

# Funded: Montana Report

## A Detailed Look at Montana's Funding Policies



## Montana



### Funding Basics

#### Formula Type

Montana has a hybrid funding formula incorporating both student-based calculations and extensive use of program-based allocations.

The state assigns a cost to the education of a student with no special needs or services, called a base amount, and also allocates a certain minimum amount to each district as a unit. Both of these amounts vary from district to district. It then accounts for the additional cost of educating specific categories of students both through program-specific allocations and by adding supplemental dollar amounts to the base amount for each student in those categories.

#### Base Amount

Montana does not have a single, statewide base amount. Instead, the state provides both a per-student amount and a per-district amount; both vary from district to district.

The per-student amount is dependent on both the district's enrollment size and the grade levels it serves, in accordance with a formula set by the legislature. For FY2016, the maximum per-student amount a district could receive based on the formula was \$6,847.

#### Expected Local Share

Montana expects school districts to contribute revenue to their public schools. The amount each district is expected to raise is based on a combination of its property values and a defined share of the amount calculated by the state to be necessary to educate its students.

Each district receives both a per-district amount and a per-student amount (see "Base Amount" for a description of these allocations). The state automatically funds 44.7% of each of these amounts for every district. The next 35.3% of both of these amounts, along with 40% of the per-student allocations for special education (see "Special Education" for a description of this allocation) are funded through a local property tax. For districts whose local property tax base is insufficient to fully support these percentages, the state provides additional aid. The remaining 20% of the per-district amount and the per-student amount must be covered entirely with local funds.

### Student Characteristics

## Grade Level

Montana provides different amounts of funding for students in different grade levels. It does so through its automatic per-pupil and per-district allocations, which are calculated differently for districts serving different grade levels.

The calculation for each allocation is different for elementary-only districts with and without an accredited seventh- and eighth-grade program; K-12 districts with and without an accredited seventh- and eighth-grade program; and high school districts.

## English Language Learner

Montana does not provide increased funding for English language learners.

## Student Poverty

Montana provides increased funding for students from low-income households. It does so in the form of a supplemental allocation distributed to districts in the same manner as federal Title I funding.

The formula for Title I funding distribution considers both absolute numbers of low-income students and districts serving especially high proportions of low-income students. In this way, Montana's supplemental funding for these students includes both support for individual low-income students and districts whose populations include high concentrations of such students.

## Special Education

Montana funds special education using a census-based system, assuming that a set percentage of students in each district will require special education services and using each district's full enrollment count to determine the amount of special education funding required.

It does so by allocating a small flat amount for every pupil in the district rather than for each student with disabilities. The state provides \$151.30 per student for special education instruction, and \$50.40 per student for special education related services. Districts must raise \$1 of local funds for every \$3 in state funds provided for these purposes. If a district has allowable costs exceeding the grants plus that required local match, the state will partially reimburse those costs, pursuant to statutory limits.

## Gifted

Montana provides additional resources for gifted and talented students. It does so in the form of a matching grant.

Districts must apply for this grant funding and match state funds with local funds.

## Career and Technical Education

Montana provides specific funding for career and technical education (CTE) programs through a grant program intended to support and improve career education at the high school level.



## District Poverty

Montana provides increased funding to certain districts based on the concentrations of students from low-income households that they serve. It does so in the form of a supplemental allocation distributed to districts in the same manner as federal Title I funding.

The formula for Title I funding distribution considers both absolute numbers of low-income students and districts serving especially high numbers of low-income students. In this way, Montana's supplemental funding for these students includes both support for individual low-income students and districts whose populations include high concentrations of such students.

## Sparsity and/or Small Size

Montana does not provide increased funding for sparse districts or small schools.

For a complete list of primary sources, please see the appropriate state page at [funded.edbuild.org](http://funded.edbuild.org)

