

The History and the REAL STORY Behind Montana's Weighted School Funding Formula

So WHY Did Montana Legislators Include Only ONE "District Entitlement" When They Settled the Original School Funding Lawsuits?

By John McNeil and Dave Puyear

It is unfortunate that the educational leadership of our state's largest school district is once again blaming their school funding problems on the state's funding formula. Weighting of funding based on size has been-cited as an educationally relevant factor over and over in the courts across our country, and is even incorporated in the legislature's own definition of quality education in 20-9-309. It is weighting that the Billings School District is seeking to eliminate, all at the expense of children served in Montana's rural schools.

The current funding formula has its origins from a succession of court cases and legislative sessions in the late 1980's and early 1990's. The original formula was derived by analyzing actual budgeted expenditures of school districts throughout the state at a time when the formula was not capped and when school districts were generally free to spend what they deemed necessary to adequately serve children.

It was through an analysis of these expenditures that the current weighting in the formula, both through the decrement in the per student (or per-ANB) and the basic entitlement per district, were derived. In other words, the formula described and codified the

relative spending of large and small school districts as they existed at that time by choice of the affected school districts.

The formula was the product of plaintiff school districts and the legislature working together to compromise and to find a workable solution to the lawsuits. Additional components have been added to the formula since the inception that adjusts to address additional educational needs which were identified and addressed over the years including the quality educator payment, “at- risk” payment, American Indian achievement gap payment and the Indian Education for All payment. It is important to note that each of these additional payments were validated as educationally relevant and constitutionally defensible by the Montana courts and each included some form of weighting, with support from both republican and democratic legislators, from the state superintendent and from Governor Schweitzer. In other words, weighting of the formula has been supported by democrats, republicans, the legislative branch, the executive branch and the courts. How often can all these groups agree on anything? When they can, rest assured, the issue is well settled.

All one has to do to consider the necessity of weighting is compare the per student costs that would reasonably be expected in a classroom of 10 students in a rural school which has no other choice and a classroom of 20 students in Billings, Montana, which is a reasonably-sized classroom given the population base within a reasonable distance of the neighborhood schools in that city. To give the same amount of funding per pupil to the school whose children have to travel across vast expanses of unpopulated territory as the amount given to a school that has 250 students living within a 1 mile radius of the school makes no sense, financially, educationally, or otherwise. The question of

weighting in funding of schools has been studied and found to be educationally relevant in numerous legislative sessions and interim committees. Jim Standaert of the state's Legislative Fiscal Division, and who is perhaps the most respected education funding specialist in our state, provided the legislature (and the citizens of Montana) with a report of how states in the Northwest weight formulas to address additional funding needs of small schools. Mr. Standaert's work can be found on the www.mrea-mt.org website under "Resources" and confirms that "weighting" in one form or another is currently included in the funding formula of states across the Pacific Northwest.

Educational leaders in Billings appear to be embracing the concept of no weighting for school funding promoted by their Superintendent, Board chair and her husband. This concept would have the same funding per student for all school districts no matter the size. The Billings' Board Chair and her husband unsuccessfully brought suit against the state seeking to have just such a funding formula forced on the State of Montana years ago; apparently, they feel the courts were wrong as are all other states which consider size a relevant funding issue.

Instead of pitting our largest-school district in the state against all other districts, we need to embrace the efforts of the Montana School Boards Association, School Administrators of Montana, ~~and~~ Montana Rural Education Association and Montana Association of School Business Officials. These groups have endorsed compromise positions of increasing the basic entitlements and including a new entitlement to specifically meet the needs of larger districts. Importantly, those increases need not come at the expense of students in rural schools whose needs are also considered in the proposal.

Senator Llew Jones has incorporated this concept of new entitlements for larger districts into his comprehensive planned legislation on school funding for this session. Senator Jones' legislation also includes changes for unanticipated enrollment increases to assist larger schools rather than focus singularly on the needs of one school system at the expense of all others as suggested by the Billings' Superintendent. However, Senator Jones' proposal includes a balanced combination of funding and innovation for schools a relief for property taxpayers and an alignment of the interests of public schools with the interests of those seeking economic expansion through natural resource development. Rather than fighting against this sensible and balanced compromise, Billings' education leaders would do well by their students and community to work with Senator Jones.

Pitting school districts large and small against each other can only harm the interests of children in all of our schools– Our Montana Schools do a great job; we need to pull together to lift up funding for all as none of our schools are over-funded by the formula, not even Billings!.

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