

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

March 1, 1979
8:25 a.m.
Room 104
State Capitol Building
Subject: Budget of the
Vocational Education

The meeting was called to order by Chairman Carroll South with the following members present:

Sen. Larry Fasbender
Sen. Harold Nelson
Rep. Oscar Kvaalen
Rep. Jack More
Rep. Ester Bengtson

Also present in the meeting were; Judy Rippingale, Fiscal Analyst; Miral Gamradt, Fiscal Analyst; Georgia Rice, Superintendent of OPI; Mrs. Margret King, Board of Education; Larry Key, Director/Administrator OPI; and Gene Downy, Director of Missoula Vo-Tech.

Before the Vo-Ed presentation Chairman South stated he is going to recommend to the sub-committee that the appropriation bill be line itemed for each of the 5 centers. It would be broken into 3 catagories.

1. Personal Services. 2. Operations. 3. Capital.

This would do three or four things.

1. It would let you know before we adjourn the session what your appropriations and your legislative operating budget will be for 1980 and 1981.
2. It would leave a trail for the next session of the legislature that would indicate what our intentions were for salary increases, operations, and capital.
3. It would give the legislator a little more control over what is going on in the 5 Vo-Tech centers.
4. If HB 634 passes it would be very easy to determine what the excess negotiated salaries and benefits would be above actual legislature authorization. The Vo-Tech centers would have a specific amount to abide by for each unit.

For these reasons, I am going to suggest to the sub-committee that we do appropriate along these lines.

VO-TECH CENTERS

Georgia Rice began the Vo-Ed presentation. She gave a background of the Vo-Tech centers. These schools give an opportunity to those students who are just out of high school and for those who need more background in an area to obtain a job. We have to keep in mind we are talking about the future of the Vo-Tech when you talk of the budget for Vo-Tech centers.

Mrs. Marjorie King, board of education, stated that vo-tech centers have had inadequate funding in the recent past and this is making it difficult to run a first rate state wide system in the Vocational Education system. There simply wasn't enough money to go around for faculty salaries. As the committee knows, the Board of Education has no control over the amount of salaries given to faculty. The Legislature has authorized 5 vo-tech centers in the state of Montana, but they have not appropriated enough money to run these centers adequately. Nearly 14 million is needed to run these centers but the Fiscal Analyst recommendation is 11 million dollars. We request that you help us with our budget.

Larry Key, Director/Administrator, presented the committee with a written document to follow his presentation. This was mostly on how the Vo-ed's recommendations compared to the Fiscal Analyst's recommendation.

Chairman South stated that he thought it was important to note that in 1978 the Vacancy Savings was actually 7% and the Fiscal Analyst is only using 3% vacancy savings. Mr. Key responded that once a teacher or janitor quits, we must hire one the same day and the same salary.

Chairman South stated that they shouldn't feel the fiscal Analyst recommendation of 3% is out of line because the committee is looking at many more institutions other than 5 vo-tech centers and taking averages.

Chairman South asked if Butte Vo-Tech is paying union dues. Mr. Freeborn said that they didn't pay union dues, they pay their own dues it doesn't come out of their budget.

Chairman South went on to say that they have been looking into fringe benefits of the 5 vo-tech centers. Butte has 21.5% fringe benefits. The committee had hoped that there would be some type of equity in the 5 centers. There has also been too much money spent on travel and lodging expenses, and money spent for tips that shouldn't of been spent. Chairman South stated that it wasn't fair to blame the Legislature for a cut in staff and programs when the 5 centers may be spending money frivolously.

Mr. Key responded that the Vo-Tech centers are trying to have a standardized calander. The schools are not running on the same number of days. There is no way we can compare programs at one center to another because they are taking different holidays and they each have a complete different school year.

Chairman South brought up the subject of tips, asked if anyone wanted to respond to this; no one would. Chairman South then stated that if no one wants to respond that's o.k., but I am bringing these things up to show you that we do have serious problems.

Chairman South asked Mrs. King how the Board of Education would use the administrative appropriations. Mrs. King said they would look very closely at the way it will be spent at the secondary and post secondary level. We would have to hire extra staff. Someone who has a good accounting background to help and to be an assistant to Dr. Key.

Rep Bardanouye stated that he had looked over Dr. Key's testimony and felt that it was only criticism and if the committee had seen results from the Vo-Ed people things would be better all around.

Rep. Moore stated that we have been trying to get a handle on the 5 Vo-Tech centers for the last 5 sessions, but I don't think we have improved. We don't have a central governance system. He then asked for comments regarding local control from a few of the directors of the Vo-Tech centers.

Gene Downy stated that from the 1975 session Missoula Vo-Tech did put out a study that hadn't been done before. The study he referred to would indicate that they do, in fact, have a state system; but it has never been exercised to that extent. There are so many different services that are shared between the local school district and the Vo-Tech centers that would cost an extreme amount of money if we would had to ask the state for those same services.

Mr. Key made his closing by saying that he doesn't think the committee has over-expanded these Vo-Tech centers. If the committee decides to cut funds they will either have to cut a center or a number of programs.

Mrs. Rice stated that Vo-Tech centers are very much needed and wanted by people who are right out of high school or people who need a little more education to obtain a better job.

Chairman South stated that he would like to have a comment from both Mrs. Rice and Mrs. King about the budget amendment process. We will have to allow budget amendment authorities, my question is where should this authority lie?

Mrs. King stated that it would be a very difficult process for the board as a whole to accept the responsibility. We would be very comfortable accepting this responsibility if we were also to hire our own executive officer.

Georgia Rice stated that they deal with budget amendments all the time. There would be no problem for her to handle budget amendments. She feels that she could work with the board very cooperatively.

Chairman South asked Mrs. King if Mr. Key is, as a Vocation Director, actually in the right position now or should he be under the board. Mrs. King didn't care who was under what board as long as it was under some board.

Being no further business, the meeting was adjourned at 10:30.

Carroll V. South 3/1/79
CARROLL V. SOUTH, CHAIRMAN

Jeanne Glennon, Secretary