

**Department of Public Instruction
Budget No. 201
House Bill Nos. 1013, 1015, 1395, and 1506**

	FTE Positions	General Fund	Other Funds	Total
2021-23 legislative appropriation	86.25	\$1,658,396,873 ¹	\$1,288,033,750 ²	\$2,946,430,623
2019-21 legislative appropriation	<u>89.25</u>	<u>1,721,361,137³</u>	<u>1,044,132,893⁴</u>	<u>2,765,494,030</u>
2021-23 appropriation increase (decrease) to 2019-21 appropriation	(3.00)	(\$62,964,264)	\$243,900,857	\$180,936,593

¹This amount includes \$200,000 of one-time funding. Excluding this amount, the agency's ongoing general fund appropriation is \$1,658,196,873.

²This amount includes \$349,800,480 of one-time funding. Excluding this amount, the agency's ongoing other funds appropriation is \$938,233,270.

³This amount includes \$200,000 of one-time funding. Excluding this amount, the agency's ongoing general fund appropriation is \$1,721,161,137.

⁴This amount includes \$231,579,150 of one-time funding, including \$226,579,150 from federal Elementary and Secondary School Emergency Relief (ESSER) Fund allocations. Excluding this amount, the agency's ongoing other funds appropriation is \$812,553,743.

Item Description

FTE changes - The Legislative Assembly approved 86.25 FTE positions for the Department of Public Instruction (DPI) for the 2021-23 biennium, a decrease of 3 FTE positions from the 2019-21 biennium. The Legislative Assembly transferred 3 FTE positions related to early childhood development to the Department of Human Services (DHS) pursuant to House Bill No. 1416. (2021)

One-time funding - The Legislative Assembly provided \$350,000,480 of one-time funding to DPI, of which \$200,000 is from the general fund and \$349,800,480 is from other funds, in the following bills:

House Bill No. 1013

- **State automated reporting system maintenance/rewrite** - The Legislative Assembly, in Section 2 of House Bill No. 1013, identified one-time funding of \$200,000 from the general fund for state automated reporting system (STARS) maintenance. In addition to the one-time funding, the Legislative Assembly, in Section 16 of House Bill No. 1013, allowed DPI to continue up to \$600,000 of unexpended one-time funding from the foundation aid stabilization fund provided for the STARS rewrite during the 2019-21 biennium to the 2021-23 biennium to continue the STARS rewrite. In 2019 the Legislative Assembly provided a total of \$1.2 million of one-time funding from the foundation aid stabilization fund for the project.
- **Science experiments grant** - The Legislative Assembly, in Section 2 of House Bill No. 1013, identified one-time funding of \$13.5 million from other funds made available from continuing unexpended 2019-21 biennium integrated formula payment authority for a passthrough grant

Status/Result

The department transferred 3 FTE positions related to early childhood development to DHS on July 1, 2021.

The following is the status of one-time funding provided to DPI:

State automated reporting system maintenance/rewrite - The department spent a total of \$1,115,000 from the foundation aid stabilization fund for the 2019-21 biennium STARS rewrite project, of which \$880,640 was spent during the 2019-21 biennium and \$234,360 was spent during the 2021-23 biennium. The department does not anticipate using the remaining \$85,000 appropriated for the project and the funding will remain in the foundation aid stabilization fund.

Through March 2022 the department has spent \$95,000 of the \$200,000 one-time appropriation from the general fund for STARS maintenance.

Science experiments grant - As of March 31, 2022, the department has provided the entire \$13.5 million grant to North Dakota's Gateway to Science for the development of science experiments, including space needed for the experiments.

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- **Regional education association grants** - The Legislative Assembly, in Section 2 of House Bill No. 1013, identified one-time funding of \$250,000 from the federal Coronavirus Relief Fund for grants to regional education associations. The funding must be allocated based on enrollment in afterschool programs and distributed on a reimbursement basis for eligible expenditures.

House Bill No. 1015

- **Children's science center** - The Legislative Assembly, in Section 6 of House Bill No. 1015, provided one-time funding of \$5.9 million from the federal Coronavirus Capital Projects Fund for a grant to an entity for the development of a children's science center in Minot. The Legislative Assembly, in House Bill No. 1505 approved during the November 2021 special legislative session, adjusted the funding source of the \$5.9 million grant from the Coronavirus Capital Projects Fund to the federal State Fiscal Recovery Fund.

House Bill No. 1395

- **Federal Elementary and Secondary School Emergency Relief Fund** - The Legislative Assembly, in Section 2 of House Bill No. 1395, provided one-time funding of \$320,050,480 from the ESSER III Fund and other federal funds for grants to school districts, state discretionary programs, individuals with disabilities education programs, emergency assistance to nonpublic schools, and homeless children and youth programs.

Regional education association grants - The department has distributed the funding made available from the Coronavirus Relief Fund for grants to regional education associations.

Children's science center - The Magic City Discovery Center has been working with the United States Department of Defense to verify that acceptance of this grant would not jeopardize a federal grant the center had already received from that agency, so the department has not distributed this funding.

Federal Elementary and Secondary School Emergency Relief Fund - The state's ESSER I Fund allocation totaled \$33,297,699, of which \$30,063,929 was allocated to eligible school districts and \$3,233,770 is available for state discretionary spending. The state's ESSER II Fund allocation totaled \$135,924,393, of which \$122,631,954 was allocated to eligible school districts and \$13,292,439 is available for state discretionary spending.

In addition to funding from the ESSER III Fund appropriated in Section 2 of House Bill No. 1395, the Legislative Assembly provided deficiency appropriations for remaining ESSER I Fund and ESSER II Fund allocations. The Legislative Assembly, in House Bill Nos. 1394 and 1395, provided supplemental appropriations totaling \$226,579,150 for the 2019-21 biennium, including \$13,661,117 for state discretionary spending on COVID-19 mitigation and recovery and \$144,603,071 to be allocated to eligible school districts. The Legislative Assembly allowed ESSER I and ESSER II funding not spent during the 2019-21 biennium to be continued to the 2021-23 biennium.

Of the \$320,050,480 provided in Section 2 of House Bill No. 1395, \$305,266,879 was from the ESSER III Fund, \$1,999,661 was for a homeless children and youth program grant, \$4,151,371 was for an emergency assistance to nonpublic schools grant, and \$8,632,569 was for an Individuals with Disabilities Education Act grant. Funding from the ESSER III Fund includes \$30,526,688 of funding available for state discretionary spending on COVID-19 mitigation and recovery. The remaining funding of \$274,740,191 is allocated to eligible school districts and will be provided to districts on a reimbursement basis for eligible expenditures. Some school districts have elected not to apply for the ESSER III

Fund grant and the department has used some discretionary funding to provide grants to school districts that were not eligible for an allocation. Therefore, the final ESSER III Fund allocation provides \$275,479,226 for grants to school districts and \$29,858,803 for discretionary spending.

Funding from the ESSER I Fund allocation must be obligated by September 30, 2022. Through March 31, 2022, approximately 94.3 percent of the allocation, or \$28.3 million, has been spent.

Funding from the ESSER II Fund allocation must be obligated by September 30, 2023. Through March 31, 2022, approximately 32.2 percent of the allocation, or \$39.5 million, has been spent. While funding from the ESSER II Fund has a learning loss requirement, there is no minimum that must be used for learning loss.

Funding from the ESSER III Fund allocation must be obligated by September 30, 2024. Through March 31, 2022, approximately 9.7 percent of the allocation, or \$26.8 million, has been spent. The ESSER III Fund allocation requires 20 percent of funding allocated must be used for learning loss. Schools have been using the ESSER III Fund allocation first to meet the learning loss expenditure threshold requirement that is not included in the ESSER I Fund or ESSER II Fund allocations.

All funding from the ESSER Funds must be spent and reimbursed by the end of each of the respective years. There are currently no extension provisions, so funding not used will be returned to the federal government. The most popular uses for funding from the ESSER Funds are technology; learning loss (extra teachers); repairs, including air filtration; carpet replacement; transportation, including additional buses; and cleaning supplies.

The state may use 10 percent of the ESSER Funds for administration and discretionary programs. The total of all ESSER Fund allocations is \$474,560,121, of which \$47,456,012 may be used for administration and discretionary purposes. The department allocated \$1,071,000 of the state's discretionary funds to provide grants to ineligible school districts and will use \$2,372,445 for administration. Of the remaining \$44,012,567, \$34,645,722 has been committed and \$9,366,845 remains available. The department's discretionary funding from the ESSER Funds is being used for initiatives related to learning loss, summer school, afterschool programs, reading programs, and other uses, including an early learning partnership with DHS and a summer learning program with the Parks and Recreation Department, and grants to special education units.

House Bill No. 1506

- **Information technology project upgrades to the state automated reporting system and the statewide longitudinal data system** - The Legislative Assembly, in Section 17 of House Bill No. 1506 approved during the November 2021 special legislative session, provided one-time funding of \$10.1 million for information technology project upgrades to STARS and the statewide longitudinal data system (SLDS). The Legislative Assembly provided \$10 million is derived from

Information technology project upgrades to the state automated reporting system and the statewide longitudinal data system - The Legislative Assembly, in Senate Bill No. 2346, approved during the November 2021 special legislative session, authorized DPI to withhold \$88 per student from the integrated formula payment to fund information technology project upgrades to STARS and SLDS. Funds were withheld from the January 2022 state school aid payment to school districts eligible for ESSER Fund allocations. School districts may request ESSER

reimbursements withheld from certain school districts' integrated formula payments and deposited in the public instruction fund and \$100,000 is from the State Fiscal Recovery Fund for information technology upgrade funding in lieu of withholding from school districts not eligible for ESSER Fund allocations.

State school aid - Integrated formula payments, transportation aid, special education contracts, and rapid enrollment grants - The Legislative Assembly appropriated \$2,216,925,000, of which \$1,640,450,500 is from the general fund, \$143,454,500 is from the foundation aid stabilization fund, and \$433,020,000 is from the state tuition fund, for state school aid, including integrated formula payments, transportation aid, and special education. This level of funding represents an increase of \$35,222,571, including increases in funding of \$30,454,500 from the foundation aid stabilization fund and \$55,256,000 from the state tuition fund offset by a decrease in funding from the general fund of \$50,487,929, from the 2019-21 legislative appropriation of \$2,181,702,429.

The legislative appropriation for the state school aid program integrates property tax relief in the K-12 state school aid funding formula. The formula provides the state will determine an adequate base level of support necessary to educate students by applying an integrated payment rate to the weighted student units. For the 2021-23 biennium, the integrated payment rates are increased 1 percent each year of the biennium to provide \$10,136 during the 1st year of the biennium and \$10,237 during the 2nd year of the biennium. This base level of support will be provided through a combination of local tax sources, local revenue, and state integrated formula payments. The local funding requirement is set at 60 mills and a percentage of identified local in lieu of property tax sources and local revenues. Base level support not provided by local sources is provided by the state through the integrated formula payment. In addition, school districts are allowed an additional 10-mill levy for general fund purposes, an additional 12-mill levy for miscellaneous purposes, and a 3-mill levy for a special reserve fund.

The Legislative Assembly provided an appropriation of \$2,131,825,000, of which \$1,555,350,500 is from the general fund, \$143,454,500 is from the foundation aid stabilization fund, and \$433,020,000 is from the state tuition fund, for state school aid for integrated formula payments. This level of funding represents an increase of \$33,622,571, including a decrease in funding of \$55,087,929 from the general fund and increases in funding of \$33,454,500

Fund reimbursement for amounts withheld. In addition, the Legislative Assembly also provided \$100,000 of one-time funding from the State Fiscal Recovery Fund to DPI for the information technology upgrades. The funding was provided in lieu of withholding from school districts not eligible for ESSER Fund allocations.

The project, sponsored by DPI and DHS, has been named Project Lighthouse and will focus on solving the primary needs of DPI. The project plans make all data about children, including early childhood information, securely available for analytics and decisionmaking by policymakers. Requirements of the project are being developed with the primary partners. A data strategy workshop will be held in late March or early April 2022. Implementation will be in phases beginning in 2022 and will continue over multiple years. Through March 31, 2022, the department has spent \$323,835 on the project.

The department estimates payments for integrated formula payments during the 1st year of the biennium, not including transportation and special education, to be approximately \$1,034.6 million, \$21.5 million less than appropriated. The department estimates integrated formula payments for the 2nd year of the biennium to be approximately \$1,050.2 million, \$25.5 million less than appropriated. This results in excess funding of approximately \$47 million for the 2021-23 biennium. Expenditures for integrated formula payments are less than estimated due to lower enrollments and higher local revenues than anticipated in the budget. There is no provision to distribute funding in excess of obligations for the integrated formula payments remaining at the end of the 2021-23 biennium. Therefore, excess funding will not be spent and will be a part of DPI's general fund turnback. See the **Transportation aid grants** and **Special education contracts** sections below.

from the foundation aid stabilization fund and \$55,256,000 from the state tuition fund, from the 2019-21 biennium appropriation for integrated formula payments of \$2,098,202,429.

Transportation aid grants - The Legislative Assembly provided \$58.1 million from the general fund for transportation aid during the 2021-23 biennium. This level of funding is \$1.6 million more than 2019-21 biennium funding of \$56.5 million from the general fund. This level of funding will allow reimbursement rates to remain the same as the 2019-21 biennium. Section 8 of House Bill No. 1013 requires DPI to distribute transportation aid for the 2021-23 biennium based on the state transportation formula as it existed on June 30, 2001, except that the department is to provide reimbursement at the rate of:

- \$1.11 per mile for schoolbuses having a capacity of 10 or more passengers.
- \$0.52 per mile for vehicles having a capacity of nine or fewer passengers.
- \$0.50 per mile round trip for family transportation of a student with a disability whose individualized education program plan requires that the student attend a school outside the student's school district of residence.
- \$0.50 per mile one way for family transportation if the student lives more than two miles from the public school the student attends.
- \$0.30 per student for each one-way trip.

In addition, the Legislative Assembly, in House Bill No. 1027 (2021), codified student transportation aid payment sections as the provisions existed on June 30, 2001, updated provisions to reflect current practices and reimbursement rates, and prohibited school districts from receiving transportation reimbursement for certain students participating in open enrollment and tuition waiver agreements. House Bill No. 1027 also allows for 2021-23 biennium transportation aid grants to be determined using the greater of 2018-19 school year miles and rides or prior year miles and rides, resulting in an estimated \$1.6 million increase in transportation aid grants for the biennium.

Special education contracts - The Legislative Assembly provided \$27 million from the general fund for special education contracts during the 2021-23 biennium. This level of funding is \$3 million more than 2019-21 biennium funding of \$24 million from the general fund. The Legislative Assembly, in Section 5 of House Bill No. 1013, provided the Superintendent of Public Instruction may expend funds provided for integrated formula payments and grants - special education contracts line items during the 2021-23 biennium for paying grants for educational services that were due in the 2019-21 biennium but which were not filed, claimed, or properly supported by

The department estimates transportation aid grant applications during the 1st year of the biennium will be approximately \$300,000 more than the \$29.05 million allocated. The department estimates transportation aid grant applications for the 2nd year of the biennium will also be approximately \$300,000 more than the \$29.05 million allocated, resulting in an estimated \$600,000 deficiency for the 2021-23 biennium. The Legislative Assembly, in Section 5 of House Bill No. 1027, provided that the Superintendent of Public Instruction may not distribute more than one-half of the amount appropriated for transportation grants for any biennium in the 1st year of the biennium. If total transportation reimbursement claims exceed the amount appropriated by the Legislative Assembly, the Superintendent must reduce transportation reimbursements on a prorated basis for all school districts requesting reimbursements.

Prior to the 2021-23 biennium, transportation aid grants were provided based on prior school year mileage and ridership. For the 2021-23 biennium, the Legislative Assembly, in House Bill No. 1027, allowed transportation aid grants to be determined using the greater of 2018-19 school year miles and rides or prior year miles and rides. In the 1st year of the 2021-23 biennium the department reported 102 districts or special education units used their 2018-19 school year miles and rides. The difference in funding for these districts between their 2018-19 school year miles and rides and their 2020-21 school year miles and rides is an increase of approximately \$3.75 million in transportation grants.

The student contract system reimburses school districts for high-cost students and students that are in placement for reasons other than education. Placements into a residential facility may be made by parents or by a placing agency. School districts are responsible for the statewide average cost per student for placements by a placing agency or parent (\$12,573 for grades 1 through 8 and \$13,810 for grades 9 through 12 during the 2021-22 school year). School districts are responsible for four times the statewide average cost per student for school placements. Special education contract costs exceeding these limits are reimbursed by the state.

the education provider until after June 30, 2021. To be reimbursed under this section, claims must be properly supported and filed with the Superintendent by June 30, 2022. In addition to special education contracts, the state school aid formula provides approximately \$224 million through the integrated formula payments line item for special education and prekindergarten special education average daily membership and weighting factors.

Program grants, including the program grant pool, passthrough grants, and authorized carryover of 2019-21 biennium funds - The Legislative Assembly, in Section 14 of House Bill No. 1013, provided if, after the Superintendent of Public Instruction complies with all statutory payment obligations imposed for the 2019-21 biennium, any money remains in the integrated formula payments line item, the Office of Management and Budget must continue \$23,887,064 and transfer the funding to the public instruction fund for the purpose of providing program and passthrough grants during the 2021-23 biennium.

The Legislative Assembly provided a total of \$23,887,064 from other funds made available from continuing unexpended 2019-21 biennium integrated formula payment funding for programs administered by DPI (\$7,480,000), including a program grant pool, and passthrough grants (\$16,407,064) for writing projects, art outreach, educational media services, teacher mentoring, civics programs, cultural heritage, and a one-time North Dakota's Gateway to Science grant. This level of funding is \$13,343,300 more than the 2019-21 biennium general fund appropriation for program and passthrough grants of \$10,543,764.

The 2021-23 biennium program grant pool provides a flexible funding pool of \$900,000 for initiatives and various program grants. This level of funding for the program grant pool is \$600,000 less than the 2019-21 biennium legislative general fund appropriation of \$1.5 million for the program grant pool. Funding is provided in the program grant pool for leveraging the senior year, a leadership program, and family engagement initiatives. Funding is no longer provided in the program grant pool for continuing education grants, preschool continuing education grants, curriculum alignment grants, teacher and principal evaluation system grants, and transportation efficiency.

The following is a summary of program grants, including the program grant pool:

The department estimates special education contract obligations will total \$13.3 million during the 1st year of the biennium and \$13.7 million for the 2nd year of the biennium. The department anticipates all funding provided for special education contract obligations will be expended. The department has not determined if a deficiency appropriation will be needed to meet the state's obligation for special education contracts during the 2021-23 biennium.

The department continued \$23,887,064 from the 2019-21 biennium integrated formula payment line item and transferred the funding to the public instruction fund for the purpose of providing program and passthrough grants during the 2021-23 biennium. The department anticipates the funding provided for program grants will be expended during the 2021-23 biennium.

Below are the expenditures related to program grants and the program grant pool through March 2022.

Program	Increase (Decrease) From Previous Biennium	Total Other Funds
Program grant pool:		
Leveraging the senior year	(\$25,000)	\$400,000
Family engagement	0	350,000
Teacher/principal evaluation	(300,000)	0
Building tomorrow's leaders	(25,000)	100,000
Continuing education grants for preschool	(100,000)	0
Continuing education grants for counselors	(100,000)	0
Curriculum alignment (school retool)	(100,000)	0
Leadership professional development	50,000	50,000
Total program grant pool¹	(\$600,000)	\$900,000
Adult education matching grants ¹	600,000	5,000,000
School food services matching grants ¹	0	1,380,000
Free breakfast program	0	200,000
Leadership professional development	(200,000)	0
Total 2021-23 biennium program grants	(\$200,000)	\$7,480,000

¹Section 9 of House Bill No. 1013 precludes federal funds from being used for adult education matching grants, school food services matching grants, program grant pool initiatives, and the mentoring program.

Program	2021-23 Biennium Appropriation	Expenditures through March 2022
Program grant pool:		
Leveraging the senior year	\$400,000	\$5,646
Family engagement	350,000	516
Building tomorrow's leaders	100,000	9,082
Leadership professional development	50,000	0
Total program grant pool	\$900,000	\$15,244
Adult education matching grants	5,000,000	1,192,832
School food services matching grants	1,380,000	269,863
Free breakfast program	200,000	0
Total 2021-23 biennium program grants	\$7,480,000	\$1,477,939

The following is a summary of passthrough grants:

Passthrough Grant	Increase (Decrease) From Previous Biennium	Total Other Funds
Mentoring program ¹	\$0	\$2,125,764
Northern Plains Writing Project	0	25,000
Red River Writing Project	0	25,000
Rural art outreach project	65,000	425,000
North Central Council for Educational Media Services	(35,700)	202,300
"We the People" program	20,000	70,000
Cultural heritage grants	(6,000)	34,000
One-time grant to North Dakota's Gateway to Science center	13,500,000	13,500,000
One-time grant to children's science center in Minot ²	5,900,000	5,900,000
Total 2021-23 passthrough grants	\$19,443,300	\$22,307,064

¹Section 9 of House Bill No. 1013 precludes federal funds from being used for adult education matching grants, school food services matching grants, program grant pool initiatives, and the mentoring program.

²In addition to the passthrough grants provided in House Bill No. 1013, the Legislative Assembly, in House Bill No. 1015, provided \$5.9 million from the Coronavirus Capital Projects Fund for a passthrough grant to an entity for the development of a children's science center in Minot. The grant for the development of a children's science center in Minot was amended during the November 2021 special session to provide the funding from the State Fiscal Recovery Fund.

Through March 2022, DPI has provided the following passthrough grants:

Passthrough Grant	2021-23 Biennium Appropriation	Expenditures through March 2022
Mentoring program	\$2,125,764	\$500,000
Northern Plains Writing Project	25,000	0
Red River Writing Project	25,000	3,549
Rural art outreach project	425,000	425,000
North Central Council for Educational Media Services	202,300	202,300
"We the People" program	70,000	70,000
Cultural heritage grants	34,000	10,000
One-time grant to North Dakota's Gateway to Science center	13,500,000	13,500,000
One-time grant to children's science center in Minot ¹	5,900,000	0 ¹
Total 2021-23 passthrough grants	\$22,307,064	\$14,710,849

¹The Magic City Discovery Center has been working with the United States Department of Defense to verify that acceptance of this grant would not jeopardize the federal grant the center had already received from that agency, so the department has not distributed this funding.

School construction loans and school construction loan interest rate buydown program - The Legislative Assembly, in Senate Bill No. 2272 (2017), consolidated school construction loans in the school construction assistance revolving loan fund, which is to be administered by the Bank of North Dakota. The bill provided for a transfer of \$75 million from the foundation aid stabilization fund to the school construction assistance revolving loan fund, of which up to \$50 million must be used to repay the Bank for certain outstanding loans. All school construction loans made through the Department of Trust Lands school construction loan fund program, approximately \$143 million, were transferred to the school construction assistance revolving loan fund during the 2017-19 biennium.

The Legislative Assembly, in Senate Bill No. 2214 (2019), provided for a transfer of an additional \$75 million from the foundation aid stabilization fund to the school construction assistance revolving loan fund during the 2019-21 biennium.

Dyslexia screening pilot program - The Legislative Assembly, in House Bill No. 1461 (2019), established a dyslexia screening pilot program and allowed the Superintendent of Public Instruction to continue \$250,000 of funding remaining in the integrated formula payments line item at the end of the 2017-19 biennium to the 2019-21 biennium for the purpose of providing the pilot program. During the 2019-21 biennium \$154,652 was spent on the pilot program.

The Legislative Assembly, in Section 15 of House Bill No. 1013, once again provided if, after the Superintendent of Public Instruction complies with all statutory payment obligations imposed for the 2019-21 biennium, any money remaining in the integrated formula payments line item, up to \$250,000 must be continued into the 2021-23 biennium to continue a dyslexia screening pilot program.

Teacher loan forgiveness program - The Legislative Assembly, in House Bill No. 1429 (2019), transferred the teacher loan forgiveness program from the North Dakota University System to DPI and closed the program to new enrollees. Only eligible individuals receiving teacher loan forgiveness benefits for the 2018-19 school year will continue to receive benefits until they have received the maximum benefit under the program or become ineligible. The bill also provided any funding remaining for the program at the end of the 2017-19 biennium must be transferred from the University System to DPI and continued into the 2019-21 biennium. In addition to the funding transferred from the University System, the Legislative Assembly, in Senate Bill No. 2013 (2019), provided \$2,103,393 from the general fund for the teacher loan forgiveness program during the 2019-21 biennium. Expenditures totaled \$1,511,110 during the 2019-21 biennium. During the 2021-23 biennium \$2,024,000 from the general fund is available in the DPI base budget for the teacher loan forgiveness program.

The Bank of North Dakota anticipates purchasing the remaining loans made through the Bank's interest rate buydown loan program in October 2022. As of March 2022, outstanding loans in the school construction assistance revolving loan fund totaled \$271.2 million and assets of the fund totaled \$309.3 million. Funding available in the school construction assistance revolving loan fund for new loans totaled \$38.1 million.

The 2021-23 biennium dyslexia screening pilot program funds have been awarded to two of the three original pilot sites. The department has awarded \$240,000 to the following organizations for the pilot program:

- \$120,000 - Southeast consortium, including Kindred, Northern Cass, Richland, and Enderlin school districts; and
- \$120,000 - Grand Forks School District.

One 2019-21 biennium pilot site, West River Student Services of Dickinson, decided not to continue with the program due to staffing and implementation challenges. The remaining \$10,000 will be available for professional development opportunities.

The department has indicated 143 approved teachers are participating in the teacher loan forgiveness program, down from the original 242 approved teachers. Payments totaled \$695,000 in fiscal year 2021 and the department estimates payments for the 2021-23 biennium will total approximately \$1,000,000.

Administrative cost-sharing reimbursement - The Legislative Assembly, in Section 22 of House Bill No. 1013, amended North Dakota Century Code Section 15.1-27-16 to provide DPI reimburse school districts and special education units for administrative cost-sharing. The reimbursement program is funded with the department's discretionary ESSER Fund allocations and is only effective through June 30, 2024.

The department has indicated no districts or special education units have applied for the administrative cost-sharing reimbursement. Some districts have expressed interest in the opportunity; however, they have been unable to jointly employ both a superintendent and business manager. The department anticipates reimbursements under this program are unlikely for the 2021-23 biennium.