



MONTANA EARLY CHILDHOOD ACCOUNT (MECA) BUDGET REPORT

REPORT OVERVIEW

Board Meeting: August 27, 2026
Reporting Period: Through July 31, 2026
State Fiscal Year: 2027

BUDGET SNAPSHOT

TABLE 1: REVENUE AND APPROPRIATIONS

Category	Amount
Beginning Revenue Balance (SFY 2027)	\$ 12,893,656.92
Appropriated Authority (SFY 2027)	\$ 10,000,000

TABLE 2: EXPENDITURES TO DATE

Category	Amount
Personnel Services	\$ 0.00
Operating Expenses	\$ 590.53
Contracted Services	\$ 0.00
Direct Services	\$ 0.00
Total Expenses	\$ 590.53

TABLE 3: REMAINING BALANCE

Category	Amount
Remaining Revenue Balance	\$ 12,893,066.39
Remaining Appropriation Balance	\$ 9,999,409.47



KEY FINANCIAL NOTES

PERSONNEL SERVICES

In SFY 2027, a full 12 months have been projected. The total anticipated cost for the full year is \$179,856.16. At the board meeting held on May 21st, the board approved to obligate personnel services for an internal evaluator to support MECA. The internal evaluator will charge 25% of their time, and the projection is factored into the full 12-month projection.

OPERATING EXPENSES

For SFY 2027, we are projecting a full 12 months of rent. The total anticipated cost for the full year will be \$4,045.19. The board approved holding in-person quarterly meetings in Helena, MT. DPHHS will reimburse out-of-town board members for travel expenditures that may include mileage, meal per diem, and hotel, and in SFY 2027, we are projecting \$7,200.

The board has approved to obligate three activities under the Quality Improvement Initiatives in SFY 2027: Technology and Special Needs Training Support, spending up to \$1.5 million, Infant Toddler Incentive spending up to \$1 million, and expand upon Early Childhood Systems Research through a vendor called Child Trends spending up to \$200,000 (for more information regarding the three activities, please see April 16th June 18th, board meeting minutes). The board also approved the flexible workforce grant, spending up to \$3 million in SFY 2027 and SFY 2028. DPHHS staff have since submitted the necessary paperwork for routing through the procurement process.

INDIRECT COSTS

Indirect costs will be deducted from the revenue (cash) balance, but expenses will not be charged against the budgeted authority of appropriations, as they are non-budgeted. Indirect costs are posted quarterly. In state fiscal year 2026, indirect costs averaged around \$5,000 per quarter. We can expect indirects to increase in fiscal year 2027 as the board implements project activities. Indirect costs are allocated based on the extent to which the grant receives support from areas such as the director's office, the Business Financial Services Division (BFSD), Montana Fair Hearings, and the Technology Services Division.

REVENUE UPDATE

MECA received one-time seed funding of \$10 million in state fiscal year 2026. The trust earned \$2,991,617.27 within the first year and was deposited into the account in July, state fiscal year 2027.



MECA BUDGET AND EXPENSE REPORT

TABLE 4: BUDGETED AND NON-BUDGETED EXPENSES

Budgeted Expense	SFY 2026 Actuals YTD	SFY 2026 Projections	SFY 2027 Actuals YTD	SFY 2027 Projections
Salaries	\$ 52,059.47	\$ 0.00	\$ 0.00	\$ 85,720.30
Employee Benefits	\$ 19,122.18	\$ 0.00	\$ 0.00	\$ 53,508.26
Personnel - Internal Evaluator (Board Approved)	\$0.00	\$ 0.00	\$ 0.00	\$ 36,895.87
Other Services	\$ 13.34	\$ 0.00	\$ 0.00	\$ 0.00
Supplies	\$ 265.15	\$ 0.00	\$ 0.00	\$ 0.00
Communications	\$ 294.01	\$ 0.00	\$ 0.00	\$ 650.00
Travel	\$ 5,915.45	\$ 124.55	\$ 0.00	\$ 7,200.00
Rent (Office Space)	\$ 3,238.07	\$ 0.00	\$ 590.53	\$ 3,454.66
Other Expenses	\$ 40.00	\$ 0.00	\$ 0.00	\$ 0.00
Contracted Services (Board Approved)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 5,700,000.00
Benefits & Claims (Direct Services to Citizens of MT)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

Non -Budgeted Expense	SFY 2026 Actuals YTD	SFY 2026 Projections	SFY 2027 Actuals YTD	SFY 2027 Projections
Indirect Costs	\$ 17,012.68	\$ 0.00	\$ 0.00	\$ 62,123.44



**ESTIMATED ANNUAL INTEREST DEPOSIT PER OFFICE OF
BUDGET AND PROGRAM PLANNING (OBPP)**

TABLE 5: INTEREST EARNED BY STATE FISCAL YEAR

Interest	SFY 2026	SFY 2027	SFY 2028	SFY 2029
MT Early Childhood (Estimates May 2026)	\$2.99 Million	\$2.91 Million	\$3.25 Million	\$3.48 Million