

### Agency Budget Comparison

The following table summarizes the total proposed budget by year, type of expenditure, and source of funding.

Agency Budget Comparison								
Budget Item	Base Fiscal 2014	Approp. Fiscal 2015	Budget Fiscal 2016	Budget Fiscal 2017	Biennium Fiscal 14-15	Biennium Fiscal 16-17	Biennium Change	Biennium % Change
FTE	88.61	88.61	88.61	88.61	88.61	88.61	0.00	0.00 %
Personal Services	5,895,267	6,299,893	6,458,291	6,447,566	12,195,160	12,905,857	710,697	5.83 %
Operating Expenses	805,844	778,843	859,427	814,230	1,584,687	1,673,657	88,970	5.61 %
Equipment & Intangible Assets	0	0	0	0	0	0	0	0.00 %
Transfers	11,300	11,300	9,000	9,000	22,600	18,000	(4,600)	(20.35)%
Debt Service	28,451	28,450	28,451	28,451	56,901	56,902	1	0.00 %
<b>Total Costs</b>	<b>\$6,740,862</b>	<b>\$7,118,486</b>	<b>\$7,355,169</b>	<b>\$7,299,247</b>	<b>\$13,859,348</b>	<b>\$14,654,416</b>	<b>\$795,068</b>	<b>5.74 %</b>
General Fund	6,416,018	6,783,506	7,030,325	6,974,403	13,199,524	14,004,728	805,204	6.10 %
State/Other Special Rev. Funds	255,680	263,220	255,680	255,680	518,900	511,360	(7,540)	(1.45)%
Federal Spec. Rev. Funds	69,164	71,760	69,164	69,164	140,924	138,328	(2,596)	(1.84)%
<b>Total Funds</b>	<b>\$6,740,862</b>	<b>\$7,118,486</b>	<b>\$7,355,169</b>	<b>\$7,299,247</b>	<b>\$13,859,348</b>	<b>\$14,654,416</b>	<b>\$795,068</b>	<b>5.74 %</b>

### Mission Statement

To provide to deaf children and blind children in the state of Montana a quality comprehensive education that will impart the opportunities to enable them to achieve their greatest potential of independence and success; and to serve as a resource center providing information, consultation, technical assistance, and leadership to (1) parents of deaf and/or blind children not yet enrolled in an educational program, (2) public schools in the state having deaf and/or blind children enrolled, and (3) organizations and individuals concerned with the provision of services to these children.

### Agency Highlights

<b>Montana School for Deaf and Blind Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• The Governor proposes to increase the school's general fund budget by 6.1% due to:               <ul style="list-style-type: none"> <li>◦ Statewide present law adjustments for personal services</li> <li>◦ Statewide present law adjustments for fixed costs and inflation</li> <li>◦ Other present law adjustments are:                   <ul style="list-style-type: none"> <li>▪ General fund to compensate staff supporting extra-curricular activities</li> <li>▪ General fund to upgrade the schools lending library</li> </ul> </li> </ul> </li> </ul>

### Agency Personal Services

The school is funded for 88.61 FTE as of July 2014 7.82 FTE were vacant. In FY 2014, the agency made a transfer of 0.57 FTE from personal services budget in student services and education to general services.

Montana School for the Deaf and Blind FTE Report As of July 2014		
<u>Position</u>	<u>FTE</u>	<u>Date Vacant</u>
Institution Attendant	0.77	2/14/2009
Professional	0.77	7/18/2009
Nurse	0.62	8/13/2011
Institution Attendant	0.77	8/24/2013
Professional	1.00	1/11/2014
Institution Attendant	0.77	3/22/2014
Institution Attendant	0.77	4/5/2014
Food Preparation Worker	0.77	6/14/2014
Food Preparation Worker	0.10	6/14/2014
Administrative Clerk	0.75	7/11/2014
Teacher	<u>0.73</u>	7/12/2014
Total	7.82	

In FY 2014, staff received on average a 4% pay increase this includes a 3% increase, given to all employees, as well as pay raises targeted for non-classified employees. All staff is expected to receive a 5% pay increase in FY 2015. The teaching staff is currently compensated at about 92% when compared to teaching staff within the Great Falls school district with similar education and experience.

The school competes nationally for teachers and professional support staff with the qualifications to serve hearing and visually impaired students. These requirements go beyond the qualifications required for educators employed by most public school systems. Specialized skill required by MSDB include staff that are fluent in sign language for those serving deaf and hard of hearing students, and braille for those serving blind and low vision students.

The 2013 legislature appropriated \$125,000 of general fund each year of the biennium to bring compensation for the educational professionals at the School for Deaf and Blind into parity with educational professionals within the Great Falls School Districts. The 2013 legislature did not restrict the funding for this purpose.

<b>LFD COMMENT</b>	<p>Unexpended personal services appropriation used to pay for operating expenses.</p> <p>The agency underspent general fund appropriation for personal services and transferred \$82,000 of personal service appropriation to operating expenses in FY 2014. This increase in FY 2014 relative to FY 2015 is reflected in the table at the top of the first page. The transfer paid for \$50,000 in maintenance expenses (primarily for the pool refinishing), \$30,000 in unbudgeted student travel expenses and \$2,000 in other operating expense. By comparison, MSDB moved \$100,000 in FY 2013 and \$53,000 in FY 2012 from personal services to operating expense.</p> <p>At the end of FY 2014, the agency had \$33,000 in unexpended authority in operating expense.</p>
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One fifth of the staff will achieve 25 years of service during the 2017 biennium and represents a potential liability for the payout of termination packages. The agency anticipates four retirements in the 2017 biennium with an estimated payout of \$30,000. The agency does not budget specifically for retirement payouts and must cover any expense related to retirements from existing appropriations.

The MSDB is statutorily exempt from vacancy savings (17-7-162, MCA).

### Comparison of FY 2015 Legislative Base to FY 2015 Appropriation

FY 2015 Appropriation Transactions - School for the Deaf & Blind					
Program	Legislative Appropriation	Legislative Approp OTO	Operating Plan	Program Transfers	Total Executive Implementation
01 ADMIN PROG	\$454,685				\$454,685
Personal Services	369,108				369,108
Operating Expenses	85,577				85,577
02 GENERAL SERV	491,393			32,336	523,729
Personal Services	199,269			32,336	231,605
Operating Expenses	252,374				252,374
Transfers	11,300				11,300
Debt Service	28,450				28,450
03 STUDENT SERVICES	1,645,373			(5,088)	1,640,285
Personal Services	1,476,240			(5,088)	1,471,152
Operating Expenses	169,133				169,133
04 EDUCATION	4,502,035	25,000	-	(27,248)	4,499,787
Personal Services	4,228,338		26,938	(27,248)	4,228,028
Operating Expenses	273,697	25,000	(26,938)		271,759
<b>Agency Total</b>	<b>\$7,093,486</b>	<b>\$25,000</b>	<b>-</b>	<b>-</b>	<b>\$7,118,486</b>

Actual FY 2014 expenditures are below FY 2015 legislative appropriation. Primary reasons for the difference are:

- Operating cost higher due to unbudgeted maintenance expense in FY 2014
- Personal services cost are lower due to unexpended personal services appropriation

### Funding

The following table shows proposed agency funding by source of authority as proposed. Funding for each program is discussed in detail in the individual program narratives that follow.

Total School For the Deaf & Blind Funding by Source of Authority 2017 Biennium Budget - School For the Deaf & Blind					
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	14,004,728	0	0	14,004,728	95.57 %
State Special Total	511,360	0	0	511,360	3.49 %
Federal Special Total	138,328	0	0	138,328	0.94 %
Proprietary Total	0	0	0	0	0.00 %
Other Total	0	0	0	0	0.00 %
<b>Total All Funds</b>	<b>\$14,654,416</b>	<b>\$0</b>	<b>\$0</b>	<b>\$14,654,416</b>	
<b>Percent - Total All Sources</b>	<b>100.00 %</b>	<b>0.00 %</b>	<b>0.00 %</b>		

MSDB's programs are funded primarily with general fund. State special funds include school trust income interest and Medicaid reimbursements. The LFD estimates school trust income will be sufficient to support the Executive's proposal for

its use. Revenues from school trusts fluctuate based on the activities occurring on school lands. Students under the care of the MSDB may be Medicaid eligible and the school is reimbursed for those services covered by Medicaid.

Sources of federal funds include the National School Lunch Program that provides subsidized meals for low-income children, and Education Consolidation and Improvement Act Chapter I which provides federal funds to assist state and local educational agencies to meet the needs of educationally deprived children.

The school also receives tuition from out of state students, which is statutorily appropriated. Unlike other public schools, the school does not have the ability to levy property taxes to support school programs.

**Budget Summary by Category**

The following summarizes the total budget utilizing the FY 2015 Legislative base, present law adjustments, and new proposals.

Budget Summary by Category								
	-----General Fund-----				-----Total Funds-----			
Budget Item	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget
2015 Budget	6,758,506	6,758,506	13,517,012	96.52 %	7,093,486	7,093,486	14,186,972	96.81 %
PL Adjustments	271,819	215,897	487,716	3.48 %	261,683	205,761	467,444	3.19 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$7,030,325</b>	<b>\$6,974,403</b>	<b>\$14,004,728</b>		<b>\$7,355,169</b>	<b>\$7,299,247</b>	<b>\$14,654,416</b>	