

**Agency Budget Comparison**

The following table summarizes the total legislative budget for the agency by year, type of expenditure, and source of funding.

Agency Budget Comparison								
Budget Item	Base Fiscal 2012	Approp. Fiscal 2013	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 12-13	Biennium Fiscal 14-15	Biennium Change	Biennium % Change
FTE	88.61	88.61	88.61	88.61	88.61	88.61	0.00	0.00%
Personal Services	5,472,749	5,567,198	5,806,120	5,796,401	11,039,947	11,602,521	562,574	5.10%
Operating Expenses	762,865	755,109	845,868	805,781	1,517,974	1,651,649	133,675	8.81%
Transfers	11,300	0	11,300	11,300	11,300	22,600	11,300	100.00%
Debt Service	28,450	0	29,345	28,450	28,450	57,795	29,345	103.15%
<b>Total Costs</b>	<b>\$6,275,364</b>	<b>\$6,322,307</b>	<b>\$6,692,633</b>	<b>\$6,641,932</b>	<b>\$12,597,671</b>	<b>\$13,334,565</b>	<b>\$736,894</b>	<b>5.85%</b>
General Fund	5,927,138	5,971,331	6,357,793	6,306,952	11,898,469	12,664,745	766,276	6.44%
State Special	284,311	287,061	263,080	263,220	571,372	526,300	(45,072)	(7.89%)
Federal Special	63,915	63,915	71,760	71,760	127,830	143,520	15,690	12.27%
<b>Total Funds</b>	<b>\$6,275,364</b>	<b>\$6,322,307</b>	<b>\$6,692,633</b>	<b>\$6,641,932</b>	<b>\$12,597,671</b>	<b>\$13,334,565</b>	<b>\$736,894</b>	<b>5.85%</b>

**Agency Description**

The Montana School for the Deaf and Blind (MSDB), located in Great Falls, is part of Montana’s educational system and under the policy and governance of the State Board of Public Education. The school is a state funded special purpose school with a residential option for children and adolescents whose hearing or sight is a barrier to receiving required and effective education in the public schools of the state.

The school consists of four programs with the following functions:

- 1) Administration - purchasing, accounting, personnel functions, and overall management of the school
  - o 5.0 FTE
  - o 6.6% of the agency budget
- 3) General Services - upkeep and maintenance of school facilities and grounds of the 18.5 acre campus
  - o 4.0 FTE
  - o 7.1% of the agency budget
- 4) Student Services - round-the-clock residential care for children residing at the school, including general supervision, meal services, and support services
  - o 29.7 FTE
  - o 22.8% of the agency budget
- 5) Educational Services – residential, outreach, and mainstream educational programs
  - o 49.9 FTE
  - o 63.5% of the agency budget

**Agency Highlights**

<b>Montana School for Deaf and Blind Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>◆ The biennial budget increases by \$736,894 or 5.9% as compared to the previous biennium primarily due to                             <ul style="list-style-type: none"> <li>● Increased compensation and training for teachers</li> <li>● The legislature accepted all statewide present law adjustments</li> <li>● Replacement of six vehicles with state motor pool lease</li> </ul> </li> <li>◆ The MSDB is statutorily exempt from vacancy savings (17-7-162, MCA)</li> </ul>

### Summary of Legislative Action

The legislature approved a biennial budget of \$13.3 million, of which 95% is general fund. Changes are dominated by statewide present law adjustments and increased educator compensation.

Major biennial budget items include:

- \$250,000 to raise compensation of educators and support staff to parity with the various Great Falls school districts
- \$54,000 general fund to compensate staff for extracurricular activities
- \$50,000 to fund in-service professional development
- \$49,000 general fund to replace existing vehicles with state motor pool lease
- \$19,000 general fund to provide five additional travel days for students
- \$25,000 general fund to upgrade the schools equipment library

### Agency Discussion

Statewide present law adjustment and two new proposals and increase personal services by \$563,000 general fund for the biennium. The budget contains four new proposals that increase general fund operating expenses by \$143,000. The school has debt service related to infrastructure improvements implemented by the Department of Architecture and Engineering.

### Funding

The following table shows agency funding by source of authority. Funding for each program is discussed in detail in the individual program narratives that follow.

Total School For The Deaf & Blind Funding by Source of Authority 2015 Biennium Budget					
Funds	HB 2	Non- Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	\$12,664,745	\$0	\$0	\$12,664,745	95.0%
State Special Total	526,300	-	-	526,300	3.9%
Federal Special Total	143,520	-	-	143,520	1.1%
Proprietary Total	-	-	-	-	0.0%
Current Unrestricted	-	-	-	-	0.0%
Other Total	-	-	-	-	0.0%
<b>Total All Funds</b>	<b>\$13,334,565</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,334,565</b>	
Percent - Total All Sources	100.0%	0.0%	0.0%		

MSDB's programs are funded with general fund, state special fund and federal fund. State special funds include school trust income and Medicaid reimbursements. Sources of federal funds include the National School Lunch Program and Education Consolidation and Improvement Act, Chapter I. School trust income is estimated at \$246,000 and \$265,000 for FY 2014 and FY 2015, respectively. Revenues from school trusts fluctuate based on the activities occurring on school trust lands.

The school also receives tuition from out of state students. Out of state tuition is based on per capita cost of residential students in the previous biennium and is statutorily appropriated. Unlike other public schools, the school does not have the ability to levy property taxes to support school programs.

**Budget Summary by Category**

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget
Base Budget	5,927,138	5,927,138	11,854,276	93.60%	6,275,364	6,275,364	12,550,728	94.12%
Statewide PL Adjustments	194,086	167,292	361,378	2.85%	180,700	154,046	334,746	2.51%
Other PL Adjustments	77,014	52,967	129,981	1.03%	77,014	52,967	129,981	0.97%
New Proposals	159,555	159,555	319,110	2.52%	159,555	159,555	319,110	2.39%
<b>Total Budget</b>	<b>\$6,357,793</b>	<b>\$6,306,952</b>	<b>\$12,664,745</b>		<b>\$6,692,633</b>	<b>\$6,641,932</b>	<b>\$13,334,565</b>	

**Other Legislation**

HB 13 – The legislature approved funding for a pay plan for state employees. The bill includes a lump sum appropriation for pay raises that will be determined for their respective employees by the executive, legislative, and judicial branches and the Montana University System. The bill also includes funding for a 10% insurance increase for all employees each year. The legislature did not specify a particular percentage salary increase a state employee should receive, but stipulated that the appropriated funds must be used to increase the base pay of each employee, with particular attention to the lower pay bands and employees who did not receive an increase in the 2013 biennium.

**Executive Budget Comparison**

The following table compares the legislative budget in the 2015 biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Budget Item	Base Budget Fiscal 2012	Executive Budget Fiscal 2014	Legislative Budget Fiscal 2014	Leg – Exec. Difference Fiscal 2014	Executive Budget Fiscal 2015	Legislative Budget Fiscal 2015	Leg – Exec. Difference Fiscal 2015	Biennium Difference Fiscal 14-15
FTE	88.61	88.61	88.61	0.00	88.61	88.61	0.00	
Personal Services	5,472,749	5,681,120	5,806,120	125,000	5,671,401	5,796,401	125,000	250,000
Operating Expenses	762,865	848,042	845,868	(2,174)	807,983	805,781	(2,202)	(4,376)
Transfers	11,300	11,300	11,300	0	11,300	11,300	0	0
Debt Service	28,450	29,345	29,345	0	28,450	28,450	0	0
<b>Total Costs</b>	<b>\$6,275,364</b>	<b>\$6,569,807</b>	<b>\$6,692,633</b>	<b>\$122,826</b>	<b>\$6,519,134</b>	<b>\$6,641,932</b>	<b>\$122,798</b>	<b>\$245,624</b>
General Fund	5,927,138	6,234,967	6,357,793	122,826	6,184,154	6,306,952	122,798	245,624
State/Other Special	284,311	263,080	263,080	0	263,220	263,220	0	0
Federal Special	63,915	71,760	71,760	0	71,760	71,760	0	0
<b>Total Funds</b>	<b>\$6,275,364</b>	<b>\$6,569,807</b>	<b>\$6,692,633</b>	<b>\$122,826</b>	<b>\$6,519,134</b>	<b>\$6,641,932</b>	<b>\$122,798</b>	<b>\$245,624</b>

The legislature approved a biennial budget that is 1.9% or \$246,000 higher than the executive request.

- o The legislature approved \$250,000 general fund in personal services to raise compensation for teachers
- o The legislature did not approve the executive proposal to add \$6,130 general fund related to a proposed change in methodology of funding professional development based on FTE.