

**Department 252 - School for the Deaf
House Bill Nos. 1013 and 1073**

Executive Budget Comparison to Prior Biennium Appropriations

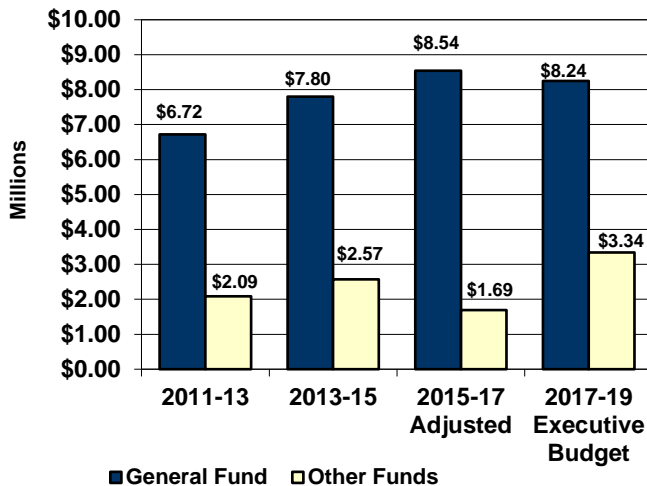
	FTE Positions	General Fund	Other Funds	Total
2017-19 Executive Budget	45.61	\$8,244,864	\$3,338,825	\$11,583,689
2015-17 Adjusted Legislative Appropriations ¹	45.61	8,541,881	1,689,210	10,231,091
Increase (Decrease)	0.00	(\$297,017)	\$1,649,615	\$1,352,598

¹The 2015-17 biennium agency appropriation amounts reflect general fund budget reductions made in August 2016.

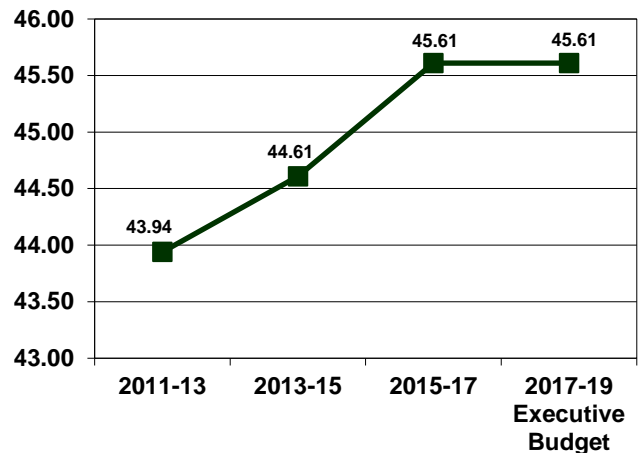
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 Executive Budget	\$8,244,864	\$0	\$8,244,864
2015-17 Adjusted Legislative Appropriations	8,541,881	0	8,541,881
Increase (Decrease)	(\$297,017)	\$0	(\$297,017)

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2017-19 Executive Budget	\$8,244,864	\$3,338,825	\$11,583,689
2017-19 Base Level	8,541,881	1,089,210	9,631,091
Increase (Decrease)	(\$297,017)	\$2,249,615	\$1,952,598

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which \$18,121 is for salary increases and \$8,586 is for health insurance increases. (Due to a budget software error, the executive recommendation has underfunded the health insurance increase.)	\$25,931	\$776	\$26,707
2. Adjusts base payroll	(\$78,677)	\$3,211	(\$75,466)
3. Restores salaries and wages funding reductions made during the 2015-17 biennium	\$422,476		\$422,476
4. Adjusts base budget funding sources for operating expenses	(\$489,484)	\$562,628	\$73,144
5. Reduces funding for operating expenses and extraordinary repairs	(\$300,000)	(\$50,000)	(\$350,000)
6. Restores operating expenses funding reductions made during the 2015-17 biennium	\$123,133		\$123,133

7. Removes funding for 2015-17 biennium capital assets and extraordinary repairs	(\$152,174)	(\$75,000)	(\$227,174)
8. Adds funding for extraordinary repairs	\$158,678		\$158,678
9. Adds one-time funding to replace Fargo office interactive video network equipment		\$10,000	\$10,000
10. Adds one-time funding to replace kitchen equipment		\$12,000	\$12,000
11. Adds one-time funding to replace lawn tractor		\$16,000	\$16,000
12. Adds one-time funding for master facility plan repairs		\$1,750,000	\$1,750,000
13. Adds one-time funding for a database software program		\$20,000	\$20,000
14. Reduces funding for interpreter grants to provide a total of \$180,000 from the general fund	(\$6,900)		(\$6,900)

**Other Bill Sections Recommended to be Added in the Executive Budget
(As Detailed in House Bill No. 1073)**

Higher education interpreter grant program - Section 12 provides that \$180,000 from the general fund included in the grants line item of the School for the Deaf is for the continuation of the grants program to assist institutions under the control of the State Board of Higher Education with the cost of interpreters and real-time captioning for students who are deaf or hearing impaired for the 2017-19 biennium. Funding appropriated for this program is not subject to North Dakota Century Code Section 54-44.1-11. In addition, the section requires the School for the Deaf develop a formula for distribution of the funds based on a uniform hourly reimbursement and may not distribute more than 50 percent of the amount appropriated during the first year of the biennium. If any grant funding remains undistributed at the end of the biennium, the School for the Deaf is to provide additional prorated grants to institutions that during the biennium incurred hourly expenses in excess of the formula reimbursement level.

School for the Deaf special fund - Section 18 creates a new section to Chapter 25-07 to establish a special fund for the School for the Deaf. All money received from the Department of Trust Lands, and all revenues received from the lease of buildings and the provision of meals and services, including interpreter services, must be deposited in the fund and used pursuant to legislative appropriation for services.

Continuing Appropriations

There are no continuing appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

At this time, no major related legislation has been introduced affecting this agency.

School for the Deaf - Budget No. 252
House Bill Nos. 1013 and 1073
Base Level Funding Changes

	Executive Budget Recommendation			
	FTE Position	General Fund	Other Funds	Total
2017-19 Biennium Base Level	45.61	\$8,541,881	\$1,089,210	\$9,631,091
2017-19 Ongoing Funding Changes				
Base payroll changes		(\$78,677)	\$3,211	(\$75,466)
Salary increase - Performance		17,594	527	18,121
Health insurance increase		8,337	249	8,586
Restores salaries and wages funding reductions made during the 2015-17 biennium		422,476		422,476
Adjusts base budget funding sources for operating expenses		(489,484)	562,628	73,144
Reduces funding for operating expenses and extraordinary repairs		(300,000)	(50,000)	(350,000)
Restores operating expenses funding reductions made during the 2015-17 biennium		123,133		123,133
Removes funding for 2015-17 biennium capital assets and extraordinary repairs		(152,174)	(75,000)	(227,174)
Adds funding for extraordinary repairs		158,678		158,678
Reduces funding for interpreter grants		(6,900)		(6,900)
Total ongoing funding changes	0.00	(\$297,017)	\$441,615	\$144,598
One-time funding items				
Adds funding to replace Fargo office interactive video network equipment			\$10,000	\$10,000
Adds funding to replace kitchen equipment			12,000	12,000
Adds funding to replace lawn tractor			16,000	16,000
Adds funding for master facility plan repairs			1,750,000	1,750,000
Adds funding for a database software program			20,000	20,000
Total one-time funding changes	0.00	\$0	\$1,808,000	\$1,808,000
Total Changes to Base Level Funding	0.00	(\$297,017)	\$2,249,615	\$1,952,598
2017-19 Total Funding	45.61	\$8,244,864	\$3,338,825	\$11,583,689

Other Sections in School for the Deaf - Budget No. 252

Executive Budget Recommendation

Other Sections in School for the Deaf - Budget No. 252

Executive Budget Recommendation

Higher education interpreter grant program

Section 12 provides that \$180,000 from the general fund included in the grants line item of the School for the Deaf is for the continuation of the grants program to assist institutions under the control of the State Board of Higher Education with the cost of interpreters and real-time captioning for students who are deaf or hearing impaired for the 2017-19 biennium. Funding appropriated for this program is not subject to Section 54-44.1-11. In addition, the section requires the School for the Deaf develop a formula for distribution of the funds based on a uniform hourly reimbursement and may not distribute more than 50 percent of the amount appropriated during the first year of the biennium. If any grant funding remains undistributed at the end of the biennium, the School for the Deaf is to provide additional prorated grants to institutions that during the biennium incurred hourly expenses in excess of the formula reimbursement level.

School for the Deaf special fund

Section 18 creates a new section to Chapter 25-07 to establish a special fund for the School for the Deaf. All money received from the Department of Trust Lands, and all revenues received from the lease of buildings and the provision of meals and services, including interpreter services, must be deposited in the fund and used pursuant to legislative appropriation for services.

Department 252 - School for the Deaf

Appropriations Comparisons to the Original and Adjusted Base Budgets

General Fund Appropriations Adjustments (As a result of the August 2016 General Fund Budget Reductions)

	Ongoing	One-Time	Total
2015-17 original general fund appropriations	\$9,140,590	\$0	\$9,140,590
General fund reductions	(598,709)	0	(598,709)
Adjusted 2015-17 appropriations	\$8,541,881	\$0	\$8,541,881
Executive Budget changes	(297,017)	0	(297,017)
2017-19 Executive Budget	\$8,244,864	\$0	\$8,244,864

Summary of August 2016 General Fund Budget Reductions

	Ongoing	One-Time	Total
Salaries and wages savings related to reductions in temporary salaries, vacant positions, and position reclassifications	(\$422,476)	\$0	(\$422,476)
Operating expense savings, including travel, insurance, supplies, rent expense, and professional fees	(123,133)		(123,133)
Reduction to extraordinary repairs related to a delay in improvements	(40,000)		(40,000)
Reduction in interpreter grants	(13,100)		(13,100)
Total reductions	(\$598,709)	\$0	(\$598,709)
Percentage reduction to ongoing and one-time general fund appropriations	6.55%	0.00%	6.55%

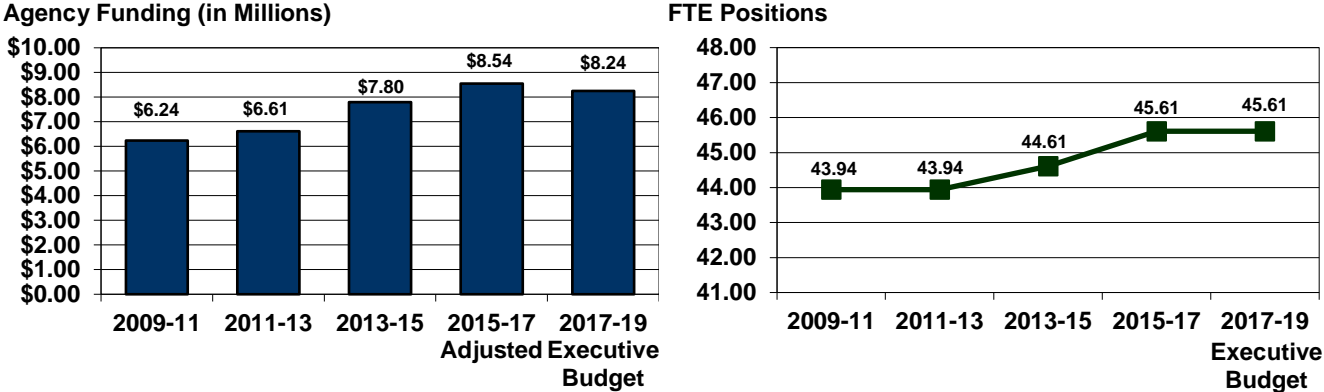
2017-19 Executive Budget Changes to the Original and Adjusted Base Budgets

	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Adds funding for recommended salary and benefit increases	\$25,931		\$25,931
Base payroll changes	(78,677)		(78,677)
Restores salaries and wages funding reductions made during the 2015-17 biennium		\$422,476	422,476
Adjusts base budget funding sources for operating expenses	(489,484)		(489,484)
Reduces funding for operating expenses and extraordinary repairs	(300,000)		(300,000)
Restores operating expenses funding reductions made during the 2015-17 biennium		123,133	123,133
Removes funding for 2015-17 biennium capital assets and extraordinary repairs	(192,174)	40,000	(152,174)
Adds funding for extraordinary repairs	158,678		158,678
Reduces funding for interpreter grants	(20,000)	13,100	(6,900)
Total	(\$895,726)	\$598,709	(\$297,017)

Department 252 - School for the Deaf

Historical Appropriations Information

Ongoing General Fund Appropriations Since 2009-11



Ongoing General Fund Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Executive Budget
Ongoing general fund appropriations	\$6,238,896	\$6,614,972	\$7,799,379	\$8,541,881	\$8,244,864
Increase (decrease) from previous biennium	N/A	\$376,076	\$1,184,407	\$742,502	(\$297,017)
Percentage increase (decrease) from previous biennium	N/A	6.0%	17.9%	9.5%	(3.5%)
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	6.0%	25.0%	36.9%	32.2%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2011-13 Biennium

- 1. No major changes.

2013-15 Biennium

- 1. Added funding for 1 superintendent FTE position contingent on the retirement of the current superintendent shared with the North Dakota Vision Services - School for the Blind. \$142,242

2015-17 Biennium (Original Amounts)

- 1. Added funding for 1 adult services FTE position for the western part of the state. \$129,600
- 2. Adjusted the funding source of operating expenses to increase funding from the general fund. (This funding was reduced as part of the general fund budget reductions approved in August 2016.) \$500,000

2017-19 Biennium (Executive Budget Recommendation)

- 1. Restores funding reductions made during the 2015-17 biennium in salaries and wages. \$422,476
- 2. Adjusts base budget funding sources for operating expenses. (\$489,484)
- 3. Reduces funding for operating expenses and extraordinary repairs. (\$300,000)
- 4. Restores funding reductions made during the 2015-17 biennium in operating expenses. \$123,133