MTDA
Montana Digital Academy

Supplemental Data Request to the Joint Appropriations, Part E Subcommittee
January 13, 2023

MTDA Expenditures FY22 FINAL & FY23 YTD

This spreadsheet includes expenditures covered by the state allocation of $2,030,000.

FY22 FTE: 8.625 FTE
FY23 FTE: 8.125 FTE - due to .5 FTE position remaining open (soon to be filled)
FY24 Projected FTE: 8.625

MTDA is covered under Montana University Systems benefits. This includes health insurance ($1054/month per FTE) and retirement (TRS, TIAA-CREF, and one employee with PERS).

Dual Credit / CTE / Native Language OTO Expenditures

This spreadsheet includes expenditures covered by one-time-only funds from the '21 Legislature of $210,000 received in FY22, of which $130,000 was earmarked for new Dual Credit and CTE courses and $80,000 earmarked for Native Language Course Development.

We anticipate spending an additional $13,000 in FY23 on new Dual Credit and CTE courses, and plan to complete the Dual Credit and CTE rollouts this year. The remaining roughly $67,000 will be returned.

Approximately 1,000 hours of MTDA Staff time (of various positions and salary levels) went into Dual Credit and CTE rollout. Those salaries were paid out of the state allocation.

We have been able to work with two Montana Tribes on Native Language Online Course Development, and have spent $20,000 of the $80,000 allocated.

OTO Funds from 2021 Legislative Session
Allocated to MTDA FY22 and FY23 Budgets

New Dual Credit and CTE Courses

	Dual Credit 1	Dual Credit 2	Dual Credit 3	Dual Credit 4	Dual Credit 5	CTE1	CTE2	CTE3	CTE4	CTE5	CTE6	CTE7	CTE8	
Activity Codes	**USHIST**	**COLCOM**	**COLALG**	**MEDTER**	**TCHPRO**	**GOOTOO**	**CSELECT**	**PUBHLT**	**HOSTOU**	**ADOPHO**	**VIDPRO**	**MEDICA**	**CONSTR**	
	US History	College Composition	College Algebra	Medical Terminology	Intro to Teaching Profession	Google Tools	CyberSecurity	Public Health	Hospitality & Tourism	Adobe Photoshop	Video Production	MS Exploring Health Science	Virtual JMG	Total
Total Personnel Expense	$9,993	$5,995	$6,333	$5,993	$2,998	$4,588	$5,992	$0	$0	$2,998	$0	$0	$0	$44,889
Total Other Expense (licenses, digital assets, software, etc)	$0	$218	$0	$0	$405	$0	$0	$0	$0	$1,858	$2,000	$0	$0	$4,480
Total Expenditure as of 12/31/2022	$9,993	$6,213	$6,333	$5,993	$3,402	$4,588	$5,992	$0	$0	$4,855	$2,000	$0	$0	$49,369
Anticipated Expenditures through FY23					$2,998			$540	$1,980	$2,000	$3,000	$120	$2,500	$13,138
Total Expenditure	$9,993	$6,213	$6,333	$5,993	$6,400	$4,588	$5,992	$540	$1,980	$6,855	$5,000	$120	$2,500	$62,507
MTDA Staff Time in Hours (paid via state allocation)	81	170	40	170	195	50	160	24	23	35	28	21		

Native American Language Courses

	NAL01	NAL02	NAL03	NAL04	NAL05	NAL06	NAL07	NAL08	
Activity Codes	**NAL01**	**NAL02**	**NAL03**	**NAL04**	**NAL05**	**NAL06**	**NAL07**	**NAL08**	
	CROW	SALISH / KOOTENAI	BLACKFEET	CHIPPEWA CREE	FORT PECK	FORT BELKNAP	NORTHERN CHEYENNE	LITTLE SHELL	TOTAL
Program Expense	$0	$0	$0	$10,000	$0	$0	$0	$0	$10,000
Licenses	$10,000	$0	$0	$0	$0	$0	$0	$0	$10,000
Total Personnel Expense	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Other Expense (licenses, digital assets, software, etc)	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Expenditure as of 12/31/2022	$10,000	$0	$0	$10,000	$0	$0	$0	$0	$20,000
Anticipated Expenditures through FY23									$0
Total Expenditure	$10,000	$0	$0	$10,000	$0	$0	$0	$0	$20,000

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FY23 EXPENDITURES are as of December 2022	ADMIN/OPERATIONS		INSTRUCTION		TOTAL	
	MEDA04 FY22 FINAL	MEDA04 FY23 YTD	MEDI16 FY22 FINAL	MEDI16 FY23 YTD	FY22 FINAL	Total Combined YTD
Expenditures						
Personnel Expense						
Total Staff Salaries & Wages	449,204	250,356	150,065	75,261	599,269	325,617
Total Staff Tax & Benefits	141,914	86,914	57,139	31,701	199,053	118,615
Total Staff Salaries/Benefits	591,118	337,270	207,204	106,962	798,322	444,232
Other Services						
Total Other Services	13,929	3,627	2,876	3,602	16,805	7,229
Supplies/Materials						
Total Supplies/Materials	14,245	15,730	32,581	3,515	46,826	19,245
Program Expense	830	73	335	55	1,165	128
Communication						
Total Communication	4,714	7,429	13	16	4,727	7,445
Travel/Mileage						
Total Travel/Mileage	9,790	17,274	7,581	4,420	17,371	21,694
Repairs & Maintenance						
Total Repair & Maintenance	175	-	26,643	833	26,818	833
Other Expense						
Total Other Expense	38,387	22,071	121,662	85,637	160,049	107,708
Total Operating & Capital:						
	82,069	66,206	191,691	98,077	273,760	164,283
Non-Mandated Transfers						
Total Non-Mandated Transfers	-	51,825		79,220	-	131,045
Outgoing Transfers to Local Districts						
Outg Transf - Local District Admin			34,956	25,896	34,956	25,896
Outg Transf - Local District Instruction			873,897	621,514	873,897	621,514
Total Outgoing Transfers	-	-	908,853	647,411	908,853	647,411
Summary						
Total Expenditures	673,187	455,301	1,307,748	931,670	1,980,935	1,386,971

Teacher Payment Information

MTDA's teacher force is made up of Montana public school teachers shared with Montana school districts. Our compensation model utilizes these relationships to simplify compensation by paying teachers through their local Montana public school. MTDA has signed an interlocal agreement with every district that has an MTDA instructor. Each MTDA instructional model has a different payment schedule. Four times a year, we compile and send payments to school district clerks. Districts then add MTDA compensation to a regular paycheck.

In addition to the actual compensation amount, we also send an additional 24%, including 20% to cover district employment costs, and 4% to cover district indirect costs.

MTDA has adopted the same instructional pay increase percentages offered to our central office staff as University employees, typically 2%.

Clearinghouse Proposal

Draft Version 2.0
1/13/23 (includes proposed budget on page 5)

Executive Summary

MTDA seeks to expand services available to students through their local Montana public schools. In addition to our existing original credit, credit recovery ("Flex CAP"), dual credit, middle school courses, and EdReady programming, we will stand up an "Online Learning Clearinghouse" model to provide additional digital learning services. **The Clearinghouse will expand upon the [Wisconsin eSchool Network](#) model**, built around the goals of providing **additional choice and flexibility to build local capacity for serving students with digital learning models and materials**. The Clearinghouse will be purpose-built to support **proficiency-based learning**, **transformational learning**, **and advanced opportunities initiatives** in schools across the state.

MTDA will create a new **clearinghouse interface built on existing systems** that provide schools access to additional course providers and formats. The Clearinghouse will be a "one-stop shop" for access for schools to content and services from all providers, including traditional MTDA programming.

Available Services

As part of the program rollout, **MTDA staff will continue market research efforts** with school administrators and curriculum staff in schools across the state, as well as platform, service, and content vendors, workforce development leaders, and others to learn specific needs. Based on initial research in 2022, we anticipate providing these new categories of services:

Title	Description	Example Usage
Digital Content and Platform Services	Access to **MTDA learning platforms and a choice of digital content** through MTDA portals. Multiple providers can be accessed so that various price points and options are available.	- A school runs an **online Geometry class for 8th-grade students** with a district high school teacher using MTDA platforms and their choice of content, eliminating the need to transport those students to the high school building. This district could also offer seats to other school districts, building additional capacity for technology-driven learning across the state. - A small school hires a new 7-12 science teacher that doesn't have experience teaching Chemistry. The school uses MTDA platforms and a choice of content as **flexible "blended learning" environment to provide a turnkey Chemistry curriculum to increase teacher effectiveness**.
Short Courses	Schools can **license content and learning platforms for content that serves purposes beyond the scope of the classroom** to target individual needs in a student's educational pathway. Short courses typically do not have teacher services and are managed by the local school and its support staff.	- A school purchases access to **Automotive Certification Excellent certification practice materials** to assist with preparation for the ASE Automatic Transmission/Transaxle certification test. - A school implements educational responses to community concerns about vaping by purchasing licensing to **"Vaping Awareness" short course** through the Clearinghouse as an alternative to traditional discipline. - A school purchases access to test **preparation materials for AP World History exams** to help students study for AP exams.
Third-Party Services	Schools can license **full online courses**, including instructional services, in various formats from third-party providers.	A school purchases services for a third-party **compressed-time Physics course** for a student missing a critical graduation requirement in the second semester if their senior year.

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		● A school purchases services for six students wishing to take a third-party **online Korean course online in a traditional trimester block**. ● A school purchases access to a third-party **"iTV"/Zoom-style government class** that meets at 8:45 am each morning for a student that needs more live engagement than traditional online courses.
Proficiency Assessment Services	Students are provided access to a platform to submit materials to **prove proficiency in a specific course title** and an opportunity to complete performance-based assessments. The materials are evaluated by a qualified instructor, with a recommendation of "pass" given if the student is assessed above a predetermined threshold.	● **A student wants to graduate early to enter the workforce and needs 0.5 credits of government**. The student has independently excelled at civics and government via competitive debate and can prove proficiency in the material without taking a formal course. **The school purchases proficiency assessment services, including a standards-aligned test, portfolio submission portal, and evaluation by a licensed teacher.**

Benefits to Schools and Districts

Centralized purchasing of services provides several advantages to schools, including the following:
- **Group Pricing**: The larger use of particular tools and products **may lead to better overall and per-student pricing on products**. This is particularly attractive to smaller, rural schools that typically do not have the need for services at a level that justifies group pricing.
- **Single Points of Purchase**: Schools could **purchase from a catalog of services and providers from a single point of purchase**, decreasing the time needed for researching and adopting services and platforms. This also creates a single payment point for schools, decreasing the complexity of billing.
- **Minimized Vendor Relationships: Schools would not need to maintain a direct relationship with vendors, as that would be handled directly by Clearinghouse staff.** Clearinghouse staff would continue to research, evaluate, and implement new services from new vendors, minimizing the need for local school staff to keep a close eye on the marketplace.
- **Simplified Sign-On**: **All available services would be available to facilitators and students through a single interface, increasing simplicity for end-users**.
- **Closer Integration: Fewer vendors mean more opportunities for direct integration with local school systems, particularly student information systems.** This is also beneficial for compliance with Montana's student data privacy laws.

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Benefits to the State of Montana

As Montana continues to push forward in its efforts to evolve K-12 education, **the Clearinghouse will provide a critical platform and support mechanism to provide "plug-in" services to schools looking to expand their effectiveness and reach**. This system could be especially critical to smaller schools and regional curriculum consortiums that do not have the capacity or resources to shop the marketplace or train their staff to implement these digital learning strategies.

The Role of Montana Digital Academy

MTDA will administer the Clearinghouse. In addition to overall program and service management, **staff will evaluate and monitor providers, courses, and services and provide expert guidance to schools on implementing these services in their local schools**. MTDA will also provide **technical guidance on evaluative standards to judge services**, including, but not limited to, accessibility compliance (WCAG 2, ADA, etc.), standards integration, device compatibility, Indian Education for All adoption, and student data privacy law compliance.

MTDA will continue to use relationship-building and support strategies to assist in implementing distance learning programming at local schools, **including professional development on providing student support, implementation advice, technical integration support, and IT implementation support.** MTDA *believes these are among the most important factors for success in a clearinghouse*; unlike higher education, where most colleges and universities have distance learning programming and expertise, most K-12 programs nationwide do not have expertise in this area.

Anticipated Cost and Proposed Budget

Many variables will impact the cost of standing up a clearinghouse. As MTDA's existing capacity is taxed by existing services, the minimum costs would be primarily dedicated to project management/implementation, critical technical integration with internal (school) and external (vendor) systems, request for proposal/request for quotation processes, data collection and reporting, and billing and financial management. MTDA also strongly believes that "on the ground" support is vital for success and necessitates personnel primarily dedicated to local school support.

On the lower end, MTDA believes we could stand up the clearinghouse model for $850,000 a year for minimally subsidized services. A $1.6m a year budget would provide underwriting and discounted services for school districts for faster and greater reach.

Proposed Budget Request for FY24 and FY25 (Lower-End Estimate)

Category/Description/Context	FY24	FY25
Personnel Costs		
** Personal titles, salaries, and benefit costs are estimated based on recent recruitments of similar jobs. Per recruitment policy, UM's compensation office approves titles and sets compensation. Final totals include an estimate of 39% of additional costs to include employment costs and benefits. Salaries and benefits for FY25 have a 4% increase, the estimated increase for UM employees. Clearinghouse Manager - CM (80,000) - CM provides overall program management and strategic guidance to the MTDA leadership team regarding business and marketing. Based on the suggestion from colleagues outside of Montana, CM is a specialist in vendor management, contract negotiation, RFP development, and procurement. IT and Integration Manager - ITIM (70,000) - ITIM provides IT support across the organization and is responsible for the setup and maintenance of integrations, including integration of GeniusSIS with local districts and outside vendors. ITIM interfaces with UM IT staff, local district IT staff, and UM technical procurement staff. ITIM is responsible for compliance with accessibility standards, cybersecurity, and Montana data privacy laws. ITIM also assists with the MTDA help desk. Data/Billing Specialists - DBS (60,000) - The DBS works with Business Manager and is responsible for data recording and reporting, portal setup, and assisting with regular billing and invoicing of schools. DBS also assists with the MTDA helpdesk. School Trainer and Ambassador (60,000) - STA works directly with districts to implement expanded services, including providing professional development and expert implementation advice. STA is an expert in proficiency-based learning and other flexible learning models. Tribal Liaison and Ambassador (70,000) - The TLA provides organization-wide leadership and maintains relationships with tribal governments and schools across the state. The TLA also manages MTDA tribal language initiatives and liaises with Indian education groups and initiatives statewide.	$472,600	$491,504

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Employee Support Costs		
Personal Computer Equipment and Maintenance (10,000; 3,000) - Provides individual technology equipment. Employee Software Costs (7500) - Provides licensing to support desk software suite, customer relationship management (CRM suite), communication systems, and desktop creation tools. Travel and Transportation (20,000) - Provides support for travel and transportation, primarily aimed at local support for schools. Misc Office Expense (2500) - Includes supplies, minor equipment, printing, etc.	$35,000	$28,000
Program Software and Software Maintenance		
**The costs for learning management systems are estimated and may change based on adopting a new, statewide LMS by the Montana University System during the biennium. Learning Management System Increase Use Costs (20,000) - Provides the core digital classroom platform for Clearinghouse initiatives. Currently, that platform is OpenLMS and is subject to change based on statewide LMS adoption by OCHE. Student Information System/Portal Costs (25,000) - Supports MTDA's GeniusSIS software to serve as a portal for schools to access services. System Integration Development and Maintenance (15,000) - Supports development and maintenance of integrations with external vendors and Montana schools to provide seamless, "single sign-on" access to services.	$60,000	$60,000
Content Development and Licensing		
All services will involve a cost-share with participating schools to develop, license, and deploy services that provide high value to schools. Funding in this area will help fund minimum buying requirements from vendors, underwrite service to lower school costs, and fund internal development to decrease overall, long-term costs.	$250,000	$200,000
TOTAL REQUEST	**$822,600**	**$784,504**

Options for Additional Capacity

Any additional resources will provide more direct service to schools for deeper implementation.

Workforce Development/CTE Specialist (56,472) - Provide expertise to Clearinghouse and other distance learning staff on programming related to workforce development and career-technical education; liaison to Department of Labor and industry groups; request includes estimated employment costs, technology costs, and office expenses.	$83,496	$86,635
Instructional Designer (55,000) - Provides a dedicated employee to implement and manage content development projects; request includes estimated employment costs, technology costs, and office expenses.	$81,450	$84,508
Help Desk Technician (35,000) - Provides a dedicated employee to staff a help desk for external users, including students and local school personnel; request includes estimated employment costs, technology costs, and office expenses.	$53,650	$55,596
Open Education Resource (OER)/Licensing Specialist (60,000) - Provides a dedicated employee to researching and implementing no-cost OER resources in the Clearinghouse. The use of OER allows for the customization of free resources to meet Montana-specific	$88,400	$91,736

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standards, providing the possibility of a much lower cost for some digital resources; the request includes estimated employment costs, technology costs, and office expenses.		
Additional Ambassador (60,000) - Provide more on-the-ground support to schools; request includes estimated employment costs, technology costs, and office expenses; request includes estimated employment costs, technology costs, and office expenses.	$88,400	$91,736
Additional Content Development and Licensing - Provide additional resources to help underwrite services to schools and develop cost-effective content solutions.	Flexible	Flexible