

SUPERINTENDENT OF PUBLIC INSTRUCTION

CHAPTER 20

AVERAGE NUMBER BELONGING (ANB)

Subchapter 1

ANB

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Subchapter 1

ANB

10.20.101 DEFINITIONS (REPEALED) (History: 20-9-102, 20-9-346, 20-9-369, MCA; IMP, 20-9-313, 20-9-314, MCA; NEW, 1990 MAR p. 505, Eff. 3/16/90; AMD, 1992 MAR p. 214, Eff. 2/14/92; REP, 1994 MAR p. 1824, Eff. 7/8/94.)

10.20.102 CALCULATION OF AVERAGE NUMBER BELONGING (ANB)

(1) A school must receive accreditation from the Board of Public Education before the pupils attending the school are eligible for ANB calculation purposes and for determining the BASE funding program for the district.

(2) The Superintendent of Public Instruction shall determine the appropriate budget units for the ANB calculation and the BASE funding program for the district. The enrollment generated by a budget unit that is subsequently closed shall be added to the enrollment of another budget unit of the district for the first year after the closing of a budget unit if students are enrolled in the other budget unit.

(3) If the school district has not received accreditation by the Board of Public Education for students in grades 7 and 8 funded at the high school per-ANB entitlement rate, the Superintendent of Public Instruction shall certify the regularly enrolled 7th and 8th grade students as elementary pupils for ANB purposes. The school district must budget accordingly.

(4) The official count of enrolled students, as defined in ARM 10.15.101, is taken on the first Monday in October and the first Monday in February, or the next school day if those dates do not fall on a school day. Changes to the October enrollment count will not be accepted after December 31 except in cases of significant reporting error, as determined by the Superintendent of Public Instruction.

(a) A school district may not count as enrolled for purposes of ANB calculations a student who has been absent for the 11th consecutive pupil instruction day immediately prior to and including the official count date.

(b) A school district may not count as enrolled on the count date a student who:

(i) has enrolled in another public school district;

(ii) will not resume attendance according to notification received by the district;

(iii) has had records transferred to another school; or

(iv) is otherwise unable to continue in attendance.

(5) After a student is dropped from the rolls in accordance with (4)(b), student absences will not be included for absence and attendance calculations, and student enrollment may not be considered in ANB calculations unless attendance is resumed on or before the date of the official count.

(6) For calculation of average daily attendance (ADA), a school district will report the number of enrolled students who are present and the number of enrolled students who are absent on the official fall and spring disaggregated enrollment and attendance data collection days.

(7) For purposes of the enrollment count described in (4):

(a) a student who has reached the age of five on or before September 10 and is enrolled in a kindergarten program but is receiving services in a preschool environment pursuant to an individualized education program (IEP), is included in eligibility for purposes of ANB.

(b) a kindergarten student enrolled in a program designed to provide less than 180 hours of pupil instruction time per school year is reported as enrolled but is excluded from eligibility for purposes of ANB. A kindergarten student enrolled in a program designed to provide 180 hours or more of pupil instruction time per school year is reported as enrolled and is included in eligibility for purposes of ANB.

(c) a student in grades FTK through 12 enrolled in a program designed to provide:

(i) less than 180 hours of pupil instruction time per school year is reported as enrolled but is excluded from eligibility for purposes of ANB;

(ii) 180 to 359 hours of pupil instruction time per school year is reported as one-quarter time enrolled;

(iii) 360 to 539 hours of pupil instruction time per school year is reported as half-time enrolled;

(iv) 540 to 719 hours of pupil instruction time per school year is reported as three-quarter time enrolled; and

(v) 720 or more hours of pupil instruction time per school year is reported as full-time enrolled.

(8) Homebound students, as defined in ARM 10.15.101, and students who are confined to a treatment, medical, or custodial facility may be counted as enrolled on the count dates for ANB purposes if the student:

(a) is enrolled as defined in ARM 10.15.101 and is currently receiving organized and supervised pupil instruction as defined in 20-1-101, MCA;

(b) is in a home or facility which does not offer a regular educational program; and

(c) has instructional costs during the absences which are financed by the school district general fund.

(9) A student enrolled in a course providing less than the required aggregate hours of pupil instruction who has demonstrated proficiency in the course content may be counted as enrolled and included in the calculation for ANB. The ANB for the student must be converted to an hourly equivalent based on the hours of instruction ordinarily provided for the course content.

(10) Trustees may apply for increased ANB for a student placed by the trustees, a state agency, or court in an accredited private education program if the trustees enter into a contract as provided in ARM 10.20.106.

(11) Extenuating circumstances for students who do not meet the criteria in (8)(a) through (c) but which would support a variance should be submitted to the Superintendent of Public Instruction by a responsible school official prior to the official enrollment count date for consideration of inclusion of the student in the enrollment count for ANB purposes beyond the 10th day of absence.

(12) Trustees may apply for increased ANB for early graduates who are enrolled as of the first Monday of October as a senior in high school in the seventh semester of secondary school, and who complete the graduation requirements prior to the February enrollment count date in accordance with 20-9-313, MCA, by stating in the enrollment reports submitted to the Superintendent of Public Instruction the names of pupils which were not included in the February enrollment count because they graduated early and the date of the pupils' graduation. The information must be submitted by the deadline in ARM 10.20.103 preceding the year for which ANB is being calculated.

(13) The PIR days used for calculating ANB will be the number of PIR days, not to exceed seven, conducted by the school district in the school fiscal year immediately preceding the school year for which the BASE funding program payment will be received.

(14) If the school district fails to conduct the three PIR days for professional development required by 20-1-304, MCA, or does not conduct the PIR days for the purposes set out in ARM 10.65.101, the Superintendent of Public Instruction shall:

(a) adjust the direct state aid to reflect the actual number of PIR days conducted;

(b) adjust the general fund, if needed, to comply with legal budget limitations and requirements; and

(c) adjust the guaranteed tax base aid payment to reflect the amount which the district would be eligible for based on the budget recalculated in (b).

(15) A school district must conduct a minimum of 360 hours of pupil instruction for a half-time kindergarten program, a minimum of 720 hours of pupil instruction for grades FTK-3, and a minimum of 1,080 hours of pupil instruction for grades 4-12.

(a) If the school district fails to conduct the required minimum number of hours for any school or program, the Superintendent of Public Instruction will reduce the direct state aid payments for the year in which the requirement was not met by:

(i) calculating the direct state aid per hour attributable to the school or program in proportion to the budgeted ANB of the school or program divided by the required minimum number of hours and multiplying by two;

(ii) subtracting the number of aggregate hours conducted by the school or program from the number of minimum aggregate hours required under 20-9-311, MCA;

(iii) multiplying (a)(i) by (ii) to determine the amount of the funding penalty; and

(iv) withholding the adjustment from the ensuing year payments to the district.

(b) However, if a school district fails to conduct the minimum number of hours by reason of one or more unforeseen emergencies as defined in 20-9-802, MCA, the Superintendent of Public Instruction shall reduce the direct state aid payments proportionally for each aggregate hour less than the minimum required by applying the calculation in (a), divided by two.

(c) The reduction of state funding will be prorated based on enrollment for the portion of the district, such as one class, school, or grade level, for which the district fails to conduct the minimum pupil instruction hours.

(16) School districts will be funded based on the current ANB or three-year ANB, whichever generates the greatest maximum general fund budget. For the purpose of determining the BASE funding program of a district, current ANB and three-year average ANB will be calculated using the following methods:

(a) To calculate current ANB:

(i) the enrollment reported by the school district on the October and February enrollment report forms to the Superintendent of Public Instruction, pursuant to 20-9-311, MCA, will be adjusted and averaged by budget unit as follows:

By budget unit: [(enrollment for first Monday in October + enrollment for first Monday in February) - (kindergarten enrollment for students receiving less than 180 hours of pupil instruction time per school year) - (one-half kindergarten enrollment for students enrolled in a half-time kindergarten program receiving 180 hours or more of pupil instruction time per school year) - (part-time enrollment for students in grades FTK through 12 receiving less than 180 hours of pupil instruction time per school year) - (0.75 times the part-time enrollment for students in grades FTK through 12 receiving 180 through 359 hours of pupil instruction time per school year) - (0.50 times the part-time enrollment for students in grades FTK through 12 receiving 360 through 539 hours of pupil instruction time per school year) - (0.25 times part-time enrollment for students in grades FTK through 12 receiving 540 through 719 hours of pupil instruction time per school year) - (enrolled students reaching 19 years of age by September 10 of the school year) - (0.50 times students enrolled in MT youth challenge) + (early graduates)] divided by 2 to get the average of the two enrollment counts by budget unit;

(ii) multiply (a)(i) by the sum of PIR days plus PI days, divided by 180, rounded up to the next whole number, equals current ANB; and

(iii) add the additional approved enrollment, as determined in ARM 10.20.104 and 10.20.104A, to the enrollment used to calculate the current ANB.

(b) To calculate three-year average ANB, the Superintendent of Public Instruction will do the following:

(i) total the current ANB by budget unit for the budget year and the two years preceding the year for which three-year average ANB could be used for funding, divide the sum by three, and round up to the nearest whole number; and

(ii) add the additional approved enrollment as determined in ARM 10.20.104A to the enrollment used to calculate three-year average ANB.

(c) To determine whether the current ANB or three-year average ANB will be used for budgeting and funding purposes, the Superintendent of Public Instruction will calculate the district's maximum general fund budget using the current ANB as determined in (a) for every budget unit of the district and also using the three-year average ANB as determined in (b) for every budget unit of the district. The ANB type that generates the highest maximum general fund budget will be used for budgeting and for determining the direct state aid funding for the district's general fund budget for the ensuing year.

(17) When an audit or other review determines the enrollment used for calculating ANB was incorrectly reported, the Superintendent of Public Instruction will make an adjustment as follows:

(a) If the enrollment reporting error is discovered and reported to the Superintendent of Public Instruction before the budget for FY 20XX is adopted and before the date by which the trustees must commence the final budget meeting required by 20-9-131, MCA, the Superintendent of Public Instruction will recalculate and recertify the district's current or three-year average ANB for the FY 20XX budget using the corrected enrollment figures in the ANB calculations.

(b) Except as provided in (c), if an enrollment reporting error is discovered and reported to the Superintendent of Public Instruction on or after the date by which the trustees must commence the FY 20XX final budget meeting required by 20-9-131, MCA, the Superintendent of Public Instruction will determine the direct state aid and guaranteed tax base aid payments the district would have received for FY 20XX if enrollment had been correctly reported and will make a payment adjustment in the current year. Funding will be adjusted, but ANB figures will not be changed for the current year or changed for use in future years' ANB calculations or budgets.

(c) If the Superintendent of Public Instruction determines the enrollment reporting error detected as described in (b) would materially affect the ANB of a future year, resulting either in significant financial hardship or significant overpayment of state funds to a district's general fund budget for a future year if not corrected, the superintendent may use the correct enrollment to certify ANB for the following year's budget. That is, the enrollment error will be corrected and will be used in ANB calculations affecting future years only if the financial impacts are significant. (History: 20-9-102, 20-9-346, 20-9-369, MCA; IMP, 20-1-301, 20-1-302, 20-1-304, 20-7-117, 20-9-311, 20-9-313, 20-9-314, 20-9-805, MCA; NEW, 1990 MAR p. 505, Eff. 3/16/90; AMD, 1992 MAR p. 214, Eff. 2/14/92; AMD, 1994 MAR p. 1824, Eff. 7/8/94; AMD, 1996 MAR p. 2168, Eff. 8/9/96; AMD, 1998 MAR p. 1719, Eff. 6/26/98; AMD, 2000 MAR p. 632, Eff. 2/25/00; AMD, 2002 MAR p. 1662, Eff. 6/28/02; AMD, 2004 MAR p. 1613, Eff. 7/23/04; AMD, 2006 MAR p. 3070, Eff. 12/22/06; AMD, 2008 MAR p. 1692, Eff. 8/15/08; AMD, 2010 MAR p. 1990, Eff. 9/10/10; AMD, 2016 MAR p. 880, Eff. 5/21/16.)

10.20.102A BUDGET UNIT (1) The 20 mile minimum described in 20-9-311(8), MCA, will be measured as the shortest passable route on a road between one school of the district and another school of the district or between a school of the district and the official boundary of an incorporated city or town located in the district.

(2) Those students in the 7th and 8th grade who are enrolled in programs which were approved and accredited by the Board of Public Education will be considered high school pupils for ANB purposes and for determining the total per-ANB entitlement as provided in 20-9-306, MCA. The basic entitlement for the budget unit which includes those students will be calculated as provided in 20-9-306, MCA. (History: 20-9-102, MCA; IMP, 20-9-311, 20-9-313, 20-9-314, MCA; NEW, 1994 MAR p. 1824, Eff. 7/8/94; AMD & TRANS, 1996 MAR p. 2168, Eff. 8/9/96; AMD, 2008 MAR p. 1692, Eff. 8/15/08.)

10.20.103 CIRCUMSTANCES UNDER WHICH THE REGULAR ANB MAY BE INCREASED FOR THE ENSUING SCHOOL FISCAL YEAR (1) The board of trustees or the county superintendent will provide information requested by the Superintendent of Public Instruction to establish the basis for an increase in ANB and the estimates or data required to determine the number of additional ANB to be approved for the situations as listed in 20-9-313, MCA, or special unanticipated circumstances resulting from the implementation of 20-9-311, MCA.

(2) A district that experiences an unanticipated enrollment increase after the beginning of the school fiscal year may apply to the Superintendent of Public Instruction for an increase in the district direct state aid amount provided the unanticipated enrollment increase meets the requirements of ARM 10.20.105, and the district has adopted a budget amendment for the unanticipated enrollment increase in accordance with the provisions of 20-9-161 through 20-9-165, MCA, and ARM 10.22.201 through 10.22.206.

(a) Receipt of the adopted budget amendment resolution signed by the presiding officer of the trustees and the district clerk will be considered the request for additional state assistance.

(b) In order to be eligible to receive additional state assistance, the district must submit a petition for permission to adopt a budget amendment resolution due to an unanticipated enrollment increase to the Superintendent of Public Instruction no later than May 31 of the school fiscal year to which the enrollment increase applies.

(3) Application for increased ANB shall be made to the Superintendent of Public Instruction by June 1 for reasons provided in 20-9-313, MCA. The Superintendent shall approve, disapprove, or adjust the application by the fourth Monday in June. (History: 20-3-106, 20-9-102, MCA; IMP, 20-9-311, 20-9-313, 20-9-314, MCA; NEW, 1990 MAR p. 505, Eff. 3/16/90; AMD, 1994 MAR p. 1824, Eff. 7/8/94; AMD, 1996 MAR p. 2168, Eff. 8/9/96; AMD, 2000 MAR p. 632, Eff. 2/25/00; AMD, 2002 MAR p. 1740, Eff. 6/28/02.)

10.20.104 ANTICIPATED UNUSUAL ENROLLMENT INCREASE - ANB CALCULATION

(1) School district trustees may apply to the Superintendent of Public Instruction for increased ANB for unusual elementary or high school enrollment increases that exceed the lesser of 4% or 40 students of the enrollment in the fiscal year prior to the year for which the increase is requested. Elementary district and high school district calculations are always separate. In the case of a K-12 district, make separate enrollment calculations for the elementary and high school levels of the K-12 district.

(2) The eligibility for ANB for the ensuing school fiscal year due to anticipated unusual elementary or high school enrollment increases will be computed as follows pursuant to 20-9-314, MCA:

(a) Estimate the district's anticipated enrollment for the next October count using information known to be accurate at the time the estimate is made. By budget unit: [(estimated enrollment for first Monday in October) - (estimated kindergarten enrollment for students receiving less than 180 hours of pupil instruction time per school year) - (one-half estimated kindergarten enrollment for students enrolled in a half-time kindergarten program and receiving 180 hours or more of pupil instruction time per school year) - (estimated part-time enrollment for students in grades FTK through 12 receiving less than 180 hours of pupil instruction time per school year) - (0.75 times the part-time estimated enrollment for students in grades FTK through 12 receiving 180 through 359 hours of pupil instruction time per school year) - (0.50 times the estimated part-time enrollment for students in grades FTK through 12 receiving 360 through 539 hours of pupil instruction time per school year) - (0.25 times estimated part-time enrollment for students in grades FTK through 12 receiving 540 through 719 hours of pupil instruction time per school year) - (estimated enrolled students reaching 19 years of age by September 10 of the school year) - (0.50 times estimated students enrolled in MT youth challenge)]. This is anticipated enrollment (AE).

(b) Determine the adjusted and averaged enrollment counts for October and February of the current school year using the calculation in ARM 10.20.102(16)(a)(i). The average of the October and February adjusted enrollment counts is current year enrollment (CYE).

(c) Determine the anticipated enrollment increase (AEI) by subtracting the current year enrollment from the anticipated enrollment. $AEI = AE - CYE$.

(d) Determine the anticipated increase in enrollment as a percentage of the current year enrollment by dividing the AEI calculated in (2)(c) by the current year enrollment. $AEI \text{ divided by } CYE = \% \text{ increase}$.

(e) If the anticipated increase in enrollment calculated in (c) exceeds 40 students or, if the anticipated increase in enrollment as a percentage of the current year enrollment calculated in (d) exceeds 4%, the Superintendent of Public Instruction shall approve the district's use of the AEI as determined in (3) in place of the current ANB for purposes of determining general fund payments and budget limitations in accordance with 20-9-311, MCA, to establish the ensuing year's BASE funding program and entitlement calculations in accordance with 20-9-314(5), MCA.

(3) The increased current ANB for the ensuing fiscal year will be calculated as follows:

(a) Determine the increase based on a percentage of the current year enrollment:

(i) Determine AEI in excess of 4% of CYE. $AEI - (.04 \times CYE)$. Round to nearest hundredth (.xx).

(ii) Determine AEI for each budget unit by subtracting CYE by budget unit from AE by budget unit. $AEI \text{ by budget unit} = AE \text{ by budget unit} - CYE \text{ by budget unit}$. If the district has only one budget unit, go to (a)(iv).

(iii) Prorate anticipated enrollment increase exceeding 4% of CYE among the district's budget units by:

(A) calculating the ratio of AEI for each budget unit as calculated in (a)(i) to the total AEI for the district calculated in (2)(c); and

(B) multiplying AEI in excess of 4% of CYE ($AEI - (.04 \times CYE)$) by the ratio calculated in (a)(iii)(A) for each budget unit within the district. Round to the nearest hundredth (.xx).

(iv) Add the CYE by budget unit and the AEI in excess of 4% by budget unit as calculated in (a)(iii)(B).

(b) Determine the increase based on number of students:

(i) Determine AEI for each budget unit by subtracting CYE by budget unit from AE by budget unit.

(ii) Add the CYE by budget unit and the AEI by budget unit.

(c) The greater of (a)(iv) or (b)(ii) is the increased enrollment.

(d) Multiply the increased enrollment calculated in (c) by the total of PI days and PIR days approved for the current year and divide by 180 for each budget unit. Round the ANB up to the nearest whole number. This figure is used as current ANB for purposes of ARM 10.20.102(16) in determining general fund payments and budgeting limitations for the district.

(4) In accordance with 20-9-314(6), MCA, the Office of Public Instruction reviews the ANB of a district that used anticipated enrollment figures, as follows:

(a) ANB is recalculated in accordance with (2), using actual enrollment as of the first Monday in October in place of the anticipated enrollment.

(b) If the ANB recalculated in (a) based on the actual October enrollment equals or exceeds the ANB calculated in (3)(d), the anticipated unusual enrollment increase materialized and the district is entitled to the increased BASE funding and entitlements approved by the Superintendent of Public Instruction in (2)(e).

(c) If the ANB recalculated in (a) based on the actual October enrollment is less than the ANB calculated in (3)(d) the anticipated unusual enrollment increase did not materialize and the Superintendent of Public Instruction makes the following adjustments:

(i) the district's general fund budget of the current year will be adjusted, as needed, to comply with legal limitations and requirements using the higher of the ANB recalculated in (4)(a) or (4)(c) in place of the current ANB that was used when determining the budget for the year; and

(ii) state aid will be adjusted to reflect the amount which should be paid on the district's adjusted budget. (History: 20-3-106, 20-9-102, MCA; IMP, 20-9-166, 20-9-311, 20-9-314, MCA; NEW, 1992 MAR p. 214, Eff. 2/14/92; AMD, 1994 MAR p. 1824, Eff. 7/8/94; AMD, 1996 MAR p. 2168, Eff. 8/9/96; AMD, 2000 MAR p. 632, Eff. 2/25/00; AMD, 2006 MAR p. 3070, Eff. 12/22/06; AMD, 2008 MAR p. 1692, Eff. 8/15/08; AMD, 2016 MAR p. 880, Eff. 5/21/16.)

10.20.104A INITIAL YEAR OF OPERATION OF A FULL-TIME KINDERGARTEN PROGRAM - ANB CALCULATION (1) School district trustees may apply to the Superintendent of Public Instruction for increased ANB for the initial year of operation of a full-time kindergarten program as provided in 20-9-313, MCA.

(2) The additional ANB for the ensuing year shall be calculated by elementary budget unit as follows:

(a) determine the average prior year kindergarten enrollment for the semiannual enrollment counts;

(b) multiply the amount calculated in (2)(a) by the anticipated percentage of kindergarten students enrolled in the district in 20XX-1, rounding the percentage to two decimal places (i.e., XX.XX%);

(c) recalculate the district's ANB per ARM 10.20.102 using the adjusted average kindergarten enrollment count calculated in (2)(b); and

(d) determine the increase in ANB by subtracting the original ANB from the ANB calculated in (2)(c). (History: 20-3-106, 20-9-102, MCA; IMP, 20-9-166, 20-9-311, 20-9-314, MCA; NEW, 2008 MAR p. 1692, Eff. 8/15/08.)

10.20.105 UNANTICIPATED ENROLLMENT INCREASE (1) If a budget amendment resulting from an unanticipated increased enrollment has been adopted pursuant to 20-9-161 through 20-9-166, MCA, the eligibility for and number of increased ANB for the current school fiscal year due to an unanticipated elementary or high school enrollment increase will be computed pursuant to 20-9-314, MCA. Elementary district and high school district calculations are always separate. In the case of a K-12 district, make separate enrollment calculations for the elementary and high school levels of the K-12 district.

(a) The enrollment determined from the enrollment reported on the fall enrollment report or the spring enrollment report form for official reporting is defined as the "current year enrollment" (CYE) for purposes of this calculation. However, kindergarten enrollment for a variance which provides 90 full days of instruction in a single semester may be counted as one instead of one-half.

(b) Determine the prior year enrollment. For purposes of this calculation, "prior year enrollment" (PYE) will mean the adjusted and averaged enrollment used for the current ANB or three-year average ANB, whichever was used as budgeted ANB.

(c) Determine the "enrollment increase" (EI) by subtracting the prior year enrollment from the current year enrollment. $EI = CYE - PYE$.

(d) Determine the enrollment increase as a percentage of the prior year enrollment by dividing the enrollment increase calculated in (1)(c) by the prior year enrollment. $EI \text{ divided by } PYE = \%$.

(e) If the enrollment increase calculated in (c) exceeds 40 students, or if the enrollment increase as a percentage of the prior year enrollment calculated in (d) exceeds 4%, the Superintendent of Public Instruction will recalculate and adjust the current year's basic entitlement and total per-ANB entitlement in accordance with 20-9-314(5), MCA, using the recalculation of ANB in (2).

(2) The adjusted funding will be based on the impact of the increased enrollment for the current fiscal year calculated as follows:

(a) Determine the increase based on a percentage of the PYE:

(i) Determine EI in excess of 4% of PYE. $EI - (.04 \times PYE)$. Round the calculation to the nearest hundredth (.xx).

(ii) Determine EI for each budget unit by subtracting PYE by budget unit from CYE by budget unit. $EI \text{ by budget unit} = CYE \text{ by budget unit} - PYE \text{ by budget unit}$.

(iii) Prorate enrollment increase exceeding 4% of PYE calculated in (a)(i) among the budget units by:

(A) calculating the ratio of EI for each budget unit as calculated in (a)(i) to the total EI for the district calculated in (1)(c). If the EI calculated for a budget unit in (a)(i) is negative (enrollment loss), omit the budget unit from the proration and add the absolute value of the negative EI by budget unit to the EI determined in (1)(c); and

(B) multiplying the EI in excess of 4% of PYE calculated in (a) by the ratio calculated in (a)(i) for each budget unit within the district. Round the calculation to the nearest hundredth (.xx).

(iv) Add the PYE by budget unit and the EI in excess of 4% by budget unit as calculated in (a)(iii)(B).

(b) Determine the increase based on number of students:

(i) Determine EI for each budget unit by subtracting PYE by budget unit from CYE by budget unit. $EI \text{ by budget unit} = CYE \text{ by budget unit} - PYE \text{ by budget unit}$. If the EI calculated for a budget unit is negative (enrollment loss), omit the budget unit from the proration and add the absolute value of the negative EI by budget unit to the EI determined in (1)(c).

(ii) Add the PYE by budget unit and the EI by budget unit.

(c) The greater of (a)(iv) or (b)(ii) is the increased enrollment.

(d) Multiply the increased enrollment calculated in (c) by the total of PI days and PIR days approved for the current year, and divide the total by 180.

(e) Round the result calculated in (2)(d) up to the next whole number to determine the funding adjustment ANB.

(3) The funding adjustment ANB calculated under (2) will be used only to determine the adjusted entitlements and increased funding for the unusual enrollment increase in the current year and will not result in an adjustment of ANB for purposes of future calculations of current ANB or three-year ANB under 20-9-311, MCA. (History: 20-9-102, MCA; IMP, 20-9-313, 20-9-314, MCA; NEW, 1996 MAR p. 2168, Eff. 8/9/96; AMD, 2000 MAR p. 632, Eff. 2/25/00; AMD, 2002 MAR p. 1740, Eff. 6/28/02; AMD, 2006 MAR p. 3070, Eff. 12/22/06; AMD, 2016 MAR p. 880, Eff. 5/21/16.)

10.20.106 STUDENTS PLACED IN EDUCATION PROGRAMS (1) The Superintendent of Public Instruction recognizes that a Montana state agency or court may place a Montana student in a facility located within a school district that is not the student's district of residence. The Superintendent of Public Instruction also recognizes that a district may contract with a private or public entity for the provision of a Montana resident student's education. If a district contracts and pays for the provision of a Montana student's education, the district may include that student in the district's enrollment count for purposes of calculating ANB, provided:

- (a) the student, who otherwise qualifies for ANB, is enrolled at district expense in the district on the count date;
- (b) the district retains written verification from the contractor documenting the student's participation in the education program on the count date;
- (c) either:
 - (i) the contractor is accredited by the Montana Board of Public Education; or
 - (ii) the student's education program is under the direction and supervision of the district and is provided by district staff or is provided pursuant to a special education individualized education program implemented by the district, except that the trustees' placement of a resident student in a private, nonsectarian day treatment program and the state's placement of a student in a county or regional detention center are subject to (5);
- (d) the contractor is a facility, center, home or other program licensed by and located within the state of Montana, excluding licensed day care centers; and
- (e) the student is a resident of the district or meets the attendance with mandatory approval provisions of 20-5-321(1)(d) or (1)(e), MCA.

(2) Payments made to contractors described in (1) are not considered tuition for purposes of applying the provisions in Title 20, chapter 5, part 3, MCA. When a district contracts for a Montana student's education, the cost for such services shall be paid from the district's general fund or from federal funds, provided the cost is an allowable use of the federal funds. Except as provided in (5), districts shall not use the tuition fund for payments to private education programs.

(3) If a student is not a resident of the district of attendance, the district may charge tuition in accordance with Montana law (see ARM 10.10.301).

(4) In accordance with 20-7-422, 20-7-402(4) and 20-5-323(5), MCA, when a child is placed by a Montana state agency in an out-of-state residential facility, the state agency making the placement shall be responsible for paying the education costs of the placement.

(5) The district may not include for purposes of calculating ANB:

(a) a student who is placed in a private, nonsectarian day treatment program. Districts may use the district tuition fund to pay for educational services and may claim an ANB reimbursement payment under provisions of 20-5-324, MCA, and ARM 10.10.301D for a student placed under an IEP in a day treatment program at a private, nonsectarian school located in or outside the child's district of residence; and

(b) a student who has been placed in a county or regional detention facility, which is required under 41-5-1807, MCA, to provide educational programs for youth at county expense. Pursuant to 20-9-130, MCA, districts may use the district tuition fund to pay for detention center educational services charged pursuant to 41-5-1807, MCA. (History: 20-7-419, MCA; IMP, 20-5-321, MCA; NEW, 2002 MAR p. 1662, Eff. 6/14/02; AMD, 2003 MAR p. 395, Eff. 3/14/03; AMD, 2004 MAR p. 1613, Eff. 7/23/04; AMD, 2010 MAR p. 1990, Eff. 9/10/10.)

Subchapter 2

Foundation Payments

10.20.201 APPLICATION FOR INCREASED STATE AID (REPEALED)
(History: 20-9-166, 20-9-314, MCA; IMP, 20-9-166, 20-9-314, MCA; NEW, 1992 MAR p. 215, Eff. 2/14/92; AMD, 1994 MAR p. 1824, Eff. 7/8/94; REP, 1996 MAR p. 2168, Eff. 8/9/96.)

10.20.202 PROCEDURE FOR COMPUTING ADDITIONAL STATE AID (REPEALED)
(History: 20-9-166, 20-9-314, MCA; IMP, 20-9-166, 20-9-314, MCA; NEW, 1992 MAR p. 215, Eff. 2/14/92; AMD, 1992 MAR p. 2142, Eff. 9/25/92; AMD, 1994 MAR p. 1824, Eff. 7/8/94; REP, 1996 MAR p. 2168, Eff. 8/9/96.)

10.20.203 FOUNDATION PROGRAM SCHEDULES FOR ADDITIONAL STAFF (REPEALED)
(History: 20-3-106, MCA; IMP, 20-9-318, 20-9-322, MCA; NEW, 1992 MAR p. 215, Eff. 2/14/92; REP, 1994 MAR p. 1824, Eff. 7/8/94.)