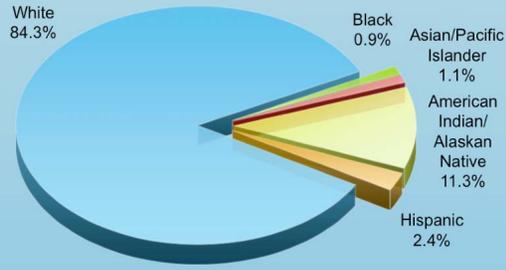


MONTANA AT A GLANCE

Student Demographics



Source: National Center for Education Statistics (NCES), Common Core of Data, 2004-05 School Year

MONTANA STUDENTS

| | Montana | United States |
|----------------------------|---------|---------------|
| Total Students | 145,416 | 49,676,964 |
| Low-Income Students | 34.5% | 40.9% |
| Limited English Proficient | 4.6% | 8.5% |
| Students with Disabilities | 13.2% | 13.6% |

Source: National Center For Education Statistics (NCES), Common Core of Data, 2005-06 School Year

MONTANA SCHOOLS

| | Montana | United States |
|---|-------------|---------------|
| Number of Schools | 840 | 98,905 |
| Schools Making Adequate Yearly Progress | 742 (89.9%) | 64,546 (70%) |
| Schools in Need of Improvement | 50 | 10,676 |
| Schools in Restructuring | 30 | 2,302 |

Source: Consolidated State Performance Report, 2006-07 & NCES CCD, 2005-06

MONTANA FACTS AND FIGURES

Total NCLB Funding (2007): \$120,159,846; a 36% increase over 2001 levels

Public AYP Release Date: August 2007

Testing System Status:

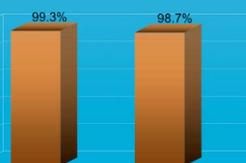
- Approved
 Approval Expected
 Approval Pending

MONTANA TEACHERS

Elementary Classes Taught by Highly Qualified Teachers



Secondary Classes Taught by Highly Qualified Teachers



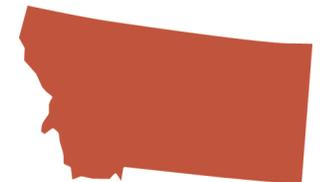
Source: Consolidated State Performance Reports, 2006-07

MAPPING MONTANA'S EDUCATIONAL PROGRESS 2008



Every day, we learn what works so students can make greater progress. Six years after No Child Left Behind's passage – and midway to the nation's goal of having students on grade level or better in reading and math by 2014 – we have collected more data than ever before about the academic performance of our students and schools. This information enables all of us to chart where we are as individual states and as a nation and to map a course of action for future progress. The foundation of our success will depend on our continued commitment to the following core principles:

- ◆ High Standards
- ◆ Annual Assessments
- ◆ Accountability for Results
- ◆ Highly Qualified Teachers in Every Classroom (HQT)
- ◆ Information and Options for Parents
- ◆ All Children on Grade Level By 2014



MONTANA'S RECORD OF ACHIEVEMENT

Reading Achievement for 2006-2007

| | Montana 4 th Graders | | | Montana 8 th Graders | | |
|------------|---------------------------------|-------------------|------------------------|---------------------------------|-------------------|------------------------|
| | State Data-% Proficient | NAEP Data-% Basic | NAEP Data-% Proficient | State Data-% Proficient | NAEP Data-% Basic | NAEP Data-% Proficient |
| All | 80% | 75% | 39% | 79% | 85% | 39% |
| White | 83% | 79% | 42% | 82% | 88% | 42% |
| Black | 79% | n.a. | n.a. | 85% | n.a. | n.a. |
| Hispanic | 72% | 69% | 30% | 76% | n.a. | n.a. |
| Low Income | 70% | 63% | 26% | 66% | 74% | 24% |

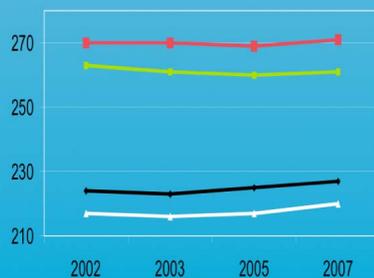
Math Achievement for 2006-2007

| | Montana 4 th Graders | | | Montana 8 th Graders | | |
|------------|---------------------------------|-------------------|------------------------|---------------------------------|-------------------|------------------------|
| | State Data-% Proficient | NAEP Data-% Basic | NAEP Data-% Proficient | State Data-% Proficient | NAEP Data-% Basic | NAEP Data-% Proficient |
| All | 68% | 88% | 44% | 60% | 79% | 38% |
| White | 71% | 91% | 49% | 64% | 83% | 41% |
| Black | 55% | n.a. | n.a. | 57% | n.a. | n.a. |
| Hispanic | 58% | 85% | 40% | 54% | n.a. | n.a. |
| Low Income | 55% | 78% | 30% | 43% | 64% | 22% |

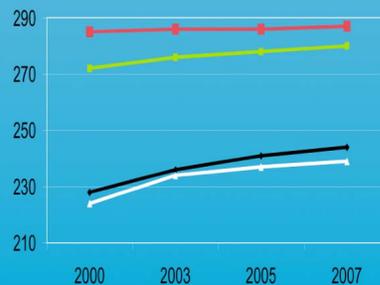
Source: Montana Testing Data and 2007 National Assessment of Educational Progress (NAEP) Data

ACHIEVEMENT TRENDS

Montana Reading Achievement



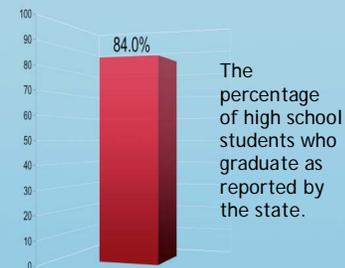
Montana Math Achievement



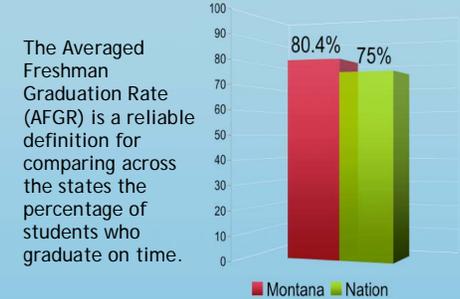
Source: National Assessment of Educational Progress (NAEP)

PREPARING MONTANA STUDENTS FOR SUCCESS

Montana's High School Graduation Rate 2006



Averaged Freshman Graduation Rate 2004



Source: Consolidated State Performance Report, 2006-07

Source: National Center for Education Statistics (NCES)

High School Students Taking Advanced Placement Exams
Source: College Board

| | Montana | Nation |
|--|---------------|-----------------|
| High School Students Taking Advanced Placement Exams | 1,546 (15.8%) | 698,182 (24.9%) |

OPTIONS FOR PARENTS

| | # of Eligible Montana Students | % of Eligible Montana Students Participating | % of Eligible Students Participating Nationally |
|----------|--------------------------------|--|---|
| Tutoring | 7,486 | 48 (0.6%) | 529,627 (14.5%) |
| Choice | 9,590 | 0 (0.0%) | 119,988 (2.2%) |

Source: Consolidated State Performance Report, 2006-07

FLEXIBILITY OPTIONS FOR STATES-MONTANA

| | |
|--|-------------------|
| Teacher Incentive Fund | Not Participating |
| Limited English Proficient Partnership | Participating |
| Flexibility for Students with Disabilities | Participating |
| Tutoring Pilot | Not Participating |
| Growth Model | Not Participating |
| Districts in Need of Improvement Pilot | Not Participating |