

AMSD Calendar

JANUARY 5, 2007

Executive/Legislative
Committee Meeting,
7 a.m.

TIES Conference Center
Classroom A, St. Paul

JANUARY 5, 2007

Legislative Preview
Session, 8 to 10 a.m.

TIES Conference Center
Grand Hall, St. Paul

Metropolitan area legislators have been invited to a legislative preview presentation by AMSD. Topics will include AMSD's 2007 legislative priorities, results of our recently updated tax effort study and other issues impacting metropolitan school districts.

JANUARY 18, 2007

Board of Directors
Meeting, 7 a.m.

TIES Building, St. Paul

AMSD's Mission

To advocate for state education policy that enables metropolitan school districts to improve student learning.



Association of
Metropolitan School Districts

Bridging the Gap program turns students into teachers



Roseville High School's Bridging the Gap program pairs eleventh grade teacher mentors with ninth graders who desire tutoring in math and science.

The school buses are lined up in front of Roseville Area High School, but not every student is leaving for home. Twenty-four eleventh grade students are starting their "second shift" as teacher mentors for ninth grade students struggling in the areas of science and math. Roseville's "Bridging the Gap" student mentor and support program is an innovative way to allow older students to help ninth graders catch up to their fellow students in core courses.

Twice a week, eleventh grade teacher mentors and their charges meet after school for an hour and fifteen minutes to develop the skills necessary to find academic success. Funding for this student-centered teaching and learning opportunity is provided through a Minnesota Department of Education STEM grant.

Jerry Etesse, the principal overseeing the program, has been a long-time champion of building a bridge for students struggling in all areas, but especially in the core disciplines of math and science. During the summer of 2006, phase one of the STEM grant centered on making Roseville students and their families feel comfortable

(Continued on page 3)

From the Chair

As legislators convene this month, our advocacy efforts are as important as ever. The state's projected surplus for the 2008-09 biennium has created a heightened level of excitement among a number of groups looking for increased funding. In reality, simply accounting for inflation will virtually eliminate the entire "surplus." In addition, the revenue forecast shows that there will be about \$1 billion surplus at the end of FY 2007. However, it is difficult to call this a surplus when the state is not meeting its obligation to fund special education due to caps on special education appropriations. In fact, it is projected that school districts will receive only about 79 percent of expected funding based on state special education formulas. You and I can't decide to pay only 79 percent of our taxes or just 79 percent of our electric bill. Likewise, the State should be accountable for paying for 100 percent of its special education commitment. (For more on the revenue forecast, see Page 2.)

(Continued on page 3)

Excitement about state surplus is misguided

Department of Finance projections don't account for inflation

At first blush, the November state budget forecast appears to present a combined \$2.17 billion surplus for the 2006-2007 and 2008-2009 biennia. While it certainly is a relief to be talking about black ink as opposed to red ink, a more in depth analysis shows that the picture is not nearly as bright as the headlines lead us to believe.

Current Biennium: Fiscal Years 2006-2007

The anticipated surplus for the current biennium, which will end June 30, 2007, is \$1.04 billion. Just over 10% of the projected surplus is a result of reductions in state spending, and the remaining portion is attributable to a fund balance left after the 2006 legislative session and higher-than-projected tax receipts. In particular, corporate income tax receipts are \$330 million (or 18%) higher than anticipated, while individual income taxes are \$503 million (or 3.7%) over projections for the current biennium. It is important to note that the surplus for the current biennium does not represent on-going available funding. Rather, these funds are largely available on a one-time basis.

Coming Biennium: Fiscal Years 2008-2009

The protocol used by the Department of Finance is to project surpluses or deficits assuming growth in state revenues, but no inflation in state spending. This method may be better suited to rhetorical purposes than planning for capital or programmatic investments. The impact of

this practice can be observed using Department of Finance figures for the next biennium.

As the chart below shows, accounting for inflation in the 2008-09 biennium reduces the projected \$1 billion surplus to just \$32 million. The Department of Finance is projecting inflation to run 2.1 percent in FY 2008 and 1.8 percent in FY 2009. Using even these modest projections for inflation, the projected budget surplus is virtually eliminated.

What Does the Current Year's Surplus Mean for Public Education?

The first prospective answer is that with a surplus exceeding a threshold of one-half of one percent of general fund revenues (and it appears this surplus will meet that test), the Governor is required by law to submit a plan for tax rebates for the surplus. The law does not require the rebate – but does mandate that the Governor prepare such a plan for consideration by the Legislature.

When is a surplus not really a surplus?

According to the Department of Education, the state would need to spend an additional \$138.2 million in FY 07 to fully fund its own special education funding formula. School districts are receiving only about 79 percent of what they should receive under the state special education funding formula. And that is just the tip of the iceberg. The Department of Education further shows that in FY 2007, Minnesota school districts will reallocate \$518

million in funds meant for regular instruction to comply with federal and state special education mandates. Should state policymakers be talking about rebates when the State is not meeting its current funding obligations?

As previously discussed, the surplus for the 2008-09 biennium is not really a surplus at all after accounting for inflation. While the sound of \$2.17 billion is attractive, the reality is that this legislative session will continue to offer challenges for state policymakers and advocates of public education.

(figures in millions)	FY2008	FY2009
Revenues	\$16,427	\$17,091
Spending	\$16,083	\$16,413
Surplus (Without Inflation)	\$344	\$678
Dept. of Finance Inflation Projection	2.1%	1.8%
Less: Impact of Inflation	\$340	\$650
Inflation-Adjusted Surplus	\$4	\$28

View the entire budget forecast at
<http://www.finance.state.mn.us/ffeu/forecasts/2006nov/2006nov.pdf>

Students report that program has "significant impact"

(Continued from Page 1)

with the program's desired outcomes, expectations and the new learning environment. Phase two began this fall with the training of the teacher mentors.

"The teacher mentors have added a dual dimension to our bridging program," Etesse said. "I am very pleased and proud of the positive results achieved in this model."

One of the positive outcomes is that the teacher mentors report they are more engaged in school. One teacher mentor said, "I have a passion for school. Since becoming a tutor I look forward to going to school." Another teacher mentor reported, "It makes me feel good that I can help others, and that they are successful. I also have a much deeper appreciation for all teachers. They are doing great things for kids." Teacher mentors will receive service-learning credit for completing the required peer tutoring training and for supporting, encouraging, and mentoring the ninth grade students.

As for the mentees, they are seeing the positive results. On a recent evaluation, a majority of the students reported that the Bridging classes have had "significant impact" on their learning. The major challenge for the program is to have all identified students and their families participate in the program. Currently, less than half the qualifying ninth graders are participating. Principal Etesse is confident that more students and families will take advantage of the Bridging program during the second trimester once students hear about its success.

The STEM grant is part of a Minnesota State Department of Education program designed to as-

sist struggling students in the gateway courses of mathematics and science. Plans are already being made to continue this program in Roseville schools next

year even if grant funding is unavailable. The academic success of the students involved has proven that high expectations, family and staff involvement, along with student teaching mentors supporting engaged student learners, helps ensure Roseville students will be successful in Bridging the Gap.

For more information on the Bridging program, please contact Jerry Etesse at 651-604-3554 or gerald.ettesse@isd623.org.

This month's member spotlight was submitted by Roseville Area Schools Director of Community Relations and Technology Sally Latimer and Executive Assistant to the Superintendent Merrie Zakaras.

"It makes me feel good that I can help others, and that they are successful. I also have a much deeper appreciation for all teachers. They are doing great things for kids."

"I have a passion for school. Since becoming a tutor I look forward to going to school."



From the Chair: Revenue forecast doesn't equate to more money for schools

(Continued from Page 1)

We have a lot of hard work ahead of us this session. Nobody should be lulled into a false sense of security based on the revenue forecast. It is imperative that we remind legislators of their campaign promises and make

them aware of the investments needed to ensure that our students are prepared to succeed in today's global economy.

Jane Eckert, school board member from St. Anthony/New Brighton, is chair of the Association of Metropolitan School Districts.

AMSD Members: Bloomington, Brooklyn Center, Burnsville, Chaska, East Metro Integration District 6067, Eden Prairie, Edina, Elk River, Fridley, Hopkins, Intermediate District 287, Inver Grove Heights, Mahtomedi, Minneapolis, MSU Mankato Center for Engaged Leadership (Associate Member), Minnetonka, Mounds View, North St. Paul/Maplewood/Oakdale, Orono, Richfield, Robbinsdale, Roseville, Shakopee, South St. Paul, Spring Lake Park, St. Anthony/New Brighton, St. Louis Park, St. Paul, Wayzata, West Metro Education Program, and West St. Paul