

MINUTES OF THE MEETING
APPROPRIATIONS COMMITTEE
MONTANA STATE
HOUSE OF REPRESENTATIVES

March 11, 1985

The meeting of the Appropriations Committee was called to order by Chairman Bardanouve on March 11, 1985 at 8:05 a.m. in Room 104 of the State Capitol.

ROLL CALL: All members were present.

(Tape 14:A:000)

INSTITUTIONS AND CULTURAL EDUCATION SUBCOMMITTEE

Representative Waldron, Chairman, Institutions and Cultural Education Subcommittee, went over the subcommittee's proposed budget which is outlined on Exhibits 1 and 2.

DEPARTMENT OF INSTITUTIONS: Representative Waldron gave a brief overview of the Department and its duties.

Central Office: Representative Waldron (093) read the narrative from page 1 of Exhibit 1.

Director's Office: Representative Waldron (122) read the narrative from page 2 of Exhibit 1. He noted the Department experiences a number of lawsuits so the subcommittee approved a .5 FTE lawyer. Also, the Legislative Auditor's Office has found a number of problems so the subcommittee approved a 1 FTE management analyst to straighten out these problems. These positions were funded through a program transfer within the Central Office so the additional FTE were considered current level. Representative Waldron noted there are less people in the Central Office since Carroll South took over as Director of this department.

Management Services Division: Representative Waldron (164) read the narrative from page 3 of Exhibit 1. He said the last legislative session requested the Department to study data processing systems to allow the Department data processing capabilities. Statistical information for all of the institutions has been recorded by hand in the past and it requires a lot of manhours to research information. The data processing system approved by the subcommittee as a modified is cheaper than using the state's mainframe computer. Representative Waldron said we asked the Department to research this system and we should allow them to purchase the equipment.

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Alcohol and Drug Abuse Division: Representative Waldron (212) read the narrative from pages 4 and 5 of Exhibit 1. He explained a problem with funding for alcohol programs and programs funded with those funds. The last session's subcommittee included one-time carryover funds in the base. This money will be used up by the end of the biennium and, consequently, cannot be reappropriated. That means there will be a reduction in the level of services paid for by the state. Another problem with the funding is the liquor excise tax funding. With the recent trend for stricter DUI laws and more people seeking alcohol treatment has had a large impact on the amount of funds available for this program.

Representative Waldron noted that the subcommittee treated equipment and vacancy savings on a case-by-case basis. Most agencies had a 4% vacancy savings but the smaller agencies had a lower rate and Mountain View and Boulder River School and Hospital had a higher rate. Equipment is \$0 based and, Representative Waldron said, the subcommittee was very tight on equipment purchases. He noted that audit costs are line-itemed and any agency receiving federal funds has to have audits performed. The audits required by the federal government are generally paid for with federal funds.

Keith Wolcott, Senior Analyst, Legislative Fiscal Analyst's Office, noted the only general fund in this program is in support of the drug program and it supports 35% of that program. The table on page 5 of Exhibit 1 shows the breakdown in funding.

Representative Manuel (287) asked what the subcommittee did with the Youth Evaluation Program. This program was proposed to be deleted by the Executive Budget because it was believed this was a duplication in services. The Youth Evaluation Program (YEP) performs 45-day evaluations for delinquent youths. These evaluations are also performed at Mountain View and Pine Hills. Representative Waldron said that program is included in the budget as a modified. Representative Miller said that is a current program and should be included in the current level budget. This program will be discussed at the end of the budget proposal presentation.

Corrections Division: Representative Waldron (431) read the narrative from pages 6 and 7 of Exhibit 1. He noted all medical costs for the correctional institutions have been lumped into one budget appropriation. This will allow flexibility for medical expenses. Representative Waldron explained that, in the past, the institutions received a flat medical expense appropriation. He said that institution may not have any major medical expenses one year but may have to pay for open-heart surgery the next. With a pool of expenses, it's better and easier to budget.

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Representative Winslow (457) asked the Director if there are any people in correctional institutions who are eligible for Medicaid. Mr. South said he does not know how many may be eligible but he thinks there is one inmate at the Prison who could be eligible.

There was a good deal of discussion regarding the subcommittee's decision to include depreciation in the contracts for the pre-release centers. Representative Waldron said, if depreciation is not included in the contracts, we would have to appropriate money for the purchase of equipment which, after one year, becomes the property of the non-profit corporations administering the programs. If we did not include depreciation or equipment, the non-profit corporations would have to get loans to purchase equipment and this expense, including interest, would be passed on to the state.

Representative Donaldson (630) asked if all of the FTEs in the Central Office are located in Helena. Mr. Wolcott said most of these FTEs are probation and parole officers and they are located around the state. Representative Waldron noted these people do a lot of traveling and we did not give them much for equipment. He said there are more maximum and medium supervision people out on parole and they require more face-to-face meetings with the officers. Consequently, there is a real need for additional probation and parole officers. Representative Waldron asked the committee to consider this issue when taking executive action on this budget.

(Tape 14:B:000)

There was some discussion regarding the pre-release centers. The centers were set up to alleviate the overcrowding of the Prison. The centers also deinstitutionalize inmates so they can become productive members of society after serving their time. There was discussion on how well the communities are adapting to the centers and how well they are working.

Women's Corrections Center: Representative Waldron (150) read the narrative from page 8 of Exhibit 1. He said there had been a lot of opposition to placing the Center on the campus of the state mental hospital but, all in all, the location is a good one. He noted the women work on the campus as well as in the community. Also, Western Montana College offers classes at the center.

Representative Waldron said there has been an increase in hard-core criminals in this institution and the Center is experiencing a problem with boss cons and contraband. He asked that the committee consider the purchase of an EMIT system to deal with the contraband problem. The subcommittee included two correction officer positions for graveyard and

swing shifts. Representative Waldron stressed the need for these additional positions. Also, the subcommittee approved one out-of-state placement which is generally used for a maximum security inmate. Mr. South said there are currently two women at the Center who are suing the Department to be placed out of state.

Representative Menahan (230) said the inmates who already have high school diplomas or college degrees are not able to get additional good time for education like the women who are getting their GED or their first college degree. Mr. South said the state does not pay for the college classes but the inmates who are enrolled do get additional good time for attending classes.

The Billings Pre-release Center is state-operated. The inmates at that Center have to pay their room and board. Also, they have to hold jobs in the community and must open a savings account so they will have money when they are released.

Corrections Medical Budget: Representative Waldron (293) outlined this area of the budget which is found on page 9 of Exhibit 1. He noted this method of budgetting medical expenses does save some money.

Mental Health and Residential Services: Representative Waldron (300) read the narrative from pages 10 and 11 of Exhibit 1. He noted that salaries for the mental health centers are tied to the pay plan and, if there is no increase in the pay plan, there won't be any increases in this budget for salaries. The shortage in this area is primarily due to the use of carryover funds in the base last session.

Representative Waldron explained that the state only pays for specific services and it only pays for services to people who rate 6 or below on a functional assessment scale. The centers have to generate at least 18% of the cost for services. These centers also receive second party reimbursement and Medicaid, if applicable. Local funds are solicited for these centers and, because of the drop in funding this biennium, they will probably try harder to solicit local funding. Representative Winslow said he would rather see the drop in funding taken from administration of the program rather than passing the cost on to the patients.

Boulder River School and Hospital: Representative Waldron (557) read the narrative from pages 12 and 13 of Exhibit 1. A 6% vacancy savings rate was set for this institution because they have historically realized at least 6%. There was a modified to go from a ratio method of staffing to a posting method. Representative Waldron explained that ratios don't mean anything when you have a 24-hour facility. Chairman

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Bardanoue said this change might be necessary but we may not have the money this biennium to do it. There was some discussion regarding posting.

(Tape 15:A:000)

Representative Menahan said we aren't taking care of the patients in our state institutions like we should. Representative Waldron said we are balancing the budget on the backs of the institutions because they aren't filling these halls with lobbyists. He said these people don't have a voice in state government but, just because we don't hear their cries, it doesn't mean they don't need help.

Center for the Aged: Representative Waldron (036) read the narrative from page 14 of Exhibit 1. He noted the mission of this institution has changed somewhat and they are now trying to accept only geriatric patients who cannot, because of mental instability, live in nursing homes.

Eastmont Human Services Center: Representative Waldron (103) read the narrative from page 15 of Exhibit 1. This institution is also changing its mission and is providing a higher level of training than Boulder. This facility trains patients so they may move into community group homes or other community service centers. There are no longer children in this facility. The children have all moved to special education programs in the public school system. Representative Menahan said there are more medically fragile patients being moved to this facility and that requires more intense treatment.

Representative Miller was concerned because there are as many teachers at Boulder as there are trainers here. Representative Waldron said there is a thin line between teaching and training when dealing with the severely and profoundly retarded.

Mountain View School: Representative Waldron (247) read the narrative from page 16 of Exhibit 1. The average daily population (ADP) was raised for this institution because of a recent increase in population. A 5% vacancy savings was set for this institution because there are fewer girls there in the summer. If YEP is closed, 45-day evaluations for girls will be performed here at a cost of \$1,350.

Pine Hills School: Representative Waldron (334) read the narrative from page 17 of Exhibit 1. He noted this institution has changed radically from years ago and the present superintendent is running a very good program. The farm was losing money and was closed but vocational education is still provided. The alcohol funds are included for an alcohol counselor. Mr. South noted there has never been an alcohol counselor at the girls institution at Mountain View.

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Representative Menahan (446) said he was very worried about keeping 11 year olds in the same facility as 20 year olds. Representative Waldron said the boys are separated by age in the different cottages. Representative Bardanouve said that is a philosophical problem because the 11 year old may be worse than the 20 year old. Representative Waldron noted that murderers are generally the most well behaved inmates.

Representative Waldron said there is a new program at Pine Hills to deal with the increasing problem of sexual offenders.

Representative Waldron had to leave the meeting. Representative Menahan took over reviewing the budget.

Prison: Representative Menahan (550) read the narrative starting on page 18 of Exhibit 1. He said the ranch is finally in the black after losing money for so many years. Also, the new Industries Training Program is doing well.

Care and Custody: Representative Menahan read the narrative from pages 19 and 20 of Exhibit 1. He outlined the changes implemented due to the prison expansion. There will be three campuses: maximum security, medium and minimum security, and the ranch. There will be a counseling treatment center to deal with specific problems.

Representative Waldron resumed reviewing the budget. He said the prison population increases almost every day.

(Tape 15:B:000)

He noted the original estimates for the number of staff required for the new prison was off by 3 FTE. The original estimates did not take into account the separate campuses and two canteens.

Ranch and Dairy: Representative Waldron (051) read the narrative from pages 21 and 22 of Exhibit 1. Animals, such as slaughter hogs and cattle, are included in the equipment portion of the budget because there is no other place to put them. An oversight committee consisting of legislative ranchers reviews the ranch operations. Chairman Bardanouve, a member of the oversight committee, gave a brief report of the progress the ranch has made in recent years. He attributed much of the success of the ranch operations becoming self-sufficient is due to the new management. Representative Donaldson, also a member of the committee, said the new irrigation system is labor-intensive and puts more inmates to work on the ranch. He said he felt the use of more inmates on the ranch is another reason for its success. Products from the ranch and dairy are primarily used by the state's institutions.

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Canteen: Representative Waldron (165) read the narrative from page 23 of Exhibit 1.

License Plate Factory: Representative Waldron (168) read the narrative from page 24 of Exhibit 1.

Prison Industries: Representative Waldron (182) read the narrative from page 25 of Exhibit 1. There is some confusion between this program and the Industries Training Program. The Prison Industries Program is required to be self-sufficient while the Industries Training Program is subsidized. The two programs mix to some extent. There were 2.75 FTE transferred between the programs.

Industries Training Program: Representative Waldron (222) read the narrative from page 26 of Exhibit 1. This program was started in FY 1984 but was not fully operational that year. The program was implemented to attempt to employ more inmates, which it has accomplished, but there are still not enough jobs for the ever-increasing prison population. The primary goal for the program is to train inmates and teach them the work ethic.

Swan River Forest Camp: Representative Waldron (266) read the narrative from pages 27 and 28 of Exhibit 1. This is a minimum security facility for younger, minimum security, adult offenders. The inmates seem to enjoy this facility because they have to work for the Forest Service outdoors. In the summer, the inmates assist with fire fighting. The Long Range Planning Subcommittee has approved a new sewer system.

There was some discussion regarding proposals in the past to start another facility like this one in the Stillwater Forest. Representative Lory said there is a lot of work to be done there. Community opposition was the reason cited for not establishing an institution in that area.

Veterans' Home: Representative Waldron (343) read the narrative from pages 29 through 31 of Exhibit 1. There is a new nursing home facility at this institution which is the reason for some of the high costs. The subcommittee included funds for the Department to phase out the boiler. Also, there was a 20% increase in drug costs in the past year and that has had an impact on this facility.

Montana State Hospital: Representative Waldron (434) read the narrative from pages 32 through 34 of Exhibit 1. Galen State Hospital and Warm Springs State Hospital were combined into one institution administratively.

Representative Menahan (524) said we never increase the care for the patients here. He said we fund for 313 patients but we would still allow more than that into the facility. He

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said these people cannot take care of themselves and we need to fund adequate care for them. Representative Waldron noted a modified to change the staffing from ratios to posting.

Board of Pardons: Representative Waldron (651) read the narrative from page 35 of Exhibit 1. There is no vacancy savings applied to this agency because they only have 4 FTE.

(Tape 16:A:000)

Representative Menahan took over reviewing the budgets.

Montana Youth Treatment Center: Representative Menahan (012) read the narrative from page 36 of Exhibit 1. This facility should be open by the end of April. This facility is Medicaid eligible which the Childrens' Center was not. Representative Menahan was opposed to requiring the staff to pay for meals. He said meals are included in all of the other institutions' collective bargaining and he believed, when the unions come into this facility, meals will be included but the Department won't have the funds to include meals.

There was some discussion regarding the number of children who would be placed in this Center its first year. Mr. South said the decision is up to the courts whether or not to bring in the children from out of state and he doesn't have any say in the matter. Regarding reimbursement, Mr. South said they bill third party insurance and private on an ability to pay basis.

Mr. South said the facility cannot accommodate all of the kids currently out of state because some of them have complex problems. The out of state patients have to be funded 100% with general fund. Even if they are Medicaid eligible, the out of state institution where they reside get that funding.

Ms. Rippingale (170) said all of the modifieds are listed on the page following page 36 but this committee will look at all the modifieds during executive action on these budgets.

CULTURAL EDUCATION BUDGETS:

MONTANA ARTS COUNCIL: Representative Menahan (194) read the narrative from page 1 of Exhibit 2. Pam Joehler, Associate Analyst, said all general fund was used to match federal dollars.

Dave Nelson, Executive Director, Montana Arts Council, (249) said there will not be the anticipated increase from the federal government but a 12% decrease. He said general fund support for this agency has not increased much in 14 years. He said he felt we were trying to balance the budget on the back of his agency.

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Administration: Representative Menahan (277) read the narrative from page 2 of Exhibit 2.

Grants: Representative Menahan (296) read the narrative from page 3 of Exhibit 2. There was some discussion regarding the Shakespeare in the Parks Programs. The cuts in funding does not completely cut these programs out of the budget but does decrease the underwriting capability of the agency.

Special Projects: Representative Menahan (343) read the narrative from page 4 of Exhibit 2.

STATE LIBRARY COMMISSION: Representative Menahan (379) read the narrative from pages 5 and 6 of Exhibit 2. Bill Sykes, Assistant Analyst, Legislative Fiscal Analyst's Office, said LSCA funds can go to grants or they can pay for operating expenses for services to counties. This method of funding has been used in the past. Representative Moore (470) said, between 1975 and 1977, there were federal funds put into this agency. In 1977, the federal government said we had to maintain these funds with general fund match or lose them.

Reference and Information: Representative Menahan (547) read the narrative from page 7 of Exhibit 2.

Library Development: Representative Menahan (580) read the narrative from page 8 of Exhibit 2.

Institutional Library Services: Representative Menahan (610) read the narrative from page 9 of Exhibit 2.

Services for Physically Handicapped: Representative Menahan (625) read the narrative from page 10 of Exhibit 2.

Administration: Representative Menahan (635) read the narrative from page 11 of Exhibit 2.

Technical Services: Representative Menahan (670) read the narrative from page 12 of Exhibit 12.

(Tape 16:B:000)

MONTANA HISTORICAL SOCIETY: Representative Menahan (000) read the narrative from pages 13 and 14 of Exhibit 2. An audit was performed by the Personnel Division which is the reason for the numerous position upgrades.

Administration: Representative Menahan (061) read the narrative from page 15 of Exhibit 2.

Library: Representative Menahan (078) read the narrative from page 16 of Exhibit 2.

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Museum: Representative Menahan (092) read the narrative from page 17 of Exhibit 2.

Publications: Representative Menahan (102) read the narrative from page 18 of Exhibit 2. Representative Donaldson asked if the problem of carrying over subscriptions from one fiscal year to another has been solved. Bob Archibald, Executive Director, Montana Historical Society, (134) said this deferred liability problem will never be solved unless the publication ceases to exist.

Historical Sites Preservation: Representative Menahan (158) read the narrative from page 19 of Exhibit 2.

Archives: Representative Menahan (186) read the narrative from page 20 of Exhibit 2.

Education: Representative Menahan (209) read the narrative from page 21 of Exhibit 2. FY 1984 was used as a base but, because that was not a legislative year, it does not reflect costs associated with the Legislature.

There was some discussion regarding the Museum of the Rockies. The Museum is all funded through private donations although it does receive some assistance from Montana State University.

Representative Bardanouve (276) asked why there were so many position upgrades. Mr. Archibald explained that a number of his staff were appealing their classifications and, because there were so many, the Personnel Division did an audit of the entire department and found that many of the positions were underclassified.

Representative Bradley (310) was concerned regarding the funding decrease for this agency. Mr. Sykes said part of the reason was that moving expenses were included in the base and that skewed the base. Funding for this agency was discussed.

Representative Waldron resumed reviewing the budgets and outlined the modifieds which are found on Exhibit 3.

Management Services: Modified #1 would allow the purchase of the data processing equipment. Representative Waldron questioned whether this should have been a modified because the Legislature requested the Department to look into this and, he said he felt, we should follow through by allowing this purchase. He noted this system would be cheaper than using the state's mainframe computer.

Youth Evaluation Program: Modified #2 is the Youth Evaluation Program. There was some disagreement between Representative Moore and Representative Waldron whether this should have been included in current level or as a modified. Representative

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Moore said it is an existing program and should be treated as current level. Representative Waldron said it is a duplication of services performed at Mountain View and Pine Hills and should be included as a modified.

Women's Corrections: Modified #3 is for additional corrections officers. Representative Waldron stressed this modified saying he feels the strongest about accepting this one. He said we are putting these officers in a dangerous position without adequate staffing on graveyard and swing shifts.

Center for the Aged: Modified #4 would change the staffing method from ratios to posting.

Prison: Modified #5 is for additional staff not included in the original estimates for staffing the expanded prison.

Montana State Hospital: Modified #6 would change the staffing method from ratios to posting.

Montana Historical Society: Modified #7 is for an accountant. Representative Waldron said the agency has not increased its accounting staff for a number of years.

Modifieds #8 through #18, with the exception of #10, are requesting spending authority for federal funds, grants, and private donations. Representative Waldron noted that, because of the budget amendment bill last session, the agency has to get spending authority for all donated and federal funds.

Modified #10 is for reader/printers. Representative Waldron said these machines are used extensively by the public and are very old. He said he felt these should be included in current level.

(Tape 17:A:000)

Mr. Archibald explained the need for modified #17. This provides funds to review local government records to let them know what they have to keep and what they can throw away.

Washington Library Network: Modified #19 would allow the purchase of two IBM PCs and increased telecommunications. The Washington Library Network is switching to IBM PCs and the State Library's Hazeltine system is not compatible.

Representative Donaldson said we established this program with coal tax money and he asked if we couldn't use coal tax funds for this purchase. There was some discussion regarding the use of coal tax funds for this modified. Also, LSCA funds could be used, it was believed, but the subcommittee used the LSCA funds for counties. Chairman Bardanoue questioned the use of general fund when LSCA funds could be used.

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Youth Evaluation Program: Representative Miller (271) defended the funding for YEP. He said he would be talking about Mountain View and Pine Hills but he did not want to cast any discouraging remarks about them. He said they were fine institutions but they were just that, institutions. YEP is a ranch style home and is close to the schools so the kids can walk. He said the decision by the Governor to close YEP was based solely on the money aspect of the program and did not take into account the success of the program. He said the kids at YEP are not angels but they are not sophisticated delinquents like the kids at the other two facilities.

Representative Miller said the youth court judges like YEP and they have said, if YEP is closed, they will not send the kids to the other institutions; they would send them out of state. Representative Miller said, if only 20 kids are sent to the other facilities, a new wing will need to be constructed at the Prison because that is where they will end up. He said additional FTE would be needed at Mountain View and Pine Hills to accommodate the increased workload.

Representative Miller said YEP is less restrictive and does not have the stigma of being an institution.

Representative Menahan (466) said these kids didn't do anything wrong. Most of them are runaways and YEP is sometimes the only home these kids ever had. He noted there are no fences around YEP and the kids are allowed to walk to school but they don't run away. He asked what the \$300,000 savings is worth.

Representative Moore (557) said this is a home-like setting and the success rate is very good. The kids come from all over the state and they learn to get along with people.

Representative Swift said he heard from two probation officers in Ravalli County and they said YEP is a good program. The officers said they don't want non-hard core kids to mix with hard-core delinquents. Chairman Bardanouve said some of the kids who are evaluated at YEP are sent to Pine Hills anyway.

(Tape 17:B:000)

Representative Waldron said the incremental costs for evaluating the kids at Mountain View and Pine Hills is minimal. He said we are facing some tough fiscal decisions and cutting programs may be one way of balancing the budget. He stressed that this program is ongoing in two other institutions and, because of the state's money problems, we have to take a hard look at eliminating duplication of services.

Representative Peck (059) said he thought these kids are getting preferential treatment from the judges and other kids don't. Chairman Bardanouve said that was one of the reasons for the

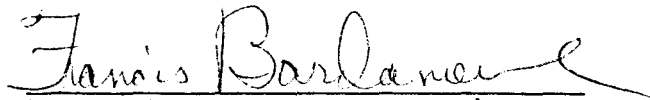
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closure of Twin Bridges. That facility became the place for kids whose parents did not want their reputations ruined by being sent to an "institution".

Representative Quilici (122) said this program is costing over \$300,000 for the biennium. If this program is necessary, fine, but where are we going to get the money to fund it.

Representative Moore (136) said bureaucrats aren't sacred cows and we could cut five or six of them to fund this program.

Adjourn: The meeting was adjourned at 8:45 p.m.


FRANCIS BARDANOUE, Chairman

DAILY ROLL CALL

APPROPRIATIONS

COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date March 11, 1985

NAME	PRESENT	ABSENT	EXCUSED
BARDANOUE	X		
DONALDSON	X		
BRADLEY	X		
CONNELLY	X		
ERNST	X		
HAND	X		
LORY	X		
MANUEL	X		
MENAHAN	X		
MILLER	X		
MOORE	X		
NATHE	X		
PECK	X		
QUILICI	X		
REHBERG	X		
SPAETH	X		
SWIFT	X		
THOFT	X		
WALDRON	X		
WINSLOW	X		

NARRATIVE FOR HOUSE BILL 500
on the
Department of Institutions Action
by the
Institutions and Cultural Education Subcommittee

March 11, 1985

SUBCOMMITTEE ACTION

Agency: Department of Institutions

Program: Central Office Summary

	FY 1984 Actual	Fiscal 1986			Fiscal 1987			FY 84-86 % Change
		Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	
FTE	173.45	164.10	166.90	161.40	164.10	166.90	161.50	(6.9)
Personal Services	\$ 3,908,300	\$ 3,912,565	\$ 3,928,165	\$ 3,841,445	\$ 3,923,504	\$ 3,936,218	\$ 3,849,306	(1.7)
Operating Expenses	2,529,475	3,086,047	3,170,324	3,169,778	3,056,544	3,250,455	3,247,426	25.3
Equipment	101,859	49,770	120,119	103,832	16,890	101,750	4,990	1.9
Non-Operating	6,292,382	6,628,994	6,382,234	6,496,207	6,650,489	6,586,977	6,493,671	3.2
Total Exp.	\$12,832,016	\$13,677,376	\$13,600,842	\$13,611,262	\$13,647,427	\$13,875,400	\$13,595,393	6.1
<u>FUNDING</u>								
General Fund	\$ 9,953,831	\$10,728,321	\$10,883,289	\$10,813,746	\$10,797,256	\$11,131,105	\$10,927,127	8.6
State Special Rev.	289,306	353,007	329,320	331,197	384,180	344,774	346,831	14.5
Federal Revenue	2,555,327	2,596,048	2,388,233	2,466,319	2,465,991	2,399,521	2,321,435	(3.5)
Proprietary	33,552	-0-	-0-	-0-	-0-	-0-	-0-	(100.0)
Total Funding	\$12,832,016	\$13,677,376	\$13,600,842	\$13,611,262	\$13,647,427	\$13,875,400	\$13,595,393	6.1

Program Description: The Central Office of the Department of Institutions provides direction and administrative support for the state's institutions and community programs involving corrections, mental health, and alcohol and drug abuse, as well as the institutional programs for the developmentally disabled. Programs within the Central Office are: the Director's Office, Corrections Division, Mental Health and Residential Services Division, Alcohol and Drug Abuse Division, and Management Services Division. Each program will be discussed in the narrative that follows.

A total of 13.55 FTE have been deleted from the Central Office current level budget. They include the 1.0 FTE institutional industries coordinator, 1.0 FTE data entry operator, 2.0 FTE administrative officers in the Corrections Division, 1.55 FTE correctional officers at the Women's Correctional Facility, and 1.0 FTE life skills attendant at the Women's Pre-release Center, a 1.0 FTE physician in the Corrections Medical Program, and 6.0 FTE at the Youth Evaluation Program in Great Falls. A .50 FTE lawyer and a 1.0 FTE management analyst were added to the Director's Office.

General fund increases 8.6 percent primarily as a result of increasing contracts of the pre-release centers and the general fund support for community mental health. Alcohol state special revenue funds are expected to decline in the 1987 biennium as well as available federal block grant funds.

The proprietary funds were generated by the Industries Program to support the industries coordinator whose position has been deleted.

SUBCOMMITTEE ACTION

Agency: Department of Institutions--Central Office

Program: Director's Office

	FY 1984 Actual	Executive	Fiscal 1986 Current Level	Subcommittee	Executive	Fiscal 1987 Current Level	Subcommittee	FY 84-86 % Change
FTE	9.5	10.0	8.5	10.0	10.0	8.5	10.0	5.3
Personal Services	\$326,967	\$339,312	\$304,217	\$339,430	\$339,969	\$304,864	\$340,120	3.8
Operating Expenses	41,619	45,719	45,646	46,438	38,128	39,210	40,016	11.6
Equipment	216	-0-	-0-	-0-	-0-	-0-	-0-	(100.0)
Total Exp.	\$368,802	\$385,031	\$349,863	\$385,868	\$378,097	\$344,074	\$380,136	4.6
FUNDING								
General Fund	\$335,250	\$385,031	\$349,863	\$385,868	\$378,097	\$344,074	\$380,136	15.1
Proprietary Fund	38,552	-0-	-0-	-0-	-0-	-0-	-0-	(100.0)
Total Funding	\$368,802	\$385,031	\$349,863	\$385,868	\$378,097	\$344,074	\$380,136	4.6

Program Description: The Director's Office coordinates and directs the administrative tasks of the Department of Institutions. The director, through his staff and administrative programs of the Central Office, assures the financial solvency and integrity of the department, assures uniform and appropriate personnel, budget, and legal policies and procedures throughout the department, assures that appropriate legal and inmate/patient treatment policies are maintained, and oversees the construction and maintenance programs of the eleven institution campuses.

Current Level Budget: The subcommittee increased the LFA current level FTE by 1.5 FTE. This addition includes a .5 lawyer which brings the total to two full-time lawyers from 1.5 in the 1985 biennium and 1 FTE management analyst to perform internal audits. These positions are included with the understanding that 1 FTE administrative officer position in the corrections division will be deleted as well as a .50 FTE data entry operator from the Management Services Division. Personal services were decreased by the deletion of the industries coordinator position which was funded by the prison industries proprietary account in fiscal 1984. The director has determined, as a result of the position vacancy, that current staff under the supervision of the corrections division administrator can operate the program without the coordinator position. Operating costs were increased \$486 each year to allow travel costs for the management analyst.

SUBCOMMITTEE ACTION

Agency: Department of Institutions--Central Office

Program: Management Services Division

	FY 1984 Actual	Fiscal 1986			Fiscal 1987			FY 84-86 % Change
		Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	
FTE	31.0	30.5	30.0	30.0	30.5	30.0	30.0	(5.2)
Personal Services	\$659,031	\$689,390	\$678,091	\$678,091	\$690,464	\$679,160	\$679,160	2.9
Operating Expenses	239,681	239,931	214,630	215,497	207,274	183,784	184,694	(10.1)
Equipment	57,392	1,664	832	832	1,172	1,272	1,272	(98.6)
Total Exp.	\$956,104	\$930,985	\$893,553	\$894,420	\$898,910	\$864,216	\$865,126	(6.5)
FUNDING								
General Fund	\$956,104	\$930,985	\$893,553	\$894,420	\$898,910	\$864,216	\$865,126	(6.5)

Program Description: The Management Services Division provides technical assistance to the institutions in budgeting, accounting, and other management areas. The Reimbursement Field Section is responsible for billing and collecting for services provided to residents in the state's institutions. The Information and Systems Bureau is responsible for coordinating data processing projects within the department.

Current Level Budget: Personal services reflects the deletion of 1.0 FTE data entry operator that was left vacant in fiscal 1984 and determined to be unnecessary in the future. One-time data processing expenditures of \$23,195 in fiscal 1984 have been removed from the base. Audit fees of \$35,000 for the Legislative Audit are included in fiscal 1986 only.

Modified Recommendations: Data Processing System - As a result of a data processing study authorized and conducted during the 1985 biennium, the department is implementing a new data processing system. All hardware and software costs will be funded through current level with the exception of \$23,195 per year requested for operating costs over and above current level. The department's study indicated they could purchase hardware, develop software, and run the new programs for the same cost as they are currently paying to the Department of Administration to run current programs on the state's main frame. The central office currently has three programmers so there is no need to contract for outside programming. The hardware that has not already been purchased with the study funds appropriated in the 1985 biennium, will be purchased under contract over the next three years. The cost of this modified is \$23,195 general fund each year.

SUBCOMMITTEE ACTION

Agency: Department of Institutions

Program: Alcohol and Drug Abuse Division

	FY 1984 Actual	Executive	Fiscal 1986 Current Level	Subcommittee	Executive	Fiscal 1987 Current Level	Subcommittee	FY 84-86 % Change
FTE	10.00	10.00	10.00	10.00	10.00	10.00	10.00	0.00
Personal Services	\$ 255,165	\$ 271,860	\$ 271,947	\$ 271,947	\$ 272,261	\$ 272,359	\$ 272,359	6.6
Operating Expenses	100,649	113,486	114,269	117,896	114,336	98,265	102,072	17.1
Equipment	8,125	3,000	5,000	3,000	3,000	5,000	3,000	(63.1)
Non-Operating	1,223,362	1,318,500	1,272,302	1,272,302	1,339,200	1,272,302	1,272,302	4.0
Total Exp.	\$1,587,301	\$1,706,846	\$1,663,518	\$1,665,145	\$1,728,797	\$1,647,926	\$1,649,733	4.9

FUNDING

General Fund	\$ 219,592	\$ 220,951	\$ 219,592	\$ 219,592	\$ 232,037	\$ 219,592	\$ 219,592	0.0
State Special Rev.	289,306	353,007	329,320	330,947	384,180	344,774	346,581	14.4
Federal Revenue	1,078,403	1,132,888	1,114,606	1,114,606	1,112,580	1,083,560	1,083,560	3.4
Total Funding	\$1,587,301	\$1,706,846	\$1,663,518	\$1,665,145	\$1,728,797	\$1,647,926	\$1,649,733	4.9

Language in Bill: The department is authorized to maintain an aggregate funding level of \$2,236,595 during fiscal 1986 and fiscal 1987 for those substance abuse programs that during fiscal 1984 were partially or totally funded under the provision of 53-24-206, MCA. Expenditures of revenues available under 53-24-206, MCA, when combined with the discretionary distribution of the alcohol federal block grant, may not exceed the aggregate funding totals specified above.

Program Description: The Alcohol and Drug Abuse Division's (ADAD) role is to administer chemical dependency programs and distribute state funds to certified community programs. The division approves treatment facilities and programs, certifies approved programs, and prepares a long-term state chemical dependency plan.

Current Level Budget: This level of authority maintains the current level personal services with a 4 percent vacancy savings factor. Current level operating expenses were increased \$3,000 before inflation to fund the ADAD Advisory Council honorariums and travel. Fiscal 1986 includes audit costs of \$19,750 that are not included in fiscal 1987. Equipment was reduced \$2,000 each year to allow the purchase of six films per year rather than 10. These films are purchased for distribution to the local alcohol and drug programs through the health department film library.

Non-Operating expenses consist of 1) the distribution of alcohol earmarked tax revenue to county alcohol programs; 2) discretionary grants to local alcohol programs; and 3) grants to local drug programs. The table below shows the non-operating expenses and funding.

Table 1
Alcohol and Drug Abuse Non-Operating Expenses and Funding

	Fiscal 1986			Fiscal 1987		
	General Fund	Alcohol*	Federal Block Grant	General Fund	Alcohol*	Federal Block Grant
County Payments	\$ -0-	\$1,589,771	\$ 248,202	\$ -0-	\$1,589,771	\$ 248,202
Discretionary Grants	-0-	-0-	398,622	-0-	-0-	398,622
Drug Program	219,592	-0-	405,886	219,592	-0-	405,886
Total	\$219,592	\$1,589,771	\$1,052,710	\$219,592	\$1,589,771	\$1,052,710
			\$2,862,073			\$2,862,073

*The alcohol earmarked revenue is appropriated by statute in 53-24-206, MCA.

The general fund supports 35 percent of the drug program while federal block grant funds support the balance. The drug program is maintained at the same amount as was expended in fiscal 1984.

The alcohol abuse funds are passed through to approved private non-profit and county alcohol programs based on both population and land area. These alcohol programs are funded from the excise tax on wine and beer, the liquor license tax, and the federal alcohol abuse block grant. The block grant funds will be appropriated to the department for distribution to the alcohol programs while the alcohol funds distributed are appropriated in statute, (53-24-206, MCA).

The state special revenue funds of \$330,947 in fiscal 1986 and \$346,581 in fiscal 1987 appropriated to the division are alcohol earmarked revenues to support the central office administration.

SUBCOMMITTEE ACTION

Agency: Department of Institutions--Central Office

Program: Corrections Division

	FY 1984 Actual	Executive	Fiscal 1986 Current Level	Subcommittee	Executive	Fiscal 1987 Current Level	Subcommittee	FY 84-86 % Change
FTE	93.50	88.00	91.50	85.50	88.00	91.50	85.50	(8.6)
Personal Services	\$2,038,299	\$2,005,886	\$2,065,594	\$1,943,661	\$2,011,413	\$2,069,202	\$1,947,034	(4.6)
Operating Expenses	1,423,724	1,849,309	1,893,156	1,897,067	1,858,012	1,981,942	1,984,831	33.2
Equipment	30,319	45,106	114,287	100,000	12,000	94,760	-0-	229.8
Total Exp.	\$3,492,342	\$3,900,301	\$4,073,037	\$3,940,728	\$3,881,425	\$4,145,904	\$3,931,865	12.8
<u>FUNDING</u>								
General Fund	\$3,490,012	\$3,897,706	\$4,070,442	\$3,937,883	\$3,878,726	\$4,143,205	\$3,928,916	12.8
State Special--Donations	-0-	-0-	-0-	250	-0-	-0-	250	100.0
Federal Revenue	2,330	2,595	2,595	2,595	2,699	2,699	2,699	11.4
Total Funding	\$3,492,342	\$3,900,301	\$4,073,037	\$3,940,728	\$3,881,425	\$4,145,904	\$3,931,865	12.8

Language in Bill: The equipment budget of \$100,000 is for the biennium.

Program Description: The Corrections Division provides coordination, supervision, and support to the correctional programs of the state. These programs include the Prison, Swan River Forest Camp, Pine Hills School, Mountain View School, Women's Correctional Facility, five pre-release centers, Juvenile Aftercare, Probation and Parole, and the Corrections Medical Programs.

Current Level Budget: This budget includes Corrections Administration, four men's pre-release centers, Juvenile Aftercare Group Homes, and Probation and Parole. The major difference, \$339,885 from fiscal 1984 to fiscal 1986, is the addition of two contract pre-release centers which opened during fiscal 1984. The Butte pre-release center opened in late December 1983 while the Great Falls pre-release center opened in April 1984. Therefore, fiscal 1984 does not reflect the full costs of operating the new centers.

The subcommittee current level deletes the Youth Evaluation Program with its 6.0 FTE. The total amount reduced from current level is \$167,339 in fiscal 1986 and \$155,348 in fiscal 1987.

Two administrative officer positions left vacant during fiscal 1984 were deleted from the current level. A 4 percent vacancy savings factor was applied.

Table 1 below breaks down the Corrections Division into its three functional parts for fiscal 1986. The community program includes parole and probation with its 36 officers and the juvenile after care programs.

Table 1
Fiscal 1986 Corrections Division Program Breakdown

	Corrections Administration	Mens' Pre-Release	Community Programs	Total Corrections
FTE	12.00	11.50	62.00	85.50
Personal Services	\$303,451	\$ 217,601	\$1,422,609	\$1,943,661
Operating	98,217	1,260,442	538,408	1,897,067
Equipment	-0-	17,556	82,444	100,000
Total Exp.	<u>\$401,668</u>	<u>\$1,495,599</u>	<u>\$2,043,461</u>	<u>\$3,940,728</u>
<u>Funding</u>				
General Fund	\$401,418	\$1,495,599	\$2,040,866	\$3,937,883
State Special	250	-0-	-0-	250
Federal Revenue	-0-	-0-	2,595	2,595
Total Funding	<u>\$401,668</u>	<u>\$1,495,599</u>	<u>\$2,043,461</u>	<u>\$3,940,728</u>

Modified Recommendations: (1) Depreciation--Included is \$10,952 per year for each of the three contract pre-release centers to allow for depreciation. The total included is \$32,856 in fiscal 1986 and \$32,856 in fiscal 1987.

(2) Youth Evaluation Program--The Youth Evaluation Program with 6.0 FTE and a total budget of \$167,339 in fiscal 1986 and \$155,348 in fiscal 1987. The YEP is located in Great Falls and conducts 45-day evaluations in a community setting. The program has an average population of six while serving approximately 55 youth during a year. If this program is not funded, the evaluations could be done at Mountain View School in Helena and Pine Hills School in Miles City.

SUBCOMMITTEE ACTION

Agency: Department of Institutions--Central Office

Program: Women's Corrections

	FY 1984 Actual	Executive	Fiscal 1986 Current Level	Subcommittee	Executive	Fiscal 1987 Current Level	Subcommittee	FY 84-86 % Change
FTE	23.45	20.60	20.90	20.90	20.60	20.90	20.90	(10.9)
Personal Services	\$408,791	\$426,809	\$428,897	\$428,897	\$429,585	\$430,699	\$430,699	4.9
Operating Expenses	138,829	203,860	216,951	206,953	204,521	227,676	215,968	49.1
Equipment	3,714	-0-	-0-	-0-	718	718	718	
Total Exp.	\$551,334	\$630,669	\$645,848	\$635,850	\$634,824	\$659,093	\$647,385	15.3
FUNDING								
General Fund	\$551,334	\$630,669	\$645,848	\$635,850	\$634,824	\$659,093	\$647,385	15.3

Program Description: The Women's Correctional Program consists of three components. (1) The Women's Correctional Facility at the Warm Springs Campus of Montana State Hospital is a minimum to medium security facility for Montana's women offenders requiring incarceration. (2) The Billings Life Skills Pre-release Center located in Billings is a state operated pre-release center with a capacity for 12 women inmates. (3) The third component of the women's program is the housing of women in out-of-state prisons because of their security classification or jails within the state pending placement.

Current Level Budget: Personal services were decreased by 1.55 FTE at the Women's Correctional Facility and 1 FTE at the Billings Life Skills Center. The 1983 legislature authorized 2.35 additional correctional officers at the Women's Correctional facility based on seven posts and a relief factor of 1.55. This budget is based on returning to six posts with a relief factor of 1.55 or a total of 9.3 correctional officers. The life skills attendant was deleted as a result of being vacant all of fiscal 1984 and the occupancy is only expected to be at 72 percent during the 1987 biennium. The current level allows for incarcerating an average daily population of 25 women at the women's prison in Warm Springs and an ADP of 8 at the Billings pre-release center. This budget also allows for one out-of-state placements costing \$17,155. This is an increase in average daily population of ten over fiscal 1984. The average daily population increases nearly 50 percent from fiscal 1984 to fiscal 1986, therefore the operating expenses required to support the population must necessarily rise proportionately. The women's prison at Warm Springs experienced an ADP of 17 in fiscal 1984 while the first six months in fiscal 1985 is 24.24, the Billings pre-release center experienced an ADP of 6.72 in fiscal 1984 and 6.97 in the first six months of fiscal 1985. Because the women's prison is a minimum to medium security facility, women requiring maximum security must be placed out-of-state. Currently there are no women placed out-of-state. The women's pre-release center is authorized to purchase a replacement washer and dryer.

A vacancy savings factor of 4 percent has been applied.

Modified Recommendations: (1) Correctional Officers--The subcommittee added 3.10 correctional officer FTE to allow one additional officer, using a relief factor of 1.55, for the afternoon/evening shift and the night shift. This modified will add \$52,656 in fiscal 1986 and \$52,749 in fiscal 1987 to the general fund. These positions were added after testimony from three of the correctional officers currently working at the facility indicated the need for additional help on the afternoon and night shifts.

SUBCOMMITTEE ACTION

Agency: Department of Institutions--Central Office

Program: Corrections Medical

FY 1984 Actual	Fiscal 1986		Fiscal 1987		FY 84-86 % Change
	Executive	Subcommittee	Executive	Subcommittee	
FTE	1.00	0.00	0.00	0.00	(100.0)
Personal Services	\$ 52,269	\$ -0-	\$ -0-	\$ -0-	(100.0)
Operating Expenses	530,529	616,779	615,041	647,618	16.3
Total Exp.	\$582,798	\$616,779	\$615,041	\$647,618	5.8
<u>FUNDING</u>					
General Fund	\$582,798	\$616,779	\$615,041	\$647,618	5.8

Language in Bill: The Corrections Medical Program is a biennial appropriation.

Program Description: This program consolidates the outside medical costs of all the corrections institutions as well as the pre-release centers and after-care. The total average daily population served by this program is 1,066.

Current Level Budget: The current level has been increased to add Mountain View School and Pine Hills School medical costs. The anticipated corrections population during the 1987 biennium is 1,066. Therefore this program will cost \$578.60 per inmate in fiscal 1986 and \$607.52 per inmate in fiscal 1987 compared with \$577.03 in fiscal 1984. The physician position reflected in actual fiscal 1984 has been transferred to the prison budget.

SUBCOMMITTEE ACTION

Agency: Department of Institutions--Central Office

Program: Mental Health & Residential Services

FY 1984 Actual	Fiscal 1986			Fiscal 1987			FY 84-86 % Change
	Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	
FTE	5.00	5.00	5.00	5.00	5.00	5.00	0.00
Personal Services	\$ 167,778	\$ 179,308	\$ 179,419	\$ 179,812	\$ 179,934	\$ 179,934	6.9
Operating Expenses	54,444	62,891	69,148	63,422	71,960	72,227	27.0
Equipment	2,093	-0-	-0-	-0-	-0-	-0-	(100.0)
Non-Operating	5,069,020	5,310,494	5,109,932	5,311,289	5,314,675	5,221,369	3.0
Total Exp.	\$5,293,335	\$5,552,693	\$5,353,244	\$5,554,523	\$5,566,569	\$5,473,530	3.4
<u>FUNDING</u>							
General Fund	\$3,818,741	\$4,092,128	\$4,087,212	\$4,203,811	\$4,253,307	\$4,238,354	8.0
Federal Funds	1,474,594	1,460,565	1,271,032	1,350,712	1,313,262	1,235,176	(8.5)
Total Funding	\$5,293,335	\$5,552,693	\$5,358,244	\$5,554,523	\$5,566,569	\$5,473,530	3.4

Program Description: The Mental Health and Residential Services Division provides administrative supervision and coordination for the institutional and community programs for the mentally ill, institutional programs for the developmentally disabled, and institutional programs for veterans and geriatrics with emotional problems. Community-based services for the mentally ill are provided through contracts administered by the Mental Health Division with the five private, non-profit, regional community mental health centers (CMHC). The division contracts for inpatient, emergency, day treatment, transitional living, community living support, outpatient, and prevention services.

Current Level Budget: Operating expenses increased \$13,484 over the fiscal 1984 level to allow a full year's education and training budget and to allow the division to contract with clinicians to conduct program reviews of the community mental health centers. The 1983 legislature authorized the consolidation of institutional training funds from the Center for the Aged, Eastmont, Boulder River School and Hospital, the Veterans' Home, and Montana State Hospital within the Mental Health Division. However, of the \$20,000 authorized, only \$8,310 was expended as a result of a slow start-up of the new program. The total authorized for each year of the 1987 biennium is \$19,373 before inflation. A vacancy savings rate of 4 percent was used for this budget.

Non-operating expenses reflects the general fund and federal block grant funded contracts with the five regional community mental health centers. The level reflected here is based on the executive recommendation of no increase over the fiscal 1985 contract level. General fund support for the CMHC contracts is \$3,874,787 in fiscal 1986 and \$3,986,193 in fiscal 1987. The CMHC's are included in the executive's recommended pay plan. It is anticipated, that the pay plan would add \$109,000 in fiscal 1986 and \$221,000 in fiscal 1987 to the CMHC budgets. Table 1 below shows the contracted services, rates, and costs for fiscal 1984 through fiscal 1987.

Table 1
Community Mental Health Contract Costs and Funding
1987 Biennium

Services	-----Units-----			-----Unit Cost-----		
	Actual Fiscal 1984	Projected Fiscal 1985-86-87	Percent Change	Actual Fiscal 1984	Projected Fiscal 1985-86-87	Percent Change
Inpatient I	4,069	3,562	(12.5)	101.91	104.67	2.7
Inpatient II	1,499	1,443	(3.7)	44.29	45.48	2.7
Day Treatment	127,377	131,436	3.2	6.80	6.99	2.7
Outpatient Individual	28,741	32,102	11.7	51.95	53.36	2.7
Outpatient Group	10,065	13,755	36.7	11.44	11.75	2.7
Emergency	5,447	5,842	7.3	53.98	55.44	2.7
Community Support	42,808	41,776	2.4	10.75	11.04	2.7
Transitional I	23,009	26,107	13.5	49.50	39.46	(20.3)
Transitional II	15,591	13,435	(13.8)	5.92	6.08	2.7
Prevention	1,260	1,223	(2.9)	47.62	48.91	2.7
Funding	Fiscal 1984	Fiscal 1985	Fiscal 1986	Fiscal 1987		
General Fund	\$3,775,687	\$3,892,807	\$3,874,787	\$3,986,193		
Block Grant	1,219,973	1,235,176	1,235,176	1,235,176		
Block Grant Carryover	40,776	95,922	113,942	-0-		
Total HB500 Funding	\$5,036,436	\$5,223,905	\$5,223,905	\$5,221,369		
Potential General Fund Pay Plan Funding	-0-	-0-	109,000	221,000		
Total Potential Funding	\$5,036,436	\$5,223,905	\$5,332,905	\$5,442,369		

SUBCOMMITTEE ACTION

Agency: Department of Institutions

Program: Boulder River School and Hospital

	FY 1984 Actual	Fiscal 1986			Fiscal 1987			FY 84-86 % Change
		Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	
FTE	443.40	440.40	446.40	440.40	440.15	446.15	440.15	(.7)
Personal Services	\$ 8,705,134	\$ 9,087,366	\$ 9,414,481	\$ 9,118,207	\$ 9,113,190	\$ 9,441,496	\$ 9,145,047	4.7
Operating Expenses	1,645,089	1,780,040	1,773,777	1,776,783	1,752,831	1,852,034	1,797,592	8.0
Equipment	47,059	10,474	26,740	20,000	-0-	15,864	-0-	(57.5)
Non-Operating	39,061	-0-	-0-	-0-	-0-	-0-	-0-	
Total Exp.	\$10,436,343	\$10,877,880	\$11,214,998	\$10,914,990	\$10,866,021	\$11,309,394	\$10,942,639	4.6
<u>FUNDING</u>								
General Fund	\$10,376,227	\$10,793,362	\$11,155,385	\$10,829,377	\$10,802,844	\$11,257,723	\$10,878,488	4.4
State Special Rev.	7,548	33,844	7,844	33,844	20,324	7,844	20,324	348.4
Federal Revenue	52,568	50,674	51,769	51,769	42,853	43,827	43,827	(1.5)
Total Funding	\$10,436,343	\$10,877,880	\$11,214,998	\$10,914,990	\$10,866,021	\$11,309,394	\$10,942,639	4.6

Language in Bill: The \$20,000 authorized for equipment is a biennial appropriation.

Program Description: Boulder River School and Hospital provides services to mentally retarded children and adults. Boulder served an average daily population of 219 residents in fiscal 1982, 221 in fiscal 1983, and 202 in fiscal 1984. A total of 25 residents were placed out of Boulder in fiscal 1984. However, readmissions of some residents previously placed is causing the average daily population to increase to a current level of 204. The average daily population is expected to stabilize at 204 through the 1987 biennium.

Current Level Budget: The subcommittee deleted two physician positions and an occupational therapist position that were vacant all of fiscal 1984. The services provided by these positions are now provided through contract services. The vacancy savings factor applied is 6 percent in comparison to 4 percent used in the current level analysis.

Operating expenses were increased \$26,000 in fiscal 1986 and \$12,480 in fiscal 1987 to allow the institution to spend donated funds.

The agency presented a posting of direct care staff which was 15.876 FTE over the fiscal 1984 level and 10.876 over the LFA current level analysis. The LFA current level was based on a direct care ratio of 1 to 1 as established by previous legislatures. The table below shows the posting compared with authorized.

Table 1
Direct Care Staff Posting Compared to Staff Authorized for the 1987 Biennium

	Total Required Posting	Total Authorized	Difference
Registered Nurse	6.996	7.0	(0.004)
Licensed Practical Nurse	17.680	16.0	1.680
Habilitation Aides I, II, III	<u>179.200</u>	<u>165.0</u>	<u>14.200</u>
Total Direct Care Staff	<u>\$203.876</u>	<u>188.0</u>	<u>15.876</u>

Although the subcommittee approved the concept of the posting method to replace the direct care ratio established by previous legislatures, no additional direct care staff was authorized. Therefore, the institution maintains the same direct care staff as authorized for the 1985 biennium.

Boulder River School and Hospital funding consists of: 1) the general fund, 2) state special donations and canteen funds and 3) federal ECIA Chapter I and II, and school lunch funds. Donations are \$26,000 in fiscal 1986 and \$12,480 in fiscal 1987 while canteen funds are \$7,844 each year. Federal school lunch is \$14,277 in fiscal 1986 and \$10,885 in fiscal 1987 and ECIA Chapter I and II funds are \$37,492 and \$32,942, respectively.

SUBCOMMITTEE ACTION

Agency: Department of Institutions

Program: Center for the Aged

	FY 1984 Actual	Fiscal 1986		Fiscal 1987		FY 84-86 % Change
		Executive	Subcommittee	Executive	Subcommittee	
FTE	102.93	103.43	100.24	103.43	100.24	(2.6)
Personal Services	\$1,889,249	\$2,003,864	\$1,952,450	\$2,011,024	\$1,958,986	3.34
Operating Expenses	518,219	574,667	584,685	562,681	601,258	12.1
Equipment	14,543	7,103	24,718	622	2,938	(46.3)
Total Exp.	\$2,422,011	\$2,585,634	\$2,561,853	\$2,574,327	\$2,563,182	4.9

FUNDING

General Fund	\$2,415,501	\$2,578,448	\$2,554,867	\$2,566,871	\$2,555,847	4.9
State Special	6,510	7,186	6,986	7,456	7,335	13.5
Total Funding	\$2,422,011	\$2,585,634	\$2,561,853	\$2,574,327	\$2,563,182	4.9

Program Description: Center for the Aged provides long-term services to geriatric residents transferred from Montana State Hospital and referrals from Montana Community mental health centers. The population in the 1987 biennium is expected to be 180 residents compared with a budgeted population of 190 in the 1985 biennium.

Current Level Budget: Based on a direct care staffing ratio of one staff to 3.6 residents, 2.69 FTE were deleted. Staff deleted are .5 FTE registered nurse, .3 FTE licensed practical nurse, and 1.89 FTE psychiatric aide. Operating expenses have been increased \$20,331 over fiscal 1984. Professional contracts have been increased \$4,800 to provide a psychiatrist four hours per week pursuant to a program audit recommendation. The contracted laundry cost increased \$3,932 due to a rate increase. Audit fees of \$10,000 have been included for fiscal 1986. Supply costs have been adjusted for an average daily population of 180 residents. A vacancy savings factor of 4 percent was applied.

General Fund Increases 4.9 percent from fiscal 1984 to fiscal 1986. The state special revenue consists of canteen funds and donated funds. The canteen is an institution store providing candy, pop, cigarettes and incidental items for the residents to purchase. The canteen is self-supporting and totals \$6,986 in fiscal 1986 and \$7,335 in fiscal 1987. Donations are included at \$400 each year.

Modified Recommendations: (1) Staff posting--The subcommittee approved a posting of direct care staff in lieu of the direct care ratio. The posting provides a more accurate method of determining direct care staff required to provide around-the-clock coverage for the care of residents. The posting method adds 1.04 direct care staff back to the current level. The change from current level is; -0.02 FTE registered nurse, +0.26 FTE licensed practical nurse, and +0.80 FTE psychiatric aide. The total cost to the general fund is \$17,313 in fiscal 1986 and \$17,340 in fiscal 1987.

SUBCOMMITTEE ACTION

Agency: Department of Institutions

Program: Eastmont Human Services Center

	FY 1984 Actual	Fiscal 1986			Fiscal 1987			FY 84-86 % Change
		Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	
FTE	95.02	94.52	93.02	93.02	94.52	93.02	93.02	(2.1)
Personal Services	\$1,657,917	\$1,754,620	\$1,732,781	\$1,732,781	\$1,757,529	\$1,735,784	\$1,735,784	4.5
Operating Expenses	280,692	345,454	365,146	350,347	336,202	376,108	356,068	24.8
Equipment	20,383	4,082	10,097	4,082	559	1,130	559	(80.0)
Total Exp.	\$1,958,992	\$2,104,156	\$2,108,024	\$2,087,210	\$2,094,290	\$2,113,022	\$2,092,411	6.5
FUNDING								
General Fund	\$1,934,656	\$2,101,036	\$2,108,024	\$2,084,210	\$2,091,170	\$2,113,022	\$2,089,411	7.7
Federal Rev.	24,336	-0-	-0-	-0-	-0-	-0-	-0-	
State Special	-0-	3,120	-0-	3,000	3,120	-0-	3,000	100.0
Total Funding	\$1,958,992	\$2,104,156	\$2,108,024	\$2,087,210	\$2,094,290	\$2,113,022	\$2,092,411	6.5

Program Description: Eastmont Human Services Center is a 55-bed intermediate care facility for mentally retarded adults and children. The center provides care, treatment, and education services to mentally retarded residents of the state under the authority of Title 53-20-204, MCA.

Current Level Budget: As a result of the department of health notification of laundry deficiencies, the laundry contract will be \$57,350 in fiscal 1986 in comparison to \$23,004 in fiscal 1984. However, since the laundry must be done by a private contractor, personal services have been decreased by one laundry worker and operating expenses have been decreased for laundry supplies which makes the net increase for laundry costs \$17,690 in fiscal 1986. A 1.0 FTE teacher funded by ECIA Chapter I funds has been deleted since Eastmont no longer has any school age residents. A vacancy savings rate of 4 percent has been applied.

General Fund increases 7.7 percent from fiscal 1984 to fiscal 1986. Eastmont has lost federal ECIA Chapter I funds and school lunch funds due to the transfer of its school age population to the community. The state special revenue consists of \$3,000 each year for donations. Eastmont requested authority to spend donated funds based on a recommendation of the Legislative Auditor. The center spends donated funds for resident activities, Christmas gifts and items to enrich the residents' environment. The recommendation covers those moneys donated for the benefit of the residents spent at the center's discretion. The auditor's office considers these funds to be state moneys requiring an appropriation. The center has spent these funds in an unbudgeted agency account in the past.

SUBCOMMITTEE ACTION

Agency: Department of Institutions

Program: Mountain View School

	FY 1984 Actual	Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	FY 84-86 % Change
FTE	65.55	64.49	65.49	64.49	64.49	65.49	64.49	(1.6)
Personal Services	\$1,274,535	\$1,400,071	\$1,421,307	\$1,388,582	\$1,404,167	\$1,425,531	\$1,392,790	8.9
Operating Expenses	238,737	260,076	273,078	252,033	251,098	276,696	252,381	5.6
Equipment	20,920	2,426	3,526	2,526	2,150	2,903	2,150	(87.9)
Total Exp.	\$1,534,192	\$1,662,573	\$1,697,911	\$1,643,141	\$1,657,415	\$1,705,130	\$1,647,321	7.1
FUNDING								
General Fund	\$1,423,512	\$1,604,553	\$1,636,836	\$1,575,555	\$1,599,386	\$1,643,905	\$1,579,557	10.7
State Special--								
Donations & Canteen	-0-	-0-	-0-	2,000	-0-	-0-	2,000	100.0
Federal Revenue	110,680	58,020	61,075	65,586	58,029	61,225	65,764	40.7
Total Funding	\$1,534,192	\$1,662,573	\$1,697,911	\$1,643,141	\$1,657,415	\$1,705,130	\$1,647,321	7.1

Program Description: Mountain View School is responsible for the care, education, and rehabilitation of juvenile girls who are committed to the school by district courts. The school also contracts with the federal government to care for girls who are in federal custody.

Current Level Budget: The subcommittee deleted 1.0 FTE accounting specialist, a .06 FTE Chapter I teacher aide, and established a vacancy savings rate of 5 percent. The agency requested the deletion of these positions after the budget was submitted. Operating costs have been reduced \$19,000 for medical costs transferred to the corrections medical program in the central office of institutions and \$9,000 for a psychological services contract. Operating cost increases are \$8,153 for the incremental costs of six additional average daily population, \$2,948 for educational supplies associated with the ECIA Chapter II grant, \$1,375 for insurance coverage from the Department of Administration, and \$1,650 to trim 11 of the 44 large trees on the school campus.

The subcommittee added \$1,000 for donated funds and \$1,000 for a canteen fund based on recommendations from the Legislative Auditor. The school has used an unbudgeted agency fund to spend donations and provide incidental items to the residents in the past. The school's federal revenue consists of school lunch, (\$33,871 in fiscal 1986 and \$34,040 in fiscal 1987), ECIA Chapter I and II funds, (\$28,115 in fiscal 1986 and \$28,124 in fiscal 1987), and federal boarder revenue of \$3,600 each year. This level of operating expense allows for an average daily population of 45.

SUBCOMMITTEE ACTION

Agency: Department of Institutions

Program: Pine Hills School

	FY 1984 Actual	Executive	Fiscal 1986 Current Level	Subcommittee	Executive	Fiscal 1987 Current Level	Subcommittee	FY 84-86 % Change
FTE	117.42	116.97	117.47	116.97	116.97	117.47	116.97	(.4)
Personal Services	\$2,417,154	\$2,556,862	\$2,564,604	\$2,558,011	\$2,563,886	\$2,571,895	\$2,565,299	5.8
Operating Expenses	582,288	619,585	654,787	640,615	609,408	676,344	656,101	10.0
Equipment	14,426	13,450	3,351	14,928	1,400	5,168	-0-	3.5
Total Exp.	<u>\$3,013,868</u>	<u>\$3,189,897</u>	<u>\$3,222,742</u>	<u>\$3,213,554</u>	<u>\$3,174,694</u>	<u>\$3,253,407</u>	<u>\$3,221,400</u>	<u>6.6</u>
<u>FUNDING</u>								
General	\$2,510,098	\$2,708,047	\$2,708,431	\$2,685,243	\$2,692,663	\$2,738,385	\$2,692,378	7.2
State Special	24,962	27,466	27,455	41,455	27,466	27,467	41,467	10.0
Federal Rev.	478,808	454,384	486,856	486,856	454,565	487,555	487,555	1.7
Total Funding	<u>\$3,013,868</u>	<u>\$3,189,897</u>	<u>\$3,222,742</u>	<u>\$3,213,554</u>	<u>\$3,174,694</u>	<u>\$3,253,407</u>	<u>\$3,221,400</u>	<u>6.6</u>

Program Description: Pine Hills School is responsible for the care and custody of juvenile boys aged 10 to 21 who have been sentenced to the institution by the courts. Title 53-30-202, MCA, establishes Pine Hills as a correctional facility to diagnose, care for, train, educate, and rehabilitate children in need of these services. Pine Hills has a capacity of 115 students in five cottages. In fiscal 1984, the average daily population was 88 students whose average length-of-stay was 6.5 months.

Current Level Budget: Included in subcommittee action is the deletion of a .5 FTE custodial worker, the addition of indirect costs of \$6,419 in fiscal 1986 and \$6,598 in fiscal 1987 associated with the ECIA Chapter I Program, the transfer of medical costs of \$25,182 to the Corrections Medical Program and the addition of \$4,000 each year for fire protection. A 4 percent vacancy savings factor is applied.

Funding includes earmarked alcohol revenue to fund a substance abuse counselor costing \$27,455 in fiscal 1986 and \$27,467 in fiscal 1987. The school has land grant income estimated at \$275,000 each year of the biennium and school food of \$66,248 in fiscal 1986 and \$66,569 in 1987. Federal boarder revenue is estimated at the current level average daily boarder population of 2.38 with a daily rate of \$74. Total federal boarder revenue is \$64,284 each year of the biennium. ECIA Chapter I and II is \$81,324 in fiscal 1986 and \$81,702 in fiscal 1987. The subcommittee added \$4,000 each year for donations and \$10,000 each year for a canteen fund. These funds were spent in unbudgeted agency funds previously.

Equipment includes a new vehicle at \$12,000, a washer and dryer at \$678, and nine sets of dormitory furniture manufactured by prison industries at \$2,250.

SUBCOMMITTEE ACTION

Agency: Department of Institutions

Program: Prison Summary

	FY 1984 Actual	Fiscal 1986			Fiscal 1987			FY 84-86 % Change
		Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	
FTE	332.45	365.28	363.95	363.78	404.53	401.70	401.53	9.4
Personal Services	\$ 7,188,769	\$ 8,762,269	\$ 8,516,849	\$ 8,568,597	\$ 9,640,665	\$ 9,369,960	\$ 9,428,710	19.2
Operating Expenses	3,804,677	4,576,620	4,532,543	4,627,296	4,704,144	4,795,472	4,824,184	21.6
Equipment	491,679	629,038	1,060,580	784,990	611,101	776,492	713,850	59.7
Non-Operating	72,185	-0-	-0-	-0-	-0-	-0-	-0-	(100.0)
Total Exp.	\$11,557,310	\$13,967,977	\$14,109,972	\$13,980,883	\$14,955,910	\$14,941,924	\$14,966,744	21.0
<u>FUNDING</u>								
General Fund	\$ 9,029,994	\$10,799,467	\$10,771,827	\$10,742,530	\$11,741,354	\$11,522,889	\$11,707,310	19.0
State Special Rev.	623,980	800,502	698,750	740,222	887,253	722,199	761,477	18.6
Federal Revenue	96,713	44,130	90,284	142,527	44,130	90,996	90,996	47.4
Proprietary	1,806,623	2,323,828	2,549,111	2,355,604	2,283,173	2,605,840	2,406,961	30.4
Total Funding	\$11,557,310	\$13,967,977	\$14,109,972	\$13,980,883	\$14,955,910	\$14,941,924	\$14,966,744	21.0

Program Description: The Montana State Prison provides low, high, and maximum security for Montana's male inmate population. In addition, the prison provides work, education, and training for inmates through the ranch and dairy operation, the Industries Program, and the Industries Training Program. The fiscal 1984 average daily population was 740, five less than fiscal 1983 and 195 more than the design capacity. The 1983 legislature authorized a major expansion of the prison to ease the overcrowding. A new high security unit and a new maximum security unit with a capacity of 96 each or 192 beds are under construction.

The 1986 budget including the prison expansion increased 21.0 percent over fiscal 1984. This growth is due to inflation, equipment and livestock purchases for the ranch and dairy, and the Industries Training Program being funded as fully operational. The prison has deleted 6.25 FTE from the Prison Industries and Industries Training Programs.

Staffing, and operating costs associated with the expansion are included in the table above and in the care and custody table. The new facilities are expected to be completed and ready for occupancy in January 1986. The expansion is discussed under care and custody.

The prison budget has six programs: care and custody, the ranch and dairy, the license plate factory, the canteen, the Industries program, and industries training. Each of these will be discussed on the following pages.

SUBCOMMITTEE ACTION

Agency: Department of Institutions

Program: Montana State Prison--Care and Custody

	FY 1984 Actual	Fiscal 1986			Fiscal 1987			FY 84-86 % Change
		Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	
FTE	300.45	340.53	338.2	339.03	379.78	375.95	376.78	12.8
Personal Services	\$6,599,360	\$ 8,103,190	\$ 7,829,240	\$ 7,909,412	\$ 8,980,129	\$ 8,680,877	\$ 8,768,063	19.8
Operating Expenses	2,292,918	2,610,457	2,660,632	2,750,891	2,689,320	2,849,475	2,934,018	20.0
Equipment	206,331	12,548	347,221	80,000	11,251	62,642	-0-	(61.2)
Total Exp.	\$9,098,609	\$10,726,195	\$10,837,093	\$10,740,303	\$11,680,700	\$11,592,994	\$11,702,081	18.0
FUNDING								
General Fund	\$8,960,400	\$10,631,448	\$10,696,192	\$10,584,402	\$11,585,933	\$11,451,361	\$11,560,448	18.1
State Special Rev.	41,496	50,617	50,617	50,617	50,637	50,637	50,637	22.0
Federal Revenue	96,713	44,130	90,284	105,284	44,130	90,996	90,996	8.9
Total Funding	\$9,098,609	\$10,726,195	\$10,837,093	\$10,740,303	\$11,680,700	\$11,592,994	\$11,702,081	18.0

Language in Bill: The equipment is a biennial appropriation.

Program Description: The Prison Care and Custody provides minimum, high, and maximum security incarceration for Montana's male inmate population.

Current Level Budget: The current level as approved by the subcommittee adds the physician position from the Corrections Medical Program at approximately \$77,000 per year, deletes a .17 FTE mail clerk which was vacant in fiscal 1984 saving \$2,000 per year and includes a 2.9 percent vacancy savings in fiscal 1986 and 3.3 percent in fiscal 1987. The lower vacancy savings overall adds \$80,172 in fiscal 1986 and \$87,186 in fiscal 1987 to the LFA current level personal services.

The 1983 legislature appropriated \$14,416,000 to expand the prison facilities to ease overcrowding. The prison, as it exists, has a design capacity of 545 inmates. The expanded facilities will provide three levels of security to house 737 inmates without "double bunking". The expanded facilities are expected to be ready for occupancy by January of 1986. Included in current level is the additional staff and operating expenses to operate the expanded prison for half of fiscal 1986 and all of fiscal 1987. There are 37.75 FTE additional staff in fiscal 1986 (reflecting a half year for 75.5 positions) and 75.50 FTE in fiscal 1987. The additional staff costs \$766,717 in fiscal 1986 and \$1,539,845 in fiscal 1987. Table 1 shows the expansion staff included in current level.

Table 1
Staffing for the Prison Expansion

<u>Program</u>	<u>Position</u>	<u>FTE</u>
Administration	Security Manager	1.00
	Maintenance Worker	2.00
Support Services	Social Worker	3.00
	Psychologist	1.00
	Teacher	1.00
	Librarian	.50
	Secretary	1.00
	Recreation Aide	3.00
	L.P.N.	4.80
Security	Lieutenant	1.60
	Sergeant	8.00
	Correctional Officers	<u>48.60</u>
Total Additional Staff		<u>75.50</u>

Operating Expenses were increased: \$41,720 per year to allow 30 additional ADP or a total ADP of 770, \$36,000 per year to annualize paper and janitorial supplies, \$15,000 in fiscal 1986 for a National Institute of Correction Training Grant, and \$105,624 in fiscal 1986 and \$197,406 in fiscal 1987 for expenses associated with the prison expansion. The funding includes state special alcohol earmarked revenue to fund 2 FTE alcohol counselors and federal boarder revenue of \$71,138 in fiscal 1986 and \$71,850 in fiscal 1987 to house five federal prisoners. Also included in federal revenue is ECIA Chapter I and II funds \$4,099 each year, and federal adult basic education funds of \$15,047 each year.

Modified Recommendations: (1) Added Staff--The modified level added 1.5 FTE and 3.0 FTE in fiscal 1987. A special duty aide, a warehouse manager and a canteen manager were overlooked when the original staffing for the expansion was made. The special duty aide is needed to complete the staffing of a special treatment team to deal with sex offenders, substance abusers, assaultive offenders, and forensic patients (men whose instability is not serious enough to be housed at the forensic unit at Montana State Hospital). The warehouse manager is needed due to extra work required to set up orders and deliveries for three separate compounds and additional buildings. The canteen manager is needed as a result of there being two canteens after the expansion. These positions cost an additional \$29,309 in fiscal 1986 and \$58,655 in fiscal 1987.

SUBCOMMITTEE ACTION

Agency: Department of Institutions

Program: Prison--Ranch and Dairy

	FY 1984 Actual	Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	FY 84-86 % Change
FTE	18.00	15.75	16.75	15.75	15.75	16.75	15.75	(12.5)
Personal Services	\$ 411,572	\$ 416,224	\$ 435,854	\$ 417,312	\$ 417,455	\$ 437,132	\$ 418,582	1.4
Operating Expenses	678,729	698,576	728,721	645,647	696,251	767,170	677,404	(4.9)
Equipment	235,521	604,350	692,850	692,850	599,850	713,850	713,850	194.2
Non-Operating	72,185	-0-	-0-	-0-	-0-	-0-	-0-	(100.0)
Total Exp.	\$1,398,007	\$1,719,150	\$1,857,425	\$1,755,809	\$1,713,556	\$1,918,152	\$1,809,836	25.6

FUNDING

Proprietary	\$1,398,007	\$1,719,150	\$1,857,425	\$1,755,809	\$1,713,556	\$1,918,152	\$1,809,836	25.6
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Program Description: The Prison Ranch provides beef, pork, and dairy products to state institutions while providing work and training for inmates. This program is designed to be self-supporting by selling meat and dairy products to other state institutions.

Current Level Budget: This level of funding will maintain the current level of production at the ranch. Personal services have been reduced \$46,436 by deleting a 1.0 FTE vacant correctional officer position and transferring a .5 FTE accountant II, a .5 FTE accounting technician, and a .25 over-the-road truck driver to the Industries and Industries Training Program. Operating expenses have been decreased by \$72,310 each year as a result of the USDA cheese contract being cancelled. Other adjustments to operating costs decreased the base \$8,800 overall. Inflation amounts to \$48,863 in fiscal 1986 and \$83,467 in fiscal 1987.

Equipment and livestock are included at the agency requested levels. If the funds do not materialize through the ranch operations, these purchases cannot be made. Table 1 lists the equipment in the budget.

Table 1
Equipment Budget at Montana State Prison Ranch--Fiscal 1986 and 1987

Item	Fiscal 1986	Fiscal 1987
Farm Equipment	\$119,100	\$144,000
Ranch Truck	20,000	20,000
Shop Electric Hoist	4,500	600
Breeding Bulls (10 per year)	10,000	10,000
Horses (2 each year)	1,400	1,400
Slaughter Hogs (1,550 each year)	189,550	189,550
Slaughter Cattle (900 each year)	348,300	348,300
Total Equipment Budget	\$692,850	\$713,850

The ranch will maintain its current pricing policy for products supplied to the institutions. Meat products are priced at 90 percent market value of the quarterly meat orders for the school for the Deaf and Blind and Northern Montana College. Dairy products are priced at 95 percent of the price established by the Montana Milk Board.

SUBCOMMITTEE ACTION

Agency: Department of Institutions

Program: Prison--Canteen

	FY 1984 Actual	Fiscal 1986			Fiscal 1987			FY 84-86	
		Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	% Change	
FTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Operating Expenses	<u>\$288,787</u>	<u>\$373,370</u>	<u>\$320,000</u>	<u>\$361,044</u>	<u>\$410,848</u>	<u>\$320,683</u>	<u>\$361,727</u>	<u>25.0</u>	
<u>FUNDING</u>									
State Special Rev.	<u>\$288,787</u>	<u>\$373,370</u>	<u>\$320,000</u>	<u>\$361,044</u>	<u>\$410,848</u>	<u>\$320,683</u>	<u>\$361,727</u>	<u>25.0</u>	

Program Description: The canteen provides an institution store for the inmates to purchase personal and incidental items. The canteen is supported through funds generated from its operation.

Current Level Budget: This level of funding provides for the operation of a second canteen which is part of the Prison expansion. The additional authority results from a policy change which requires inmates to purchase TV's, stereos, and radios through the canteen rather than directly from outside vendors. This policy change reduces security problems and decreases man hours required to order and procure the items.

SUBCOMMITTEE ACTION

Agency: Department of Institutions

Program: Prison--License Plate Factory

	FY 1984 Actual	Fiscal 1986				Fiscal 1987				FY 84-86 % Change
		Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	Executive	Current Level	
FTE	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	0.00
Personal Services	\$ 48,100	\$ 50,381	\$ 50,399	\$ 50,399	\$ 50,401	\$ 50,419	\$ 50,419	\$ 50,401	\$ 50,419	4.8
Operating Expenses	245,597	326,134	277,734	278,162	375,367	300,460	298,694	375,367	298,694	13.3
Total Exp.	\$293,697	\$376,515	\$328,133	\$328,561	\$425,768	\$350,879	\$349,113	\$425,768	\$349,113	11.9
<u>FUNDING</u>										
State Special Rev.	\$293,697	\$376,515	\$328,133	\$328,561	\$425,768	\$350,879	\$349,113	\$425,768	\$349,113	11.9

Program Description: This program manufactures license plates for the state of Montana, however, it is not one of the prison industries enterprises. The license plate factory is funded by the motor vehicle state special revenue account through the Department of Justice.

Current Level Budget: This level of funding allows the manufacture of 392,000 large plates and 52,000 small plates each year of the biennium. Amounts of \$20,000 in fiscal 1986 and \$30,000 in fiscal 1987 are included for major maintenance and overhaul of the manufacturing equipment. The subcommittee also added \$4,500 each year for a management contract with prison industries.

Excess funds in the motor vehicle account are used to replace general fund in the Department of Justice programs. The more funds spent in the license plate factory, the less there is to allocate to general fund operations in the Department of Justice.

SUBCOMMITTEE ACTION

Agency: Department of Institutions

Program: Prison Industries

	FY 1984 Actual	Fiscal 1986				Fiscal 1987				FY 84-86 % Change
		Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee
FTE	7.00	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25	(39.3)
Personal Services	\$125,986	\$111,396	\$110,312	\$110,312	\$111,508	\$110,399	\$110,399	\$111,508	\$110,399	(12.4)
Operating Expenses	243,936	298,355	294,157	292,783	295,481	305,501	303,359	295,481	303,359	20.0
Equipment	38,694	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	(100.0)
Total Exp.	\$408,616	\$409,751	\$404,469	\$403,095	\$406,989	\$415,900	\$413,758	\$406,989	\$413,758	(1.4)
<u>FUNDING</u>										
Proprietary	\$408,616	\$409,751	\$404,469	\$403,095	\$406,989	\$415,900	\$413,758	\$406,989	\$413,758	(1.4)

Program Description: This program provides work opportunities for prison inmates to prevent idleness, to train inmates in job skills and work habits, and to provide products and services to public agencies. The Industries Program is designed to be self-supporting.

Current Level Budget: Personal services have been decreased 2.75 FTE at the agency's request. The Industries Program transferred a .25 FTE accountant, a .25 FTE accounting technician, and a .25 FTE truck driver from the prison ranch. These positions performed duties for industries in the past, while paid out of the ranch budget. This transfer allocates the costs of the positions to the programs where their duties are performed. Industries reduced other staff by 3.5 FTE from the fiscal 1984 actual level. The industries production manager position is now split between the Industries Program and the Industries Training Program. Two industries shop supervisor positions and an industries technician position were deleted as unneeded positions.

Operating costs were increased a total of \$28,735. Operating expense increased \$31,836 for production materials, \$1,384 for marketing services, \$894 for legislative audit fees, \$123 for payroll fees, \$617 for over-the-road trucker meals. Professional contracts of \$2,280 and freight costs of \$3,580 were reduced.

SUBCOMMITTEE ACTION

Agency: Department of Institutions

Program: Prison--Industries Training

	FY 1984 Actual	Executive	Fiscal 1986 Current Level	Subcommittee	Executive	Fiscal 1987 Current Level	Subcommittee	FY 84-86 % Change
FTE	5.00	2.75	2.75	2.75	2.75	2.75	2.75	(45.0)
Personal Services	\$ 3,751	\$ 81,078	\$ 80,752	\$ 81,162	\$ 81,172	\$ 80,841	\$ 81,247	2,063.7
Operating Expenses	54,710	269,728	247,795	298,769	236,877	248,189	248,982	446.1
Equipment	11,133	12,140	20,509	12,140	-0-	-0-	-0-	9.0
Total Exp.	\$69,594	\$362,946	\$349,056	\$392,071	\$318,049	\$329,030	\$330,229	463.4

FUNDING

General Fund	\$69,594	\$168,019	\$ 73,301	\$158,128	\$155,421	\$ 69,096	\$146,862	127.2
Proprietary	-0-	194,927	275,755	196,700	162,628	259,934	183,367	100.0
Federal	-0-	-0-	-0-	37,243	-0-	-0-	-0-	100.0
Total Funding	\$69,594	\$362,946	\$349,056	\$392,071	\$318,049	\$329,030	\$330,229	463.4

Program Description: Industries training is a new program approved and funded by the 1983 legislature as a result of Senate Bill 1 of the second special session in fiscal 1982. The program, as approved, includes auto repair, heavy equipment repair, industrial arts, meat cutting, horticulture, business skills, and an electronic repair center. A new building was approved by the 1983 legislature to house the program and will be completed in the 1987 biennium.

Current Level Budget: The program did not become fully operational in fiscal 1984. As a result, fiscal 1984 expenditures are not representative of the full operation of the program.

The program has deleted two teacher positions and 1.25 FTE industries shop supervisor positions while adding portions of FTE from both the ranch and Industries Program. The positions added are: .25 FTE accountant II, .25 FTE accounting technician II and .5 FTE of the industries production manager. The resulting compliment of FTE is 2.25 less than the fiscal 1984 authorized level of 5 FTE.

There are, however, 7 FTE in the prison general fund budget assigned to the training program. These training positions include: 3 automotive repair, 1 industrial arts position, 1 meat cutter, 1 heavy equipment mechanic, and 1 printer. These positions will cost \$191,400 in fiscal 1986 and \$191,638 in fiscal 1987 before any pay plan increases

Operating expenditures have been adjusted to reflect the agency's request. The overall increase above fiscal 1984 is \$188,485. Utility costs of \$13,910 in fiscal 1986 and \$29,776 in fiscal 1987 have been included to cover the anticipated costs of the new vocational education building. The program will receive two training grants in fiscal 1986 totaling \$37,243 which have been included.

The current level budget maintains the general fund at a level commensurate with the level established for the 1985 biennium or 44.52 percent of the total budget, exclusive of federal funds.

SUBCOMMITTEE ACTION

Agency: Department of Institutions

Program: Swan River Forest Camp

	FY 1984 Actual	Executive	Fiscal 1986 Current Level	Subcommittee	Executive	Fiscal 1987 Current Level	Subcommittee	FY 84-86 % Change
FTE	26.33	26.83	26.83	26.83	26.83	26.83	26.83	1.9
Personal Services	\$608,660	\$643,831	\$643,935	\$657,117	\$644,897	\$645,033	\$658,221	8.0
Operating Expenses	239,667	255,987	262,773	289,208	252,035	268,144	296,518	20.7
Equipment	11,339	21,394	11,194	22,394	3,650	3,650	3,650	97.5
Total Exp.	\$859,666	\$921,212	\$917,902	\$968,719	\$900,582	\$916,827	\$958,389	12.7
<u>FUNDING</u>								
General Fund	\$787,552	\$831,522	\$828,325	\$857,421	\$808,355	\$824,839	\$844,655	8.9
Alcohol	16,182	26,238	26,227	26,773	26,238	26,238	26,784	65.4
Canteen	23,491	26,000	26,000	46,000	26,500	26,500	46,500	95.8
School Lunch	5,823	5,220	5,220	5,220	5,220	5,220	5,220	(10.4)
Federal Boarder	18,484	16,300	16,300	16,300	16,450	16,450	16,450	(11.8)
ECIA Chapter I	8,134	8,529	8,530	8,705	8,532	8,510	8,710	7.0
Donations	-0-	-0-	-0-	1,000	-0-	-0-	1,000	100.0
Voc-Ed	-0-	7,403	7,300	7,300	9,287	9,070	9,070	100.0
Total Funding	\$859,666	\$921,212	\$917,902	\$968,719	\$900,582	\$916,827	\$958,389	12.7

Program Description: The Swan River Forest Camp is a minimum security work camp for inmates transferred from the state prison who are between the ages of 18 and 26. The inmates work with the Forestry Division of the Department of State Lands and are involved in several forestry programs such as thinning, seeding and planting trees, and campground and recreational area maintenance.

The facility has an overall capacity of 54 inmates. In fiscal 1984, the camp experienced an average daily population of 49 with a 5.3 month average length of stay. The camp expects to remain at current level through the 1987 biennium.

Current Level Budget: Personal services are increased for the addition of a .5 FTE teacher aide position funded by ECIA Chapter I. In addition, the substance abuse counselor was vacant five and one-half months during fiscal 1984 and has been included at full cost for the 1987 biennium. A vacancy savings factor of 2 percent is applied.

Operating expenses were increased \$25,713 in fiscal 1986 and \$20,158 in fiscal 1987. Contract services were increased \$8,000 for audit fees and \$1,035 for insurance, but reduced \$1,413 for one-time expenditures associated with the ECIA Education Program.

Supplies and materials were increased \$3,564 for the purchase of EMIT system supplies (a system to check for substance abuse through urine analysis). These funds were spent in the Corrections Division budget during fiscal 1984. The Corrections Division budget has been decreased \$3,564. Shop supplies have been increased \$2,580 for the Vocational Education Program funded by the OPI grant.

Rent for the facility's copy machine was increased \$705 to annualize the seven month cost in fiscal 1984. The lease purchase contract on this machine expires in December of 1986, therefore, the annual cost was reduced \$1,005 to reflect five months of expense in fiscal 1987.

Utilities were reduced \$1,420 as a result of canceling the garbage removal contract and savings in electricity from installing a gas range, oven, and braising pan.

Communications, repairs, and other expenses were reduced a combined total of \$866 for ECIA grant expenses.

Goods purchased for resale were increased \$22,523 to allow sufficient authority within the canteen fund to purchase goods sold to the inmates. The Canteen Program is a self-supporting activity.

Equipment in the current level budget includes a van, major maintenance and upgrading of a radio base station, a 50 pound capacity washer to replace a machine requiring \$1,200 in repairs during fiscal 1984, and office furniture. The total current level cost is \$17,674 in fiscal 1986. Equipment included in the OPI vocational education grant totals \$4,720 in fiscal 1986 and \$3,650 in fiscal 1987.

Funding

Reimbursement for federal inmate room and board is estimated at \$16,300 in fiscal 1986 and \$16,450 in fiscal 1987 for one inmate during the 1987 biennium. Vacancies within the federal system have reduced the number of federal boarders sent to Montana. In addition, rising populations of the state's own inmates leaves little room for federal boarders.

School lunch funds are declining as a result of fewer school age inmates. Those inmates 21 and older, or that have a CED or diploma, are not eligible for the program. The number of school age inmates in fiscal 1983 was 13, and 9 in fiscal 1984. The agency anticipates school lunch funds of \$5,220 in each year of the biennium for an average of nine school age inmates.

ECIA and OPI funds total \$16,005 in fiscal 1986 and \$17,780 in fiscal 1987.

A substance abuse counselor is funded by the earmarked alcohol funds. The amount included is \$26,773 in fiscal 1986 and \$26,784 in fiscal 1987.

Funding for the Canteen Program is \$46,000 in fiscal 1986 and \$46,500 in fiscal 1987. Donations are included at \$1,000 each year.

SUBCOMMITTEE ACTION

Agency: Department of Institutions

Program: Veteran's Home

	FY 1984 Actual	Fiscal 1986		Fiscal 1987		FY 84-86 % Change
	Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee
FTE	65.68	74.50	74.00	74.50	74.00	74.50
Personal Services	\$1,160,605	\$1,360,111	\$1,334,417	\$1,364,645	\$1,338,600	\$1,351,243
Operating Expenses	348,588	491,601	439,870	484,217	455,165	538,749
Equipment	22,099	-0-	-0-	8,520	12,000	12,000
Total Exp.	\$1,531,292	\$1,851,712	\$1,774,287	\$1,857,382	\$1,805,765	\$1,901,992
FUNDING						
General Fund	\$ 556,413	\$ 543,761	\$ 431,188	\$ 548,171	\$ 448,186	\$ 482,985
Veterans' Administration						
Reimbursement	317,734	485,220	521,713	485,220	521,713	566,113
Third Party	652,375	817,517	816,172	818,777	830,652	826,916
Canteen	-0-	-0-	-0-	-0-	-0-	20,764
Lease Income	4,770	5,214	5,214	5,214	5,214	5,214
Total Funding	\$1,531,292	\$1,851,712	\$1,774,287	\$1,857,382	\$1,805,765	\$1,901,992

Language in Bill: The Veteran's Home is authorized \$24,995 for the biennium to phase-out the old boiler.

Program Description: The Montana Veteran's Home provides domiciliary and nursing care to honorably discharged veterans and if space is available to veterans' spouses. An addition to the home was completed in fiscal 1984 increasing the bed capacity to 151, a net increase of 36. Eighty-five of the 151 beds are domiciliary while 66 are nursing care beds. The home is projecting an average daily population of 136 for the 1987 biennium which is an occupancy rate of 90 percent.

Current Level Budget: A .50 FTE pharmacists costing \$13,170 was added to manage the drug program as a result of the Veterans' Administration discontinuing this service. A 4 percent vacancy savings rate has been applied. Operating expenses increased \$158,052. The operating adjustments are broken into two types--adjustments for the increased average daily population of 136 and adjustments for changes in services or rates paid for services.

Average Daily Population Increases

The home is projecting an increase of 26 residents for the 1987 biennium as a result of the expansion completed in fiscal 1984. Contract services have been increased for laundry, medical services, and dental services. The laundry will cost \$5,161 for 26 additional residents. It will require an additional two hours per week for a physician to provide the necessary medical services. A dentist will spend an additional one-half hour per week providing dental coverage. The physician will cost an additional \$4,963 while the dentist will cost \$1,028 more.

The food budget has been increased \$37,306 over fiscal 1984 for an average cost per meal of 75 cents before inflation. The food increase is due to serving 30,703 additional resident and staff meals in fiscal 1986 than fiscal 1984 and accounting for costs incurred but not shown in SBAS due to food inventory changes.

Electricity usage has increased with the new addition. The usage is expected to reach 900,000 kilowatt hours compared with 759,640 in fiscal 1984. The increase in usage will cost \$6,415.

Additional linens and bedding were included at \$542.

Service or Rate Adjustments

Professional contracts were decreased \$3,426 to \$1,848. This will continue to provide dietician coverage eight hours per month, however, a physical therapist contract and an activities coordinator contract have been deleted. Insurance fees charged by the Department of Administration increased \$2,083 to \$4,915 in fiscal 1986 and will cost \$5,093 in fiscal 1987. Fees charged by the legislative auditor for the biennial audit are included at \$8,000. The home did not have an audit in fiscal 1984.

Water and sewer rates for the home were increased from \$678.30 per month to \$812.25 per month. The total increase is \$1,608 per year. Fiscal 1984 relocation costs of \$1,000 were removed from the base.

In prior years, the federal veteran's hospital has filled prescriptions and provided medical supplies for the members of the Montana Veterans' Home. The federal Veterans' Administration determined that the cost of these items should be part of the per diem reimbursement and as of July 1, 1984 will no longer supply these items. Officials at the federal Veterans' Administration hospital estimated the fiscal 1984 drugs and supplies provided to the veterans' home at \$38,640. The subcommittee added \$41,158 each year for drugs and medical supplies.

As a result of a legislative audit recommendation, a state special revenue canteen fund was authorized by the subcommittee at \$20,764 each year.

Water and Heat

Because water lines which feed the chapel and the superintendents residence are buried with the steam lines and the water lines together with the steam lines are not buried to a depth which would prevent the water lines from freezing when the steam is shut off, the department will reroute the water lines to the chapel and superintendents residence in a manner which will ensure the lines will not freeze, but in so doing will save the greatest amount of general fund dollars. The department will install new heating units in the chapel and the superintendents residence in such a manner as to achieve the greatest amount of heat with the most efficiency while saving the greatest amount of general fund. Should the project or any of its several parts become unfeasible within the limits of the funding appropriated, that part of the project deemed infeasible, or the project in its entirety will cease with the unexpended balance reverting to the general fund. The purpose of this project is to shut down the old boilers permanently which if left on would cost nearly \$13,000 per year just to heat the chapel and the superintendents residence.

Funding

The Montana Veterans' Home has four sources of funding: general fund, Veterans' Administration per diem reimbursement, private third party reimbursement, and land grant funds. The Veterans' Administration per diem rate has increased from \$12.10 per day for nursing home care and \$6.35 for domiciliary care to \$17.05 and \$7.30, respectively. The private reimbursement pays approximately 46 percent of total expenditures.

SUBCOMMITTEE ACTION

Agency: Department of Institutions

Program: Montana State Hospital

	FY 1984 Actual	Executive	Fiscal 1986 Current Level	Subcommittee	Executive	Fiscal 1987 Current Level	Subcommittee	FY 84-86 % Change
FTE	755.6	703.6	702.3	701.20	703.6	702.3	701.20	(7.2)
Personal Services	\$16,493,283	\$16,393,068	\$16,397,711	\$16,370,664	\$16,452,979	\$16,458,892	\$16,431,804	(.7)
Operating Expenses	3,047,259	3,089,705	3,231,075	3,112,992	3,074,298	3,379,371	3,209,602	2.2
Equipment	14,378	33,257	153,965	130,000	9,286	18,086	-0-	804.2
Total Exp.	\$19,554,920	\$19,516,030	\$19,782,751	\$19,613,656	\$19,536,563	\$19,856,349	\$19,641,406	.3
FUNDING								
General Fund	\$17,876,128	\$17,805,503	\$18,096,109	\$17,910,410	\$17,826,036	\$18,157,738	\$17,937,764	.2
State Special Rev.	1,634,829	1,705,424	1,681,539	1,698,143	1,705,424	1,693,508	1,698,539	3.9
Federal Revenue	43,963	5,103	5,103	5,103	5,103	5,103	5,103	(88.4)
Total Funding	\$19,554,920	\$19,516,030	\$19,782,751	\$19,613,656	\$19,536,563	\$19,856,349	\$19,641,406	.3

Language in Bill: The equipment is a biennial appropriation.

Program Description: Montana State Hospital provides evaluation and psychiatric treatment on the Warm Springs campus for adults who are mentally ill. Inpatient alcohol and drug treatment programs are offered at the Galen campus as well as acute and intermediate care medical services for the mentally ill.

Current Level Budget: The current level provides for an average daily population of 313 at Warm Springs, 105 acute and intermediate care at Galen, 64 alcohol patients, and 11 drug patients. The staffing at Montana State Hospital decreases 54.4 FTE from fiscal 1984 to fiscal 1986. Table 1 shows the FTE deleted. Forty-three of the staff reduced are directly associated with the children's unit which will be closed when the new Montana Youth Treatment Center opens in Billings. Also, with the children's unit moving, the hospital will no longer have school age children; and therefore, no more federal ECIA Chapter I funds. The Chapter I teacher is deleted. With the completion of the food service consolidation 4.4 FTE food service workers are deleted.

The hospital has installed a new telephone system which eliminates one switchboard at Galen. In fiscal 1984 5 FTE were assigned to the Galen switchboard. Those FTE have been converted to other positions as follows: 1) 1.0 FTE switchboard operator for relief at the Warm Springs switchboard, 2) 1.5 FTE receptionists for Galen main entrance, 3) 1.0 FTE mechanic, 4) 1.0 FTE groundskeeper, and 5) .5 FTE deleted.

The canteen had 2.0 FTE store managers and a .6 FTE cook. The subcommittee authorized 1.0 FTE store manager to be funded with general fund. The other FTE were deleted since the canteen cannot generate the funding to support them.

An executive chef position was converted to a food service worker saving \$13,539 in fiscal 1986 and \$13,522 in fiscal 1987.

Based on direct care ratios established by previous legislatures 3.9 FTE direct care positions were deleted based on an anticipated average daily population of 313 at Warm Springs and 105 at Galen.

Table 1
Montana State Hospital Staff Change--1987 Biennium

<u>Position</u>	<u>FTE Changes</u>
Children's Unit	
Unit Supervisor	1.0
Unit Clerk	1.0
Psychologists	2.0
Social Workers	2.0
Recreation Therapist	2.0
Music Therapist	1.0
Rehabilitation Counselor	1.0
Teacher Aide	2.0
Teacher	1.0
Registered Nurses	3.0
Licensed Practical Nurses	8.0
Aides	<u>19.0</u>
Children's Unit Changes	43.0
Chapter I Teacher	1.0
Food Service Workers	4.4
Switchboard Operator	.5
Store Manager (Canteen)	1.0
Cook II (Canteen)	.6
Direct Care Adjustment:	
Add: Registered Nurses	+1.5
Delete: Licensed Practical Nurse	-2.6
Aides	<u>-2.8</u>
Direct Care Changes	3.9
Total Deletions	<u>54.4</u>

Operating expenses decreased from fiscal 1984 to fiscal 1986 as a result of the children's unit move and eliminating the garbage removal contract. By purchasing their own garbage truck and hauling their own garbage, the hospital can pay for the truck in less than two years and save up to \$15,000 overall. The increases reflected in the table from fiscal 1984 to fiscal 1986 and 1987 is inflation of \$152,467 and \$270,649 respectively. The fiscal 1986 base is actually \$87,016 under fiscal 1984. The subcommittee approved a biennial appropriation of \$130,000 for equipment. This level was established to enable the hospital to purchase a garbage truck and a radiographic/flourescopic unit.

Montana State Hospital is funded with general fund, alcohol state special revenue, the canteen state special revenue, federal school lunch, and income from land leases and mineral royalties. The alcohol state special revenue of \$1,570,731 in fiscal 1986 and \$1,564,827 in fiscal 1987 supports the alcohol treatment center on the Galen campus. The canteen which is funded by revenues generated from sales to residents is included at \$114,995 in fiscal 1986 and \$120,674 in fiscal 1987. The small amount of school lunch and lease income together total \$5,103 each year of the biennium. The subcommittee added \$12,417 in fiscal 1986 and \$13,038 in fiscal 1987 of state special donations based on a recommendation from the Legislative Auditor. The hospital has spent donations in the past using an unbudgeted agency fund.

Modified Recommendations: (1) Direct Care Staff Posting--The direct care staff was increased 4.54 FTE over the LFA current level. The current level was based on a staff to client ratio of 1 RN to 11 patients, 1 LPN to 6.4 patients and 1 aide to 1.9 patients. A posting of both Warm Springs and Galen shows a need for 4.54 more direct care positions than the ratio. Posting provides a more accurate way to determine the direct care staff required to maintain 24 hour coverage seven days per week. The total cost of adding this modified recommendation is \$77,630 in fiscal 1986 and \$77,793 in fiscal 1987.

SUBCOMMITTEE ACTION

Agency: Department of Institutions

Program: Board of Pardons

	FY 1984 Actual	Fiscal 1986		Fiscal 1987		FY 84-86 % Change	
		Executive	Subcommittee	Executive	Subcommittee	Current Level	
FTE	4.00	4.00	4.00	4.00	4.00	4.00	0.00
Personal Services	\$114,977						
Operating Expenses	32,213	\$122,434	\$127,335	\$122,538	\$127,444	\$119,736	10.7
Equipment	662	41,208	40,693	39,325	39,586	39,586	26.3
		-0-	-0-	-0-	-0-	-0-	(100.0)
Total Exp.	\$147,852	\$163,642	\$168,028	\$161,863	\$167,030	\$159,322	13.6
<u>FUNDING</u>							
General Fund	\$147,852	\$163,642	\$168,028	\$161,863	\$167,030	\$159,322	13.6

Program Description: The Board of Pardons oversees Montana's inmate parole and furlough programs. The board consists of four members appointed by the Governor with a support staff of 4 FTE.

Current Level Budget: This level of funding provides a total of 444 board member hearing and reading days per year. The board will conduct hearings at the prison, Swan River Forest Camp and the five pre-release centers. The board hears cases at the prison and Swan River Forest Camp two days each month, and four and one-half days at the pre-release centers each month. There are a total of 154 more days budgeted in fiscal 1986 than in fiscal 1984. This increase is due to additional hearing days at the two new pre-release centers, plus extra reading and work days requested for board members. Travel costs were increased \$5,087 to allow up to five out-of-state parole hearing trips and the additional travel required to conduct hearings at all five of the pre-release centers.

SUBCOMMITTEE ACTION

Agency: Department of Institutions

Program: Montana Youth Treatment Center

	FY 1984 Actual	Fiscal 1986				Fiscal 1987				FY 84-86 % Change
		Executive	Current Level	Subcommittee		Executive	Current Level	Subcommittee		
FTE	0.00	112.26	112.26	112.26		112.26	112.26	112.26		
Personal Services	\$ -0-	\$2,151,603	\$2,111,384	\$2,111,384		\$2,155,455	\$2,112,381	\$2,112,381		
Operating Expenses	-0-	400,819	389,738	398,478		390,128	396,476	408,207		
Equipment	-0-	-0-	-0-	-0-		-0-	-0-	-0-		
Total Exp.	\$ -0-	\$2,552,422	\$2,501,122	\$2,509,862		\$2,545,583	\$2,508,857	\$2,520,588		
<u>FUNDING</u>										
General Fund	\$ -0-	\$2,514,411	\$2,459,768	\$2,440,443		\$2,507,572	\$2,467,302	\$2,450,968		
Federal Rev.	-0-	38,011	41,354	41,354		38,011	41,555	41,555		
Proprietary				28,065				28,065		
Total Funding	\$ -0-	\$2,552,422	\$2,501,122	\$2,509,862		\$2,545,583	\$2,508,857	\$2,520,588		

Program Description: The Montana Youth Treatment Center is a 60-bed psychiatric hospital for the treatment of seriously emotionally disturbed youth between the ages of 12 and 18 committed by the courts. No youth may be admitted to the center unless determined to be seriously mentally ill and committed by a district court, (53-21-505, MCA). All commitments made to the center will be Pursuant to 53-21-114 through 53-21-127, MCA which outline the commitment procedure. This is to ensure that no youth is inappropriately placed at the Montana Youth Treatment Center. The center is expected to open in April 1985 with the transfer of 27 youth currently at the children's unit in Warm Springs. It is expected that current out-of-state placements and youth on the children's unit waiting list will also be placed in the new center.

Current Level Budget: This level of funding serves an average daily population of 55 with a direct care staff of 49.10 FTE, an education staff of 15 FTE and a treatment staff of 18 FTE. The remaining 30.16 staff are administrative and support.

With the exception of school lunch of \$41,354 in fiscal 1986 and \$41,555 in fiscal 1987 and a proprietary account of \$28,065 each year, the center is entirely funded with general fund. However, the center will be licensed as a psychiatric hospital and be eligible for Medicaid reimbursement.

The proprietary account is established to enable the institution to charge employees for meals. All other institutional employees receive a free meal. However, this will be the first institution to charge employees for meals they eat at the institution. Charges for meals will be based on raw food costs.

Institutions and Cultural Education
Subcommittee Modified Recommendations

<u>Agency</u>	- - - - - Fiscal 1986 - - - - -			- - - - - Fiscal 1987 - - - - -		
	<u>General Fund</u>	<u>Other</u>	<u>Total</u>	<u>General Fund</u>	<u>Other</u>	<u>Total</u>
Central Office						
1. Management Services	\$ 23,195	-0-	\$ 23,195	\$ 23,195	-0-	\$ 23,195
2. Youth Evaluation Prog.	167,459	-0-	167,459	155,858	-0-	155,858
3. Women's Corrections	52,656	-0-	52,656	52,749	-0-	52,749
Center for the Aged						
4. Direct Care	17,313	-0-	17,313	17,340	-0-	17,340
Prison						
5. Expansion Staff	29,309	-0-	29,309	58,655	-0-	58,655
Montana State Hospital						
6. Direct Care	77,360	-0-	77,360	77,793	-0-	77,793
Montana Historical Society						
7. Accountant & Clerk	29,953	-0-	29,953	29,964	-0-	29,964
8. Photocopy Service	-0-	10,400	10,400	-0-	10,400	10,400
9. Newspaper Cataloging	-0-	49,000	49,000	-0-	-0-	-0-
10. Reader/Printer (Equip.)	6,000	-0-	6,000	12,000	-0-	12,000
11. Renovation of Museum	-0-	99,075	99,075	-0-	99,057	99,057
12. Restoration of Governor's Mansion	-0-	10,000	10,000	-0-	10,000	10,000
13. Press Operation	-0-	75,531	75,531	-0-	75,545	75,545
14. Historic Preservation	-0-	74,476	74,476	-0-	74,669	74,669
15. Federal Grants	-0-	595,000	595,000	-0-	610,000	610,000
16. Photograph Service	-0-	12,556	12,556	-0-	12,613	12,613
17. Assess. Local Gov't. Records	-0-	20,000	20,000	-0-	-0-	-0-
18. Process Holter Collection	-0-	25,000	25,000	-0-	-0-	-0-
State Library						
19. Washington Library Net- work	<u>10,083</u>	<u>-0-</u>	<u>10,083</u>	<u>1,247</u>	<u>-0-</u>	<u>1,247</u>
Total Subcommittee	<u>\$413,328</u>	<u>\$971,038</u>	<u>\$1,384,366</u>	<u>\$428,801</u>	<u>\$892,284</u>	<u>\$1,321,085</u>

D. DEPARTMENT OF INSTITUTIONS

		<u>Fiscal 1986</u>				<u>Fiscal 1987</u>			
		State	Federal			State	Federal		
		General	Special	Special		Special	Special		
		<u>Fund</u>	<u>Revenue</u>	<u>Proprietary</u>	<u>Total</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Proprietary</u>	<u>Total</u>
1	CENTRAL OFFICE								
2	1. Director's Office								
3	385,868				385,868				380,136
4	2. Management Services Division								
5	a. Management Services								
6	859,420				859,420				865,126
7	b. Audit								
8	35,000				35,000				
9	3. Alcohol & Drug Abuse Division								
10	219,592	330,947	1,114,606		1,665,145	346,581	1,083,560		1,649,733
11	4. Corrections Division								
12	a. Central Office								
13	i. Operations		250	2,595	3,840,728	250	2,699		3,931,865
14	3,837,883				3,928,916				
15	ii. Equipment								
16	100,000				100,000				
17	b. Womens Corrections								
18	i. Operations								
19	635,850				635,850				647,385
20	c. Corrections Medical								
21									
22									
23									
24									
25									



	Fiscal 1986					Fiscal 1987				
	General	State	Federal	Special	Revenue	General	State	Federal	Special	Revenue
	Fund	Special	Special	Revenue	Proprietary	Fund	Special	Special	Revenue	Proprietary
										Total
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
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21										
22										
23										
24										
25										

	<u>Fiscal 1986</u>				<u>Fiscal 1987</u>			
	General	State	Federal		General	State	Federal	
	<u>Fund</u>	<u>Special</u>	<u>Special</u>		<u>Fund</u>	<u>Special</u>	<u>Special</u>	
		<u>Revenue</u>	<u>Revenue</u>	<u>Proprietary</u>	<u>Total</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Total</u>
1								
2								
3								
4								
5								
6								
7								
8								
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15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								

v.	Ranch and Dairy Audit							
			2,105		2,105			
vi.	Industries Operations							
				399,902	399,902			
vii.	Industries Audit							
			3,193		3,193			
viii.	Industries Training Operations							
		37,243	196,700		391,271	146,862	183,367	330,229
ix.	Industries Training Audit							
		800			800			
x.	Canteen Operations							
		360,723			360,723	361,727		361,727
xi.	Canteen Audit							
		321			321			
xii.	License Plate Factory Operations							
		328,377			328,377	349,113		349,113
xiii.	License Plate Factory Audit							
		184			184			
9.	Swan River Forest Camp							
i.	Operations							
		73,773	37,525		960,719	74,284	39,450	958,389
		849,421				844,655		

	<u>Fiscal 1986</u>				<u>Fiscal 1987</u>			
	State	Federal	State	Federal	State	Federal	State	Federal
1								
2								
3	General	Special	Special		Special	Special		
4	<u>Fund</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Total</u>
5	ii. Audit							
6	8,000							
7	5. Mental Health Division							
8	a. Central Office							
9	i. Operations							
10	4,123,354		1,349,118					
11	b. Boulder River School and Hospital							
12	i. Operations							
13	10,789,377	33,844	51,769		20,324	43,827		10,942,639
14	ii. Audit							
15	20,000							
16	iii. Equipment							
17	20,000							
18	c. Center for the Aged							
19	i. General Operations							
20	2,523,763	7,386			7,735			2,554,060
21	ii. Audit							
22	10,000							
23	d. Eastmont							
24	i. General Operations							
25	2,074,210	3,000			3,000			2,092,411

	<u>Fiscal 1986</u>				<u>Fiscal 1987</u>			
	General	State	Federal		General	State	Federal	
1								
2								
3								
4								
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25								

1	ii. Audit							
2	10,000			10,000				
3	e. Veterans' Home							
4	i. General Operations							
5	455,563	20,764	1,385,964	1,862,291	482,985	20,764	1,398,243	1,901,992
6	ii. Audit							
7	8,000			8,000				
8	iii. Boiler Replacement							
9	24,995			24,995				
10	f. Warm Springs/Galen							
11	i. General Operations							
12	17,751,010	1,698,143	5,103	19,454,256	17,937,764	1,698,539	5,103	19,641,406
13	ii. Audit							
14	29,400			29,400				
15	iii. Equipment							
16	130,000			130,000				
17	g. Youth Treatment Center							
18	i. General Operations							
19	2,430,443		41,354	2,499,862	2,450,968		41,555	2,520,588
20	ii. Audit							
21	10,000			10,000				

<u>Fiscal 1986</u>				<u>Fiscal 1987</u>			
State		Federal		State		Federal	
General	Special	Revenue	Special	General	Special	Revenue	Special
<u>Fund</u>	<u>Revenue</u>	<u>Proprietary</u>	<u>Total</u>	<u>Fund</u>	<u>Revenue</u>	<u>Proprietary</u>	<u>Total</u>
Within item 4, transfers may be made between line items in excess of 5% of the total appropriation authority in each line item upon approval of the Governor or his designated representative.							
Within item 5, transfers may be made between line items in excess of 5% of the total appropriation authority in each line item upon approval of the Governor or his designated representative.							
Items 4a11, 4c1, 4f111, 5b111, 5e111, and 5f111 are biennial appropriations.							
The department is authorized to maintain an aggregate funding level of \$2,236,595 during fiscal 1986 and \$2,236,595 during fiscal 1987 for those substance abuse programs that during fiscal 1984 were partially or totally funded under the provision of 53-24-206, MCA. Expenditures of revenues available under 53-34-206, MCA, when combined with discretionary distribution of the alcohol federal block grant, may not exceed the aggregate funding totals specified above.							
6. Board of Pardons							
a. General Operations							
165,508			165,508	167,030			167,030
b. Audit							
2,520			2,520				
Total							

168,028			168,028	167,030			167,030
TOTAL SECTION D							
63,129,284	2,951,784	4,683,003	2,383,669	73,147,740	64,303,998	2,976,421	4,493,928
							2,435,026
							74,209,373

NARRATIVE FOR HOUSE BILL 500
on the
Cultural Education Action
by the
Institutions and Cultural Education Subcommittee

March 11, 1985

SUBCOMMITTEE ACTION

Agency: Montana Arts Council

Program: Agency Summary

	FY 1984 Actual	Fiscal 1986			Fiscal 1987			FY 84-86 % Change
		Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	
FTE	4.00	8.50	4.00	4.00	8.50	4.00	4.00	0.0
Personal Services	\$118,561	\$ 198,298	\$ 110,864	\$110,864	\$ 198,720	\$ 111,265	\$111,265	(6.5)
Operating Expenses	230,127	351,906	238,890	230,983	341,908	257,933	227,932	.4
Equipment	2,754	-0-	2,993	-0-	-0-	3,142	-0-	(100.0)
Non-Operating	389,227	488,689	770,811	193,628	479,195	832,553	187,895	(50.3)
Total Exp.	\$740,669	\$1,038,893	\$1,123,558	\$535,475	\$1,019,823	\$1,204,893	\$527,092	(27.7)

FUNDING

General Fund	\$130,883	\$ 177,575	\$ 122,647	\$100,457	\$ 167,185	\$ 128,204	\$ 96,300	(23.2)
State Special Rev.	224,205	349,286	561,561	-0-	347,726	637,139	-0-	(100.0)
Federal Revenue	385,581	512,032	439,350	435,018	504,912	439,550	430,792	12.8
Total Funding	\$740,669	\$1,038,893	\$1,123,558	\$535,475	\$1,019,823	\$1,204,893	\$527,092	(27.7)

Program Description: The Montana Arts Council, with its offices now in Helena, was created by the legislature in 1967 in recognition of the increasing importance of art in the lives of Montanans, the need to provide the opportunity for young people to participate in the arts and contribute to the great cultural heritage of Montana, and the growing significance of the arts as an element which make living and vacationing in Montana desirable. The responsibilities of the council are to encourage the study and presentation of the arts, to foster public interest in our cultural heritage and resources, and to encourage and assist in freedom of artistic expression.

Current Level Budget: The subcommittee current level budget provides an overall decrease of 27.7 percent from fiscal 1984 to fiscal 1986. Personal services are projected to decrease 6.5 percent while there is no change in the number of employees. This occurs because the agency expended \$14,562 in fiscal 1984 for expenses, primarily termination pay, associated with the agency's move to Helena. Non-operating expenditures are projected to decrease 50.3 percent from fiscal 1984 to fiscal 1986 as \$224,205 of cultural and aesthetic project expenditures were removed from the agency budget. These projects were referred to the Long-Range Planning Subcommittee.

General fund decreases 23.2 percent from fiscal 1984 to fiscal 1986 as the one-time moving costs incurred in fiscal 1984 were funded by general fund. Additionally, the subcommittee removed general fund support for community grants of approximately \$23,000 each year in the 1987 biennium. State special revenue decreases 100 percent as this was the revenue for cultural and aesthetic projects. Federal funds received from the National Endowment for the Humanities are projected to increase 12.8 percent from fiscal 1984 to 1986. These funds are used for agency operations and grants. Federal funds used for agency operations must be matched dollar-for-dollar with state funds.

SUBCOMMITTEE ACTION

Agency: Montana Arts Council

Program: Administration

	FY 1984 Actual	Executive	Fiscal 1986 Current Level	Subcommittee	Executive	Fiscal 1987 Current Level	Subcommittee	FY 84-86 % Change
FTE	2.10	4.10	2.10	2.10	4.10	2.10	2.10	0.00
Personal Services	\$ 78,533	\$104,286	\$ 71,250	\$ 71,250	\$104,670	\$ 71,635	\$ 71,635	(9.3)
Operating Expenses	53,421	88,323	43,459	51,501	77,736	53,332	44,057	(3.6)
Equipment	2,754	-0-	2,993	-0-	-0-	3,142	-0-	(100.0)
Non-Operating Costs	22,338	-0-	12,701	12,123	-0-	13,570	12,489	(45.7)
Total Exp.	\$157,046	\$192,609	\$130,403	\$134,874	\$182,406	\$141,679	\$128,181	(14.1)

FUNDING

General Fund	\$ 70,910	\$ 84,026	\$ 58,851	\$ 61,087	\$ 75,137	\$ 64,055	\$ 57,306	(13.9)
Federal Special Revenue	86,136	108,583	71,552	73,787	107,269	77,624	70,875	(14.3)
Total Funding	\$157,046	\$192,609	\$130,403	\$134,874	\$182,406	\$141,679	\$128,181	(14.1)

Program Description: The Administration Program includes the central agency administrative functions, such as the executive director, accounting, clerical services, and council operations.

Current Level Budget: The subcommittee current level budget provides a 14.1 percent expenditure decrease caused primarily from removing \$14,562 of one-time moving costs incurred in fiscal 1984. Due to the small agency size, no vacancy savings was applied to personal services. Operating expenses in fiscal 1986 include \$8,400 for audit costs. Non-operating costs are for clerical services obtained through a grant. The 45.7 percent reduction in these costs from fiscal 1984 to fiscal 1986 occurs as \$4,600 of grant expense were misclassified in fiscal 1984 and \$6,400 of additional one-time moving costs funded from federal revenues were recorded as a grant expense.

SUBCOMMITTEE ACTION

Agency: Montana Arts Council

Program: Grants

	FY 1984 Actual	Executive	Fiscal 1986 Current Level	Subcommittee	Executive	Fiscal 1987 Current Level	Subcommittee	FY 84-86 % Change
Community Grants	\$ 21,918	\$ 22,068	\$ 23,392	\$ -0-	\$ 22,068	\$ 23,392	\$ -0-	(100.0)
Cultural and Aesthetic Grants	186,720	311,016	550,000	-0-	309,456	625,000	-0-	(100.0)
Federal Grants	143,843	155,605	169,520	166,816	147,671	154,504	160,275	16.0
Total Grants	\$352,481	\$488,689	\$742,912	\$166,816	\$479,195	\$802,896	\$160,275	(52.7)
<u>FUNDING</u>								
General Fund	\$ 21,918	\$ 22,068	\$ 23,392	\$ -0-	\$ 22,068	\$ 23,392	\$ -0-	(100.0)
State Special Revenue	186,720	311,016	550,000	-0-	309,456	625,000	-0-	(100.0)
Federal Special Revenue	143,843	155,605	169,520	166,816	147,671	154,504	160,275	16.0
Total Funding	\$352,481	\$488,689	\$742,912	\$166,816	\$479,195	\$802,896	\$160,275	(52.7)

Program Description: All grant activity administered by the Montana Arts Council is recorded in this program. There are several types of grants, including community arts projects grants, council grants and fellowships, and cultural and aesthetic project grants.

Current Level Budget: The budget approved by the subcommittee represents a decrease from current level as general fund support for community arts grants, approximately \$23,000 per year, was deleted. Cultural and Aesthetic grants will be funded in a separate appropriations bill submitted by the Long-Range Planning Subcommittee. Federal grants are estimated to increase 16 percent.

SUBCOMMITTEE ACTION

Agency: Montana Arts Council

Program: Special Projects

FY 1984 Actual	FTE	Fiscal 1986			Fiscal 1987			FY 84-86 % Change
		Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	
	1.90	4.40	1.90	1.90	4.40	1.90	1.90	0.0
Personal Services	\$ 40,028	\$ 94,012	\$ 39,614	\$ 39,614	\$ 94,050	\$ 39,630	\$ 39,630	(1.0)
Operating Expenses	203,553	263,583	195,431	179,482	264,172	204,601	183,875	(11.8)
Non-Operating Costs	2,561	-0-	15,198	14,689	-0-	16,087	15,131	473.6
Total Exp.	\$246,142	\$357,595	\$250,243	\$233,785	\$358,222	\$260,318	\$238,636	(5.0)
<u>FUNDING</u>								
General Fund	\$ 38,055	\$ 71,481	\$ 40,404	\$ 39,370	\$ 69,980	\$ 40,757	\$ 38,994	3.5
State Special Revenue	37,485	38,270	11,561	-0-	38,270	12,139	-0-	(100.0)
Federal Special Revenue	170,602	247,844	198,278	194,415	249,972	207,422	199,642	14.0
Total Funding	\$246,142	\$357,595	\$250,243	\$233,785	\$358,222	\$260,318	\$238,636	(5.0)

Program Description: Activities in this program include the Artists-in-the-School Program, community arts, special project administration, and technical assistance to grant recipients.

Current Level Budget: The current level budget provides funding for the above activities and services. The 1.90 FTE include a .9 FTE program manager for the Artists-in-the-School Program and a 1.0 FTE administrative aide. Additionally, the Community Arts Project is directed with services obtained on contract. The accounting technical assistance services are also obtained on contract, but is classified as a grant expenditure. Both contract services are funded from federal funds.

Approximately \$135,600 is available for the Artists-in-the-Schools Program in fiscal 1986 and \$141,750 in fiscal 1987. Of this amount, the general fund provides \$13,700 each year for the Artists-in-the-schools project. These program services are obtained by contract and are recorded as an operating expense.

The Folklife Project, funded from the cultural and aesthetic project funds in fiscal 1984 was not continued in the current level operating budget. Cultural and aesthetic funds of \$28,649 appropriated to the Arts Council in the 1985 biennium for grant administration were also removed from the operating budget; funds for these expenditures will be appropriated in the same bill as the cultural and aesthetic projects.

SUBCOMMITTEE ACTION

Agency: State Library Commission

Program: Agency Summary

	FY 1984 Actual	Executive	Fiscal 1986 Current Level	Subcommittee	Executive	Fiscal 1987 Current Level	Subcommittee	FY 84-86 % Change
FTE	22.50	22.50	22.50	22.50	22.50	22.50	22.50	-0-
Personal Services	\$ 549,014	\$ 564,607	\$ 560,307	\$ 576,449	\$ 565,632	\$ 561,361	\$ 577,498	5.0
Operating Expenses	300,679	352,237	326,612	313,881	347,628	335,137	316,655	4.4
Equipment	97,853	163,250	88,381	88,381	121,340	88,449	88,449	(9.7)
Grants	361,225	774,358	567,298	702,723	654,220	544,271	612,039	94.5
Total Exp.	\$1,308,771	\$1,854,452	\$1,542,598	\$1,681,434	\$1,688,820	\$1,529,218	\$1,594,641	28.5
FUNDING								
General Fund	\$ 527,185	\$ 650,721	\$ 519,670	\$ 557,599	\$ 600,428	\$ 506,534	\$ 544,074	3.9
State Special Rev.	414,026	518,000	448,104	448,104	484,000	446,175	446,175	8.2
Federal Revenue	367,560	685,731	574,824	685,731	604,392	576,509	604,392	86.6
Total Funding	\$1,308,771	\$1,854,452	\$1,542,598	\$1,681,434	\$1,688,820	\$1,529,218	\$1,594,641	28.5

Language in Bill: Library Services and Construction Act funds may be transferred between fiscal 1986 and 1987.

Program Description: The Montana State Library provides direct library services to state government agencies, to persons residing in the state institutions, and to the blind and physically handicapped public of Montana. Indirect services are provided to all public libraries by providing grants to six regional library federations. The state library serves as a partial federal depository and also collects state government publications.

Current Level Budget: Personal services increase by 5 percent from fiscal 1984 to 1986. Personal services increase over current level as the vacancy savings rate was lowered from 4 to 2 percent which increased the cost of personal services over current level by \$11,355 in fiscal 1986 and \$11,348 in fiscal 1987. Additionally, a position upgrade was funded in the Reference and Information Program which increased the cost of personal services by \$4,787 in fiscal 1986 and \$4,789 in fiscal 1987.

Grants to the six library federations and local libraries funded from the coal severance tax and federal Library Services and Construction Act funds (LSCA) increase by 94.5 percent from fiscal 1984 to 1986. The increase results from an increase of 86.6 percent in federal LSCA funds from fiscal 1984 to 1986.

The general fund increases by 4.4 percent from fiscal 1984 to 1986. The increase in the general fund over the current level analysis results from (1) lowering the vacancy savings rate from 4 to 2 percent; (2) using \$21,518 less than what is included in the current level analysis in federal LSCA funds in fiscal 1986 and \$36,885 less in fiscal 1987 to fund state library operations and (3) funding the position upgrade in the Reference and Information Program. Using less federal LSCA funds to support library operations causes general fund to increase by a like amount and raises the state

maintenance of effort requirement. According to federal maintenance of effort requirements, the state is required to maintain expenditures funded from state sources for service to public libraries in fiscal 1986 at the fiscal 1984 level, and expenditures in fiscal 1987 at the fiscal 1985 level. The library estimates the state maintenance of effort requirement at \$332,000 in each year of the 1987 biennium.

State special revenue funds are coal tax funds provided to the state library under Section 15-35-108, MCA to be used for providing grants to library federations and for payments of the costs of participants in regional and national networking. Table 1 presents the amount of coal severance tax and federal LSCA funds used for operations of the state library and grants to public libraries in fiscal 1984 and projected amounts for fiscal 1986 and 1987. State library operating expenses funded from the coal severance tax increase by 8.7 percent from fiscal 1984 to 1986 and by 5 percent from fiscal 1986 and 1987. Coal tax grants to the six library federations increase by 8.2 percent from fiscal 1984 to 1986 and decrease by 1.4 percent from fiscal 1986 to 1987.

Federal LSCA funds used to support state library operations increase by 1.8 percent from fiscal 1984 to 1986 and by 1.1 percent from fiscal 1986 to 1987. This occurs as the subcommittee chose to allocate more federal funds for grants. Grants to local libraries funded from federal LSCA funds increase by 116.3 percent from fiscal 1984 to 1986 and decrease by 11.9 percent from fiscal 1986 to 1987.

Table 1
Operating Expenses and Grants Funded from the Coal Severance Tax and Federal LSCA Funds
1987 Biennium

Year	Coal Severance Tax			LSCA Funds		
	Operations	Grants	Total	Operations	Grants	Total
1984	\$ 61,170	\$352,849	\$414,019	\$358,071	\$148,464	\$506,535
1986	66,480	381,624	448,104	364,632	321,099	685,731
1987	69,804	376,371	446,175	368,724	235,668	604,392

SUBCOMMITTEE ACTION

Agency: State Library Commission

Program: Reference and Information

FY 1984 Actual	Fiscal 1986			Fiscal 1987			FY 84-86 % Change
	Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	
FTE	6.50	6.50	6.50	6.50	6.50	6.50	2.5
Personal Services	\$138,817						
Operating Expenses	147,777	\$146,502	\$149,554	\$146,798	\$142,290	\$149,857	7.7
Equipment	77,664	149,776	145,550	151,102	158,969	149,118	(1.5)
		80,800	84,405	80,800	88,626	88,626	8.7
Total Exp.	\$364,258	\$377,078	\$379,509	\$378,700	\$389,885	\$387,601	4.2
FUNDING							
General Fund	\$254,266	\$263,881	\$268,474	\$261,289	\$262,646	\$271,911	5.6
State Special Rev.	19,173	22,994	20,832	23,595	21,874	21,874	8.7
Federal Revenue	90,819	90,203	90,203	93,816	105,365	93,816	(0.8)
Total Funding	\$364,258	\$377,078	\$379,509	\$378,700	\$389,885	\$387,601	4.2

Program Description: This program provides (1) housing for the Montana State Library collections other than materials for blind and physically handicapped patrons and those collections housed in state institutions, (2) identification and lending of library materials owned by the state library, (3) answers to general reference questions for specific subject areas, (4) bibliographies of materials available in specific subject areas, and (5) interlibrary loan services.

Current Level Budget: FTE increase by 2.5 percent from fiscal 1984 to 1986 as the library transferred .16 FTE from the Administration Program in fiscal 1985. There is a commensurate decrease in FTE in the Administration Program. A librarian position was upgraded from a grade 14, step 11 to a grade 16, step 10 at a personal services cost of \$9,576 in the 1987 biennium.

Operating expenses decrease by 1.5 percent from fiscal 1984 to 1986. The decrease results from an anticipated decrease in rent charged by the Department of Administration, from \$93,334 paid in fiscal 1984 to \$90,312 in fiscal 1986 and \$93,949 in fiscal 1987. The equipment budget allows for the purchase of books and reference materials in each year of the 1987 biennium.

State special revenue (coal severance tax) increases by 8.7 percent from fiscal 1984 to 1986. Federal LSCA funds used to support operations of the program decrease by .8 percent from fiscal 1984 to 1986.

SUBCOMMITTEE ACTION

Agency: State Library Commission

Program: Library Development

FY 1984 Actual	Fiscal 1986			Fiscal 1987			FY 84-86 % Change
	Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	
FTE	3.00	3.00	3.00	3.00	3.00	3.00	-0-
Personal Services	\$ 86,087	\$ 90,247	\$ 92,099	\$ 90,341	\$ 90,371	\$ 92,223	7.0
Operating Expenses	42,310	40,672	40,180	40,033	41,942	40,754	(5.0)
Equipment	2,458	500	-0-	-0-	-0-	-0-	---
Grants	361,225	774,358	702,723	654,220	544,271	612,039	95.0
Total Exp.	\$492,080	\$905,179	\$835,002	\$784,594	\$676,584	\$745,016	69.7
FUNDING							
General Fund	\$ 42,753	\$ 42,284	\$ 43,542	\$ 41,861	\$ 34,775	\$ 43,843	1.8
State Special Rev.	360,157	461,000	389,565	426,269	384,709	384,709	8.2
Federal Revenue	89,170	401,895	401,895	316,464	257,100	316,464	350.7
Total Funding	\$492,080	\$905,179	\$835,002	\$784,594	\$676,584	\$745,016	69.7

Program Description: The Library Development Program provides for administration of state and federal pass through grants and for consultation, advice and public information services to public libraries.

Current Level Budget: Operating expenses decrease by 3.9 percent from fiscal 1984 to 1986 as a \$3,000 contract with a non-profit organization was transferred to the Administration Program.

All grants funded from the coal severance tax and federal LSCA funds are recorded in this program. Grants to the six library federations and to local libraries increase by 95 percent from fiscal 1984 to 1986. Grants funded from the coal severance tax increase by 8.1 percent from fiscal 1984 to 1986 and grants funded from federal LSCA funds increase by 116.3 percent over the same time period.

State special revenue (coal severance tax) increases by 8.2 percent from fiscal 1984 to 1986. Federal LSCA funds increase by 350.7 percent from fiscal 1984 to 1986.

SUBCOMMITTEE ACTION

Agency: State Library Commission

Program: Institutional Library Services

	FY 1984 Actual	Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	FY 84-86 % Change
FTE	2.00	2.00	2.00	2.00	2.00	2.00	2.00	-0-
Personal Services	\$45,377	\$46,084	\$46,103	\$47,044	\$46,103	\$46,122	\$47,064	3.7
Operating Expenses	8,275	10,731	8,991	8,973	10,731	9,436	9,027	8.4
Equipment	9,855	10,000	10,710	10,710	10,000	11,245	11,245	8.7
Total Exp.	\$63,507	\$66,815	\$65,804	\$66,727	\$66,834	\$66,803	\$67,336	5.1
<u>FUNDING</u>								
General Fund	\$18,031	\$19,701	\$16,381	\$19,613	\$19,720	\$14,909	\$20,222	8.8
Federal Revenue	45,476	47,114	49,423	47,114	47,114	51,894	47,114	3.6
Total Funding	\$63,507	\$66,815	\$65,804	\$66,727	\$66,834	\$66,803	\$67,336	5.1

Program Description: This program provides library services to residents of state institutions by contract through the nearest public library or directly from the Montana State Library.

Current Level Budget: Operating expenses were increased \$250 in each year of the 1987 biennium for printing a brochure to be distributed to new residents of Montana's institutions informing them of the library's services. The equipment budget allows for the purchase of library materials for Galen, Montana State Prison, Women's Correctional Facility, Warm Springs State Hospital, Mountain View School, Boulder River School and Hospital, and the Pine Hills School.

Federal LSCA funds used to support operations of this program increase by 3.6 percent from fiscal 1984 to 1986.

SUBCOMMITTEE ACTION

Agency: State Library Commission

Program: Services for Physically Handicapped

	FY 1984 Actual	Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	FY 84-86 % Change
FTE	5.00	5.00	5.00	5.00	5.00	5.00	5.00	-0-
Personal Services	\$ 90,993	\$ 95,601	\$ 95,640	\$ 97,592	\$ 95,940	\$ 95,991	\$ 97,939	7.3
Operating Expenses	39,501	61,866	39,331	38,015	50,838	40,824	39,311	(3.8)
Equipment	-0-	58,080	-0-	-0-	29,040	-0-	-0-	---
Total Exp.	<u>\$130,494</u>	<u>\$215,547</u>	<u>\$134,971</u>	<u>\$135,607</u>	<u>\$175,818</u>	<u>\$136,815</u>	<u>\$137,250</u>	<u>3.9</u>
<u>FUNDING</u>								
General Fund	\$ 52,190	\$132,817	\$ 49,868	\$ 52,877	\$ 92,609	\$ 47,457	\$ 54,041	1.3
Federal Revenue	<u>78,304</u>	<u>82,730</u>	<u>85,103</u>	<u>82,730</u>	<u>83,209</u>	<u>89,358</u>	<u>83,209</u>	<u>5.7</u>
Total Funding	<u>\$130,494</u>	<u>\$215,547</u>	<u>\$134,971</u>	<u>\$135,607</u>	<u>\$175,818</u>	<u>\$136,815</u>	<u>\$137,250</u>	<u>3.9</u>

Program Description: This program provides direct library service to blind and physically handicapped citizens through selection of recorded materials and provision of machines on which to play talking books.

Current Level Budget: The decrease in operating expenses from fiscal 1984 to 1986 results from an anticipated decrease in rent charged by the Department of Administration; from \$24,482 paid in fiscal 1984 to \$22,579 in fiscal 1986 and \$23,489 in fiscal 1987.

Federal LSCA funds used to support operations of this program increase by 5.7 percent from fiscal 1984 to 1986.

SUBCOMMITTEE ACTION

Agency: State Library Commission

Program: Administration

	FY 1984 Actual	Fiscal 1986			Fiscal 1987			FY 84-86 % Change
		Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	
FTE	4.16	4.00	4.00	4.00	4.00	4.00	4.00	-0-
Personal Services	\$ 96,887	\$ 99,141	\$ 99,165	\$101,207	\$ 99,182	\$ 99,206	\$101,249	4.5
Operating Expenses	31,854	40,263	43,913	40,263	31,696	36,199	31,696	26.4
Equipment	626	1,500	862	862	1,500	930	930	37.7
Total Exp.	\$129,367	\$140,904	\$143,940	\$142,332	\$132,378	\$136,335	\$133,875	10.0
<u>FUNDING</u>								
General Fund	\$ 94,651	\$106,187	\$106,210	\$107,615	\$ 97,661	\$ 96,718	\$ 99,158	13.7
Federal Revenue	34,716	34,717	37,730	34,717	34,717	39,617	34,717	-0-
Total Funding	\$129,367	\$140,904	\$143,940	\$142,332	\$132,378	\$136,335	\$133,875	10.0

Program Description: Functions within this program include: (1) administration of all library programs, (2) mail processing, (3) budgeting and accounting, (4) personnel administration, and (5) administration of state and federal policies and regulations.

Current Level Budget: The increase in operating expenses of 26.4 percent from fiscal 1984 to 1986 results primarily from \$9,000 in audit costs being included in fiscal 1986. In fiscal 1984, the library spent \$1,143 for audit costs out of an \$8,000 appropriation. The balance of the appropriation will be expended in fiscal 1985. Additionally, \$3,000 in expenditures relating to a contract with the Western Council of State Libraries was transferred into this program from the Library Development Program. The budget provides \$3,000 in each year of the 1987 biennium for continuance of the contract. The council is engaged in developing a western regional networking system to provide bibliographic services to state libraries in the western states. The equipment budget provides for the purchase of one replacement typewriter in each year.

The general fund increases by 13.7 percent from fiscal 1984 to 1986 as a result of lowering the vacancy savings rate from 4 to 2 percent and from the adjustments to operating expenses mentioned above. There is no increase in federal LSCA funds from fiscal 1984 to 1986.

Agency: State Library Commission

Program: Technical Services

FY 1984 Actual	Fiscal 1986			Fiscal 1987			FY 84-86 % Change
	Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	
FTE	5.00	5.00	5.00	5.00	5.00	5.00	-0-
Personal Services	\$ 90,853	\$ 87,166	\$ 88,953	\$ 87,268	\$ 87,381	\$ 89,166	(2.1)
Operating Expenses	30,962	33,724	33,304	63,228	35,415	34,397	7.6
Equipment	7,250	-0-	-0-	-0-	-0-	-0-	---
Total Exp.	\$129,065	\$120,890	\$122,257	\$150,496	\$122,796	\$123,563	(5.3)
FUNDING							
General Fund	\$ 65,294	\$ 51,588	\$ 55,478	\$ 87,288	\$ 50,029	\$ 54,899	(15.0)
State Special Rev.	34,696	37,707	37,707	34,136	39,592	39,592	8.7
Federal Revenue	29,075	31,595	29,072	29,072	33,175	29,072	-0-
Total Funding	\$129,065	\$120,890	\$122,257	\$150,496	\$122,796	\$123,563	(5.3)

Program Description: Technical services is a new program established during reorganization in fiscal 1984. Functions of this program include distribution of state publications, acquisition, cataloging and technical processing of Montana State Library and institutional library collections, and development and maintenance of the state library's participation in the Washington Library Network.

Current Level Budget: The decrease of 2.1 percent in personal services from fiscal 1984 to 1986 results from 2 percent vacancy savings being applied. This program experienced slightly less than 1 percent vacancy savings in fiscal 1984.

Total expenditures and funding decrease by 5.3 percent as no equipment was requested in fiscal 1986 and 1987.

Modified Recommendations: Washington Library Network (WLN) - General fund of \$10,083 in fiscal 1986 and \$1,247 in fiscal 1987 is provided to allow the library to maintain current access to WLN. The modified includes \$1,173 in fiscal 1986 and \$1,247 in fiscal 1987 to pay for increased telecommunications costs. Also included is \$8,910 in fiscal 1986 to allow the library to replace their current Hazeltine Modular computer with an IBM personal computer. As of December of 1986, the network will have replaced their Hazeltine computer with IBM personal computers. The library will need to convert to an IBM PC in order to access the network.

State special revenue (coal tax) increases by 8.7 percent from fiscal 1984 to 1986. There is no increase in federal LSCA funds from fiscal 1984 to 1986.

SUBCOMMITTEE ACTION

Agency: Historical Society

Program: Agency Summary

	FY 1984 Actual	Fiscal 1986				Fiscal 1987				FY 84-86 % Change
		Executive	Subcommittee	Executive	Subcommittee	Current Level	Subcommittee	Current Level	Subcommittee	
FTE	42.50	51.00	42.50	51.00	42.50	42.50	42.50	42.50	42.50	-0-
Personal Services	\$ 909,238	\$1,138,455	\$1,008,245	\$1,140,426	\$ 970,515	\$ 970,515	\$1,010,184			10.8
Operating Expenses	422,517	682,922	538,801	711,988	534,138	534,138	574,152			27.5
Equipment	19,030	19,634	12,106	22,115	11,473	11,473	9,473			(36.4)
Total Exp.	\$1,350,785	\$1,841,011	\$1,559,152	\$1,874,529	\$1,516,126	\$1,516,126	\$1,593,809			15.4
<u>FUNDING</u>										
General Fund	\$ 979,892	\$1,092,025	\$1,080,626	\$1,112,500	\$1,038,838	\$1,038,838	\$1,113,240			10.3
Federal Revenue	161,170	391,993	194,144	391,654	193,566	193,566	196,519			20.5
Proprietary	209,723	356,993	284,382	370,375	283,722	283,722	284,050			35.6
Total Funding	\$1,350,785	\$1,841,011	\$1,559,152	\$1,874,529	\$1,516,126	\$1,516,126	\$1,593,809			15.4

Program Description: The purpose of the Montana Historical Society is to acquire, preserve, and protect historical records, art, archival and museum objects, historical places, sites and monuments for the use and enjoyment of the citizens of Montana. The society maintains a library, an archive, a museum, an art gallery, publishes the state historical magazine, provides traveling educational and historical exhibits, and coordinates implementation of the National Historic Preservation Act and the State Antiquities Act.

Current Level Budget: Personal services increase by 10.8 percent from fiscal 1984 to 1986. The increase results from ten position upgrades being funded at a general fund cost of \$13,736 in fiscal 1986 and \$13,784 in fiscal 1987. Additionally, the vacancy savings rate was lowered from 4 to 2 percent on all programs at a general fund cost over the current level analysis of \$20,249 in fiscal 1986 and \$20,230 in fiscal 1987. The following table presents the number of position upgrades by program, cost, and source of funds.

Table 1
Number of Position Upgrades, Cost, and Source of Funds by Program
Fiscal 1986 and 1987

	Number of Upgrades	Fiscal 1986 Cost ¹			Fiscal 1987 Cost ¹		
		General		Total	General		Total
		Fund	Proprietary		Fund	Proprietary	
Administration	1	\$ 6,624	\$ -0-	\$ 6,624	\$ 6,628	\$ -0-	\$ 6,628
Library	1	2,635	-0-	2,635	2,636	-0-	2,636
Museum	1	2,299	-0-	2,299	2,307	-0-	2,307
Publications	2	-0-	3,928	3,928	-0-	3,944	3,944
Historic Sites	1	523	-0-	1,046	527	-0-	1,054
Archives	3	528	-0-	528	551	-0-	551
Education	1	1,127	-0-	1,127	1,135	-0-	1,135
Total	10	\$13,736	\$3,928	\$18,187	\$13,784	\$3,944	\$18,255

¹Includes increase in benefits.

²Net of three upgrades at a cost of \$4,503 in fiscal 1986 and \$4,527 in fiscal 1987 minus one position downgrade at a decrease in salary and benefits of \$3,975 in fiscal 1986 and \$3,976 in fiscal 1987

Operating expenses increase by 27.5 percent from fiscal 1984 to 1986. The increase results primarily from a rent increase in the Administration Program, increase in goods purchased for resale in the Publications Program, and from an increase in contract services in the Education Program for printing new capitol tour brochures and for hiring extra tour guides for the 1987 legislative session.

The general fund increases by 10.3 percent from fiscal 1984 to 1986. The increase in the general fund results from lowering the vacancy savings rate from 4 to 2 percent, funding eight position upgrades, and from the operating expense increases mentioned above. Federal special revenue increases by 20.5 percent from fiscal 1984 to 1986. Federal special revenues include federal historic preservation funds, private donations and service income generated from the society's photocopy and photograph services. Federal historic preservation funds are included in the budget at \$74,541 in fiscal 1986 and \$73,836 in fiscal 1987. Private donations are included in the budget at \$107,176 in fiscal 1986 and \$109,635 in fiscal 1987. Service income generated from charging fees for the photocopy service in the library and from the sale of photographs in the Archives Program is included in the budget at \$12,427 in fiscal 1986 and \$13,048 in fiscal 1987.

Proprietary funds consist of revenue generated from the society's merchandising operating, income from the sale of Montana the Magazine of Western History and from the sale of books and other society publications. These funds are budgeted to increase 35.6 percent between fiscal 1984 and fiscal 1986 as the budget provides authority for expansion in these activities.

SUBCOMMITTEE ACTION

Agency: Historical Society

Program: Administration

	FY 1984 Actual	Fiscal 1986			Fiscal 1987			FY 84-86 % Change
		Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	
FTE	11.00	12.50	11.00	11.00	12.50	11.00	11.00	-0-
Personal Services	\$237,131	\$278,856	\$242,616	\$253,576	\$279,237	\$242,991	\$253,953	6.9
Operating Expenses	123,439	152,669	137,119	147,358	166,030	144,561	177,327	19.4
Equipment	3,244	4,615	3,524	3,524	4,615	-0-	-0-	8.6
Total Exp.	\$363,814	\$436,140	\$383,259	\$404,458	\$449,882	\$387,552	\$431,280	11.2
<u>FUNDING</u>								
General Fund	\$334,530	\$396,848	\$343,967	\$365,166	\$410,590	\$346,295	\$390,023	9.2
Federal Revenue	29,284	39,292	39,292	39,292	39,292	41,257	41,257	34.2
Total Funding	\$363,814	\$436,140	\$383,259	\$404,458	\$449,882	\$387,552	\$431,280	11.2

Program Description: The Administration Program is responsible for purchasing, accounting and budgeting, personnel, and overall management of the Historical Society.

Current Level Budget: Operating expenses increase by 19.4 percent from fiscal 1984 to 1986. The increase results from an increase in rent from \$52,072 paid in fiscal 1984 to \$58,763 in fiscal 1986 and \$98,871 in fiscal 1987. The fiscal 1987 amount includes \$38,300 to pay for ten months of occupancy of a new addition (18,000 square feet) to the Pioneer and Veteran's Memorial Building. Additionally, maintenance expenditures were increased by \$1,286 in fiscal 1986 and \$1,415 in fiscal 1987 for computer equipment used in the program. Audit costs of \$12,264 are included in fiscal 1986.

The equipment budget provides for the purchase in fiscal 1986 of two calculators at a total cost of \$350, a replacement typewriter at a cost of \$862, and four hand held radios for security personnel at a cost of \$2,312.

Funding from private donations increase by 34.2 percent from fiscal 1984 to 1986. The agency requested this increase in current level funding.

Modified Recommendations: Accountant and Clerk (1.50 FTE) - General fund of \$29,953 in fiscal 1986 and \$29,964 in fiscal 1987 is recommended to allow the society to hire 1 FTE accountant and a .50 FTE clerk to meet workload increases which have resulted from program expansion over the past several years.

SUBCOMMITTEE ACTION

Agency: Historical Society

Program: Library

	FY 1984 Actual	Fiscal 1986				Fiscal 1987				FY 84-86 % Change
		Executive	Current Level	Subcommittee		Executive	Current Level	Subcommittee		
FTE	5.00	5.00	5.00	5.00		5.00	5.00	5.00		-0-
Personal Services	\$111,348	\$117,151	\$114,657	\$119,591		\$117,200	\$114,705	\$119,641		7.4
Operating Expenses	27,120	40,266	32,359	31,842		40,595	33,811	32,556		17.4
Equipment	9,194	9,200	8,783	8,783		9,200	9,222	9,222		(4.5)
Total Exp.	\$147,662	\$166,617	\$155,799	\$160,216		\$166,995	\$157,738	\$161,419		8.5
<u>FUNDING</u>										
General Fund	\$137,819	\$146,217	\$145,101	\$149,518		\$146,595	\$146,505	\$150,186		8.5
Federal Revenue	9,843	20,400	10,698	10,698		20,400	11,233	11,233		8.7
Total Funding	\$147,662	\$166,617	\$155,799	\$160,216		\$166,995	\$157,738	\$161,419		8.5

Program Description: Major functions of the society's library include collecting, preserving, organizing, and making accessible to the public, published material concerning the history of Montana and the surrounding region.

Current Level Budget: Operating expenses increase by 17.4 percent from fiscal 1984 to 1986. The increase results from maintenance expenditures being increased by \$3,000 in each year of the 1987 biennium for maintenance of computer equipment used in the library. The equipment budget allows for the purchase of books and other published materials representative of Montana's history.

Federal revenue consists of photocopy fees, estimated at \$7,521 in fiscal 1986 and \$7,897 in fiscal 1987, and private donations of \$3,177 in fiscal 1986 and \$3,336 in fiscal 1987.

Modified Recommendations: (1) Microform Reader Printers - General fund of \$6,000 in fiscal 1986 and \$12,000 in fiscal 1987 is recommended to purchase a total of three reader/printers in the 1987 biennium. The society indicated their current Kodak reader/printers break down often and parts are becoming scarce for maintaining repairs.

(2) Photocopy Service - Revenues from the photocopy service of \$10,400 in each year of the 1987 biennium are to replenish photocopy supplies and materials.

(3) Newspaper Cataloging - Federal/private donations of \$49,000 in fiscal 1986 are recommended to complete cataloging the society's newspaper collection.

SUBCOMMITTEE ACTION

Agency: Historical Society

Program: Museum

	FY 1984 Actual	Executive	Fiscal 1986 Current Level	Subcommittee	Executive	Fiscal 1987 Current Level	Subcommittee	FY 84-86 % Change
FTE	7.00	9.50	7.00	7.00	7.00	7.00	7.00	-0-
Personal Services	\$136,684	\$210,447	\$159,287	\$164,841	\$210,987	\$159,823	\$165,391	20.6
Operating Expenses	63,533	102,434	54,491	54,170	102,605	57,340	56,017	(14.7)
Equipment	2,606	1,000	1,000	-0-	1,000	2,000	-0-	--
Total Exp.	\$202,823	\$313,881	\$214,778	\$219,011	\$314,592	\$219,163	\$221,408	8.0
FUNDING								
General Fund	\$202,823	\$214,788	\$214,778	\$219,011	\$215,500	\$219,163	\$221,408	8.0
Federal Revenue	-0-	99,093	-0-	-0-	99,092	-0-	-0-	--
Total Funding	\$202,823	\$313,881	\$214,778	\$219,011	\$314,592	\$219,163	\$221,408	8.0

Program Description: The Museum Program is responsible for collecting, preserving, and interpreting art and artifacts representative of Montana's past.

Current Level Budget: Personal services increase by 20.6 percent from fiscal 1984 to 1986. The increase results primarily from 17 percent vacancy savings in fiscal 1984 and funding of one position upgrade in the 1987 biennium. Operating expenses decrease by 14.7 percent from fiscal 1984 to 1986 as a result of the following: (1) Expenditures for contract services were reduced \$12,431 because the society transferred salary savings of the same amount into contract services; and (2) One-time expenditures of \$881 were removed from the budget.

Modified Recommendations: (1) Renovation of Formal Museum - Donations of \$99,075 in fiscal 1986 and \$99,057 in fiscal 1987 are recommended to renovate the formal museum and install updated modular exhibits. The society plans to hire a 1 FTE carpenter, 1 FTE museum assistant and a .50 FTE graphic artist at a personal services cost of \$51,160 in fiscal 1986 and \$51,164 in fiscal 1987 to work on the renovation. The balance of the recommended modified in each fiscal year is for operating expenses.

(2) Restoration of Original Governor's Mansion - Donations of \$10,000 in each fiscal year is recommended to restore the kitchen of the Original Governor's Mansion.

SUBCOMMITTEE ACTION

Agency: Historical Society

Program: Publications

	FY 1984 Actual	Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	FY 84-86 % Change
FTE	4.00	6.00	4.00	4.00	6.00	4.00	4.00	-0-
Personal Services	\$ 94,485	\$126,284	\$ 95,622	\$101,355	\$126,433	\$ 95,763	\$101,501	7.3
Operating Expenses	150,213	270,268	219,052	224,110	284,054	227,167	223,773	49.2
Equipment	-0-	-0-	-0-	-0-	-0-	-0-	-0-	--
Total Exp.	\$244,698	\$396,552	\$314,674	\$325,465	\$410,487	\$322,930	\$325,274	33.0
<u>FUNDING</u>								
General Fund	\$ 34,975	\$ 39,559	\$ 35,283	\$ 41,083	\$ 40,112	\$ 39,208	\$ 41,224	17.5
Proprietary	209,723	356,993	279,391	284,382	370,375	283,722	284,050	36.5
Total Funding	\$244,698	\$396,552	\$314,674	\$325,465	\$410,487	\$322,930	\$325,274	33.0

Program Description: The Magazine Program is responsible for publishing Montana the Magazine of Western History, society sponsored quarterlies, books, brochures, catalogs, prints, and other publications. Additionally, this program is responsible for the operation of the society's museum store and Merchandising Program.

Current Level Budget: Operating expenses increase by 49.2 percent from fiscal 1984 to 1986 as the amount budgeted for goods-purchased-for-resale for the society's merchandising operation was increased from \$26,104 spent in fiscal 1984 to \$58,000 in fiscal 1986 and \$59,500 in fiscal 1987. Additionally, expenditures financed from the sale of Montana the Magazine of Western History increases from \$121,426 in fiscal 1984 to \$138,504 in fiscal 1986 and \$139,086 in fiscal 1987. In fiscal 1984, the society published three issues of the magazine. Normally, the society publishes four issues. The increase in operating expenses allows the society to publish four issues in each year of the 1987 biennium. Audit costs of \$1,008 are included in fiscal 1986.

General fund supports 22.8 percent of the cost of publishing Montana the Magazine of Western History at a cost of \$41,083 in fiscal 1986 and \$41,224 in fiscal 1987. The increase in the general fund of 17.5 percent from fiscal 1984 to 1986 results from an increase in publications from 3 issues in fiscal 1984 to 4 issues in each year of the 1987 biennium. The remainder is financed from magazine sales, estimated at \$138,504 in fiscal 1986 and \$139,086 in fiscal 1987. Proprietary authority of \$40,674 in fiscal 1986 and \$40,212 in fiscal 1987 is provided for the publication of books and \$104,196 in fiscal 1986 and \$104,752 in fiscal 1987 is provided for the merchandising operation.

Modified Recommendations: Publication of Books - Proprietary funds of \$75,531 in fiscal 1986 and \$75,545 in fiscal 1987 is provided for the publication of three books in the 1987 biennium. The society plans to hire a 1 FTE editor and 1 FTE clerk at a personal services cost of \$33,411 in fiscal 1986 and \$33,425 in fiscal 1987. The remainder of the modified is for supplies and goods-purchased-for-resale.

SUBCOMMITTEE ACTION

Agency: Historical Society

Program: Historic Sites Preservation

	FY 1984	Executive	Fiscal 1986	Subcommittee	Executive	Current Level	Fiscal 1987	Subcommittee	FY 84-86
	Actual		Current Level				Current Level		% Change
FTE	5.00	7.00	5.00	5.00	7.00	5.00	5.00	5.00	-0-
Personal Services	\$110,275	\$160,930	\$116,572	\$119,993	\$161,103	\$116,729	\$120,150	\$120,150	8.8
Operating Expenses	23,361	61,416	28,046	29,089	59,654	26,005	27,522	27,522	24.5
Equipment	501	1,566	-0-	-0-	1,500	-0-	-0-	-0-	--
Total Exp.	\$134,137	\$223,912	\$144,618	\$149,082	\$222,257	\$142,734	\$147,672	\$147,672	11.1
<u>FUNDING</u>									
General Fund	\$ 67,828	\$ 74,703	\$ 72,309	\$ 74,541	\$ 73,778	\$ 71,367	\$ 73,836	\$ 73,836	9.9
Federal Revenue	66,309	149,209	72,309	74,541	148,479	71,367	73,836	73,836	12.4
Total Funding	\$134,137	\$223,912	\$144,618	\$149,082	\$222,257	\$142,734	\$147,672	\$147,672	11.1

Program Description: This program is responsible for implementing the National Historic Preservation Act and the State Antiquities Act. Activities include nominating sites to the National Register, reviewing tax certification projects, administering federal grants-in-aid, reviewing federal projects to determine and comment on any impacts to historic and cultural properties and coordination with local governments, state agencies, and the public on matters relating to historic preservation.

Current Level Budget: The following adjustments were made to operating expenses: (1) rent expense was increased from \$720 in fiscal 1984 to \$1,875 in fiscal 1987 for ten months of occupancy of the new addition to the Pioneer and Veterans' Memorial Building; and (2) expenditures of \$146 related to hiring a secretary in fiscal 1984 were removed from the budget. Audit costs of \$3,528 are included in fiscal 1986.

The general fund provides 50 percent of the program's funding support. The remainder is financed from federal historic preservation funds.

Modified Recommendations: (1) Historic Preservation - Federal funds of \$74,476 in fiscal 1986 and \$74,669 in fiscal 1987 is recommended to allow the society to clear up a backlog of requests from communities seeking nomination of sites to the National Register of Historic Places. The society plans to hire 1 FTE anthropologist and 1 FTE historian at a personal services costs of \$44,358 in fiscal 1986 and \$44,374 in fiscal 1987. Related operating expenses are provided at a cost of \$30,118 in fiscal 1986 and \$30,295 in fiscal 1987.

(2) Federal Grants - Federal pass through grants of \$595,000 in fiscal 1986 and \$610,000 in fiscal 1987 is recommended for restoration and preservation of historic sites in local communities. Previously, these funds were expended through administrative appropriation. Due to the change in the fund structure, the society must receive an appropriation to expend these funds in the 1987 biennium.

SUBCOMMITTEE ACTION

Agency: Historical Society

Program: Archives

FTE	FY 1984 Actual	Fiscal 1986			Fiscal 1987			FY 84-86 % Change
		Executive	Current Level	Subcommittee	Executive	Current Level	Subcommittee	
	8.00	8.50	8.00	8.00	8.50	8.00	8.00	-0-
Personal Services	\$181,815	\$196,867	\$191,938	\$197,892	\$197,315	\$192,336	\$198,315	8.8
Operating Expenses	8,603	18,244	13,574	13,407	18,172	14,239	13,840	55.8
Equipment	3,184	3,253	500	500	5,800	1,391	1,391	(84.3)
Total Exp.	\$193,602	\$218,364	\$206,012	\$211,799	\$221,287	\$207,966	\$213,546	9.4
<u>FUNDING</u>								
General Fund	\$189,088	\$199,072	\$195,287	\$206,893	\$201,938	\$196,705	\$208,395	9.4
Federal Revenue	4,514	19,292	10,725	4,906	19,349	11,261	5,151	8.7
Total Funding	\$193,602	\$218,364	\$206,012	\$211,799	\$221,287	\$207,966	\$213,546	9.4

Program Description: This program is responsible for collecting, preserving, organizing, and making accessible to the public, unpublished material relevant to Montana's history.

Current Level Budget: Operating expenses increase by 55.8 percent from fiscal 1984 to 1986. The increase results from budget amended expenditures funded from the sale of photographs being included in the base resulting in a cost to the general fund of \$4,199 in fiscal 1986 and \$4,325 in fiscal 1987. The equipment budget allows for the purchase of a portable light table in fiscal 1986 at a cost of \$500 and a map case in fiscal 1987 at a cost of \$1,391.

General fund provides 97.6 percent of the program's funding support. The remainder is financed from the sale of photographs, estimated at \$4,906 in fiscal 1986 and \$5,151 in fiscal 1987.

Modified Recommendations: (1) Photograph Service - Sales revenue of \$12,556 in fiscal 1986 and \$12,613 in fiscal 1987 is recommended to hire a .50 FTE administrative assistant and to purchase photograph supplies.

(2) Local Government Records - A federal grant of \$20,000 in fiscal 1986 is provided to allow the society to complete a handbook on the preservation and organization of local government records.

(3) Holter Collection - A private donation of \$25,000 in fiscal 1986 from the Holter Foundation is recommended to finish processing and cataloging the scientific and personal papers of N.J. Holter donated to the society.

SUBCOMMITTEE ACTION

Agency: Historical Society

Program: Education

	FY 1984 Actual	Executive	Fiscal 1986 Current Level	Subcommittee	Executive	Fiscal 1987 Current Level	Subcommittee	FY 84-86 % Change
FTE	2.50	2.50	2.50	2.50	2.50	2.50	2.50	-0-
Personal Services	\$37,500	\$47,920	\$47,930	\$50,997	\$48,151	\$48,168	\$51,233	36.0
Operating Expenses	26,248	37,625	28,475	38,124	40,878	29,875	41,977	45.2
Equipment	301	-0-	-0-	---	-0-	-0-	-0-	--
Total Exp.	\$64,049	\$85,545	\$76,405	\$89,121	\$89,029	\$78,043	\$93,210	39.1

FUNDING

General Fund	\$12,829	\$20,838	\$20,741	\$24,414	\$23,987	\$19,595	\$28,168	90.3
Federal Revenue	51,220	64,707	55,664	64,707	65,042	58,448	65,042	26.3
Total Funding	\$64,049	\$85,545	\$76,405	\$89,121	\$89,029	\$78,043	\$93,210	39.1

Program Description: This program is responsible for providing exhibits and materials using society resources and expertise to schools, museums, libraries, and other public institutions throughout the state. Additionally, capitol tours are administered from this program.

Current Level Budget: Personal services increase by 36 percent from fiscal 1984 to 1986. The increase results from funding a position upgrade, lowering the vacancy savings rate in the 1987 biennium from 4 to 2 percent, and an actual vacancy savings rate of 24 percent in fiscal 1984.

Operating expenses increase by 46.7 percent from fiscal 1984 to 1986. Contract services were increased \$10,033 in fiscal 1986 for printing new capitol tour brochures and by \$13,033 in fiscal 1987 for hiring additional tour guides for the 1987 legislative session.

The general fund increases by 90.3 percent from fiscal 1984 to 1986. The increase in the general fund over the current level analysis results from (1) lowering the vacancy savings rate from 4 to 2 percent, and (2) increasing operating expenses for printing new capitol tour brochures and hiring additional tour guides.

EXHIBIT 3
March 11, 1985
Institutions and
Cultural Education

Institutions and Cultural Education
Subcommittee Modified Recommendations

Agency	- - - - - Fiscal 1986 - - - - -			- - - - - Fiscal 1987 - - - - -		
	<u>General Fund</u>	<u>Other</u>	<u>Total</u>	<u>General Fund</u>	<u>Other</u>	<u>Total</u>
Central Office						
1. Management Services	\$ 23,195	-0-	\$ 23,195	\$ 23,195	-0-	\$ 23,195
2. Youth Evaluation Prog.	167,459	-0-	167,459	155,858	-0-	155,858
3. Women's Corrections	52,656	-0-	52,656	52,749	-0-	52,749
Center for the Aged						
4. Direct Care	17,313	-0-	17,313	17,340	-0-	17,340
Prison						
5. Expansion Staff	29,309	-0-	29,309	58,655	-0-	58,655
Montana State Hospital						
6. Direct Care	77,360	-0-	77,360	77,793	-0-	77,793
Montana Historical Society						
7. Accountant & Clerk	29,953	-0-	29,953	29,964	-0-	29,964
8. Photocopy Service	-0-	10,400	10,400	-0-	10,400	10,400
9. Newspaper Cataloging	-0-	49,000	49,000	-0-	-0-	-0-
10. Reader/Printer (Equip.)	6,000	-0-	6,000	12,000	-0-	12,000
11. Renovation of Museum	-0-	99,075	99,075	-0-	99,057	99,057
12. Restoration of Governor's Mansion	-0-	10,000	10,000	-0-	10,000	10,000
13. Press Operation	-0-	75,531	75,531	-0-	75,545	75,545
14. Historic Preservation	-0-	74,476	74,476	-0-	74,669	74,669
15. Federal Grants	-0-	595,000	595,000	-0-	610,000	610,000
16. Photograph Service	-0-	12,556	12,556	-0-	12,613	12,613
17. Assess. Local Gov't. Records	-0-	20,000	20,000	-0-	-0-	-0-
18. Process Holter Collection	-0-	25,000	25,000	-0-	-0-	-0-
State Library						
19. Washington Library Net- work	<u>10,083</u>	<u>-0-</u>	<u>10,083</u>	<u>1,247</u>	<u>-0-</u>	<u>1,247</u>
Total Subcommittee	<u>\$413,328</u>	<u>\$971,038</u>	<u>\$1,384,366</u>	<u>\$428,801</u>	<u>\$892,284</u>	<u>\$1,321,085</u>

COMMITTEE

DATE March 11, 1985 a.m.

CS-33

APPROPRIATIONS

(INSTITUTIONS BUDGETS)

DATE March 11, 1985 *p.m.*

SPONSOR BARDANOUE

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.