

MINUTES OF THE MEETING OF
THE LEGISLATIVE SUB COMMITTEE ON APPROPRIATIONS FOR EDUCATION

February 8, 1977

8:00 A. M.

Room 132

State Capitol Building

Subject: Vocational Education

The meeting was called to order by Chairman Carroll South.
The following members of committee were present:

Sen. Matt Himsl
Sen. Larry Fasbender
Sen. Oscar Kvaalen
Rep. Jack Moore
Rep. Ora Halvorson

Sen. Himsl and Rep. Moore were both excused for a brief time.

Those present for the meeting who testified were as follows:

Larry C. Key, Board of Public Education's Special Project Director.
Harriet Meloy, Board of Public Education
Gordon Warner, OSPI
Gene Downey, Missoula Technical Center
Dennis Lerum, Missoula Technical Center
Larry Clinton, Northern Montana College
Duane Leach, Northern Montana College
Albert Vander Linde, Northern Montana College
James Macklin, Fire School
Dave Lewis, OBPP
Bill Korizek, Helena Vo-Tech
Joe Sicotto, Butte Vo-Tech
Dave Keltz, Butte Vo-Tech
William Ball, State Advisory Council for Vo-Ed
Larry Johnson, OSPI
James H. Carey, Great Falls
Glenn Burgess, Billings
Joseph Cross, Billings

Chairman Carroll South opened the meeting by calling upon Larry Key who addressed the committee and introduced Gordon Warner. Copies of the budget request were distributed to the members of committee. Harriet Meloy made a brief introduction regarding the need and purposes of vocational education. Gordon Warner spoke concerning the direct relationship between unemployment and various social problems which confront the state and nation. He said that although this state spends a great deal of money on vocational education, it is considered to be well spent since most person trained in the centers continue to be employed throughout the state. He quoted figures of \$1,554 per Vo-Ed student and \$1,442 per high school student for 12 months training as opposed to \$2000 per university student.

Gordon Warner went over the budgetary requests for the next biennium for the five vocational education centers. As he explained the budget to the members of the committee it became apparent that the request for money was in part for programs that had not yet been assessed and there was no plan for them at the present time. He said that in the event that the programs were not put into effect, the money would not be moved to that particular center until such time as the new program was approved. The money would be kept in reserve with OSPI. Quite a bit of concern was voiced by all members of the committee because of the procedure of applying for money for programs that had not been assessed as being needed. Members of the committee said that they wanted to know specifically for what programs they were being asked to appropriate money. Francis Bardonoue was present and he, too, questioned the procedure; however, he did say that at least he would give the Vo-Tech people credit that they were making known that programs were being planned instead of waiting until they were an on-going program and then asking for money to continue them. Gordon Warner said that he felt that this would give more accountability as to where money is actually being spent.

Rep. Moore said that he felt that the centers' output was greater than the employment demand. He questioned auto mechanics courses and said that more mechanics were turned out than there were jobs. He also questioned the duplication of courses that are in the centers. Gordon Warner called upon Larry Johnson to answer regarding data that has been used to compile past reports. Larry Johnson said that he felt that many of the reports that have been made have been without sufficient data and without facts. He felt that data is now more readily available that would indicate that placements are being made. He said that there is almost a 100% job placement and that in many areas there are waiting lists for graduates in certain fields. There is a 1-3-5 year follow-up on graduates of the centers and statistics show that graduates of vocational education are continuing to be employed over a period of time.

Sen. Kvaalen asked about the multi-media center for \$15,000 that was listed in the budget and was told that it was for packaged materials for individual study for students who need additional work in language or math before they can begin a training program.

Chairman South asked for clarification: "One more time, if I can go over this...the Board has approved this program schedule here so the five vo-tech centers will apply to the Board if they can meet the criteria necessary for these programs. Is that right?"

Gordon Warner answered in the affirmative. He and Larry Johnson explained that this is a schedule of courses that they hope can be developed in the next two years. There were several lists of courses and it is possible that all or none of the courses could be developed, but the money would be held until such time as programs were developed and met with the standards that had been set up for them. The assessment has been made on a state level but the local centers have not been totally evaluated.

Chairman South asked, "If these monies were implemented, you would also have other money, is that right? This is general fund money but there would also be student fees, so that the figures that we see here are not the true costs of the programs, but simply the general fund money needed?"

Gordon Warner answered that was true.

Gordon Warner went over the figures of the budget and the projected enrollment. He spoke of the formula that is used to figure reimbursed funds. He said that OSPI reimburses the schools and it is made up in this way: The federal government wants them to use the teachers' salaries as the basis for reimbursement and the factors to be considered are the drop-outs in the school, the job opportunities and the unemployment in the area, the ability to pay at the school, the number of students not going on to college, cost of programs, etc., These figures are used with the salaries as a basis for figuring how much a school will be reimbursed. The money goes to the school to off-set the cost of the education of the individual.

Chairman South said that this type of formula might be required of federal funds but it was not required of state funds but Gordon Warner said that he had found that the federal requirements demand that any funds that are matched with federal funds fall under the same regulations. All funds must fall under the rules and regulations that govern the federal funds and if they don't meet these same regulations, the federal funding is not made to the program. Even if it is an over-match, it still falls under the same jurisdiction as the federal dollars do.

Chairman South asked who audited the reimbursements.

Gordon Warner said that the money had already been spent and we are just putting back into their treasury again. He said that he would like to see a new state plan whereby there would be forward funding and we would see the activities and kinds of things we want done and see teaching supplies, costs, etc., rather than teachers' salaries. When this plan started, he said, reimbursement was small enough that they didn't use teaching supplies, books and costs such as this so that is why they used salaries as a basis for figuring the reimbursement. As time went by school districts would get the reimbursement and most of them would put the money back into the general fund when they would get it and use it wherever they felt they needed something.

Chairman South asked again if OSPI was responsible for an audit of reimbursements and Gordon Warner answered that they were. However, he said that he thought "we are getting the activities and the students that we are reimbursing them for in the centers."

Chairman South pointed out that in the case of Northern, they were getting paid for their students twice because the students were generating student credit hours that are used in making up the university appropriations.

Gordon Warner said that it is the response of OSPI to audit these accounts and they don't know if they get funds from other sources.

Robert Stockton said that by law "we have no responsibility for reimbursement funds. We cannot say how they use this money after we have reimbursed the school. We get evidence that they have spent the money, but how they spend it is a local decision."

Chairman South asked how many students are turned away from the centers, how many are on waiting lists: The centers reported in this way: Missoula - 1046; Great Falls - 279; Billings - 250; Butte - 285; Helena - 227. Francis Bardonouve asked how it was determined if someone were on more than one waiting list and also if a cross check is made to see if the same person may have applied to more than one school. Gene Downey, Missoula, answered that a student has to have made written application and left that application with the school. The school then assesses their waiting list applications every quarter and contacts the prospective student to see if he is still interested. There is some cross-check with other schools but this is a difficult thing to do.

Each school made a brief presentation of their particular system, programs offered, etc., They all started in the fall and worked on a nine-month school period of time except for the Billings school. They said that they had been able to work out a system whereby a student could enter any class at least every month and some of the classes were able to take in new students each Monday. He said that they felt it worked out well this way since there are some drop-outs during the school term thus making room for new ones. He said that their facilities were limited and he was sure they would have a very large waiting list if it weren't for this system.

The schools offer many of the same courses--auto mechanics and LPN courses seem to be the most popular and there were longer waiting lists for these courses. The Vo-Tech center at Billings has always rented the facilities they are in and the one at Great Falls is a new center with larger area of facilities. They expect a greater enrollment. The centers generally found that most of their students were local. It was said that 'it is easier to get students to leave local areas for a job than it is for training. Most students are from the state--about forty percent and the rest from the immediate area. There were few out-of-state students in any of the centers and those from the state get preference in enrolling.

Chairman South asked what the reason was for the centers not being able to accept more students. Those who spoke for the centers said that lack of space prohibits them from taking more students.

Sen. Hims1 asked if they were sure that they were placing as many people as they were training and had any evaluation been made of job opportunities in the areas they were from. Gene Downey said that they are just starting a pre-employment program through the local job service office. He spoke of other programs that are in operation or being started for minority people such as a course in operation of heavy-duty equipment that is in its fourth year and a timber harvesting program through CEDA starting in the near future.

There may be a grant-funded language class for Laotian and Vietnamese people which will teach English as a second language. It would be taught as a adult education class but in conjunction with Vo-Tech.

There was a discussion with each center answering as to what their particular center did for the district and what the district did for the center. The centers all agreed that the districts did more for them than they were able to return. Butte, especially, said that because of the strong unions their students were not able to do work within the district that students could do in other areas such as maintenance, minor repair, electrical types of work, etc.,

Chairman South asked if the committee could get information from the centers regarding their 1975-76 programs and also a report from each center for the student hours involved in each particular course that they offer. Gordon Warner said that he would see that the members of committee received the additional information they had requested.

Rep. Moore said that he had a question for Missoula regarding the numbers of Laotian and Vietnamese people that are coming into that area. He wanted to know how many are in the Vo-Tech centers and how they are making a living in that area.

Gene Downey said that quite a few have come into Missoula and Ravalli Counties and that there is a large settlement of these people in the Bitterroot Valley. They are quite anxious to learn the language and there are over 40 enrolled in Adult Education in Missoula at this time studying English. Many of them are on the welfare rolls at the present time. Title I has picked up a large portion of the education bill for these people and they are expecting to get a \$30,000 grant for this language program. He said that they have contacted their congressmen for financial help since the financial burden is quite great. Most of the money that was set aside by the Federal Government for this purpose has now been depleted and the burden for these people has now fallen on local government. The local welfare monies are now being depleted. There is a real need, he said, to teach these people the language and get them started in some type of vocational training. At the present time there is only one enrolled at the Vo-Tech center.

Sen. Fasbender addressed Mr. Korizek in saying that it was his understanding that the local school board recommended only a 5% increase in the operating expenses of Vo-Tech centers. Mr. Korizek said that was true. Sen. Fasbender then asked Mr. Warner if that percentage increase was reflected in the budget and Mr. Warner said that it was.

Mr. Korizek said that they were negotiating on the salaries which had been moved down from 12.5% to 10%. He expected that the salary increase would take up most of the increase.

Sen. Fasbender asked what happens when a local board makes a decision that is different from that which was made by the state.

Mr. Warner stated that the state would have the final say. Most of the increase will go to salaries and less for capital equipment.

Sen. Fasbender asked Mr. Key if they as a Board make any recommendations. Mr. Key said if there is a recommendation, they send a letter to Mr. Gunderson saying that there will be a study made in the next two years to determine exactly what the cost would be to move into a state system. When a move is made into a state system, you would have to buy back those facilities. You may be looking at 4 or 5 million alone in facilities and property. Sen. Fasbender said that he felt that the cost of facilities was a small part of the cost of running any program.

Sen. Himsl said that he hadn't heard the answer to Mr. Fasbender's question of who runs this show--the school board or the state board?

Mr. Korizek said that the State Board will program and budget the five centers and the Board of Trustees will administer the program. So, really the State Board grants the money to the district.

Sen. Himsl said what does the constitution say about the school board's power?

Mr. Stockton answered that the constitution says when there is a school district it shall be run by a local school board.

Sen. Himsl replied that the constitution says more than that about it.

Sen. Moore said that it also says that the State Board will have the final say.

Mr. Stockton said that the constitution does not address itself to vocational education--only the statutory law does.

Mr. Warner said that if there is a conflict in law, the state has precedent over it.

Chairman South said that the State Board has no control over what percentage of the budget goes to personnel and what percentages goes for operating because the personnel costs are established at a local level so he didn't see how anyone could say that the State Board had control over vocational education.


Sen. Moore requested information regarding requested appropriations in the budget and the meaning of certain items and which ones were general fund money and which were mill-levied monies. Mr. Warner answered his questions and went over the portion of the budget that he was referring to. Rep. Moore wanted to know what the increase was over the biennium for the five vocational educational centers. Mr. Warner replied that the increase was four million dollars.

Chairman South apologized to the people from Northern Montana College because there hadn't been time enough time to go over their programs. Also, he asked Jim Macklin from the Fire School if he had anything specific to say today since they had gone over the request of the fire school at an earlier meeting and Mr. Macklin said that he had nothing to add to the business of an earlier meeting with the committee.

Chairman South again reminded the people from the Vo-Tech Centers and Mr. Warner of the information which the committee would need from them in order to make a decision.

A tape has been made of this meeting and is on file in the office of the fiscal analyst.

The meeting was adjourned at 11:30 a. m.



CARROLL SOUTH, CHAIRMAN

Betsy Clark, Secretary