

Legislative Fiscal Division

03/07/05

Legislative Changes in OPI for the 2007 Biennium

OPI Agency	Biennial Impact Millions
General Fund	
1 Indian Education for All Curriculum Development (4 FTE)	\$ 2.311
2 Student Education Information Data System (4 FTE)	\$ 2.826
3 Curriculum Specialists - Reading & Math - (2 FTE)	\$ 0.348
4 Other OPI	\$ 0.730
Total General Fund	<u>\$ 6.215</u>
5 Federal Monies (5.3 FTE)	\$ 6.106
6 State Special	\$ 0.048
Total OPI Agency	<u>\$ 12.369</u>

Distribution to Schools	
General Fund	
1 Base Aid Increase \$250 per ANB Elementary, \$50 per ANB High School FY06, Three Year Averaging Both years, Inflation Both Years	\$ 58.658
2 Special Education	\$ 8.119
3 School Facilities	\$ 7.057
4 Indian Education For All	\$ 1.100
5 Other Distribution to Schools (HB 124 Bl Grants, Vo-Ed, Gifted & Talent)	\$ 3.386
Total General Fund	<u>\$ 78.320</u>
6 Federal Increases	\$ 35.616
Total Distribution to Schools	<u>\$ 113.936</u>
Total OPI	<u>\$ 126.305</u>

General Fund Comparison of OPI's Budget - 2007 Biennium

	Martz Proposal	Original Schweitzer Proposal	New Schweitzer Proposal	Legislative Action HB2
OPI Agency				
FY04 Base General Fund Budget X 2	8,905,844	8,905,844	8,905,844	8,905,844
Present Law Adjustments	504,509	504,509	504,509	504,509
New Proposals				
Martz New Proposals	709,822	709,822	709,822	709,822
Student Ed Info System	-	2,826,000	2,826,000	2,826,000
Indian Education for All - Schweitzer	-	1,504,095	1,504,095	1,504,095
Indian Ed for All Montanans	-	-	-	310,846
National Board Certification Stipends	-	-	-	12,000
Curriculum Specialists	-	-	-	347,765
Total Agency Budget	<u>10,120,175</u>	<u>14,450,270</u>	<u>14,450,270</u>	<u>15,120,881</u>
Total Budget Above FY04 Base	1,214,331	5,544,426	5,544,426	6,215,037
Successive Change to Each Budget		4,330,095	-	670,611

Distribution to Schools				
FY04 Base General Fund Budget X 2	1,019,264,278	1,019,264,278	1,019,264,278	1,019,264,278
Present Law Adjustments	22,373,692	22,373,692	22,373,692	22,373,692
New Proposals				
Special Ed Increase	2,690,608	2,690,608	2,690,608	2,690,608
School Facility Increase	2,000,000	2,000,000	2,000,000	2,000,000
Secondary Vo-Ed Increase	570,000	570,000	570,000	570,000
Gifted & Talented Increase	170,000	170,000	170,000	200,000
Increase Entitlements (\$250 Elem/\$50 HS)	-	30,670,095	30,670,095	30,670,095
School Facility Added Increase	-	4,775,684	4,775,684	4,775,684
Class 8 Exemption - Reimbursement	-	1,003,295	1,003,295	-
Indian Education For All	-	-	-	1,100,000
Three Year Averaging	-	-	13,940,000	13,940,000
Total Distribution to Schools Budget	<u>1,047,068,578</u>	<u>1,083,517,652</u>	<u>1,097,457,652</u>	<u>1,097,584,357</u>
Total Budget Above FY04 Base	27,804,300	64,253,374	78,193,374	78,320,079
Successive Change to Each Budget		36,449,074	13,940,000	126,705

Total OPI	<u>1,057,188,753</u>	<u>1,097,967,922</u>	<u>1,111,907,922</u>	<u>1,112,705,238</u>
Total Budget Above FY04 Base	29,018,631	69,797,800	83,737,800	84,535,116
Successive Change to Each Budget		40,779,169	13,940,000	797,316

**Executive Proposals for OPI - 2007 Biennium
By Fund and Decision Package Number**

Present Law Adjustments			Fiscal 2006	Fiscal 2007	Biennium
Decision Package	Page #				
Statewide Adjustments (All Funds)			424,336	421,893	846,229
General Fund					
DP12	E-8	Provide funding for Surplus Computers	\$ 38,822	\$ 33,808	\$ 72,630
DP13	E-8	Education Licensure Increased Costs	3,540	3,540	7,080
DP16	E-8	Audiology	22,883	34,477	57,360
DP18	E-9	Statewide Student Assessment	29,250	43,250	72,500
DP29	E-9	Indirect Cost of Base Adjustments	\$ 40,877	\$ 40,336	\$ 81,213
DP30	E-10	Statewide FTE Reduction	(49,738)	(47,665)	(97,403)
Total General Fund			85,634	107,746	193,380
State Special Funds					
DP26	E-9	Growth in Commodities and Cooperative Purchasing	15,000	15,000	30,000
DP29	E-9	Indirect Cost of Base Adjustments	843	848	1,691
Total State Special			15,843	15,848	31,691
Federal Funds					
DP27	E-9/E-10	Federal Grant Increases	2,457,751	2,755,494	5,213,245
DP29	E-9	Indirect Cost of Base Adjustments	51,651	51,769	103,420
Total Federal Funds			2,509,402	2,807,263	5,316,665
Total Present Law Changes			<u>3,035,215</u>	<u>3,352,750</u>	<u>6,387,965</u>

New Proposals			Fiscal 2006	Fiscal 2007	Biennium
General Fund					
DP61/DP81	S49	Indian Education for All (Schweitzer - Biennial)	1,000,000	1,000,000	2,000,000
DP77	NA	Indian Education for All Montanans (Biennial)	155,423	155,423	310,846
DP53	E-11	Gifted and Talented Assistance	-	43,917	43,917
DP54	E-11	Audiology Equipment - OTO	85,000	85,000	170,000
DP62	E-11	Student Education Information Data System - Biennial - OTO	2,455,026	370,974	\$ 2,826,000
DP70	E-5	National Board Certification - OPI	6,000	6,000	12,000
DP72	E-5	Curriculum Specialists (2 FTE) OPI	175,791	171,974	347,765
Total General Fund			<u>3,877,240</u>	<u>1,833,288</u>	<u>5,710,528</u>
DP17	E-11	State Special - Educator Preparation Unit Reviews	8,000	8,000	16,000
Total New Proposals (Schweitzer)			<u>3,885,240</u>	<u>1,841,288</u>	<u>5,726,528</u>
Total Present Law and New Proposals (Schweitzer)			<u>6,920,455</u>	<u>5,194,038</u>	<u>12,114,493</u>

DP74	NA	Homeland Security - Federal - OPI	127,000	127,000	254,000
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Approval of Indirect cost rate
Advanced Drivers Ed rates

Language: "The Office of Public Instruction may distribute funds from the appropriation for instate treatment to public school districts for the purpose of providing for educational costs of children with significant behavioral or physical needs."

"All revenue up to \$1.1 million in the state traffic education account for distribution to schools under the provisions of 20-7-506 and 61-5-121 is appropriated as provided in Title 20, chapter 7, part 5."

"All appropriations for federal special revenue programs in state level activities and in local education activities, and all general fund appropriations in local educational activities are biennial."

Executive Proposals for K-12 Distribution to Schools - 2007 Biennium
By Fund and Decision Package Number

Present Law Adjustments

			Fiscal 2006	Fiscal 2007	Biennium
General Fund					
Decision Package	Page #	Base Aid Changes			
DP01	E-18	Reduction Due to Fewer ANB	\$ (3,380,356)	\$ (8,481,001)	\$ (11,861,357)
DP01	E-18	Inflation Adjustment (2.1% - FY06; 2.19% FY07)	9,554,956	19,429,308	28,984,264
DP05	E-20	BASE Aid Due to Spec Ed Present Law Adjustment	172,545	169,664	342,209
None	E-18	Adjustment for Higher Common School Revenue	(619,241)	(441,241)	(1,060,482)
Total Base Aid Changes			\$ 5,727,904	\$ 10,676,730	\$ 16,404,634
DP19	E-21	Transportation	\$ 100,000	\$ 200,000	300,000
DP05	E-21	Special Education	1,535,812	1,535,812	3,071,624
DP20	E-21	School Facility	140,558	140,558	281,116
DP23&25	E-21	Other Biennial	211,207	214,221	425,428
DP22	E-21	County and District HB 124 Block Grants - 0.76 percent per year	754,633	1,136,257	1,890,890
Total General Fund			\$ 8,470,114	\$ 13,903,578	\$ 22,373,692
DP28	E-21	Federal Increases	\$ 14,074,855	\$ 20,995,626	\$ 35,070,481
DP 75	NA	Homeland Security - Federal	273,000	273,000	546,000
Total Federal			14,347,855	21,268,626	35,616,481
Total Present Law Adjustments			22,544,969	34,899,204	57,444,173

New Proposals

			Fiscal 2006	Fiscal 2007	Biennium
General Fund					
DP06	E-22	Base Aid Changes - Special Ed Increase - Martz			
DP06	E-23	BASE Aid Due to Spec Ed Increase	\$ 122,047	\$ 228,581	\$ 350,628
DP06	E-24	Special Education Increase - Inflation	763,546	1,576,434	2,339,980
DP06	E-25	Total DP06	885,593	1,805,015	2,690,608
DP61	S-52	Base Aid Changes - Increase in Entitlements and Spec Ed - Schweitzer			
DP61	S-52	Increase Schedules \$250/ANB Elem & \$50/ANB High School	9,638,287	9,554,163	\$ 19,192,450
DP61/DP81	S-52	School District GTB - \$250/ANB Elem & \$50/ANB High School + Sp Ed	3,932,778	3,918,887	7,851,665
DP61	S-52	County Retirement - due to Gen Fund schedule increases	451,880	466,803	918,683
DP61	S-52	Special Ed Increase	1,339,009	1,368,288	2,707,297
DP61	S-52	Total DP61	15,361,954	15,308,141	\$ 30,670,095
DP78	NA	Base Aid - Three Year Averaging	7,520,000	6,420,000	\$ 13,940,000
DP80	NA	Indian Education for All	550,000	550,000	\$ 1,100,000
DP21	E-22	School Facility Increase - Martz	1,000,000	1,000,000	\$ 2,000,000
DP63	S-52	School Facility Increase - Schweitzer - OTO	2,372,041	2,403,643	\$ 4,775,684
DP51	E-23	Secondary Vo-Ed Increase	285,000	285,000	\$ 570,000
DP50	E-23	Gifted and Talented Increase	100,000	100,000	\$ 200,000
Total DP21,63,51,50			3,757,041	3,788,643	7,545,684
Total General Fund - New Proposals			\$ 28,074,588	\$ 27,871,799	\$ 55,946,387

Net Change General Fund Over FY04 Base (Present Law + New Proposals) 36,544,702 41,775,377 78,320,079

Net Change All Funds Over FY04 Base 50,619,557 62,771,003 113,390,560

State Spending in the 2004 general fund base budget 509,632,139
BASE Aid paid for out of the Guarantee Fund (Interest and Income on State Lands) 47,257,759
Total State Spending on K-12 - FY2004 556,889,898

BASE Aid Reconciliation - 3/07/05

	<u>FY06</u>	<u>FY07</u>	<u>Biennium</u>
Base Aid in HB2 (in Subcommittee)	477,558,739	481,253,007	958,811,746
New Model 3/04/05 - New ANB	<u>480,206,285</u>	<u>482,364,589</u>	<u>962,570,874</u>
Difference	<u>2,647,546</u>	<u>1,111,582</u>	<u>3,759,128</u>
I&I in Gov's Budget	47,877,000	47,699,000	95,576,000
New I&I 3/04/05 (HJR 2 - House Tax)	<u>49,163,989</u>	<u>48,306,891</u>	<u>97,470,880</u>
Difference (Impact on GF Base Aid)	<u>(1,286,989)</u>	<u>(607,891)</u>	<u>(1,894,880)</u>

Summary

<u>General Fund Base Aid Adjustments</u>	<u>FY06</u>	<u>FY07</u>	<u>Biennium</u>
New ANB	2,647,546	1,111,582	3,759,128
New I&I	(1,286,989)	(607,891)	(1,894,880)
SB333	<u>650,429</u>	<u>675,207</u>	<u>1,325,636</u>
Total Base Aid Change	<u>2,010,986</u>	<u>1,178,898</u>	<u>3,189,884</u>

