

**School for the Deaf
Budget 252
House Bill No. 1013; Senate Bill No. 2155**

| | FTE Positions | General Fund | Other Funds | Total |
|---|----------------------|--------------------------|--------------------|------------------|
| 2009-11 legislative appropriation | 43.94 | \$7,139,896 ¹ | \$2,168,550 | \$9,308,446 |
| 2007-09 legislative appropriation | <u>43.94</u> | <u>5,426,155</u> | <u>1,041,501</u> | <u>6,467,656</u> |
| 2009-11 appropriation increase (decrease) to 2007-09 appropriation | 0.00 | \$1,713,741 | \$1,127,049 | \$2,840,790 |

¹This amount includes \$901,000 of one-time funding. Excluding this amount, the agency's ongoing general fund appropriation is \$6,238,896.

NOTE: The 2009-11 legislative appropriation amounts include \$42,100, of which \$40,000 is from the general fund, for the agency's share of the \$16 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for executive branch.

Item Description

Salaries and wages - The School for the Deaf received an allocation of \$42,100, of which \$40,000 was from the general fund, for the agency's share of the \$16 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for executive branch employees.

One-time funding - In Section 2 of House Bill No. 1013, the Legislative Assembly identified \$901,000 from the general fund, of which \$41,000 is for the completion of a facility master plan, \$25,000 is for a virtual services business plan, and \$835,000 is to remodel the Trades Building, as one-time funding. This amount is not to be considered part of the agency's base budget for preparing the 2011-13 executive budget, and the School for the Deaf is to report to the Appropriations Committees during the 2011 legislative session on the use of this funding.

Superintendent's salary/line item transfer authority - In Section 5 of House Bill No. 1013, the Legislative Assembly provides the monthly salary for the superintendent of the School for the Deaf for the 2009-11 biennium may not exceed the monthly salary level in effect for this position in January 2009. This section also allows the School for the Deaf to transfer up to \$100,000 of funding from the salaries and wages line item to the operating expenses line item to provide for a future services plan and for plan implementation and to the capital assets line item for the remodel of the Trades Building.

Status/Result

The School for the Deaf provided salary equity adjustments to 16 staff positions. The salary equity adjustments ranged from \$5 to \$208 per month.

The School for the Deaf, with the assistance of the state architect, has contracted with a Grand Forks firm to develop a master facility plan for the school's campus. The plan is estimated to cost \$41,000 and will be presented to the future services transition team.

The School for the Deaf future services transition team has not determined a need for the virtual services business plan, and the school anticipates this funding will not be spent.

The Department of Public Instruction, the Facilities Management Division of the Office of Management and Budget, and the School for the Deaf have begun to identify potential occupants for the Trades Building, but a final decision on a tenant will not be made until the master facility plan is complete and the future services transition team completes its future services plan for the school.

The School for the Deaf currently shares a superintendent position with North Dakota Vision Services - School for the Blind and is uncertain a transfer from the salaries and wages line item to the operating expenses line item or to the capital assets line item will be necessary. The school will determine the need for any line item transfers after the master facility plan is complete, and the future services transition team completes its future services plan.

Deferred maintenance/line item transfer authority - The Legislative Assembly provided \$98,605 from the general fund for deferred maintenance, and in Section 6 of House Bill No. 1013, the Legislative Assembly provided that the School for the Deaf may transfer from the deferred maintenance line item to the capital assets line item amounts necessary to address extraordinary repair needs. Any amounts transferred must be reported to the Office of Management and Budget.

Future services plan and implementation - In Section 17 of House Bill No. 1013, the Legislative Assembly provides the Department of Public Instruction and School for the Deaf develop a plan for future services to be offered by the School for the Deaf and begin implementing the plan for the biennium beginning July 1, 2009, and ending June 30, 2011. As part of the plan, the Department of Public Instruction and School for the Deaf must:

1. Review the needs of all deaf and hearing-impaired persons throughout the state and develop a plan to provide comprehensive outreach services to all North Dakota citizens who are deaf or hearing-impaired.
2. Explore the development of partnerships with other states relating to the provision of residential and educational services to individuals who are deaf or hearing-impaired.
3. Review current research and national trends in the provision of services to students who are deaf or hearing-impaired.
4. Meet regularly with a transition team appointed by the Superintendent of Public Instruction consisting of representation from the Legislative Assembly, parents of School for the Deaf students, School for the Deaf employees, members of the Devils Lake community, School for the Deaf alumni, and others.
5. Explore the feasibility of implementing revenue-generating activities at the School for the Deaf.
6. Develop a long-range site and facility plan for the School for the Deaf campus.

Bank of North Dakota loan authorization - The Legislative Assembly provided total funding of \$1.67 million, of which \$835,000 is from the general fund and \$835,000 from a Bank of North Dakota loan, to remodel the Trades Building on the campus of the School for the Deaf. Section 20 of House Bill No. 1013 provides the authorization for the School for the Deaf to borrow up to \$835,000 from the Bank of North Dakota for the remodeling project. Section 21 of House Bill No. 1013 authorized the School for the Deaf to continue any unexpended funds from the 2007-09 biennium for the remodeling project.

The School for the Deaf anticipates completing the maintenance items related to the parking lot and road (\$45,000). Remaining items, including roof repair estimated at \$46,000, will be addressed when the master facility plan is complete.

A future services transition team has been established and includes individuals from the School for the Deaf, legislators, and educators. The team has been meeting monthly since January 2010 and anticipates drafting a report in the summer of 2010.

The School for the Deaf carried over \$32,332 of funding from the general fund from the 2007-09 biennium to the 2009-11 biennium for remodeling of the Trades Building increasing the total authority for the project to \$1,702,332, of which \$867,332 is from the general fund. The Department of Public Instruction, the Facilities Management Division of the Office of Management and Budget, and the School for the Deaf have begun to identify potential occupants for the Trades Building, but a final decision on a tenant will not be made until the master facility plan is complete and the future services transition team completes its future services plan.

Grants to institutions of higher education - The Legislative Assembly, in Senate Bill No. 2155, provided a \$200,000 general fund appropriation to the School for the Deaf for grants to institutions of higher education that provide direct services to students who are deaf or hearing-impaired.

Infirmary demolition and asbestos removal - The Legislative Assembly provided \$41,000 from the general fund for the removal of asbestos and demolition of the infirmary on the School for the Deaf campus.

The School for the Deaf is providing \$100,000 for each school year in the 2009-11 biennium to North Dakota institutions of higher education. The institutions are required to apply each semester and the School for the Deaf provides reimbursement to the institution based on the average cost per hour for interpreter expenses. Any portion of the \$100,000 not disbursed at the end of the year through the formula is paid on a prorated basis to those institutions not fully reimbursed.

The School for the Deaf hired a contractor who has removed the asbestos, but new regulations regarding lead paint have caused the contractor to suspend the building demolition. The School for the Deaf is consulting with the State Department of Health regarding the lead paint issue.