EXHIBIT 1
DATE 2/1/2011
HB

Board of Public Education

		pg #	Include?	2,012 GF	2,012 SSR	2,012 FED	2,013 GF	2,013 SSR	2,013 FED	Y1 total	y2 total	Biennial Totals GF	Biennial Totals SSR	Biennial Totals FED	Biennial Totals TOTAL
Adjusted Base				**216,507**	**187,920**	**0**	**221,475**	**188,322**	**0**	**404,427**	**409,797**	**437,982**	**376,242**	**0**	**814,224**
Adjusted Base Minus 5% - Exempt due to agency size				**216,507**	**187,920**	**0**	**221,475**	**188,322**	**0**	**404,427**	**409,797**	**437,982**	**376,242**	**0**	**814,224**
NP	101 Research Fund Switch	E-44		15,000	(15,000)	0	15,000	(15,000)	0	0	0	30,000	(30,000)	0	0
	103 Rent Increase	E-44		400	0	0	800	0	0	400	800	1,200	0	0	1,200
	140 Governor's Reduction	E-44		(3,890)	0	0	(3,890)	0	0	(3,890)	(3,890)	(7,780)	0	0	(7,780)
Requested															
	95101 5% Reduction			(9,917)	(9,302)	0	(9,917)	(9,302)	0	(19,219)	(19,219)	(19,834)	(18,604)	0	(38,438)

This decision package reduces the base budget by 5% in both general fund and state special revenue. This is an unallocated reduction.

Legislation - Change certification fee. See attached.

The example statute change is written at $10/year. The table to the right show the impact of dedicating the $6 of the $10 to the research fund. The second table shows an increase of $1 to the research fund, raising the fee to $7.

Board of Public Education
02219 Research Fund @ $6

	Actual	Appropriated	Requested	
FY	2010	2011	2012	2013
Beginning Fund Ba	$92,550	$66,602	$41,928	$134,926
Revenues	59,889	56,326	168,000	168,000
Expenditures	(85,837)	(81,000)	(75,002)	(75,002)
Ending Fund Balar	$66,602	$41,928	$134,926	$227,924

Board of Public Education
02219 Research Fund @ $3

	Actual	Appropriated	Requested	
FY	2010	2011	2012	2013
Beginning Fund	$92,550	$66,602	$41,928	$51,415
Revenues	59,889	56,326	84,489	84,489
Expenditures	(85,837)	(81,000)	(75,002)	(75,002)
Ending Fund Ba	$66,602	$41,928	$51,415	$60,902

20-4-109. Fees for teacher and specialist certificates. (1) A person applying for the issuance or renewal of a teacher or specialist certificate shall pay a fee ~~not to exceed $6 for~~ **of** **$10** each school fiscal year that the certificate is valid. In addition to this fee, a person who has never held any class of Montana teacher or specialist certificate or for whom an emergency authorization of employment has never been issued shall pay a filing fee of ~~$6.~~ **10.** The fees must be paid to the superintendent of public instruction, who shall deposit the fees with the state treasurer to the credit of the state special revenue fund account, created in subsection (2), to be used in the following manner:

(a) $4 for expenses of the certification standards and practices advisory council created in 2-15-1522;

(b) ~~$2~~ **6** to the board of public education and the certification standards and practices advisory council for activities in support of the constitutional and statutory duties of the board of public education and the certification standards and practices advisory council.

(2) There is an account in the state special revenue fund. Money from fees for teacher or specialist certificates required in subsection (1) must be deposited in the account.

Montana School For the Deaf and Blind

			2,012			2,013					Biennial Totals			
		include?	GF	SSR	FED	GF	SSR	FED	Y1 total	y2 total	GF	SSR	FED	TOTAL
Adjusted Base			**6,050,915**	**268,731**	**82,057**	**6,017,799**	**268,919**	**82,057**	**6,401,703**	**6,368,775**	**12,068,714**	**537,650**	**164,114**	**12,770,478**
NP55400 4% Personal Services Reduction - Student Services	E-59		(20,592)	0	0	(20,612)	0	0	**(20,592)**	**(20,612)**	(41,204)	0	0	(41,204)
NP55400 4% Personal Services Reduction-Education	E-64		(56,683)	0	0	(56,551)	0	0	**(56,683)**	**(56,551)**	(113,234)	0	0	(113,234)
NP95100 5% Plan - Student Services			(37,855)	0	0	(37,911)	0	0	**(37,855)**	**(37,911)**	(75,766)	0	0	(75,766)
NP95101 5% Plan - Operations Reduction			(41,631)	0	0	(41,632)	0	0	**(41,631)**	**(41,632)**	(83,263)	0	0	(83,263)
NP95102 5% Plan - Operational Adjustment			(31,407)	0	0	(31,406)	0	0	**(31,407)**	**(31,406)**	(62,813)	0	0	(62,813)
NP95103 5% Plan - Educational Program Pers. Services			(103,593)	0	0	(103,592)	0	0	**(103,593)**	**(103,592)**	(207,185)	0	0	(207,185)
Adjusted Base Minus 5%			**5,759,154**	**268,731**	**82,057**	**5,726,095**	**268,919**	**82,057**	**6,109,942**	**6,077,071**	**11,485,249**	**537,650**	**164,114**	**12,187,013**
	pg #													
PL PL 1 Extracurricular Compensation	E-63		26,938	0	0	26,938	0	0	26,938	26,938	53,876	0	0	53,876
Technical Adjustment														
PL 10 Technical Adjustment - Medicaid Reimbursements			0	18,142	(18,142)	0	18,142	(18,142)	0	0	0	36,284	(36,284)	0
Requested Packages														
PL 50 Restore Vacancy Savings - Student Services			53,386	0	0	53,392	0	0	53,386	53,392	106,778	0	0	106,778
PL 55 Restore Vacancy Savings - Education			153,511	0	0	153,628	0	0	153,511	153,628	307,139	0	0	307,139
This package would restore vacancy savings. To make the restoration permanent, statutory change is necessary. See attached														
NP 50 Restore 5% reduction = Vacancy Savings - Student Services 55400/95100			58,447	0	0	58,523	0	0	58,447	58,523	116,970	0	0	116,970
NP 55 Restore 5% reduction = Vacancy Savings - Education 55400/95103			160,276	0	0	160,143	0	0	160,276	160,143	320,419	0	0	320,419
This package would restore previously taken reductions slightly higher than vacancy savings. This allows full restoration of the corresponding FTE.														
NP 50 Restore 5% reduction = Vacancy Savings - Student Services 55400/95100			53,386	0	0	53,392	0	0	53,386	53,392	106,778	0	0	106,778
NP 55 Restore 5% reduction = Vacancy Savings - Education 55400/95103			153,511	0	0	153,628	0	0	153,511	153,628	307,139	0	0	307,139
This package would restore previously taken reductions at vacancy savings. This allows for restoration of the corresponding FTE at a reduced level of funding.														

Language: If the income and interest generated from the MSDB Trust Lands exceeds $268,731 in FY 2012 or $268,919 in FY 2013, then the excess revenues can be used for professional development or additional student transportation.

Potential statutory language to exempt Student Services and Educational Programs from vacancy savings.

(Section 1). Montana **School for the Deaf and Blind specific positions exempt from vacancy savings -- report to audit committee.** (1) Vacancy savings may not be imposed on authorized positions in the student services and educational programs within the school.

(2) For purposes of this section:

(a) "authorized positions" means those positions included in the list of current authorized positions that the department is required to maintain under 2-18-206;

(b) "school" means the Montana school for the deaf and blind established in 20-8-101; and

(c) "vacancy savings" means the difference between the cost of fully funding authorized positions for an entire fiscal year and the actual cost of funding those authorized positions during that fiscal year.

(3) Each fiscal year, the school shall provide to the legislative audit committee provided for in 5-13-201 a detailed report on all authorized positions in the student services and educational programs. At a minimum, the report must include the following information:

(a) the number of authorized positions that were filled during the year and the average salary paid at hire;

(b) the total number of vacancies incurred during the year broken out by position title, the cause of each vacancy, and the length of time the authorized position remained vacant;

(c) the total number of hours worked in authorized positions during the year broken out by ~~enforcement~~ activity and position title.