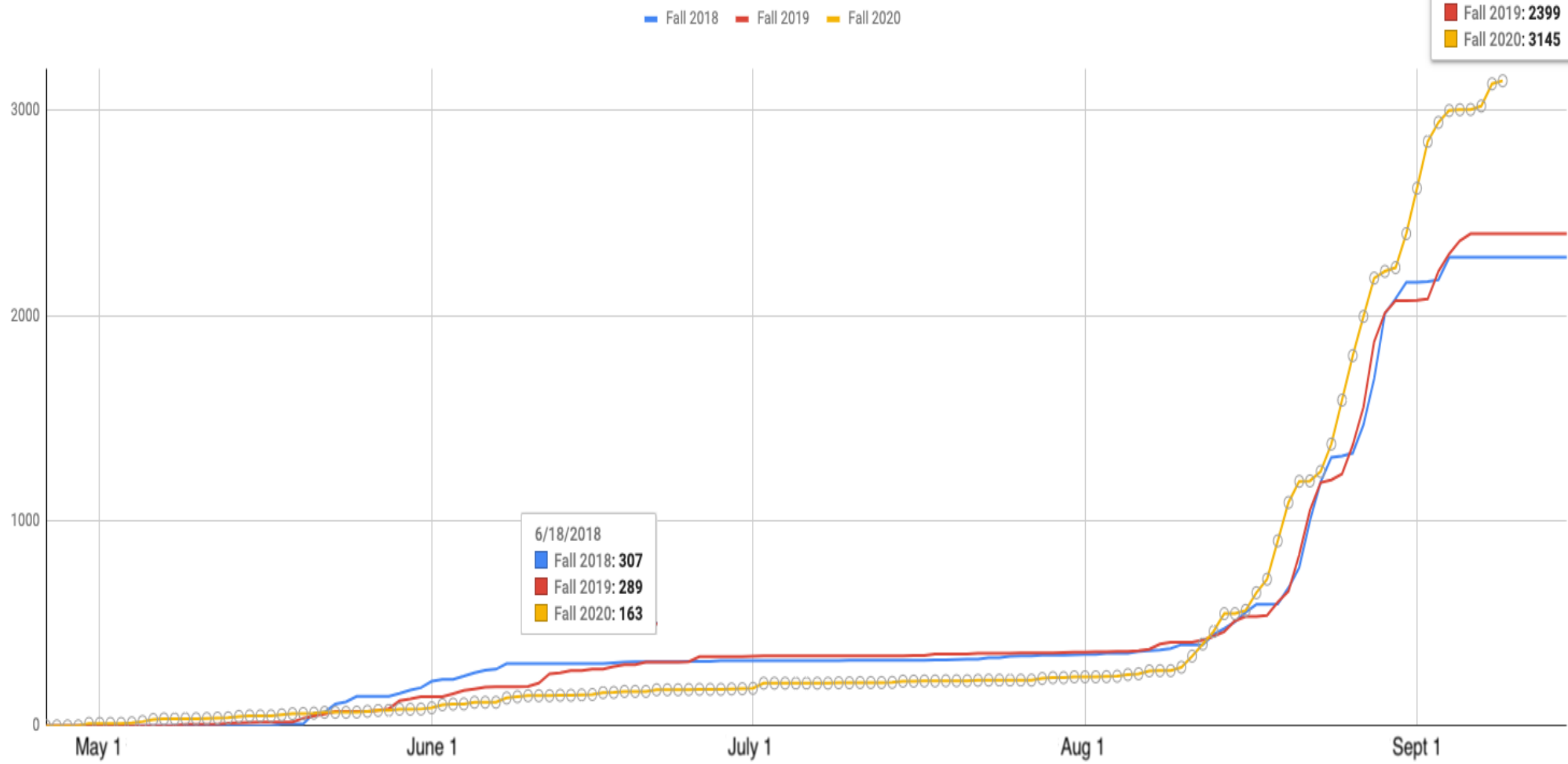


MTDA Fall ENR over the past 3 years

Original Credit



Key Questions and Concepts to Consider

Prior to COVID-19 Pandemic

- Enrollment increase at least 10% annually
- Course maintenance and development
- Employee Costs

As of Fall 2020

- Enrollment increase for Fall 2020 30-40%
- Course maintenance and development
- Employee Costs

MONTANA DIGITAL ACADEMY - 6 YEAR FUNDING HISTORY

Fiscal Year/Biennium	Base	"Base OTO"	TOTAL STATE ALLOCATION
FY16	\$1,168,000	\$832,500	\$2,000,500
FY17	\$1,168,000	\$832,500	\$2,000,500
Biennium Total	\$2,336,000	\$1,665,000	\$4,001,000
FY18	\$1,168,000	\$832,500	\$2,000,500
FY19	\$1,168,000	\$832,500	\$2,000,500
Biennium Total	\$2,336,000	\$1,665,000	\$4,001,000
FY20	\$2,000,500		\$2,000,500
FY21	\$2,000,500		\$2,000,500
Biennium Total	\$4,001,000	\$0	\$4,001,000

= 6 Years of Same Allocation

EMPLOYEE COST INCREASES

MTDA FUTURE NEEDS 2021



RATIONALE

MTDA follows the guidance provided by the Montana University System to provide compensation increases to the teachers and staff. Historically that increase has been 1-2% annually. This has equated to between \$34k to \$40K additional expense annually depending on our teacher force. Additionally, we are closely watching employee insurance costs as MUS has not had an increase in over 4 years.

CURRENT STATISTICS

4.8

PROGRAM
FTE

TEACHER
FORCE

120



MONTANA DIGITAL ACADEMY

MTDA has not received an appropriation increase since 2016.

HISTORICAL DATA

Teacher
Force

Program
FTE

72

3

2013

107

5.3

2017

120

4.8

2019

GROWTH POTENTIAL

As new courses or additional sections of existing courses are added our teacher force increases. As the program grows additional program FTE will follow. Both of these factors will drive our employee cost increases in the future.

Even if MTDA were to never offer additional course titles or programs, our current employee costs will rise.



COURSE MAINTENANCE

MTDA FUTURE NEEDS 2021



RATIONALE

The distance learning marketplace has changed substantially since MTDA opened in 2010. Vendors have traditionally offered “perpetual licensing” structures that allow programs like MTDA to offer a variety of courses with low ongoing curriculum costs. As major vendors have moved away from this strategy, MTDA has responded by pulling more course development in-house to keep costs low, along with partnering with other state virtual schools to share development burdens.

As we grow more internally-develop content, there is a need to increase our spending on course upkeep, as well as updating content with the latest best learning practices and curriculum trends. As an example, MTDA has engaged in a time-consuming process to eliminate all Flash-based media content from our in-house courses.

Flash has been the standard for multimedia development since the 90s, but, will no longer be supported after 2020.

CURRENT STATISTICS

60

IN-HOUSE
COURSE
TITLES

DEDICATED
STAFF FTE

.5

HISTORICAL DATA

IN-HOUSE
COURSE TITLES

0

2011

35

2017

60

2020

FUTURE OUTLOOK

MTDA has benefited from the initial perpetual licensing agreement with Florida Virtual in 2010. Unfortunately, Florida Virtual will be ending its perpetual agreements with all clients in 2021. In anticipation of this decision by Florida Virtual, MTDA was able to modify two administrative assistant positions to create a .5 developer position and contracted with Montana teacher content developers in 2017 to start the conversion and development of in-house courses.

Moving beyond 2021 MTDA will have higher content costs as we will need to shift to a per student enrollment cost structure for licensed courses and/or hire additional developers and content experts to expedite the creation and ongoing maintenance of MTDA course content.

