

APPROPRIATIONS SUBCOMMITTEE ON INSTITUTIONS

February 6, 1979 - Room 108.

Chairman Yardley called the meeting to order at 8:10 a.m.
Committee members present were:

Representative Art Lund
Representative Howard Ellis
Representative Pat Gesek
Senator Bill Thomas
Senator Mark Etchart

Others present at the meeting were Betty Waugh and John LaFaver, Legislative Fiscal Analysts Office; Larry Zanto, Curt Chisholm, Jim Haubein, Ray Hoffman, John Thomas, Department of Institutions; and Doug Booker, Office of Budget and Program Planning.

Curt Chisholm gave the committee members a handout concerning the budget proposal for the Director's Program component. (See exhibit A.) He gave some background on the organizational structure of the Department of Institutions. Some comments made about the proposed budget categories included the reduction in FTEs, the need for a new set of Montana Law Codes, a 26% reduction in travel from last year, there will be a 33% increase in rent in FY'81 and there wasn't a request for equipment for this next biennium.

Mr. Chisholm also addressed the recommendations made by the Legislative Fiscal Analyst in their report. The LFA recommended eliminating the hospital administrator capability within the Director's office. The Department of Institutions feels they need that position to have the expertise in medical services for the institutions that they now have. Another LFA recommendation was to increase the personnel management staff. The agency feels they can handle what they have with their current personnel staff and they don't want a big personnel staff. The LFA recommended eliminating the research specialist position. The agency said they needed that position to compile all the reports and information requested from the field, legislature, etc., and to take that kind of workload off the other professional staff members. The LFA also recommended eliminating the internal auditor position.

Jim Haubein, Administrator for Management Services, gave the committee handouts concerning the management services proposed budget. (See exhibit B.) He went over that handout with the committee saying the agency wants to have enough funding to cover expenses related to the ABARS, Automated Billing and Accounts Receivable System, and OBSCIS, Offender Based State Correction Information System.

John Thomas, Chief of the Information and Systems Bureau was introduced to the committee. He gave the committee handouts concerning the data processing system at the Department of Institutions. (See exhibits C, D, E and F.) He went over the handouts and explained the four major systems.

Mr. Haubein addressed the LFA's recommendations listed in the LFA report. The first recommendation he addressed was the elimination of the internal auditor. He told the committee that position, while under the Director's program, was responsible for the fiscal evaluation of mental health centers. Those evaluations are required by law. The position was transferred to the Management Services Division and will continue with the same function. The second recommendation he addressed was the moving of all building and rental costs to Management Services Division. Mr. Haubein said he felt costs should be reflected where they occur. The third recommendation concerned OBSCIS. The agency is requesting \$47,412 for each fiscal year to operate this system. The LFA recommended \$60,000 for the biennium for operation. John Thomas went over the detailed cost of running the system. Another LFA recommendation concerned Other Funding. The LFA showed \$100,000 per year in the Other Funding category which the agency feels probably reflects CETA money. The agency does not have CETA money included in that budget. Mr. Haubein also commented on the need for a systems analyst position which the LFA did not recommend. The agency feels they need that position to keep up on the quality of their data processing requirement within the department.

A question and answer period then followed. The CETA positions and funding were discussed. Representative Lund asked if a current inventory for the institutions would be on the computer. Mr. Thomas told him that information is now on the computer for the three institutions that have the SIMS, Supply Inventory Monitoring System, program. Mr. Thomas also explained what that system is capable of doing.


Mr. John LaFaver responded to the comments made by the agency concerning the differences in recommendations for their budget. The LFA is not recommending the hospital administrator position because that position was not funded by the last legislature. It was incorporated into the budget of the central office after the budget was approved. The LFA is not recommending a big new personnel function. They are recommending the consolidation of personnel positions that are elsewhere now. They feel the Department of Institutions would save money and have a more streamlined personnel function. As for the systems analyst

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position, Mr. LaFaver feels the agency should not leave the systems analyst staff with the Department of Administration and build their own within their agency. If the systems analyst staff in the Department of Administration is not working, they should be told of the problems. Mr. LaFaver also commented on the OBSCIS program. He said when the money was approved to start that program, last legislature, the committee that approved it was told by the agency that they would not need money from the general fund to run and continue the program. But now they are requesting money to continue it, so he feels the program should be looked at to see if it would be worth funding.

Chairman Yardley adjourned the meeting at 10:10 a.m.



Dan Yardley, Chairman


Vicki Lofthouse, Secretary