

Agency Legislative Budget

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

Agency Legislative Budget								
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Leg. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Leg. Budget Fiscal 2009	Total Leg. Budget Fiscal 08-09
FTE	4.00	0.00	0.00	4.00	0.00	0.00	4.00	4.00
Personal Services	242,088	16,469	11,868	270,425	16,738	22,834	281,660	552,085
Operating Expenses	106,411	7,894	3,000	117,305	17,768	3,075	127,254	244,559
Total Costs	\$348,499	\$24,363	\$14,868	\$387,730	\$34,506	\$25,909	\$408,914	\$796,644
General Fund	167,682	35,321	9,591	212,594	40,415	15,726	223,823	436,417
State/Other Special	180,817	(10,958)	5,277	175,136	(5,909)	10,183	185,091	360,227
Total Funds	\$348,499	\$24,363	\$14,868	\$387,730	\$34,506	\$25,909	\$408,914	\$796,644

Agency Description

The seven-member Board of Public Education (BPE), under authority of Article X, Section 9 of the Montana Constitution, exercises "general supervision over the public school system" including the School for the Deaf and Blind. This includes school accreditation, teacher certification, standardization of policies and programs, and equalization of aid distribution. Board accreditation is the basis for local school district eligibility for state funds. The board shares responsibility with the Board of Regents under Title 20, Chapter 2, MCA for general planning, coordination, and evaluation of the state education system.

Agency Highlights

<p>Board of Public Education Major Budget Highlights</p>
<p>◆ Annual funding increases are mainly due to statewide present law adjustments</p>

Summary of Legislative Action

The legislature increased the Board of Public Education budget by about \$100,000 compared to the 2007 biennium budget. The majority of the increases are related to present law adjustments and the cost of the pay plan included in House Bill 13.

The statewide present law adjustments contain a transfer of about \$38,000 from the Advisory Council to the Administrative Program to correct a miscoded salary entry which occurred in the 2006 base year. The problem was corrected for FY 2007. In addition, the legislature removed \$7,700 in personal service costs each year of the biennium to correct the inclusion of longevity for the executive secretary which was included as part of the statewide personal service adjustment.

The legislature also approved an additional \$6,000 over the biennium to implement higher reimbursements for advisory council members serving Certification Standards and Practices Advisory Council and the Montana Advisory Council on Indian Education.

A small increase for rent and a potential move to new office space were also approved.

Agency Discussion

BPE oversees two advisory councils: the Montana Council on Indian Education (MACIE) and the Certification Standards and Practices Advisory Council (CSPAC). BPE executes its statutory responsibilities with two programs: Administration and the Certification Standards and Practices Advisory Council.

Funding

The following table summarizes funding for the agency, by program and source, as adopted by the legislature. Funding for each program is discussed in detail in the individual program narratives that follow.

Total Agency Funding 2009 Biennium Budget				
Agency Program	General Fund	State Spec.	Grand Total	Total %
01 Administration	\$ 430,342	\$ 35,514	\$ 465,856	58.48%
03 Advisory Council	6,075	324,713	330,788	41.52%
Grand Total	\$ 436,417	\$ 360,227	\$ 796,644	100.00%

BPE is funded with general fund and state special revenue collected from teacher certification fees. By statute, the Office of Public Instruction Certification/Teacher Licensure Unit is responsible for collecting fees and depositing them in two state special revenue accounts for use by BPE.

Other Legislation

Senate Bill 62 increased the maximum daily reimbursement amount for advisory council members from \$25 to \$50. SB 62 also put in adjustments for inflation into the rate. MACIE and CSPAC increased costs were included in HB 2, general fund of \$3,000 in FY 2008 and \$3,075 in FY 2009 was included as part of the Certification Standards and Practices Advisory Council Program budget.

Executive Budget Comparison

The following table compares the legislative budget in the 2009 biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Base Budget Fiscal 2006	Executive Budget Fiscal 2008	Legislative Budget Fiscal 2008	Leg - Exec. Difference Fiscal 2008	Executive Budget Fiscal 2009	Legislative Budget Fiscal 2009	Leg - Exec. Difference Fiscal 2009	Biennium Difference Fiscal 08-09
FTE	4.00	4.00	4.00	0.00	4.00	4.00	0.00	
Personal Services	242,088	266,257	270,425	4,168	266,526	281,660	15,134	19,302
Operating Expenses	106,411	114,331	117,305	2,974	124,205	127,254	3,049	6,023
Total Costs	\$348,499	\$380,588	\$387,730	\$7,142	\$390,731	\$408,914	\$18,183	\$25,325
General Fund	167,682	210,716	212,594	1,878	215,810	223,823	8,013	9,891
State/Other Special	180,817	169,872	175,136	5,264	174,921	185,091	10,170	15,434
Total Funds	\$348,499	\$380,588	\$387,730	\$7,142	\$390,731	\$408,914	\$18,183	\$25,325

Compared to the executive budget, the legislature approved a reduction of \$7,700 for longevity increases which should not have been included in the statewide present law adjustments, and a reduction in the state motor pool rates. An appropriation of an additional \$6,075 of general fund was included to offset increased reimbursement costs for advisory council members included in SB 62.

Program Legislative Budget

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

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Leg. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Leg. Budget Fiscal 2009	Total Leg. Budget Fiscal 08-09
FTE	2.00	0.00	0.00	2.00	0.00	0.00	2.00	2.00
Personal Services	101,403	45,140	6,769	153,312	45,294	12,987	159,684	312,996
Operating Expenses	66,279	5,181	0	71,460	15,121	0	81,400	152,860
Total Costs	\$167,682	\$50,321	\$6,769	\$224,772	\$60,415	\$12,987	\$241,084	\$465,856
General Fund	167,682	35,321	6,591	209,594	40,415	12,651	220,748	430,342
State/Other Special	0	15,000	178	15,178	20,000	336	20,336	35,514
Total Funds	\$167,682	\$50,321	\$6,769	\$224,772	\$60,415	\$12,987	\$241,084	\$465,856

Program Description

The staff of the Administration Program provides administration, research, clerical functions, and management of business affairs for all programs under the purview of the Board of Public Education.

Program Highlights

Administration Program Major Budget Highlights
<ul style="list-style-type: none"> ◆ Annual funding increases of 35 percent over the base year are mostly due to statewide present law adjustments <ul style="list-style-type: none"> • Increases in personal services drive the increases • Over half of the personal services increases are due to the correction of a \$38,000 miscoding error, which was incorrectly recorded as advisory council expenditures

Program Narrative

The 2009 budget for the Administration Program is increased over the base year due to statewide present law adjustments and a present law adjustment for increased rent. The majority of the increases are the result of changes in personal services. State special revenue to the program for the FY 2006 base year was not needed due to lower than anticipated salary and benefit costs due to a miscoding error. As a result, there are no base year costs for state special revenue.

Funding

The following table shows program funding, by source, for the base year and for the 2009 biennium as adopted by the legislature.

Program Funding Table Administration						
Program Funding	Base FY 2006	% of Base FY 2006	Budget FY 2008	% of Budget FY 2008	Budget FY 2009	% of Budget FY 2009
01000 Total General Fund	\$ 167,682	100.0%	\$ 209,594	93.2%	\$ 220,748	91.6%
01100 General Fund	167,682	100.0%	209,594	93.2%	220,748	91.6%
02000 Total State Special Funds	-	-	15,178	6.8%	20,336	8.4%
02219 Research Fund	-	-	15,178	6.8%	20,336	8.4%
Grand Total	\$ 167,682	100.0%	\$ 224,772	100.0%	\$ 241,084	100.0%

The Administrative Program is funded with general fund and state special revenue authorized by 20-4-109, MCA, which

allows the agency to use a portion of the revenue collected from teacher certification fees for activities in support of the board’s constitutional and statutory duties, special projects, and research studies of the advisory council.

Present Law Adjustments

The “Present Law Adjustments” table shows the primary changes to the adjusted base budget approved by the legislature. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

	-----Fiscal 2008-----					-----Fiscal 2009-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					51,706					51,860
Inflation/Deflation					201					212
Fixed Costs					1,993					1,922
Total Statewide Present Law Adjustments					\$53,900					\$53,994
DP 1 - Rent increase	0.00	3,000	0	0	3,000	0.00	8,000	5,000	0	13,000
DP 2 - Present Law Per Diem	0.00	1,134	0	0	1,134	0.00	1,134	0	0	1,134
DP 1007 - Reduction for longevity increase	0.00	(7,700)	0	0	(7,700)	0.00	(7,700)	0	0	(7,700)
DP 6015 - State Motor Pool Rate Change	0.00	(13)	0	0	(13)	0.00	(13)	0	0	(13)
Total Other Present Law Adjustments	0.00	(\$3,579)	\$0	\$0	(\$3,579)	0.00	\$1,421	\$5,000	\$0	\$6,421
Grand Total All Present Law Adjustments					\$50,321					\$60,415

DP 1 - Rent increase - The legislature provided for an increase of \$3,000 in general fund in FY 2008 and \$13,000 in FY 2009 to support BOPE rental costs and a potential move in FY 2009.

DP 2 - Present Law Per Diem - The legislature approved reinstatement of \$1,134 general fund each year of the biennium for per diem costs.

DP 1007 - Reduction for longevity increase - The statewide present law adjustment for personal services is reduced \$7,700 in general fund in each year of the biennium to correct the inclusion of longevity for the executive secretary which was included as part of the adjustment.

DP 6015 - State Motor Pool Rate Change - The funding for vehicle rentals and leases from the State Motor Pool was reduced from the level requested by the Governor.

New Proposals

Program	-----Fiscal 2008-----					-----Fiscal 2009-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 6013 - 2009 Biennium Pay Plan - HB 13										
01	0.00	4,706	129	0	4,835	0.00	10,690	285	0	10,975
DP 6014 - Retirement Employer Contributions - HB 131										
01	0.00	1,885	49	0	1,934	0.00	1,961	51	0	2,012
Total	0.00	\$6,591	\$178	\$0	\$6,769	0.00	\$12,651	\$336	\$0	\$12,987

DP 6013 - 2009 Biennium Pay Plan - HB 13 - The legislature passed a pay plan (HB 13 of the 2007 regular session) that provides an additional 3.0 percent in FY 2008 and FY 2009, a 0.5 percent increase in the 10-year longevity increment, an additional 0.6 percent discretionary allocation, as well as an additional \$33 per month in health insurance contribution in FY 2008 and an additional \$36 per month in FY 2009. These amounts represent this program’s allocation of costs to fund this pay plan.

DP 6014 - Retirement Employer Contributions - HB 131 - The legislature adopted HB 131, which increases the employer contribution to retirement systems. The amounts shown represent this program's allocation of costs to fund this increased contribution.

Program Legislative Budget

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

Program Legislative Budget								
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Leg. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Leg. Budget Fiscal 2009	Total Leg. Budget Fiscal 08-09
FTE	2.00	0.00	0.00	2.00	0.00	0.00	2.00	2.00
Personal Services	140,685	(28,671)	5,099	117,113	(28,556)	9,847	121,976	239,089
Operating Expenses	40,132	2,713	3,000	45,845	2,647	3,075	45,854	91,699
Total Costs	\$180,817	(\$25,958)	\$8,099	\$162,958	(\$25,909)	\$12,922	\$167,830	\$330,788
General Fund	0	0	3,000	3,000	0	3,075	3,075	6,075
State/Other Special	180,817	(25,958)	5,099	159,958	(25,909)	9,847	164,755	324,713
Total Funds	\$180,817	(\$25,958)	\$8,099	\$162,958	(\$25,909)	\$12,922	\$167,830	\$330,788

Program Description

The seven-member Certification Standards and Practices Advisory Council was created by the legislature in 1987 to study and make recommendations to the Board of Public Education in the following areas: 1) teacher, administrator, and specialist certification standards; 2) the status and efficacy of approved teacher education programs; and 3) the feasibility of establishing teaching certification and the appeals process. The board staff provides administrative, research, and clerical duties to the council. The advisory council is created in 2-15-1522, MCA.

Program Highlights

Certification Standards and Practices Advisory Council	
Major Budget Highlights	
◆	Annual funding decreases are due to an error that recorded personal services in this program rather than the Administrative Program

Program Narrative

The 2009 budget for the Advisory Council statewide present law personal service increases of approximately \$11,000 are offset by a reduction of \$38,000 due to the miscoding of personal service expenditures in this program rather than the Administration Program.

Funding

The following table shows program funding, by source, for the base year and for the 2009 biennium as adopted by the legislature.

Program Funding Table						
Advisory Council						
Program Funding	Base FY 2006	% of Base FY 2006	Budget FY 2008	% of Budget FY 2008	Budget FY 2009	% of Budget FY 2009
01000 Total General Fund	\$ -	-	\$ 3,000	1.8%	\$ 3,075	1.8%
01100 General Fund	-	-	3,000	1.8%	3,075	1.8%
02000 Total State Special Funds	180,817	100.0%	159,958	98.2%	164,755	98.2%
02122 Advisory Council	108,677	60.1%	99,958	61.3%	104,755	62.4%
02219 Research Fund	72,140	39.9%	60,000	36.8%	60,000	35.8%
Grand Total	\$ 180,817	100.0%	\$ 162,958	100.0%	\$ 167,830	100.0%

This program is funded entirely by state special revenue. By statute, the Office of Public Instruction Certification/Licensure Unit is responsible for collecting teacher certification fees and depositing them in two state special revenue accounts for use by BPE. 20-4-109, MCA sets the fee for teacher and specialist certificates at \$6 per year. \$4 is

used for expenses of the advisory council and \$2 is used for activities in support of the board’s constitutional and statutory duties, special projects, and research studies of the advisory council.

Present Law Adjustments

The “Present Law Adjustments” table shows the primary changes to the adjusted base budget approved by the legislature. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2008-----					-----Fiscal 2009-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					(28,671)					(28,556)
Inflation/Deflation					201					208
Fixed Costs					2,525					2,452
Total Statewide Present Law Adjustments					(\$25,945)					(\$25,896)
DP 6015 - State Motor Pool Rate Change	0.00	0	(13)	0	(13)	0.00	0	(13)	0	(13)
Total Other Present Law Adjustments	0.00	\$0	(\$13)	\$0	(\$13)	0.00	\$0	(\$13)	\$0	(\$13)
Grand Total All Present Law Adjustments					(\$25,958)					(\$25,909)

DP 6015 - State Motor Pool Rate Change - The funding for vehicle rentals and leases from the State Motor Pool was reduced from the level requested by the Governor.

New Proposals

New Proposals	-----Fiscal 2008-----					-----Fiscal 2009-----					
	Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 6 - Advisory Council Reimbursement Increase											
03	0.00	3,000	0	0	3,000	0.00	3,075	0	0	3,075	
DP 6013 - 2009 Biennium Pay Plan - HB 13											
03	0.00	0	3,736	0	3,736	0.00	0	8,448	0	8,448	
DP 6014 - Retirement Employer Contributions - HB 131											
03	0.00	0	1,363	0	1,363	0.00	0	1,399	0	1,399	
Total	0.00	\$3,000	\$5,099	\$0	\$8,099	0.00	\$3,075	\$9,847	\$0	\$12,922	

DP 6 - Advisory Council Reimbursement Increase - The legislature approved \$3,000 in FY 2008 and \$3,075 in FY 2009 general fund for advisory council member reimbursement increases included in Senate Bill 62.

DP 6013 - 2009 Biennium Pay Plan - HB 13 - The legislature passed a pay plan (HB 13 of the 2007 regular session) that provides an additional 3.0 percent in FY 2008 and FY 2009, a 0.5 percent increase in the 10-year longevity increment, an additional 0.6 percent discretionary allocation, as well as an additional \$33 per month in health insurance contribution in FY 2008 and an additional \$36 per month in FY 2009. These amounts represent this program’s allocation of costs to fund this pay plan.

DP 6014 - Retirement Employer Contributions - HB 131 - The legislature adopted HB 131, which increases the employer contribution to retirement systems. The amounts shown represent this program's allocation of costs to fund this increased contribution.