

K-12 Funding: Per Pupil Expenditures BASE, Over-BASE, Federal Funds

School Funding Interim Commission

October 14th & 15th, 2025

Prepared by

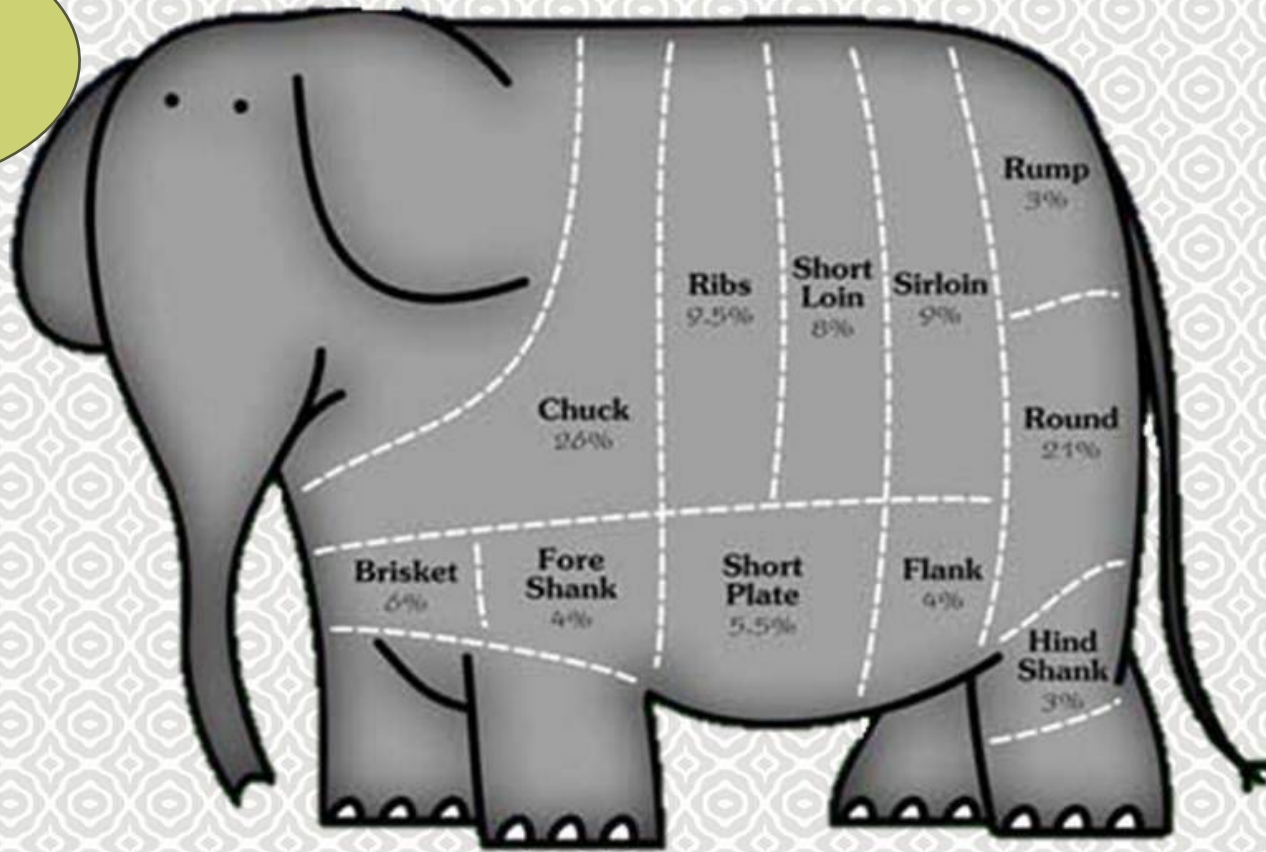
Pad McCracken, LSD

Julia Pattin, LFD

Kate Johnson, LFD



Let's learn
about school
funding!



one bite at a time...

The theme of
today's school
funding snack is:

Per Pupil Expenditure Patterns

Remember, this is
just a snack. Let us
know what more
your appetite
requires, and we'll
bring more to the
table next time!

<https://medium.com/@zrehan286/approaching-a-problem-f6d6138e70d1>

Sources of Expenditure

(on Instruction and Basic Operations)

BASE Budget

- **District General Fund** – used for the basic instructional and operational costs of the district not provided for in another fund, including salaries and benefits (other than retirement) for most employees, instructional materials, and basic facility operational costs
- Each school district in Montana establishes a minimum **Basic Amount for School Equity (BASE) budget** for the **District General Fund**, based on percentages of certain school funding components
- BASE budget amounts totaled \$1.1 billion statewide for FY 2024

District General Fund (BASE + Over-BASE)

- The area of the District General Fund budget above the BASE budget is referred to as the over-BASE area. Each school district in Montana also establishes a **maximum (MAX) budget**, based on percentages of certain school funding components
- There are certain exceptions that allow a district to adopt a budget slightly over MAX, primarily due to declining enrollment
- Expenditures for the District General Fund (BASE + Over-BASE) totaled \$1.3 billion statewide for FY 2024

Federal

- **Title Funding** – federal funds distributed to public schools for various purposes, primarily supporting disadvantaged students and improving teacher quality; totaled \$93 million in FY 2024
- **Individuals with Disabilities Education Act (IDEA)** – federal funding for the education of children with disabilities; totaled \$41 million in FY 2024
- **Impact Aid** (*instructional expenditures only*) – federal funding for federally-connected children whose families live or work on nontaxable federal land (tribal land, forest land, national parks, military bases, etc.); totaled \$96 million in FY 2024

The Funding Formula

There are two parts to the school funding formula:

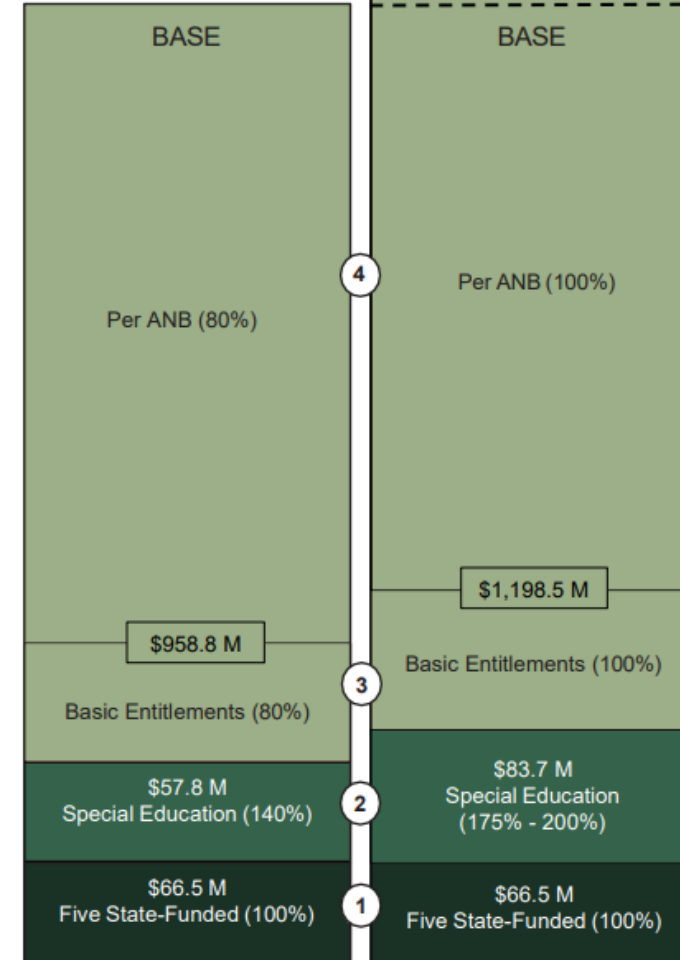
We have a formula to establish a district's general fund budget limits (left) and a formula for how a district's adopted budget is funded (right).

- See the [School District General Fund Interactive Tool](#) to look at these district general fund charts by school district.

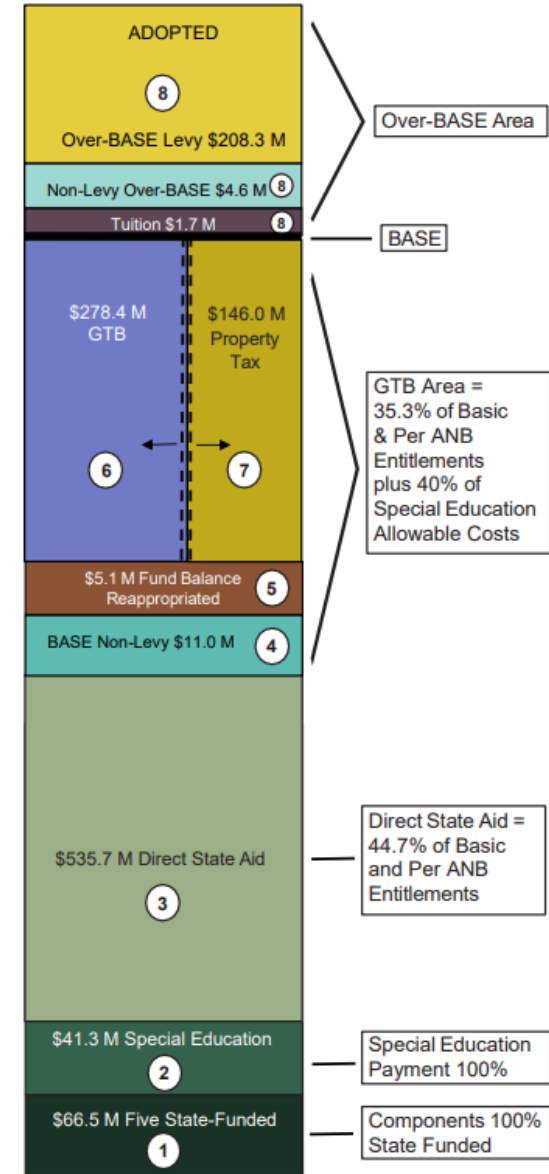
- ④ **Per ANB Entitlement** - Average Number Belonging - A per-ANB dollar amount driven by the greater of the prior year's enrollment or a 3-year average
- ③ **Basic Entitlement** - A set amount per district based on whether it is an elementary school district, middle school district, or high school district. Districts with higher enrollment are eligible for additional basic entitlement "increments"
- ② **Special Education Payment** - An amount per ANB regardless of the count of special education students. Portions of the special education appropriation go to cooperatives and to reimbursements for high-cost students
- ① **Five State-Funded Components**
 1. **Quality Educator Payment** - A per-FTE payment for teachers and other licensed professionals
 2. **At Risk Payment** - A payment to schools to address at-risk students; or students who are affected by an environment that negatively impacts performance and threatens the likelihood of promotion or graduation
 3. **Indian Education For All Payment** - A per-ANB payment to fund the state's constitutional commitment to the preservation of American Indian cultural integrity
 4. **American Indian Achievement Gap Payment** - A per-American Indian student payment for the purpose of closing the performance gap that exists between American Indian students and non-Indian students
 5. **Data for Achievement** - A per-ANB payment used by school districts to pay for costs associated with student data systems

FY 2025 Statewide Total District General Fund

Total BASE Budget \$1,083.1 M
About 80% of Max Budget

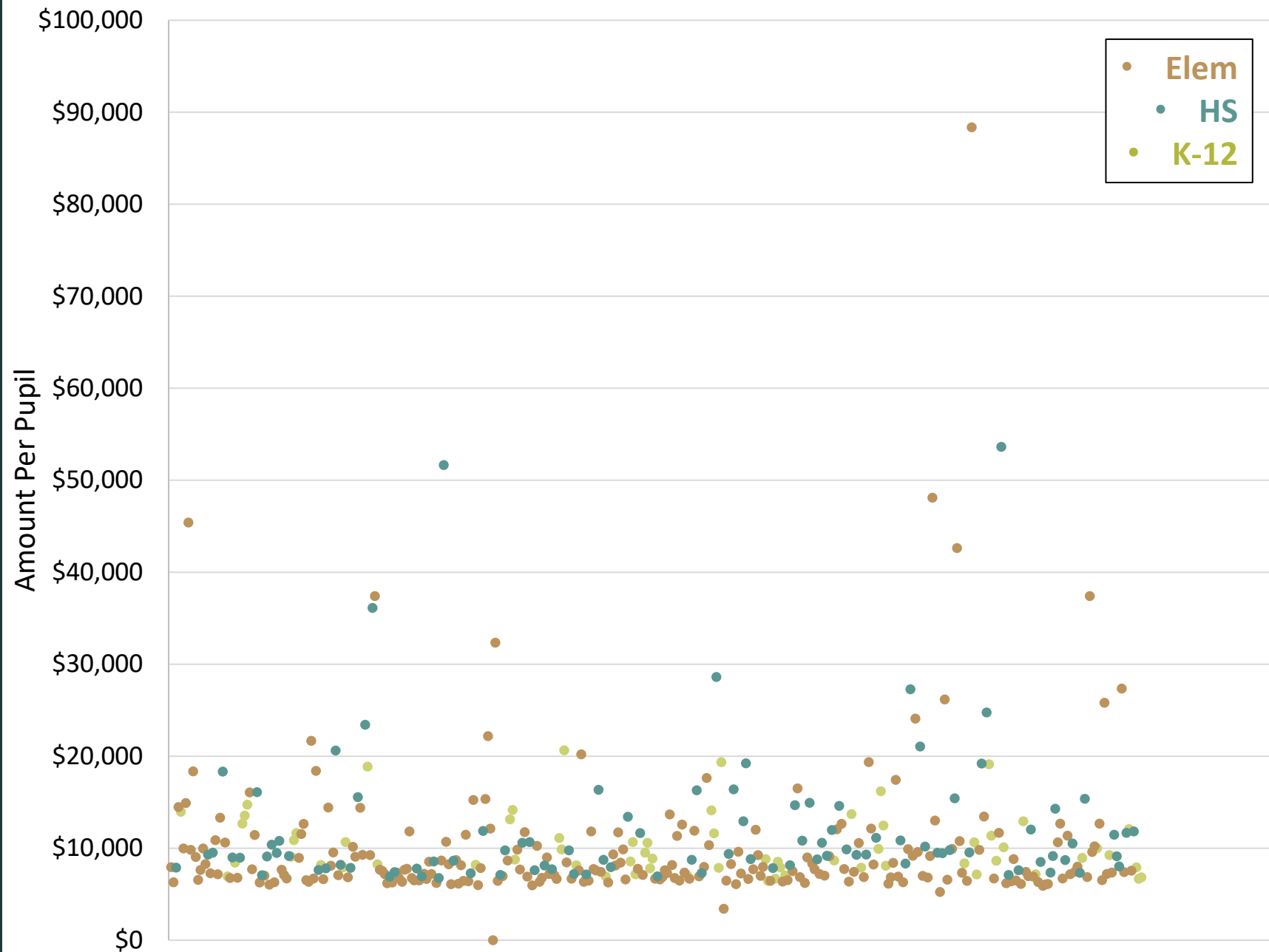


About 96% of Max Budget



BASE Budget per Pupil

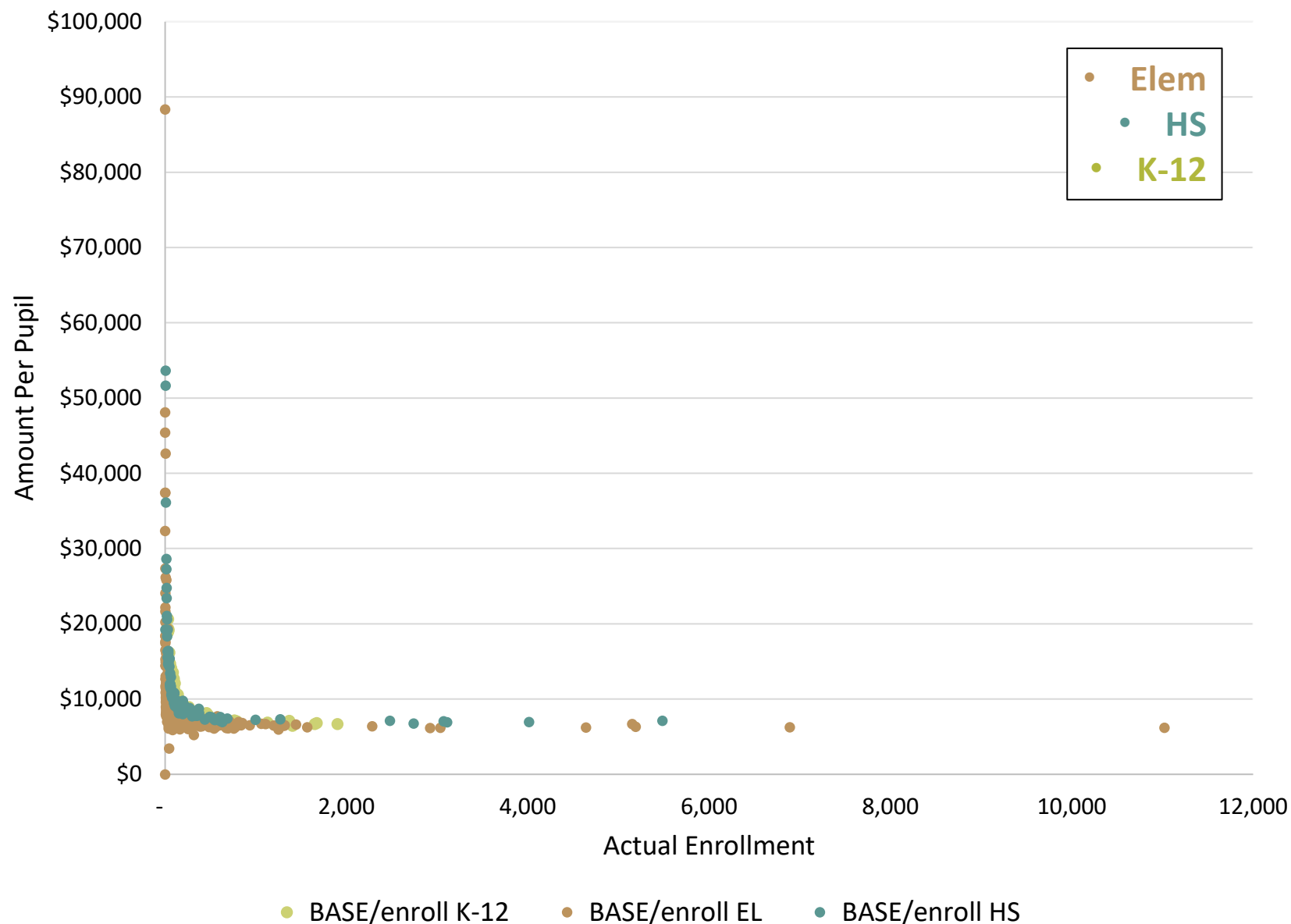
The BASE budget amount is entirely formulaic— why might some districts have a higher BASE budget per pupil than others?



BASE Budget per Pupil

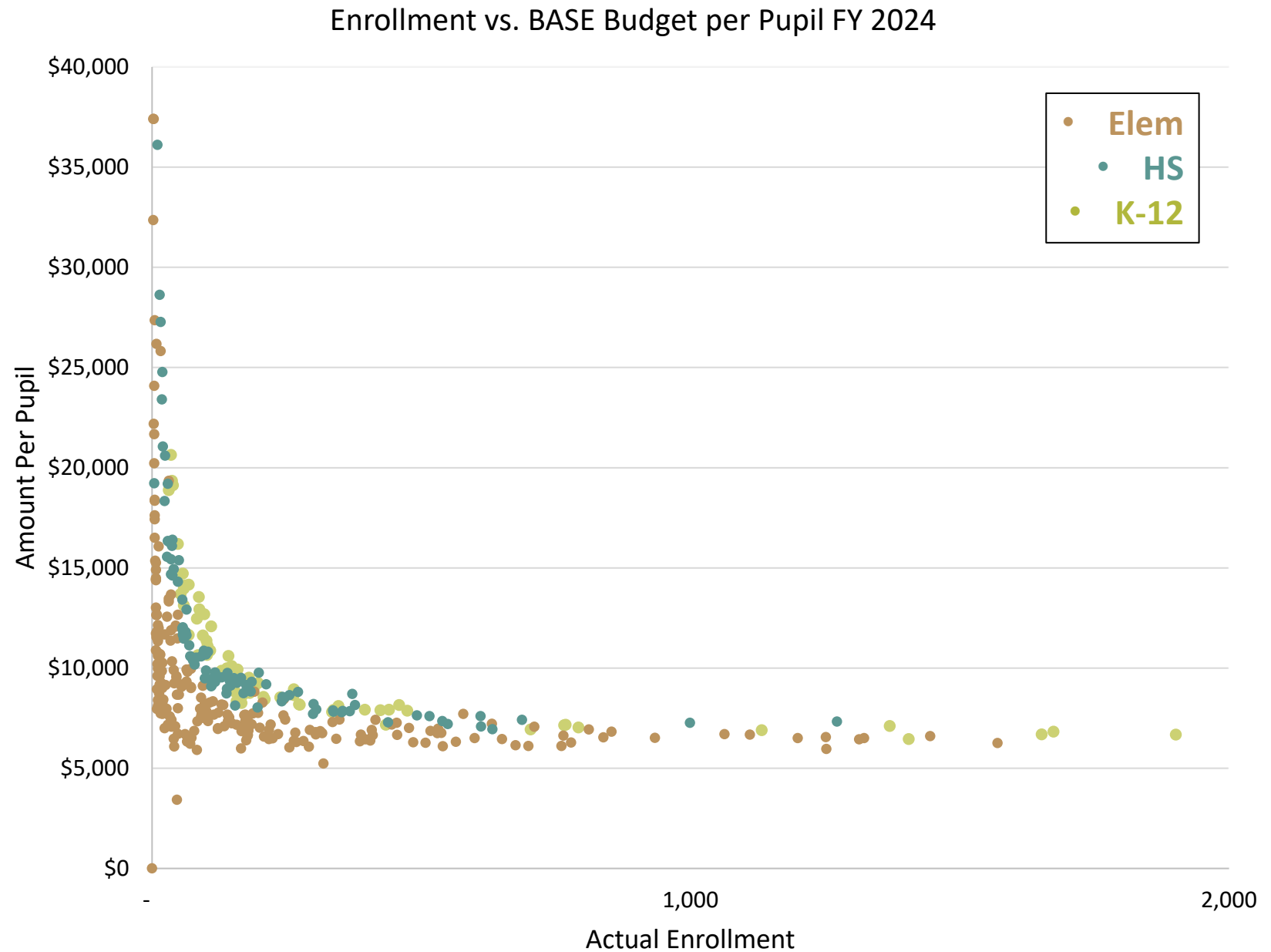
Some of the differences in PPE in the BASE budget are by design: all districts need teachers, administrators, buildings, curricular materials, etc. regardless of the number of students they are educating.

Enrollment vs. BASE Budget per Pupil FY 2024



BASE Budget per Pupil

Some of the differences in PPE in the BASE budget are by design: there are different per-ANB and basic entitlement amounts for elementary, middle school, and high school.



BASE Budget

***25th – 75th enrollment percentiles (36-313 students)**

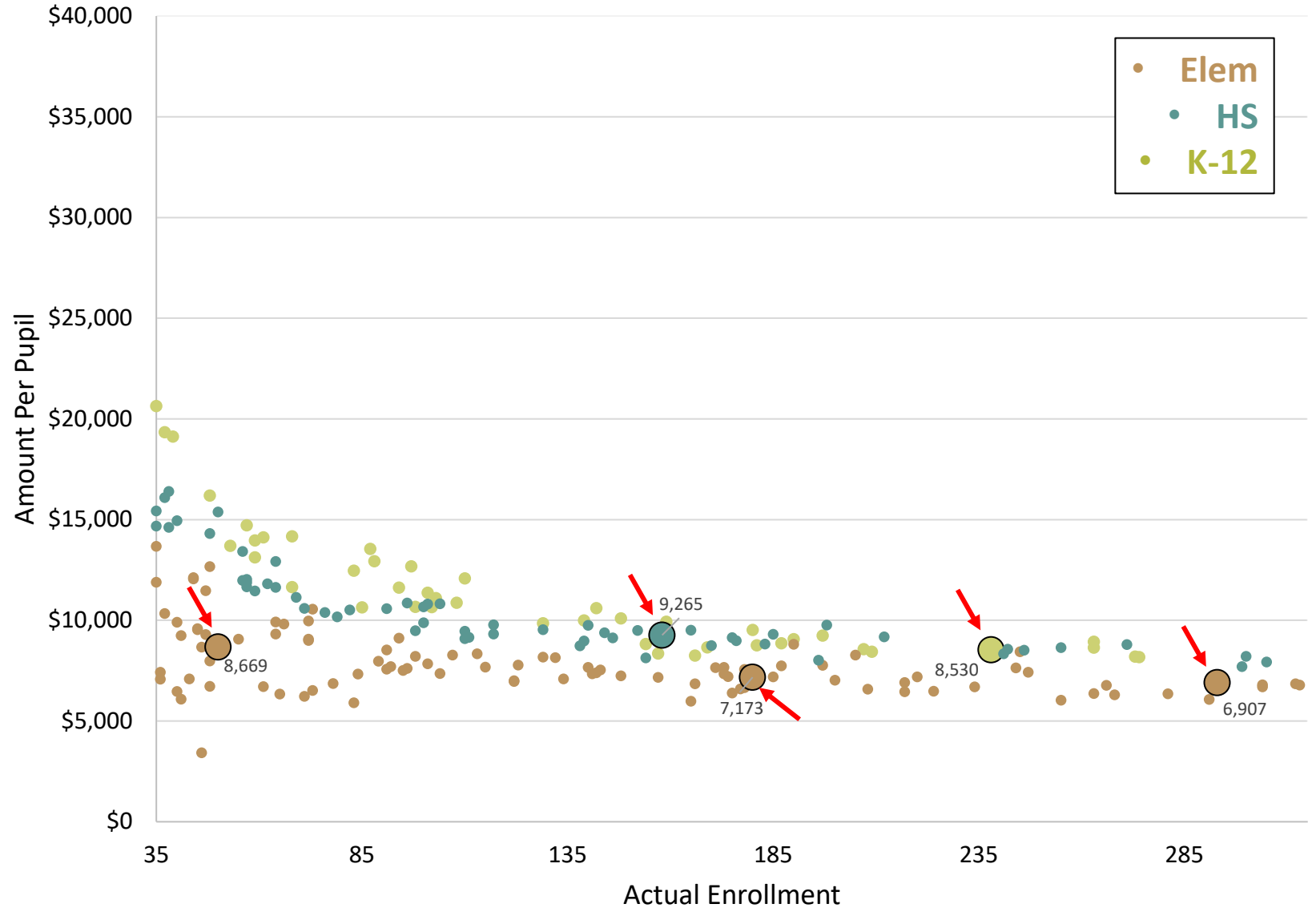
The BASE budget amount is entirely formulaic.

The BASE budget is largely driven by:

- **Enrollment (per-ANB entitlement)** – weights more heavily in high enrollment districts
- **Fixed costs (basic entitlement)** – weights more heavily in low enrollment districts

Keep an eye on these 5 districts as we move through these slides

Enrollment vs. BASE Budget per Pupil
FY 2024



District General Fund Budget

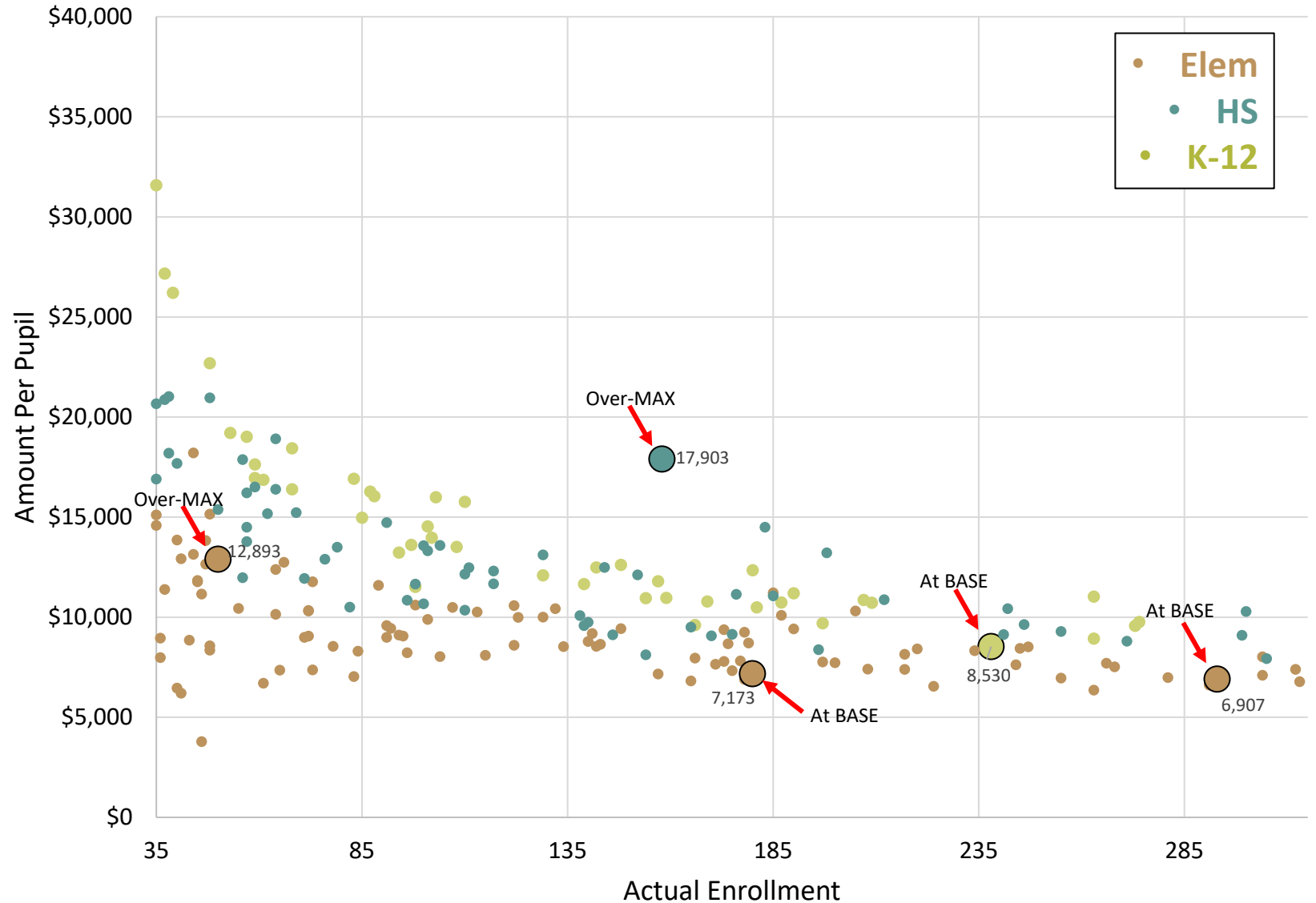
Which schools increased per pupil expenditures from Over-BASE levies?

- Over-BASE funds come from:
 - Non-levy revenues
 - Tuition payments
 - Over-BASE levies approved by voters

Which schools did not?

- ~50 districts did not have Over-BASE levies in FY 2025

Enrollment vs. District General Fund Expenditures (BASE + Over-BASE) per Pupil FY 2024

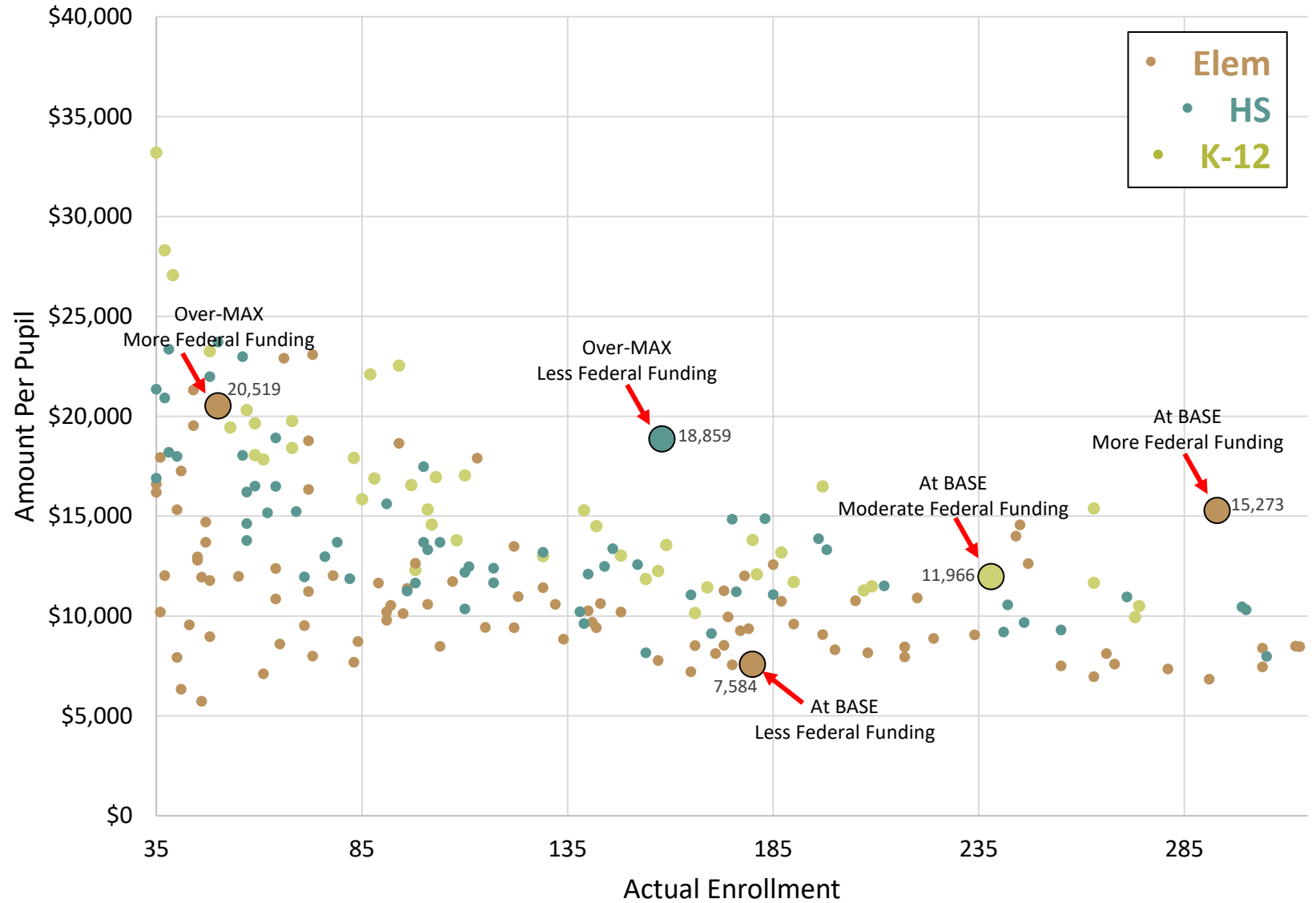


District General Fund & Federal Funds Budget

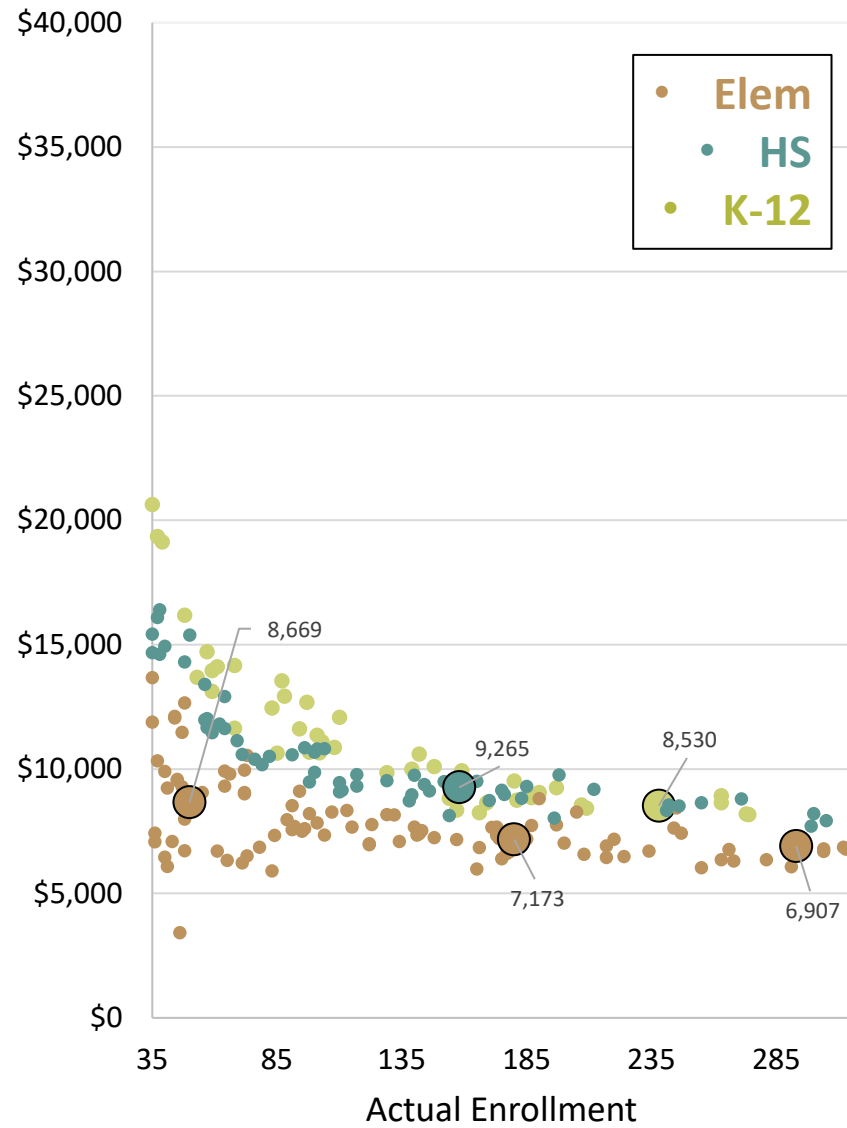
Which schools increased per pupil expenditures?

- Federal funds are disbursed for:
 - Disadvantaged students (Title I funding)
 - Special education
 - Federally-connected students (Impact Aid)

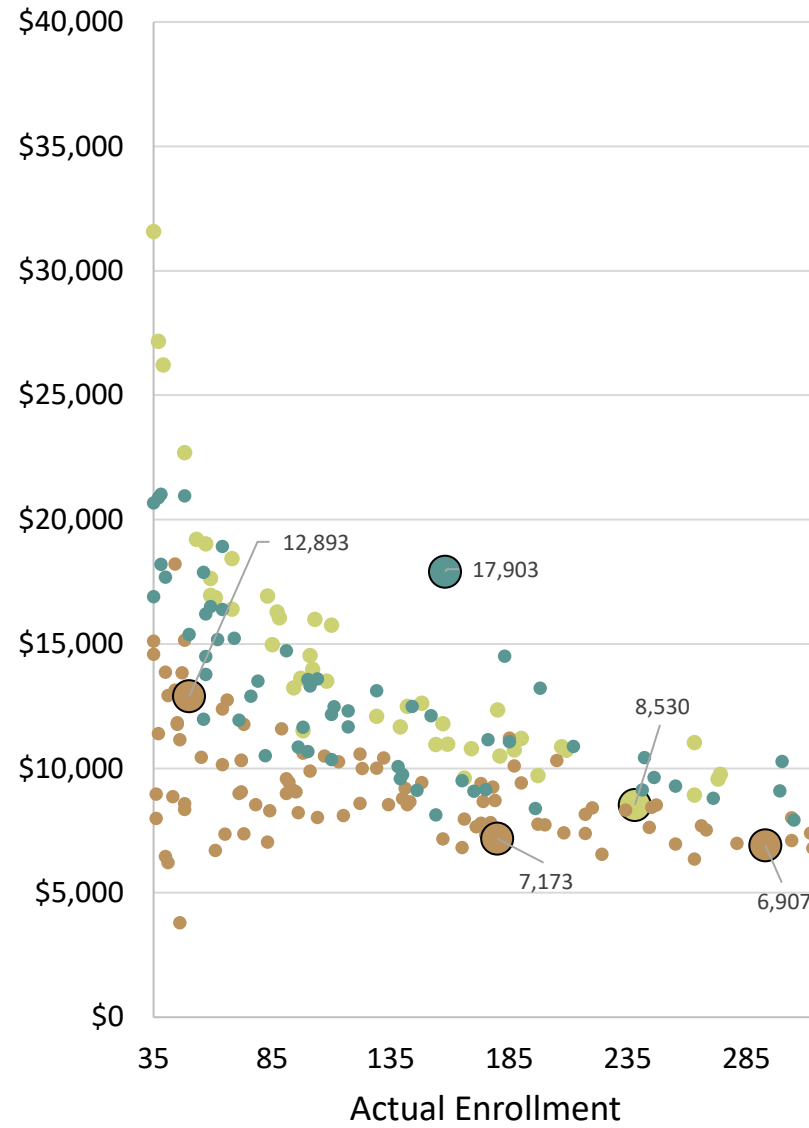
Enrollment vs. District General Fund (BASE + Over-BASE) & Federal Instructional Expenditures (Title Funds + Impact Aid + IDEA) per Pupil FY 2024



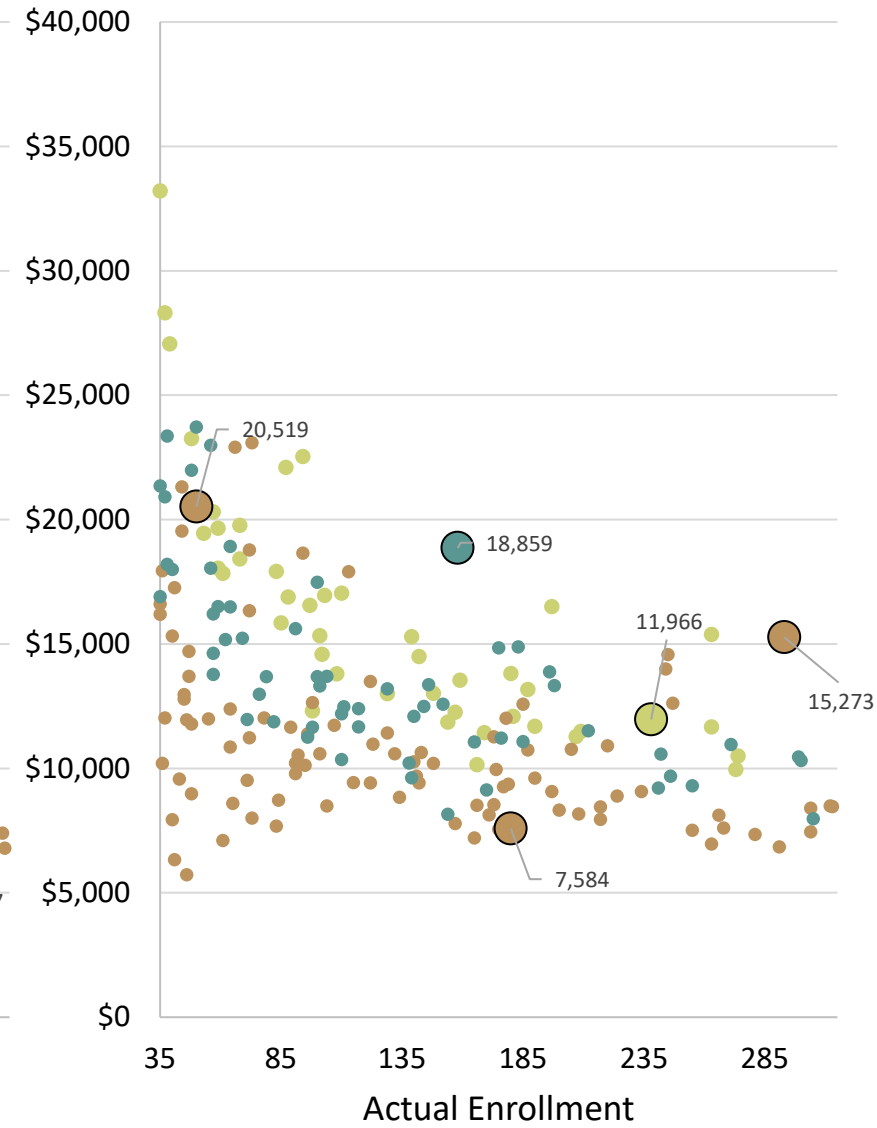
BASE Budget
FY 2024



District General Fund Expenditures
FY 2024



District General Fund & Federal
FY 2024





School Funding Resources:

<https://www.legmt.gov/lfd/publications/school-funding-library/>

Property Tax Resources:

<https://www.legmt.gov/lfd/publications/property-tax-library/>

Staff Contact Info:

Pad McCracken, Legislative Services Division, pad.mccracken@legmt.gov
Laura Sankey-Keip, Legislative Services Division, laura.sankeykeip@legmt.gov
Julia Pattin, Legislative Fiscal Division, julia.pattin@legmt.gov
Becca Brown, Legislative Services Division, rebecca.brown@legmt.gov
Kate Johnson, Legislative Fiscal Division, katharine.johnson@legmt.gov

Questions?

