HOUSE RESEARCH

Bill Summary

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Subject: Requiring 70 percent of School Expenditures to be Spent on Direct Classroom Instruction

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Overview

Minnesota's school districts are required to use an accounting system called UFARS. This system allows expenditures to be grouped by program, object and fund. Each year, the Minnesota Department of Education prepares a summary report called School District Profiles which shows school spending by major program category of expenditure. Direct instructional expenditures for elementary and secondary classroom instruction include regular, vocational, and special education and include salaries and fringe benefits of teachers, classroom aides, and expenditures for classroom supplies and textbooks. The bill requires a school district to devote at least 70 percent of its general fund spending on direct classroom instruction.

1   **Direct classroom expenditures.** Requires school districts to spend at least 70 percent of their general fund on direct classroom instruction. Defines direct instructional expenditures for elementary and secondary classroom instruction to include regular, vocational, and special education, excluding spending on extra curricular activities. Defines total general fund spending as the general fund less transportation and capital spending. Requires a district that is spending less than 70 percent of its general fund on direct classroom instruction to submit a plan to the commissioner describing the district's proposed activities to improve its spending percentage. Creates a process for districts to get a waiver from the commissioner. Exempts districts that are in statutory operating debt from this requirement.