

MINUTES OF THE MEETING OF THE JOINT APPROPRIATION SUBCOMMITTEE  
ON EDUCATION

February 20, 1981

The Executive Session meeting was called to order at 7:10 a.m. on Friday, February 20, 1981 by Chairman Donaldson in Room 104, Capitol Bldg., Helena, Montana.

All members were present including John Bebee and Curt Nichols, Fiscal Analysts.

JOHN BEBEE discussed the three remaining items for the Office of Public Instruction. (EXHIBIT A)

REP. THOFT moved to reconsider previous actions taken with regard to the Office of Public Instruction. MOTION PASSED UNANIMOUSLY.

SENATOR JACOBSON moved that the committee accept the LFA recommendation for the Special Education for \$541,061 for FY 82 and \$548,189 for FY 83. MOTION PASSED UNANIMOUSLY.

REP. BENGTON moved to include \$369,182 for FY 82 and \$374,735 for FY 83 for internal transfers of indirect costs and any indirect costs in excess of these amounts are recovered, General Fund shall revert. MOTION PASSED UNANIMOUSLY.

JOHN BEBEE explained that the 3.1 FTE's which were inadvertently left out are part-time positions.

SENATOR JACOBSON moved that the committee add \$33,768 each year of the biennium to Administrative Services. MOTION PASSED UNANIMOUSLY.

JUDY JOHNSON assisted by Gail Gray, gave the information needed for the General Special Education budget. She stated that when Curt Nichols determined the base he did not figure in the contingency Fund. (EXHIBIT B) The Contingency Fund that is used is an on-going thing. Audiology and Special Olympics are not contained within these figures of \$24,324,307 for FY 82 and \$26,468,494 for FY 83. She stated that if we could amend the law and then contract the service out either to the Public Health or if the committee could appropriate the money to Public Health. Also they are duplicating services within the Department of Health for screening. The Special Olympics were not put back in. She stated that HB410 was for \$78,000 for Administrative Costs. The \$517,624 for the second year of the biennium is for a Contingency Fund.

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Discussion was held in regard to whether or not the \$517,624 should be built into the base.

SENATOR HAFNEY moved that the committee accept the \$24,324,307 for FY 82 and \$26,468,494 for FY 83 for Special Education. MOTION PASSED with one, REP. THOFT opposing.

CURT NICHOLS stated that it would be best to have a separate bill because the appropriation act expires.

JUDY JOHNSON stated that it would be to repeal Section: 20-7-403(13) and assumed it would be removed from the appropriation language. She feels it would be cost efficient if it could be contracted out in one lump sum. (EXHIBIT C)

CHAIRMAN DONALDSON asked if the districts would not send these special olympic kids if they don't get the funding.

JUDY JOHNSON stated that she did not know whether the JC's would raise the money to send them.

CURT NICHOLS discussed the Contingency Fund language in regard to caps. That allows two things: it sets up criteria that it has to be an emergency and has to be documented, and it makes it a biennial appropriation so that money can be transferred between the years.

REP. BENGTON moved that the committee put that language in. MOTION PASSED UNANIMOUSLY.

Discussion was held in regard to putting in a cap.

CURT NICHOLS pointed out that if you don't place a cap on Special Education the current law would allow them to approve budgets for any amount and as a result, it is financed through a statewide deficiency levy since the Special Education is handled through the Foundation Program.

REP. BENGTON moved to have the caps put into the language of the bill. MOTION PASSED UNANIMOUSLY.

CURT NICHOLS explained the Federal Funds for the Special Education estimated by the LFA to be \$5,110,000. These are funds that flow through the Office of Public Instruction.

SENATOR NELSON moved that only the additional Federal Funds be held in reserve until the next Legislature. MOTION PASSED UNANIMOUSLY.

This covered the Office of Public Instruction.

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TOM CROSSER stated that the Historical Society contacted him in regard to their Historic Preservation which has been eliminated by the Federal Government and would like the committee to reconsider this part of their budget,

CHAIRMAN DONALDSON stated that we would at least look at it.

REP. JACK MOORE stated that in the past as the Federal Funds dried up so did the program,

The next discussion was in regard to the Board of Regents.  
(EXHIBIT D)

COMMISSIONER RICHARDSON stated that they accept the LFA recommendation.

BRUCE SHIVELY stated that the travel expenses are a 15% increase per year as requested,

REP. BENGTON moved that the committee accept the LFA recommendation for \$23,029 for FY 82 and \$25,104 for FY 83. MOTION PASSED UNANIMOUSLY.

The next item of discussion was for the Commissioner of Higher Education and their budget request. It is divided into two components:

- (1) the administration;
- (2) the student assistance programs,

Under the Administration Program, the Commissioner stated that he accepts the LFA proposal. But that three minor adjustments have been worked out by the LFA and Jack Noble:

- (1) the audit costs have to be included in the LFA's recommendation in Contracted Services;
- (2) the LFA's recommendation does not provide an adequate amount for travel; and
- (3) the retiring of an individual who does the budgeting and also directs WICHE and we would like to have \$4,000 for severance pay and to hire a replacement before this individual leaves.

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JACK NOBLE stated that there is also a difference with rent. This next biennium it will increase due to the installation of thermopane windows that have been installed in the office.

BRUCE SHIVELY gave the LFA recommendation and stated that the LFA does not include audit costs and that they need to be added to Contracted Services. With regard to travel the only adjustment is for out-of-state travel. LFA rent calculations are current level. He also pointed out that the lease on their building expires in 1985.

The committee discussed the amount of travel necessary for the Commissioner's Office.

BRUCE SHIVELY stated that the rent for the Commissioner's building is \$60,390 annually.

JACK NOBLE stated that the rent also covers the equipment they rent. The office rent is going up because of the installation of windowpane. The owner is picking up most of the cost. He stated that they agreed to amend a portion of the cost through the remaining current contract.

COMMISSIONER RICHARDSON stated that the adjustment made to the lease was approved by the Department of Administration.

JACK NOBLE stated that the rental adjustment is ten cents per square foot.

REP. JACK MOORE stated that it would be \$990 more per year.

REP. BENGTON moved that the committee accept the LFA recommendation for \$443,278 for FY 82 and \$443,278 for FY 83 for Personal Services and that \$4,000 be added for FY 82 for severance pay and the overlap to train the new individual. MOTION PASSED UNANIMOUSLY.

The committee then discussed the Travel Expenses.

GLEN LEAVITT stated that the actual total for travel in 1980 was \$20,638.

COMMISSIONER RICHARDSON discussed the modifications. The Executive and the LFA recommend one position. He stated that he would propose to use it for a Labor Personnel Specialist.

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REP. BENGTON moved that the committee accept the Executive recommendation for one FTE modification for \$31,500 for FY 82 and \$34,207 for FY 83. MOTION PASSED UNANIMOUSLY.

The next discussion was in regard to the Student Assistance.

REP. BENGTON moved that the committee accept the LFA recommendation for Student Assistance and take out the mandatory fee waivers from both years of the biennium. MOTION PASSED UNANIMOUSLY.

REP. BENGTON moved to have the committee reconsider previous actions taken on Travel. MOTION PASSED with two, REP. THOFT and SENATOR NELSON opposing.


The committee further discussed the Travel Expenses.

REP. BENGTON moved to split the difference between the LFA and the Executive recommendation for Travel.

REP. BENGTON withdrew her motion.

SENATOR HAFNEY moved that Travel be funded for \$24,000 for FY 82 and \$26,000 for FY 83. MOTION PASSED with two, REP. THOFT and SENATOR NELSON opposing.

Meeting adjourned at 9:45 a.m.

  
REP. GENE DONALDSON, Chairman

1.

PA 2500

Other appropriated funds in item 1 contain \$369,182 in fiscal year 1982 and \$374,735 in fiscal year 1983 for internal transfers of indirect costs. In the amount indirect costs in excess of these amounts are recovered, general fund money shall revert.

Item 1 mentioned above would be the appropriated amount for OPI.

2.

Inadvertently left out 3.1 FTE part time positions at \$33768 in 1982 and 1983.

3.

PA 2500

Sufficient match is provided by the LFA Special Ed Recommendation.

	<u>LFA</u>		<u>Exec</u>		<u>Difference</u>
GF	61061	GF	93789	GF	<u>32728</u>
Federal	480,000	Federal	<u>480000</u>	Federal	<u>0</u>
Total	<u>541061</u>		573789		<u>32728</u>

The committee had passed the Executive recommendation.

B



OFFICE OF PUBLIC INSTRUCTION

STATE CAPITOL  
HELENA, MONTANA 59601  
(406) 449-3095

Ed Argenbright  
Superintendent

GENERAL SPECIAL EDUCATION BUDGET  
CONTINGENCY  
TOTAL BUDGETED 1980

\$21,140,837  
517,624  

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\$21,658,461

1981 - 1982 APPROPRIATION

21,658,461  
110%  

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23,824,307  
500,000  

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24,324,307

1982 - 1983 Appropriation

\$23,824,307  
109%  

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25,968,494  
500,000  

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26,468,494

TOTAL APPROPRIATION

\$50,792,801

*PASSED*

C



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Ed Argenbright  
Superintendent

Repeal Section: 20-7-403(13)

contracting directly with local school districts or cooperative service organizations for the delivery of audiological services to those children allowed by Montana law in accordance with policies of the board of public education.

The following statement needs to be in the Appropriations Bill for Special Education:

"The Superintendent of Public Instruction may fund Special Education Cooperatives directly from the fund established by 20-9-343."



Commissioner of Higher Education - Executive / LFA Comparison  
1983 Biennium

D

	1	32	3	4	85	6	
Administration			Exec over			Exec over	
			(under) LFA			(under) LFA	
Current Level	LFA P&L	Exec Rec	Difference	LFA P&L	Exec P&L	Difference	
1 FTE	15.60	15.60					1
2							2
3 Personal Services							3
4 Salaries	384,623	384,135		384,123	384,135		4
5 Benefits	59,155	57,355		59,155	57,355		5
6 TOTAL Personal Services	443,778	441,490	(1,738)	443,278	441,490	(1,788)	6
7	4,000						7
8 Operating Expenses							8
9 Contracted Services	33,585	39,876	6,291	36,272	36,602	330	9
10 Supplies + Materials	5,744	6,380	636	6,231	6,960	729	10
11 Communications	22,173	21,947	(226)	24,057	23,917	(140)	11
12 Travel	19,031	27,293	8,262	20,553	31,387	10,834	12
13 Rent	65,855	71,110	5,255	70,794	78,379	7,585	13
14 Utilities	5,414	5,892	478	6,063	6,478	415	14
15 Repairs + Maint	2,077	2,286	209	2,253	2,573	320	15
16 Other Expenses	5,507	6,641	1,134	5,975	6,641	666	16
17 TOTAL Operating Expenses	159,386	181,425	22,039	172,198	192,937	20,739	17
18							18
19 Equipment	8,126	8,126	-	8,126	8,126	-	19
20							20
21 TOTAL PROGRAMS CURRENT							21
22 Level Costs	610,750	631,041	(20,251)	623,602	642,553	(18,951)	22
23							23
24							24
25							25
26 Student Assistance							26
27 Operating Expenses	- 0 -	2,534	2,534	- 0 -	2,827	2,827	27
28 Expenditures by Object							28
29 Minnesota Dental	153,600	153,600	-	168,000	168,000		29
30 Under Student Act.	1,538,100	1,538,100	-	1,643,800	1,643,800		30
31 WAMI Student Assn.	1,491,997	1,491,997	-	1,625,272	1,625,272		31
32 NDSL	100,000	100,000	-	100,000	100,000		32
33 SSI 6							33
34 STATE	175,000	175,000		175,000	175,000		34
35 FEDERAL	211,592	211,592		211,592	211,592		35
36 PRIVATE	365,92	365,92		365,92	365,92		36
37 WICHE DUES	46,300	46,300		50,000	50,000		37
38 TOTAL	3,753,181	3,755,715	2,534	4,010,256	4,013,083	2,827	38
39 Ministry Waivers	400,000	0	(400,000)	500,000	0	(500,000)	39
40							40
41 TOTAL ASSISTANCE	4,153,181	3,755,715	437,466	4,510,256	4,013,083	(497,173)	41
42							42
43 Modified		82			85		43
44 FTE	1.00	1.00		1.00	1.00		44
45 Personal Services	1,2361	28,080	9,219	1,2361	30,607	11,746	45
46 Operating	- 0 -	2,120	3,420	- 0 -	3,600	3,600	46
47 Total							47

# BOARD OF Regents - Executive / LFA Budget Comparisons

## 1983 Biennium

	1982			1983		
	1 LFA Rec	2 Exec Rec	3 Exec over (under) LFA DIFFERENCE	4 LFA Rec.	5 Exec. Rec	6 Exec over (under) LFA DIFFERENCE
<b>Personal Services</b>						
Other Compensation	3400	- 0 -		3400	- 0 -	
<b>TOTAL Personal Services</b>	3400	0 -	(3400)	3400	- 0 -	(3400)
<b>Operating Expenses</b>						
Contracted Services	504	504		544	544	
Supplies + Materials	788	788		862	862	
Communications	4585	4585		4797	4797	
TRAVEL	11639	11639		13385	13385	
Rent	33	33		36	36	
Other Expenses	2080	2080		2080	2080	
<b>TOTAL Operating Expenses</b>	19629	19629		21704	21704	
<b>Transfers</b>	- 0 -	1650000	1650000	- 0 -	1750000	1750000
<b>TOTAL PROGRAM COSTS</b>	23029	1669629	1646600	25104	1771704	1746600