

MINUTES OF THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION
January 17, 1983

The House Appropriations Subcommittee on Education met at 8:00 a.m. on Monday, January 17, 1983 in Room 104 of the State Capitol. All members were present. EXECUTIVE ACTION was taken on the budgets for the Board of Public Education, the Fire Services Training School, the Advisory Council for Vocational Education, and part of the budget for the School for the Deaf and Blind.

The Board of Public Education was considered first. Personal Services. Rep. Donaldson moved to accept the LFA figures for 1984 and 1985 for Personal Services. Sen. Jacobson seconded it; motion carried unanimously.

Operating Expenses. Pam Joeehler (LFA) explained that the LFA estimate was lower because the agency requested \$2,250 in 1984 that the Governor's office gave for research services. The differences in computing the auditing costs amount to the other discrepancy.

Mr. Francis Olson (OBPP) said that a base increase was requested for travel. This is because some of the staff meetings will be moved out of Helena. The Governor's office granted a \$4,215 increase; \$8,684 had been requested. Regarding the research analyst, Ms. Joeehler said it was her feeling that if this position was granted, the contracted services wouldn't be needed, because the analyst would be available.

Regarding the request for increased travel money, Mr. Hidde Van Duym, Executive Secretary of the Board of Public Education, stated that he would like to see the Board meet in other cities besides Helena so that more people could be involved who had not been able to come to Helena because of the cost. The Board would especially like to be more available to the schools in eastern Montana. Rep. Bengtson rose in support of the idea and of the Board. Mr. Van Duym added that if the Committee decided to staff the Board, the consulting cost could possibly be saved.

In response to Sen. Hammond, Mr. Van Duym explained that the per diem pay for Board meetings was \$25 per day, as with the rest of the State. However, in the past the Board only received per diem for the actual time spent in the meeting and this denied them of per diem pay for the travel time involved in getting to and from the meetings.

Rep. Bengtson wanted to know whether an increased travel allowance or money for a consultant was more important to the Board. As far as the latter, a staff person for research is most important. He added that if only one FTE were added, they could remain in their present location, but a move would be necessary if 1.5 FTE were added. If a researcher was funded, \$5,000 could be taken off contracted services in 1984. \$2,000 in audit costs should also be pulled out. The new figure for contracted services would be \$7,364 for 1984. The LFA made further base adjustments in 1982 which caused the \$1,100 difference between their and OBPP's 1985 figures.

Discussion took place regarding adding the additional FTE. Rep. Donaldson moved to accept the Contracted Services OBPP adjusted figure of \$7,364. The \$2,000 audit costs which were being taken out would be transferred to the Fire Services Training School budget. Discussion took place. In response to Rep. Bengtson, Mr. Van Duym said they had the option of moving the monies around within operating expenses if a surplus occurred in one area and there was more money needed in another area.

The question was then called for on Rep. Donaldson's motion; motion carried unanimously.

Equipment. Sen. Jacobson moved to appropriate \$313 for equipment, Sen. Hammond seconded it. Motion carried unanimously.

The modified request for the additional FTE was then considered. Mr. Olson said that he had left out the benefits for the salaries on this request by mistake. \$2,737 in 1984 and \$2,760 in 1985 should be added to the totals.

Rep. Donaldson moved to accept the modification at the levels of \$23,378 and \$23,236, subject to reconsideration. He added that the Committee might want to also provide for the modifieds for \$2,500 in equipment. The question was called for; motion carried with Reps. Bengtson, Ernst, and Hammond opposed; see roll call vote.

Sen. Jacobson then moved to remove Contracted Services amounting to \$2,550 in 1984 from the budget, since the

additional FTE had been tentatively approved. This would make the total \$41,601 in 1984. Rep. Donaldson seconded it. The question was called for; motion carried unanimously.

The Fire Services Training School Budget was then voted on. Personal Services. Ms. Joeehler explained that a long-time employee had resigned and therefore the step in the position was reduced, amounting to a \$5,000 per year decrease in the LFA's estimates. Rep. Ernst moved the LFA budget for Personal Services; motion carried unanimously.

Operations. Ms. Joeehler explained the differences between OBPP's and LFA's figures. (1) The gasoline allowance was not increased. (2) Travel expenses were reduced by LFA. She pointed out that the agency had underspent its travel budget in 1982. (3) After speaking to the agency Ms. Joeehler removed \$5,300 in the goods for resale expenditure category because it was no longer being requested.

Questions were then asked. The OBPP's recommendation for increased gasoline money is related to amount rather than the price of gasoline. OBPP has granted an increase in the gasoline allowance because the new Director has assessed as one of the agency's goals increased training for the outlying areas. Sen. Hammond wanted to know if there had been any comparison made between individual expenses for transportation and the use of the new car. He wondered how much money the new car would be saving the agency. Ms. Joeehler said that no cost benefit analysis had been done.

Regarding travel expenses, the agency was appropriated \$16,877. \$14,105 was spent in 1982. FY 1981 was also underspent. For FY 1983 they were appropriated \$18,943, and as of December 1982 they had spent \$3,353. Also, the agency was granted a line-item transfer of \$5,000 in 1983 from the travel budget to spend on the agency's public education program. Rep. Ernst wondered if additional travel money would help the agency if the modification request for additional personnel were denied.

Mr. Olson explained that part of the problem of the School was that in the past year they had experienced a shortfall in employee benefits. To make this up, they transferred

money from operations. Also, \$2,000 was spent on moving expenses in 1982 and this accounts for some of the funds that were underspent in travel. Mr. Weedon added that travel was the only category where they had extra money, if it was needed in other categories to cover shortages.

Sen. Jacobson moved to accept the OBPP budget for 1984, less \$5,300, for a total of \$46,366; motion carried unanimously. FY 1985 was considered: there is a \$7,500 dollar difference between the Governor's proposal and the LFA. Ms. Joehler explained that the LFA had maintained current level in contracted services. The LFA contains audit costs in the first year. The Governor's office put all \$4,000 in the Board of Public Education budget; the LFA included \$2,000 in the Fire Services Training School.

Mr. Olson explained that the consulting services were included in the Governor's budget in 1985. Mr. Weedon said that the Contracted services would be for speakers or educational training at seminars and conferences. Outside expertise is usually needed in addition to the regular staff. If the OBPP budget was accepted, \$2,000 in audit costs would have to be put in for 1984.

Sen. Jacobson moved to amend the motion to include audit costs, to bring the total to \$48,366. Motion carried unanimously.

Rep. Ernst moved the LFA budget for Contracted Services for FY 1985. Discussion took place. Sen. Haffey wanted clarified what the difference was between the \$1,325 and the \$3,710 in contracted services. Rep. Ernst withdrew his motion. Mr. Weedon said that the difference he saw was that additional requests for training which utilized outside experts would be reduced if the funding wasn't available. It was brought out that in 1983 the contracted services level was \$1,750.

Sen. Jacobson moved the Governor's level for 1984. Mr. Weedon explained that a variety of masks would be purchased. Motion carried unanimously.

Equipment. Ms. Joehler said that the agency requested \$5,332 for protective clothing and breathing apparatus for their instructors and the LFA gave them a reduced amount of \$3,324. This will provide for three masks and two sets of clothing. In response to Rep. Bengtson, Mr. Weedon said he suspected that many of the departments in the State would be mandated to buy the new equipment

in the near future. The School feels a responsibility to put on a program to show what the different masks would do.

Sen. Jacobson moved the Governor's level for 1984.

Mr. Weedon explained that a variety of masks would be purchased. Motion carried unanimously.

Rep. Donaldson moved the Governor's appropriation for 1985; motion carried unanimously.

Modification requests. Modified request No. 1: change in funding. Ms. Joehler explained that this request had been addressed by the LFA, as Issue 2 in their analysis. In FY 1982 about \$1,300 was spent for Personal Services out of \$13,500 for the whole program. They are requesting that a 1/2 FTE be put in place year-round for \$6,000. The total request is \$15,851 in '84 and \$16,373 in '85. Therefore, proportionately they would be spending more on personal services and less on the program. Discussion followed.

Rep. Peck moved that the additional FTE be denied; Sen. Hammond seconded the motion. Motion carried unanimously.

Modified request No. 2: Resource Center Increase. Ms. Joehler explained that this was Issue 3 in the narrative portion of the LFA analysis. An allowance could be made for expenditures, and on the funding side, revolving account authority could be given, as Option C outlines. This would not involve any general fund monies. Sen. Jacobson submitted that if something like this was attempted, the volunteer firemen would be unable to use the films. Mr. Weedon said that thus far in the year, 1,482 mailings had been made of films; 83% was used by volunteer fire departments. It was brought out that a permissive mill levy for the fire districts was available for volunteer fire department funding, but this wasn't taken advantage of in all areas. Discussion took place regarding whether or not the rural fire departments should be required to pay rent on the films. It was brought up that there was a proposal to have OPI handle the film distribution. Mr. Weedon pointed out, however, that there was suggested a \$5 charge for each film loan through that proposal.

Sen. Haffey asked Mr. Weedon if using the films was a replacement for actually getting out and training. Mr. Weedon said this was a very cost-effective way of providing the service to distant areas. He added that the School had about 80 films and an additional 80 slide/tape programs, and overlay material. Sen. Hammond submitted that more personnel should be sent out, to do "hands on" training. Rep. Donaldson suggested that Option 4 of the LFA analysis be considered. Mr. Weedon said he didn't feel putting more staff on the road would reduce the need for films.

The Chairman entertained a motion on the Resource Center increase. No motion was made.

Issue 4 was then considered. Ms. Joehler distributed a handout which further addressed this issue; see Exhibit "A." It was brought out that this had not been addressed by the Governor's office. No motion was made.

Modified Request No. 3: Increased training. Mr. Olson explained what the funding would go for. Sen. Haffey wanted to know what the agency wouldn't do if the money wasn't granted. Mr. Weedon said that they would continue as is, probably having cost overruns and having to turn down requests for assistance. Continuing education for the staff wouldn't be provided. Discussion ensued. Sen. Hammond said he felt that the more that was provided, the more that would be expected. No motion was made. The consideration of the Fire Services Training School modification requests was closed.

A five minute recess was taken.

The Advisory Council for Vocational Education budget was voted on. Total Program. Mr. Olson explained the difference between OBPP and LFA in both years. The former director was paid at a higher step and grade and this accounts for the major part of the difference. Since the pay was federal money, the Committee agreed to appropriate what the Governor's office had recommended for the total program: \$95,221 in 1984 and \$95,231 in 1985. It was brought out that federal funds were carried forward. Tveit so moved; motion carried unanimously.

The School for the Deaf and Blind budget was then voted on. The LFA made some slight changes to current level. There are four programs and three modifieds from the Governor's office.

Program 01 - Administration. (P. 122) Personal Services.
Rep. Donaldson moved that the LFA recommendations of \$129,876 in 1984 and \$129,679 in 1985 be accepted; motion carried unanimously.

Operating Expenses. Ms. Joehler explained that in 1982, about \$15,500 was spent on communications; \$9,900 was appropriated, and \$12,000 had been budgeted for. This 57% increase she felt was due to more than just cost increases. Therefore, the base expenditure was reduced. Inflation factors for telephone expense are very high in the upcoming biennium, so when this was done, the base became larger again. The School's budgeted base was used in the calculations by the LFA.

Mr. Bob Deming, Superintendent of the School for the Deaf and Blind, spoke up. He explained that the rates on postage and mailing and on telephone had all gone up. The added expense wasn't due to anything else.

Mr. Olson stated that OBPP had approved the base and added \$2,000 to it, and then added an inflation factor to it. This was due to the new building coming on line.

Sen. Jacobson moved to accept the Governor's estimate of \$46,097 in 1984 and \$34,241 in 1985. Discussion took place. Rep. Donaldson expressed concern about adding a one-time \$2,000 cost into the base. Ms. Joehler pointed out that out-of-Helena agencies got a higher increase in the inflation factor. Mr. Olson explained that only out-of-Helena agencies got an increase in their bases. He added that the increase was intended to take care of the added costs anticipated because of the completion of the new building and the increased cost of communication; i.e., the increase was in operations.

Further questions were asked. Mr. Deming pointed out that with 78 children being served, there was a lot of telephone use, with parents, doctors, the local school district, etc.

The question was called for; motion carried with Rep. Bengtson opposed.

Equipment. The agency requested \$2,500 for a computer terminal, but the business manager was unable to tell the

LFA which computer the terminal would be hooked up to, so the LFA denied the request. Miral Gamradt, Business Manager for the School, said that the majority of the outside-of-Helena agencies had direct hook-up to the State accounting system. Since talking with Ms. Joehler he has received information suggesting that the School could hook directly up to SBAS, if they had a "black box." A number of advantages to being directly connected were outlined by Mr. Gamradt.

Sen. Haffey moved that the Committee accept OBPP's figures for 1984 and 1985. He suggested that the Committee ask for a quantification on the savings this conversion would accomplish. Motion carried, with Reps. Donaldson and Peck opposed.

Program 02 - General Services. Personal Services.
Rep. Donaldson moved acceptance of the LFA figures for both years; motion carried unanimously.

Operating expenses. Ms. Joehler explained that in the utility expenditures area, the LFA had included a modification to the base to reflect the changes due to the new buildings and the efficiencies of the boiler. The OBPP budget made no modifications to the base. Mr. Olson said that in the utilities modification request, there was \$42,966 in 1984 and \$52,238 in 1985. The old building's utility costs were included in the estimate, which makes it much higher than the LFA's. Also, the Governor's office allowed some base increases in Repair and Maintenance.

Rep. Ernst moved the LFA budget on Operating Expenses for both years of the biennium; motion carried unanimously.

Equipment. Ms. Joehler explained that the LFA didn't allow for an automobile in 1984; also, the LFA denied some smaller pieces of equipment. In 1985, the differences were similar in nature. Mr. Olson said the OBPP allowed for landscaping, irrigation installation, and a new car in 1984. In 1985, costs were for two lawnmowers and a snow-thrower.

Mr. Deming spoke up on the need to buy a new car. At present they have a car which is being leased from the State

Motor Pool. The request is to purchase a car in lieu of this. \$600 per month is the cost of the lease from the Motor Pool. (This includes a mileage fee.)

Rep. Peck moved the Governor's budget for 1984 and 1985. Motion carried with Reps. Donaldson and Bengtson opposed.

Sen. Haffey pointed out that operating expenses for the lease costs needed to be taken from the budget.

Mr. Deming requested that the Committee consider the School's utility budget on a line item basis. Rep. Donaldson so moved it.

Program 03 - Student Services. Personal Services. Ms. Joehler explained that the agency in 1983-4 upgraded a position from grade 8 step 6 to grade 14 step 11. OBPP reflects the upgrade. Mr. Deming explained that this was a coordinator position. Mr. Gamradt said that the upgrade reflected the placement on the teacher salary schedule. In the past for exempt staff there had been no grades and steps, but the Legislature then put the School's salary matrix in the computer system and assigned it grade and step: the School did not place this person. Mr. Gamradt said that approximately \$19,439 had been budgeted for this position in 1983. Sen. Jacobson and others expressed reluctance to act on this portion of the budget. Action was deferred until later.

Operating Expenses. \$2,461 allows for some one-time expenditures that had been incurred as a result of moving into the new dorms and was allowed by the LFA but not OBPP.

Sen. Haffey moved the LFA budget for both years; motion carried unanimously.

Federal revenue discrepancies were explained. Ms. Joehler said that the federal revenue that was related to this program was school food money. After talking with Mr. Brisbin Skiles from OPI, Ms. Joehler said she felt that \$30,000 was a reasonable amount. Overall the funds are expected to increase. Sen. Haffey moved the LFA budget for both years; motion carried unanimously.

Program 04 - Education. Personal Services. Ms. Joehler said that she removed 1.46 FTE from the Title VI-C federal

program, from which funding is not expected to continue. A .4 teacher associated with the Title I Program was also removed because she felt the agency had increased their FTE when they changed their method of counting FTE. Mr. Deming said that the most recent information was that Title VI-C funding would now be available for FY 1984, at current level. Action was postponed on this portion of the budget until it could be recalculated what the level would be with 1.46 FTE added back in.

Operating Expenses. Mr. Olson said the difference between the LFA and OBPP was related to the agency's request for textbooks on a replacement schedule.

The Chairman suggested that action be postponed on this portion of the budget until it could be further refined.

Sen. Jacobson brought up the subject of moving Audiological Services from the Office of Public Instruction over to the School for the Deaf and Blind. Mr. Deming explained that OPI had contacted the School about approaching the Board of Public Education to accept the appropriation for Audiological Services, and operating it through the School. There would be no additional FTE involved. The Board felt that since the School was moving towards a Statewide comprehensive services school in philosophy, this would fit with the School. Sen. Jacobson said that one of the providers had told her they were in support of this idea.

Chairman Bengtson announced that the rest of the budget for the School for Deaf and Blind would be taken up on Wednesday, January 19. The meeting was adjourned at 11:30 a.m.


Rep. Esther G. Bengtson - Chairman

EXHIBIT "A" Educ. Subcomm.
1/17/83

Fire Services Training School

Regional Transfer + Addition - LFA Issue 4

F184

LFA	LFA	OBPP
Option A	Option B	

FTE	0.0	0	0
Personal Svc	-0-	-0-	-0-
OpEXP:			
Supp + Mat	2500	2500	
Communi.	1200	1200	
Rent	2800	2800	
Other	<u>2000</u>	<u>2000</u>	
Total OE	8500	8500	-0-
EQ	<u>9000</u>	<u>9000</u>	<u>-0-</u>
Total Program	\$ 17,500	\$ 17,500	-0-

F185

FTE	1.0	0.0	0.0
P.S.	\$ 24,073	-0-	-0-
OE:			
Supp + Mat	4945	2500	
Communi	2534	1300	
Rent	<u>5955</u>	<u>3000</u>	
Total OE	13,434	6800	-0-
EQ	<u>10,000</u>	<u>-0-</u>	<u>-0-</u>
Total Program	\$ 47,507	\$ 6800	-0-