

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON EDUCATION & CULTURAL RESOURCES

Call to Order: By Chairman Peck, on January 11, 1991 at 8:00 a.m.

ROLL CALL

Members Present:

Rep. Ray Peck, Chair (D)
Sen. Greg Jergeson, Vice Chair (D)
Sen. Don Bianchi (D)
Rep. Larry Grinde (R)
Sen. H.W. Hammond (R)
Rep. Mike Kadas (D)

Staff Present: Pam Joehler (LFA) and Skip Culver (LFA) and
Melissa Boyles (Secretary)

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Announcements/Discussion: Chairman Peck reviewed with the subcommittee the conversation he had with Commissioner Hutchinson, and explained what he has asked of them in terms of the University system. REP PECK has asked them when they come in to make their presentation on the University system to explain to the Subcommittee how budgets are broken down on the individual campus.

Chairman Peck stated that the University System has frequently asked the subcommittee about guaranteeing a budget if they discontinue a program and it affects their FTE. Chairman Peck has asked them to present a specific proposal of how they would do that and how the subcommittee could track it. The commissioner has agreed to all of these.

Chairman Peck stated there are a lot of claims that the University Faculty Members are doing a lot of research. Chairman Peck has asked them to pull together a listing of research that is done and published.

Chairman Peck stated that he and SEN. JERGESON agree that it would make sense to go to the commissioners office for information requests. The Commissioner does not want us working directly with individual units. The Commissioner would like to be recognized as the office that is in charge

of things.

OPI DISTRIBUTION TO PUBLIC SCHOOLS PROGRAM

Tape No: 1

69a

Nancy Keenan, OPI, distributed and reviewed a handout on School Foundation Program. **EXHIBIT 1**

Ms. Keenan stated that she has included in her budget request to the Governor inflationary increases for the New Foundation Program under House Bill 28. The New Foundation Program is the ANB, Special Education, Guaranteed tax base, Guaranteed Tax Base Retirement and gifted and talented. **Ms. Keenan** stated that she would like to see the New Foundation Program be included in the General appropriations at current level, which the Governor and the LFA agree on.

Ms. Keenan stated that OPI has requested an inflationary cost of 4.5% for the first year and 4.8% the second year for inflation. **Ms. Keenan** stated that an inflationary increase does not provide new programs or expansion of services; it keeps things at the current level they are at right now.

158

REP. KADAS asked what the cost is for guaranteed tax base? **Greg Groepper** stated that at 0 and 0 guaranteed tax base is predicted to be \$30.766 million and GTB retirement is predicted to be \$13.618 million for 1992. For 1993 guaranteed tax base is predicted to be \$30.892 million and GTB retirement is predicted to be \$14.912 million.

REP. KADAS asked what the usage of guaranteed tax base would be by both districts? **Mr. Groepper** stated that the districts will utilize the whole 35% of their budget. **Mr. Groepper** stated that he did not have the dollar figure at this time. **REP. KADAS** stated that he feels the dollar amount is important and would like to know what it is. **Mr. Groepper** stated that he would get that figure to the committee.

197

Chairman Peck asked what number of the districts did not go to the 135% this year? **Mr. Groepper** stated that there were 106 districts that didn't go to 135% of those 35-40 were close to the 135%.

Eric Feaver, Montana Education Association, stated that he feels inflation will be closer to 6 or 7% in the next biennium rather than the 4.6% stated by **Ms. Keenan**. **Mr. Feaver** stated that the MEA is in favor of more than the Superintendent's recommendation.

236

Jesse Long, Executive Director School Administrators of Montana,

stated on behalf of **Bruce Mere** and the **School Board Association** that the **S.B.A.** passed a resolution within their delegate assembly and their general membership asking that the **Foundation Program** be increased by 8 and 8%.

Mr. Long stated that the **S.A.M.** did not pass a resolution in a particular amount. The consensus of the **Executive Board** is to support the inflationary increases.

REP. KADAS asked how well the **Guaranteed Tax Base** is working? **Ms. Keenan** stated that **G.T.B.** has helped those districts that needed extra influx of money. **Ms. Keenan** feels that **G.T.B.** has started the process of equalization.

295

SEN. JERGESON stated that he asked **Mr. Seacat**, **Legislative Auditor**, to run him a spread sheet showing which school districts were net recipients of the **Foundation Program** and which were net exporters to the state equalization. **Mr. Seacat** is trying to put this information together but has found that there are differences between the **OPI** data and the **Department of Revenue** as to the tax base.

SEN. JERGESON asked **Ms. Keenan** if she had been working on that? **Ms. Keenan** stated that they have been working on it and that **OPI** has requested that the **Office of Budget and Program Planning** and the **Department of Revenue** under that executive branch and the **OPI** office all agree on a common core base of data. **Ms. Keenan** stated that she has also requested the **legislative auditor** to audit **OPI's** numbers. The **Legislative Auditor** has agreed to this and is at **OPI** this week.

Chairman Peck stated that he spoke to the **Department of Revenue** and asked them to give the subcommittee some distribution of where income tax comes in the question of urban versus rural.

Ms. Keenan stated that **OPI** presently spends \$100,000.00 on gifted and talented children in the state of Montana. Comparatively we spend close to \$33,000,000 on special education. **Ms. Keenan** stated that **Gifted and Talented** is a priority in **OPI** budget and it is very important to take a step forward in meeting the needs of these children at risk.

370

Gail Gray, **OPI**, distributed a handout on **Gifted Education** in Montana. **EXHIBIT 2**

Ms. Gray stated that gifted and talented children in Montana schools have special needs that must be addressed in order for them to reach their potential.

Ms. Gray stated that special programs for the gifted help them to learn more efficiently, to develop strong program solving skills and give them the opportunity to learn at a rate that is more

consistent with their abilities.

Ms. Gray stated that the Montana Legislature has a ten year commitment to funding gifted education. Nearly 190 districts have received funds over the last 10 years. Local school districts have been able to receive those funds in amounts of up to \$5,000.00, if they had matching funds for that.

418

Michael Hall reviewed the handout given to the committee by **Ms. Gray**. **Mr. Hall** stated that OPI would like to provide funding for gifted education in Montana.

Chairman Peck asked **Ms. Gray** to inform committee on a bill drafted that will repeal an administrative rule relative to the gifted and talented. **Ms. Gray** stated that the superintendent has a position on the subject and may prefer to respond.

520

Ms. Keenan stated that the Board of Public Education put into their accreditation standards a mandate of gifted and talented education by the year 1992. This was challenged by the legislative code committee and said that the B.O.P.E. doesn't have the authority to mandate a program that would cost the state additional money.

Ms. Keenan stated that the code committee has drafted legislation this session that has repealed the gifted and talented rule of mandating in 1992. **Ms. Keenan** stated that the position of OPI is that they believe that sometime in the state of Montana there needs to be programs for the gifted and talented.

Rep. Kadas asked why they had the gifted education request coming out of the Foundation Program instead of the General Fund.

Mr. Groepper stated that if they took it out of the General Fund it would make the hole deeper and if they took it out of a fund with a balance there was money in there that was unspent.

670

REP KADAS asked **Ms. Keenan** if she would rather have the Gifted and talented program before schedule increases? **Ms. Keenan** stated that the Foundation, Gifted and Talented and the Special Education Program are three critical areas and can not choose one above the other.

Chairman Peck stated that House Bill 28 now takes all of the income tax money and puts it into General Fund after this year. **Chairman Peck** asked if there was a bill to restore that.

Mr. Groepper stated that there is a separate bill drafting request to restore that.

735

Jan Wright, Montana Education Association-Legislative Intern, distributed and reviewed personal testimony on the Gifted and Talented program. **EXHIBIT 3**

Ms. Wright stated that the MEA would like to go on record in support of all the OPI recommended modifications. **Ms. Wright** is particularly in support of the Gifted and Talented program.

807

Larry Fasbender, Lobbyist for Montana Association of Gifted and Talented Education, stated that he recognizes the benefits that can derive from making sure the gifted and talented children don't fall through the cracks. **Mr. Fasbender** states that the attitudes we as individuals have has a lot to do with what happens in the state of Montana.

Mr. Fasbender stated that the Gifted and Talented people of Montana are going to have to be dealt with more directly.

866

Katherine Pattee, President of the Montana Association of Gifted and Talented Education, Principal Monfortan School. **Ms. Pattee** stated that the Monfortan School has a gifted and talented program due to the support of the School Board. The **MAGTE** was started ten years ago and they now have a membership of over 800. The membership consists of Teachers, Parents, and Administrators.

Ms. Pattee stated that **MAGTE** goals include providing appropriate education for gifted children in the state, facilitating funding, and to promote differentiated curriculum for gifted and talented children.

Ms. Pattee stated that we recognize the gifts of our athletes, and visual and performing artists; we also need to recognize the gifts of our academically-able children. Through programming we would be able to do this better.

Ms. Pattee asks that the subcommittee support **Ms. Keenan's** request, and offer some funding to the gifted and talented children.

938

Chairman Peck asked **Ms. Pattee** if the money currently available to the public schools was start up money? **Ms. Pattee,** stated that it was start up money and that they could receive \$5,000.00 as long as they have matching funds.

Chairman Peck asked **Mr. Hall** if he had any continuing data on School Districts after they lose the state fund.?

Mr. Hall stated that initially the districts did well, when the cut backs came and there was no mandate requiring gifted

education those programs were either eliminated or cut back.

Chairman Peck asked Mr. Hall how many years a school can qualify for state money.

Mr. Hall stated that schools have a 1 or 2 year start up base for a new program.

967

Chairman Peck asked if you could audit those grants in the sense that if you give them \$3,000.00 there is an expenditure for \$3,000.00 from the local district?

Mr. Hall stated that you can audit, and what they find when the applications for the grants are audited is that the district match is considerably larger than what the school is asking from OPI.

SEN. HAMMOND asked what happens to the schools that hit the budget cap?

Mr. Hall stated that those districts are required to have a match out of their local district budget. If they do not have a match or their local school district can not appropriate that fund then they are not eligible to apply for OPI funds.

REP KADAS asked Mr. Hall to explain to him how a district identifies a gifted student.

Mr. Hall explained that they use multiple criteria when identifying gifted and talented. They look at IQ scores, achievement scores, and potential achievement scores.

SEN. HAMMOND stated that he was pleased to hear that they have found that maybe 15% of the students are gifted and talented.

SEN HAMMOND asked if it were true if some people were less able in some areas and very gifted and talented in other areas?

Mr. Hall stated that gifted children used to be perceived as gifted and talented in all areas. They now know that the majority have specific talents in a few areas.

011

SEN HAMMOND asked if it were also true that some of the gifted and talented people that were identified lost their work ethic?

MR. HALL stated that OPI has found that a great number of students lost their work ethic because they were not challenged. OPI has found that they became under-achievers in the schools.

SEN. HAMMOND asked if the gifted and talented programs should be working on the work ethic and those that don't have gifted and talented programs should be cognizant of the need to cultivate the work ethic in everyone? **Mr. Hall** stated that this was true

and that he believes the gifted and talented need motivation.

Jan Wright stated that as far as the work ethic is concerned, students that she has known had more of a desire to learn when they were challenged.

069

SEN. BIANCHI stated he attended Montfore School for a discussion with the Science Class about the debate of shooting buffalo in Gardener. **SEN. BIANCHI** stated that it was one of the most scientific and best discussions he had on the whole issue.

101

Brad Morris, Principal, Central Elementary School, stated that if we don't develop potential it won't just be there. **Mr. Morris** believes that the efforts in the Gifted and Talented program have been successful in helping to develop the potential further than the students might have done.

Mr. Morris stated that one of the important aspects of gifted and talented programs is to develop training for the staff. People who were trained 20 years ago need to be updated on the new trends and information in dealing with all needs of children. **Mr. Morris** stated that as we develop those skills in the classroom teachers in the districts across the state of Montana, we are going to broaden education in all areas.

Mr. Morris stated that he believes every school district, school board, teachers, parents and the community need to define the program. However, as they do that they need the encouragement and support of the state Legislature to help all needs of children and not just certain ones.

SEN HAMMOND asked how you provide for the individual differences in the schools that can't provide funding?

Brad Morris stated that we have an obligation to provide for all of those needs. The problem with gifted and talented education is that it is not clearly identified. With the support of flow through money to the school district that is identified for the gifted and talented it will help us maintain our effort in that area as well as all other areas. The gifted and talented need an equal opportunity with everyone else.

SEN. HAMMOND stated that he feels the Special Education program has a way of marking children because they were placed in a separate situation.

Brad Morris agrees and feels that equality for all children is needed.

284

Janet Miller, Classroom teachers of Montana, Rositer School, states that Rositer School represents a cross section

economically and culturally. Many of the children come from homes of some disadvantages and are home alone a lot. If the student is gifted they are left home with a great deal of responsibility. These children need extra support, because of what is expected of them.

Ms. Miller stated that gifted and talented students are taught how to identify a problem, they're confident in the uses of various strategies and how to approach it. **Ms. Miller** stated that there are children who are equally intelligent but have not had the training in how to think. Those children will not know where to begin on a test, they will not know how to analyze the problems. Children who have been trained will know right where to start on the problem and they will with confidence be able to follow through and come up with good answers.

Ms. Miller stated that the child who is not reached through the gifted and talented program does not feel like he belongs. Very often they wonder what is wrong with them because they are bored. Gifted and talented children are often sensitive. If they are not helped with their sensitivity they may become our children at risk.

Ms. Miller stated that if we help the gifted and talented children they could become our leaders, the people who can help get justice for our country.

419

Jesse Long, Executive Director School Administrators of Montana, stated that the SAM have passed a resolution supporting gifted education. Believe that the effective leaders in the society come from the gifted and talented programs. **Mr. Long** stated that all of the children must be considered and given appropriate kinds of training.

Tape No: 2

434

Jesse Long stated on behalf of the SAM that they support gifted education and ask that you allocate the \$1,000,000.

Kay McKenna, County Superintendent, referred to the question as how school districts who are capped because of the House bill 28 and presently have a program get funding?

Ms. McKenna stated that many of those programs are still in tact. The school districts have funded the programs, they may have funded at a lesser level but they are still funded.

Ms. McKenna stated that most of the gifted and talented children are a Ben Franklin type. They are also finding that our most notorious criminals are gifted and talented people who have been misdirected.

486

Terry Minow, Montana Federation of Teachers, stated that the MFT would like to go on record in support of the OPI proposal of the gifted and talented program, and the increase in the foundation program.

REP. GRINDE asked if the system should look more at aptitude testing and screening? **Ms. Keenan** stated that screening isn't the only indicator or the only way OPI determines if a child is gifted. **Michael Hall, OPI**, stated that the field of Gifted Education did start out using just IQ testing. They now realize that they have to look at multiple criteria and look at potential talent something that wouldn't show up on a test score.

SEN HAMMOND asked if it were possible to test shrewdness? **Mr. Hall** stated that you can test shrewdness and the field of gifted education is looking at a great deal of factors as to what motivates a child.

Gail Gray, OPI, distributed and reviewed a handout on Special Education and Allowable Cost Projections. **EXHIBIT 4**. **Ms. Gray** stated that Bob Runkel, State Director of Special Education, would be available to answer any technical questions after the presentation.

730

Ms. Gray stated that the number of handicapped students receiving Special Education in the state of Montana were relatively consistent until two years ago. Between 1987-1988 there was approximately a 300 student increase and 1988-1989 there was a 650 student increase. **Ms. Gray** stated that they do anticipate another increase in 1991.

Ms. Gray stated that the numbers and the severity of students identified as emotionally disturbed are increasing. There is also an increase in students who need one on one supervision all of the time.

Ms. Gray stated that there is additional in state cost for residential treatment. Primarily because of in state facilities increasing in the number of beds. A lot of in state cost for the Educational Services is \$10,000. per year.

REP. KADAS asked if they knew what Rivendale is going to ask for? **Ms. Gray** stated that Rivendale may just collect the amount of money the school that the student comes from receives for that child. **Ms. Keenan** stated that presently some of the units are around \$12,000. per year. Rivendale is now at \$14,000. per year. **Ms. Keenan** stated if Rivendale were to take OPI to court over this for chemically dependent students placed there by other agencies, the school district and or the state of Montana would be responsible for that cost under Federal Law 504, Categorized Students. **Ms. Keenan** is proposing that OPI pay the out of district cost and the school districts will provide the services.

By doing this OPI believes they can save the state of Montana over \$1,000,000.

894

REP. KADAS asked if they are going to save \$1,000,000 then how much will it cost? Ms. Keenan stated that it would cost \$1,000,000. in new money.

SEN. JERGESON stated that he has seen advertisements for Rivendale on TV. Is advertising in their budget?

Ms. Keenan stated that a good percentage of the people in the private treatment centers are there by choice of parents or families that are paying either via an insurance company or personally paying to have that child placed in that program.

SEN JERGESON asked if it were the state of Montana's responsibility to pay for the treatment of a child if the parents chose to place their child in the program. Ms. Keenan stated that the state could ultimately be responsible. Bob Runkel stated that if the child is placed there by his parents and is a Special Education handicap child, the public school district where the facility is located, would be responsible to provide or pay for special education programs for the child.

058

Kelly Evans distributed and reviewed a handout on Legislative Funding Position. EXHIBIT 5

SEN. HAMMOND referred to EXHIBIT 5 and asked how they chose the 80 districts in the budget survey. Mr. Evans stated that they looked at the largest districts starting from the districts that were funded the most and working their way down.

Rep. Kadas asked if it were characteristic that a smaller school district will have a smaller portion of their allowable cost covered by their district as opposed to a larger district. Mr. Evans stated that since the smaller school districts were not in the survey he could not give an accurate answer.

SEN JERGESON asked if smaller districts being part of cooperatives is why OPI didn't survey them? Mr. Evans stated that most of the smaller districts are one or two teacher schools and they get their services provided through cooperatives. Bob Runkel stated that the smaller school districts are equally as under funded as the larger districts. The smaller districts that are members of cooperatives may receive a slightly greater proportion of state dollars than the very large districts.

Rep. Kadas asked if the state contribution of allowable cost is the same across the board as is the local contribution. Mr. Runkel stated that between large and small districts after you

factor in the fact that many of the small rural schools have to take from their general fund to contribute to the cooperative to make ends meet, yes.

173

Kelly Evans stated that on behalf of the School Administrators of Montana, they passed a resolution in full support of full funding of Special Education Costs.

Rep. Kadas said when House Bill 28 was done Special Education was included as part of the Foundation Program. Have you analyzed how that was used this last year? **Greg Groepper** stated that they would not have those figures until the end of year expenditure reports come in.

201

Jan Wright stated on behalf of the MEA we support the OPI recommended appropriation.

There being no further business the hearing on OPI Distribution to public Schools was adjourned

ADJOURNMENT

Adjournment: 10:25 a.m.



REPRESENTATIVE RAY PECK, Chair



MELISSA J. BOYLES, Secretary

RP/mjb

HOUSE OF REPRESENTATIVES

EDUCATION SUBCOMMITTEE

ROLL CALL

DATE

1-11-91

NAME

PRESENT

ABSENT

EXCUSED

NAME	PRESENT	ABSENT	EXCUSED
REP. RAY PECK, CHAIRMAN	✓		
SEN. GREG JERGESON	✓		
REP. LARRY GRINDE	✓		
SEN. DON BIANCHI	✓		
REP. MIKE KADAS	✓		
SEN. H.W. "SWEDE" HAMMOND	✓		

HR:1991

CS10LRLCALED SUB

SCHOOL FOUNDATION PROGRAM

and a 4.8 percent increase in fiscal 1993. OPI says that this inflationary increase is needed to continue the level of state support enacted in House Bill 28.

The superintendent will also request \$4.6 million additional funds for inflationary increases in special education funding.

LFA Estimates

The following tables shows the projected revenue into the school equalization account and the cost of funding the current schedules and GTB subsidy during the 1993 biennium. Funding these expenditures will require a \$230.442 million general fund transfer to the school equalization account.

Source of Revenue	Actual Fiscal 1990	Estimated Fiscal 1991	Estimated Fiscal 1992	Estimated Fiscal 1993	Estimated FY 90-91	Estimated FY 92-93
State Revenue						
Income Tax	92.787255	124.102000	0.000000	0.000000	216.889255	0.000000
Corporation Tax	18.844917	20.234000	0.000000	0.000000	39.078917	0.000000
Coal Tax	2.579080	5.523000	4.399000	4.380000	8.102080	8.779000
Interest & Income	34.706901	36.961000	38.063000	39.293000	71.667901	77.356000
Us Oil & Gas Royalties	20.240644	25.497000	25.688000	24.529000	45.737644	50.517000
Education Trust Interest	0.713114	0.175000	0.070000	0.072000	0.888114	0.142000
SEA Interest	0.000000	0.629000	0.375000	0.000000	0.629000	0.375000
Permanent Trust Interest	0.000000	6.245000	7.804000	8.098000	6.245000	15.902000
Lottery	0.000000	4.975000	5.997000	7.020000	4.975000	13.017000
Statewide 40 Mills	0.000000	62.573000	63.505000	64.656000	62.573000	128.162000
Miscellaneous	0.142422	7.337000	8.396000	8.719000	7.479422	17.115000
County Levy Surplus	7.895392	0.000000	0.000000	0.000000	7.895392	0.000000
Total State	\$177.909725	\$294.251000	\$154.298000	\$157.067000	\$472.160725	\$311.365000
Statewide Taxable Valuation	\$1,884.550412	\$1,564.517000	\$1,587.654000	\$1,616.398000		
County Revenue						
45 Mills	76.909377	86.037000	87.321000	88.902000	162.946377	176.223000
Elementary Transportation	-3.741193	-3.754000	-3.766000	-3.779000	-7.495193	-7.545000
Cash Reappropriated	4.173075	2.653000	1.116000	0.339000	6.826075	1.455000
Forest Funds	1.627284	1.252000	1.276000	1.364000	2.879284	2.580000
Taylor Grazing	0.117160	0.114000	0.113000	0.112000	0.231160	0.225000
Miscellaneous	5.490026	18.706000	19.772000	20.369000	24.196026	40.141000
High School Tuition	-0.891867	-0.802000	-0.810000	-0.820000	-1.693867	-1.630000
Total County	\$83.683862	\$104.206000	\$105.022000	\$106.427000	\$187.889862	\$211.449000
District Revenue						
Permissive Levy	16.960954	0.000000	0.000000	0.000000	16.960954	0.000000
Light Vehicle Replacement	1.409535	0.000000	0.000000	0.000000	1.409535	0.000000
Total District	\$18.370489	\$0.000000	\$0.000000	\$0.000000	\$18.370489	\$0.000000
Total State, County, District	\$279.964976	\$398.457000	\$259.320000	\$263.494000	\$678.421076	\$522.814000

SCHOOL FOUNDATION PROGRAM

Estimated School Equalization Fund Balance In Millions

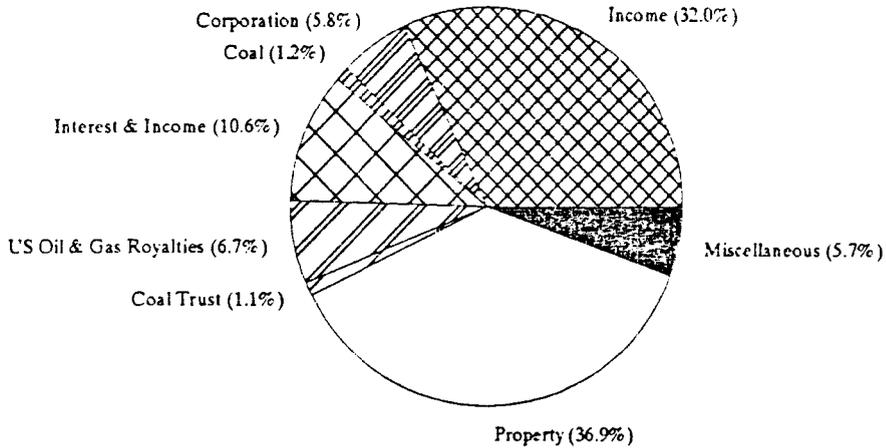
	Actual Fiscal 1990	Estimated Fiscal 1991	Estimated Fiscal 1992	Estimated Fiscal 1993	Estimated FY 90-91	Estimated FY 92-93
Beginning Fund Balance	\$15.309	\$20.592	\$31.966	(\$100.680)	\$15.309	\$31.966
Receipts						
Estimated Receipts	279.964	398.457	259.320	263.494	678.421	522.814
Education Trust Transfer						
Total Available	\$295.273	\$419.049	\$291.286	\$162.814	\$693.730	\$554.780
Disbursements						
Current Level Schedules	287.393	347.887	347.473	348.691	635.280	696.164
Gauranteed Tax Base		44.382	44.493	44.565	<u>44.382</u>	<u>89.058</u>
Anticipated Disbursements	\$287.393	\$392.269	\$391.966	\$393.256	\$679.662	\$785.222
Adjustments	(1.776)	5.186			3.410	
Residual Equity Transfer	14.488				14.488	
Ending Fund Balance	<u>\$20.592</u>	<u>\$31.966</u>	<u>(\$100.680)</u>	<u>(\$230.442)</u>	<u>\$31.966</u>	<u>(\$230.442)</u>

Estimated General Fund Balance In Millions

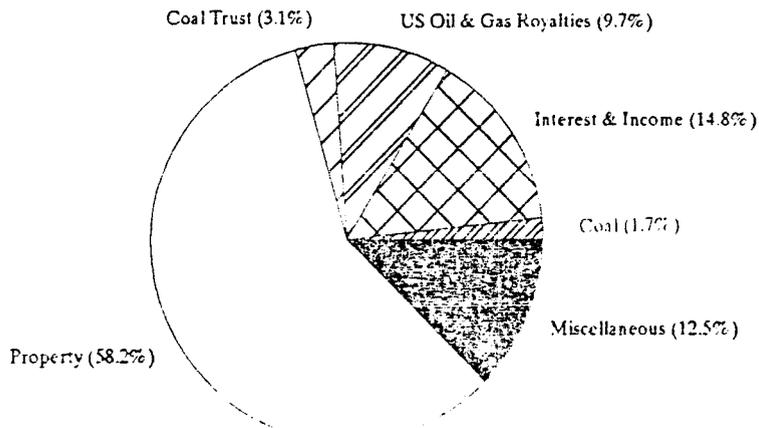
	Actual Fiscal 1990	Estimated Fiscal 1991	Estimated Fiscal 1992	Estimated Fiscal 1993	Estimated FY 90-91	Estimated FY 92-93
Beginning Fund Balance	\$67.234	\$89.038	\$69.886	\$95.232	\$67.234	\$69.886
Receipts						
Estimated Receipts	447.962	432.309	562.287	579.599	880.271	1141.886
Total Available	\$515.196	\$521.347	\$632.173	\$674.631	\$947.505	\$1,211.772
Disbursements						
General Appropriations	432.323	409.662	417.944	423.591	841.985	841.535
Foundation Program Support			100.680	129.762		230.442
Property Tax Reimbursement		18.349	18.500	18.500	18.349	37.000
Pay Plan						
Supplementals		15.641			15.641	
Continuing Appropriations		3.693			3.693	
Debt Service		10.955	10.817	10.954	10.955	21.771
Feed Bill		4.500		4.500	4.500	4.500
TRANS Interest						
Reversions		(11.000)	(11.000)	(11.000)	(11.000)	(22.000)
Anticipated Disbursements	\$432.323	\$451.800	\$536.941	\$576.307	\$884.123	\$1,113.248
Adjustments	5.969				5.969	
Foundation Program Reversion						
Residual Equity Transfer	0.196	0.339			0.535	
Ending Fund Balance	<u>\$69.038</u>	<u>\$69.886</u>	<u>\$95.232</u>	<u>\$98.524</u>	<u>\$69.886</u>	<u>\$98.524</u>

SCHOOL FOUNDATION PROGRAM

Foundation Program Revenue Analysis
Contribution By Major Component FY 90-91



Foundation Program Revenue Analysis
Contribution By Major Component FY 92-93



Bill Gray Hall
Michael

EXHIBIT 2
DATE 1-11-91
HB Ed. & Over. Res. Sub.



OFFICE OF PUBLIC INSTRUCTION

Nancy Keenan
Superintendent

STATE CAPITOL
HELENA, MONTANA 59620
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GIFTED EDUCATION IN MONTANA:

A FACT SHEET

Montana State Law MCA 20-7-901

"Gifted and talented children" means children of outstanding abilities who are capable of high performance and require differentiated educational programs beyond those normally offered in public schools in order to fully achieve their potential contribution to self and society. The children so identified include those with demonstrated achievement or potential ability in a variety of worthwhile human endeavors.

QUESTION: How many children may be considered to be gifted?

ANSWER: Research states that from 3 percent to 15 percent of the students in school may be considered to be gifted in some area. For Montana, that means that 4,500 to 23,000 students may potentially be identified as gifted.

QUESTION: How does Montana compare to other states in the area of gifted education?

ANSWER: Twenty-five (25) states and Guam have required standards for services to gifted children. (Pennsylvania since 1963)*

No services are currently required in Montana.

QUESTION: How much money is allocated per year for gifted education in Montana?

ANSWER: The Legislature appropriates \$100,000 annually for matching grants for school districts developing their gifted and talented programs.

Montana currently is providing partial funding to 4.8 percent of local education agencies.

QUESTION: How do states around the region compare in expenditures for gifted and talented education?

State	% of LEAs Funded(FY'87)	FY'90 Funding*
South Dakota	100.0%	\$2,297,800
Idaho	50.0%	\$2,000,000
Utah	100.0%	\$875,000
Wyoming	61.0%	\$350,000
North Dakota	45.5%	\$151,205
Montana	8.7%	\$100,000

*Source: 1991 State of The States Gifted Education Report

QUESTION: How many school districts in Montana report that they formally identify gifted learners as part of a gifted education program?

ANSWER: Results of a January 1991 OPI survey show that 81 of Montana's 538 school districts (15%) responded that they formally identify gifted learners.

QUESTION: How does this compare to the Western United States?

ANSWER: The U.S. Department of Education's National Education Longitudinal Study of 1988 (NELS), released August 1990, shows that 62.5 percent of the schools in the Western United States offer gifted and talented education programs.

QUESTION: From the OPI survey, what were the districts' highest priority needs in the gifted education area?

ANSWER: HIGHEST PRIORITY NEEDS
Meeting G/T needs in the regular classroom
Curriculum Development
Program Development
Elementary Teaching Strategies
Secondary Teaching Strategies
Technical Assistance from OPI and other sources

QUESTION: Based on contact with Montana schools, what are Montana's greatest needs for gifted education?

ANSWER:

- o General funding to all school districts for gifted education programs
- o Support for policy representing quality program standards
- o Additional resources and support services from OPI

QUESTION: What does current research say about gifted education?

ANSWER: Dr. John Feldhusen of Purdue University compiled 20 years of research on gifted education in a March 1989 article for Educational Leadership. In that article he writes:

- o "Identification. Multiple data sources should be used to identify alternate types of giftedness and to specify appropriate program services."
- o "Acceleration. Acceleration motivates gifted students by providing them with instruction that challenges them to realize their potential. Accelerated students show superior achievement in school and beyond. Despite fears of some educators, acceleration does not damage the social-emotional adjustment of gifted youth."
- o "Grouping. Grouping gifted and talented youth for all or part of the school day or week serves as a motivator."
- o General. "Overall, to provide for the gifted, we must upgrade the level and pace of instruction to fit their abilities, achievement levels and interest...We must also provide them with highly competent teachers and with opportunities to work with other gifted and talented youth."

EXHIBIT 3
DATE 1-11-91
HB Ed. & Cur. Rev. Sub.

DATE: January 11, 1991.

TO: Appropriations Committee.

FROM: Jan Wright, MEA Legislative Intern.

RE: Gifted and Talented Program

My name is Jan Wright, and I am working for the Montana Education Association (MEA) as a legislative intern. The MEA would like to go on record in support of the OPI's recommended appropriation for the Gifted and Talented Program.

I would like to tell you about my experience in the program and about some of the recent "returns" of the program. I was identified for the Project Promise, the elementary school Gifted and Talented Program, when I was in the 4th grade. When I was first identified, I remember being terrified that the teacher was going to talk to me about flirting at recess. But once I realized I wasn't in trouble, I really looked forward to Project Promise days. We did a lot of creative "brainstorming", solved logic puzzles, and had unit projects. My favorite unit was the algebra unit in the 6th grade. I developed a problem-solving method the teacher didn't understand, but it worked every time and she never said I couldn't use it. Because I wasn't told to conform and use the standard method, I began to expand on my academic subjects. I would "play", if you will, with abstract mathematical and scientific concepts. I developed the confidence and vision necessary to pursue imaginative or creative lines of reasoning. The program also became a support group for us "brains." We all understood how it felt to be taken advantage of because of our intelligence and together we developed ways to deal with being different.

When I moved onto high school and out of the G/T program, I retained this confidence and vision. I was on the Honor Roll every semester, in both the Symphonic and the Pep Band, in the Spanish Club, etc. And during my sophomore year I applied and was chosen to participate in a year-long AFS Exchange to Japan. I now speak the language fluently and translated for the governor in October, 1990. I was also able to gain considerable insight into the culture by being elected to be the Student Body Vice-President, being awarded Shodan ("black belt") in Kendo (Japanese fencing), appearing on national Japanese television twice, and by achieving a 2.5 GPA, above average when ranked with my Japanese peers. I graduated with honors in 1989 with the first class of Project Promise participants.

I am now a Presidential Scholar at Montana State University where I am majoring in Chemical Engineering and Political Science, have a cumulative 4.0 GPA, am Chair of the University Honors Student Executive Board, and am an active volunteer at the Women's Resource Center. I have done research for the Closed-Environment Life Support System Project funded by NASA, and am now a legislative intern.

This level of consistent achievement is not limited to me, however. Some of the other members of my class that have also brought recognition to themselves, their schools, and this state are for example:

Allene Whitney - won 6th in the National Westinghouse Science Talent Search, \$10,000 scholarship.

- 1989 All USA Today Academic Team.
- accepted to Stanford, recognized to be in top 250 applicants.
- Presidential Scholar at MSU.
- Advocate
- Student Representative on University Honors Program Advisory Committee.
- National Merit Finalist
- valedictorian

Amity Feaver - very active in student council in high school.

- valedictorian.
- Puget Sound University.

Gwen Gray - salutatorian.

- MIT
- Navy ROTC.
- Canyon Ferry Limnological Institute Student Director.

Jenny DeVoe - President of United Methodist Youth, 2,000,000 members.

- Girls State Governor.
- Student Body President.
- Century III Leadership Scholarship.
- National Honors Society.
- National Presidential Scholar, visited the Whitehouse.
- Jenny DeVoe Day in Helena.
- Msu Presidential Scholar.
- President of Spurs.

- USA Today all Academic Team.
- Chair of Tutorial Committee, ASMSU.
- Resident Advisor.

All of these students have an incredible list of achievements. They are and will continue to contribute to the community largely because of the initial belief the community had in them.

Several of my colleagues have asked if I wouldn't have been just as successful if I hadn't been in the Project Promise or Gifted and Talented Program. I don't feel that I would have been. The initial identification for and my subsequent performance in the program increased my self-confidence, encouraged my academic exploration, and provided a support network for my specific needs. Without the additional developmental service, it would have been very difficult for me to believe in myself enough to even attempt to achieve what I have achieved already.

I, personally and on the behalf of the MEA, ask that OPI's recommended appropriation for the Gifted and Talented Program be approved. Thank you very much for your consideration.

EXHIBIT 4
DATE 1-11-91
HB Ed. & Over. Rev. Sub.

1993 BIENNIUM
SPECIAL EDUCATION
ALLOWABLE COST PROJECTIONS



NANCY KEENAN
SUPERINTENDENT
OFFICE OF PUBLIC INSTRUCTION

Handicapped Students in Montana Receiving Special Education Services 1981-1989, Ages 3-21

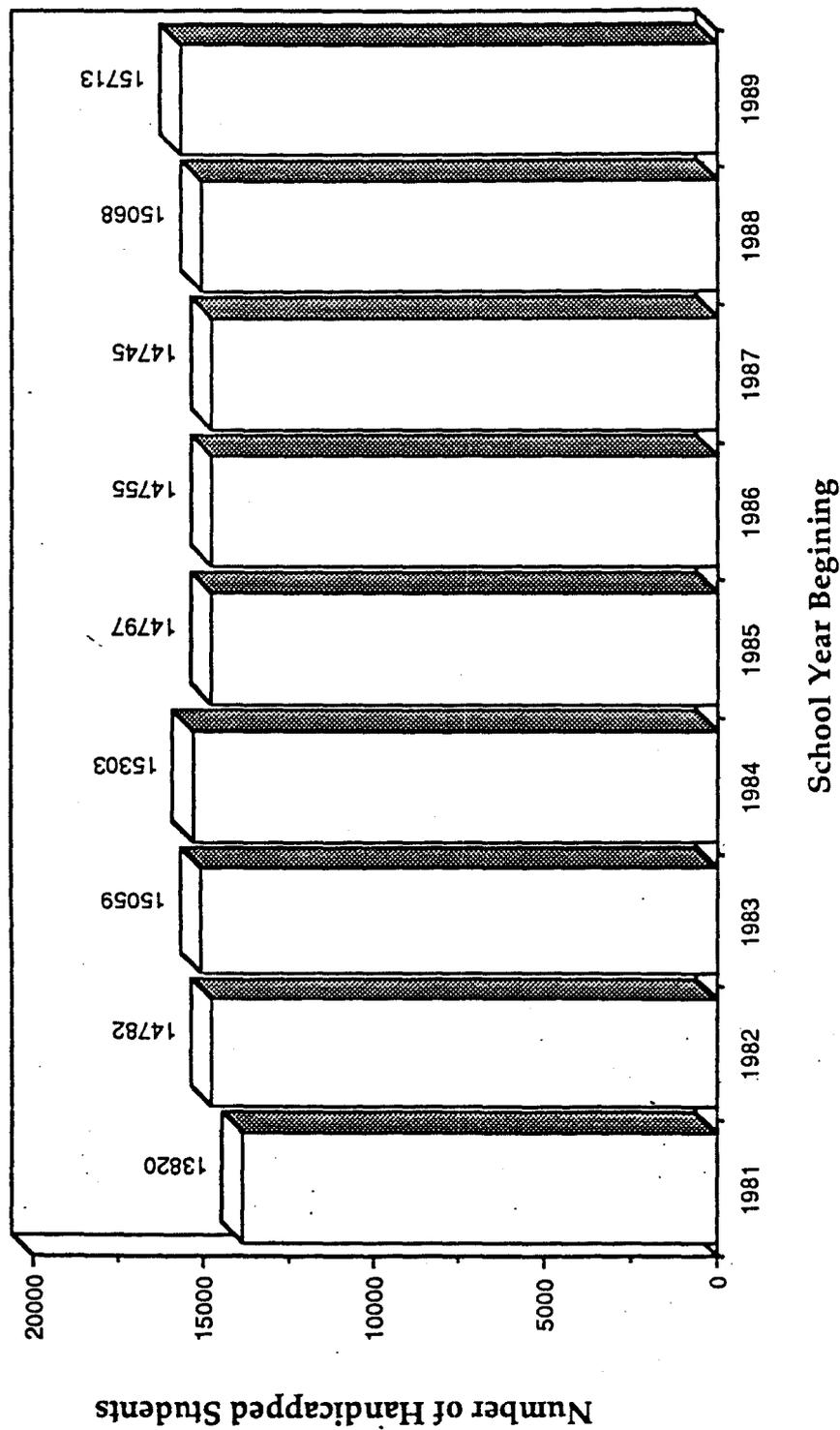
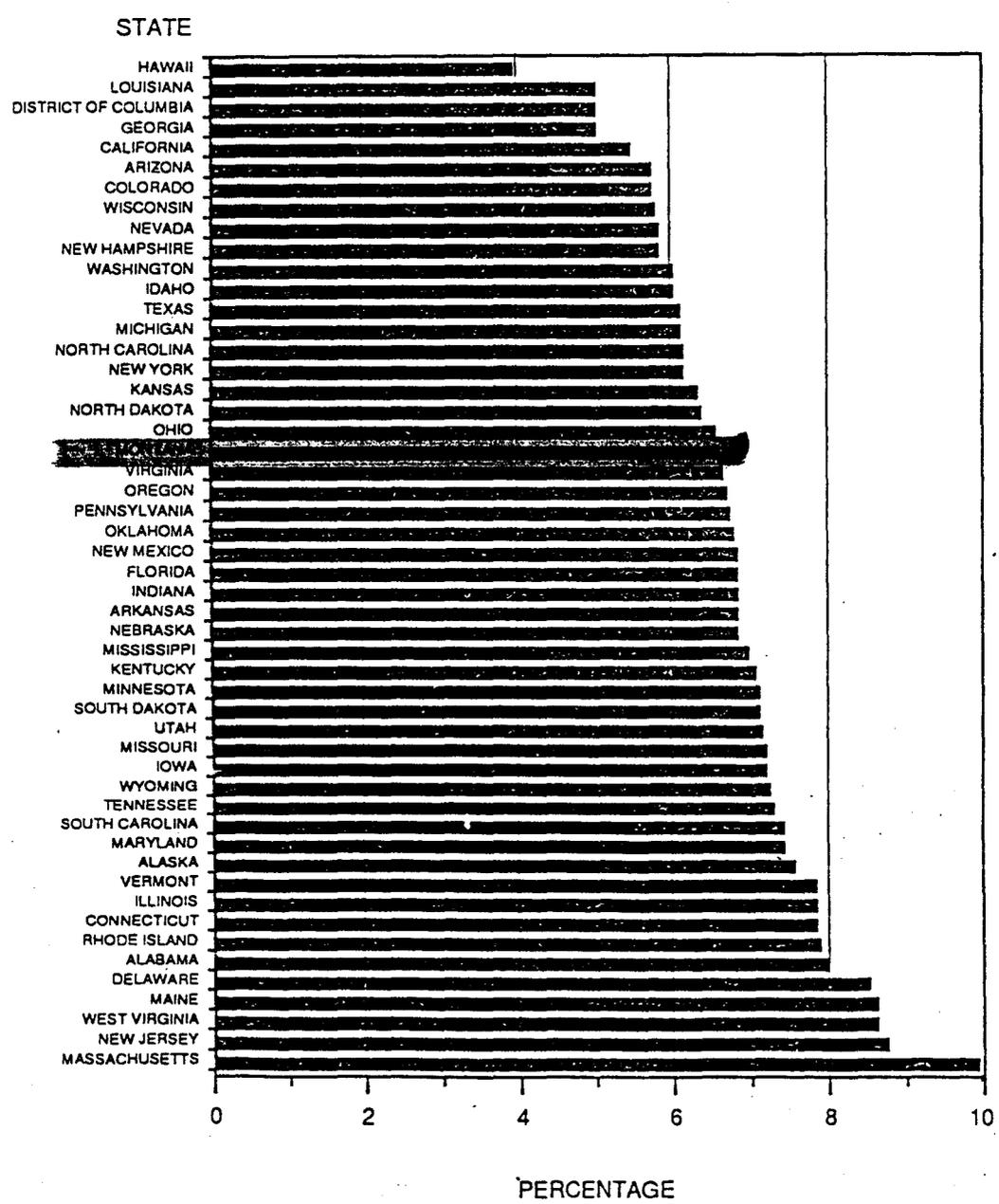
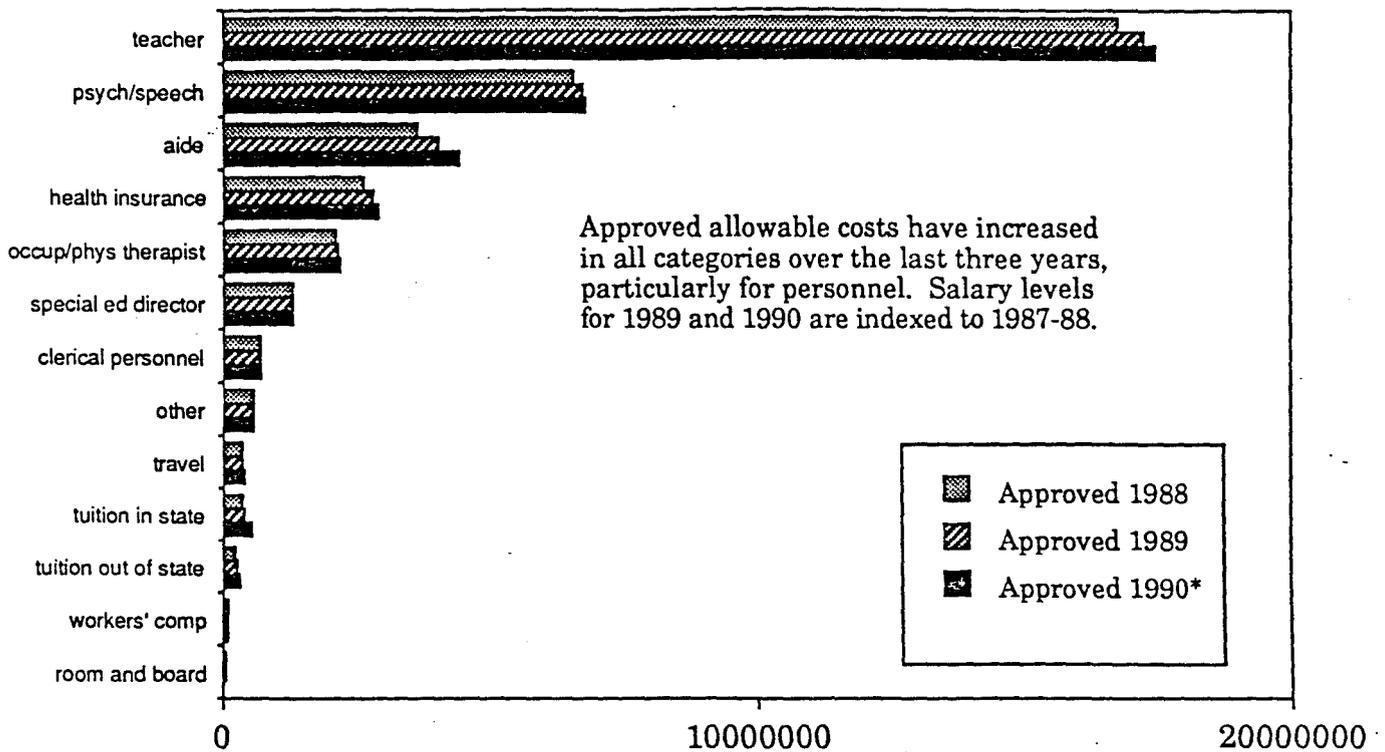


FIGURE 2
 State-To-State Differences In Percentage Of
 Children Served Under EHA-B And ECIA (SOP),
 School Year 1987-88



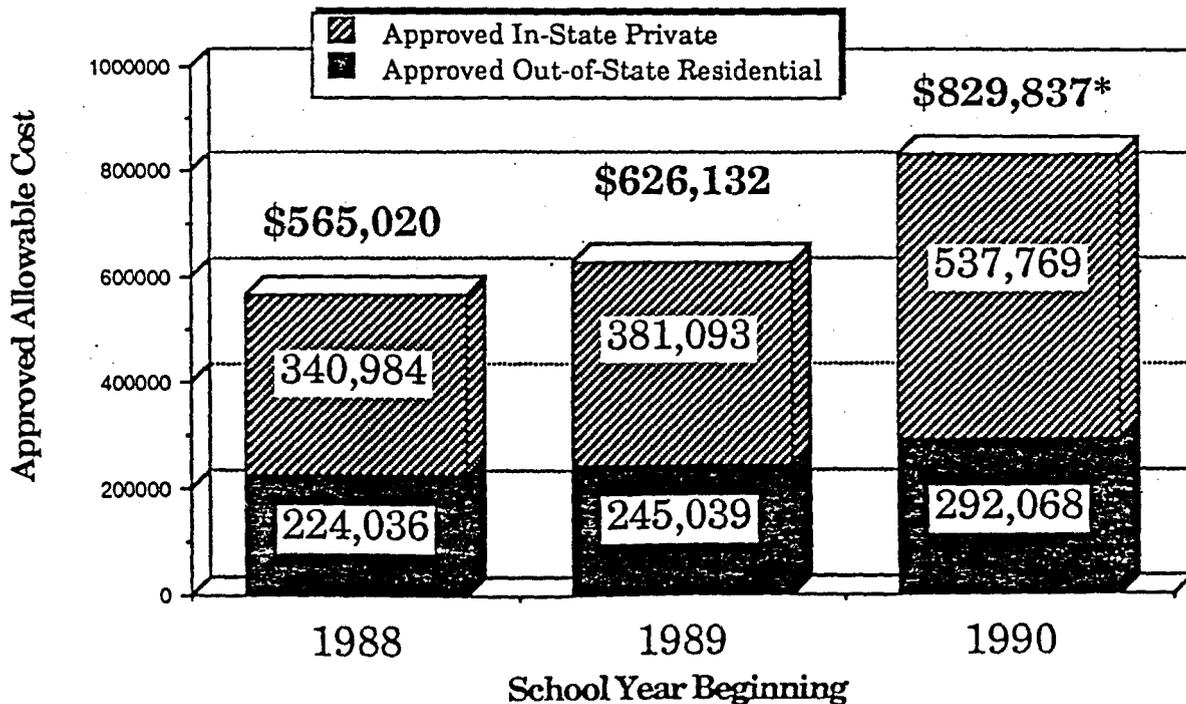
Approved Allowable Costs, 1988-90



/cc & bud 90/all cost comp 3 yr

* As of May 10, 1990

Approved Allowable Cost for Out-of-District Placements School Years 1988-90

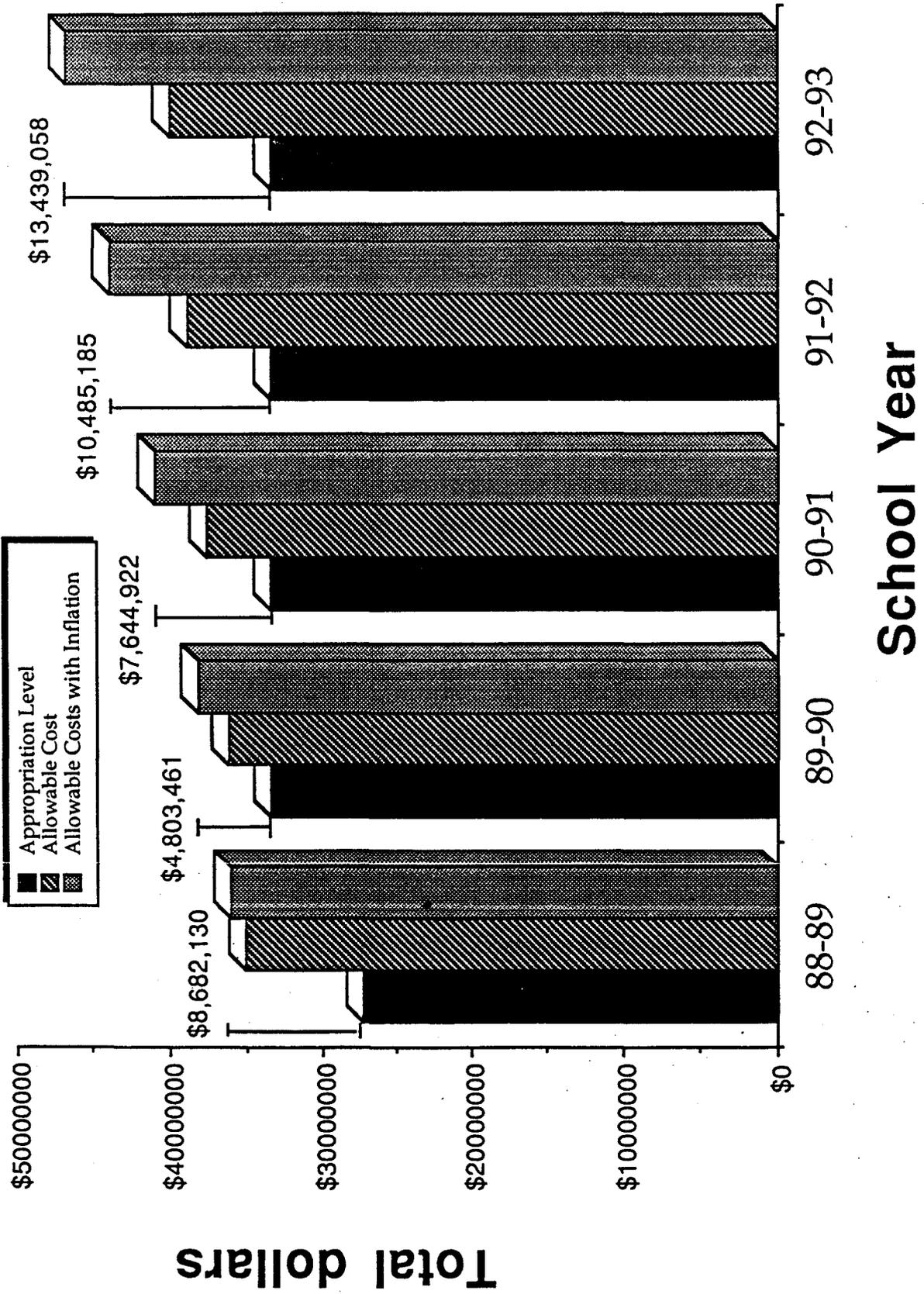


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* As of May 10, 1990

1993 Biennium Special Education Allowable Cost Projections

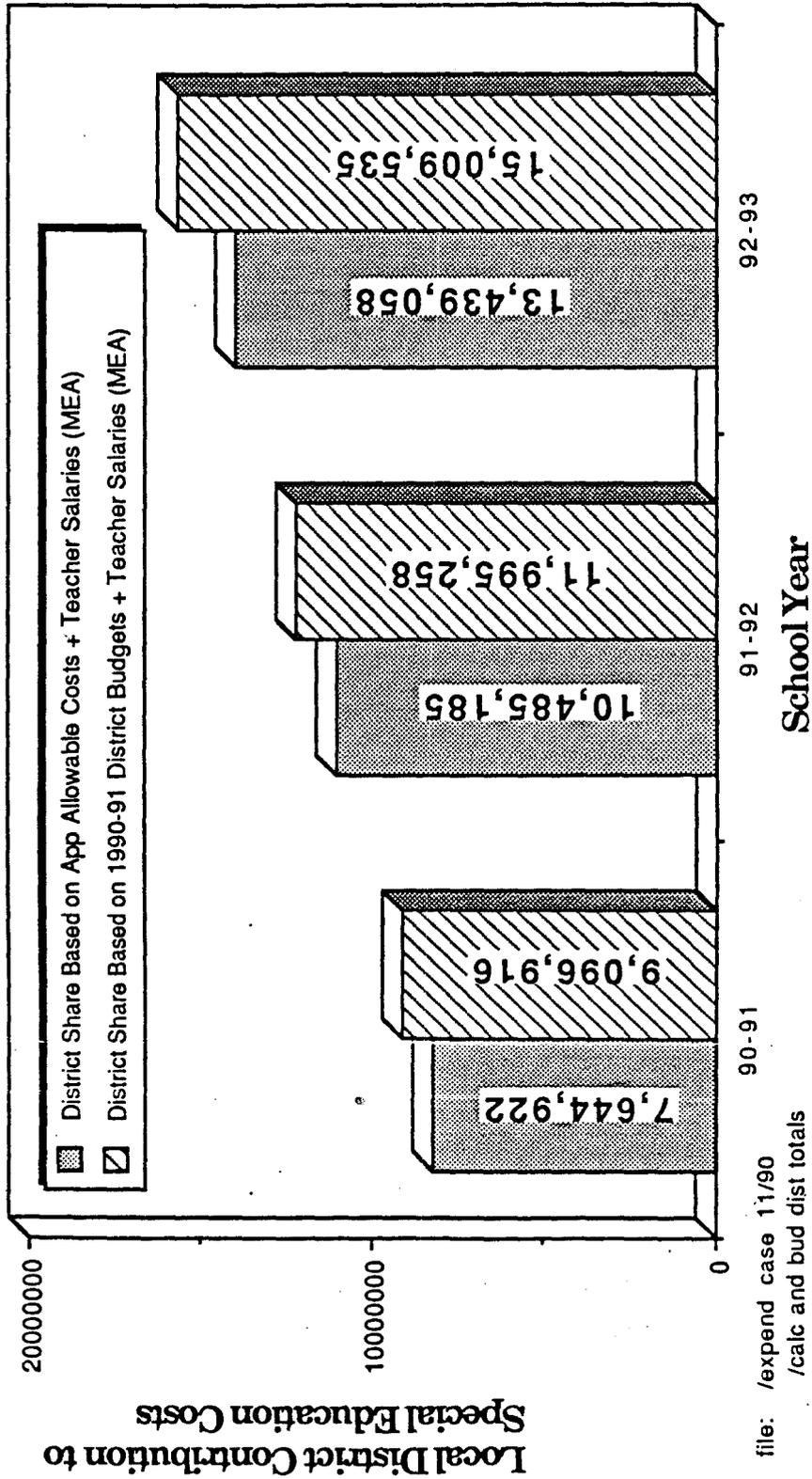
EXHIBIT 4
 DATE 1-11-91
 HB Ed. & Cur. Sub.



Total dollars

School Year

Comparison of Estimated and Budgeted Local District Contributions to Special Education, School Years 1990-91 to 1992-93



file: /expend case 11/90
/calc and bud dist totals

1993 BIENNIUM SPECIAL EDUCATION ALLOWABLE COST PROJECTIONS

Table 1: Projection based on OPI Special Education Allowable Costs using:
 1. Consumer Price Index (CPI), and
 2. OPI/MEA teacher salary projections.

School Year	Approved Allowable Costs	Program Growth in allowable costs	State Share of Special Ed Costs	Inflation Index (CPI)	Adjusted Costs Inflation (CPI)	District Share Inflation (CPI)	Tchr Price Index (MEA)	Adjusted Costs Tchr (MEA)	District Share Tchr-Act (MEA)
88-89	35,130,386		27,361,646	4.7%	36,781,514	9,419,868	2.6%	36,043,776	8,682,130
89-90	36,278,535	1,148,149	33,361,646	5.0%	39,768,739	6,407,093	2.7%	38,165,107	4,803,461
90-91	37,593,392	1,314,857	33,361,646	5.6%	43,310,645	9,948,999	4.0%	41,006,568	7,644,922
91-92	38,793,392*	1,200,000*	33,361,646	4.5%	46,459,624	13,097,978	4.0%	43,846,831	10,485,185
92-93	39,993,392*	1,200,000*	33,361,646	5.0%	49,982,605	16,620,959	4.0%	46,800,704	13,439,058

* Projected

TABLE 2: Projections based on MCASE survey of school district budgets, 11/90

School Year	Budgeted District Costs	Program Growth in allowable costs	State Share	Inflation Index (CPI)	Adjusted Costs Inflation (CPI)	District Share Inflation (CPI)	Tchr Price Index (MEA)	Adjusted Costs Tchr (MEA)	District Share Tchr-Act
88-89				4.7%			2.6%		
89-90				5.0%			2.7%		
90-91	42,458,562	1,200,000*	33,361,646	4.5%	42,458,562	9,096,916	4.0%	42,458,562	9,096,916
91-92		1,200,000*	33,361,646	5.0%	45,569,197	12,207,551	4.0%	45,356,904	11,995,258
92-93		1,200,000*	33,361,646	5.0%	49,047,657	15,686,011	4.0%	48,371,181	15,009,535

* Projected

PRINTED: 11/27/1990

EXHIBIT 4
 DATE 1-11-91
 HB Ed. Cover. Per...

*Kelly
Quinn*

MONTANA COUNCIL OF ADMINISTRATORS
IN SPECIAL EDUCATION
LEGISLATIVE FUNDING POSITION

EXHIBIT 5
DATE 1-11-91
HB Ed. & Corr. Div. Sub.

The providers of special education in the State of Montana were indeed grateful to the 1989 state legislature for its infusion of new money into the 1989/90 and 1990/91 budgets. The legislature's sensitivity to the increased costs in providing these mandated services was appreciated. However, it is not surprising that the costs of providing special education services in the State of Montana have continued to rise since the 1989 appropriation. During the first year of the biennium (1989-90 school year) the state appropriation, when combined with federal funds and some district support, was generally adequate to fund required services. However, the 1990-91 appropriation (same as 1989-90) came up far short of the 1989-90 appropriation in meeting the financial costs of our state special education programs. This is due to a variety of reasons:

- Inflationary Costs
- Increase in the number of OPI approved programs
- The first year of mandated special education services to children age 3 - 5 which were not covered under the 1990/91 appropriation
- Increase in services to medically fragile students
- Increased costs in transportation for itinerant personnel

The disparity between the state funding level and actual costs of providing special education services has been borne largely at the local level. Graphic examples of the extent of district contributions are illustrated in the attached sample of districts throughout the state. (Appendix A) The additional burden on local districts to fund special education has again set in motion escalating competition between regular education services and mandated special education services for the local tax dollar. This comes at a time when districts are gearing up to meet new accreditation standards; what makes this situation even more difficult is that the amount of money a district can generate locally has been legislatively capped at 104% of the previous years budget. With the 104% cap on the general fund and special education as part of the general fund, fiscal increases in special education from state or local sources directly cause decreases in actual dollars for regular education. An increase in special education during the 1990/91 school year for a special education contingency will

cause a corresponding decrease in regular education if the service is carried over to the 1991/92 school year. Special education and related costs to special education (i.e. transportation) must be excluded from the 104% cap and allowed to fluctuate according to the enrollment, mandates and allowable cost schedule. The 104% cap including special education hurts both the regular and special education student. This was certainly not the intent of the legislature.

A further complication of this funding crisis is the district's ability or inability to maintain fiscal effort to continue to receive federal special education dollars. Under the concept of maintenance of fiscal effort for special education, a district must spend at least the same amount of state and local dollars for special education services from year to year or risk total loss of federal funding. A decrease in spending results in non-maintenance of effort and subsequent loss of federal funding. For fiscal year 1990-91 \$4,098,496 under EHA/B Flowthrough and \$556,780 under Pre-School Grants were at risk.

In actual numbers the state 1990-91 special education allowable costs approved by the Office of Public Instruction were \$37,593,392. The Office of Public Instruction had enough appropriation to fund only \$33,361,646. It must be noted that the approved allowable cost district budgets for 1990/1991 were based on 1987-88 level salaries and benefits as well as an artificially low figure of \$200.00 for each approved program for supplies and equipment. This created an initial disparity between approved allowable cost and actual costs. In addition, items such as heat, lighting, and facilities are not included in allowable costs and must be funded by the local district. Over and above allowable costs and indirect costs are district's contributions to social security, retirement and transportation.

It is evident from this description that even at a level of full state funding of approved allowable costs, local districts contribute significantly to provide special education services.

To avoid the prospect of underfunding required programs which could lead to possible legal confrontations, the Montana Council of Administrators in Special Education recommend full legislative funding of approved allowable costs.

A projection for the funds needed to fully fund special education allowable costs for the next biennium can be based on three factors:

- 1) District expenditures from FY 1988/89 Trustees Reports carried forward with an inflationary factor and program expansion factor.
- 2) Office of Public Instruction Approved Allowable Costs for FY 1990/91 carried forward with inflation and program expansion factors.
- 3) District FY 1990/91 special education budgets carried forward with inflation and program expansion factors.

Unfortunately, the accounting structure utilized by the Office of Public Instruction for past Trustees Reports makes it impossible to garner accurate enough data to detail actual special education expenditures.

Therefore, this projection is based on an extension of OPI approved allowable costs and a district FY 1990/91 Budget Sample obtained from a MCASE October, 1990 Survey.

MCASE makes the following projections for funds needed to fully fund special education allowable costs:

- 1) A projection from data in Table 1 based on forward extension of Approved Allowable Costs would require an additional:

<u>\$10,485,185</u>	for FY 1991/1992
<u>\$13,439,058</u>	for FY 1992/1993

- 2) A projection from Data in Appendix A and Table 2 gathered from the MCASE survey on Budgeted District contributions would require an additional:

<u>\$11,995,258</u>	for FY 1991/1992
<u>\$15,009,535</u>	for FY 1992/1993

1993 BIENNIUM SPECIAL EDUCATION ALLOWABLE COST PROJECTIONS

Table 1: Projection based on OPI Special Education Allowable Costs using:
 1. Consumer Price Index (CPI), and
 2. OPI/MEA teacher salary projections.

School Year	Approved Allowable Costs	Program Growth in allowable costs	State Share of Special Ed Costs	Inflation Index (CPI)	Adjusted Costs Inflation (CPI)	District Share Infl-Act (CPI)	Tchr Price Index (MEA)	Adjusted Costs Tchr (MEA)	District Share Tchr-Act (MEA)
88-89	35,130,386		27,361,646	4.7%	36,781,514	9,419,868	2.6%	36,043,776	8,682,130
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92-93	39,993,392*	1,200,000*	33,361,646	5.0%	49,982,605	16,620,959	4.0%	46,800,704	13,439,058

* Projected

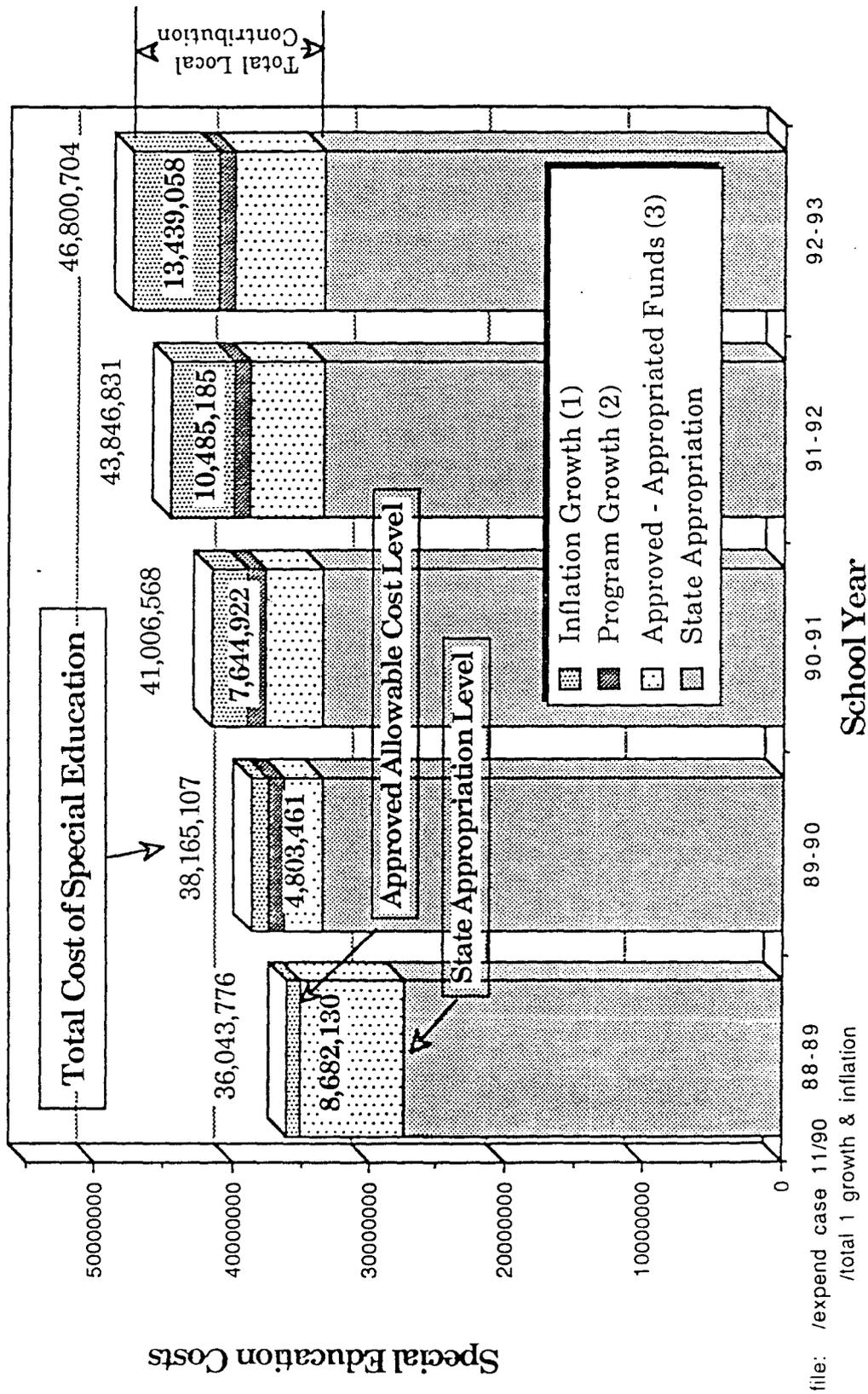
TABLE 2: Projections based on MCASE survey of school district budgets, 11/90

School Year	Budgeted District Costs	Program Growth in allowable costs	State Share	Inflation Index (CPI)	Adjusted Costs Inflation (CPI)	District Share Infl-Act	Tchr Price Index (MEA)	Adjusted Costs Tchr (MEA)	District Share Tchr-Act
88-89				4.7%			2.6%		
89-90				5.0%			2.7%		
90-91	42,458,562	1,200,000*	33,361,646	5.6%	42,458,562	9,096,916	4.0%	42,458,562	9,096,916
91-92		1,200,000*	33,361,646	4.5%	45,569,197	12,207,551	4.0%	45,356,904	11,995,258
92-93		1,200,000*	33,361,646	5.0%	49,047,657	15,686,011	4.0%	48,371,181	15,009,535

* Projected

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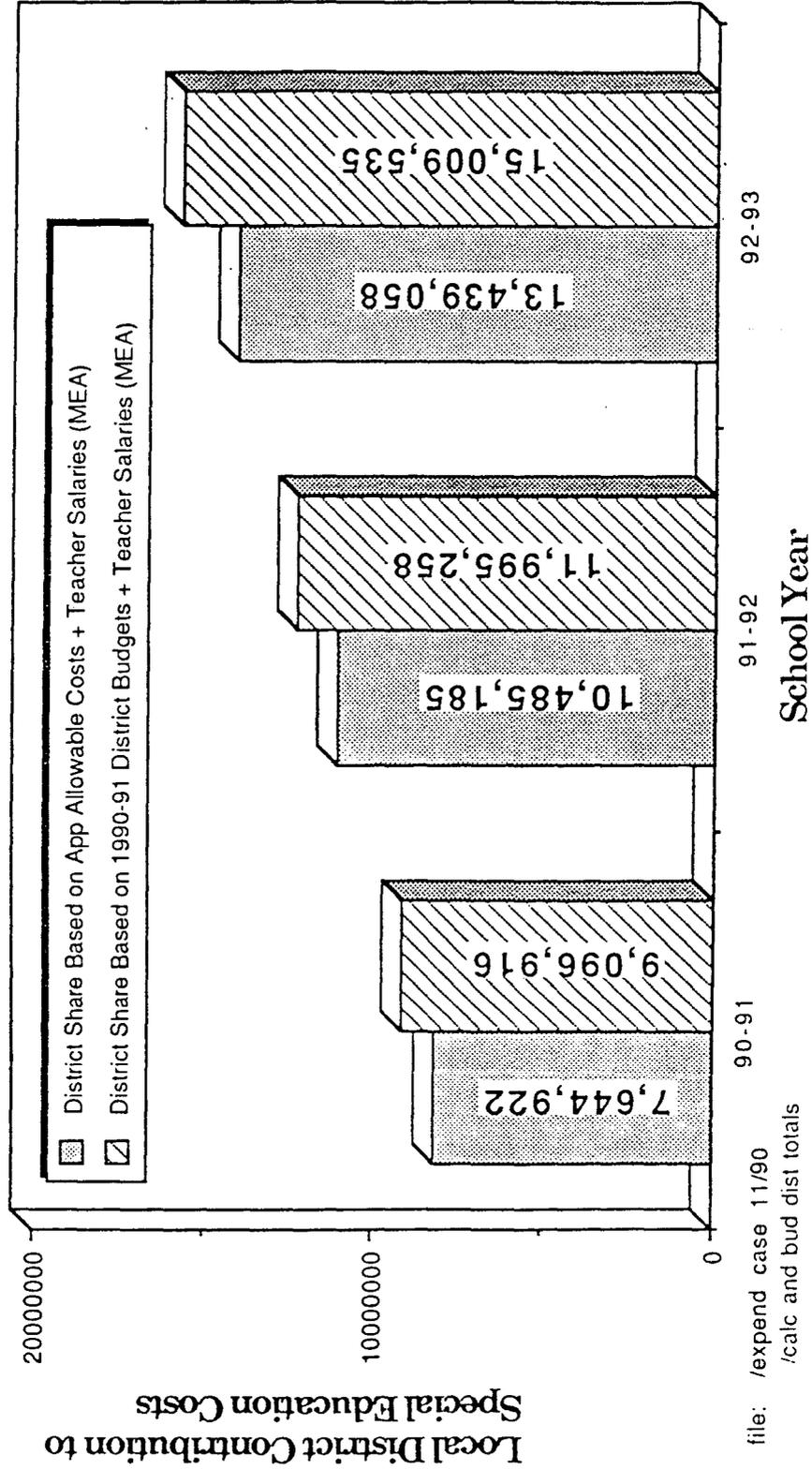
Special Education Cost Breakdown by Source Showing Effects of Program Growth and Inflation



NOTES

- (1) Inflation Growth is due to personnel salary increases reported by MEA. In all cases, salary increases were below the level of the Consumer Price Index for the same year.
- (2) Program Growth represents increases in approved allowable costs granted during the school year for additional personnel and services, and usually are built into the budget the following year.
- (3) Approved minus Appropriated funds shows the difference between approved allowable costs and the amount of funding actually available through the state appropriation.

Comparison of Estimated and Budgeted Local District Contributions to Special Education, School Years 1990-91 to 1992-93



MCASE SURVEY - OCTOBER, 1990
1990/1991 SPECIAL EDUCATION ALLOWABLE COSTS

APPENDIX A

ADDITIONAL SPECIAL EDUCATION
BUDGETING

	STATE CONTRIBUTION	DISTRICT CONTRIBUTION	BUDGETED	Percentage Allowable Costs Paid By District Contribution	1990/91 Contribution to Special Education Payroll Tax	1990/91 Spec. Educ. Transp. Budgets
School Dist.						
Msla Co H.S.	\$962,225.00	\$408,922.00	\$408,922.00	29.8%	\$179,980.00	\$105,982.00
Msla Ele.	\$1,248,836.00	\$245,940.00	\$245,940.00	16.5%	\$425,500.00	\$366,000.00
Hellgate Ele.	\$170,616.00	\$106,000.00	\$106,000.00	38.3%	\$43,020.00	\$0.00
Stevensville**	\$156,268.00	\$31,142.00	\$31,142.00	16.6%	\$28,839.00	\$24,978.00
Corvallis**	\$183,894.00	\$54,746.00	\$54,746.00	22.9%	\$27,959.00	\$2,639.00
Darby**	\$127,653.00	\$30,846.00	\$30,846.00	19.5%	\$19,066.00	\$18,558.00
Cut Bank**	\$176,647.00	\$52,600.00	\$52,600.00	22.9%	\$34,600.00	\$0.00
Choteau**	\$125,813.00	\$21,409.00	\$21,409.00	14.5%	\$21,725.00	\$1,296.00
Shelby**	\$152,079.00	\$12,000.00	\$12,000.00	7.3%	\$18,596.64	\$0.00
Great Falls**	\$2,721,608.00	\$799,076.00	\$799,076.00	22.7%	\$757,871.17	\$428,042.16
Conrad**	\$173,764.00	\$26,466.00	\$26,466.00	13.2%	\$40,310.00	\$290.00
Havre**	\$546,932.00	\$250,120.00	\$250,120.00	31.4%	\$80,255.00	\$16,672.00
Browning**	\$458,197.00	\$326,050.00	\$326,050.00	41.6%	\$116,200.00	\$15,263.00
Helena**	\$1,612,284.00	\$354,750.00	\$354,750.00	18.0%	\$296,369.00	\$221,000.00
Deer Lodge	\$262,536.00	\$14,559.42	\$14,559.42	5.3%	\$43,459.06	\$0.00
Butte**	\$1,755,593.00	\$80,502.00	\$80,502.00	4.4%	\$278,474.00	\$194,995.00
Anaconda**	\$619,310.00	\$19704.00	\$19704.00	3.1%	\$87,941.00	\$2,480.00
Bozeman**	\$769,470.00	\$140,519.00	\$140,519.00	15.4%	\$240,993.00	\$74,121.00
Beaverhead Co. High School	\$49,493.00	\$11,945.00	\$11,945.00	19.4%	\$9,595.04	\$2,059.00
Dillon Ele.	\$124,309.00	\$19,580.00	\$19,580.00	13.6%	\$21,396.00	\$1,300.00
Livingston**	\$460,219.00	\$104,840.00	\$104,840.00	18.6%	\$113,373.00	\$13,774.00

** Combined Elementary and Secondary Districts

HB Ed. & Transp. Div.
DATE 1-11-91
EXHIBIT 2

Page 2	School Dist. *****	BUDGETED		Percentage Allowable Costs Paid By District Contribution *****	1990/91 Contribution to Special Education Payroll Tax *****	1990/91 Spec. Educ. Transp. Budgets *****
		STATE CONTRIBUTION *****	DISTRICT CONTRIBUTION *****			
	Glasgow**	\$133,419.00	\$35,200.00	27.2%	\$28,700.00	\$32,000.00
	Belgrade**	\$321,895.00	\$102,224.00	24.1%	\$144,967.00	\$48,015.00
	Baker**	\$94,224.00	\$35,000.00	27.0%	\$19,384.00	\$900.00
	Miles City**	\$505,938.00	\$45,206.00	8.2%	\$89,967.00	\$35,588.00
	Forsyth**	\$98,018.00	\$58,625.00	37.4%	\$20,554.00	\$1,000.00
	Wolf Point**	\$158,332.00	\$186,848.99	54.1%	\$32,250.84	\$23,450.00
	Malta**	\$97,052.00	\$25,000.00	20.5%	\$12,530.00	\$0.00
	Glendive**	\$393,662.00	\$83,261.00	17.5%	\$77,920.00	\$13,000.00
	Sidney**	\$246,151.00	\$84,623.00	25.6%	\$51,375.00	\$13,968.00
	Libby**	\$447,939.00	\$33,687.00	7.0%	\$75,129.00	\$31,752.00
	Evergreen	\$190,333.00	\$83,528.94	30.5%	\$42,500.00	\$0.00
	Polson**	\$222,012.00	\$45,362.00	17.0%	\$34,374.00	\$7,559.00
	Ronan**	\$299,373.00	\$97,872.00	24.6%	\$50,382.00	\$13,275.00
	Kalispell**	\$928,089.00	\$350,059.00	27.4%	\$177,125.00	\$17,820.00
	Big Fork**	\$117,926.00	\$45,577.00	27.8%	\$24,759.00	\$4,426.00
	Whitefish**	\$257,698.00	\$94,463.00	26.8%	\$53,000.00	\$1,500.00
	Troy**	\$140,261.00	\$70,078.56	33.3%	\$27,050.00	\$1,500.00
	Billings**	\$4,342,008.00	\$1,747,291.00	28.7%	\$807,650.00	\$814,113.00
	Lockwood	\$207,906.00	\$44,000.00	17.5%	\$45,000.00	\$4,500.00
	Lewistown**	\$289,374.00	\$73,518.00	20.3%	\$46,180.00	\$18,819.00
	Hardin**	\$412,986.00	\$206,660.00	33.4%	\$71,168.16	\$144.00

**Combined Elementary and Secondary Districts

MCASE SURVEY OCTOBER, 1990
1990/1991 SPECIAL EDUCATION ALLOWABLE COSTS

Page 3

School Dist. ***** Laurel** Roundup** TOTALS	STATE CONTRIBUTION ***** \$225,034.00 \$126,415.00 \$23,113,791.00	BUDGETED DISTRICT CONTRIBUTION ***** \$43,933.00 \$29,449.00 \$6,733,182.91	Percentage Allowable Costs Paid By District Contribution ***** 14.7% 18.9%	1990/91 Contribution to Special Education Payroll Tax ***** \$34,334.00 \$28,617.00 \$4,880,437.91	1990/91 Spec. Educ. Transp. Budgets ***** \$32,264.00 \$0.00 \$2,605,042.16
	ADDITIONAL SPECIAL EDUCATION BUDGETING				

EXHIBIT 5
DATE 1-11-91
HB Ed. & Curr. Post. & S.

**Combined Elementary and Secondary Districts

SUMMARY DATA ANALYSIS MCASE OCTOBER, 1990 SURVEY

1. Sample: Eighty (80) School Districts (36 districts combined elementary and secondary, 2 high school districts, 6 elementary districts)

A. State Contribution of Allowable Costs to these Districts:

79.3% of State Allocation to all School Districts (excluding allocations to Special Education Cooperatives)

\$23,113,791.00

2. Allowable Costs District Contribution (sample)

A. Assumption: This figure is 79.3% of contributions made by all school districts.

B. Range: 3.1% to 54.1%
Mean: 22.6%

\$6,733,182.91

C. State Allocation of Allowable Cost Appropriation for all School Districts (excluding Cooperatives)

\$29,166,944.00

D. Total School District Contribution (all districts projected from 79.3% Sample.)

\$8,490,773.00

E. State and Local Projected Contribution for School Districts.

\$37,657,717.00

F. Special Education Cooperative approved allowable costs for 1990/1991:

\$4,800,845.00

G. School Districts Projected Need from 2E plus Cooperative Approved Allowable Costs (2F)

TOTAL PROJECTED Allowable Cost Budget for the 1990/1991 School Year:

\$42,458,562.00

Allowable Costs Include: Salaries for: Teachers, Teacher Aides, Speech Pathologists, School Psychologist, Special Education Directors, Clerical Personnel, and may include Nurses, Physical and Occupational Therapists and Audiologists.

Other allowable costs: Workers Compensation, Health Insurance, Equipment and Repair of Equipment (\$200 per classroom limit), Teaching Materials/Supplies (\$15.00 for part time student; \$20.00 per full time student, except speech therapy), Contracted Services (negotiated with OPI), Room and Board for isolated students, Out of District Placements and Travel for Itinerant Personnel.

3. Payroll Tax Sample Contribution

Payroll taxes paid by State, County and Local Revenue Sources (Social Security, Retirement, etc.) are equivalent to approximately 16.3% of allowable costs paid by the State and local districts.
Projected Total All School Districts

\$4,880,438.00

\$6,154,398.00

4. Special Education Transportation Sample Contribution

Special Education Transportation costs paid by local, county and state revenue sources are equivalent to approximately 8.7% of allowable costs paid by the state and local districts.
Projected Total all School Districts

\$2,605,042.00

\$3,285,046.00

VISITOR'S REGISTER

Education

SUBCOMMITTEE

AGENCY (S)

OPI Distribution

DATE

1-11-91

DEPARTMENT

NAME	REPRESENTING	SUP-PORT	OP-POSE
Jan Wright	MEA	✓	
Eric Jan	"	✓	
Larry Faubus	A & A T E	✓	
Michael Hall	OPI	✓	
Terry Mmow	MFT	✓	
Jim W Long	S. A. M.	✓	
Ray Matenna	MACSS	✓	
Bruce W. Mier	MSBA	OP Budget	
Pat Long	OP J	BIT	
Robert Dunkel	OPI	SEP	
Kelly Evans	S. W. M. T. Ed Coop	MCASE	✓

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT
 IF YOU HAVE WRITTEN COMMENTS, PLEASE GIVE A COPY TO THE SECRETARY.