

September 8, 2005

To: The Quality Schools Interim Committee

From: Madalyn Quinlan, Chief of Staff
Montana Office of Public Instruction

Subject: Policy Questions Associated with the Per-Student Entitlement

The following describes the current mechanism for counting students enrolled in Montana's public school and for providing ANB funding based on enrollments. It also includes a discussion of the policy questions associated with determining an educationally-relevant and rational per-student entitlement and adds-on for students with special needs.

Enrollment

Each student included in the enrollment count of students must be enrolled as defined in A.R.M. 10.15.101.

(24) 'Enrolled student' means a high school student assigned to receive organized instruction in an education program described in A.R.M. 10.55.904 that is offered by a public school and can be applied towards the graduation requirements of A.R.M. 10.55.905, or an elementary student assigned to receive organized instruction in an education program described in A.R.M. 10.55.901 through 10.55.902, or an elementary or high school student in a course of instruction agreed to in an Individualized Education Program (IEP). A.R.M. 10.15.101

The official enrollment count dates are the first Monday in October for fall and February 1 for spring. If the first Monday in October or February 1 does not fall on a school day, the next school day becomes the official count date.

Which Students Are Included in the Official Enrollment Count?

Enrollment and attendance data is used for many purposes (calculation of ANB for school funding, federal and state statistical reporting, calculating attendance and test participation rates used in determining school, district and state Adequate Yearly Progress under federal No Child Left Behind legislation and other purposes.

Enrollment

- The official fall semester enrollment count date is the first Monday in October.
The official spring semester enrollment count date is February 1st.
 - Report all enrolled students, including:
 - ✓ Special education students
 - ✓ Homebound students qualifying under 10.20.102, A.R.M.
 - ✓ 19-year-olds (or older) or resident enrolled students attending Job Corps

"It is the mission of the Office of Public Instruction to improve teaching and learning through communication, collaboration, advocacy, and accountability to those we serve." "It is the mission of the Office of Public Instruction to improve teaching and learning through communication, collaboration, advocacy, and accountability to those we serve."

- ✓ Students attending school for any portion of the school day (example, count as enrolled--a home-schooled student that attends the district for one class per day)
- ✓ Students attending the school from out-of-district
- ✓ Students enrolled in a Pre-Kindergarten program
- Do not report:
 - ✓ During the Fall and Spring counts, students absent for 11 consecutive days prior to and including the count date. However, during the testing window count, all students the school considers to be “enrolled” should be counted, regardless of the number of days the student has been absent
 - ✓ Students enrolled in another public school district
 - ✓ Students who will not resume attendance pursuant to notice given to district
 - ✓ Students whose records have been transferred to another school
 - ✓ Students otherwise unable to continue in attendance for any reason
 - ✓ Students who are residents of the district, but are attending an out-of-district school

ANB/Average Number Belonging

Average number belonging (ANB) means a student count for each school district that is used for school funding purposes. The statutory definition, pursuant to 20-1-101(2), MCA, is “the average number of regularly enrolled, full-time pupils attending the public schools of a district.”

Calculating Average Number Belonging (ANB)

The Average Number Belonging (ANB) for the ensuing school fiscal year is the average adjusted enrollment of the current school year multiplied by the sum of the pupil-instruction (PI) and pupil-instruction-related (PIR) days, divided by 180.

Pupil-instruction (PI) days are those days when school districts provide organized instruction for pupils enrolled in public schools while under the supervision of a teacher. Districts are required to conduct a minimum of:

- 360 aggregate hours of pupil instruction for kindergarten programs
- 720 aggregate hours of pupil instruction for grades 1-3
- 1080 aggregate hours of pupil instruction for grades 4-12

Pupil-instruction-related (PIR) days are those days of teacher activities, for the school year preceding the year to be funded, which are devoted to improving the quality of instruction. For calculation of ANB the PIR days may not exceed seven (7). The days may not be included as part of the required minimum aggregate hours of pupil instruction per 20-1-301, MCA. A district’s PIR days must be planned in accordance with the policy adopted by the Board of Public Education, and a minimum of three (3) PIR days must be conducted. (20-1-304, MCA)

Which Students are included in the Calculation of ANB?

- Full-time
 - ✓ Students in grades 1-12 who are enrolled for 720 or more aggregate hours of pupil instruction
 - ✓ Early graduates
- Part-time
 - ✓ Students in grades 1-12 who are enrolled as follows:
 - 181 to 359 aggregate hours equals one-quarter time enrollment

- 360 to 539 aggregate hours equals one-half time enrollment
- 540 to 719 aggregate hours equals three-quarters time enrollment
- ✓ Students in Kindergarten who are enrolled as follows:
 - 181 to 359 aggregate hours equals one-quarter time enrollment
 - 360 or more aggregate hours equals one-half time enrollment
- Not Included
 - Pre-Kindergarten enrollment
 - Pupils receiving fewer than 180 aggregate hours of pupil instruction
 - 19-year-old (or older) students

Costs Associated with the Per-Student Entitlement

The Joint Select Committee on Education Funding identified the purpose of the per-student entitlement to provide funding for the types of costs that vary with the number of students enrolled in a school district, such as textbooks, supplies, extracurricular activities and assessment.

Add-ons for Students with Special Needs

A mechanism needs to be identified for allocating and distributing additional funding to serve students with special needs. The educationally relevant factors may be addressed either by adjusting the entitlements for each student or by weighting ANB for at-risk factors, gifted and talented children, children served under Section 504, students with limited English proficiency, and American Indian students. Add-ons can be considered as a weighted factor (a percentage add-on to a 1.0 FTE student) or as a specific dollar amount.

Distribution Mechanisms for Funding Special Services

1) Based on the Number of Identified Students Served in each Category

Under this approach, the funding would be based on the enrollment characteristics of the district, such as the number of students identified as “at-risk” or “gifted.” Funding would be allocated to districts based on the numbers of students in the targeted population. The notion is that the funding goes to the schools with the identified population, where and when it is needed most. This approach is intuitively rational, easy to understand, and forms the basis of the eligibility criteria used by many federal education programs. One problem associated with this approach is that it is unlikely that Montana’s 350 school systems will be consistent in the identification of students in the targeted populations. For example, statewide guidance does not exist for helping districts to identify at-risk students or gifted students. Districts select and implement the assessment tools that they will use for identifying these students. A second problem is that this approach provides an incentive for the over-identification of students in these categories because funding follows the identified student.

2) Based on the Total Student Population

Under this approach, the initial allocations to schools would be based on the total number of students in a district rather than on the number of students identified in the target population. As a starting point, identified students are assumed to be

proportionally represented in each school district's student enrollment. Adjustments to funding are made "after the fact" based on demonstrated expenditures associated with serving the identified student population. The present system for allocating state special education funding to schools serves as a model of this approach. While this approach is more difficult to understand and delays funding until expenses have been incurred, it helps avoid both overburdening of the system and eliminates the motivation to over-identify students with special needs.

Policy Questions

How to Measure the Number of Students (ANB):

1. Does the committee want to calculate ANB for kindergarten students in the same manner that ANB is calculated for students in grades 1-12? For example, if a Kindergarten student is enrolled in a program for 720 aggregate hours or more, should the student generate full-time ANB funding?
2. Does the committee want to provide funding to districts that enroll and serve students who have not graduated and are 19 years old or older?
3. If the decision is made to propose a per-classroom entitlement, does the committee want to remove the PIR day adjustment from the calculation of ANB (180/187) and attach the costs associated with the pupil-instruction related activities to the per-classroom entitlement?
4. Does the committee want staff to develop options for providing additional funding to support the efforts of school districts to retain at-risk students?
5. Is three-year averaging of ANB a temporary fix or does it have a place in the long-term funding solution? What is the rationale for 3-year averaging?
6. Does the committee want to base funding allocations on current year enrollment rather than prior year enrollment? What are the pros and cons of doing this?

Costs Associated with the Per-Student Entitlement

7. What costs should be associated with the per-student entitlement? How will expenditure reports from school districts assist policy makers in determining whether the per-student entitlement needs to be adjusted and by how much?

Distribution Mechanisms

8. How should add-ons be provided for special needs students? Identified population vs. total population of students? Weighting factor or specified dollar amount?

9. Is a per-student entitlement a better or more stable method for distributing funding than a per-classroom entitlement? For large districts? For small districts?