



K-12 School Funding & Budgeting

Section E Joint Subcommittee

January 9, 2023



Multiple entities share governance for K-12 education in Montana

The Legislature

- Provides a basic system of free quality public schools, and funds and distributes the state share to the school districts in an equitable manner

The Superintendent of Public Education

- Has duties as provided by law
- Serves as an ex-officio non-voting member of the Board of Public Education

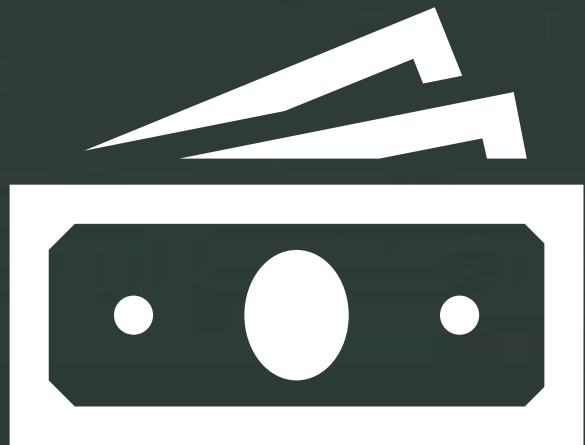
The Board of Public Education

- Exercises general supervision over the public school system and such other public educational institutions as assigned by law

School District Trustees

- The supervision and control of schools in each school district shall be vested in a board of trustees to be elected as provided by law





School Funding

School funding is constitutionally required



“The legislature shall provide a basic system of free quality public elementary and secondary schools. ... It shall fund and distribute in an equitable manner to the school districts the state's share of the cost of the basic elementary and secondary school system.”

[Montana Constitution \(Article X, Part X, Section 1\)](#)

Montana Constitution



Article X – Education and Public Lands

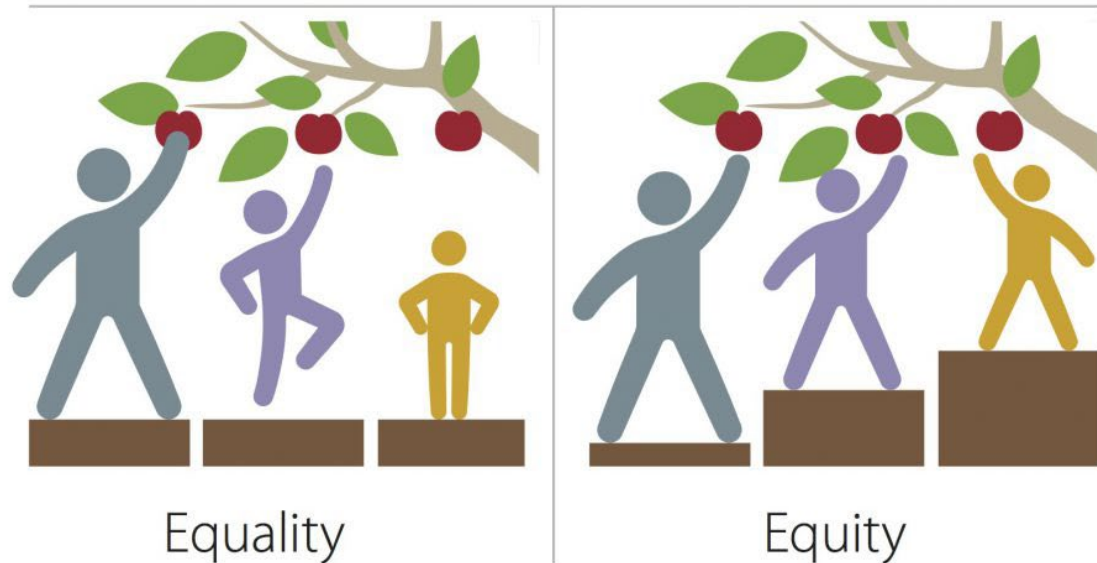
Section 1. Educational goals and duties.

(1) It is the goal of the people to establish a system of education which will develop the full educational potential of each person. Equality of educational opportunity is guaranteed to each person of the state.

(2)The state recognizes the distinct and unique cultural heritage of the American Indians and is committed in its educational goals to the preservation of their cultural integrity.

(3)The legislature shall provide a basic system of free quality public elementary and secondary schools. The legislature may provide such other educational institutions, public libraries, and educational programs as it deems desirable. **It shall fund and distribute in an equitable manner to the school districts the state's share of the cost of the basic elementary and secondary school system.**

Equality vs. Equity

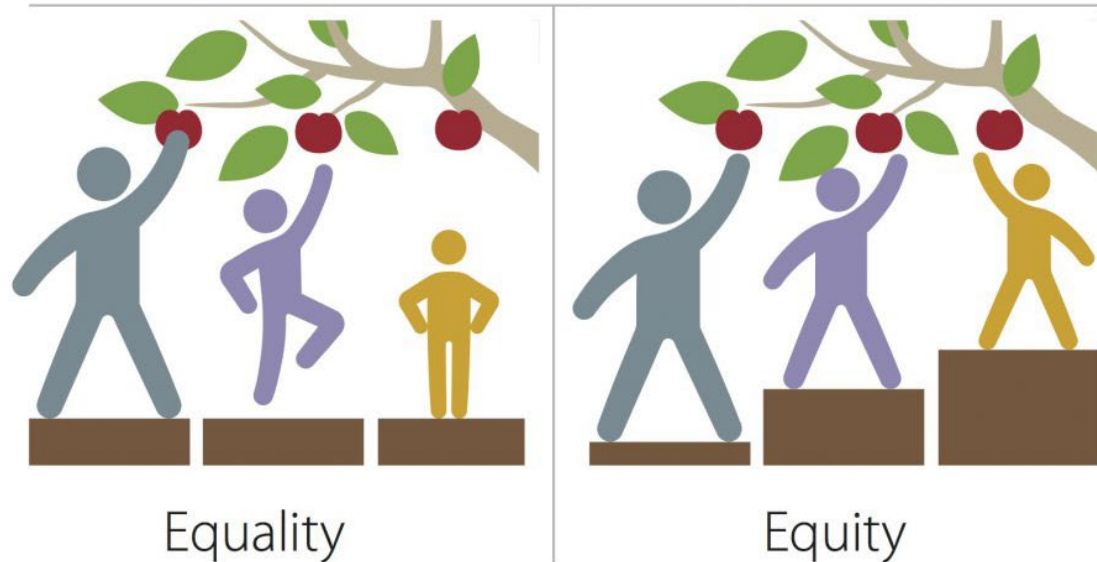


Equity is about fairness. In the right-hand picture, resources are allocated equitably in varying amounts in order to provide equality of opportunity.

Similarly in Montana's school funding formula, resources are allocated based on need in varying amounts to reflect two realities:

- 1) Children (and schools/districts) require varying amounts of resources to develop their educational potentials; and
- 2) Districts have varying capacities to generate local revenue.

Equality vs. Equity



Montana's funding formula takes both kinds of need into consideration in order to ensure students across the state have quality schools. In this sense, **equitable** distribution of funding helps ensure the "**equality** of educational opportunity" guaranteed in Montana's constitution.

School Funding Formula



Per [20-9-309, MCA](#), the legislature shall:

- (a) determine the costs of providing the basic system of free quality public elementary and secondary schools;
- (b) **establish a funding formula that:**
 - (i) is based on the definition of a basic system of free quality public elementary and secondary schools and reflects the costs associated with providing that system as determined in subsection (4)(a);
 - (ii) **allows the legislature to adjust the funding formula** based on the educationally relevant factors identified in this section;
 - (iii) is self-executing and includes a mechanism for annual inflationary adjustments;
 - (iv) is based on state laws;
 - (v) is based on federal education laws consistent with Montana's constitution and laws; and
 - (vi) distributes to school districts in an equitable manner the state's share of the costs of the basic system of free quality public elementary and secondary schools; and
- (c) consolidate the budgetary fund structure to create the number and types of funds necessary to provide school districts with the greatest budgetary flexibility while ensuring accountability and efficiency.

The only entity that can modify Montana's school funding formula is the Montana Legislature.

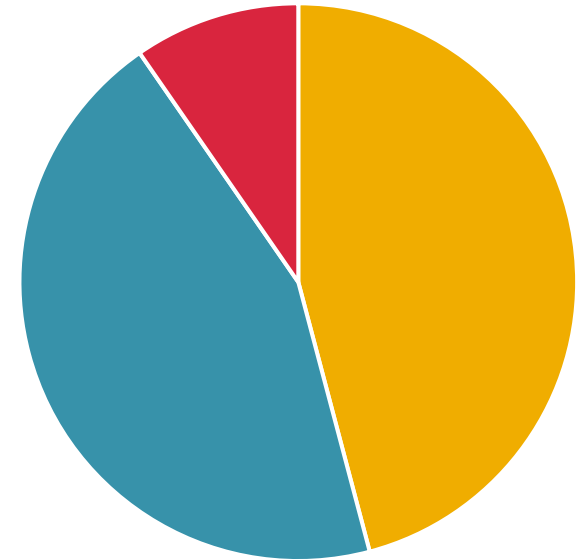


Court cases and changes to Montana K-12 Finance

Year	Court Case	Finding	Legislation	Change to Formula
1989	Helena Elementary v. State (Equity)	Unequal spending per pupil means unequal educational opportunity; property poor districts were spending less (and often levying more mills)	HB 28 (1989 special session)	<ul style="list-style-type: none"> Increased state share Created GTB payments Created statewide equalization property tax levy of 40 mills; increased existing county equalization mills to 55 mills (new total = <u>95 mills</u>)
1992	Lawsuits filed contending HB 28 had not fixed disparities		HB 667 (1993)	<ul style="list-style-type: none"> Eliminated existing Foundation Program Created new formula with BASE (minimum) and maximum budgets, basic and per-ANB entitlements GTB for debt service
2004	Columbia Falls v. State I (Adequacy)	Funding inadequate; basic system of quality school not defined; must fund Art X, Section 1(2) of the Montana Constitution (preservation of tribes' cultural integrity)	SB 424 (2003) SB 152 (2005) SB 525 (2005) SB 1 (2005 special session following QSIC)	<ul style="list-style-type: none"> (Annual inflationary adjustments to BE and per-ANB were added in 2003 during litigation) Defined basic system Created Quality Schools Interim Committee (QSIC) Created 4 new fully state-funded payments: QE; at-risk, IEFA, American Indian Achievement Gap
2008	Columbia Falls v. State II	Legislature has made good faith effort to address concerns regarding adequacy	Various	<ul style="list-style-type: none"> Increased GTB ratio; provided funding for facilities

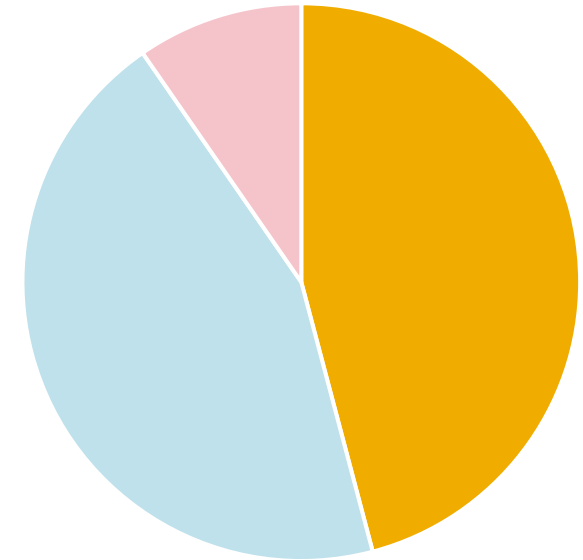
K-12 Revenue

- Revenue for K-12 education in Montana comes from three main sources
 - **The state of Montana**
 - **The federal government**
 - **Local governments (counties & school districts)**



K-12 Revenue – State

- Approximately **41% of K-12 revenue comes from state sources** as of FY 2022* and is distributed to school districts by the Office of Public Instruction (OPI), based largely on enrollment in each district (Average Number Belonging or ANB).



*These numbers do not include federal COVID relief ESSER funds, since they were a one-time source of funding for the state and school districts

K-12 Revenue – State

State general fund revenue – approximately \$335 million from state property taxes and another approximately \$544 million in state general fund in FY 2022

Retirement funding – \$50 million annually from the state general fund directly to the teachers retirement system (TRS) and public employees retirement system (PERS), and approximately \$40 million annually to counties as part of guaranteed tax base (GTB) aid to support eligible counties in funding school district retirement budgets

- See the [School District Retirement Fund Story Map](#) for more information on school retirement

State General Fund Revenues



Property taxes (largely the 95 mills all property taxpayers pay for education) generated close to \$335 million in FY 2022*, but the state general fund appropriations for K-12 education were approximately \$880 million in FY 2022.

➤ See the [Property Taxes in Montana Story Map](#) for more information.

The state general fund receives revenue through a variety of taxes, with individual income tax being the largest source.

*Property taxes are forecasted to generate \$352 million in FY 2023, \$443 million in FY 2024, and \$451 million in FY 2025. The forecast for FY 2024 grows substantially, due to high reappraisal growth estimates from DOR for class 4 residential property at 43.8% and commercial property at 16.1%. Coal gross proceeds are also expected to experience strong growth in FY 2024. The growth in revenue from the increase in class 4 property and coal gross proceeds is expected to level off from FY 2025 through the following biennium.

Where does state general fund come from?

FY 2022 General Fund Revenues - \$3.9 billion

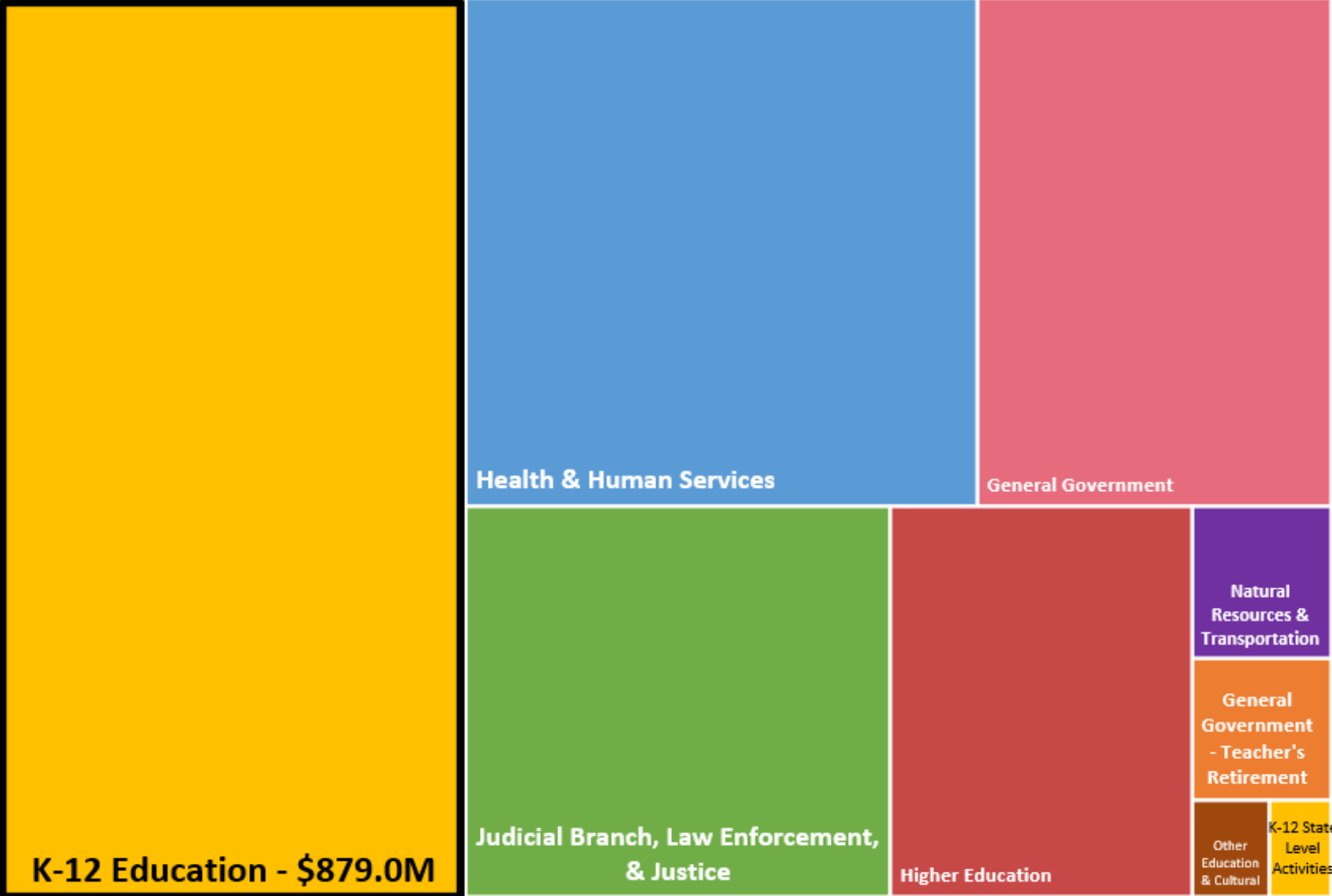


Data source: SABHRS

*The guarantee account is not part of the general fund, but it offsets general fund expenditures for K-12 education.

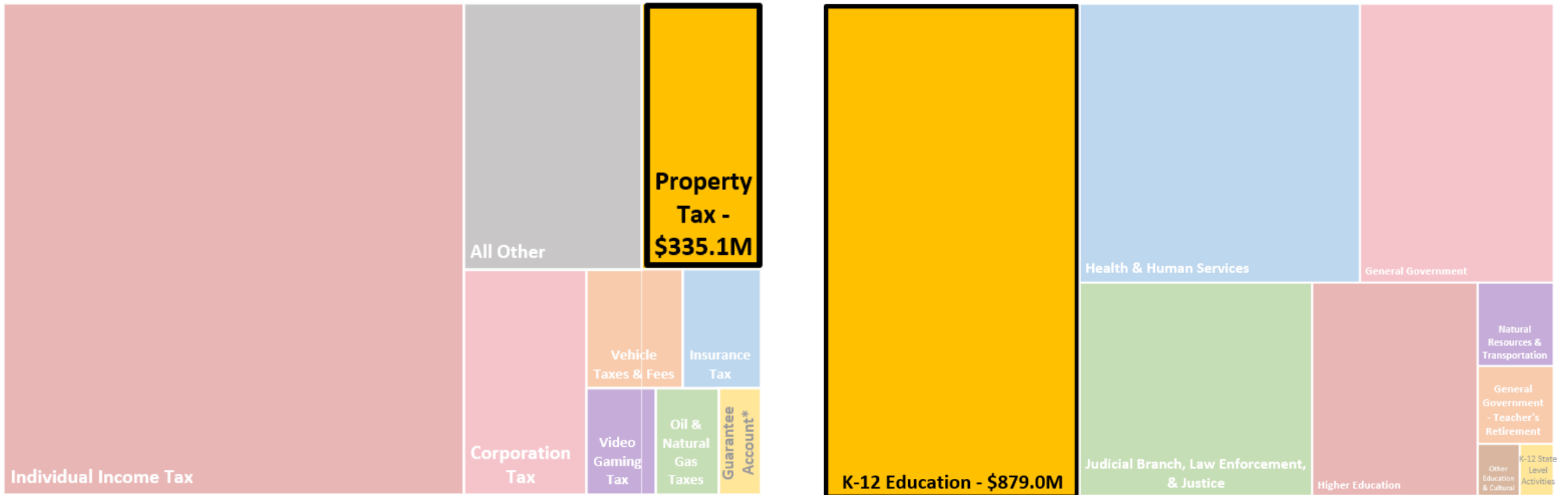
School funding is the largest appropriation from the state general fund

FY 2022 General Fund Appropriations: \$2.5 billion



Data source: SABHRS

Property taxes do not support the full amount of state K-12 funding



Data source: SABHRS

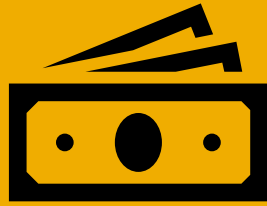
K-12 Revenue – State

The guarantee account – this state special revenue account receives earnings off of the Common School Permanent Trust and revenue generated on the state common school trust lands. When more revenue is available in the guarantee account, less state general fund is required, and vice versa. The guarantee account receives approximately \$50 million each year, but the amount can vary

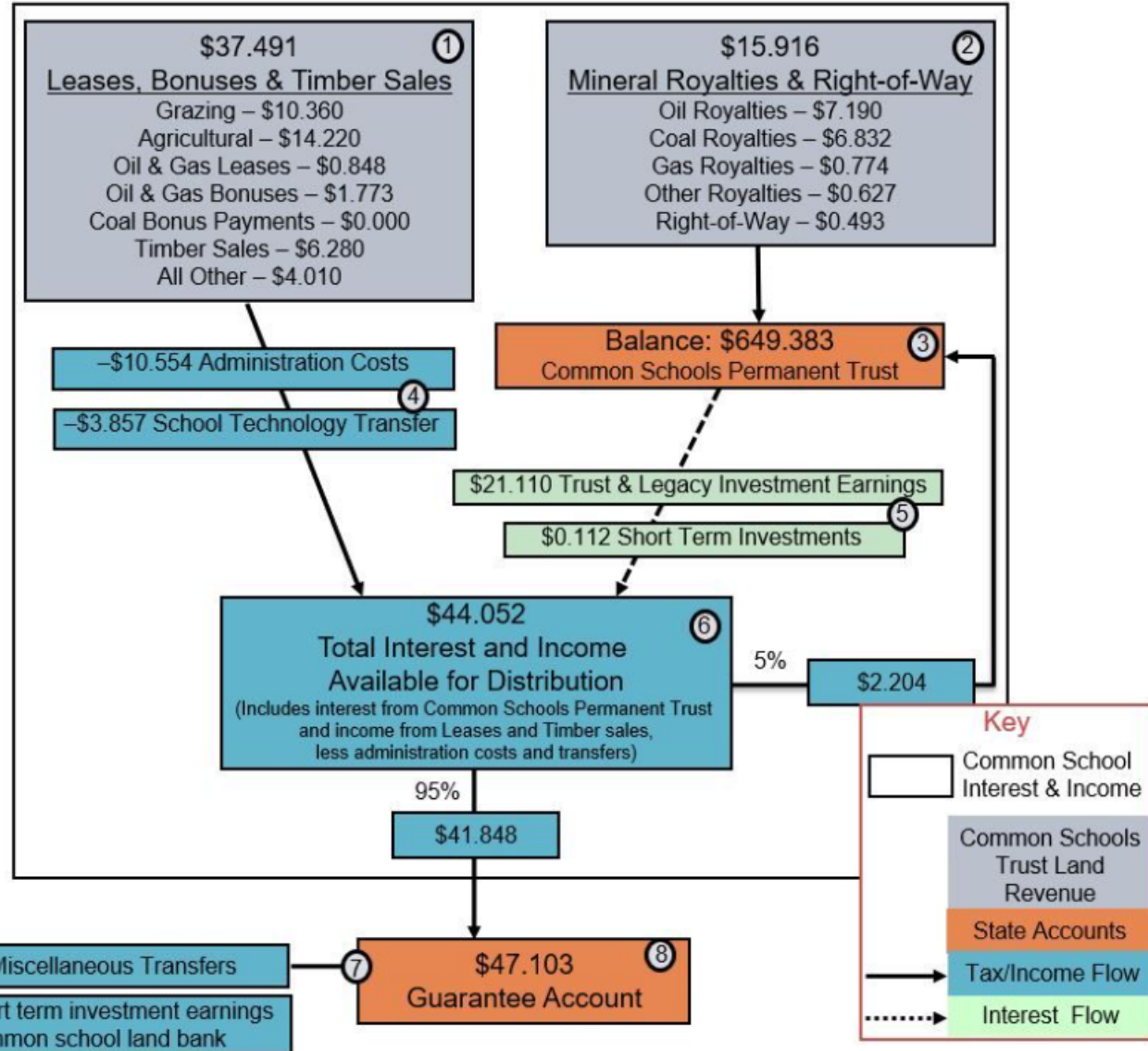
- See the [Guarantee Account Brochure](#) for more information on the guarantee account

Guarantee Account Provides Roughly \$50 Million

FY 2018 Collections (\$ Millions)



The Guarantee Account



How Property Taxes are Calculated

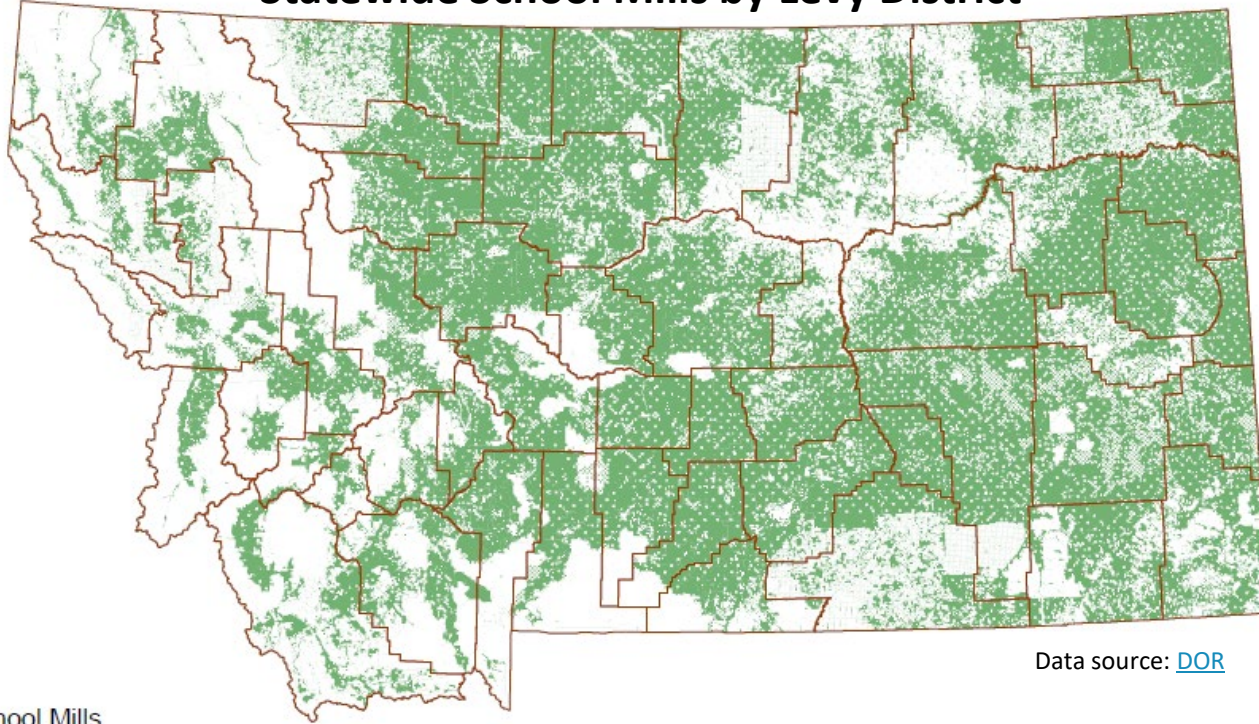
➤ Property Taxes Paid = **Market Value** × **Tax Rate** × **Total Mills**



For example, a home with \$300,000 value at 95 mills:

- Taxable Value = **Market Value** × **Tax Rate** = **\$300,000** × **1.35%** = **\$4,050**
- Value of One Mill = **Taxable Value** × $\frac{1}{1000}$ = **\$4,050** × $\frac{1}{1000}$ = **\$4.05**
- Property Tax Bill = **Value of 1 Mill** × **# of Mills** = **\$4.05** × **95** = **\$384.75**

Statewide School Mills by Levy District



State School Mills

95.0

Property Tax Levies – State



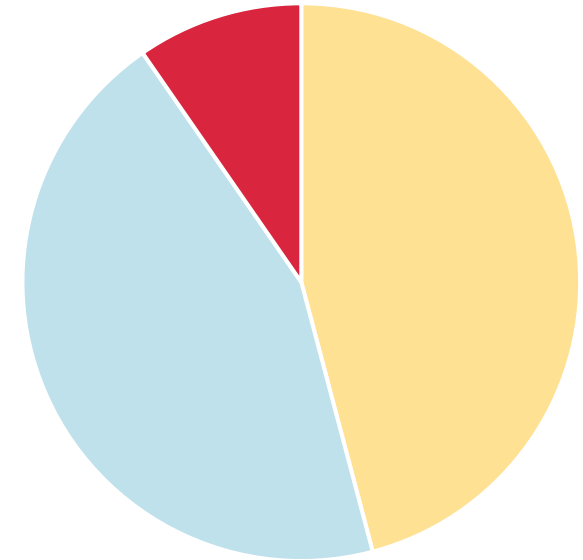
Mills levied for schools include the state levy, county-wide school mill levies, required school district mill levies, voted school mill levies, and permissive (non-voted) school mill levies.

The state levies **95 mills on all property in Montana**, which go to the state general fund for K-12 school funding

- This state-wide levy is made up of a county equalization levy of 55 mills and a state equalization levy of 40 mills

K-12 Revenue – Federal

- Approximately **13%*** of K-12 revenue comes from the federal government as of FY 2022. Federal revenue for education comes from four main programs.



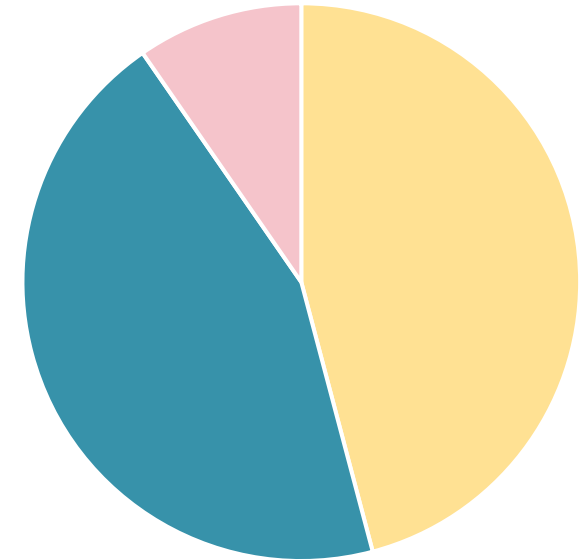
*These numbers do not include federal COVID relief ESSER funds, since they were a one-time source of funding for the state and school districts

K-12 Revenue – Federal

- **Impact Aid Funding** – 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 \$67 million in FY 2022
- **School Food Funding** – federal funding for school lunches from the U.S. Department of Agriculture (USDA); totaled \$88 million in FY 2022
- **Individuals with Disabilities Education Act (IDEA) Funding** – federal funding for the education of children with disabilities; totaled \$38 million in FY 2022
- **Title I Funding** – federal funding for schools with high percentages of low-income students; totaled \$61 million in FY 2022

K-12 Revenue – Local

- Approximately **42% of K-12 revenue comes from local governments** as of FY 2022.*



*These numbers do not include federal COVID relief ESSER funds, since they were a one-time source of funding for the state and school districts

K-12 Revenue – Local

- **Local property tax levies** – including required levies, voted mills, and permissive (non-voted) levies by the school districts. All county taxpayers also support county-wide school retirement costs and certain transportation costs through permissive county-wide levies
- **Local non-levy revenue (NLR)** – NLR includes certain natural resource revenues and tuition payments
- **Fund balance re-appropriated** – the difference between the end-of-year fund balance and the amount reserved for operations. It must be used to fund the next year’s budget. The maximum amount of fund balance that may be re-appropriated to the general fund budget is limited to 15.0% of the ensuing year’s maximum general fund budget

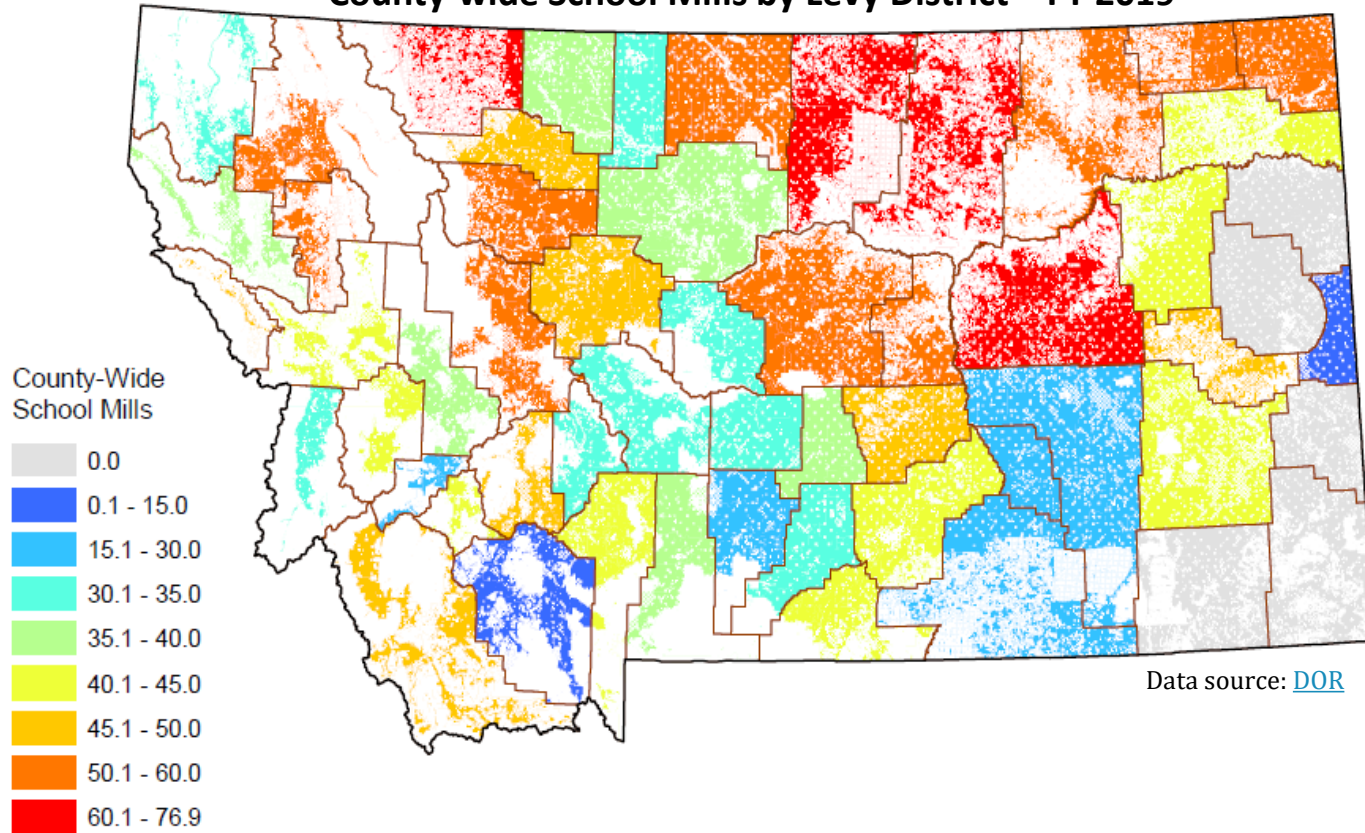
Property Tax Levies – Local



Mills levied for schools include the state levy, county-wide school mill levies, required school district mill levies, voted school mill levies, and permissive (non-voted) school mill levies.

- Each county and school district levies a certain number of mills to fund K-12 education within their district

County-wide School Mills by Levy District – FY 2019



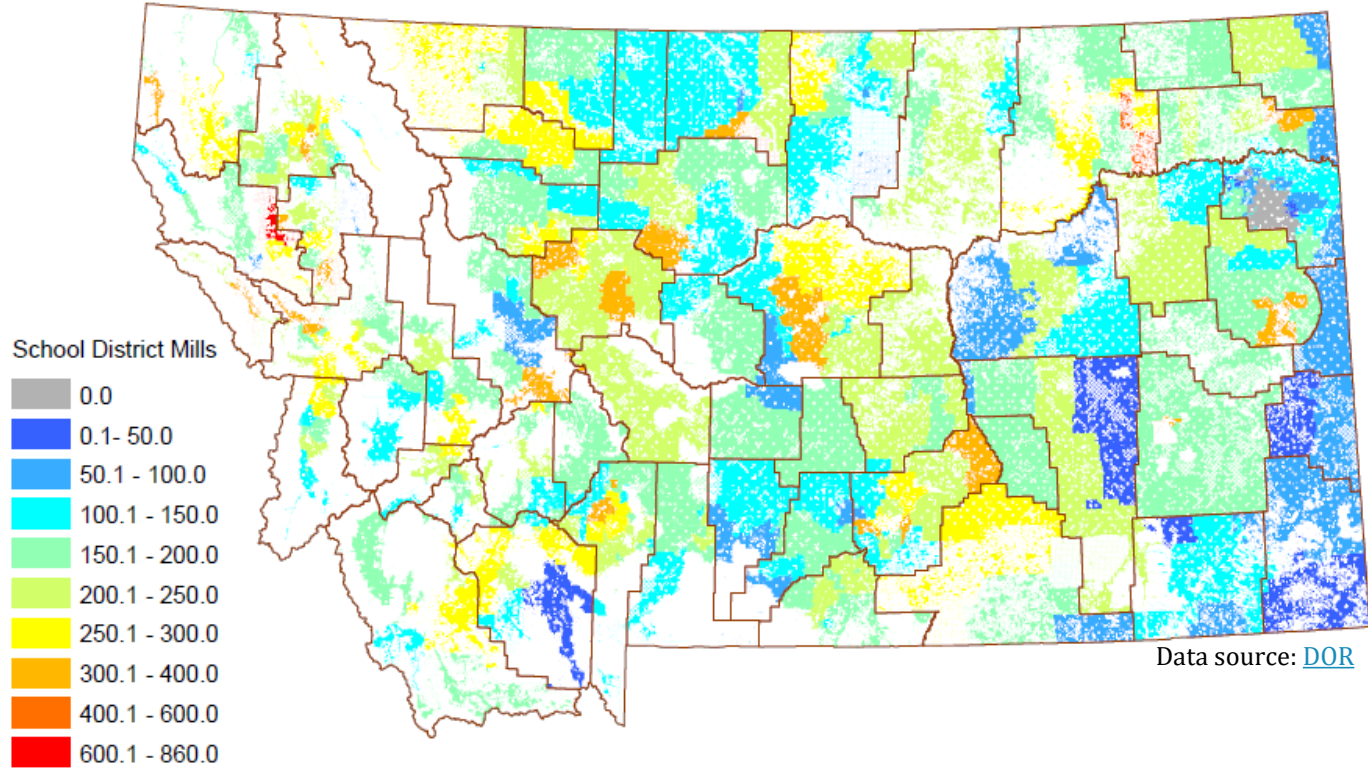
Mills levied for schools include the state levy, county-wide school mill levies, required school district mill levies, voted school mill levies, and permissive (non-voted) school mill levies.

- All county taxpayers support county-wide school retirement costs and a portion of transportation costs through county-wide school levies

Property Tax Levies – Local County-wide School Mills



Combined Elementary & High School Mills by Levy District – FY 2019



Mills levied for schools include the state levy, county-wide school mill levies, required school district mill levies, voted school mill levies, and permissive (non-voted) school mill levies.

- Most school district mills are levied for the school district general fund, but each district also has funds for specific purposes

Property Tax Levies – Local School Districts





School Budgeting: Funding Formula

The state distributes funding to school districts

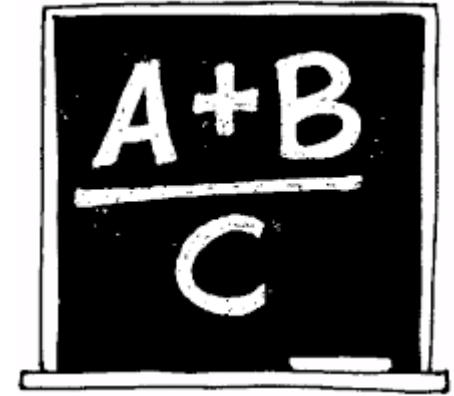


The Office of Public Instruction distributes state and federal funding to districts over the course of the year, using the school funding formula.

Montana has about 400 school districts serving roughly 150,000 students. In school funding, we use an enrollment metric called Average Number Belonging (ANB) when to talk about a district's enrollment.

- See the [K-12 Funding in Montana - Big Picture Overview Story Map](#), Tab 9 for an interactive map of ANB.

School Funding Formula

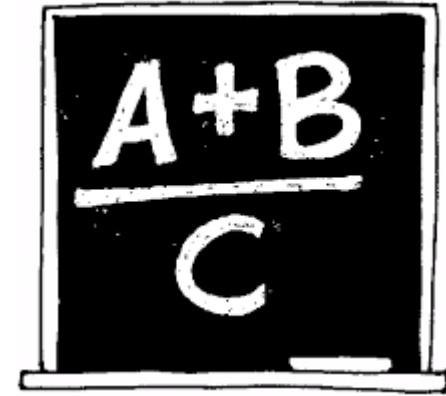


Each school district in Montana establishes a minimum **Basic Amount for School Equity (BASE)** budget and a maximum (MAX) budget, based on percentages of certain school funding components.

The **five fully state-funded components** are:

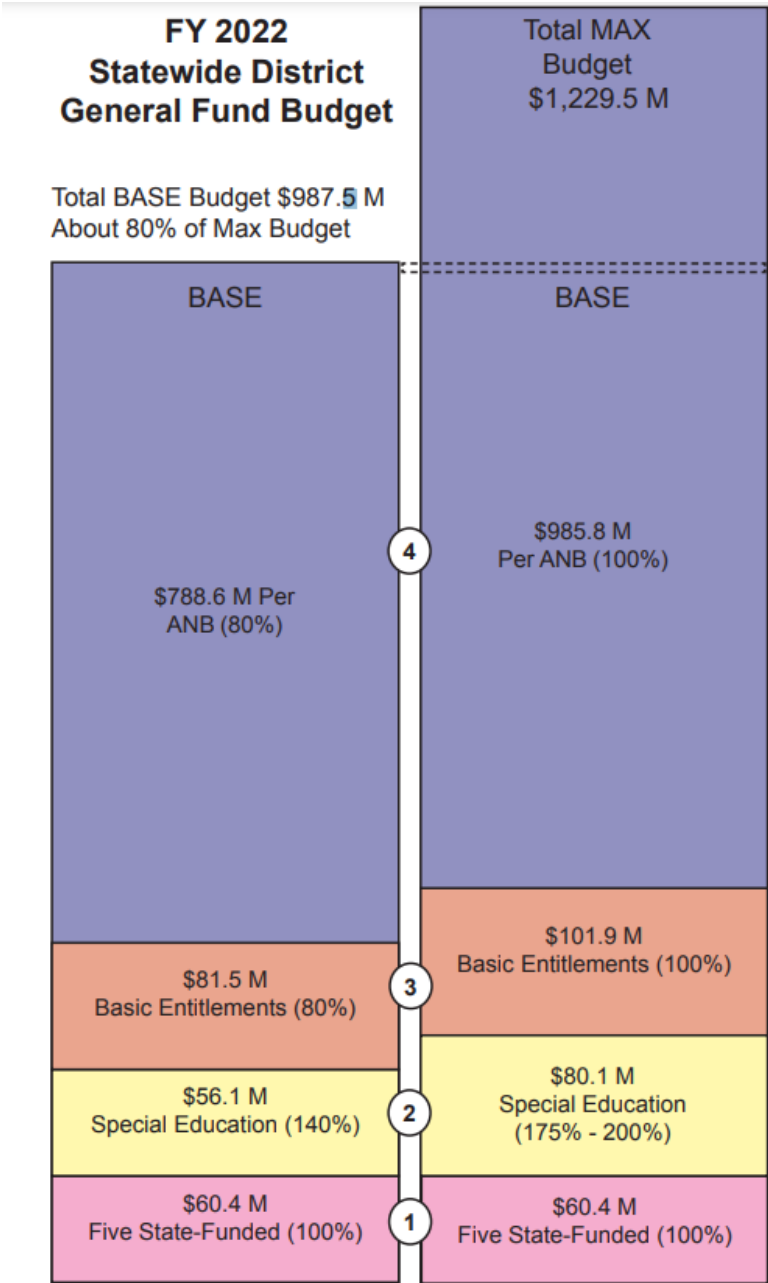
1. **Quality Educator Payment** – a per-FTE payment for teachers and other licensed professionals
2. **At-Risk Payment** – a payment to schools to address at-risk students
3. **Indian Education for All Payment** – a per-ANB payment to fund the constitutionally required education regarding the cultural heritage of American Indians
4. **American Indian Achievement Gap Payment** – a per-American Indian student payment to help close the performance gap that exists between American Indian students and non-Indian students
5. **Data for Achievement Payment** – a per-ANB payment used by school districts to pay for costs related to student data systems

School Funding Formula

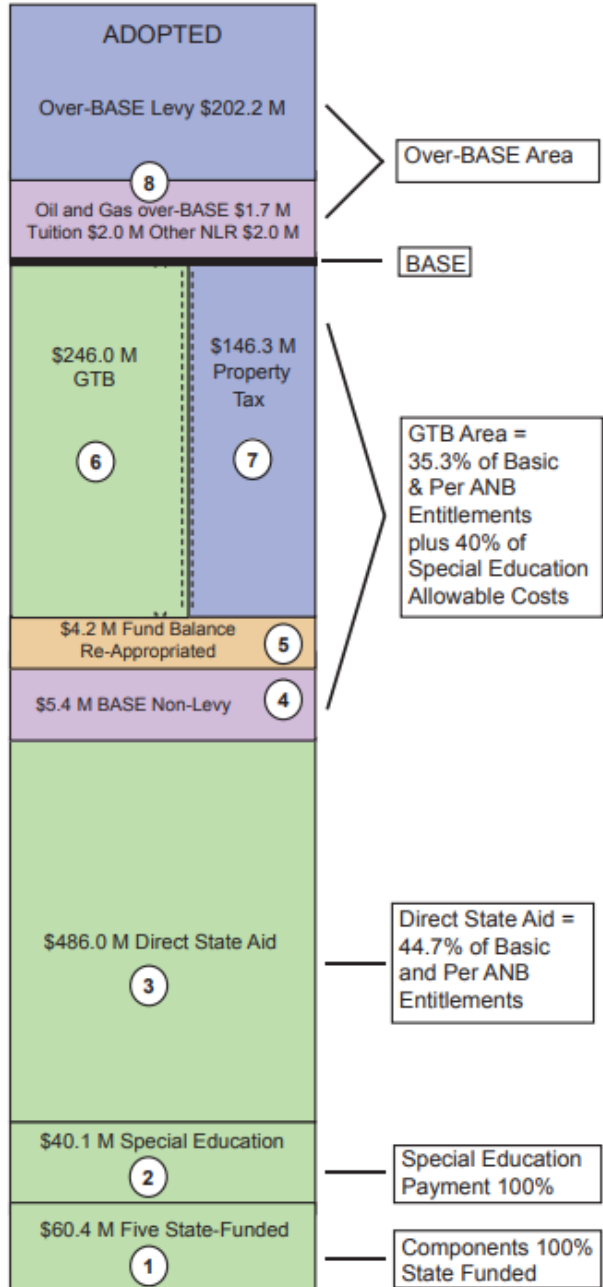


Other components (aside from the five fully state-funded) are:

- **Special Education Payments**
 - **Special Education Allowable Cost Payment** – a per-ANB payment, regardless of the number of special education students
 - **Special Education Disproportionate Cost Payment** – varies based on the needs of the student in a district
- See the [Montana Special Education Funding Basics Story Map](#) for more information on special education
- **Direct State Aid**
 - **Basic Entitlement** – a per-district payment, based on whether it is an elementary district, middle school district, or high school district
 - **Per-ANB Entitlement** – a per-ANB payment based on the count of students attending school in the district
- **Guaranteed tax base (GTB) funding** – a payment to help equalize differences in revenue generating capacity between school districts with different property tax bases and relative to the size of the direct state aid components



FY 2022 Adopted budget \$1,195.7 M About 97% of Max Budget



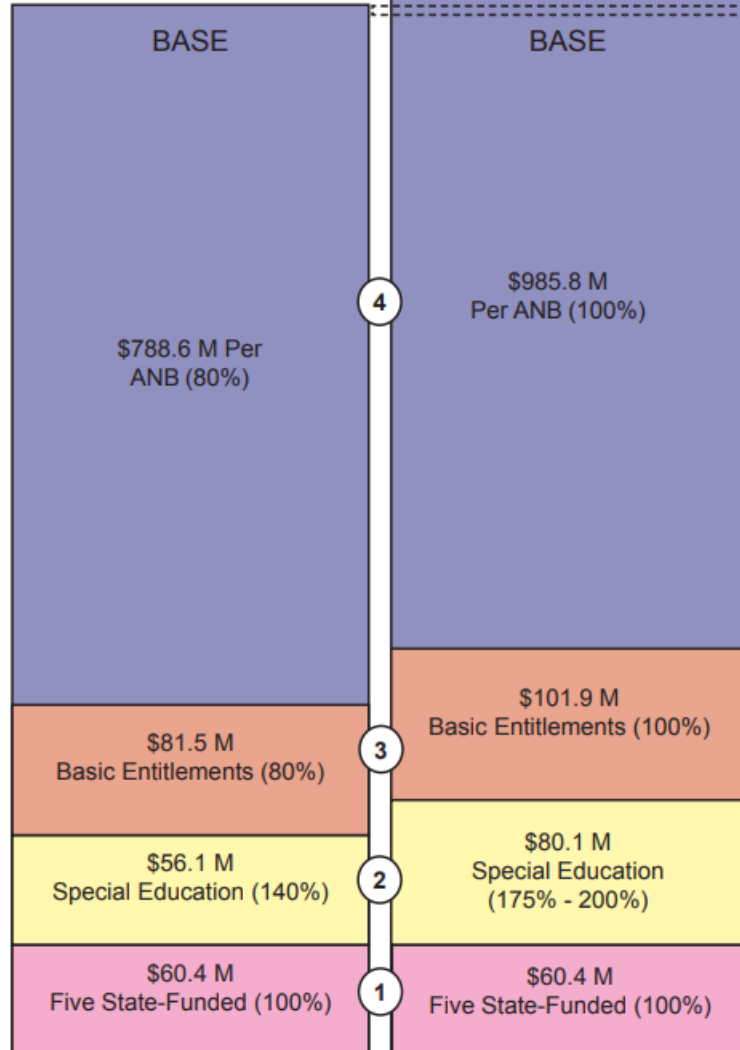
Concept of major importance:

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). Adopted general fund budgets are often supported by property taxes in both the BASE and over-BASE.

Source: Legislative Services Division

**FY 2022
Statewide District
General Fund Budget**

Total BASE Budget \$987.5 M
About 80% of Max Budget



District General Fund
The largest school district fund is the general fund. Statewide districts adopted general fund budgets of \$1.2 billion and received \$841 million in state support.

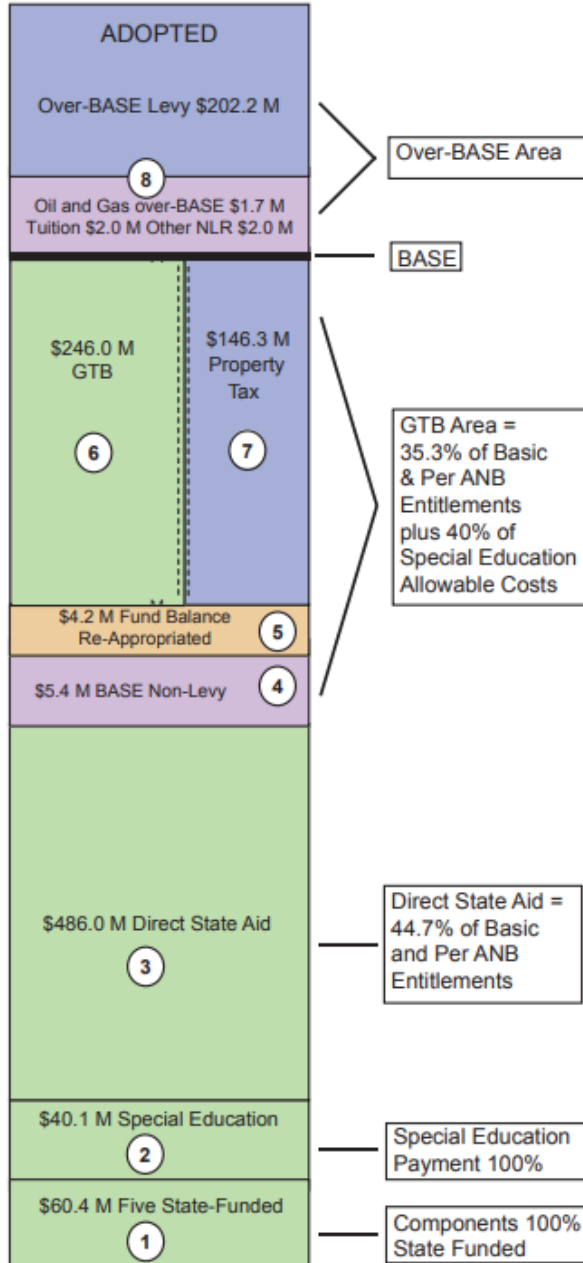
- 4 **Per ANB Entitlement**- Average Number Belonging - A per-ANB dollar amount driven by the greater of the prior year's enrollment or a 3-year average.
- 3 **Basic Entitlement** - A set amount per district based on whether it is an elementary school district, middle school district, or high school 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

Concept of major importance:

We have a **formula to establish a district's general fund budget limits** and a formula for how a district's adopted budget is funded. Adopted general fund budgets are often supported by property taxes in both the BASE and over-BASE.

Source: Legislative Services Division

FY 2022
 Adopted budget \$1,195.7 M
 About 97% of Max Budget



School district general fund adopted budgets are funded with a blend of state and local revenues.

- 8 Any Over-BASE area of a district's adopted budget is funded by available nonlevy revenues, tuition payments, and/or an Over-BASE levy approved by voters.
- 7 • BASE Property Taxes - Local property tax revenues
- 6 • GTB - Guaranteed Tax Base Aid - A state subsidy for mill levies used to equalize property wealth across the state. GTB aid provides a subsidy per mill to eligible districts
- 5 • Fund Balance Re-appropriated - Any excess district general fund from the previous year
- 4 • BASE Non-levy Revenue - Items such as interest earnings, facility rental income, summer school, oil and gas revenues, coal gross proceeds
- 3 Direct State Aid - received by every district and is equal to 44.7 percent of the district's Per-ANB and Basic entitlements
- 2 Special Education Payment - Formula funds provided to local school districts in the form of block grants
- 1 Five State-Funded Components - 100% funded by the state

The GTB Area is funded by:

Other State Funding
 The legislature is also responsible for setting rates for state participation in teacher's retirement, transportation and debt service. Formulas for those payments can be found in Title 20, Chapter 9 of the Montana Code Annotated.

Impacts to Local Districts
 The legislature's role is to assure adequate funding for a quality school system. If the legislature needs to adjust the formula, there could be local tax consequences. The main source of local contribution is property taxes.

Concept of major importance:

We have a formula to establish a district's general fund budget limits and a **formula for how a district's adopted budget is funded**. Adopted general fund budgets are often supported by property taxes in both the BASE and over-BASE.

Source: Legislative Services Division

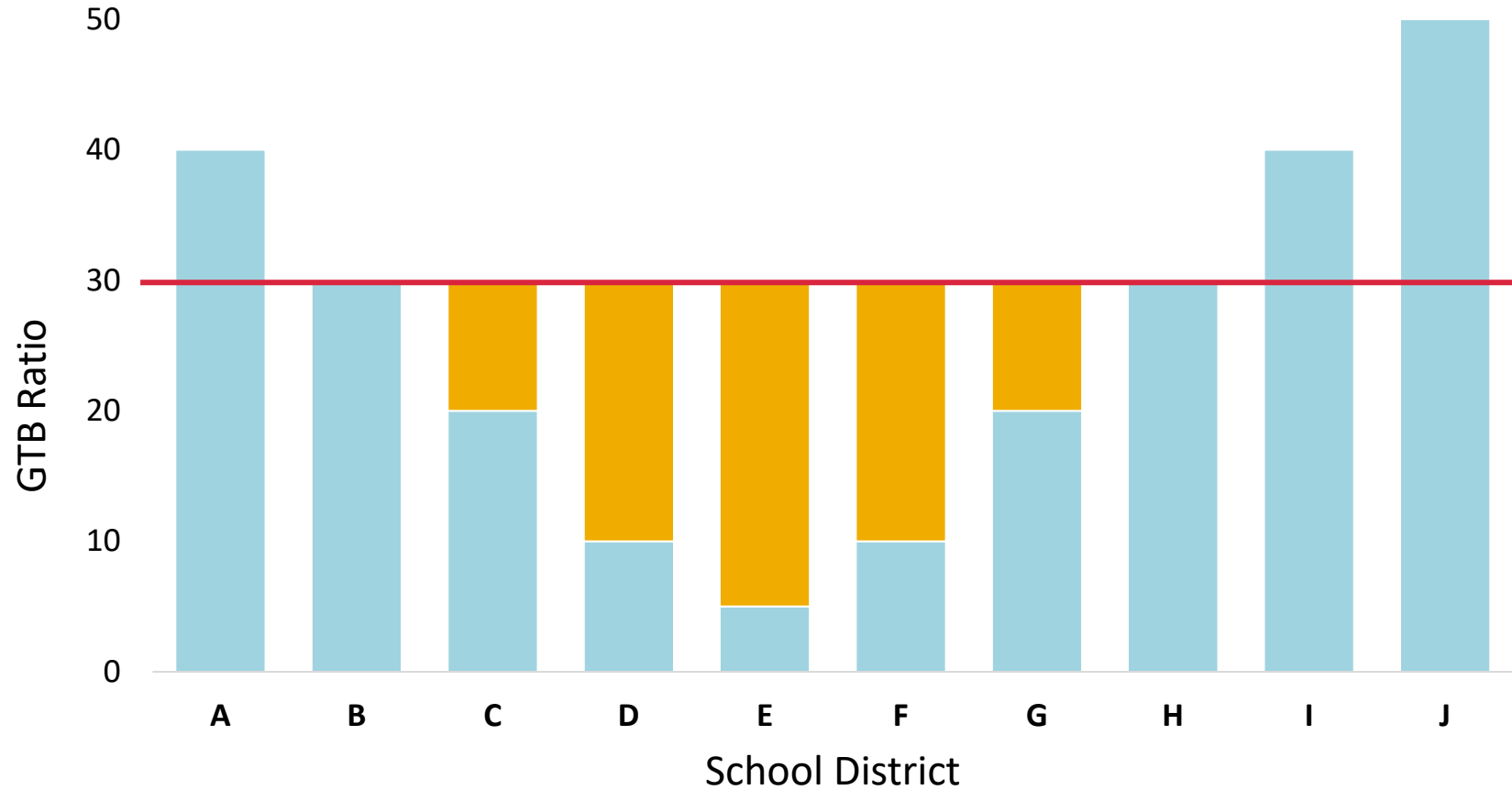
Process for Establishing a Budget

1. The BASE budget is calculated as 100.0% of the five fully state-funded components, 140.0% of the special education allowable costs payment, 80.0% of basic entitlement payments, and 80.0% of per-ANB payments.
2. The MAX budget is calculated as 100.0% of the five fully state-funded components, 200.0% of the special education allowable costs payment, 100.0% of basic entitlement payments, and 100.0% of per-ANB payments.
3. Each district adopts a district general fund budget of at least BASE, and with some exceptions, no more than MAX. The BASE portion of the adopted budget is funded first with 100.0% of the five fully state-funded components, 100.0% of the special education allowable costs payment, 44.7% of the basic entitlements, and 44.7% of the per-ANB payment.
4. The remaining portion of the BASE budget (40.0% of the special education allowable costs payment, 35.3% of the basic entitlements, and 35.3 % of the per-ANB payment) is funded with a combination of non-levy revenue, fund balance re-appropriated, and local property tax required levies.
5. If the remaining portion of the BASE budget is still not met, a district may qualify for GTB aid. GTB provides a per-mill subsidy that brings a district's revenue-generating capacity (as a ratio of property wealth/mill value to funding need) up to a statewide guarantee.
6. Local school district trustees determine the final adopted budget between BASE and MAX, and the school funding formula dictates how that budget is funded.
7. There are exceptions that allow school districts to adopt over-MAX budgets.



GTB Aid

GTB aid equalizes districts' revenue-generating capacity by providing a **state GTB aid subsidy** for districts with less property tax wealth to bring their **revenue-generating capacity (based on the district GTB ratio)** to a **guaranteed amount**



A district's **revenue-generating capacity** is measured as a ratio of the district's property wealth (taxable value) to its local funding needs and costs (sometimes ANB, but in our district general fund formula, the GTB area).



Local School District Funds

School District Funds



Districts account for revenues and expenditures in various funds

A district's finances are accounted for in numerous district-level funds which are funded by varying blends of state, local (including county), and federal dollars. These district funds are either budgeted or non-budgeted.

Budgeted funds are funded in whole or in part by local property tax levies which can be either voted, permissive (non-voted), or required. Requiring trustees to adopt a budget when local dollars are in play increases transparency and accountability.

Nearly all state and local dollars are accounted for in budgeted funds; with nonbudgeted funds being made up largely of federal money.

School levies are set in different ways



Required

- District general fund BASE mills
- County school mills for retirement and transportation

Allowed/Permissive

- Bus depreciation
- Transportation
- Adult Ed
- Building reserve*

Voted

- School district general fund above BASE mills
- Debt service
- Building reserve*
- Flexibility
- Technology

* Building reserve fund has some allowed and some voted levies

School District Funds



- **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
 - See the [School District General Fund Story Map](#) for more information on the district general fund

- **Transportation Fund** – used for to-and-from school transportation costs including buses, fuel, and drivers (not for extracurricular activities or field trips)
 - See the [School District Transportation Fund Story Map](#) for more information on the district transportation fund

School District Funds



- **Bus Depreciation Fund** – used to accumulate funds for bus replacement and additional school buses. The amount budgeted may not, over time, exceed 150.0% of the original cost of a bus or communication systems and safety devices installed on the bus
- **Tuition Fund** – used in limited cases to pay tuition for a student who attends school outside the student's district of residence. Students may be attending under mandatory or discretionary agreements paid by the resident school district. The use of this fund has increased since FY 2013, after the passage of SB 191 in the 2013 legislative session allowed districts to levy mills to pay for the cost of implementing a resident special education student's Individualized Education Program (IEP)

School District Funds



- **Adult Education Fund** – used for basic and secondary general education and vocational or technical education for individuals 16 years of age or older who are not regularly enrolled, full-time students
- **Technology Fund** – used for the purchase, rental, repair and maintenance of technology equipment, and associated technical training for school district personnel
- **Flexibility Fund** – used for technology, facility expansion, student assessment and evaluation, curriculum development, and certain other types of expenditures

School District Funds



- **Debt Service Fund** – used to service (pay off) the debt the district has incurred from issuing (selling) bonds, typically for construction
- See the [School District Debt Service Fund Story Map](#) for more information on the district transportation fund
- **Building Reserve Fund** – used for school major maintenance projects. A district may budget \$15,000 (\$30,000 for a K-12 district) plus \$100 per ANB for the prior fiscal year. This is referred to as the SMMA (State Major Maintenance Amount). In addition to this amount, local effort revenues for the school major maintenance amount may consist of permissive levies not to exceed 10 mills (or 20 mills for K-12 district), deposits, and transfers

School District Funds



- **Retirement Fund**

- For **employer (district) contributions** to the teacher retirement system (TRS) and the public employees retirement system (PERS)*, based on statutorily established rates; retirement **benefits** are paid by TRS and PERS, not districts
- Also for FICA and unemployment insurance

*School districts employ members of both systems

School retirement costs are pooled at the county level. All county taxpayers support county-wide school retirement costs through a countywide levy; there is no *district* levy for retirement.

- See the [School District Retirement Fund Story Map](#) for more information on the retirement fund

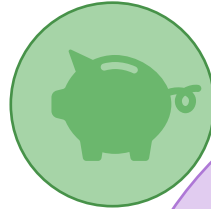
School District Funds



Data source: [OPI](#)

Transportation Fund

0 – 17 county mills
0 – 101 district mills
\$100 million total
\$11 million state support
\$11 million county



Technology Fund

0 – 18 mills
\$33 million total
\$1 million state support



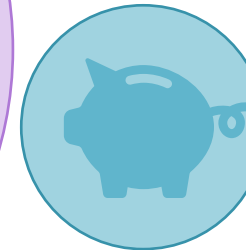
Flexibility Fund

0 – 9 mills
\$46 million total
\$16 million state support



Debt Service Fund

0 – 171 mills
\$138 million total
\$6 million state support



Building Reserve Fund

0 – 42 mills
\$101 million total
\$10 million state support



School District
General Fund
0 – 59 BASE mills
0 – 78 over-BASE mills
\$1,183 million



\$830 million state support
(for BASE only)

Bus Depreciation Fund

0 – 90* mills
\$68 million total
< \$0.1 million state support
*Excludes outliers



Tuition Fund

0 – 43 mills
\$33 million total
\$0 state support



Adult Education Fund

0 – 7 mills
\$13 million total
\$0 state support



Retirement Fund

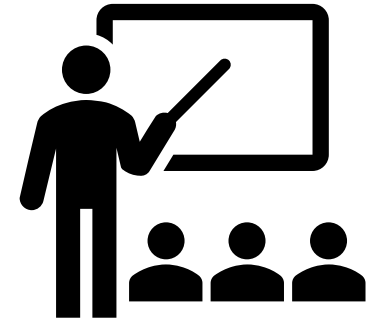
0 – 86 county mills
0 district mills
\$181 million total
\$40 million state support
\$161 million county





Office of Public Instruction

Office of Public Instruction



The Office of Public Instruction (OPI) has two programs:

- State Level Activities
 - provides leadership and coordination of services to a variety of school and public groups
 - supports the Superintendent's statutory role with the Board of Public Education, Board of Regents, and Land Board
 - is responsible for the distribution and accounting of state and federal funds provided to school districts
 - maintains the information systems necessary to assess student achievement and the quality of Montana's elementary and secondary school system
 - provides assistance and information to school districts
 - administers all federal grants received by OPI, including curriculum assistance, special education, Elementary and Secondary Education Act (ESEA) administration, secondary vocational education administration, and other educational services
- Local Education Activities
 - used by OPI to distribute state and federal funds to local education agencies

State Level Activities Summary by Purpose
Proposed **General Fund** Budget

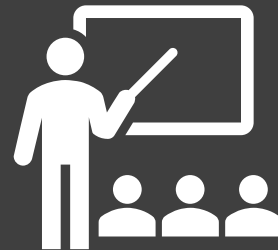
General Fund Only	Proposed Budget <u>2025 Biennium</u>
Accreditation	643,565
Administration	3,269,261
Assessment	219,150
Audiology	
Ongoing	1,148,998
One-time-only	333,692
Career Technical & Adult Education	804,895
Content Standards & Instruction	802,800
Health Enhancement & Safety	170,967
Indian Education For All	1,396,041
Indian Language Preservation	1,500,000
Information Data & Technology	7,798,294
Legal Services	923,723
Montana Digital Academy	4,061,240
State Distribution To Schools	2,050,769
Student Support Services	296,551
Total General Fund	\$25,419,946

State Level Activities Summary by Purpose
Proposed **State Special Revenue** Budget

State Special Revenue Only	Proposed Budget <u>2025 Biennium</u>
Health Education	474,148
HES Commodities	151,187
Legal Services	332,681
Total State Special Revenue	\$958,016

State Level Activities Summary by Purpose
Proposed **Federal Special Revenue** Budget

Federal Special Revenue Only	Proposed Budget <u>2025 Biennium</u>
Adult Basic Education	499,543
Assessment	8,973,687
Carl Perkins Grant	1,093,383
Education of Homeless Children	175,419
FNS Administrative Review and Training (ART) C	249,446
Individuals with Disabilities Education Act (IDEA)	
IDEA Part B	8,622,754
IDEA Part D	830,188
Miscellaneous Federal Funds	2,271,101
NAEP/NCES/NEA	264,003
School Nutrition	3,222,466
Substance Abuse and Mental Health Services (S	1,504,995
Title I	
Grants to Local Education Agencies	3,914,175
Migrant Education	378,512
School Improvement Grants	381,107
Title II Part A Teacher	1,087,483
Title III English Language	346,301
Title IV Part B 21st Century	1,384,671
Title V Rural Low Income	52,277
YRBS & School Health Priorities	204,021
Total Federal Special Revenue	\$35,455,532



Office of Public Instruction
State Level Activities
HB 2 Budget Submission

Local Education Activities Summary by Purpose
Proposed **General Fund** Budget

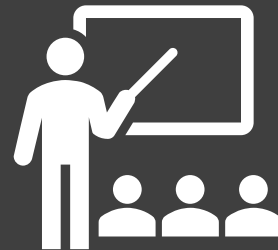
General Fund Only	Proposed Budget <u>2025 Biennium</u>
K-12 BASE Aid	971,128,855
Adult Basic Education	1,050,000
Advanced Opportunities	7,499,133
Advancing Ag Ed	303,920
At Risk Students	12,245,709
Career and Technical Education - Match CSTO	1,106,000
Career and Technical Education - State Match	3,000,000
Coal MT	3,386,548
Gifted And Talented	700,000
Indian Language Immersion	193,940
Instate Treatment	2,335,638
National Board Certification	360,000
Recruitment and Retention	1,000,000
School Food	1,402,637
School Major Maintenance	20,848,100
School Safety Grants	200,000
State Tuition Payments	519,852
Transformational Learning	4,761,631
Transportation Aid	23,997,104
Total General Fund	\$1,783,230,152

Local Education Activities Summary by Purpose
Proposed **State Special Revenue** Budget

State Special Revenue Only	Proposed Budget <u>2025 Biennium</u>
Debt Service Assistance	9,000,000
School Major Maintenance	11,680,000
Traffic Education Flow-Through	1,500,000
Total State Special Revenue	\$22,180,000

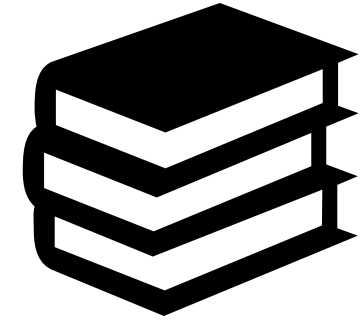
Local Education Activities Summary by Purpose
Proposed **Federal Special Revenue** Budget

Federal Special Revenue Only	Proposed Budget <u>2025 Biennium</u>
Adult Basic Education	2,205,184
Carl Perkins Grant	6,488,966
Education of Homeless Children	487,178
Individuals with Disabilities Education Act (IDEA)	
IDEA Part B	72,747,720
IDEA Part D	316,000
IDEA Preschool	2,481,596
School Nutrition	90,650,394
Title I	
Grants to Local Education Agencies	92,926,044
Migrant Education	3,175,788
Neglected & Delinquent	505,388
School Improvement Grants	76,000
Title II Part A Teacher	17,897,464
Title III English Language	660,000
Title IV Part B 21st Century	19,255,968
Title V Rural Low Income	1,597,092
Total Federal Special Revenue	\$311,470,782



**Office of Public Instruction
Local Education Activities
HB 2 Budget Submission**

Resources & Sources



-
- [Legislative Training and Publications](#)
 - [K-12 Funding in Montana - Big Picture Overview Story Map](#)
 - [Property Taxes in Montana Story Map](#)
 - [Guarantee Account Brochure](#)

 - [Montana Special Education Funding Basics Story Map](#)
 - [School District General Fund Story Map](#)
 - [School District Retirement Fund Story Map](#)
 - [School District Transportation Fund Story Map](#)
 - [School District Debt Service Fund Story Map](#)
 - [Interactive School Mills Map](#)

 - [K-12 Funding Basics – District General Fund](#)
 - [LFD Data-Driven Decision Making](#) – Education Tab & Property Taxes Tab
- [Office of Public Instruction Financial Data Files](#)
 - [Dept. of Revenue Biennial Report \(Property Tax\)](#)
 - [OPI Understanding Montana School Finance and School District Budgets](#)

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- Julia Pattin – Legislative Fiscal Division
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Questions?



LFD



MONTANA LEGISLATIVE FISCAL DIVISION