

<https://education.mn.gov/>

AT A GLANCE

Services provided by the Minnesota Department of Education (MDE) support three overarching strategies:

- Direct Support: MDE directly supports the continuous improvement of teaching and learning to schools, educators, children, students, and parents.
- E-12 Systems: MDE provides systems support through program and policy development and assessment.
- Guidance, Technical Assistance, and Funding: MDE provides supportive leadership to all education entities through guidance, technical assistance to meet state and federally legislated requirements, and administration of school funding programs.

MDE supports (2023):

- 849,936 students in prekindergarten through grade 12.
- Over 135,000 children participating in early learning programs.
- 329 school districts, 181 charter schools, and four tribal schools.
- 47,615 adult learners in fiscal year (FY) 2023.

PURPOSE

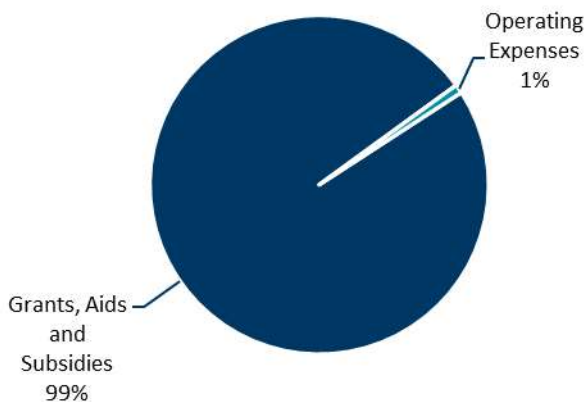
The MDE mission is: “Ensuring every child receives a quality education, no matter their race or zip code.” MDE is striving to make Minnesota the Education State, where the public education system is intentionally designed to help each individual student thrive.

In this work, MDE’s key objectives are:

- Every student deserves a world-class education.
- Every student deserves to attend a safe, nurturing learning environment.
- Every student deserves to learn in a classroom with caring, qualified teachers.
- MDE will provide leadership, support, and partnership to schools and libraries across the state.

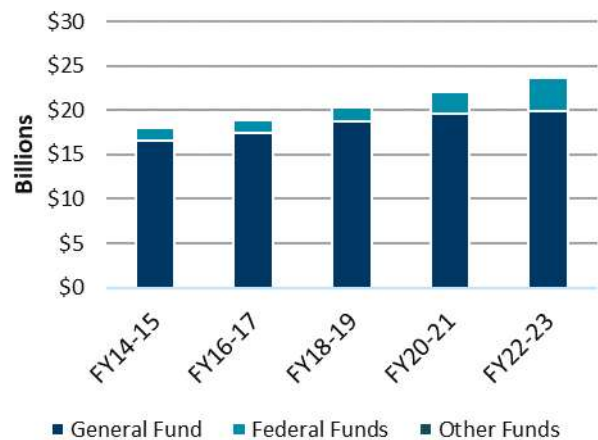
BUDGET

**Spending by Category
FY 2023 Actual**



Source: Budget Planning & Analysis System (BPAS)

Historical Spending



Source: Consolidated Fund Statement

In FY 2022-2023, 83 percent of education funding originated from the state general fund, 15 percent was from federal funds, and 2 percent was from other funds. In FY 2023, total spending was \$11.97 billion; \$11.81 billion was passed through the agency as grants and aids, \$99.48 million went towards operating expenses, and \$51.75 million was spent on employee compensation.

STRATEGIES

In order to reach measurable goals for student achievement, Minnesota must prioritize diversity, equity, inclusion, and support for the student's entire experience with school.

To achieve its mission, MDE provides leadership and support to students, educators, and schools using the following strategies:

Direct Support

- Department programs provide direct support in continuous improvement of teaching and learning to schools and districts. The Regional Centers of Excellence, now contained within the Collaborative Minnesota Partnerships to Advance Student Success (COMPASS) Regional Teams in the Minnesota Service Cooperatives, provide strategic instructional and leadership support and implementation of best practice strategies to improve teaching and learning in the classroom. While the most intensive support is aimed at those schools that need the most assistance, direct support is available to all districts, as needed, through the Regional Centers.

Prekindergarten through Grade 12 Systems

- MDE programs provide support for systems improvement through a comprehensive, collaborative approach. For example, MDE works to improve educators and leader quality by supporting and improving implementation of local educators and principal professional development and evaluation support systems that will benefit all Minnesota students. The state accountability system under the federal Every Student Succeeds Act and state World's Best Workforce legislation measures student performance from pre-K through postsecondary education and provides a comprehensive model of continuous system improvement for all districts.

Guidance, Technical Assistance, and Funding

- Department programs provide supportive leadership to all educational entities by issuing guidance and giving technical assistance to meet the myriad of state and federally legislated requirements. For instance, the technical assistance to districts in the development of their Comprehensive Achievement and Civic Readiness (formerly World's Best Workforce) plans results in a strategy for continuous improvement of school districts through the systemic alignment of legislative requirements in a manner that is streamlined, equitable, and effective for all districts. The department also administers school funding programs, including the calculation and distribution of various funding sources.

M.S. 119A; M.S. 120-129; M.S. 134-135

Education

Agency Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27
<u>Expenditures by Fund</u>								
1000 - General	9,856,556	10,094,351	11,550,805	12,282,447	12,429,992	12,932,042	12,415,125	12,763,547
2000 - Restrict Misc Special Revenue	6,820	6,575	8,776	11,549	13,782	8,102	13,782	8,102
2001 - Other Misc Special Revenue	84,299	93,617	297,741	202,087	72,487	43,437	102,487	43,437
2301 - Arts & Cultural Heritage	2,602	2,793	3,000	2,750				
2403 - Gift	124	137	115	217	126	126	126	126
3000 - Federal	1,972,232	1,661,730	1,431,244	1,441,065	997,283	1,000,054	997,283	1,000,054
3015 - ARP-State Fiscal Recovery	49,599	66,144	402					
3801 - Endowment School	35,327	40,878	50,944	57,957	59,170	59,532	59,170	59,532
6000 - Miscellaneous Agency	1	0	2	6	5	5	5	5
Total	12,007,559	11,966,226	13,343,028	13,998,078	13,572,845	14,043,298	13,587,978	13,874,803
Biennial Change				3,367,321		275,037		121,675
Biennial % Change				14		1		0
Governor's Change from Base								(153,362)
Governor's % Change from Base								(1)

Expenditures by Program

Education Leadership and Support	184,119	248,598	186,274	181,167	131,258	119,993	138,729	122,058
General Education	7,389,486	7,489,154	8,114,214	8,328,601	8,475,743	8,713,379	8,515,513	8,717,798
Other General Education	50,737	58,989	106,694	128,397	111,942	74,198	88,222	19,178
Choice Programs	177,589	188,708	190,627	232,737	222,297	227,163	222,297	227,163
Indian Education	14,875	14,472	19,197	39,004	31,052	32,203	31,052	32,203
Innovation and Accountability	11,696	12,498	12,472	11,964	11,903	11,903	11,903	11,903
Student and Teacher Opportunities	865,238	1,035,707	885,477	1,013,289	493,466	505,934	503,406	437,169
Special Education	1,947,762	2,068,781	2,513,095	2,782,540	2,978,235	3,220,199	2,959,907	3,169,005
Facilities and Technology	139,219	136,070	135,904	177,711	147,526	143,886	147,526	143,886
Nutrition	948,706	426,115	703,712	729,530	751,863	773,525	751,863	773,525
Libraries	22,650	21,520	47,439	50,140	46,894	47,264	46,894	47,264
Early Childhood and Family Support	194,920	201,826	337,168	246,446	93,294	94,263	93,294	94,263
Community Education	3,802	5,089	32,051	16,171	15,669	16,047	15,669	16,047
Self Sufficient and Lifelong Learning	56,760	58,697	58,703	60,381	61,703	63,341	61,703	63,341
Total	12,007,559	11,966,226	13,343,028	13,998,078	13,572,845	14,043,298	13,587,978	13,874,803

Education

Agency Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27
<u>Expenditures by Category</u>								
Compensation	47,595	51,746	58,652	75,976	68,819	65,022	71,949	67,435
Operating Expenses	90,169	99,476	113,651	174,515	84,624	80,486	90,369	81,529
Grants, Aids and Subsidies	11,869,748	11,814,081	13,169,203	13,746,666	13,418,481	13,897,790	13,424,739	13,725,839
Capital Outlay-Real Property		0						
Other Financial Transaction	47	922	1,523	921	921		921	
Total	12,007,559	11,966,226	13,343,028	13,998,078	13,572,845	14,043,298	13,587,978	13,874,803

Total Agency Expenditures	12,007,559	11,966,226	13,343,028	13,998,078	13,572,845	14,043,298	13,587,978	13,874,803
Internal Billing Expenditures	6,366	7,122	6,740	8,053	7,194	7,065	7,194	7,065
Expenditures Less Internal Billing	12,001,193	11,959,103	13,336,288	13,990,025	13,565,651	14,036,233	13,580,784	13,867,738

<u>Full-Time Equivalents</u>	396.76	445.87	451.00	558.78	495.99	468.20	510.09	479.60
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Education

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27
1000 - General								
Entitlement	9,771,818	10,012,515	11,479,127	11,948,012	12,329,299	12,846,580	12,298,722	12,648,526
Levies	3,366,835	3,383,167	3,753,609	3,995,163	4,097,189	4,169,585	4,097,189	4,131,295
District Revenue	13,138,653	13,395,682	15,232,736	15,943,175	16,426,488	17,016,165	16,395,911	16,779,821
Direct Appropriation	10,287,641	10,263,846	12,115,606	12,373,989	12,386,350	12,896,817	12,401,333	12,728,172
Open Appropriation	3,288							
Balance Forward In	3,200	22,747	375	147,131				
Transfers In	1,075	1,519	39,945	1,799	79,566	81,189	80,885	82,495
Transfers Out	82,029	82,334	425,632	240,472	35,924	45,964	67,093	47,120
Cancellations	342,952	111,117	32,359					
Balance Forward Out	13,667	310	147,130					
Expenditures	9,856,556	10,094,351	11,550,805	12,282,447	12,429,992	12,932,042	12,415,125	12,763,547
Biennial Change in Expenditures				3,882,346		1,528,782		1,345,420
Biennial % Change in Expenditures				19		6		6
Governor's Change from Base								(183,362)
Governor's % Change from Base								(1)
Full-Time Equivalents	140.28	151.92	167.69	237.20	205.01	206.01	219.11	217.41

2000 - Restrict Misc Special Revenue

Balance Forward In	4,886	5,986	8,050	7,944	5,668	441	5,668	441
Receipts	7,560	8,160	8,669	9,509	8,555	8,028	8,555	8,028
Internal Billing Receipts	6,366	7,092	6,857	8,053	7,194	6,930	7,194	6,930
Transfers Out				236				
Balance Forward Out	5,626	7,571	7,943	5,668	441	367	441	367
Expenditures	6,820	6,575	8,776	11,549	13,782	8,102	13,782	8,102
Biennial Change in Expenditures				6,930		1,559		1,559
Biennial % Change in Expenditures				52		8		8
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	27.79	32.05	32.41	47.06	44.83	19.89	44.83	19.89

2001 - Other Misc Special Revenue

Balance Forward In	7,164	16,823	20,901	105,319	39,050		39,050	
Receipts	300	368	511	580	483	483	483	483

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Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
Transfers In	77,427	77,459	381,647	242,238	32,954	42,954	62,954	42,954
Transfers Out	18	50		107,000				
Balance Forward Out	575	982	105,318	39,050				
Expenditures	84,299	93,617	297,741	202,087	72,487	43,437	102,487	43,437
Biennial Change in Expenditures				321,912		(383,904)		(353,904)
Biennial % Change in Expenditures				181		(77)		(71)
Governor's Change from Base								30,000
Governor's % Change from Base								26
Full-Time Equivalents	6.38	7.27	11.18	14.79	3.47	4.62	3.47	4.62

2301 - Arts & Cultural Heritage

Balance Forward In	38	110	0					
Direct Appropriation	2,710	2,710	3,000	2,750	0	0	0	0
Cancellations	35	27						
Balance Forward Out	110							
Expenditures	2,602	2,793	3,000	2,750				
Biennial Change in Expenditures				354		(5,750)		(5,750)
Biennial % Change in Expenditures				7		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

2403 - Gift

Balance Forward In	151	167	171	268	80		80	
Receipts	137	104	212	29	46	126	46	126
Balance Forward Out	164	133	268	80				
Expenditures	124	137	115	217	126	126	126	126
Biennial Change in Expenditures				70		(80)		(80)
Biennial % Change in Expenditures				27		(24)		(24)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents		0.02						

2820 - Maximum Effort School Loan

Education

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
Balance Forward In	42	28	27	25	26	26	26	26
Transfers Out	42	28	27	25	26	26	26	26
Net Loan Activity	28	27	25	26	26	26	26	26
Balance Forward Out	28	27	25	26	26	26	26	26

3000 - Federal

Balance Forward In	3	3		172				
Receipts	1,972,229	1,661,732	1,431,417	1,440,893	997,283	1,000,054	997,283	1,000,054
Transfers Out	0							
Balance Forward Out	0	5	173					
Expenditures	1,972,232	1,661,730	1,431,244	1,441,065	997,283	1,000,054	997,283	1,000,054
Biennial Change in Expenditures				(761,653)		(874,972)		(874,972)
Biennial % Change in Expenditures				(21)		(30)		(30)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	220.74	252.38	239.72	259.73	242.68	237.68	242.68	237.68

3015 - ARP-State Fiscal Recovery

Balance Forward In	57,917	66,142						
Direct Appropriation	48,981	1,600	420					
Cancellations		1,597	18					
Balance Forward Out	57,300							
Expenditures	49,599	66,144	402					
Biennial Change in Expenditures				(115,341)		(402)		(402)
Biennial % Change in Expenditures				(100)				
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	1.57	2.23						

3801 - Endowment School

Transfers In	35,327	40,878	50,944	57,957	59,170	59,532	59,170	59,532
Expenditures	35,327	40,878	50,944	57,957	59,170	59,532	59,170	59,532
Biennial Change in Expenditures				32,696		9,801		9,801

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Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
Biennial % Change in Expenditures				43		9		9
Governor's Change from Base								0
Governor's % Change from Base								0

6000 - Miscellaneous Agency

Balance Forward In	1	1	1	1				
Receipts	1	0	2	5	5	5	5	5
Balance Forward Out	1	1	1					
Expenditures	1	0	2	6	5	5	5	5
Biennial Change in Expenditures				7		2		2
Biennial % Change in Expenditures				612		28		28
Governor's Change from Base								0
Governor's % Change from Base								0

Education

Agency Change Summary

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Direct				
Fund: 1000 - General				
FY2025 Appropriations	12,348,179	12,348,179	12,348,179	24,696,358
Base Adjustments				
All Other One-Time Appropriations		(13,059)	(13,059)	(26,118)
Current Law Base Change		197,859	670,391	868,250
Allocated Reduction	(200)	(200)	(200)	(400)
Programs and Services Moving to DCYF		(227,800)	(229,450)	(457,250)
Minnesota Paid Leave Allocation		45	45	90
November Forecast Adjustment	26,010	81,326	120,911	202,237
Forecast Base	12,373,989	12,386,350	12,896,817	25,283,167
Change Items				
Fraud Detection and Prevention		550	550	1,100
Compensatory Revenue Modification		39,864	4,419	44,283
Additional Unemployment Insurance Aid for Hourly Workers		28,989	(19,883)	9,106
Transfer Collaborative Urban and Greater Minnesota Educators of Color Grant		5,440	5,440	10,880
Transfer Teacher Mentorship and Retention Grants to Minnesota Department of Education		4,500	4,500	9,000
Repurpose Summer Food Service Program				
Legal Services Costs		6,000		6,000
Operating Adjustment		677	1,365	2,042
Reduce Special Education Transportation Reimbursement		(17,317)	(31,311)	(48,628)
Eliminate Alternative Teacher Compensation Revenue			(78,705)	(78,705)
Eliminate Nonpublic Pupil Education Aid		(25,845)	(26,677)	(52,522)
Eliminate Nonpublic Pupil Transportation Aid		(27,875)	(28,343)	(56,218)
Total Governor's Recommendations	12,373,989	12,401,333	12,728,172	25,129,505
Fund: 2301 - Arts & Cultural Heritage				
FY2025 Appropriations	2,750	2,750	2,750	5,500
Base Adjustments				
Current Law Base Change		(2,750)	(2,750)	(5,500)
Forecast Base	2,750			
Total Governor's Recommendations	2,750			
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Planned Spending	11,549	13,782	8,102	21,884
Forecast Base	11,549	13,782	8,102	21,884
Total Governor's Recommendations	11,549	13,782	8,102	21,884

Education

Agency Change Summary

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Fund: 2001 - Other Misc Special Revenue				
Planned Spending	202,087	72,487	43,437	115,924
Forecast Base	202,087	72,487	43,437	115,924
Change Items				
Additional Unemployment Insurance Aid for Hourly Workers		30,000		30,000
Total Governor's Recommendations	202,087	102,487	43,437	145,924
Fund: 2403 - Gift				
Planned Spending	217	126	126	252
Forecast Base	217	126	126	252
Total Governor's Recommendations	217	126	126	252
Fund: 3000 - Federal				
Planned Spending	1,441,065	997,283	1,000,054	1,997,337
Forecast Base	1,441,065	997,283	1,000,054	1,997,337
Total Governor's Recommendations	1,441,065	997,283	1,000,054	1,997,337
Fund: 6000 - Miscellaneous Agency				
Planned Spending	6	5	5	10
Forecast Base	6	5	5	10
Total Governor's Recommendations	6	5	5	10
Revenue Change Summary				
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Forecast Revenues	9,509	8,555	8,028	16,583
Total Governor's Recommendations	9,509	8,555	8,028	16,583
Fund: 2001 - Other Misc Special Revenue				
Forecast Revenues	580	483	483	966
Total Governor's Recommendations	580	483	483	966
Fund: 2403 - Gift				
Forecast Revenues	29	46	126	172
Total Governor's Recommendations	29	46	126	172
Fund: 3000 - Federal				
Forecast Revenues	1,440,893	997,283	1,000,054	1,997,337
Total Governor's Recommendations	1,440,893	997,283	1,000,054	1,997,337

Education

Agency Change Summary

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Fund: 6000 - Miscellaneous Agency				
Forecast Revenues	5	5	5	10
Total Governor's Recommendations	5	5	5	10
 <i>Non-Dedicated</i>				
Fund: 1000 - General				
Forecast Revenues	1,043	1,043	1,043	2,086
Total Governor's Recommendations	1,043	1,043	1,043	2,086