

Project Title	Agency Priority	Funding Source	Agency Request			Governor's Rec	Governor's Planning Estimates	
			2006	2008	2010	2006	2008	2010
Nett Lake Facility Construction	1	GO	\$10,698	\$0	\$0	\$0	\$0	\$0
Red Lake Facility Construction	2	GO	55,383	0	0	10,000	0	0
Grant School Collaborative Project	3	GO	1,634	0	0	0	0	0
Library Improvement Grants	4	GO	2,000	0	0	0	0	0

Project Total	\$69,715	\$0	\$0	\$10,000	\$0	\$0
General Obligation Bonding (GO)	\$69,715	\$0	\$0	\$10,000	\$0	\$0

Funding Sources:	GF = General Fund	THF = Trunk Highway Fund	OTH = Other Funding Sources
	GO = General Obligation Bonds	THB = Trunk Highway Fund Bonding	UF = User Financed Bonding

Agency Profile At A Glance

MDE Customers (FY 2005):

- ◆ 826,000 pre-kindergarten through grade 12 students and their parents/guardians
- ◆ 55,400 licensed teachers
- ◆ 2,134 public schools
- ◆ 343 school districts and 106 charter schools
- ◆ 82,000 adult learners
- ◆ Approximately 118,000 young children and their families participating in early learning programs

Annual K-12 School Funding (FY 2005):

- ◆ State - \$6.1 billion or 70% of total funding
- ◆ Local - \$2.0 billion or 23% of total funding
- ◆ Federal - \$0.5 billion or 7% of total funding

Agency Purpose

The Minnesota Department of Education's (MDE) mission is to improve educational achievement by establishing clear standards, measuring performance, assisting educators, and increasing opportunities for lifelong learning.

MDE strives to be an innovative education agency, assisting schools, families, and other education providers with exemplary services that result in high academic achievement for all students, pre-kindergarten to grade 12, and adult learners.

Every learner will have access to a high-quality education that promotes his or her development to full potential through an outstanding Minnesota education system that is a world leader.

MDE focuses on four primary goals:

- ◆ improve achievement for all students;
- ◆ enhance teacher quality;
- ◆ expand education options for students and families; and
- ◆ implement education finance reform and enhance accountability.

MDE provides services and assistance to students, teachers, parents, and school districts in the following areas:

- ◆ Academic Standards and Professional Development;
- ◆ Adult and Career Education and Service-Learning;
- ◆ Assessment and Testing;
- ◆ Compliance and Assistance;
- ◆ Early Learning Services;
- ◆ English Language Learners/Limited English Proficiency (LEP);
- ◆ Food and Nutrition Service;
- ◆ Library Development and Services;
- ◆ No Child Left Behind (NCLB) Consolidated Programs;
- ◆ Personnel Licensing;
- ◆ Safe and Healthy Learners;
- ◆ School Choice;
- ◆ School Finance;
- ◆ School Technology; and
- ◆ Special Education.

Core Functions

Improve Achievement for all Students: Raise overall student achievement levels, and close the achievement gap that currently exists among students of color and students with disabilities by implementing standards, research-based best practices, measuring progress with statewide assessments, and promoting lifelong learning.

Teacher Quality: Improve teacher quality in Minnesota by implementing initiatives to increase the number of highly trained teachers, enhance teacher preparation, improve teacher retention in high-needs schools, and provide ongoing professional development.

Options for Students: Ensure that programs offering education options to families support quality schools and continuous improvement in student achievement. Create new choices to better meet the educational needs of all children, especially students from low-income families, students of color, students with disabilities, and students who are English language learners.

Finance Reform: Encourage improved financial management of school districts and charter schools, make the system more understandable and accountable to the public, implement performance-based pay linked to student achievement gains, and enhance accountability for student learning through a comprehensive data system.

Operations

Office of Academic Excellence

The Office of Academic Excellence is responsible for academic standards development, professional development for educators, Indian education programs, school choice, charter schools, and supplemental services programs, library development, school technology, the Faribault Library for the Blind, and school administrator and teacher licensing.

Office of Student Support Services

The Office of Student Support Services is responsible for adult basic education, adult and career education, special education programs, early learning, and food and nutrition services.

Office of Finance and Administrative Services

The Office of Finance and Administrative Services is responsible for distributing aid payments to school districts and calculating school district property tax levy limitations; providing information technology support services to the agency; providing policy, management, fiscal and human resource direction and leadership; and special education compliance and accountability.

Office of Accountability and Improvement

The Office of Accountability and Improvement is responsible for statewide testing, No Child Left Behind, and research and evaluation.

Budget

MDE will administer over \$6.5 billion in state and federal funding for E-12 and adult and career education funding. In addition, MDE will calculate in excess of \$1.4 billion of annual property tax levy limitations.

Contact

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For information on how this agency measures whether it is meeting statewide goals, please refer to www.departmentresults.state.mn.us

At A Glance: Agency Long-Range Strategic Goals

A goal of the Minnesota Department of Education (MDE) is to assist school districts, libraries, and other educational organizations in the acquisition of funds to provide safe, program appropriate, and accessible education facilities that support student success and to provide and allow library access to all citizens in Minnesota.

Capital resources are available for most school districts through levy and aid programs provided by state law, including the debt equalization program, capital projects levy, lease levy, alternative facilities aid and levy, and health and safety funding. School districts with extremely low property wealth do not have a sufficient tax base to raise funds for the construction of needed educational facilities. Libraries and other non-school district educational organizations may be limited in their ability to raise funds for local facility projects. Capital funding through general obligation bonding and the state general fund is necessary for those entities that do not have access to these or other funding sources, but must rely upon state support for all or portions of necessary capital facilities projects.

Some local libraries are aging facilities that need removal of architectural barriers and renovations/additions to enable all citizens to access the facility and allow local libraries to provide adequate library services. The matching grants for local libraries provide an incentive for local communities to upgrade and maintain facilities.

Projects presented in this and future capital budgets are those that have been evaluated by the agency, found to be consistent with agency long-range goals, and benefit Minnesota by providing safe, healthy, and appropriate facilities to support student success.

Trends, Policies And Other Issues Affecting The Demand For Services, Facilities, Or Capital Programs

Overall, demand for capital facility projects in school districts is increasing, however, favorable interest rates combined with 2001 restructuring of the debt equalization formula under M.S. 123B.53 mean that few school districts

with levy authority will find it advantageous to apply for state funding under the Maximum Effort School Aid law in M.S. 126C.60-72. However, rapidly increasing property values and a static equalizing factor in the debt equalization program increase the likelihood that more districts will consider application for the capital loan program in coming years.

Currently, only those school districts with very low property values need to use the capital loan and grant programs to fund necessary capital projects. In addition, education organizations such as voluntary metropolitan integration districts that have no levy authority may continue to seek state funding for capital projects.

Future funding requests under the Cooperative Secondary Facilities Grant program in M.S. 123A.443 are possible as local school districts experience population and student declines. Districts may find it economically necessary to cooperate with other districts to provide adequate and appropriate educational programs and services to students and communities. This program was initiated as an incentive for districts that determine secondary education services can be offered most effectively and efficiently by cooperating with neighboring districts. The program assists with costs of constructing or renovating secondary school facilities serving students from two or more districts. Currently, the agency is not aware of districts contemplating grant applications under this authority. However, as Minnesota demographics change, this program would be beneficial for districts choosing to combine.

Restructuring of the agency from Children, Families, and Learning to the Department of Education transferred the responsibility for administration of the Early Childhood Facility Grants to the Department of Human Services.

There is strong interest in the expanded library accessibility and improvement grant program. Many local libraries have needs for facility renovation, expansion, or new construction.

Provide A Self-Assessment Of The Condition, Suitability, And Functionality Of Present Facilities, Capital Projects, Or Assets

Education laws provide for the capital loan and grant programs, the cooperative secondary facilities grant program, the metropolitan magnet

school grant program, and library grant programs. Each of these programs provides for specific needs for those organizations that cannot access other sources of funding.

In general, school district facility construction is considered a local responsibility. The state supports local districts in their efforts to construct and maintain appropriate, safe, and healthy school facilities through the debt equalization program, capital projects levy, lease levy, alternative facilities aid and levy, and health and safety funding.

Agency Process Used To Arrive At These Capital Requests

Department management identifies and assesses high priority needs in relationship to agency goals and objectives, and state and federal mandates.

Major Capital Projects Authorized In 2005

(\$ in Thousands)

Red Lake Maximum Effort Capital Loan (M.S. 126C.60-72)	\$18,000
Library Access Grants (M.S. 134.45)	\$1,000
East Metro Magnet School - Crosswinds Middle School	\$1,083

Nett Lake Facility Construction

2006 STATE APPROPRIATION REQUEST: \$10,698,000

AGENCY PROJECT PRIORITY: 1 of 4

PROJECT LOCATION: Nett Lake

Project At A Glance

- ◆ \$10.698 million in the 2006 session to fund additions and renovations to district facilities.
- ◆ Provide additional Head Start/Daycare/Elementary spaces and renovate existing space to accommodate enrollment growth.
- ◆ Provide collocation of medical services for students and community members.

Project Description

The Department of Education requests funding through the education capital loan program to support the Nett Lake Independent School District in providing additions and renovations to the district facility that currently includes collocated space for the Head Start program, daycare services, out-of-school youth services, and medical services. These additions and renovations will result in increased quality of services to children and the community. The Nett Lake Independent School District provided review and comment information on the proposed projects to the Department of Education prior to June 30. The Department of Education has evaluated and approved the proposed project based on the review and comment criteria.

This project builds upon the success of a 1993 collaborative effort that included collocation of the Head Start program, daycare services, youth center, human services, and tribal education services. The collaborative services concept has been extremely successful in the community. This success along with population growth has led to full utilization of the facility. Currently, lack of space is a deterrent to program maintenance and expansion.

Building additions/renovations are planned for the Head Start, daycare, youth programs, and K-6 education spaces. Building security will be addressed through evaluation of current building access and the creation of controlled entry to education and early childhood spaces. The human services program will be relocated to another site and the area the program currently uses will be renovated and expanded to house a community medical clinic. The clinic will join with the school district in working to address the high incidence of diabetes in the student and community population through an education program emphasizing regular physical activity and healthy diet.

Of the total estimated project cost of \$11 million, the local district contribution calculated according to M.S. 126C.69, subd. 9, is approximately \$.302 million and the capital loan request is \$10.698 million. The school district has applied for two federal grants totaling \$5 million and is seeking additional funding of approximately \$.3 million. The federal grant applications are for \$3 million under the Impact Aid Program, Discretionary Construction Program, Section 8007(b), and \$2 million under the Indian Health Service, Small Ambulatory Program. If the district is awarded all the grants, the state capital loan request would decrease to \$5.398 million. Since receipt of these funds is uncertain, the Department of Education is currently seeking the full amount required to fund the project after applying the local contribution required under the capital loan program.

Impact on Agency Operating Budgets (Facilities Notes)

There is no effect on the Department of Education operating budget resulting from this request.

District operating costs will increase due to increases in staffing and maintenance costs will increase due to expansion of square footage. District revenue projections show revenues sufficient to absorb the additional costs.

Previous Appropriations for this Project

The 1993 Legislature approved a capital loan of \$7.967 million for remodeling of and an addition to the current Nett Lake facility. Of this amount, \$5 million was provided in the 1993 session, and the remainder in the 1994 session.

Nett Lake Facility Construction

Other Considerations

While funding for school facilities is viewed as primarily a local responsibility, the Nett Lake Independent School District has very low property values. Even with state assistance through the debt service equalization program, the district cannot fund capital projects through local levies. A measure commonly used to compare school district ability to raise funds through property taxes is the adjusted net tax capacity (ANTC) per pupil unit. In the 2005 Payable 2006 levy cycle, the Nett Lake 2004 ANTC per FY 2004 adjusted pupil unit was \$403.26. For all districts, the median value per pupil unit was \$4,769.

The Nett Lake Independent School District serves E-6 students at the current facility. Students in grades 7-12 are served in the St. Louis County School District under an agreement for secondary education (M.S. 123A.30).

Student enrollment since the 1993-94 school year, has increased by approximately 75 percent. The population of the community has increased as tribal members have moved back to the community, and the need for early childhood services has increased dramatically.

Project Contact Person

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Governor's Recommendations

The Governor does not recommend capital funds for this project.

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2006-07	FY 2008-09	FY 2010-11	TOTAL
1. Property Acquisition	7,972	0	0	0	7,972
2. Predesign Fees	0	30	0	0	30
3. Design Fees	0	314	0	0	314
4. Project Management	0	107	0	0	107
5. Construction Costs	0	8,781	0	0	8,781
6. One Percent for Art	0	81	0	0	81
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	724	0	0	724
9. Inflation	0	964	0	0	964
TOTAL	7,972	11,001	0	0	18,973

CAPITAL FUNDING SOURCES	Prior Years	FY 2006-07	FY 2008-09	FY 2010-11	TOTAL
State Funds :					
G.O Bonds/State Bldgs	7,967	10,698	0	0	18,665
State Funds Subtotal	7,967	10,698	0	0	18,665
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	5	302	0	0	307
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	7,972	11,000	0	0	18,972

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2006-07	FY 2008-09	FY 2010-11	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	10,698	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2011

Red Lake Facility Construction

2006 STATE APPROPRIATION REQUEST: \$55,383,000

AGENCY PROJECT PRIORITY: 2 of 4

PROJECT LOCATION: Red Lake

Project At A Glance

- ◆ \$55.383 million to fund additions and renovations to district K-12 facilities.
- ◆ Renovate substandard facilities to promote student achievement.
- ◆ Provide additional education space due to projected enrollment growth.
- ◆ Provide program specific space for special education, vocational, and other specialty programming.
- ◆ Request is based on short-term and long-term planning to bring all district facilities to current education standards.

Project Description

The Department of Education requests funding through the education capital loan program to support the Red Lake Independent School District in bringing district facilities up to current education standards. These funds will be used by the district for the following projects.

- ⇒ Continued renovation of and addition to the Red Lake High School and Red Lake Middle School including renovation for specialty curriculum for Technology Education, Vocational Education, Physical Education, cafeteria/commons, kitchen, community education spaces, and administrative offices, and additions for general classrooms. In addition, the heating plant and piping for both schools will be upgraded. Portions of the building where mold growth is an issue will be replaced.
- ⇒ Addition of elementary classrooms to accommodate increased enrollment and addition of a building segment that will link the Red Lake Elementary School and the Early Childhood Learning Center.

- ⇒ Addition of a Media Center and a Head Start Center at the Ponemah Elementary School, along with site improvements that will add parking, improve bus drop-off, and expand playground facilities.

The Red Lake Independent School District provided review and comment information on the proposed projects to the Department of Education. The projects were approved based on the review and comment criteria and district voters approved borrowing funds through the capital loan program in a November 8 election.

Of the total project cost of \$55.450 million, the local district contribution calculated according to M.S. 126C.69, subd. 9, is approximately \$67,000 and the capital loan request is \$55.383 million.

In addition, the district plan includes a \$899,000 expansion and renovation of the school bus center. The capital loan program does not allow use of state funds for this purpose, and the district will fund this from another source. This amount is not included in the capital loan request.

The Red Lake Independent School District recognized the need for a facility plan as they experienced increasing enrollments in crowded, deteriorated and unhealthy facilities. The district completed long-term facilities planning prior to the 2004 legislative session with the goal of determining and prioritizing district facility needs and outlining a plan to bring all district facilities up to current education standards.

The school district is using funding provided by the 2005 legislature to convert the current high school facility to house middle school students. A portion of the current funding request will be used to convert the current middle school (originally constructed as an elementary school) to house the high school, area learning center, and vocational center. Both sites lack space for specialty classrooms and require modernization. The cafeteria and kitchen addition will serve both middle and high school students. The new heating plant/air handling units will not only be sized to adequately serve the entire facility, but will also help resolve issue of mold growth in the current middle school facility.

Red Lake Facility Construction

The classroom additions at the Red Lake Elementary School will accommodate increased enrollments. The additions linking the Early Childhood Center to the Red Lake Elementary School will allow sharing of services and make both facilities more useful.

Impact on Agency Operating Budgets (Facilities Notes)

There is no effect on the Department of Education operating budget resulting from this request.

District operating costs will increase slightly primarily due to increases in staffing. There will be small increases in maintenance costs due to increased square footage. District revenue projections show revenues sufficient to absorb the additional costs.

Previous Appropriations for this Project

1992	\$10 million	Construction of Red Lake Elementary School and addition to Red Lake Middle School
2000	\$11.166 million	Construction of Red Lake Early Childhood Center and Additions to Ponemah Elementary and Middle School
2002	\$12.4 million	Additions and Renovations – Red Lake High School, Early Childhood Center, Red Lake and Ponemah Elementary Schools
2005	\$18 million	Construction of new middle school facilities and renovation of existing high school

Other Considerations

While funding for school facilities is viewed as primarily a local responsibility, the Red Lake Independent School District has extremely low property values and very little private ownership of land as most of the land is owned in common by Red Lake Tribal members. Even with state assistance through the debt service equalization program, the district cannot fund capital projects through local levies. A measure commonly used to compare school

district ability to raise funds through property taxes is the adjusted net tax capacity (ANTC) per pupil unit. In the 2005 Payable 2006 levy cycle, the Red Lake 2004 ANTC per FY 2004 adjusted pupil unit was \$6.64. For all districts, the median ANTC per adjusted pupil unit was \$4,769.

District enrollment has increased in the last ten years by 20 percent. The district is experiencing population growth as many members of the Red Lake Tribe are moving back to the Red Lake area. District management projects continued enrollment growth. New housing development is occurring and desirable housing is available for returning tribal members. The housing development has waiting lists in spite of continued construction. Estimates of student enrollment growth assume that new and renovated facilities allowing expanded educational programming will draw some of the approximately 11.5% of resident students who currently open enroll to other public school districts back to the Red Lake Schools.

The Red Lake School District management and the Red Lake community recognize the importance of a stable and healthy school environment to children in an economically and socially depressed community. The current crowded and deficient facilities do not provide a safe and healthy environment that is conducive to learning and supportive to children.

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Governor's Recommendations

This project's scope needs further examination. At this time, the Governor recommends general obligation bonding of \$10 million for this project. The administration will work with the school district to come to common ground on the amount of funding needed.

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2006-07	FY 2008-09	FY 2010-11	TOTAL
1. Property Acquisition	51,767	0	0	0	51,767
2. Predesign Fees	0	93	0	0	93
3. Design Fees	0	4,324	0	0	4,324
4. Project Management	0	4,616	0	0	4,616
5. Construction Costs	0	37,827	0	0	37,827
6. One Percent for Art	0	100	0	0	100
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	1,895	0	0	1,895
9. Inflation	0	6,595	0	0	6,595
TOTAL	51,767	55,450	0	0	107,217

CAPITAL FUNDING SOURCES	Prior Years	FY 2006-07	FY 2008-09	FY 2010-11	TOTAL
State Funds :					
G.O Bonds/State Bldgs	51,566	55,383	0	0	106,949
State Funds Subtotal	51,566	55,383	0	0	106,949
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	201	67	0	0	268
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	51,767	55,450	0	0	107,217

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2006-07	FY 2008-09	FY 2010-11	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	55,383	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
No	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2011

Grant School Collaborative Project

2006 STATE APPROPRIATION REQUEST: \$1,634,000

AGENCY PROJECT PRIORITY: 3 of 4

PROJECT LOCATION: Duluth

Project At A Glance

- ◆ Provides \$1.634 million for building addition and remodeling.
- ◆ Provides an appropriate facility for an established program operating after school and out-of-school hours with needs for adequate space.
- ◆ Youth and community programming operated by a collaborative with broad input and support from public and private partnerships.

Project Description

The Department of Education requests \$1.634 million for predesign, design, remodeling, and construction of an addition to, of the Grant Magnet School in Duluth Independent School District. This project will provide appropriate space for a successful after school and out-of-school program supporting the student education program. This new facility would create a youth and community center operated by the Grant Community School Collaborative, which would provide a seamless transition for students between school day and after-school enrichment programs as well as space for family resource fairs and community events.

The school facility has been well-maintained by the school district; however, the original construction and a 1992 addition did not anticipate extended day and year use. The gymnasium and cafeteria, in particular, are undersized for use in extended day and year programming for students and community residents. The current gymnasium accommodates 25 students for physical education or after school programming and does not include a stage for performance, or shower facilities. The small size is unsuitable for upper elementary and older students. The cafeteria area is small and seating is not adequate for students and parents for community meals.

This grant will fund new construction of a 7,000 square foot multipurpose room that will include a stage for youth, community and family performances as well as a 1,000 square foot storage space. It also includes remodeling the existing gym to accommodate additional cafeteria seating and extended and school day program space. These rooms will be large enough to accommodate adults, family groups, or larger numbers of children for a variety of educational and recreational activities.

While youth programs are currently offered at the school by the Grant Community School Collaborative, available indoor spaces at the school are not adequate, and programming is limited both in the number of children who can be served and the scope of programs that can be offered.

The new construction and remodeling will provide the Grant Community School Collaborative the opportunity to continue and expand the award-winning and research-based programming that has had a positive impact on student achievement, student attendance, and community development. Goals of the extended day and year programming are to support youth, families and residents of the neighborhood; increase school attendance and academic achievement; offer a variety of academic, social, and cultural enrichment programs for youth and families; develop youth, parental, and civic engagement and leadership; and increase the developmental assets of youth. Both research and program evaluations show that this model increases school attendance, supports students with skills necessary to pass the basic state standards, and strengthens academically supportive behaviors.

Impact on Agency Operating Budgets (Facilities Notes)

There is no impact on the Department of Education operational budget associated with this proposal. The school district and the Grant School Collaborative will address any additional maintenance costs.

Previous Appropriations for this Project

This project was awarded a \$900,000 Youth Enrichment Grant in 2000, however, the project was delayed and the funding was eliminated as a part of the 2003 unallotment process prior to execution of the contract.

Grant School Collaborative Project

The Governor recommended \$1.157 million in funding for this project in his 2005 capital budget but it was not included in the bill passed by the legislature.

Other Considerations

The Grant Magnet School is a 21st Century Community Learning Center. It is located in Duluth's East Hillside neighborhood, a high density, high poverty, racially mixed area of high need with few community services available. The area has a high percentage of rental housing and a mobile population. The student population is comprised of 49% minority populations, 78% of the student population qualifies for free or reduced price lunches, and 20% receive special education services. Summer food programs are provided to help parents in providing adequate nutrition for their children during months when school is not in session. A combination of very busy streets and limited access to personal and public transportation makes it difficult for residents, especially youth, to participate in programs or activities outside of the neighborhood and the school is a natural focal point for the community.

The East Hillside community includes many families with multiple stress factors whose children benefit greatly from safe, structured, and supervised educational/recreational after-school and summer programs. These programs extend school day curriculum into after-school and summer programs, during the hours many parents are at work. Parents and other community members also benefit from intergenerational activities that provide a sense of belonging to and contributing to a community, as well as programs for basic life skills that strengthen families, develop civic involvement, and promote intercultural appreciation and experiences.

Programming in the renovated facility will be coordinated by the Grant Community School Collaborative, which is a 510(c)3 nonprofit corporation. Membership includes the College of St. Scholastica, Duluth Public Schools, Duluth Public Schools Community Education, Duluth Headstart, East Hillside Patch Grass Roots Community Development Agency, East Hillside Community Club, the Grant Magnet School PTA, and YWCA of Duluth.

Programs offered are based on the tenet that what happens outside the classroom is as important to student success as what happens in the classroom and that a successful school reform model uses the family and

community as a resource to support student success. Former President Carter awarded the Grant Community School Collaborative the inaugural Minnesota Carter Partnership Award in 2004 for their work on connecting colleges to the Grant School Community.

Because research indicates that students who live in poverty tend to lag behind others in social, academic, and communications skills, programs focus on using the arts to teach reading, science, and life skills. The Getty Education Institute notes that arts participation makes a significant difference to students from low-income families in developing communication skills and can be correlated to success in math and reading, all skills necessary for success in school as well as in life.

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Governor's Recommendations

The Governor does not recommend capital funds for this project.

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2006-07	FY 2008-09	FY 2010-11	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	120	0	0	120
4. Project Management	0	8	0	0	8
5. Construction Costs	0	1,167	0	0	1,167
6. One Percent for Art	0	10	0	0	10
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	195	0	0	195
9. Inflation	0	134	0	0	134
TOTAL	0	1,634	0	0	1,634

CAPITAL FUNDING SOURCES	Prior Years	FY 2006-07	FY 2008-09	FY 2010-11	TOTAL
State Funds :					
G.O Bonds/State Bldgs	0	1,634	0	0	1,634
State Funds Subtotal	0	1,634	0	0	1,634
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	0	0	0	0	0
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	0	1,634	0	0	1,634

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2006-07	FY 2008-09	FY 2010-11	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	1,634	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
No	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
Yes	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
No	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2011

Library Improvement Grants

2006 STATE APPROPRIATION REQUEST: \$2,000,000

AGENCY PROJECT PRIORITY: 4 of 4

PROJECT LOCATION:

Project At A Glance

- ◆ \$2 million in the 2006 session to fund disabled access and library renovation/construction under M.S. 134.45.

Project Description

The Department of Education requests \$2 million to fund competitive library accessibility, renovation and construction for public library improvement grants under M.S. 134.45. This statute was amended in the 2005 legislative session to expand the grant program from accessibility grants requiring a 50% local match to include grants for renovation, expansion, or construction of library facilities. For purposes of this program, public libraries include regional public library systems, regional library districts, cities, and counties operating libraries.

The American with Disabilities Act (ADA) mandates that buildings newly constructed or remodeled after January 26 1992, must be accessible to all citizens. Grants provide funding to enable public libraries to remove architectural barriers either as a unique project or as a part of remodeling or renovation.

Renovation, expansion and construction grants will allow local libraries to renew or replace deteriorated and deficient facilities with the goal of providing improved services to the public. As of January 2005, local needs assessments identified construction projects totaling over \$100 million.

Impact on Agency Operating Budgets (Facilities Notes)

This request will have no impact on the Department of Education operating budget. Current staff is involved in the grant evaluation and approval process, and in traveling to grantee sites when necessary.

Previous Appropriations for this Project

Since the inception of the Library Accessibility Grant Program in 1994, the following amounts have been provided by the legislature.

1994	\$1 million
1996	\$1 million
1998	\$1.5 million
2000	\$1 million
2003	\$1 million
2005	\$1 million

Other Considerations

Many libraries throughout the state need to address issues of accessibility and renovation or replacement. The competitive grant process assures equitable distribution of funds based on objective criteria. Application of criteria by state review committee ensures the facility will meet current and future need based on national standards and coordination with regional and statewide needs. If requests for funding exceed the amount of money available, those libraries with the most critical needs are given higher priority through a rating process.

Project Contact Person

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Governor's Recommendations

The Governor does not recommend capital funds for this project.

Education, Department of
Library Improvement Grants

Project Detail
(\$ in Thousands)

TOTAL PROJECT COSTS All Years and Funding Sources	Prior Years	FY 2006-07	FY 2008-09	FY 2010-11	TOTAL
1. Property Acquisition	0	0	0	0	0
2. Predesign Fees	0	0	0	0	0
3. Design Fees	0	0	0	0	0
4. Project Management	0	0	0	0	0
5. Construction Costs	9,750	2,000	0	0	11,750
6. One Percent for Art	0	0	0	0	0
7. Relocation Expenses	0	0	0	0	0
8. Occupancy	0	0	0	0	0
9. Inflation	0	0	0	0	0
TOTAL	9,750	2,000	0	0	11,750

CAPITAL FUNDING SOURCES	Prior Years	FY 2006-07	FY 2008-09	FY 2010-11	TOTAL
State Funds :					
G.O Bonds/State Bldgs	6,500	2,000	0	0	8,500
State Funds Subtotal	6,500	2,000	0	0	8,500
Agency Operating Budget Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Government Funds	3,250	1,000	0	0	4,250
Private Funds	0	0	0	0	0
Other	0	0	0	0	0
TOTAL	9,750	3,000	0	0	12,750

CHANGES IN STATE OPERATING COSTS	Changes in State Operating Costs (Without Inflation)			
	FY 2006-07	FY 2008-09	FY 2010-11	TOTAL
Compensation -- Program and Building Operation	0	0	0	0
Other Program Related Expenses	0	0	0	0
Building Operating Expenses	0	0	0	0
Building Repair and Replacement Expenses	0	0	0	0
State-Owned Lease Expenses	0	0	0	0
Nonstate-Owned Lease Expenses	0	0	0	0
Expenditure Subtotal	0	0	0	0
Revenue Offsets	0	0	0	0
TOTAL	0	0	0	0
Change in F.T.E. Personnel	0.0	0.0	0.0	0.0

SOURCE OF FUNDS FOR DEBT SERVICE PAYMENTS (for bond-financed projects)	Amount	Percent of Total
General Fund	2,000	100.0%
User Financing	0	0.0%

STATUTORY AND OTHER REQUIREMENTS	
Project applicants should be aware that the following requirements will apply to their projects after adoption of the bonding bill.	
Yes	MS 16B.335 (1a): Construction/Major Remodeling Review (by Legislature)
Yes	MS 16B.335 (3): Predesign Review Required (by Administration Dept)
Yes	MS 16B.335 and MS 16B.325 (4): Energy Conservation Requirements
Yes	MS 16B.335 (5): Information Technology Review (by Office of Technology)
Yes	MS 16A.695: Public Ownership Required
Yes	MS 16A.695 (2): Use Agreement Required
Yes	MS 16A.695 (4): Program Funding Review Required (by granting agency)
Yes	Matching Funds Required (as per agency request)
Yes	MS 16A.642: Project Cancellation in 2011