

HOUSE RESEARCH

Bill Summary

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Authors: Garofalo and others

Subject: Community Education Revenue; Fund Balances Penalty Repealed

Analyst: Tim Strom

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Overview

Community education programs are intended to maximize the community's use of public schools and to expand the involvement of community members who have skills and knowledge to share. A district establishing a community education program must provide for a citizens' advisory council to advise the school administration on how best to use school facilities and community resources. Fees may be charged for community education programs. Revenue for community education programs is kept in the community service fund (an operating fund separate from the district's general fund).

The community education revenue program, early childhood family education (ECFE) program, and school readiness program are the three largest community education programs and each is subject to a limitation on fund balances. The 2001 Legislature placed a separate limit on the amount of reserves in each of these three programs. The average revenue in each reserve account over the prior three years is limited to 25 percent of the district's revenue for the program for the prior year. A district's program revenue for these three programs will be reduced by any amount in excess of an average of 25 percent of the district's revenue for the prior three years. Districts anticipating a reserve account in excess of this limit due to extenuating circumstances may obtain prior written approval from the Department of Education to exceed the limit. This bill repeals the fund balance penalties for the community education, ECFE, and school readiness programs.

- 1 Repealer.** Repeals the fund balance penalties for the community education, early childhood, and school readiness programs.