

**Exhibit Number: 1**

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Linda McCulloch, Superintendent  
 Montana Office of Public Instruction  
 P.O. Box 202501  
 Helena, Montana 59620-2501

**OFFICE OF PUBLIC INSTRUCTION PRESENTATION TO  
 APPROPRIATIONS SUBCOMMITTEE ON EDUCATION**

**JANUARY 17 – 20, 2005**

**Room: 102 State Capitol**

**Time: 8:00 AM – 12:00 Noon**

**MONDAY, JANUARY 17, 2005**

**STATE LEVEL ACTIVITIES PROGRAM (06)**

<u>Topic</u>	<u>Presenter</u>
<b>I. Opening Remarks</b> State Level Activities Overview/Priorities	Superintendent McCulloch
<b>II. Overview of OPI Departments</b>	
a. Education Services Department	Nancy Coopersmith
b. Operations Department	Joan Anderson
c. State Superintendent's Office	Madalyn Quinlan
<b>III. Progress Report on President Bush's No Child Left Behind Act, and Individuals with Disabilities Act 2004 Reauthorization</b>	Superintendent McCulloch Bob Runkel
<b>IV. State Level Activities Program 06 – Present Law Adjustments</b>	
a. DP 12 Funding for Surplus Computers For Schools*	Joan Anderson
b. DP 13 Education Licensure*	Madalyn Quinlan
c. DP 16 Audiology	Bob Runkel
d. DP 18 Statewide Student Assessment	Madalyn Quinlan
e. DP 26 Growth in Commodities and Cooperative Purchasing	Julia Dilly
f. DP 27 Federal Grants	Julia Dilly
g. DP 29 Indirect Cost of Base Adjustments	Julia Dilly
h. DP 30 Statewide FTE Reduction	Madalyn Quinlan
i. National Board Certification Stipends *	Madalyn Quinlan

**V. State Level Activities Program 06 - New Proposals**

- a. Indian Education for All  
DP 4 Martz Budget  
DP 60 Schweitzer Budget Superintendent McCulloch
- b. DP 17 Educator Preparation Unit Reviews Nancy Coopersmith
- c. DP 53 Gifted and Talented Assistance\* Nancy Coopersmith
- d. DP 54 Audiology Equipment –  
Restricted/OTO Bob Runkel
- e. Student Education Information Data System  
DP 62 Schweitzer Budget Madalyn Quinlan
- f. Accreditation/Technical Assistance  
Specialists\* Bud Williams
- g. Measurement & Accountability\* Nancy Coopersmith
- h. SABHRS Fixed Cost\* Julia Dilly

**VI. Proprietary Fund Rates**

- a. Indirect Cost Pool Julia Dilly
- b. Advanced Drivers Education Julia Dilly

**VII. State Level Activities Public Comment**

\* State Superintendent's requests not funded or fully funded in Governors Martz' or Schweitzer's budget

**TUESDAY AND WEDNESDAY, JANUARY 18 – 19, 2005  
LOCAL EDUCATION ACTIVITIES PROGRAM (09)**

- | <u>Topic</u>   | <u>Presenter</u>         |
|--|--------------------------|
| <b>I. Local Education Activities Program<br/>Overview/Priorities</b>       | Superintendent McCulloch |
| <b>II. Local Education Activities Program 09 - Present Law Adjustments</b> |                          |
| a. DP 1 K-12 BASE Aid  | Joan Anderson            |
| b. DP 5 Special Education Increase to 2005 Level                           | Bob Runkel               |
| c. DP 19 Transportation Aid – Increased State<br>Obligation                | Joan Anderson            |
| d. DP 20 School Facility Reimbursement                                     | Joan Anderson            |
| e. DP 22 School Block Grants   | Joan Anderson            |
| f. DP 23 School District Audit Filing Fee                                  | Joan Anderson            |
| g. DP 25 Biennial Appropriations   | Julia Dilly              |
| h. DP 28 Federal Grants  | Julia Dilly              |

**III. Local Education Activities Program 09 - New Proposals**

- |   |                          |
|---|--------------------------|
| a. DP 6 Special Education Increase                          | Bob Runkel               |
| b. Additional School Facility Reimbursements                |                          |
| DP 21 Martz Budget  |                          |
| DP 63 Schweitzer Budget                                     | Joan Anderson            |
| c. Tuition - HB 83  | Joan Anderson            |
| d. DP 50 Gifted & Talented – Additional Funding*            | Nancy Coopersmith        |
| e. DP 51 Career & Technical Education – Additional Funding* | Spencer Sartorius        |
| f. Increased Entitlements & Special Education               |                          |
| DP 61 Schweitzer Budget                                     | Joan Anderson/Bob Runkel |
| g. Per Educator Entitlement – HB 111                        | Madalyn Quinlan          |
| h. K-12 Base Aid*   | Madalyn Quinlan          |
| i. Full Day Kindergarten – HB 47                            | Madalyn Quinlan          |

**IV. Closing Remarks** Superintendent McCulloch

**V. Local Education Activities Program Public Comment**

\* State Superintendent's requests not funded or fully funded in Governors Martz' or Schweitzer's budget

**THURSDAY, JANUARY 20, 2005**  
**STATE LEVEL ACTIVITIES PROGRAM (06) AND**  
**LOCAL EDUCATION ACTIVITIES PROGRAM (09)**

**I. State Education Activities Program 06 - Executive Action**

**II. Local Education Activities Program 09 – Executive Action**

# **SPECIAL EDUCATION REPORT TO THE 2005 MONTANA LEGISLATURE**

**January 2005**



**Linda McCulloch  
Superintendent  
Office of Public Instruction  
OPISupt@mt.gov**

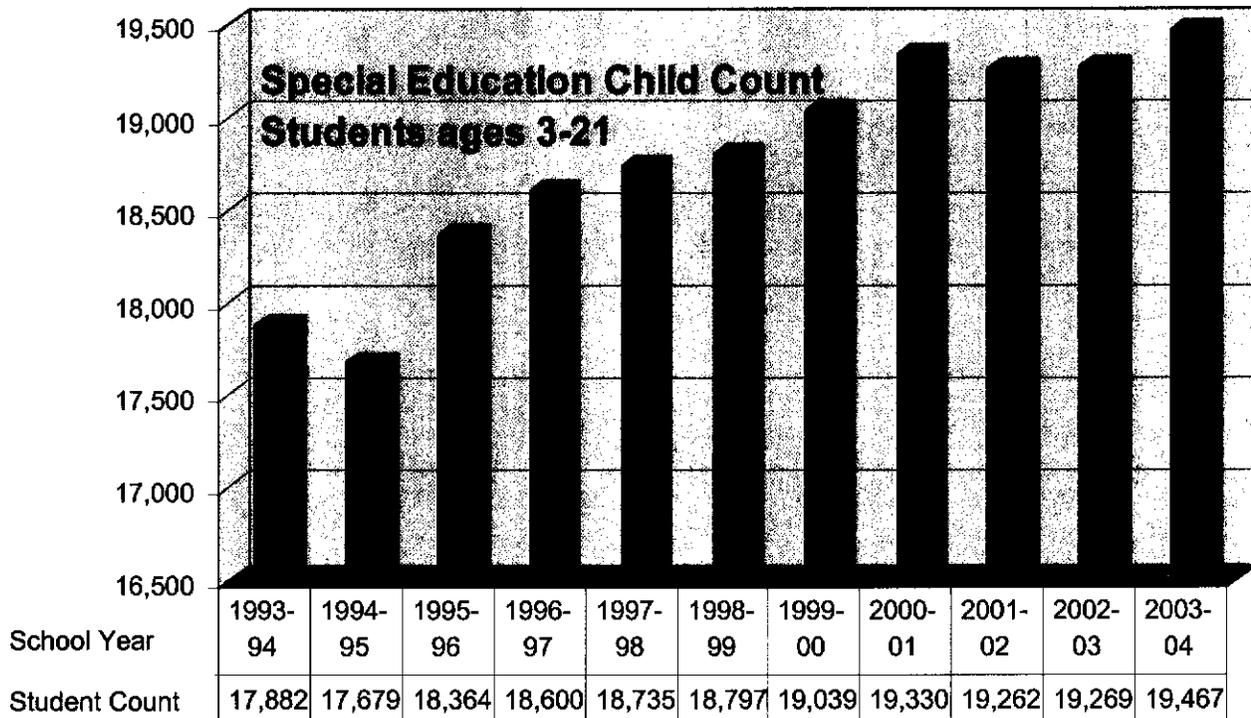
**PO Box 202501, Helena, MT 59620-2501**

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## Population of Students Served

Public schools must make available special education and related services to all IDEA-eligible (Individuals with Disabilities Education Act) students with disabilities beginning at age three and through age 18. Services to students 19, 20, and 21 are permissive. That is, the decision to serve 19, 20 and 21-year-old students is determined by the policies of the school district board of trustees [20-5-101(3), Montana Code Annotated (MCA), and Administrative Rules of Montana (ARM) 10.16.3122(2)].

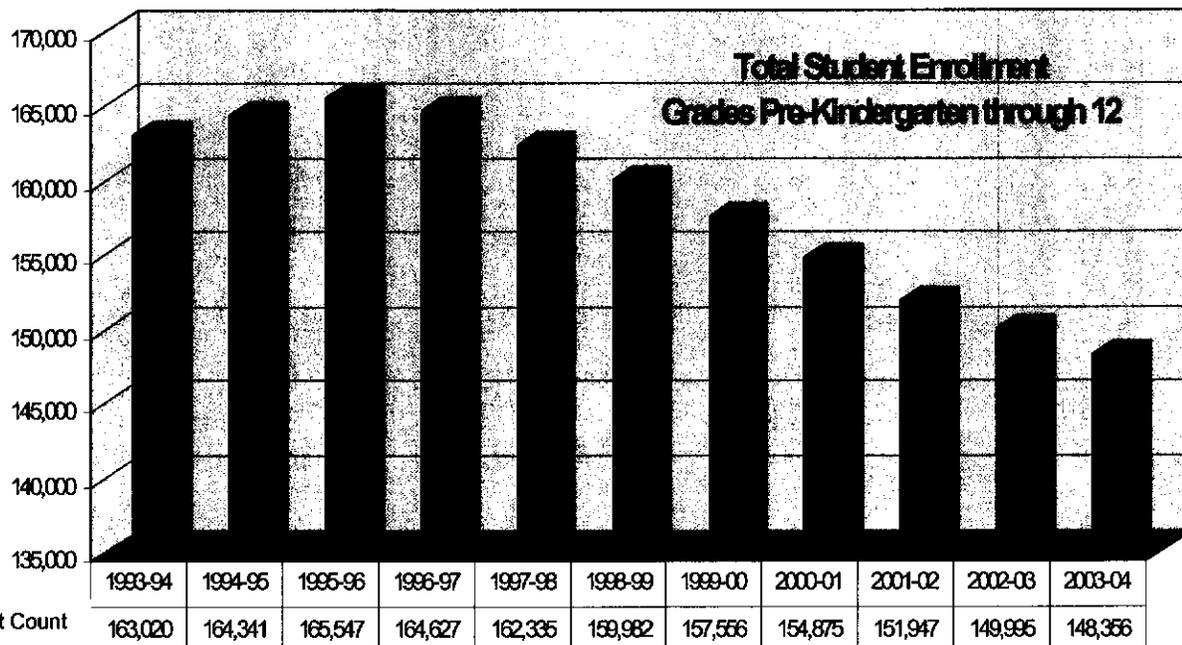


Note: This count includes students who qualify for special education and related services under IDEA and are receiving those services on the first school day in December. The count includes students who are enrolled in public schools, publicly funded schools, residential treatment facilities that contract with the OPI to provide services to their students, and students who are in private or home schools and are receiving services from a public school in accordance with a services plan.

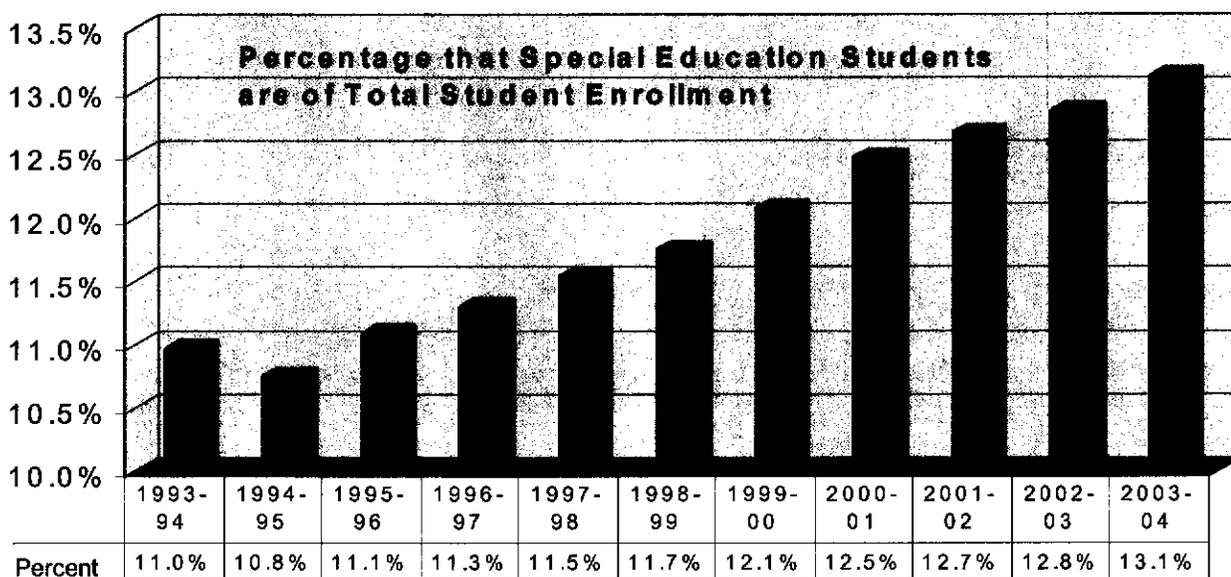
Source: Child Count Data Files ([Op\h\ntprd3\Access\Division\Speical Education\Child Count\ChildCount91-01](#) and [Access\Division\SpecialEducation\SQLCC](#))

Students with disabilities receive a wide range of services, including individualized instruction, assistive technology, and related services such as speech-language therapy, occupational therapy, physical therapy and/or transition services. Both the type and the extent of services a student receives are individually determined based on the educational needs of the student.

Montana's Child Count (term used for the collection of student special education data) grew slightly, but steadily, between the school year 1995-96 and the school year 2000-01. There was a small decrease in Child Count during 2001-02 and the count held steady for 2002-03; however, 2003-04 saw an increase in Child Count by almost 200 students. Montana's public schools have shown a steady decline in total enrollment since 1995-96. Because of declining enrollment at the same time special education Child Count has grown, the proportion of students served by special education has increased over the years.



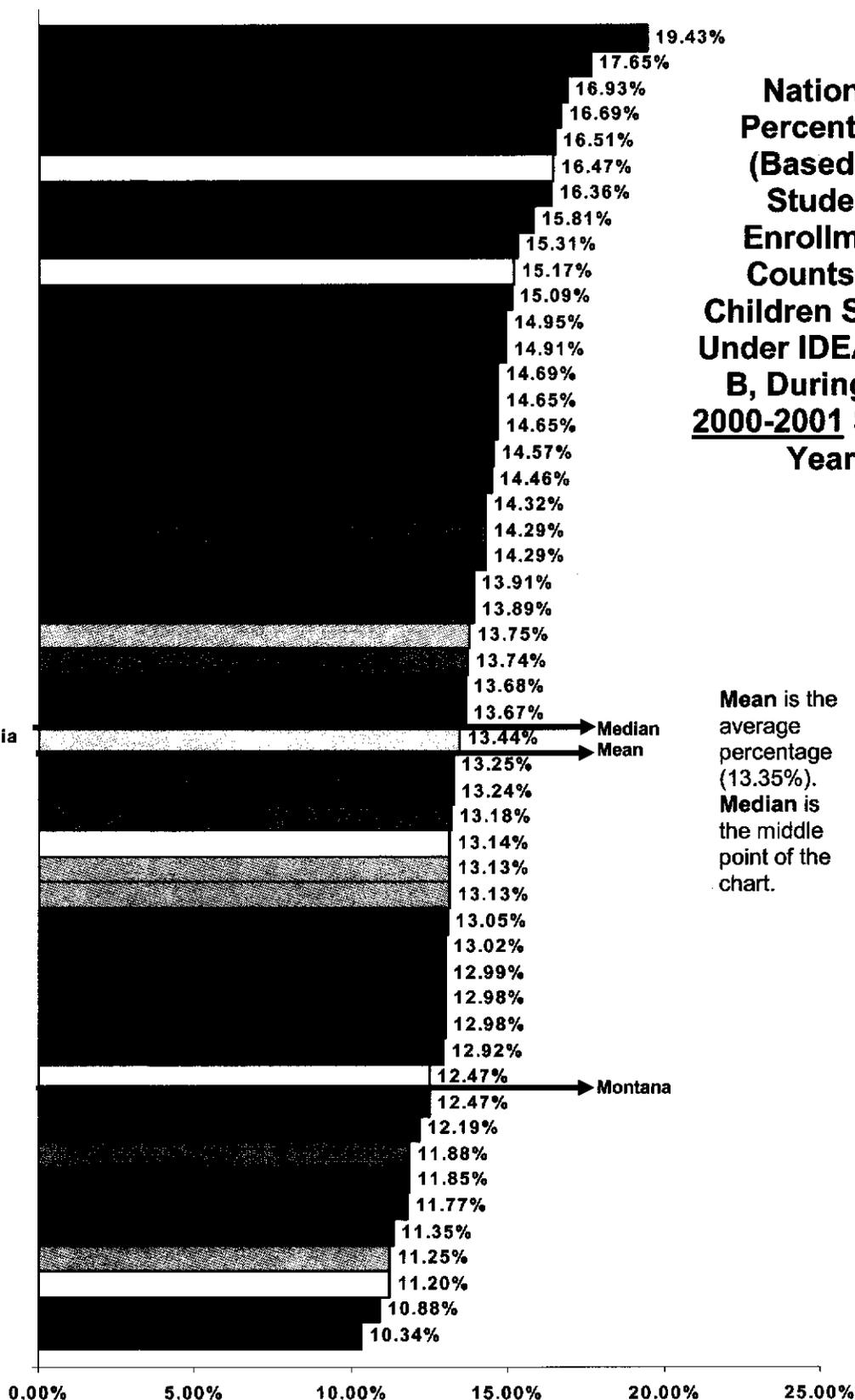
Source: Montana Public School Enrollment Data, Fall 2003-2004 (Published yearly by OPI)



Percentage is calculated by dividing the special education student count for the year by the total student enrollment for the same year.

Montana still ranks below the mean in the percentage of students served under IDEA according to the Twenty-Fourth Annual Report to Congress.

- Rhode Island
- West Virginia
- New Jersey
- Maine
- New Mexico
- Massachusetts
- South Carolina
- Indiana
- Missouri
- Kentucky
- Florida
- Nebraska
- New York
- Wyoming
- Virginia
- Delaware
- Iowa
- Illinois
- Vermont
- Wisconsin
- New Hampshire
- Tennessee
- Arkansas
- ▨ Alabama
- Oregon
- Oklahoma
- North Carolina
- District of Columbia
- Kansas
- Pennsylvania
- Louisiana
- Connecticut
- ▨ Maryland
- ▨ South Dakota
- Ohio
- Alaska
- Hawaii
- Michigan
- Minnesota
- North Dakota
- Montana
- Mississippi
- Texas
- Idaho
- Georgia
- Washington
- Utah
- ▨ Arizona
- Nevada
- Colorado
- California



**National Percentage (Based on Student Enrollment Counts) of Children Served Under IDEA, Part B, During the 2000-2001 School Year.**

Mean is the average percentage (13.35%). Median is the middle point of the chart.

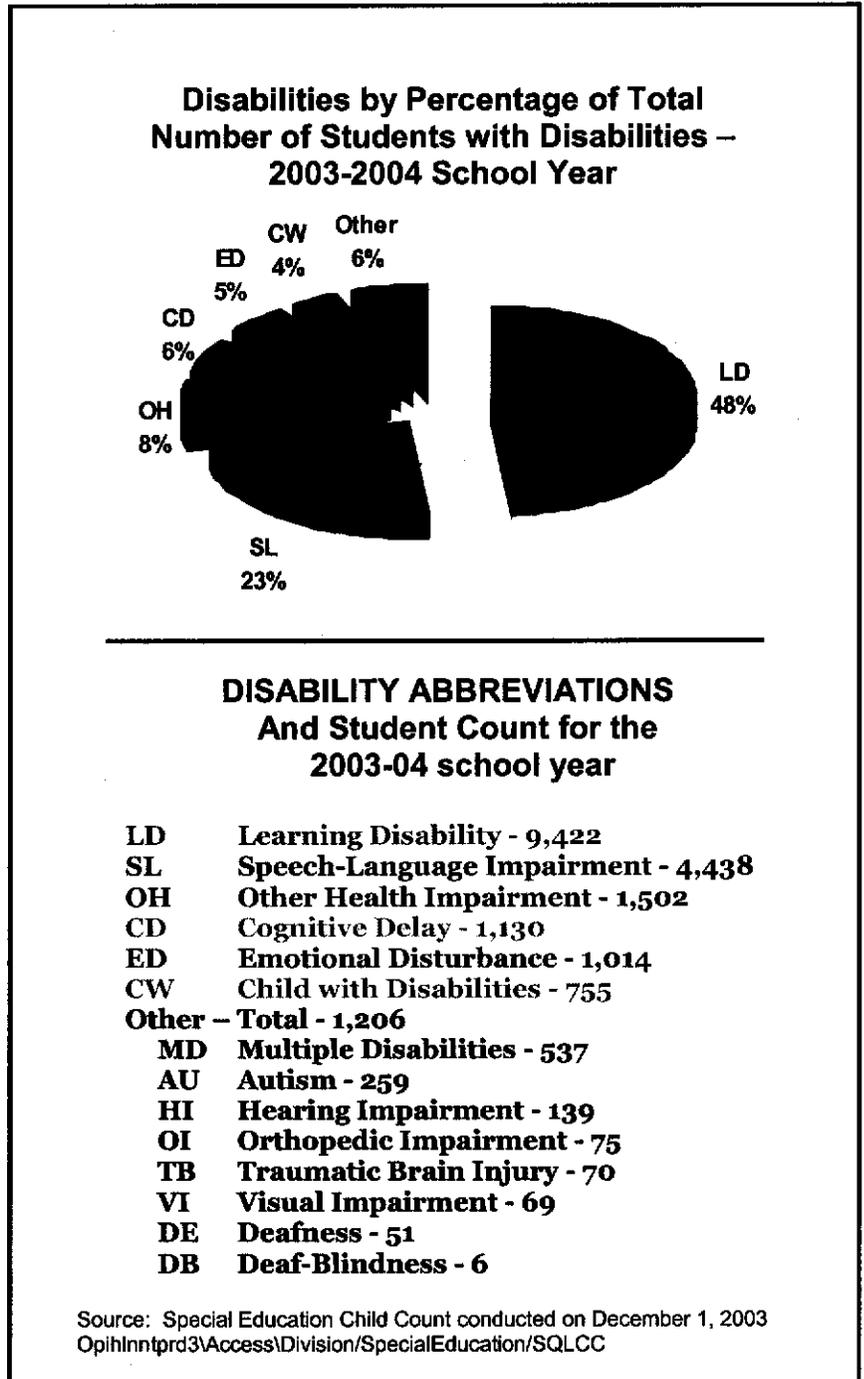
Source: Twenty-fourth Annual Report to Congress on the Implementation of the Individuals with Disabilities Education Act (Enrollment Data - [fall membership counts collected by National Center for Educational Statistics] Table A-388; Number of Children Served Under IDEA- [based on December 1, 2000 Child Count] Table A-1).

## Student Identification by Disability

Almost 50 percent of all students receiving special education services have their primary disability identified as learning disabled and 23 percent of students have speech-language impairment identified as their primary disability. These two categories represent almost three-quarters of all students receiving special education services.

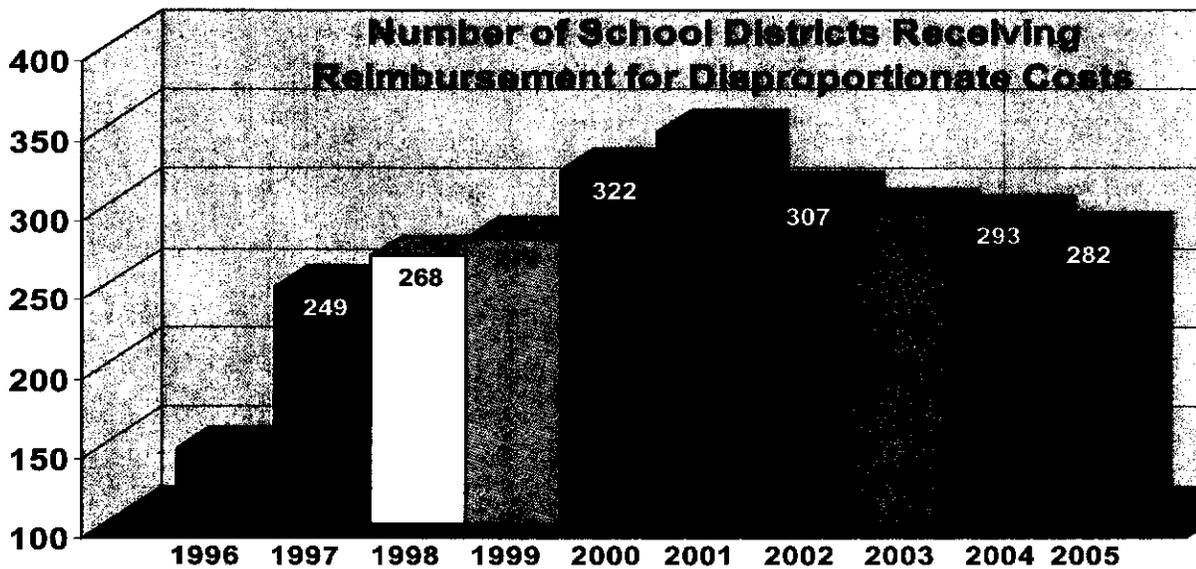
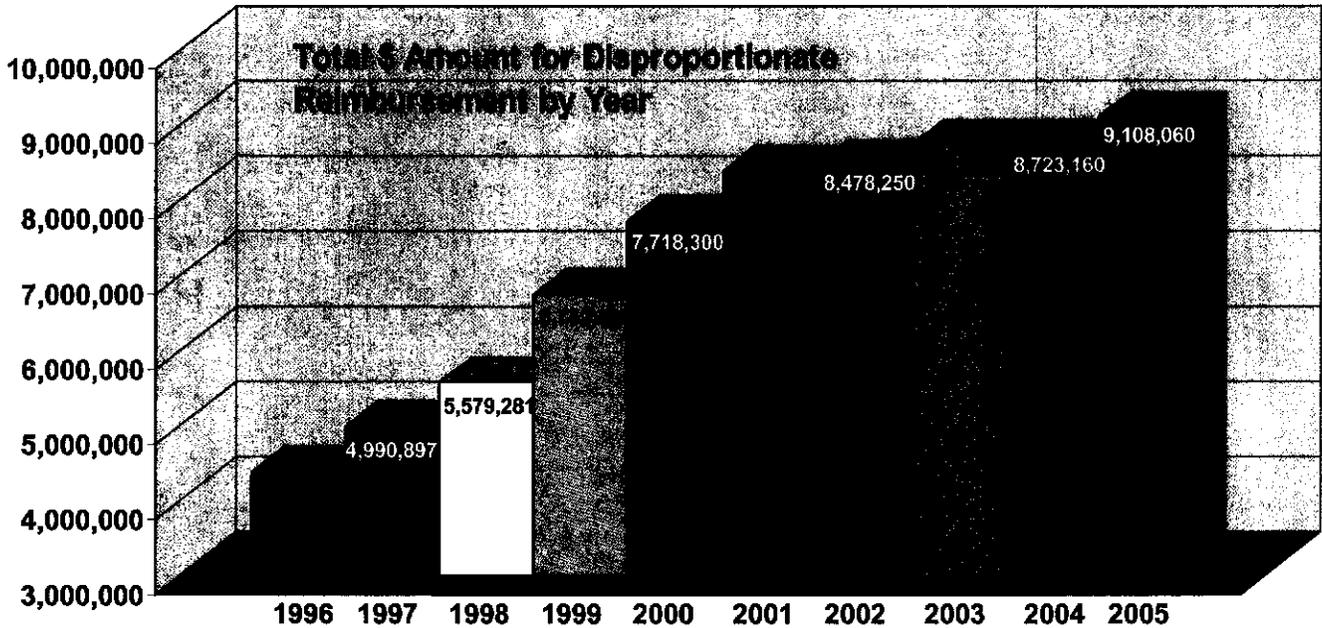
There has been a dramatic increase in the category of other health impairment. The number of students in Montana identified in this disability category grew from 177 students in 1989-90, to 1,502 students reported in 2003-04. A U. S. Department of Education, Office of Special Education Programs, policy letter issued in the early 1990s made it possible for children with attention deficit disorder to qualify for special education under the category of other health impairment and federal regulations finalized in March of 1999 listed attention deficit disorder/attention deficit hyperactivity disorder in the definition for other health impairment.

The number of students identified as having autism has increased substantially over the last 10 years. While autism is considered a low-incidence disability category, the cost to address the needs of a child with autism is high. Nationally, the number of students ages 6-21 who were reported under this category rose by 1,354.3 percent, from 5,415 students in 1992 to 78,749 students in 2001 (Source: Twenty-Fourth Annual Report to Congress on the Implementation of the Individuals with Disabilities Education Act, Pg II-20). In the first year (1991-92) that autism was identified as a specific disability by Montana, two students were identified. The following year, 20 students were identified as having autism and there has been a steady increase since then.



## Growth in Reimbursement of Disproportionate Costs

The proportion of the total state appropriation distributed in the form of reimbursement for disproportionate costs grew both in total dollars and in the number of districts receiving reimbursement for disproportionate costs through FY 2001. The funding for disproportionate reimbursement was revised with FY 2002 to fix the proportion of funds distributed under reimbursement for disproportionate costs and shift funding back to instructional and related services block grants. Today, any increase in funds distributed for purposes of reimbursement of disproportionate costs is due to an increase in overall appropriations for special education.



Source: Final Special Education Summary for 2004-05 (prd\Maefairs\MAEFAIRS\MAEFAIRS.ade rptSpecialEducationSummary, dated 8/24/04).