

MINUTES OF THE MEETING
EDUCATION SUBCOMMITTEE
50TH LEGISLATURE

February 24, 1987

The meeting of the Education Subcommittee was called to order by Chairman Dennis Nathe at 7:05 p.m. on Tuesday, February 24, 1987 in Room 104 of the State Capitol.

ROLL CALL: All members were present except Representative Iverson who was absent. Also present was Dori Nielson, Jim Haubein, and Taryn Purdy of the Legislative Fiscal Analyst office, Sib Clack and Norm Rostocki of the Office of Budget and Program Planning, and Deb Thompson, Secretary.

(Continued) VO-TECH CENTERS - EXECUTIVE ACTION

Boilerplate language to appropriate the voted mill levy was considered. Dori Nielson explained the need for the language because of the problems that arise without an appropriation. Norm Rostocki said that the purpose of the language gives the vo-tech centers statutory appropriation to allow the spending of voted levy revenue.

Senator Jacobson moved to insert in boilerplate under the vo-tech centers "any additional voted millage funds available for the vocational technical centers be appropriated". The motion PASSED unanimously.

(Continued) OFFICE OF PUBLIC INSTRUCTION - EXECUTIVE ACTION

Federal Funds: Taryn Purdy distributed a sheet showing the federal distribution of funds which represented the department's anticipated amount needed for these federal funds divided into categories as listed (Exhibit 1). The agency and the budget office requested biennial appropriations. Mr. Tom Chesbro said the agency funds last session had numerous accounting problems and this would be a way to clear those up (058). Taryn Purdy said that this does not relate to the appropriation process since these are all federal funds and are of a 27 month duration. However, this would be a way to account for where these funds go. Norm Rostocki said the auditors felt they could not track a grant across fiscal years unless it was a biennial appropriation.

Senator Jacobson moved to appropriate the amounts in FY88 and FY89 combined as a biennial appropriation in each of the five categories. These five categories are Job Training Partnership Act, Vocational Education Grants, Adult Basic Education, Education of the Handicapped-B, and Education of

the Handicapped-SIG and that these be appropriated as biennium appropriation in a lump sum. The motion PASSED unanimously.

Driver Education: Taryn Purdy had the new numbers for driver education. The subcommittee had added in some costs for equipment and for a lease for the airport at Lewistown. (Exhibit 2) The audiology program final sheets were distributed (Exhibit 3).

Special Ed: (Exhibit 4). Senator Hammond moved to reduce indirect costs in the Office of Public Instruction from \$83,329 down to \$65,446. The motion PASSED unanimously.

Indirect Cost Pool: Taryn explained some changed amounts in the indirect cost pool. She explained that this is a direct offset of general funds so there is a slight reduction of general fund and an increase in indirect cost pool. Senator Jacobson (147) moved for funding the indirect cost pool under the Superintendent of Public Instruction, \$158,389 for general fund in FY88 and \$161,924 in FY89 and in state special revenue \$408,612 in FY88 and \$408,493 in FY89. The motion PASSED unanimously.

Miscellaneous Federal Funds: Taryn Purdy asked for clarification in program 66, miscellaneous federal funds. One FTE was removed that was completely federally funded. She asked whether the funds that had been funding that FTE had been moved down into operating expenses or whether those funds were completely removed from that program. Senator Jacobson moved to place that money in operating expenses to allow the department authority to spend the funds. Chairman Nathe stated for the record that the money was moved to operating expenses for the FTE that was eliminated in the program miscellaneous federal funds. The motion PASSED unanimously.

Transfer Funds: (232). Norm Rostocki explained that when vo-techs were funded. The general fund flows through the state system by being appropriated to OPI and transferred to the vo-tech centers. Senator Hammond moved that the general fund, millage, and coal tax be appropriated to program 9 which is the transfer funds in OPI. The motion PASSED unanimously.

(Continued) UNIVERSITY SYSTEM - EXECUTIVE ACTION

Six-Mill Levy: Dori Nielson explained the new 6 mill levy figures (300) from the revenue estimating committee. Sib Clack said that it also includes payments that go into the millage account from the local government block grant. Senator Jacobson moved the millage total for FY88 of

\$12,864,200 and for FY89 of \$12,906,000. The motion PASSED unanimously.

Funding: Senator Jacobson moved (358) the general fund for the University System be adjusted to reflect the 6-mill levy update, and any changes that might occur due to the \$174,000 in the University of Montana pharmacy and law fees, of indirect cost, and tuition and fees, and for any subsequent appropriations motions. The motion PASSED unanimously.

Instruction Support Rate: (394) Senator Jergeson discussed the recalculation of the support rate for Eastern Montana College. Senator Jergeson moved to increase the instructional support rate for Eastern Montana College for FY88 to \$409.75 and for FY89 to \$410.15. The motion PASSED unanimously.

(442) Senator Jergeson moved to increase by \$10 the instructional support rate for each of the 6 units of the university system. The motion FAILED with Senator Hammond, Representative Peck, and Chairman Nathe voting NO.

Support: Senator Jergeson moved to increase the support rate for Montana State University to \$1,421, Eastern Montana College and University of Montana to \$1,406, Northern Montana College and Western to \$1,397, and Montana Tech to \$1,700. (517) The cost would be roughly \$477,000 per year. The motion FAILED with Senator Hammond, Representative Peck, and Chairman Nathe voting NO. This will be item 1 on the agenda for Monday.

Plant: (1-B) Senator Jacobson discussed the insurance costs and the solutions for consistency. Jack Noble noted that the guidelines that related to property insurance varied and were inconsistent. A 32 percent figure was used by three units in fiscal 1986 but specific divisions of insurance costs were not available. The Commissioners office will organize the information.

The subcommittee looking into extra plant needs reported back. Senator Jergeson moved to return \$125,000 to plant at Northern Montana College and \$115,000 to plant at Montana Tech from the amount expended in FY86 beyond the appropriated amount. Representative Peck wanted to go on record as present and not voting. Senator Jergeson wanted to go on record as abstaining (153). The motion PASSED; Representative Peck was present and not voting and Senator Jergeson ABSTAINED.

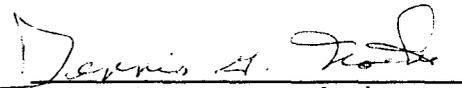
Research and Public Service: Senator Jacobson said there was some concern about consistent criteria for items charged to these programs and boilerplate language would be added

(Exhibit 7). Senator Jacobson moved to insert the boilerplate language. Dori Nielson clarified that a committee was assigned to look at how programs were assigned in research and public service this should help to achieve consistency. MONTCLIRC and the radio stations were mentioned. The motion PASSED unanimously. (336)

Modifieds: Senator Jacobson mentioned the consolidated operations. A uniform and prioritized list was requested. Mr. Glen Williams (365) said University of Montana listed all the asbestos in the entire campus. He said the Health Sciences building was a priority which is \$410,000. (Exhibit 8). A system prioritized list was suggested rather than a unit list.

Mr. Ken Stoltz, University of Montana, said that Jack Mudd, Dean of the Law School, wanted to address the issue of MONTCLIRC and would answer questions on Tuesday.

ADJOURNMENT: The meeting was adjourned at 8:15 p.m. The next meeting was announced for 8:00 a.m., March 3.


DENNIS NATHE, Chairman

dt/2-24A

**OFFICE OF PUBLIC INSTRUCTION
PASS-THROUGH FEDERAL FUNDS**

<u>Item</u>	<u>Actual FY86</u>	<u>Approp. FY87</u>	<u>Reg. FY88</u>	<u>Reg. FY89</u>	- - - Committee Action - - -
					<u>Fiscal 1988</u>
					<u>Fiscal 1989</u>
Job Training Partnership Act	\$ 337,314	\$ 540,000	\$ 475,000	\$ 475,000	
Vocational Education Grants	2,319,831	2,500,000	3,350,000	3,350,000	
Adult Basic Education	403,659	405,879	425,000	425,000	
Education of the Handicapped - B	270,381	350,000	450,000	400,000	
Education of the Handicapped - SIG	130,867	129,000	150,000	110,000	

AGENCY: SUPERINTENDENT OF PUBLIC INSTRUCTION

SUBCOMMITTEE/LEGISLATIVE ACTION

PROGRAM: AUDIOLOGY

BUDGET ITEM	FY 1986 Actual	Fiscal 1988 Executive Current Level	Fiscal 1988 Subcommittee	Fiscal 1989 Executive Current Level	Fiscal 1989 Subcommittee	FY 86-88 % Change
FTE	0.00	1.00	1.00	1.00	1.00	N/A
Personal Services	\$0	\$29,176	\$31,200	\$31,284	\$31,200	N/A
Operating Expenses	\$671,574	\$466,373	\$259,000	\$454,146	\$259,000	-61.43%
Equipment	\$0	\$17,101	\$20,000	\$0	\$20,000	N/A
TOTAL EXPENSES	\$671,574	\$512,650	\$310,200	\$485,430	\$310,200	-53.81%
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FUNDING						
General Fund	\$671,574	\$512,650	\$310,200	\$485,430	\$310,200	-53.81%
TOTAL FUNDING	\$671,574	\$512,650	\$310,200	\$485,430	\$310,200	-53.81%
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Add to (Subtract from)

LFA Current Level	Fiscal 1989
Fiscal 1988	\$(196,155)
Fiscal 1989	\$196,155

ISSUES:

1. Contracted Services

SUBCOMMITTEE/LEGISLATIVE ACTION

February 4, 1987

PROGRAM: DRIVER'S EDUCATION

AGENCY: SUPERINTENDENT OF PUB INSTR

BUDGET ITEM	FY 1986 Actual	Fiscal 1988		Fiscal 1989		FY 86-88 % Change
		Executive	Subcommittee	Executive	Subcommittee	
FTE	0.00	0.00	0.00	0.00	0.00	ERR
Operating Expenses	\$20,425	\$20,468	\$20,253	\$20,522	\$26,333	28.53% ERR
Equipment	\$0	\$0	\$0	\$0	\$20,000	ERR
TOTAL EXPENSES	\$20,425	\$20,468	\$20,253	\$20,522	\$46,333	126.45%
FUNDING						
Federal Revenue	\$20,425	\$20,468	\$20,254	\$20,522	\$46,333	126.45%
TOTAL FUNDING	\$20,425	\$20,468	\$20,254	\$20,522	\$46,333	126.45%

Add to (Subtract from)

LFA Current Level	Fiscal 1989
Fiscal 1988	\$ 6,000
	20,000

- ISSUES:
1. Airport Lease and Maintenance
 2. Equipment

AGENCY: SUPERINTENDENT OF PUB INSTR

LEGISLATIVE ACTION

PROGRAM: SPECIAL EDUCATION

BUDGET ITEM	FY 1986 Actual	Fiscal 1988		Fiscal 1989		FY 86-88 % Change
		Executive Current Level	Subcommittee	Executive Current Level	Subcommittee	
FTE	4.15	9.45	9.45	9.45	9.45	1.28
Personal Services	\$259,312	\$280,983	\$281,034	\$280,626	\$280,626	8.38%
Operating Expenses	\$128,757	\$127,568	\$127,630	\$127,668	\$127,668	-0.88%
Equipment	\$1,335	\$0	\$0	\$0	\$0	-100.00%
Non-Operating	\$70,317	\$70,317	\$83,329	\$65,446	\$65,446	
TOTAL EXPENSES	\$459,721	\$478,868	\$491,993	\$473,740	\$473,740	3.13%
FUNDING						
General Fund	\$37,462	\$22,108	\$38,954	\$38,989	\$38,989	3.98%
Federal Revenue	\$422,259	\$456,760	\$453,038	\$456,333	\$434,751	3.05%
TOTAL FUNDING	\$459,721	\$478,868	\$491,992	\$473,740	\$473,740	3.13%

AGENCY: SUPERINTENDENT OF PUB INSTR

LEGISLATIVE ACTION

PROGRAM: INDIRECT COST POOL

BUDGET ITEM	FY 1986 Actual	Fiscal 1988		Fiscal 1989		FY 86-88 % Change
		Executive Current Level	Subcommittee	Executive Current Level	Subcommittee	
FTE	21.05	11.75	11.75	11.75	11.75	-0.44
Personal Services	\$328,545	\$316,602	\$317,344	\$316,302	\$316,175	-3.41%
Operating Expenses	\$237,038	\$243,454	\$249,657	\$244,779	\$254,242	5.32%
TOTAL EXPENSES	\$565,583	\$560,056	\$567,001	\$561,081	\$570,417	0.25%
FUNDING						
General Fund	\$155,783	\$154,239	\$165,956	\$154,522	\$161,924	1.67%
State Special Rev	\$409,800	\$405,817	\$401,045	\$406,559	\$408,493	-0.29%
TOTAL FUNDING	\$565,583	\$560,056	\$567,001	\$561,081	\$570,417	0.25%

Do you want to insert boilerplate language stating:

"The six university units shall account for expenditures consistently within programs across all units and shall use the Higher Education Management Systems program classification structure along with College and University Business Administration (CUBA) as a minimum standard for achieving consistency."

HAZARDOUS MATERIAL MANAGEMENT OPERATIONS
 FY88 COST OF CONSOLIDATED OPERATIONS (AL..H58)

ITEM	BARRELS	FTE	PERSONNEL	OPERATIONS	CAPITAL	TOTAL	COST PER BARREL
EMC							
Program coordination & RTK law		0.25	5,800	500	0	6,300	
Material disposal through MSU	6	0.00	0	6,600	0	6,600	
	6	0.25	5,800	7,100	0	12,900	2,150
NMC							
Program coordination & RTK law		0.25	5,800	500	0	6,300	
Material disposal through MSU	1	0.00	0	1,100	0	1,100	
subtotal NMC	1	0.25	4,075	1,600	0	7,400	7,400.00
WMC							
Program coordination & RTK law		0.25	5,800	500	0	6,300	
Material disposal through MSU	1	0.00	0	1,100	0	1,100	
subtotal WMC	1	0.25	5,800	1,600	0	7,400	7,400.00
NCMST							
Program coordination & RTK law		0.25	5,800	1,000	0	6,800	
Material disposal through MSU	5	0.00	0	5,500	0	5,500	
On-site material storage		0.00	0	0	10,000	10,000	
subtotal NCMST	5	0.25	5,800	6,500	10,000	22,300	4,460.00
UM							
Program coordination & RTK law		0.75	17,400	1,750	0	19,150	
Material disposal through MSU	8	0.00	0	10,000	0	10,000	
subtotal UM	8	0.75	17,400	11,750	0	29,150	3,643.75
MSU							
Material disposal	34	0.70	15,550	20,000	0	35,550	
Material processing	20	0.50	11,600	2,000	0	13,600	
R-T-K law		0.25	5,800	600	0	6,400	
Campus safety		0.20	3,800	200	0	4,000	
Administration		0.10	2,130	100	0	2,230	
Processing research		0.00	0	0	5,400	5,400	
subtotal MSU	54	1.75	38,880	22,900	5,400	67,180	1,244.07
GRAND TOTAL							
MONTANA UNIVERSITY SYSTEM	75	3.25	\$71,955	\$46,550	\$15,400	\$140,030	\$1,867.07

MONTANA UNIVERSITY SYSTEM
 ASBESTOS ABATEMENT PROGRAM

ITEM	ESTIMATED COST
<hr style="border-top: 1px dashed black;"/>	
EMC	
Encapsulate PE building ceiling	95,000
NMC	
Cowan Hall - asbestos removal	75,000
WMC	
MCMST	
UM	
Botany Building asbestos abatement	25,100
Fine Arts Building asbestos abatement	477,800
Music Building asbestos abatement	250,600
Liberal Arts Bldg asbestos abatement	397,500
Health Science Bldg asbestos abatement	410,000
Misc. Campuswide asbestos abatement	680,700
	<hr style="border-top: 1px dashed black;"/>
subtotal	2,252,700
MSU	
Misc. Campuswide abatement Ph 1	200,000
GRAND TOTAL	
MONTANA UNIVERSITY SYSTEM	\$2,621,700