

APPROPRIATIONS - FINANCE & CLAIMS

SUB-COMMITTEE: HUMAN SERVICES

JANUARY 11, 1979 - CAPITOL ANNEX

The meeting was called to order by the Chairman, Steve Waldron at 8:05 a.m. Roll call was taken with the following members present:

Chairman, Steve Waldron  
Representative Bill Hand  
Representative Robert Marks  
Senator Pete Story  
Senator Gary Aklestad  
Senator Pat Regan

Non-members attending were: Harold Fryslie, Director of the Department of Community Affairs (DCA); Martin T. Mangan, Deputy Director of DCA; Daniel G. Diemert, Assistant to the Director of DCA; David E. Wanzenried, Field Assistant of DCA; Mark B. Lindsay, Financial Bureau Chief of Centralized Services; Murdo Campbell, Administrator of the Coal Board; Curt Nichols, Legislative Fiscal Analyst; Carolyn Doering, Executive Management and Accounting Division; Jeannie Cross, Lee Newspaper and Tom Kotynski, the Tribune.

The chairman addressed himself to Mr. Murdo Campbell, Administrator of the Coal Board, regarding the committee's concern with the appropriateness of some grants going out and the guidelines they follow. Mr. Campbell read a letter from Mr. Jack E. Cohn, Chairman of the Coal Board, advising the committee he was unable to attend the meeting this morning. However, the entire Coal Board is meeting Jan. 18th and 19th and they would be happy to meet with the committee one of those days. It was decided that the meeting would be set for Jan. 18, 1979 at 8:00 a.m. Several committee members directed questions to Mr. Campbell which they wanted answered at the Jan. 18th meeting. I.E. Has the Board considered any guidelines? If not when will they? Mr. Campbell advised the committee that he is at the time working on a list of guidelines. The committee requested copies of these proposed guidelines along with a list of people and their ages who have moved into the impact areas.

Curt Nichols, Legislative Fiscal Analyst, advised the committee that the Centralized Services Budget has been divided into three separate budgets: Director's Office Budget, Field Services Budget and Centralized Service Budget.

FIELD SERVICES BUDGET

The fiscal analyst recommends that the program be discontinued. Carolyn Doering responded to this recommendation by advising the committee that restructuring has been recommended and the

Executive Board believes the funding should be continued. Mr. Harold Fryslie, Director of DCA, added that restructuring has already started. The Director is planning to reduce the number of FTEs to four instead of the previously purposed 6 1/2. The number of field offices is being reduced from five to one. The one office remaining will be located in Glendive. This office will remain open due to the geographic location and the lack of personnel. The staff of Field Services will be reduced to one coordinator, one management specialist, one field assistant and one secretary. The new program will consist of extensive technical and training assistance. Mr. Fryslie went into detail on the need for 4 FTEs. The Executive Budget made out previously is incorrect. A new budget will be made up today and be given out at tomorrows meeting. Mr. Nichols will have a chance to respond to the new budget.

#### DIRECTOR'S OFFICE BUDGET

The LFA recommends funding of this office be by mixed funding rather than general funding. Federal funding could be incorporated in the funding. They also recommend more expenditures than the Executive Budget as the Executive Budget did not provide funds for one authorized FTE, a lawyer. Mr. Fryslie, Dan Warsdall and Martin Mangan all explained that if federal funds were used, other programs would be short of money. The State already receives the maximum amount of federal funds and it would be a matter of distribution.

#### CENTRALIZED SERVICES BUDGET

This service is funded by a revolving account wherein the separate programs are charged for the services. The Fiscal Analyst recommends that the FTEs be reduced by 1.5, making 8.0 FTEs. Carolyn Doering, Mark Lindsay and Mr. Worsdall advised the committee 9.5 FTEs were needed. When the Fiscal Analysts made their study they counted one transaction incorrectly, making an additional 10,000 transactions they did not consider. Mr. Nichols will look into this and make further recommendations.

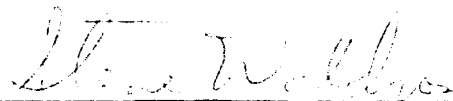
#### SUPPLEMENTAL-SPECIAL PROJECTS BUDGET

Mr. Dan Diemert, Grant Coordinator for Flood Victims, advised the committee that in 1978 the federal government forwarded \$620,019.00 to the State of Montana to help pay the flood victim grants. The State is required to pay 25% of the grants excluding those to members of Indian tribes. Grants were given to those persons who could not get Small Business Administration loans.

The members of the committee will meet again tomorrow morning. A tentative agenda for the next week was suggested and a copy is attached.

The meeting was adjourned at 10:15 a.m.

Respectfully submitted.

A handwritten signature in cursive script, appearing to read "Steve Waldron", is written above a horizontal line.

Steve Waldron, Chairman  
Approved

HSP: bes