



# MDE Administrative Funding

House Education Finance Committee

February 13, 2025

# Ten Minnesota Commitments to Equity

1. **Prioritize equity.**
2. **Start from within.**
3. **Measure what matters.**
4. **Go local.**
5. **Follow the money.**
6. **Start early.**
7. **Monitor implementation of standards.**
8. **Value people.**
9. **Improve conditions for learning.**
10. **Give students options.**



# Federal Administrative Funding

Federal funds directly support priority MDE programs benefiting Minnesota's students and educators.

- MDE spends about 15% of its federal budget on employee compensation and other agency operating costs. The remainder is spent on aids and grants.
- Accounting conventions greatly affect how federal administrative spending is reported between payroll and nonpayroll.

# State Operating and Administrative Funding

- MDE is appropriated various operating budgets as well as administrative carveouts for grants and other programs.
- The governor's operating adjustment recommendation will allow MDE to continue providing high quality services despite rising costs for payroll and other purchases.
- MDE is focused on good governance, efficiency, and supporting programs providing the greatest benefit to students and educators.

# Special Administrative Funding

MDE utilizes special revenue funds for its more unique funding sources.

- MDE is reimbursed by the federal government for many of its indirect costs supporting federal programs, such as finance staff, human resources, and IT services.
- MDE receives competitive awards and gifts from external partners to support the agency's priorities.
- MDE partners with other state agencies through interagency agreements.