



December 1, 2023

Matthew Reiber, Policy Advisor
Office of the Governor
Idaho State Capitol
Boise, Idaho

Dear Mr. Reiber,

The Idaho Department of Education submits the enclosed report to the Governor pursuant to Idaho Code 67-1506. This report provides the amount of current fiscal year support to public schools, as well as funding and policies recommended through the Fiscal Year 2025 budget request.

Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Gideon Tolman".

Gideon Tolman
Chief Financial Officer

Cc: Matt Freeman, Executive Director
Office of the State Board of Education



Financial Report on Schools (Idaho Code 67-1506)

The Fiscal Year (FY) 2025 Public Schools budget request submitted September 1, 2023 is a 2.9% or \$77.6 million General Fund increase. The total requested funding is \$2.8 billion from the General Fund, \$153.5 million in dedicated fund spending authority, and \$440.1 million in federal fund spending authority, for a grand total of \$3.4 billion as shown below.

The request modernizes public school funding, continues long-term investments like the career ladder and employee health insurance, and provides spending authority for remaining federal COVID funding. It also distributes funding that was appropriated in FY 2024 but is inaccessible due to the change from enrollment-based to seat-time based funding.

MODERNIZING FUNDING

- Moves funding from six appropriation units to three: Staffing and Operations, Student Achievement and Accountability, and Weighted Per Student Funding for simplicity and transparency. The Idaho Digital Learning Academy is also moved into a separate appropriation unit, consistent with the Idaho Educational Services for the Deaf and the Blind.
- Establishes a weighted per-student funding model to provide a base amount of funding per student plus additional weights for special education and economically disadvantaged students.
- Provides outcomes-based funding for schools achieving outcomes such as proficiency or growth toward proficiency in the areas of reading, math, and graduation rates.
- Reduces transportation funding complexity and addresses rising fuel costs.
- Provides teacher recruitment incentives to attract and retain teaching professionals to the state, particularly to rural areas.
- Moves programs and funding from Central Services and Advanced Opportunities to a new budget with SDE oversight. This change allows the Public Schools budget to reflect funding that is distributed to schools rather than including programs administered by the state.
- Raises the Public Education Stabilization Fund (PESF) cap from 8.334% to 15% to allow more funding to remain in PESF rather than being transferred to other funds and better position the state to weather economic downturns.

DISTRIBUTING APPROPRIATED BUT INACCESSIBLE FUNDING

The FY 2024 supplemental request distributes funding that was appropriated but has remained inaccessible to schools due to the shift from enrollment-based to seat-time based funding. The funding is requested to be distributed through discretionary funding.

FY 2025 Request PUBLIC SCHOOLS SUPPORT PROGRAM		FY 2024 Original Appropriation	FY 2025 Request	Change from Original Approp to Request
FUND SOURCES				
General Fund		\$2,698,842,500	\$2,776,441,600	\$77,599,100
Dedicated Funds		\$126,498,300	\$153,458,500	\$26,960,200
Federal Funds		\$557,501,200	\$440,107,700	(\$117,393,500)
TOTAL APPROPRIATION		\$3,382,842,000	\$3,370,007,800	(\$12,834,200)
<i>General Fund Percent Change:</i>				2.9%
<i>Total Funds Percent Change:</i>				-0.4%
DISTRIBUTIONS		\$236,297,302	\$245,011,274	
Statutory Requirements				
1	Transportation	\$100,267,700	\$122,149,800	\$21,882,100
2	Border Contracts	\$2,462,700	\$2,462,700	\$0
3	Exceptional Contracts/Tuition Equivalents	\$6,448,100	\$6,448,100	\$0
4	Salary-Based Apportionment	\$346,865,100	\$350,257,400	\$3,392,300
5	State Paid Employee Benefits	\$65,858,800	\$66,521,500	\$662,700
6	Health Insurance	\$368,246,900	\$373,008,000	\$4,761,100
7	Career Ladder Salaries	\$1,062,669,700	\$1,068,340,600	\$5,670,900
8	Career Ladder Benefits	\$235,086,400	\$225,740,400	(\$9,346,000)
9	Bond Levy Equalization	\$23,781,400	\$39,781,800	\$16,000,400
10	Idaho Digital Learning Academy	\$19,719,900	\$22,649,500	\$2,929,600
11	Idaho Safe & Drug-Free Schools*	\$4,324,900	\$0	(\$4,324,900)
12	Math and Science Requirement*	\$7,358,700	\$0	(\$7,358,700)
13	Advanced Opportunities	\$27,000,000	\$0	(\$27,000,000)
14	National Board Teacher Certification	\$40,000	\$40,000	\$0
15	Facilities (Lottery & Interest Earned)	\$29,625,000	\$32,625,000	\$3,000,000
16	Facilities State Match (GF)	\$1,274,300	\$1,175,300	(\$99,000)
17	Facilities - Charter School Funding	\$13,204,900	\$11,403,400	(\$1,801,500)
18	Board Training	\$652,000	\$652,000	\$0
19	Literacy Proficiency/Interventions Based on IRI	\$72,812,000	\$72,812,000	\$0
20	Academic & College/Career Advisors and Mentors*	\$9,000,000	\$0	(\$9,000,000)
21	Student Teacher Pay	\$0	\$3,000,000	\$3,000,000
22	Outcomes-Based Funding	\$0	\$40,000,000	\$40,000,000
23	Weighted Per Student Funding	\$329,203,100	\$435,671,300	\$106,468,200
Sub-Total -- Statutory Requirements		\$2,725,901,600	\$2,874,738,800	\$148,837,200
Other Program Distributions				
24	Program Support (Math Initiative, LEP, Learning Loss)*	\$7,279,100	\$0	(\$7,279,100)
25	Technology (Classroom, WiFi, LMS)	\$36,500,000	\$36,500,000	\$0
26	Student Achievement Assessments	\$2,258,500	\$0	(\$2,258,500)
27	Professional Development*	\$18,250,000	\$2,900,000	(\$15,350,000)
28	Content and Curriculum*	\$11,335,000	\$0	(\$11,335,000)
29	Special Education - Onetime Funding (MFS)	\$8,546,000	\$0	(\$8,546,000)
30	Teacher of the Year Stipend	\$1,200	\$0	(\$1,200)
31	Bureau of Services for the Deaf & Blind (Campus)	\$9,261,800	\$9,591,000	\$329,200
32	Bureau of Services for the Deaf & Blind (Outreach)	\$6,007,600	\$6,170,300	\$162,700
33	Federal Funds for School Districts (Excluding IESDB)	\$251,147,800	\$251,147,800	\$0
34	COVID-19 Relief Funds	\$306,353,400	\$188,959,900	(\$117,393,500)
Sub-Total -- Other Program Distributions		\$656,940,400	\$495,269,000	(\$161,671,400)
TOTAL DISTRIBUTIONS		\$3,382,842,000	\$3,370,007,800	(\$12,834,200)
*moved into per weighted per student funding (line 23)				

Debbie Critchfield, Superintendent of Public Instruction

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