require additional reporting requirements for North Dakota to continue to receive federal education dollars. As an example, an increasing number of states now connect teacher and student information systems. Another example, the Bush Foundation is working with two ND institutions, and will be linking student data to teacher data to institutional data.

The development and maintenance costs of the new requirements for the shared database is far beyond what the ESPB can afford with a budget based on teacher licensure fees coupled with the concerns of the programmers and the interlinkages of the data between DPI and ESPB.

The Education Standards & Practices Board hereby requests \$ 200,000.00 in General Funds.

Change Group: A	Change Type: C	Change No: 18	Priority: 20
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ND Lead Center

The ND LEAD Center would like to request an increase of \$ 20,000.00 in general funding for the 2013-2015 biennium. This request is based in an increase for funding for Close-up and the Spelling Bee, which has not had an increase from the original \$7,500 since 2000 and an increase in ND LEAD funding of \$15,000 for the increase in costs to deliver services with increases in costs of supplies, transportation, equipment, room rental and trainer fees. As those costs have risen, so has the cost of delivering services.

The ND LEAD Center hereby requests an additional \$ 20,000.00 in General Funds.

Change Group: A	Change Type: C	Change No: 19	Priority: 21
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BUDGET CHANGES NARRATIVE

201 Dept of Public Instruction

Bill#: HB1013

Date: 12/07/2012

Time: 13:43:36

Gearing Up for Kindergarten

A total of \$625,000 was appropriated during the 2011 legislative session to initiate the Gearing Up for Kindergarten program in North Dakota. A partnership between the North Dakota Department of Public Instruction and the NDSU Extension Service made the program implementation possible. Of the amount appropriated, \$500,000 was budgeted for the biennium to cover school reimbursements, with the intent of reimbursing teacher salaries. An additional \$125,000 was budgeted for the biennium for program training and administrative costs.

Gearing Up for Kindergarten is a parent involvement and school readiness program, and has five years of North Dakota research supporting its development. The research documents report multiple positive impacts of this school readiness program for parents, students and schools/teachers. Reports can be reviewed at www.gearingupnd.org.

National research on school readiness and kindergarten entry indicates that teachers estimate 32 percent of children have some problems entering kindergarten and another 16 percent have more difficulty entering kindergarten (combined total of 48 percent having some concerns).

High quality early education programs are shown to produce more successful students, to ease the transition between home and school, and to increase social and academic abilities of children. The most critical period to prepare children for school success is between the ages of 0 and 5, or prior to their entry into kindergarten. Parents and schools working together can help to reduce the "readiness gap" that troubles many children who enter kindergarten.

The original legislative proposal (2011 session) for the Gearing Up program included funding for program implementation, administration and research/evaluation. Funds were provided for administration (\$125,000) and implementation in schools (\$500,000).

This program is successful because it is based on North Dakota research, which allows the program to be tailored to the state. It takes advantage of the best research results in early education here and across the nation. The Gearing Up for Kindergarten program yields strong parent involvement and schools/teachers note the differences between those who attend and those who do not attend. It is critical to continue the research and evaluation component of this program. Our request for the next biennium is to increase the number of students/families served and to receive funds for the administrative work, as well as the research and evaluation component, which will make the program stronger and more applicable to North Dakota families and schools.

We estimate that by the end of the 2012-2013 school years, the program will have benefited 50 school districts and 1,470 students/families. This accounts for 20 percent of the total kindergarten population in the state and 22 percent of the total number of elementary schools. **Calculations based on an average of 7,500 kindergarten students in 320 elementary schools in North Dakota.*

NOTE: These estimates are valid for the current school year. If the program is expanded for the 2013-2015 school years, the budget will need to be reviewed to allow for increases in school salaries and benefit rates, and these estimates will need adjustments.

Budget Request**Expand the program to include more students/families in North Dakota - \$990,000**

Program implementation with North Dakota schools	\$690,000
Program administration/evaluation	\$300,000

Gearing Up for Kindergarten hereby requests an additional \$ 365,000.00 in General Funds.

BUDGET CHANGES NARRATIVE

201 Dept of Public Instruction

Bill#: HB1013

Date: 12/07/2012

Time: 13:43:36

Change Group: A	Change Type: C	Change No: 22	Priority: 22
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ESPB National Board Certification

North Dakota Century Code 15.1-18.1-02 (1) (c) (1) provides authority for ESPB to approve no more than seventeen national board applications per year. The State share of this fee is \$1250 with the federal government match those dollars for a total cost of \$2500. If 17 applications were received at \$1250 each, this assessment would cost \$21,250 dollars or a total of \$42,500 for the biennium.

Under NDCC 15.1-18.1-02 (2), ESPB is authorized to pay for no more than three "recertification scholarships for national board certification." Each of these scholarships for recertification cost \$1150 or a total of \$3450 each year or a total of \$6,900 for the biennium.

Under NDCC 15.1-18.1-02 (5) (a), the Board is authorized to pay \$1000 to each individual teacher employed during the school year as a full-time classroom teacher. This number varies a bit each year as teachers move in and out of the classroom and the state. We have approximately 30 teachers that are nationally certified. This will cost the State approximately \$30,000 each year or a total of \$60,000 for the biennium. Our total request for National Board certification, recertification, and stipends is \$120,000.

The Education Standards & Practices Board hereby requests \$ 120,000.00 in General Funds which is a \$ 65,000.00 decrease from the current budget.

Change Group: A	Change Type: C	Change No: 23	Priority: 4
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Common Core State Standards

Following discussions with statewide committees of curriculum development specialists and state advisory committees, the Department of Public Instruction requests the investment of \$ 500,000 into the statewide implementation of the Common Core State Standards for all schools. These standards are based on the Common Core Standards, which have been advanced by the National Governor's Association and the Council of Chief State School Officers. The Department of Public Instruction would issue \$ 500,000 in grants with appropriate external associations (e.g., the North Dakota Curriculum Initiative, the LEAD Center, the Regional Education Associations, and the State University System) to prepare and conduct various activities that support the longer term roll out and implementation of the state's new content standards.

The Department hereby requests an additional \$ 500,000.00 in General Funds for Grants.

Change Group: A	Change Type: C	Change No: 24	Priority: 5
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Statewide Teacher & Principal Evaluation System

Following discussions within the State ESEA Reauthorization Planning Committee, the Department of Public Instruction requests the investment of \$ 400,000 to provide statewide training and support implementation activities to advance the deployment of new teacher and principal evaluation programs for all districts. The Department would issue grants with appropriate external associations (e.g., the LEAD Center, the North Dakota Curriculum Initiative, and selective leadership districts) to conduct training implementation activities, with the guidance and assistance of the Department.

BUDGET CHANGES NARRATIVE

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The Department hereby requests and additional \$ 400,000.00 in General Funds for Grants.

Change Group: A	Change Type: C	Change No: 25	Priority: 10
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Statewide Accreditation System

10. Costs Estimates for AdvancED Accreditation Process

Estimated Cost Detail Outlined Below

Year	<u>2013-14</u>	<u>2014-15</u>
Annual Fees	\$271,875	\$271,875
Visit Support	\$ 18,750	\$ 18,750
Start-Up	\$ 25,000	N/A
Total	\$315,625	\$290,625

Annual Fee per Public School

375 Public Schools @ \$725 per school \$271,875

This is based on the current numbers of public schools in the state and a per school rate that would not exceed \$725 per school. There are some North Dakota Schools that have voluntarily engaged in the Systems Accreditation process. The per-school fee is currently \$650 per school for those schools. At the present time, that would account for about 120 of the schools, which would reduce this number by about \$9,000.

The per school rate would cover the web-based reporting tool (ASSIST) for all schools in the state along with the technical and IT support for the use of that system. It would also include the use of the survey tools, standards and other diagnostic tools to be used for accreditation and other system and state-wide reporting. Management of the external review visits would also be included in the per school fee.

There would not be a need for additional staff at ND DPI and current staff assigned to monitor statewide accreditation processes would be able to assume other duties with one person as the liaison with AdvancED regarding the implementation.

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Training and Support for External Visits

75 Schools per Year @ \$250 \$18,750

Approximately one-fifth of the schools would host an External Visit each year. The approximate costs for the training of the Lead Evaluators for those visits and support for those schools hosting visits would be about \$250 per visit during that visit year. This would support the Lead Evaluator's work with the school prior to the visit, leading of the team and the finalized visitation report.

Initial Year

Estimate of Start-Up Costs \$25,000

During the initial contract year, there would be some costs for the customization of the ASSIST platform to address specific North Dakota requirements and reporting functions. This would include the bridge between the ND SLDS and ASSIST as well as customized reports requested by various units within the North Dakota Department of Public Instruction. These would be one-year start-up costs and the amount would be determined by the number of customized reports that would be requested. The number provided is an estimate of those costs.

The Department hereby requests an additional \$606,250.00 in General Funds for the AdvancED Accreditation Process.

Change Group: A	Change Type: C	Change No: 300	Priority: 1
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AC300 General Fund Salary Dollars

Hiring individuals for our education classifications continues to be our most difficult area of recruitment, especially positions that require a master's degree in education and three to five years of administrative experience. Because we are an education agency, we must compete with the same pool of candidates as do school districts. Not only are we not competitive with the regional market for educators, we are substantially behind in the area of market and our salaries fall below the average state compensation ratio. HRMS has conducted a study which indicated DPI employees are the second lowest paid employees in relative range position among state agencies coming in with an overall .84 comp-ratio range. Overall, DPI's compensation ratio to other employees in state government with comparable years of experience, our salaries continue to fall, on average, six percent below other state employees in similar grades and positions.

To date this biennium we have had twenty positions vacated. Four staff members left due to retirement, ten employees found higher paying positions in other state agencies or the private sector, and six individuals left for internal promotions. We have experienced a continuous round of recruitment and training, both of which can be costly in areas of time and money and at the expense of efficiency. We anticipate several retirements this biennium which can be costly when paying out annual and sick leave balances. Because of compression, equity and lack of budget dollars, we offer salaries starting at the minimum of the grade which makes recruitment and retention difficult if not impossible.

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The department has twenty-four employees who could possibly meet the Rule of 85 or reach the retirement age of 62 within the next one to three years. These individuals contain the long term memory and history of ND education. They are individuals that legislators, schools and other education constituents rely on for their knowledge and training. We need to be able to provide valuable, long term employees by providing incentives to remain and assist us in succession planning. Accumulated leave pay outs are not part of the agency pay plan. We have already been leaving positions vacant to try to meet the demands of the new pay ranges and so therefore, keeping more positions vacant is not a good business practice as all positions are critical to the operation of the agency.

These are a few reasons that we are requesting \$281,360 in general fund monies and an additional increase of \$597,889 (total of \$879,249) to our salary appropriation line to address inequities among both state employees of other state agencies and area markets. Federal dollars are available to fund equity adjustments for federal supported employees.

The Department hereby requests an additional \$ 28,360 in General Fund Salary Dollars.

Change Group: A	Change Type: E	Change No: 21	Priority: 23
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Remove Prior Biennium One Time Funds

Section 15.1-13-33 was repealed by section 23 of Senate Bill No. 2013,chapter 39. The \$500,000 national board certification fund was used for three different purposes in DPI's budget. The are as follows:

- (1) ESPB share of the joint IT project between ESPB & DPI. \$ 200,000
- (2) ESPB National Board Certification Fund (Line 20179) \$ 185,000
- (3) ACT testing shortage \$ 100,000

Since this special fund was a ont-time funding in DPI's budget, these items need to be removed from the base with this change request.

Other one-time funding:

\$9,500,000 for State Aid carryover authority

\$ 5,000,000 Rapil Enrollment Grants

\$9,285,921 in Education Jobs Money

\$ 384,000 for IT Projects

Change Group: A	Change Type: G	Change No: 1	Priority: 1
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3% Optional Savings Package

At the request of the Governor, a 3% optional savings package has been prepared. The savings will come from Line 20178 Transportation Efficiency (\$30,000.00) and 20130 Operating Line (\$272,192.00).

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Inflationary Increase in Operating Expenses

This recommendation adds \$61,550 for inflationary increases in operating expenses, including travel, printing, and ITD charges. The increase is offset by a \$20,000 reduction in travel relating to removing funding for the Early Childhood Learning Council. General fund authority is no longer needed to fund the operating expenses of the Council.

Change Group: R	Change Type: A	Change No: 2	Priority:
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IT Systems Updates

This recommendation adds \$719,000 to provide for updates to the department's IT systems, including \$529,000 for updating the STARS data collection system used in the distribution of state school aid and \$190,000 for updating federal grants management systems.

Change Group: R	Change Type: A	Change No: 3	Priority:
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Implementation of Common Core Standards

This recommendation adds \$500,000 for grants to facilitate statewide implementation of common core standards.

Change Group: R	Change Type: A	Change No: 4	Priority:
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Teacher/Principal Evaluation System

This recommendation adds \$400,000 to provide for the statewide deployment of a new teacher and principal evaluation system.

Change Group: R	Change Type: A	Change No: 5	Priority:
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ACT Testing

This recommendation adds \$188,900 to cover additional costs related to administering ACT and WorkKeys tests to all high school juniors.

Change Group: R	Change Type: A	Change No: 6	Priority:
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Continuing Education Grant Program

This recommendation adds \$50,000, to provide a total of \$150,000, to fully fund the estimated costs of the legislatively authorized teacher continuing education grant program.

Change Group: R	Change Type: A	Change No: 7	Priority:
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Grants Changes

This recommendation adds \$290,000 to increase various grant programs, as follows:

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- \$35,000 for the ND Museum of Art Rural Arts Initiative.
- \$15,000 for the Red River Writing Project.
- \$50,000 for the North Central Council of School Television.
- \$190,000 for Gearing Up for Kindergarten

In addition, the grant to support the We the People civics education program is reduced by \$2,000 to reflect the amount requested.

Change Group: R	Change Type: A	Change No: 8	Priority:
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ESPB National Board Certification

For the 2011-13 biennium, the National Board Certification Program was funded with one-time source of special funds. For the 2013-15 biennium, general funds are needed to continue the program.

Change Group: R	Change Type: A	Change No: 9	Priority:
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Additional Temporary Salaries

This recommendation adds \$200,000 to increase the agency's budget for temporary salaries.

Change Group: R	Change Type: A	Change No: 100	Priority:
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Executive Compensation Package Adjustment

This budget change provides funding for recommended 2013-15 compensation adjustments. Compensation adjustments for each agency were calculated following the recommendations of the Hay Group developed through the 2011 study of the state's classified employee compensation system. Pursuant to those recommendations, compensation adjustments were calculated to provide funding to allow for both performance-based salary adjustments and market-based salary adjustments. This funding allows for increases of 2% to 4% for employees in the first quartile of the pay range and 1% to 2% for those in the second quartile of the range. For employees in the third and fourth quartiles, which are above the market policy position, no market policy increase is funded. Performance-based increases are assumed to be 3% for employees meeting performance standards and up to 5% for employees exceeding performance standards. No performance-based increases are provided for employees that fail to meet performance standards.