

Board of Public Education - 51010

**51010 Board of Public
Education
McCall Flynn 444-0300**

Mission Statement - The Montana Constitution created and empowered the Board of Public Education to supervise, serve, maintain, and strengthen Montana's system of free quality public elementary and secondary schools. The board exists to promote high academic achievement for all Montana students.

Statutory Authority - Article X, Section 9, Montana Constitution; 2-15-1507 and 2-15-1522, MCA.

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Program Description - The staff of the Administration Program provide administration, research, clerical functions, and management of business affairs for all programs under the purview of the Board of Public Education as outlined in the powers and duties of 20-2-121, MCA.

Program Proposed Budget	Starting Point	Budget Adjustments	Total	Budget	Total	Executive
Budget Item	Fiscal 2023	Fiscal 2024	Exec. Budget Fiscal 2024	Adjustments Fiscal 2025	Exec. Budget Fiscal 2025	Budget Request 2025 Biennium
FTE	3.00	0.00	3.00	0.00	3.00	
Personal Services	261,523	(8,391)	253,132	(6,050)	255,473	508,605
Operating Expenses	94,613	95,979	190,592	76,515	171,128	361,720
Total Costs	\$356,136	\$87,588	\$443,724	\$70,465	\$426,601	\$870,325
General Fund	170,225	273,499	443,724	256,376	426,601	870,325
State/Other Special	185,911	(185,911)	0	(185,911)	0	0
Total Funds	\$356,136	\$87,588	\$443,724	\$70,465	\$426,601	\$870,325

Program Proposed Budget Adjustments				
	Budget Adjustments Fiscal 2024		Budget Adjustments Fiscal 2025	
	General Fund	Total Funds	General Fund	Total Funds
Statewide Present Law Adjustments				
SWPL - 1 - SWPL - Personal Services	(8,391)	(8,391)	(6,050)	(6,050)
SWPL - 2 - SWPL - Fixed Costs	47,626	47,788	27,478	27,625
SWPL - 3 - SWPL - Inflation Deflation	3,191	3,191	3,890	3,890
<i>Total Statewide Present Law Adjustments</i>	<i>\$42,426</i>	<i>\$42,588</i>	<i>\$25,318</i>	<i>\$25,465</i>
Present Law Adjustments				
PL - 5 - Reallocate State Special and General Fund	19,725	0	19,725	0
PL - 6 - Operations Funding	10,000	10,000	10,000	10,000
<i>Total Present Law Adjustments</i>	<i>\$29,725</i>	<i>\$10,000</i>	<i>\$29,725</i>	<i>\$10,000</i>
New Proposals				
NP - 4 - Legal Fees OTO	35,000	35,000	35,000	35,000
NP - 7 - Teacher Licensure Fund Switch	166,348	0	166,333	0
<i>Total New Proposals</i>	<i>\$201,348</i>	<i>\$35,000</i>	<i>\$201,333</i>	<i>\$35,000</i>
Total Budget Adjustments	\$273,499	\$87,588	\$256,376	\$70,465

-----Statewide Present Law Adjustments-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	(\$8,391)	(\$8,391)
FY 2025	(\$6,050)	(\$6,050)

SWPL - 1 - SWPL - Personal Services -

The budget includes reductions of \$8,391 in FY 2024 and \$6,050 in FY 2025 to annualize various personal services costs including FY 2023 statewide pay plan, benefit rate adjustments, and longevity adjustments related to incumbents in each position at the time of the snapshot. This agency is exempt from vacancy savings. The reductions are due to changes in the Board of Public Education staffing in the 2023 Biennium.

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	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$47,626	\$47,788
FY 2025	\$27,478	\$27,625

SWPL - 2 - SWPL - Fixed Costs -

The request includes \$47,788 in FY 2024 and \$27,625 in FY 2025 to provide the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, SITSD, and others. The rates charged for these services are approved in a separate portion of the budget. The Board of Public Education audit cost for the 2025 biennium is budgeted at \$20,153 in FY 2024.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$3,191	\$3,191
FY 2025	\$3,890	\$3,890

SWPL - 3 - SWPL - Inflation Deflation -

This change package includes an increase of \$3,191 in FY 2024 and \$3,890 in FY 2025 to reflect budgetary changes generated from the application of inflation to specific expenditure accounts. Affected accounts include those associated with supplies & materials, communications, repair & maintenance, state motor pool, and other services.

-----**Present Law Adjustments**-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$19,725	\$0
FY 2025	\$19,725	\$0

PL - 5 - Reallocate State Special and General Fund -

The Board of Public Education requests reallocation of funds reducing state special revenue fund appropriations by \$11,721 from the Advisory Council fund and \$8,004 from the Research Fund to allow the appropriations to match the anticipated revenue while increasing the general fund appropriation by \$19,725 to fund the agency at the same level. Previously, the board had excess state special revenue fund balance so the legislature reduced general fund appropriations and increased state special revenue appropriations to spend down the fund balance. The additional fund balances are now expended, so the general fund authority must be reestablished and the state special revenue authority must be reduced creating a zero budget change package.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$10,000	\$10,000
FY 2025	\$10,000	\$10,000

PL - 6 - Operations Funding -

The Board of Public Education requests an additional \$10,000 general fund per year, \$20,000 for the 2025 Biennium, for additional operating expenses. The board's general fund budget for operations has decreased by approximately 60% since 2012, eroding the board's ability to pay for basic operational costs; allowing for no professional development for staff or board members; eliminating travel to education conferences; and requiring significant efforts to save on costs for board meetings.

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-----New Proposals-----

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$35,000	\$35,000
FY 2025	\$35,000	\$35,000

NP - 4 - Legal Fees OTO -

This one-time-only general fund request is for \$35,000 per year for legal fees in the 2025 Biennium. BPE had a one-time-only appropriation of \$25,000 each year of the 2023 Biennium. The FY 2022 funds were fully expended by March 2022 leaving the board to pay for legal expenses from operating authority. The board shall, per 20-2-121(2), MCA, "consider the suspension or revocation of teacher or specialist certificates and appeals from the denial of teacher or specialist certification in accordance with the provisions of 20-10-111;". The board contracts with Agency Legal Services at the Department of Justice for legal counsel to handle contested case hearings for any requests to suspend or revoke a teacher or specialist certification. The board has seen an increase in requests for revocation or suspension of teacher/specialist certifications over the past few years. Additionally, the board has had legal complaints filed that have created additional legal expense.

	<u>General Fund Total</u>	<u>Total Funds</u>
FY 2024	\$166,348	\$0
FY 2025	\$166,333	\$0

NP - 7 - Teacher Licensure Fund Switch -

This request reduces state special revenue funding by \$166,348 in FY 2024 and \$166,333 in FY 2025 and increases general fund expenditures by like amounts each year. This does not change this agency's total funding. Currently, teacher licensure fees per 20-4-109, MCA, are directed to fund the Board of Public Education and the Certification Standards and Practices Advisory Council in support of their constitutional and statutory duties. These monies, if switched, will be used to partially fund expenditures for the new teacher licensure system within OPI. This request will require a statutory change.