

MINUTES OF THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION
January 25, 1983

The House Appropriations Subcommittee on Education met at 8:00 a.m. on Tuesday, January 25, 1983 in Room 104 of the State Capitol. All members were present. The budget for the Vocational Technical Centers was worked on.

Pam Joehler (LFA) distributed two documents: (1) OBPP, LFA, OPI Revenue Comparisons - Montana Post-Secondary Vocational Technical Centers, 1985 Biennium"; (Exhibit "A."), and (2) "OBPP, LFA, OPI Expenditure Comparison - Montana Post-Secondary Vocational Technical Centers, 1985 Biennium"; (Exhibit "B.").

Ms. Joehler explained that the revenue sheet identified the individual sources of revenue by Center. She added that the OPI had based their tuition figures on \$165 per quarter while the LFA used the sum of \$150. The numbers in parentheses under the tuition portion of the LFA estimates are what the amounts would be based on the rate of \$165 per quarter.

Questions were asked. Rep. Ernst wanted to know why Butte was not to receive any coal tax money if it came in. Mr. Gene Christiaansen, Assistant Superintendent, Department of Vocational Education Services, Office of Public Instruction, replied that those funds were to be used for new programs or equipment purchases; the Butte Center therefore doesn't qualify.

In response to Chairman Bengtson, Ms. Joehler stated that the OPI budget was the most accurate as far as federal funds estimates; it was based on the continuing resolution passed by Congress in late December.

Ms. Joehler explained to Sen. Hammond that the tuition figures varied because (1) the OPI based them on the \$165 per quarter and (2) the OPI estimated a slightly higher enrollment. OBPP estimated no enrollment increase. The LFA estimates for enrollment were:

	FY 1984	FY 1985
Billings	506	521
Butte	333	343
Great Falls	487	502
Helena	694	716
Missoula	600	618

The OPI estimates were: (adjusted)

	FY 1984	FY 1985
Billings	546	569
Butte	333	350
Great Falls	505	525
Helena	695	713
Missoula	562	596

The OPI estimates had been based on a 750 hour conversion while the LFA had used a 1000 hour conversion.

Rep. Donaldson wanted to know what caused the \$16,000 tuition difference in 1984 for the Butte Vo-Tech: both the OPI and LFA estimate an enrollment of 333. Mr. Christiaansen stated that the OPI budget does not reflect a direct relationship between tuition and FTE, because of the mix in the hours in the programs. Ms. Joehler stated that this was one of the reasons why the Finance Committee chose to go to 1,000 hours: 1,000 hours represents a "body" more than 750 hours does. Mr. Christiaansen said that one FTE paying \$150 for three quarters didn't amount to \$450; it actually translated down to \$369. Because of the varying lengths of the programs and the differences between the Centers, there is not a direct relationship. He submitted that they were not getting sufficient tuition in terms of the FTE for the dollars. Ms. Joehler said that she did a direct multiplication. She submitted that because the 1,000 hour conversion is more representative of a student, the FTE can be multiplied times the tuition.

Rep. Donaldson reiterated that he didn't understand how the Butte Vo-Tech's projected tuition revenue could be higher in the OPI estimate, when, all variables taken into consideration, it should actually be lower. He said that he would like to have some discussion as to why there is so much difference in the projections for enrollment. Chairman Bengtson said that the formula needed to be retained as regarded the way tuition was calculated, rather than the approach the OPI had used. Rep. Donaldson commented that for a difference in projected enrollment of only 83 students, the OPI's revenue estimate was \$290,000 higher.

The discussion was then moved to the subject of expenditures. Ms. Joehler referred the Committee members to Exhibit "B." She explained that the OBPP had developed their figures comparable to the way they did it for other State agencies: personal services use 1983 salaries; operating expenses are adjusted from 1982

base year figures for inflation; and equipment is based on the FY 1983 budgeted amount, since the OBPP wasn't privy to the detail at the time the budget was developed. The LFA used the formula that was developed through working with the Finance Committee. Personal Services: no pay plan is considered with the LFA or the Governor's office estimates. Personal Services in the LFA budget is based on that portion of the unit (or per-student FTE) cost that is related to personal services. Plant o and m expenses were considered individually from center to center. The staff changes that affect each center are identified in Column 11; the net change is a decrease for the system of 3.6 FTE. The operating expenses are the other portion of the unit cost that was developed. With respect to equipment, she emphasized that the unit cost of \$1,000 was an arbitrary number on her part, because no decision had been made regarding this in the Finance Committee. She welcomed the Committee members to address this matter if they felt the amount was either too high or too low.

The OPI came up with personal services figures by assuming a faculty-student ratio of 1:18 for instructional services; this is based on the 750-hour conversion factor. How many instructional staff were needed at the centers was thus derived. What could be called the modifieds to the current level are contained in Column 18. These are additions to what is not in place now.

Questions were then asked. Rep. Peck wanted to know how the OPI had arrived at the estimated cost of the staff changes, and if they had been broken out individually. Ms. Joehler stated that the budget document which the OPI had distributed at the hearing summarized the annual cost for each center with the additional staff included. She pointed out that most of the staff would come on line in 1984, but some of them would come on in 1985. The cost isn't broken down for each additional staff position, only by center.

Rep. Peck wanted a dollar amount estimate of what the 3.6 FTE decrease submitted by the LFA would be. Ms. Joehler replied that it would be about a \$45,000 decrease. This decrease is reflected in the LFA bottom line.

Rep. Bengtson wanted to know what total personal services the OPI would be if the 1,000 conversion factor had been used instead of the 750-hour factor. Ms. Joehler explained that they had estimated the number of faculty and multiplied that times the personal services at each Center; they didn't come up with an average cost like the LFA formula did. The ratio would be 1:13.5 if the 1,000 conversion formula had been used. The same number of

faculty would still result. The personal services total wasn't based on what was spent, it was based on what they expected to spend.

Rep. Donaldson wanted to know what the 8% pay plan would amount to if it were pulled out of the OPI budget. Mr. Olson said that if only the personal services total for the biennium was considered and was then multiplied by 8% and that amount was deducted, the figure would be \$13,044,410. He was not sure how the additional 16.5 FTE were addressed. He didn't include them.

Rep. Bengtson stated that the LFA budget was based on the 1982 budget; projected figures didn't reflect any enrollment increases, and took into consideration the caps that were in place. Ms. Joehler said that she had also worked up a budget based on the amounts appropriated in 1983. The 1983 appropriated level was the estimate at the time of what the instruction cost would be per student. The student enrollments weren't expected to increase during the 1983 biennium. They did and this is why the 1982 costs per student were so much lower than what was appropriated. The costs that were appropriated for 1982 and 1983 were based on 1980 costs. That happened to be the low point of student enrollment. Therefore, the cost per student came out higher. Ms. Joehler then distributed a sheet comparing the FY 1982 actual base vs. the FY 1983 appropriated base; see Exhibit "C."

In response to questions from Rep. Donaldson, Ms. Joehler stated that she hadn't come up with any new figures for the operation of the Butte Vo-Tech physical plant which would accommodate the opening of the new center. She recognized that an adjustment needed to be made for 1985, however. Mr. Olson said that the OBPP had not made any adjustment, either. Mr. Christiaansen said that in essence, the OPI did not address the issue, either. They did allow 1.5 additional custodial staff, however. He added that in terms of operations, the costs were as yet unknown. Mr. Olson added that indirectly the OBPP had addressed the issue to the modification proposal put forth by the Butte Vo-Tech. However, no modifications were considered by OBPP because an amount was set aside for elected officials to cover those determinations by the Legislature.

Rep. Donaldson moved that the Committee use the 1,000 hour conversion formula. Motion carried unanimously.

Chairman Bengtson wanted to know which year in the biennium would

be the most accurate one to drive off of. Rep. Donaldson expressed concern about using the 1983 budget amount, since generally it wasn't used as the base. This could cause a real problem down the road. He suggested that the two budgets were not that far apart, if the OPI budget had the 8% and the additional staffing taken out. Rep. Ernst said he would like to run off the 1982 LFA and if there were any figures which should be treated like modifieds, then they could be brought in as such.

Sen. Jacobson wanted to know what positions were being denied in the LFA budget under Column 11. Ms. Joehler said they were primarily clerical positions. The janitors and custodians were considered separately under plant o and m.

Dennis Lerum, Missoula Vo-Tech Center, stated that they required more support staff than the other centers, because they were a "stand-alone" operation. If they were to lose six or seven staff as the LFA proposes, those responsibilities would have to be put back with the District. Ms. Joehler stated that the LFA recommendations had been based on staffing patterns that were in place at the time the budget was developed. Since then there have been some slight modifications made by OPI. The formula addresses past inequities in regards to what appeared to be under- or over-staffing at the various centers in the support area.

In response to Sen. Jacobson, Mr. Freeborn, Butte Vo-Tech, stated that the school district would probably have to be asked to pick up all but the .98 engineers. Possibly one counselor position could be cut.

Rep. Bengtson wanted to know, if staff wasn't decreased, would the Vo-Techs still be coming in and asking for additional modifications. Mr. Christiaansen said that if the FTE were divided by 18, the Centers are currently understaffed. The original center request included an approximate addition of 47.4 staff members. OPI reduced this figure to 16.55. This will create some problems. If FTE requirements are not met in terms of instructors, in essence the FTE growth is being limited at those centers.

Rep. Peck wanted to know if Mr. Christiaansen's FTE ratios were instructional only or if they included other staff. He replied that the recommendation of the OPI budget specified the procedure for a staffing pattern. It has a fixed element which includes center directors and other staff: that is 9.8 in the staffing pattern. There is a variable portion of the staffing pattern based on the size of the centers. This includes the counselors, who are tied to the teachers' contract. Ms. Joehler pointed out that the concept of using a student/faculty ratio had been rejected by the Legislative Finance Committee.

Rep. Donaldson commented that the staffing pattern was to have been based on OPI recommendations, yet the OPI and LFA recommendations in the budgets don't agree, and he expressed confusion as to why this was so. Ms. Joehler said that the staffing pattern recommended by OPI at the time the LFA budget was developed was different from what they were now recommending. The Chairman said that the additional support people could be addressed as modifieds.

Rep. Donaldson moved that the LFA staffing patterns for 1984 and 1985 be adopted, assuming that if there were modifications that were justified they would be addressed at a later point. The motion was to adopt the LFA personal services, and the staffing pattern included therein. Discussion. Sen. Haffey wanted to know what arithmetic approach was used in calculating the State's contribution towards instructor salaries. Ms. Joehler explained that the 1982 participation was based on the personal services appropriation from the previous biennium. She used the cost component that included personal services and operations and took the system average of percentage of personal services to the total unit cost and did the same with operations to come up with the base. This portion of personal services was then inflated 12%, to get to the 1983 level, which becomes the State's portion.

Sen. Haffey had Ms. Joehler to through the process with the Committee of how personal services for the individual centers were calculated. He then asked Mr. Christiaansen what kind of approach he used. He replied that he used the FY 1983 salary base multiplied by 1.08 for existing staff, adding in the additional staff members at what they would be estimated to be hired at. This would generate the 1984 amount. This figure would be multiplied by 1.08 for 1985 figures. This approach takes into consideration that some of the centers are high-cost centers.

Sen. Haffey stated that by using the LFA current level figures, which follow the formula, the extent to which costs of each center needed to be reflected could be addressed as a "Committee-forced modification request." Chairman Bengtson added that these differences could also be addressed in the form of caps. She added that the system approach was being adopted because of inequities in the past.

Rep. Ernst asked whether it wasn't local support that was supposed to take up any differences in union negotiations and levels of the different centers. Chairman Bengtson said that they did, and this was a problem too.

The question was then called for on the motion to accept the LFA's \$12,438,030 appropriation for personal services for the biennium; motion carried unanimously.

Operating expenses were then considered. Sen. Haffey moved that the LFA current level operating expenses be adopted. Motion carried unanimously.

Equipment was considered. The equipment list contained in the OPI budget document submitted to the Committee January 25th was fairly complete, according to Ms. Joehler.

Rep. Donaldson moved that the Committee adopt the LFA figures which covered the FTE-driven portion of equipment. Any other equipment would be approached as 0-based. Ms. Joehler referred the Committee to p. 591 of the LFA Narrative. For the system, the figures for Rep. Donaldson's motion would be: \$33 per student FTE, or \$86,460 in 1984 and \$89,100 in 1985. The question was called for; motion carried unanimously.

Rep. Donaldson explained that the Committee had now taken care of the low-cost items that would have to be replaced. The remainder of the equipment could be addressed however the Committee desired.

The modifieds were then addressed. Mr. Olson distributed his list of requests, dated Sept. 1, 1982; see Exhibit "D." He pointed out that since then, there had been considerable changes made by OPI in the Vo-Techs' requests. He submitted that Column 18 of the LFA comparison sheet; Exhibit "B" should be looked at as what the personal services modifications were to be. Chairman Bengtson commented that the 16.55 figure would now be different, in light of the Committee's acceptance of the LFA personal services figures, which called for a 3.6 FTE reduction: the figure to be considered would be more like 20.15.

Rep. Donaldson submitted that a decision had to be reached regarding whether or not to change the support level. Also, the weighted formula needed to be considered. Philosophy needed to be discussed in these two areas. He added that the additional instructional staff changes proposed by OPI might reflect the weighting the Committee had been talking about. The LFA figures were calculated based on a flat fee. Ms. Joehler added that there were no changes made in the instructional staff by the LFA; the change was in the allocation of instructional dollars by center, based on program weight. Rep. Donaldson wanted to know if the weighting didn't reflect instructional levels. She said that it did, but the formula didn't change the levels of the staff, with either option. Instruction staffing patterns influence the cost.

Sen. Hammond expressed concern regarding the disparity from center to center in the way operations were carried on: some of the centers take care of their own budgets and others use the local districts' central business office. Rep. Donaldson stated that this had to do with the age-old problem of governance. This issue cannot be avoided when budgeting. There is a great deal of difference in the type of service that the school districts provide to the Vo-Techs. Rep. Bengtson said that if the staffing patterns were tightened up, possibly some of the responsibility could be shifted back to the school districts, at the support level. Whether they would be able to assume it is another matter.

Mr. Alex Capdevelle, Helena Vo-Tech, commented that when the Vo-Techs had been put on SBAS, a dual accounting system had been created for the districts. Rep. Bengtson said that the Interim Committee found, when it went to the centers, that the State was getting good administrative support and services from the local school districts. She submitted that most of the school districts, if it weren't for the growth of the salary differential that they have to pick up with voted levies, would not mind at all being involved with the Vo-Techs.

Discussion took place regarding modified budget requests. Ms. Joehler said the LFA's only issue was whether or not to add staff. Sen. Haffey submitted that the Committee thus far had been unable to discern what the support was, and therefore the merit or lack of merit as regarded changes. Discussion took place regarding what the actual positions were that were being addressed in the proposed staff changes.

Rep. Donaldson asked Mr. Christiaansen why he wanted to update the staff changes proposed by the LFA. Mr. Christiaansen replied that the question was whether or not all of the staffing recommendations indeed were accepted. Ms. Joehler said that when OPI's original staff guidelines were examined in developing the budget she did not include a receptionist position because only one of the centers listed such a position. She did not add a data processing programmer/operator position for the same reason. Mr. Christiaansen stated that these positions did exist at all the centers, they were just listed differently.

Dennis Lerum, Missoula Vo-Tech, explained that the adjustments reflected in Column 18 of Exhibit "B" came from the centers themselves. Mr. Christiaansen went to the centers to see in fact who did or did not have receptionists, etc., as identified on the original OPI proposal. This original proposal has gone through two revisions. When he had stated that the staffing pattern was found acceptable in his testimony at the hearing, he was referring to the final proposal.

The Committee took a five-minute recess.

The meeting was called back to order. The Chairman requested from the LFA an equipment list for the Committee to examine on Friday, January 29.

The problem with enrollment projections was brought up. Mr. Christiaansen said that the Butte Vo-Tech enrollment wouldn't be going up as much as might be expected if the staffing was not adequate to take on more students. Rep. Donaldson submitted that OPI, the LFA, the OBPP and the five centers needed to work together to come up with a realistic enrollment projection; this was not the responsibility of the Committee. Chairman Bengtson pointed out that additional staff was needed to generate higher enrollments; the problem was like the "chicken and the egg." She submitted that the question of staffing needed to be addressed.

Sen. Jacobson stated that what would be happening in Butte when the new center opened needed to be realistically looked at. Mr. Christiaansen said that with the money that was available for the new center, it was hard to say how many of the local residents would be part of the continuing enrollment.

Mr. H. J. Freeborn, Butte Vo-Tech, said that the present staff could handle another 75-100 bodies in the new center. Discussion took place regarding whether or not the new center would generate more enrollment.

The Chairman announced that decisions regarding the modifieds, as presented by OPI and also by the Butte Vo-Tech, would be postponed until Fri., January 28. Sen. Haffey said he would like to see before the Committee a list of all modification requests and he also wanted the current level personal services dollar figures that would have resulted from driving off the 1982 actual center-by-center costs. This would help the Committee become better aware of what dollar problems might exist center-by-center as a result of using the system-wide approach. He submitted that the variations in salaries of instructors and variations in student/faculty ratios from center-to-center caused part of the differences between center-by-center approach and system-wide approach. Mr. Christiaansen said he would like to see the production that was actually achieved in the centers be used in the estimates.

The meeting was adjourned at 10:30 a.m.


Rep. Esther G. Bengtson - Chairman

VISITORS' REGISTER

HOUSE Education SUB-COMMITTEE

BILL

Date 1/25/83

SPONSOR _____

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

OBPP, LFA, OPI Revenue Comparisons
Montana Postsecondary Vocational Technical Centers
1985 Biennium

	OBPP		
	FY84	FY85	
<u>General Fund</u>			
Billing	650110	667687	
Butte	827350	825586	
Gt Falls	811672	820411	
Helena	1361548	1388831	
Missoula	1403812	1433721	
System	5054492	5136236	* 10,190,728
<u>Hellage</u>			
Billing			
Butte			
Gt Falls			
Helena			
Missoula			
System			* 1,644,930
<u>Tuition</u>			
Billing			
Butte			
Gt Falls			
Helena			
Missoula			
System			* 2,348,156
<u>Federal Funds</u>			
Billing	150987	150987	
Butte	118806	118806	
Gt Falls	142457	142457	
Helena	218284	218284	
Missoula	213632	213632	
System	844166	844166	* 1,688,132
<u>Coal Tax</u>			
Billing	-0-	-0-	
Butte	-0-	-0-	
Gt Falls	-0-	-0-	
Helena	-0-	-0-	
Missoula	-0-	-0-	
System	-0-	-0-	-0-
<u>Total Revenue</u>			
Billing	1366990	1384567	
Butte	1179875	1178111	
Gt Falls	1298760	1307499	
Helena	1949093	1976376	
Missoula	2100483	2130392	
System	7895201	7976945	* 15,872,146

5		6		7		8		9		10		11	
FY84		FY85				FY84		FY85					
871,873	912,531					917,257	981,269						
59,874	608,622					744,912	889,788						
94,871	967,946					831,576	972,902						
141,235	1,458,638					1,485,491	1,561,615						
121,708	1,262,369					1,475,596	1,564,745						
504,880	5,210,106					5,454,832	5,970,319						
31,815	329,003					31,366	31,638						
8,267	854,911					81,538	82,417						
154,595	1,598,671					1,524,791	1,538,771						
9,530	9,855					9,399	9,496						
21,705	224,461					21,403	21,594						
86,778	89,737					85,570	86,358						
22,770	234,450	(250,470)	(257,895)			29,554	308,128						
14,985	1,543,500	(1,648,335)	(1,697,835)			1,802,331	1,891,641						
21,915	225,900	(241,065)	(248,490)			273,248	384,211*						
31,230	322,200	(343,530)	(354,420)			375,871	386,024						
27,000	278,100	(297,000)	(305,910)			30,972	322,313						
117,900	1,215,000					1,434,629	1,489,840						
13,609	13,609					1,561,781	1,561,781						
22,409	22,409					251,900	251,900						
20,976	20,976					226,711	226,711						
25,376	25,376					261,977	261,977						
19,953	19,953					231,766	231,766						
102,324	102,324					112,853	112,853						
-0-	-0-					38,194	48,989						
-0-	-0-					-0-	-0-						
-0-	-0-					10,291	7,068						
-0-	-0-					38,195	120,339						
-0-	-0-					38,195	99,988						
-0-	-0-					21,750	34,000						
15,381	1,612,076					172,084	1,810,946						
10,540	1,072,554					125,583	1,413,269						
15,322	1,563,474					158,693	1,708,385						
20,737	2,133,154					225,530	2,424,920						
19,036	1,964,463					226,931	2,434,752						
81,188	8,345,725					909,199	979,227						

Tuition @ 165/quarter

* NOTE: Revenue estimates for FY85 in FY85 do not sum to total shown - \$5 tuition should probably be \$284,211

OBPP

FY84

FY85

Ex. "B"

p. 3

Personal Services

Billings

1013451

1014980

Butte

968706

970083

Gt Falls

933821

995233

Helena

1437510

1439697

Missoula

1574593

1576850

System

5928081

5996843

Biennium

\$11,924,924

- FY83 salaries

- pay plan not considered

- no change in staff

Operating Expenses

Billings

340055

356103

Butte

189019

185878

Gt Falls

255039

262366

Helena

446733

471829

Missoula

475175

502827

System

1706021

1779003

Biennium

\$3,485,024

- FY 82 base year plus 6% inflation

Equipment

Billings

13484

13484

Butte

22150

22150

Gt Falls

49900

49900

Helena

64850

64850

Missoula

50715

50715

System

201099

201099

Biennium

\$402,198

- FY 83 Budgeted

Total Expenditures

Billings

1366990

1384567

Butte

1179875

1178111

Gt Falls

1298760

1307499

Helena

1949093

1976376

Missoula

2100483

2130392

System

1895201

1976945

Biennium

\$15,872,146

5	6	7	8	9	10	11
LFA						Staff Changes
FY84	FY85					
		- based on systems average cost in base year (except Plant O+m) - pay plan not considered - staffing pattern in support area only - system wide net staff decrease				
1176344	1200261					9.37 support
845554	861501					(1.98) support
1174888	1198819					1.07 support
1535138	1570252					(37) support
1423284	1451989					(6.69) support
6155208	6282822					(3.6)
\$12,438,030						
		- system average cost in base year (except Plant O+m) with inflation adjustments - Plant O+m costs considered individually for each center				
348182	369035					
198864	199734					
307263	320993					
468308	504274					
429538	461780					
1752155	1855816					
\$3,607,971						
		- Provision for a portion of equipment to be student PFE driven - Equipment with unit cost \$1000 and up is zero-based				
29293	42780					
10989	11319					
50071	43666					
70270	58628					
50850	50694					
211473	207087					
\$418,560						
1553819	1612076					
1055407	1072554					
1532222	1563478					
2073716	2133154					
1903672	1964463					
8118836	8345725					
\$16,464,561						

12	13	14	15	16	17	18
OP1						Staff
F184	F185					Changes
		- Formula (NOT the same as LFA's)				
1257644	1358254	- 8% pay plan per year assumed				7.8 instruction + Support
1070583	1201738	- all centers brought to staffing pattern				1.5 support
1166762	1260103	- instructional staff needs determined by				5.0 support
1611278	1771069	student/faculty ratio of 1:18				3.3 instruction
1673690	1807585					(1.05) support
6779951	7398749					16.55
\$ 14,178,706		Estimated biennium cost:				\$ 691,000
364790	401223	- line item analysis at each				
188000	211531	center with center staff				
347136	373914	- NOTE - future new facilities unknown				
572985	520843					
492204	521864					
1905115	2029375					
\$ 3,934,490						
98406	51469	- \$107/FTE based upon projected FTE (7204)				
-0-	-0-	for the biennium				
73032	74368					
131267	133008	- Coal tax to support new programs and				
103422	105303	partial equipment purchases				
406127	364148					
\$ 770,275						
1720840	1810946					
1258583	1413269					
1586930	1708385					
2255530	2424920					
2269316	2434752					
9091199	9292272					
\$ 19,883,471						

Current Level Options
F4Q2 Actual Base US F4Q3 Appropriated Base
Developmental '85 Premium Costs

Revised income estimate for
Federal Income Tax (2015)

244C 134000
1/25/83
EXHIBIT D

MEMORANDUM

TO: Dave Lewis, Budget Director
FROM: Francis Olson
RE: Agency Budget Modifications Requests
for 1985 Biennium
DATE: September 1, 1982

Agency 3501 Office of Public Instruction
Program 09 Distribution To Schools

1. Additional Support for Vocational Education (Secondary)

	<u>FY'84</u>	<u>FY'85</u>
COST:	\$ 750,000	\$ 750,000

Purpose: Implementation of the State plan excess cost funding formula at the secondary level.

Additional general fund support in the amount of $\frac{1}{2}$ \$ million dollars for the biennium is requested for distribution to secondary schools for excess costs for vocational education. Due to expected rise in enrollment to 29,730 in FY'84 and 30,207 in FY'85 less funding per student will be available thereby providing less incentive for districts to support their programs. Increase support would maintain the relationship of general fund to local support or established in 1980.

2. State Support For Impact Aid P.L. 874

	<u>FY'84</u>	<u>FY'85</u>
COST:	\$10,500,000	\$10,500,000

Purpose:

General fund support is requested to supplant the loss of P.L. 874 monies which are used as payments in lieu of taxes to support district school budgets.

Latest figures available indicate that P.L. 874 monies would be approximately \$10.5 million less in fiscal year 1984 and at least as much in 1985.

Twenty eight school districts on Indian reservations would not have a tax base with which to pick up this loss of funding. Modification in the foundation program currently under study by the joint committee on education may lessen the impact.

3. Additional Funding For Vocational Technical Schools.

Agency 3512 Butte Vocational Technical Center

A) Personal Services

	<u>FY'84</u>	<u>FY'85</u>
F.T.E.	3	6
COST:	\$80,000	\$136,494

Purpose: The increase in F.T.E. are for the following position and purpose.

2 FTE Instructional Personnel.
Currently, two instructional positions in Mathematics and Communications are being funded with vocational education funds under a special needs project. This funding has been available for the past four years but due to a change in federal regulations, it will be necessary to restrict the use of these funds to only disadvantaged or handicapped students. This would leave out other students currently being served by this funded project, which would then violate the Administrative Rules of Montana for Vocational Education which state that instruction shall be available for persons needing basic skills.
Estimated cost: \$50,000.

1 FTE Placement Specialist.
This position was cut in FY '77 by the Board of Education as part of a reduction of expenditures and the duties were shifted to a financial aids officer. However, due to increased enrollments, this person can no longer cover these duties.
Position cost: \$30,000.

(FY '85 requests only.)

1 FTE Plant Engineer--2 FTE Custodial.
The new facility will require an additional FTE in addition to the current FTE. The old building was 27,000 square feet with the vo-tech paying 45% of the cost; the new building is 97,000 square feet and will have to be covered 100% by the vo-tech center.
Estimated cost: \$56,494.

B) Equipment

	<u>General Fund</u>		<u>Other</u>	
	<u>FY'84</u>	<u>FY'85</u>	<u>FY'84</u>	<u>FY'85</u>
COST:		\$30,750		\$30,750

Purpose:

Additional general funds of \$30,750 and other funds of \$30,750 is requested for FY'85 to place additional equipment in the new Vo-Tech facility.

C) Summer Program

	<u>FY'84</u>	<u>FY'85</u>
COST:	\$50,000	\$50,000

Purpose:

General fund in the amount of \$50,000 per year is request to operate a full summer program.

Six summer programs were initiated in FY'83.

Summary of Modified Costs for Butte Vo-Tech Center

	<u>General Fund</u>		<u>Other</u>	
	<u>FY'84</u>	<u>FY'85</u>	<u>FY'84</u>	<u>FY'85</u>
Costs:				
F.T.E.	80,000	136,494		
Equipment		30,750		30,750
Summer Program	<u>50,000</u>	<u>50,000</u>		
TOTALS:	130,000	217,244		<u>30,750</u>
Biennium Totals:	<u>\$347,244</u>		<u>\$30,750</u>	

Agency 3511 Billings Vo-Tech Center

A) Personal Services

	<u>FY'84</u>	<u>FY'85</u>
F.T.E.	<u>7.5</u>	<u>7.5</u>
COST:	\$151,015	\$151,015

Purpose:

The increase in F.T.E. are for the following position and purpose.

- 1 FTE Multi-Media Position.
This position is for a printer and his services which are needed to maintain the instructional support services at the vo-tech. The local school district has previously furnished this service but indicated the service will be discontinued. Position cost: \$12,600.
- 1 FTE Professional Student Counselor.
This position would be in addition to the position currently at the vo-tech center. With 702 full time students at the facility, it has been necessary to use a counselor from the local district. This service will be discontinued. Position cost: \$31,700.
- 1 FTE Clerical.
The center is currently understaffed with four clerical staff to serve the entire administrative and clerical staff. Position cost: \$14,100.
- 1.5 FTE Custodian.
The center currently has 2½ custodians available to service 120,500 square feet, plus the grounds. In addition, these custodians are responsible for maintaining the water supply system and the sewage treatment plant. Position costs: \$18,050
- 3.0 FTE Instructional Staff.
Three additional staff are being requested. One diesel mechanic was terminated in FY'82 due to budget cuts and funding is being requested to replace this position. One additional secretarial instructor and one drafting instructor positions are also being requested for expanded programs. Position costs: \$74,565.

B) Equipment

	<u>General Fund</u>		<u>Others</u>	
	<u>FY'84</u>	<u>FY'85</u>	<u>FY'84</u>	<u>FY'85</u>
COSTS:	50,000	50,000	50,000	25,000

Purpose:

General fund in the amount of \$100,000 and \$75,000 in other funds is requested for the biennium for purchase of additional equipment.

C) Summer Programs

	<u>FY'84</u>	<u>FY'85</u>
COST:	\$61,783	\$61,783

Purpose:

General fund in the amount of \$61,783 for the biennium is requested to continue support of summer programs. These programs have been supported by a supplemental appropriation due to federal fund reductions in the C.E.T.A. program in FY'82. General fund support is expected to continue funding those programs.

Summary of Modified Costs for Billings Vo-Tech Center

	<u>General Fund</u>		<u>Other</u>	
	<u>FY'84</u>	<u>FY'85</u>	<u>FY'84</u>	<u>FY'85</u>
Costs:				
F.T.E.	\$151,015	\$151,015		
Equipment:	50,000	50,000	50,000	25,000
Summer Programs:	61,783	61,783		
TOTALS:	\$262,798	\$262,798		
Biennium Totals:	<u>\$525,596</u>		<u>\$75,000</u>	

Agency 3315 Missoula Vocational Technical Center

A) Personal Services

	<u>FY'84</u>	<u>FY'85</u>
F.T.E.	<u>3</u>	<u>3</u>
COST:	\$74,299	\$74,299

Purpose:

The increase in F.T.E. are for the following positions and purpose:

- 1 FTE Clerical.
This position would serve in the business office as the responsible person for all SBAS documents as well as the PAMs inventory system coordinator as recommended in the last audit.
Position cost: \$20,600.
- 2 FTE Instructional Staff.
This request is for one FTE for an additional Respiratory Therapy instructor, .5 FTE for a half-time business and data processing instructor. All positions are being requested because of increased enrollments and/or requirements for medical certification.
Position costs: \$53,699.

B) Equipment

	<u>General Fund</u>		<u>Other Fund</u>	
	<u>FY'84</u>	<u>FY'85</u>	<u>FY'84</u>	<u>FY'85</u>
COSTS:	\$52,000	\$52,000	\$52,000	\$52,000

Purpose:

General fund in the amount of \$57,000 and other funds in the amount of \$52,000 per year is request to provide additional equipment at Missoula Vo-Tech.

C) Revision of Electrical Switching System

	<u>FY'84</u>	<u>FY'85</u>
COST:	\$15,000	<u>-0-</u>

Purpose:

General fund in the amount of \$15,000 is requested for FY'84 to revise the electrical switching system to allow control of lighting in the classrooms. This project is recommended by this office of Public Instruction to create energy savings by cutting out the use of excess energy.

Summary of Modified Costs for Missoula Vocational Technical Center.

	<u>General Fund</u>		<u>Other Fund</u>	
	<u>FY'84</u>	<u>FY'85</u>	<u>FY'84</u>	<u>FY'85</u>
Costs:				
F.T.E.	\$ 74,299	74,299		
Equipment:	52,000	52,000	52,000	52,000
Electrical:	15,000			
TOTAL:	<u>\$141,299</u>	<u>\$126,299</u>	<u>\$ 52,000</u>	<u>\$ 52,000</u>
Biennium Total:	<u>\$267,598</u>		<u>\$104,000</u>	

Agency 3513 Great Falls Vo-Tech Center

A) Personal Services

	<u>FY'84</u>	<u>FY'85</u>
F.T.E.	<u>7</u>	<u>7</u>
Costs:	\$158,133	\$158,133

Purpose:

The increase in FTE are for the following positions and purpose.

- 1 FTE Business Manager.
This position has been cited as being needed by the 1982 audit recommendations and these finding are concurred with by the Office of Public Instruction. This position would be in charge of the administrative and financial matters of the center.
Position cost: \$30,000.
- 3 FTE Instructional Staff.
Three additional instructional staff are being requested in order to meet the accreditation standards in the programs for medical certification.
Position costs: \$60,000.
- 3 FTE New Program--Respiratory Therapy Technology.
This program was begun in FY'82 with Federal Vocational Education Act funds in the emerging and emergency occupations category. This funding was available during FY'82 and FY'83 but will not be available during the next biennium. This program has much community and health facilities support and is therefore deemed as a desirable program to be continued with general fund support. The request includes 3 FTE for staff at a cost of \$68,133.

B) Increase in Operational Costs.

	<u>FY'84</u>	<u>FY'85</u>
Cost:	\$10,000	\$10,000

Purpose:

General fund in the amount of \$10,000 is request per fiscal year to provide operating expenses for the addition of the new Respiratory Therapy Technology program. This program was begun in FY'82 with Federal Vocational Education Act funds in the emerging and emergency occupations category. Funding was available during FY'82 and FY'83 but will not be available during the next biennium.

C) Equipment Request

	<u>General Fund</u>		<u>Other Fund</u>	
	<u>FY'84</u>	<u>FY'85</u>	<u>FY'84</u>	<u>FY'85</u>
Cost:	\$46,000	\$46,000	\$46,000	\$46,000

General fund in the amount of \$46,000 per year is requested for equipment. Request is to be completed and forwarded.
 Summary of Modified Costs for Great Falls Vocational Technical Center

	<u>General Fund</u>		<u>Other Fund</u>	
	<u>FY'84</u>	<u>FY'85</u>	<u>FY'84</u>	<u>FY'85</u>
Costs:				
F.T.E.	\$158,133	158,133		
Operations	10,000	10,000		
Equipment	<u>46,000</u>	<u>46,000</u>	<u>\$46,000</u>	<u>\$46,000</u>
TOTALS:	\$214,133	\$214,133	\$46,000	\$46,000
Biennium Total:	<u>\$428,266</u>		<u>\$92,000</u>	

Agency 3514 Helena Vo-Tech Center

A) Personal Services

	<u>FY'84</u>	<u>FY'85</u>
F.T.E.	<u>2</u>	<u>2</u>
COSTS:	\$ 48,390	\$ 48,390

Purpose:

The increase in F.T.E. are for the following positions and purpose.

1.0 FTE Electronics Instructor -- This position is necessary to meet the requirements caused by a higher student demand for these programs as well as a need in their respective industry. Position cost: \$24,195.

1.0 FTE Business Department Instructor -- Due to a higher student enrollment in the business program, an additional instructor is requested. Position cost: \$24,195.

B) Equipment

	<u>General Fund</u>		<u>Other Funds</u>	
	<u>FY'84</u>	<u>FY'85</u>	<u>FY'84</u>	<u>FY'85</u>
COSTS:	\$64,000	\$64,000	\$64,000	\$64,000

Purpose:

General fund in the amount of \$64,000 per year and other funds of \$64,000 per year is requested to provide equipment for Helena Vo-Tech Center for the 1985 biennium.

C) Rental Space

	<u>FY'84</u>	<u>FY'85</u>
COSTS:	\$ 18,095	\$ 18,095

Purpose:

General fund in the amount of \$36,190 for the biennium is requested for the rental of additional space. Space is needed for a classroom for the electronics area. Presently, 80 students have to double shift into the lab areas because we do not have a classroom available. This is causing major problems not only in the labs, but also in the utilization of equipment.

Summary: Modified costs for Helena Vo-Tech

	<u>General Fund</u>		<u>Other Funds</u>	
	<u>FY'84</u>	<u>FY'85</u>	<u>FY'84</u>	<u>FY'85</u>
Costs:				
F.T.E.	\$ 48,390	\$ 48,390		
Equipment	64,000	64,000	64,000	64,000
Rental	18,095	18,095		
Totals:	<u>\$130,485</u>	<u>\$130,485</u>	<u>\$64,000</u>	<u>\$64,000</u>
Biennium Total:	<u>\$260,970</u>		<u>\$128,000</u>	

Total Vo-Tech Modifieds

	<u>General</u>	<u>Other</u>
3512 Butte	347,244	30,750
3511 Billings	525,596	75,000
3315 Missoula	267,598	104,000
3514 Great Falls	428,266	92,000
3514 Helena	260,970	128,000
TOTAL	<u>\$1,829,674</u>	<u>\$429,750</u>

3501 Office of Public Instruction

Total Cost of Modifieds - Beinnium

	<u>General</u>		<u>Other</u>	
	<u>FY'84</u>	<u>FY'85</u>	<u>FY'84</u>	<u>FY'85</u>
1. Sec Voc Ed.	\$ 750,000	\$ 750,000		
2. Impact Aid PL874	10,500,000	10,500,000		
3. Vo-Tech Schools	<u>878,715</u>	<u>950,959</u>	<u>212,000</u>	<u>217,750</u>
Totals:	<u>\$ 12,128,715</u>	<u>\$12,200,959</u>	<u>\$ 212,000</u>	<u>\$217,750</u>
Biennium Totals:	<u>\$12,329,674</u>		<u>\$429,750</u>	

F/G