

Agency Legislative Budget

The following table summarizes the total proposed 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	84.03	0.00	4.58	88.61	0.00	4.58	88.61	88.61
Personal Services	4,223,764	198,465	613,691	5,035,920	211,332	665,306	5,100,402	10,136,322
Operating Expenses	833,711	54,585	62,362	950,658	20,044	55,919	909,674	1,860,332
Equipment	0	0	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0	0	0
Total Costs	\$5,057,475	\$253,050	\$676,053	\$5,986,578	\$231,376	\$721,225	\$6,010,076	\$11,996,654
General Fund	4,675,386	115,511	676,053	5,466,950	218,838	721,225	5,615,449	11,082,399
State/Other Special	281,148	137,776	0	418,924	12,776	0	293,924	712,848
Federal Special	100,941	(237)	0	100,704	(238)	0	100,703	201,407
Total Funds	\$5,057,475	\$253,050	\$676,053	\$5,986,578	\$231,376	\$721,225	\$6,010,076	\$11,996,654

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Legislative Budget Analysis, 4-45

Executive Budget Comparison

The following table compares the proposed budget for 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	84.03	88.61	88.61	0.00	88.61	88.61	0.00	
Personal Services	4,223,764	4,921,208	5,035,920	114,712	4,985,557	5,100,402	114,845	229,557
Operating Expenses	833,711	952,626	950,658	(1,968)	911,646	909,674	(1,972)	(3,940)
Equipment	0	0	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0	0	0
Total Costs	\$5,057,475	\$5,873,834	\$5,986,578	\$112,744	\$5,897,203	\$6,010,076	\$112,873	\$225,617
General Fund	4,675,386	5,353,970	5,466,950	112,980	5,502,339	5,615,449	113,110	226,090
State/Other Special	281,148	419,101	418,924	(177)	294,101	293,924	(177)	(354)
Federal Special	100,941	100,763	100,704	(59)	100,763	100,703	(60)	(119)
Total Funds	\$5,057,475	\$5,873,834	\$5,986,578	\$112,744	\$5,897,203	\$6,010,076	\$112,873	\$225,617

This bill eliminates vacancy savings for the Education Program, increasing general fund \$114,712 in FY 2008 and \$114,845 in FY 2009. The remainder of the difference from the executive budget is due to changes in the motor pool rate.

Agency Highlights

School for the Deaf and Blind	
Major Budget Highlights	
<ul style="list-style-type: none"> ◆ Increases for MSDB include: <ul style="list-style-type: none"> • \$281,028 general fund to address recruitment and retention issues with professional staff • FTE and general fund to reduce caseloads for outreach consultants, implement accreditation recommendations, and increase the number of educational audiologists ◆ Increases of \$85,000 appropriated in the December 2005 Special Session included in the statewide present law adjustments. 	

Agency Discussion

Included in the long-range building cash program is \$600,000 to replace the boilers installed in the 1940's with two gas fired boilers.

Funding

The following table summarizes funding for the agency, by program and source. 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.	Fed Spec.	Grand Total	Total %
01 Administration Program	\$ 856,532	\$ 4,320	\$ -	\$ 860,852	7.18%
02 General Services	1,073,607	-	-	1,073,607	8.95%
03 Student Services	2,461,749	-	54,374	2,516,123	20.97%
04 Education	<u>6,690,511</u>	<u>708,528</u>	<u>147,033</u>	<u>7,546,072</u>	<u>62.90%</u>
Grand Total	<u>\$ 11,082,399</u>	<u>\$ 712,848</u>	<u>\$ 201,407</u>	<u>\$ 11,996,654</u>	100.00%

MSDB's programs are funded primarily from the general fund, augmented by federal funding from Individuals with Disabilities Education Act, the school lunch program, and the Early Childhood Intervention Act. It also receives about \$710,000 each biennium in school trust interest earnings that are included in the state/other special revenues. This amount has been increased by \$134,511 in anticipation of increased earnings on the trust lands dedicated to the support of MSDB.

Language

"The student services program includes general fund money of \$7,669 in fiscal year 2008 and \$7,823 in fiscal year 2009 for increases to the quality educator component. The education program includes general fund money of \$13,058 in fiscal year 2008 and \$12,904 in fiscal year 2009 for increases to the quality educator component. The quality educator component increases are contingent upon passage and approval of legislation that increases the total quality educator payment as defined in 20-9-306(15)."

Program Legislative Budget

The following table summarizes the proposed budget for this program 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	5.00	0.00	0.00	5.00	0.00	0.00	5.00	5.00	
Personal Services	293,382	4,872	0	298,254	5,225	0	298,607	596,861	
Operating Expenses	91,606	56,071	0	147,677	24,708	0	116,314	263,991	
Total Costs	\$384,988	\$60,943	\$0	\$445,931	\$29,933	\$0	\$414,921	\$860,852	
General Fund	384,549	59,222	0	443,771	28,212	0	412,761	856,532	
State/Other Special	439	1,721	0	2,160	1,721	0	2,160	4,320	
Total Funds	\$384,988	\$60,943	\$0	\$445,931	\$29,933	\$0	\$414,921	\$860,852	

Page Reference

Legislative Budget Analysis, E-47

Funding

The Administrative Program is funded with general fund and less than \$2,500 per year from the school’s land trust earnings.

Present Law Adjustments

The “Present Law Adjustments” table shows the primary changes to the proposed adjusted base budget. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies, unless otherwise noted. 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					17,548					17,915
Vacancy Savings					(12,676)					(12,690)
Inflation/Deflation					480					480
Fixed Costs					55,591					24,228
Total Statewide Present Law Adjustments					\$60,943					\$29,933
Grand Total All Present Law Adjustments					\$60,943					\$29,933

Program Legislative Budget

The following table summarizes the proposed budget for this program 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	4.00	0.00	0.00	4.00	0.00	0.00	4.00	4.00
Personal Services	151,820	5,851	0	157,671	7,418	0	159,238	316,909
Operating Expenses	365,011	15,954	0	380,965	10,722	0	375,733	756,698
Capital Outlay	0	0	0	0	0	0	0	0
Total Costs	\$516,831	\$21,805	\$0	\$538,636	\$18,140	\$0	\$534,971	\$1,073,607
General Fund	516,831	21,805	0	538,636	18,140	0	534,971	1,073,607
Total Funds	\$516,831	\$21,805	\$0	\$538,636	\$18,140	\$0	\$534,971	\$1,073,607

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Legislative Budget Analysis, E-49

Funding

This program is funded entirely with general fund.

Present Law Adjustments

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

Present Law Adjustments									
FTE	-----Fiscal 2008-----				-----Fiscal 2009-----				
	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				12,422					14,053
Vacancy Savings				(6,571)					(6,635)
Inflation/Deflation				27,933					29,369
Fixed Costs				(11,979)					(18,647)
Total Statewide Present Law Adjustments				\$21,805					\$18,140
Grand Total All Present Law Adjustments				\$21,805					\$18,140

Program Legislative Budget

The following table summarizes the proposed budget for this program 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	29.74	0.00	0.00	29.74	0.00	0.00	29.74	29.74
Personal Services	1,034,738	99,404	7,669	1,141,811	107,098	7,823	1,149,659	2,291,470
Operating Expenses	109,843	2,079	0	111,922	2,888	0	112,731	224,653
Total Costs	\$1,144,581	\$101,483	\$7,669	\$1,253,733	\$109,986	\$7,823	\$1,262,390	\$2,516,123
General Fund	1,117,394	101,483	7,669	1,226,546	109,986	7,823	1,235,203	2,461,749
Federal Special	27,187	0	0	27,187	0	0	27,187	54,374
Total Funds	\$1,144,581	\$101,483	\$7,669	\$1,253,733	\$109,986	\$7,823	\$1,262,390	\$2,516,123

Page Reference

Legislative Budget Analysis, E-51

Funding

The Student Services Program is funded by general fund and federal funds from the national school lunch program.

Present Law Adjustments

The “Present Law Adjustments” table shows the primary changes to the proposed adjusted base budget. “Statewide Present Law” adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies, unless otherwise noted. 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				146,691					154,701
Vacancy Savings				(47,287)					(47,603)
Inflation/Deflation				2,079					2,888
Total Statewide Present Law Adjustments				\$101,483					\$109,986
Grand Total All Present Law Adjustments				\$101,483					\$109,986

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 314 - Per Educator Component Increase										
03	0.00	7,669	0	0	7,669	0.00	7,823	0	0	7,823
Total	0.00	\$7,669	\$0	\$0	\$7,669	0.00	\$7,823	\$0	\$0	\$7,823

DP 314 - Per Educator Component Increase - This bill appropriates \$15,492 of general fund in the 2009 biennium to support increasing the per educator component as defined in 20-9-306 (15), MCA.

Program Legislative Budget

The following table summarizes the proposed budget for this program 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	45.29	0.00	4.58	49.87	0.00	4.58	49.87	49.87	
Personal Services	2,743,824	88,338	606,022	3,438,184	91,591	657,483	3,492,898	6,931,082	
Operating Expenses	267,251	(19,519)	62,362	310,094	(18,274)	55,919	304,896	614,990	
Equipment	0	0	0	0	0	0	0	0	
Total Costs	\$3,011,075	\$68,819	\$668,384	\$3,748,278	\$73,317	\$713,402	\$3,797,794	\$7,546,072	
General Fund	2,656,612	(66,999)	668,384	3,257,997	62,500	713,402	3,432,514	6,690,511	
State/Other Special	280,709	136,055	0	416,764	11,055	0	291,764	708,528	
Federal Special	73,754	(237)	0	73,517	(238)	0	73,516	147,033	
Total Funds	\$3,011,075	\$68,819	\$668,384	\$3,748,278	\$73,317	\$713,402	\$3,797,794	\$7,546,072	

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Legislative Budget Analysis, E-53

Funding

The Education Program is funded by general fund, state special revenue from school trust lands, rental income, and reimbursements from school districts for large print and Braille materials, and federal grants used to meet special education program needs.

Present Law Adjustments

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

Present Law Adjustments										
FTE	-----Fiscal 2008-----				-----Fiscal 2009-----					
	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
Personal Services				176,807					180,193	
Vacancy Savings				(114,712)					(114,845)	
Inflation/Deflation				24,680					26,006	
Fixed Costs				(14)					(14)	
Total Statewide Present Law Adjustments				\$86,761					\$91,340	
DP 1 - Extracurricular Compensation	0.00	26,243	0	0	26,243	0.00	26,243	0	0	26,243
DP 7 - Special Session 2005 - Indian Ed & Achievement Gap	0.00	2,387	0	0	2,387	0.00	2,387	0	0	2,387
DP 9 - Replace Motor Pool Lease Van	0.00	3,938	0	0	3,938	0.00	3,861	0	0	3,861
DP 12 - HB 438 Initial Equipment Reduction	0.00	(48,542)	0	0	(48,542)	0.00	(48,542)	0	0	(48,542)
DP 21 - Indirect Costs Corrections	0.00	0	0	0	0	0.00	0	0	0	0
DP 6015 - State Motor Pool Rate Change	0.00	(1,732)	(177)	(59)	(1,968)	0.00	(1,735)	(177)	(60)	(1,972)
Total Other Present Law Adjustments	0.00	(\$17,706)	(\$177)	(\$59)	(\$17,942)	0.00	(\$17,786)	(\$177)	(\$60)	(\$18,023)
Grand Total All Present Law Adjustments				\$68,819					\$73,317	

DP 1 - Extracurricular Compensation - This bill provides \$26,243 in general fund each year of the biennium to pay staff for supervising or coaching extracurricular activities in sports and other school functions. The amount includes \$22,150 in salaries and \$4,093 in benefits.

DP 7 - Special Session 2005 - Indian Ed & Achievement Gap - This bill provides \$2,387 general fund in each year of the biennium to support Indian Education for All and Closing the Achievement Gap. The total appropriation of \$85,000 included \$82,613 for salaries included in the Education Program personal services statewide present law adjustment.

DP 9 - Replace Motor Pool Lease Van - This bill provides \$3,938 in general fund in FY 2008 and \$3,861 in general fund in FY 2009 to lease a motor pool van to replace a school van that has high mileage.

DP 12 - HB 438 Initial Equipment Reduction - This bill removes \$48,542 in general fund in each year of the biennium from the 2006 base budget for equipment start-up costs included as part of the implementation of HB 438.

DP 21 - Indirect Costs Corrections - This bill moves indirect costs for federal programs between expenditure line items from statewide indirect costs (62888) to indirect costs administrative (62827). This had no effect on the overall operating costs for the program.

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

New Proposals

New Proposals											
Program	FTE	Fiscal 2008				Fiscal 2009					
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds	
DP 2 - Retention/Recruitment of Highly Qualified Staff											
04	0.00	213,857		0	0	213,857	0.00	265,050	0	0	265,050
DP 3 - Expansion of Outreach Services											
04	3.08	227,663		0	0	227,663	3.08	221,509	0	0	221,509
DP 4 - Guidance Counselor											
04	0.73	42,676		0	0	42,676	0.73	42,676	0	0	42,676
DP 6 - Educational Audiologist											
04	0.77	56,418		0	0	56,418	0.77	56,418	0	0	56,418
DP 414 - Per Educator Component Increase											
04	0.00	13,058		0	0	13,058	0.00	12,904	0	0	12,904
DP 1007 - Elimination of Vacancy Savings											
04	0.00	114,712		0	0	114,712	0.00	114,845	0	0	114,845
Total	4.58	\$668,384		\$0	\$0	\$668,384	4.58	\$713,402	\$0	\$0	\$713,402

DP 2 - Retention/Recruitment of Highly Qualified Staff - This bill provides for market adjustments to licensed professional staff and interpreters with the purpose of assisting the school in recruiting and retaining these highly qualified staff.

The following information is provided so that the legislature can consider various performance management principles when examining this proposal. It is as submitted by the agency, with editing by LFD staff as necessary for brevity and/or clarity.

Justification: MSDB has 40 professional staff with special skills. Salary disparities with the Great Falls school district raise concerns that MSDB will not be able to retain current staff or attract new staff to replace the large number expected to retire.

Goals: Move towards market parity for the current 40 licensed professional staff and nine interpreter-tutors, and offer competitive salaries to mitigate the difficulties in recruiting and retaining qualified staff to maintain viable programs for

Montana's deaf and blind students.

Performance Measures: Increase salaries based on market analysis of license professional staff as compared to Great Falls Public Schools salary matrix for licensed professional staff and the national salary for interpreters as of the beginning of the contract for the 2007-08 school year.

Milestones:

- o Complete negotiations with collective bargaining units representing professional staff by August 2007.
- o Calculate and notify staff of amounts by September 2007.

FTE: This proposal includes no new FTE. Negotiations with collective bargaining units are included as responsibilities for Department of Administration.

Funding: MSDB professional staff salaries are almost exclusively funded from the general fund. Under the current revenue structure, there is no other revenue source available to fund this proposal.

Obstacles: The Great Falls Public Schools may increase their teacher salaries in the next biennium, increasing the gap between MSDB salaries and GFPS salaries. The agency has not identified any other challenges which might block or impede the implementation of this proposal.

Risk: The risk to the state and MSDB is that sensory impaired students will not receive appropriate educational services as required by statute.

DP 3 - Expansion of Outreach Services - This bill provides for general fund in each year of the biennium to support 3.08 FTE for outreach consultants to provide consultation and technical assistance to districts that have sensory impaired children enrolled. One consultant to serve blind/low vision students and three to serve deaf/hard of hearing students.

The following information is provided so that the legislature can consider various performance management principles when examining this proposal and approved its inclusion in the narrative. It is as submitted by the agency, with editing by LFD staff as necessary for brevity and/or clarity.

Justification: There are currently 99 hearing impaired and 187 visually impaired students served in over 90 school districts across Montana. Only five districts across the state employ teachers with additional training in the fields of deafness or blindness.

Goals: Reduce caseloads from 27 to 23 students for consultants serving visually impaired students and children ages 0 to 3, and from 49 to 20 students for consultants serving deaf students and children ages 0 to 3. Improve learning outcomes through greater access to the skills and knowledge through increased contact, consultation, and technical assistance.

Performance Criteria: After the implementation of this proposal, an analysis of caseloads will be conducted to collect the following data:

1. Level of intensity of services required by each student; and
2. Contact hours per student/child.

The data will then be used to ensure that consultants have balanced caseloads with no more than 20 to 27 students to assure the most efficient use of staff time.

Milestones:

- o MSDB will hire 4 additional consultants prior to the start of the 2007-2008 school year
- o Level of intensity of services required by each student will be assessed by September 2007
- o Number of contact hours needed for each student will be determined by Individual Education Plan beginning September 2007

FTE:

- One additional consultant serving blind/low vision students - hired by August 2007.
- Three additional consultants serving deaf/hard of hearing students - hired by August 2007.

Funding: Funding for this decision package is from the general fund

Obstacles: Recruitment and retention of qualified staff to fill these positions can be a challenge because salaries are not competitive with like positions in the state or the region (See DP 2. Recruitment and Retention of Highly Qualified Staff).

Risks: The majority of students served in the Outreach Program do not have teachers that have training specific to the student's disability. The risk to these students is limited access to the districts' curriculum resulting in an inadequate education.

DP 4 - Guidance Counselor - This bill provides general fund support for 1 FTE for a certified counselor to provide direct services to students who need support. The guidance counselor is to develop, coordinate, and implement a school counseling program. Additionally this position will provide a resource to local districts in assessing the needs of, and developing intervention plans for deaf or blind children with significant behavior or emotional issues.

DP 6 - Educational Audiologist - This bill provides general fund support in both years of the biennium to support an additional FTE to serve as an educational audiologist to provide for statewide coordination of the Universal Newborn Infant Hearing Screening Program (UNHS), Hearing Conservation Program (HCP), and coordinate services and follow up on children identified with a hearing loss.

DP 414 - Per Educator Component Increase - This bill provides \$13,058 in fiscal year 2008 and \$12,904 in fiscal year 2009 to fund increases to the per quality educator component as amended in 20-9-306 (15), MCA.

DP 1007 - Elimination of Vacancy Savings - This bill eliminates vacancy savings requirements for the Education Program in FY 2008 and FY 2009.