

MINUTES OF THE MEETING OF
LEGISLATIVE SUBCOMMITTEE ON APPROPRIATIONS FOR EDUCATION

April 3, 1979
4:00 p.m.
Room 104
State Capitol Building

The meeting was called to order by Chairman Senator Nelson, with the following members being present:

Senator Larry Fasbender
Senator Harold Nelson
Representative Oscar Kvaalen
Representative Jack Moore
Representative Esther Bengtson

Also present was Judy Rippingale, Fiscal Analyst.

Senator Fasbender presented a proposal related to reallocating resources as far as athletic units are concerned. His concerns addressed four of the smaller units, saying the amount redistributed is only half as much as is necessary. This amendment deals with general fund expenditures only because of changes made one session ago. There is not enough time to look at the whole situation. He stated that Northern Montana College is being hurt by the amount going into their athletic program. He proposed, rather than going the full amount this time, that only half be requested this biennium and further adjustments be made in the next biennium. He proposed that the amounts be inserted in the bill as set forth on the attached addendum. These figures would then be used as the base in future years.

Representative Bengtson asked about basketball funding being deficient. Senator Fasbender said there should be some equity because the four small colleges all compete in the same conference. His proposal equalizes the basketball program because all the units have this program. The size of the basketball program is not based on enrollment. For example, Eastern is a larger school and can generate more gate receipt dollars. Senator Fasbender felt Northern should be given equal consideration for competing.

Representative Bengtson pointed out that teams travel and asked if the teams shared in the income from these games. Senator Fasbender did not think there was any program where the proceeds were shared by the teams.

Representative Moore made the motion to accept the figures presented by Senator Fasbender.

In response to a question from Representative Bengtson, Senator Fasbender explained that the gate receipts presently accrue to

the units that generate the money. With this proposal the amount going back to the school for basketball will be based on the amount of gate receipts per student. Therefore, the per capita revenue is the same but the total general fund dollars will be different.

The question was called. The motion carried with Representative Bengtson voting no.

Senator Fasbender's second proposal was to begin an equalization process for organized research between UM and MSU. In 1978 MSU received \$407,000 for organized research and UM received \$199,000 for the same program. The additional amount received at MSU gives them more flexibility.

Senator Fasbender suggested that the best way to equalize the programs would be to increase the funding at UM. However, he realized it would not be possible to do this all at once. He proposed an additional \$50,000 the first year of the biennium and \$100,000 additional the second year. This is all general fund money.

Representative Moore said he realized the discrepancy, but why not just reduce the amount at MSU. Senator Fasbender felt there would be problems if the committee tried to do this because the research at MSU is ongoing and people are committed. He suggested adding additional money to UM now and setting a level two years from now.

Representative Moore commented that the committee just added eight additional instructional faculty at UM and he did not see why they should put another \$150,000 into the research program at this time. Senator Fasbender replied that it appeared that MSU is more able to pay faculty, in part, because of the amount available for research.

Representative Bardanouve asked what UM would do with this money. It was explained that they are required to expend the money for organized research. UM could put some of the present faculty on research projects. This was in their original request.

Representative Bengtson said the proposal sounded reasonable because politically they could not take the money from MSU.

Senator Fasbender moved that the additional amount be added to the UM budget.

Representative South asked if UM had indicated they would rather have this than an additional cushion. Senator Fasbender thought they would probably rather have the additional cushion. If the money is put in organized research, they will have to decide whether they want to take that risk. If the money is put in faculty dollars, there is no doubt as to where they will spend it.

Representative Moore felt the problem is where they will be in 1982 and 1983 in organized research. Senator Fasbender explained that they would come off these bases from now on. It is a flexible tool to them. To follow this up completely they would have to take it out of MSU. This will have to be looked at next session.

Representative South commented that in retrospect, the committee was probably a little harsh with UM last session. Senator Fasbender said President Bowers did everything he could to respond to the mandate and the committee has to recognize these efforts.

Question was called. Vote showed Representatives Moore and Kvaalen voting no, everyone else voted yes. The motion carried.

The Superintendent of Public Instruction Office would like to have another accountant to use the vocational technical centers SBAS reports. Representative South explained they could require that they take a person out of the secondary program and move the person to post secondary, or they could just create a new position. The feeling was, however, that they are over-staffed in the secondary program.

Bob Stockton, with regard to staff restraints, said they are already talking about a reduction in the Vo-Ed staff of three. He felt they need to have someone constantly monitoring the SBAS system. Bob Stockton thought this would be a good move.

Senator Nelson stated that we are talking about \$20,000 to \$25,000 state dollars which can be matched 50/50 with federal dollars. They have requested \$45,000 each year of the biennium for professional and secretarial staff.

Representative Moore asked how many FTE are left in the Superintendent's Office total. It was explained that they cut eight FTE out of state funds, then two of these positions were put back, partly on state funds. They did not feel they could switch any more positions around without adding another position. The Department can get federal funds if they get state funds to go with them. They would like to have someone who can analyze as well as do the mechanics. They did not feel this was just a question of total expenditures.

Representative South commented that if the committee authorized a Grade 12 position they would be talking about \$17,000 a year total, half of which would be general fund.

One of the problems is the large number of responsibility centers; the Superintendent's Office is fighting time continuously. They want to do a good job. The Department of Administration is getting two people to train the vocational technical center accountants. However, OPI still feels the need for financial analysis and control in the office.

Representative Moore asked why this was even a full-time job. Why can't someone in the office take this over as a part-time job? They felt they had been hit really hard in the accounting area; they do not have an extra quarter accountant.

They have asked for an accounting technician to help with the backlog. If they had an accounting technician they could take care of this.

Representative South asked who had the final decision in what staff will be terminated. They have not started to cut yet. They are going to wait for the smoke to clear and start planning as soon as the session is over. The department is looking at a \$150,000 reduction. They are trying to come up with the difference for current expenditures.

Senator Fasbender made the motion to not act on this at this time. He felt they needed more time to work it out.

The committee discussed at length the two proposals submitted by Senator Fasbender. There was concern as to where the money would be spent and what would be accomplished through such a change in funding.

There was no further business, there was a motion to adjourn.

The meeting was adjourned at 5:00 p.m.

Carroll South 4/17/79

CARROLL SOUTH, CHAIRMAN

Secretary