

### Who represents Columbia Heights Public Schools at the State Capital?

Columbia Heights Public Schools is represented by Senator Carolyn Laine (651-296-4334), Representative Connie Bernardy (651-296-5510) and Representative Mary Kunesh-Podein (651-296-4331).

### How do I contact other members of the Legislature or Legislature education committees?

House of Representatives: [www.house.leg.state.mn.us/members/hmem.asp](http://www.house.leg.state.mn.us/members/hmem.asp)  
Senate: [www.senate.mn/members/index.php?ls=%20-%20header](http://www.senate.mn/members/index.php?ls=%20-%20header)

## ADVOCATING

### What can the CHPS community do to request state elected officials to pass legislation that eliminates the Special Education Cross-Subsidy?

The first suggestion is to become educated on this issue. It is extremely important to know the facts as they apply to the Columbia Heights Public School District. With these facts, communicate positively with state legislators and the executive branch, requesting their support for enacting Special Education Cross-Subsidy legislation that supports CHPS.

### What is the best way to request support of this issue to the applicable District representatives or senator?

There perhaps is no one "best way," but by positively communicating, individually and collectively, in writing, by email, by phone or in person with your legislator(s) can make an impact. Urge your state legislators to pass legislation in the current session to fully fund Special Education that meets the letter of the law.

### Is CHPS the only school district asking state legislators to take action on the Special Education Cross-Subsidy?

Public school districts are aligning with the Minnesota Associations of School Boards, the Association of Metropolitan School Districts, Minnesota Association of School Administrators and Minnesota Association of School Business Officers, all of which have made Special Education Cross-Subsidy a priority in their 2017 Legislative Platforms, to ask state elected officials to pass legislation on Special Education Cross-Subsidy this session.

### If I would like to know more about this who do I communicate with in CHPS?

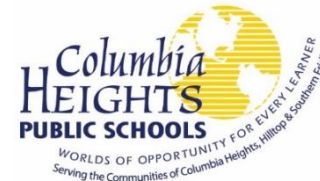
Director of Finance and Operations Bill Holmgren (763-528-4411 or [holmgreb@colheights.k12.mn.us](mailto:holmgreb@colheights.k12.mn.us)) or Interim Director of Student Services Dr. Laura McLuen (763-528-4429 or [mcluenl@colheights.k12.mn.us](mailto:mcluenl@colheights.k12.mn.us))

## OUR MISSION

Columbia Heights Public Schools **create worlds of opportunity for every learner** in partnership with supportive small-town communities by challenging all to discover their talents, unleash their potential and develop tools for lifelong success.

"...Create a plan to fully fund the Special Education cross-subsidy by 2025 by reducing the cross-subsidy by 25% each biennium."

Minnesota Association of School Administrators  
2017 Legislative Platform



## Fact Sheet

# Special Education Cross-Subsidy Frequently Asked Questions

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## BACKGROUND

### What is a Special Education Cross-Subsidy?

The Special Education Cross-Subsidy measures the difference between Special Education expenditures and corresponding revenues. These required costs, incurred by every public school district in Minnesota, are for the high level of services mandated by the state for Special Education students. Put more simply, it is money from the District's General Fund Budget that is needed to cover the partially unfunded mandate for Special Education.

### Why is there a Special Education Cross-Subsidy?

This is a result of federal and state legal mandates, inadequately funded by state and federal government, and the high level of services needed by and delivered for Special Education students.

### How is the Federal Government involved?

In 1975, the Federal Government enacted Special Education legislation, while authorizing funding only up to 40 percent of the national average per Special Education student. During the past 42 years the Federal Government has never funded this mandate by more than 17 percent (the most Columbia Heights Public Schools has received is 15 percent).

### How is the State of Minnesota involved?

Where the federal mandate directs services for children with disabilities from 3- to 21-years-of-age, the State of Minnesota mandates Special Education services be made available beginning at birth through age 21. The state has not been responsible for funding the gap between the minimal federal funding and a school district's expenditures.

"...The largest underfunded mandate for Minnesota schools is Special Education. This persistent underfunding requires local school districts to use general fund revenue to meet requirements...Special Education costs continue to place burdens on our school districts by having them look to the general fund or local levies to fund this deficit."

Minnesota School Board Association 2017 Legislative Platform

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## What is the history of Cross-Subsidy in CHPS?

Columbia Heights Public Schools has had a cross-subsidy for several decades. The 2015 amount is \$4,812,505.22, primarily due to increased Special Education enrollment and the failure of the federal and state governments to fully fund their mandates.

## Is Columbia Heights Public Schools the only district to have a Cross-Subsidy ?

No, most every public school district in Minnesota faces the same budgetary challenge.

## FUNDING

### What is the difference between a “Gross Cross-Subsidy” and “Net Cross-Subsidy”?

The “Gross Cross-Subsidy” is the difference between total Special Education expenditures (costs) and categorical Special Education revenues (expenses). The “Adjusted Net Cross-Subsidy” equals the Gross Cross-Subsidy minus the amount of general education revenue attributable to Special Education students.

### What is the most current Gross Cross-Subsidy for Columbia Heights Public Schools?

The most current Gross Cross-Subsidy is \$4,812,505 or approximately 10 percent of the General Fund Budget. This is equivalent to 74 full-time equivalent positions (staff) or approximately the cost to build the 2014 Valley View Elementary School educational wing.

### How does CHPS compare to neighboring districts in Special Education enrollment?

Columbia Heights Public Schools has one of the highest enrollments (19 percent) of Special Education students in Minnesota, while most districts have significantly fewer Special Education students. Because of the larger percentage of higher-need students, this District must invest more resources (teachers, staff, etc.).

### What are the neighboring districts and what is the approximate amount of their Special Education Cross-Subsidies per student?

Columbia Heights Public Schools: \$1,095.57

Fridley Public Schools: \$821.57 (\$274 less per student than CHPS)

Spring Lake Park Public Schools: \$649.91 (\$445.77 less per student than CHPS)

St. Anthony Public Schools: \$624 (\$471.57 less than CHPS)

### What is the state (Minnesota) average of Special Education Cross-Subsidies per student?

For 2015, the state average was \$874 (\$221.57 less than CHPS)

### What does this Cross-Subsidy mean to the District's budget?

In its simplest explanation, more than \$4.8 million that could and should be invested in districtwide classrooms improving education for all students. This is equal to 74 full-time equivalent positions (staff).

“Fully Fund Special Education Mandates...Increasing Special Education funding will have an equal and reciprocal impact on regular program resources, freeing up money for regular program needs.”

Minnesota Association of School Business Officers 2017 Legislative Platform

## At what point in the fiscal year does the District receive the federal funding?

The District is informed of the federal funding up to a year after the budget is approved. This causes significant issues in that the District does not know how much the Federal Government will fund until well into the Fiscal Year.

## Since 2011, how many millions of dollars has Columbia Heights Public Schools moved from its General Fund Budget to cover the Special Education Cross-Subsidy?

More than \$22 million.

## IMPACT ON COLUMBIA HEIGHTS PUBLIC SCHOOLS

### How many Special Education students are currently enrolled in CHPS?

There are currently 613 Special Education students, or 19.1 percent of the overall enrollment.

### Is Special Education enrollment growing in CHPS?

Yes, Special Education enrollment is rising at an average of 2.6 percent annually.

### Are there programs or positions that are being affected, reduced or eliminated because of the Special Education Cross-Subsidy?

Yes, each year the District must achieve a balanced budget. Because revenue (funds coming in) is not keeping pace with expenditures (costs). This results in reductions or efficiencies in programs and staff.

### How are CHPS students affected by this cross-subsidy?

Funds that are diverted from the District’s General Fund Budget to pay for the Special Education Cross-Subsidy could, and should, be invested in general classrooms throughout the District. These funds could, and should, continue to be used to maintain programs and positions. The funds could, and should, be further invested in creating worlds of opportunity for *every learner* in Columbia Heights Public Schools.

## LEGISLATURE

### Isn’t the State of Minnesota Constitutionally required to fund public education?

Yes, Article XIII, Section 1 of the Minnesota State Constitution reads “The legislature shall make such provisions by taxation or otherwise as will secure a thorough and efficient system of public schools throughout the state.”

### If additional funding is made available through the legislature to school districts, how quickly would funding come to the District's budget?

Any decisions would be determined by the legislature and executive branches. If funds became available, the absolute earliest would most likely be the upcoming fiscal year (July 1, 2017 through June 30, 2018).

“...The Governor and Legislature should... Increase Special Education funding to reduce the State share of the Special Education funding shortfall by 25 percent...”

Association of Metropolitan School Districts 2017 Legislative Platform