

MINUTES OF THE MEETING  
JOINT SUBCOMMITTEE  
ON EDUCATION APPROPRIATIONS  
MONTANA STATE  
HOUSE OF REPRESENTATIVES

January 10, 1985

Tape 3 Side A

The meeting of the Joint Subcommittee on Education was called to order by Chairman Gene Donaldson at 8:00 A.M. on Thursday, January 10, 1985, in Room 104 of the State Capitol.

ROLL CALL: The roll was called by the secretary. All members were present except Representative Hand who was excused and who joined the meeting later on.

A revised schedule was distributed and schedule changes were discussed by Chairman Donaldson.

The purpose of the meeting was discussion of the budgets of the Board of Public Education, Fire Services Training School and State Council for Vocational Education.

The first agency discussed was the Board of Public Education. Francis Olson(3:A:108), Office of the Budget and Program Planning, made a presentation. Mr. Olson stated that the Board of Public Education is charged with the general supervision of the Public School System and is also designated by statute as the governing board of the Montana School for the Deaf and Blind and the Montana Fire Services Training School.

Mr. Olson said the Board of Public Education has one administrative program under which it accredits schools, certifies teachers, sets standards for school bus drivers and also sets standards for allocation of state funds. The Executive budget uses the 1984 fiscal year for operations and fiscal year 1985 personal services, authorized FTE, from the last legislative assembly. The FY 85 - 86 budget also includes pay plan amounts approved during that biennium. In most cases, the overall inflation factor used for the Executive budget is the 4% given to the FY 84 base. The Executive budget also deducted 4% vacancy savings for each fiscal year from the agency budgets.

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Mr. Olson said that the total request for current level for the Board of Public Education is \$100,487 for FY 1986 and \$98,378 for FY 1987. The Executive budget also includes modifications: one FTE lawyer, one FTE management analyst and one FTE secretary. The total amount budgeted for this additional staff is \$84,335 for FY 1986 and \$79,443 for FY 1987.

A presentation by Bill Sykes (3:A:156) (EXHIBIT #1) of the Legislative Fiscal Analyst's Office followed. Mr. Sykes said that one major difference between the figures from the LFA's office and the Executive budget occurs in personal services in vacancy savings. Regarding the modified requests, the Board of Public Education received a one-time appropriation for FY 84 in the amount of \$2,550 to contract with the National Association of State Boards of Public Education to research comparable practices and policies of other states. The Board used \$2,101 of this money to contract with the legal services division of the Department of Justice. The Board indicated a minimum of 60 hours at \$42.50 per hour will be required for legal services in the 1987 biennium at a cost of \$2,550 for each year. The LFA presents options which include: authorizing the Board to hire one FTE lawyer at a General Fund cost of \$28,705 for FY 86 and \$27,632 for FY87; or increase contract services by \$2,550 each year; or don't add these items to the budget. Essentially, the Board could contract up to 650 hours of legal service and still be under the requested amounts, Mr. Sykes said. The LFA operating expenses include inflation factors, and the LFA is higher for some minor operating expense items than the Executive budget.

Public testimony began with Dr. Hidde Van Duym (3:A:170) (EXHIBIT #2), Executive Secretary of the Board of Public Education. Dr. Van Duym stated that basically the State Board is to the state's school system what the local trustees are to a local school. The Board is responsible for the teachers, administrators, programs, transportation, and generally everything that contributes to the well-being of the pupils. The critical components of the assistance requested by the Board are as follows:

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- (1) A wordprocessor                      FY 86 \$2,500
- (2) A researcher/management analyst  
    FY 86 \$29,109  
    FY 87 \$28,599
- (3) 50 hours/year legal services  
    FY 86 \$2,125  
    FY 87 \$2,125
- (4) Travel expenses for formulation of state  
    policy                                      FY 86 \$11,639  
    FY 87 \$11,717

The second witness was Ted Hazelbaker (3:A:260), Chairman of the Board of Public Education. Mr. Hazelbaker spoke of the need to involve the people of Montana in Board decisions. He also described the Board's need for wordprocessing in order not to have to "farm out" work to another agency. Mr. Hazelbaker discussed the Board's need for legal assistance and mentioned the cooperation he has received from the Office Of Public Instruction.

The next witness was Harriett Meloy (3:A:438), a member of the Board of Public Education. She stated that in this litigious society legal assistance is vital to the Board. Ms. Meloy reiterated the need for a wordprocessor.

The next witness before the Subcommittee was Eric Feaver (3:A:482) of the Montana Education Association. Mr. Feaver called this the "year of cooperation" between the Board of Public Education and other education groups. He stated that in that spirit, the Montana Education Association supports the minimal requests of the Board of Public Education.

The next witness was Jesse Long (3:A:502), Executive Secretary for the School Administrators of Montana. Mr. Long spoke in favor of the Board of Public Education's budget request and stated that a wordprocessor would save time and improve the quality of the work being done.

There were no more witnesses who wished to speak regarding the Board of Public Education, and a question and answer session followed (3:A:550).

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Tape 3 Side B

The second agency to appear before the Subcommittee was the Fire Services Training School.

Francis Olson (3:B:194) of the Office of Budget and Program Planning made a presentation. The Fire Services Training School organizes, supervises and coordinates training for fire services personnel, according to the standards of the Board of Education, and also develops fire safety programs for the state of Montana. The current level amounts in the Executive budget are \$249,519 for FY 1986 and \$234,515 for FY 87. Vacancy savings of 4% were taken from the personal services operating budget based on FY 84 actual cost. The Executive budget includes three modifications: (1) a secretary for \$15,474 for FY 86 and \$15,481 for FY 87; (2) a public fire safety education program for \$15,456 for each year; (3) \$8,231 per year to contract with instructors throughout various parts of the state.

Chairman Donaldson asked Mr. Olson if the Executive budget included \$11,500 for a stationwagon. Mr. Olson said this was included in the budget, and that the vehicle was to be used by an employee stationed in Miles City.

The next presentation was made by Bill Sykes (3:B:282) Of the Legislative Fiscal Analyst's office. The LFA's figures for the Fire Services training school are as follows:

Personal Services (Current Level)	FY 86 \$178,624	FY 87 \$179,110
Operating Expenses (Current Level)	FY 86 \$ 49,906	FY 87 \$ 51,889
Equipment	FY 86 \$ 4,700	FY 87 \$ 4,000

Mr. Sykes said that the School transferred \$8,977 of vacancy savings into operating expenses in fiscal 1984. The School is requesting full funding of personal services in the 1987 biennium, but not a commensurate reduction in operating expenses. In the current level analysis, personal services were fully funded and the amount transferred into operating expenses was removed. Not removing these added operating costs will result in an expansion in the School's budget over current level (EXHIBIT #3).

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The first witness was Seldon Weedon (3:B:354), Director of the Fire Services Training School. During the previous fiscal year, according to Mr. Weedon, the School did not have adequate funding for the staff. Specifically, they were \$11,762 short, he said. Regarding the station-wagon, they have been putting 1,577 miles per month on it, and in February of 1987 the mileage will be in excess of 100,000. They had thought that their instructors could use compensatory time, but they learned that this was not so, he said. The instructors frequently work more than 40 hours per week, but they have had to curtail this practice because there is not sufficient funding to pay time and a half for overtime. Vacancy savings was applied to their agency by the Executive for fiscal 1986 and 1987, Mr. Weedon said.

The second witness was Jim Lofftus (3:B:450) of the Missoula Fire District. Mr. Lofftus said that better education of personnel would save lives and reduce costs and property loss. He said that there were many volunteer fire services personnel throughout the state, and it is important that they be updated on the latest fire practices and equipment.

The next witness was Tom O'Hara (3:B:480), the Rural Fire Coordinator for the Cascade County Sheriff's Office. He testified that a great deal is expected of volunteer fire personnel and that firefighters' safety must not be overlooked. Training for these people is an absolute necessity. He presented an affidavit signed by nine rural volunteer fire companies in Cascade County (EXHIBIT #4), in support of the issue.

The next witness was Art Korn (3:B:535), Secretary-Treasurer for the State Volunteer Fire Department. He discussed the growth of volunteer fire companies and the importance of adequate training for these firefighters.

The next witness was Mike Anderson (3:B:560) of the White Sulphur Springs School District. He spoke in regard to public fire safety education and discussed the importance of training children in safety practices. Mr. Anderson said that the people in White Sulphur Springs appreciate the importance of this training and expressed his hope that the modified request would be supported by the Subcommittee.

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The next witness before the Subcommittee was Dave Fisher (3:B:600), Chairman of the Advisory Committee of the State Director of Firemen's Training Board. Mr. Fisher said that he believed the Subcommittee should support the funding requests of the Training School.

The next witness was Bill Perrin (3:B:627), Rural and City Volunteer Fire Department of Stevensville. He said that a survey was sent out to 300 - 400 fire departments in the state, and from these surveys a report was assembled which identified fire procedure problems in the state of Montana. One problem is a lack of money, the other is a lack of firefighter training. He mentioned the movement of hazardous materials through the state and also the increased use of plastics in home interiors. He spoke in support of funds for contract training and discussed the importance of strengthening the clerical staff at the Fire Services Training School.

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The next witness was Vern Evans (5:A:006) of the West Helena Valley Volunteer Fire Department. Mr. Evans said that funding is needed to provide better training for firefighting personnel so that lives are not risked unnecessarily. He also said that overtime funding was necessary because weekends are the most convenient time for training.

The next witness was Ray Blehm (5:A:030), who represents the Paid Firefighters of the State of Montana. He spoke in support of the budget requests, specifically the contract services provision, and stressed the need for adequate firefighter training.

The final witness was Joe Moriarty (5:A:050), State President of the Volunteer Firemans Association. He stressed the importance to the state of volunteer firemen and stated that his association supports the budget request of the Fire Services Training School.

A question and answer session followed (5:A:075).

The third agency to appear before the Subcommittee was the Vocational Education Advisory Council. (The council's title was changed to the "State Council for Vocational Education" by the Carl Perkins Vocational Education Act of 1984.)

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A presentation was made by Francis Olson of the Office of Budget and Planning. The Montana Advisory Council for Vocational Education was created in 1969, by executive order, to comply with the Education Amendments of 1976, Mr. Olson said. The Council functions in an advisory capacity to the Superintendent of Public Instruction, local vocational education advisory councils, and other recipients of federal vocational education funds. The Executive budget amounts are as follows:

<u>FY 1986</u>	<u>FY 1987</u>	
\$56,503	\$57,005	Personal Services
2,354	2,375	Vacancy Savings
49,707	46,140	Operating Expenses

A presentation by Bill Sykes of the Legislative Fiscal Analyst's Office followed. The LFA's budget amounts are as follows:

<u>FY 1986</u>	<u>FY 1987</u>	
\$58,857	\$58,880	Personal Services
46,307	45,635	Operating Expenses

The first witness was Kathryn Penrod, Executive Director, State Council for Vocational Education (EXHIBIT #5). Ms. Penrod submitted a request for the following appropriations:

<u>FY 1986</u>	<u>FY 1987</u>	
\$58,587	\$59,380	Personal Services
49,098	45,635	Operating Expenses

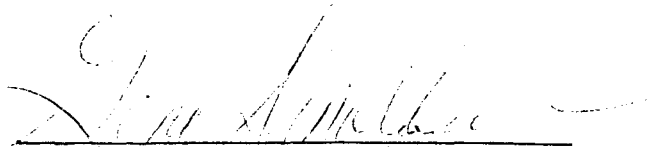
Ms. Penrod stated that the citizens of Montana deserve the right to expend federal grant money that is rightfully theirs. She said that the Council's responsibilities have changed, and their expanded duties will require more meetings, more research projects and more communication with the public. The Council's function is to help strengthen vocational education in the state. The LFA's budget of \$39,834 for operating expenses in FY 1987 is insufficient, according to Ms. Penrod. She said that if the money did not already belong to the citizens of Montana, or if additional allotment from the limited General Fund were requested, she could understand the appropriations proposed by the Budget Office and the LFA. She said that the money already belongs to the Council, therefore the amount requested by the Council should be approved.

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Senator George McCallum, Chairman of the State Council for Vocational Education, also spoke in support of the Council's budget.

A general discussion and question and answer session followed.

There being no further business before the Subcommittee, the meeting was adjourned at 10:05 A.M.

  
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Gene Donaldson, Chairman



DAILY ROLL CALL

EDUCATION      SUB    COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date January 10, 1985

[illegible]

## VISITOR'S REGISTER

## HOUSE EDUCATION APPROPRIATIONS SUB COMMITTEE

BILL \_\_\_\_\_

DATE Jan. 10, 1985

SPONSOR \_\_\_\_\_

NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
Doug Martin	6025 Nami, Helena	WEST HELENA VALLEY Fire Dept.	✓	
James C. Latta	2521 10 Ave W Missoula	Missoula Recreational Fire	✓	
John D. Neenan	RR1450 Great Falls	FSTS		
Ben Huelo	4469 7th Ave NO. Great Falls	FSTS	✓	
Tom Kapstater	139 New District Hill Bozeman	FSTS	✓	
Tom O'HARA	P.O. BOX 215 ULM MT.	CASCADE COUNTY RURAL FIRE DEPT.	✓	
Mike Anderson	P.O. Box 457 Sulphur Spring	White Sulphur Springs	✓	
R. L. Sals	200 NTH MT Ave	MT ST Firemen Assoc	✓	
John C. McCoy	1317- 9TH	BPE	✓	
Paul Hazelton	Dillon MT	BPE	✓	
Walter Van Dym	Helena, Mont	BPE	✓	
Michael Hammett	St. Falls	BPE	✓	
John W. Long	Helena	School Admin of MT	✓	
Jason Morris	HELENA.	FSTS	✓	
Joe Moriarty	Shelby	FSTS STATE Vol. Firefighters Assoc.	✓	
Bill Perrin	Stevensville	FSTS Stevensville, Vol Fire Dept	✓	
Doug Hamilton	HAGERLAND	FSTS MT STATE Vol. Fire Ass	✓	
R. L. Ellis	Helena	Tax Payer Front The West Helena Fire Dept	✓	
GRT KORN	BUTTE	CITY-TREASURER MT ST VOL FIRE ASSOC.	✓	
DAVE FISHER	BUTTE	CHIAM BO FIRE TRAINING	✓	

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

HOUSE Education Sub COMMITTEE

DATE 1-10-85

[illegible]

FORM CS-33

## BOARD OF PUBLIC EDUCATION EXHIBIT 1

1-10-85

<u>PERSONAL SERVICES</u>	<u>1986</u>	<u>1987</u>
Executive	\$131,598	\$131,654
LFA Current Level	<u>66,004</u>	<u>66,030</u>
Difference	<u>\$ 65,595</u>	<u>\$65,624</u>

- - - - - Personal Services Issues - - - - -

## 1. Vacancy Savings in Current Level.

Executive (4%)	\$ 2,663	\$ 2,664
LFA Current Level(0%)	<u>-0-</u>	<u>-0-</u>
Difference	<u>\$ 2,663</u>	<u>\$ 2,664</u>

## 2. 1 FTE Lawyer

Executive	\$ 26,112	\$ 26,124
LFA Current Level	<u>-0-</u>	<u>-0-</u>
Difference	<u>\$ 26,112</u>	<u>\$26,124</u>

The Board of Public Education received a one-time appropriation in fiscal 1984 of \$2,550. The board used \$2,101 of the appropriation to contract with the Legal Services Division of the Department of Justice. The board indicated a minimum of 60 hours at \$42.50 per hour will be required for legal services in the 1987 biennium for a cost of \$2,550 in each year. Options include: (a) Authorize the board to hire 1 FTE lawyer at a general fund cost of \$28,705 in fiscal 1986 and \$27,632 in 1987; (b) Increase contracted services by \$2,550 in each year; or (c) Do not add this item to the budget.

	<u>1986</u>	<u>1987</u>
3. 1 FTE Management Analyst		
Executive	\$26,112	\$26,124
LFA Current Level	<u>-0-</u>	<u>-0-</u>
Difference	<u>\$26,112</u>	<u>\$26,124</u>

## 4. 1 FTE Secretary

Executive	\$15,472	\$15,478
LFA Current Level	<u>-0-</u>	<u>-0-</u>
Difference	<u>\$15,472</u>	<u>\$15,478</u>

## OPERATING EXPENSES

Executive	\$48,174	\$46,167
LFA Current Level	<u>37,154</u>	<u>36,468</u>
Difference	<u>\$11,020</u>	<u>\$ 9,699</u>

- - - - - Operating Expenses Issues - - - - -

### 5. Inflation

Executive	\$ 1,490	\$ 1,923
LFA Current Level	<u>1,667</u>	<u>2,780</u>
Difference - Exec. under LFA	<u>\$ 177</u>	<u>\$ 857</u>

### 6. Higher Operating Expenses for Modified.

Executive	\$11,639	\$11,717
LFA Current Level	<u>-0-</u>	<u>-0-</u>
Difference	<u>\$11,639</u>	<u>\$11,717</u>

### 7. LFA Current Level higher in minor operating expense items

\$ 442	\$ 1,161
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## EQUIPMENT

Executive	\$ 5,000	\$ -0-
LFA Current Level	<u>-0-</u>	<u>-0-</u>
Difference	<u>\$ 5,000</u>	<u>\$ -0-</u>

- - - - - Equipment Issues - - - - -

8. Executive includes \$5,000 for desks, chairs, phones, etc., for 3 FTE requested in modifieds.



# Board of Public Education

EXHIBIT 2  
1-10-85**BOARD MEMBERS**

January 10, 1985

Hidde Van Duym  
Executive Secretary**EX OFFICIO MEMBERS:**

Ted Schwinden, Governor  
Ed Argenbright, Superintendent of  
Public Instruction  
Irving E. Dayton, Commissioner  
of Higher Education

Chairman Donaldson, members of the Committee:

**APPOINTED MEMBERS:**

Ted Hazelbaker, Chairman  
Dillon  
James Graham, Vice Chairman  
Ismay  
George A. Johnson  
Polson  
Sally Listerud  
Wolf Point  
Harriett C. Meloy  
Helena  
Arthur Schauer  
Libby  
Thomas A. Thompson  
Browning

Basically, the State Board is to the State's School system what the local trustees are to a local school. The Board is responsible for the teachers, the administrators, the programs, transportation, and, in general, everything that contributes to the well-being of the pupils. It is the State Board which sets the standards which make the schools eligible for the Foundation program and it is the State Board which approves their status every year. Just as the local trustees sign off on the functioning of the local school system, so does the Board sign off on the functioning of all schools.

Some important changes have occurred over the past few years, one of which is the change in federal funding. The decrease in federal funding has put a much greater emphasis than before on the importance of state governance. There is much more pressure and demand that the Board do its share in managing the State's elementary and secondary schools. This includes responding to the changing needs of the schools and children and this includes working toward better accountability in education.

The Board has the responsibility for setting the standards by which almost half a billion tax dollars are spent at a time of critical demands on the educational system. Because of the staggered seven-year terms of its members, it provides the sole consistent depository for the State's records on educational policy development and implementation. Without the Board, there would be no consistent record in the State. The Board has an important role to fill in the State's governance of education but it needs assistance if it is expected to make sound decisions and maintain consistent records.

The critical components of that assistance are four:

	FY 86	FY87
1. A word processor	2,500.00	--0--
2. A researcher/management analyst III (plus fringe benefits, desk&chair, communications, travel)	29,109.00	28,599.00
3. 50 hours/year of legal services	2,125.00	2,125.00
4. Travel expenses for formulation of state policy	11,639.00	11,717.00

Thank you for your concern.

1-10-85

## FIRE SERVICES TRAINING SCHOOL

<u>PERSONAL SERVICES</u>	<u>1986</u>	<u>1987</u>
Executive	\$186,953	\$187,427
LFA Current Level	<u>178,624</u>	<u>179,110</u>
Difference	<u>\$ 8,329</u>	<u>\$ 8,317</u>

----- Personal Services Issues -----

## 1. Vacancy Savings

Executive (4%)	\$ 7,145	\$ 7,164
LFA Current Level (0%)	<u>-0-</u>	<u>-0-</u>
Difference	<u>\$ 7,145</u>	<u>\$ 7,164</u>

## 2. 1 FTE Secretary

Executive (4% Vacancy Savings)	\$ 15,474	\$ 15,481
LFA Current Level	<u>-0-</u>	<u>-0-</u>
Difference	<u>\$ 15,474</u>	<u>\$15,481</u>

OPERATING EXPENSES

Executive	\$ 80,949	\$ 79,902
LFA Current Level	<u>49,906</u>	<u>51,889</u>
Difference	<u>\$ 31,043</u>	<u>\$ 28,013</u>

----- Operating Expenses Issues -----

## 3. Inflation

Executive	\$ 2,508	\$ 3,021
LFA Current Level	<u>2,688</u>	<u>4,671</u>
Difference - Exec. under LFA	<u>\$ 180</u>	<u>\$ 1,650</u>

## 4. Additional Contracted Services, Supplies and Materials, and Travel in Executive Budget.

Executive	\$ 8,232	\$ 6,672
LFA Current Level	<u>-0-</u>	<u>-0-</u>
Difference Exec. over C.L.	<u>\$ 8,232</u>	<u>\$ 6,672</u>

The school transferred \$8,977 of vacancy savings into operating expenses in fiscal 1984. The school is requesting full funding of personal services in the 1987 biennium, but not a commensurate reduction to

operating expenses. In the current level analysis, personal services were fully funded and the amount transferred into operating expenses was removed. Not removing these added operating costs will result in an expansion in the schools budget over current level.

5. Public Fire Safety Education	<u>1986</u>	<u>1987</u>
Executive	\$15,456	\$15,456
LFA Current Level	<u>-0-</u>	<u>-0-</u>
Difference	<u>\$15,456</u>	<u>\$15,456</u>

6. Contract Instructors (equivalent of .14 FTE in each year)

Executive	\$ 8,281	\$ 8,281
LFA Current Level	<u>-0-</u>	<u>-0-</u>
Difference	<u>\$ 8,281</u>	<u>\$ 8,281</u>

7. LFA higher in minor operating  
EQUIPMENT

Executive	\$17,900	\$ 6,400
LFA Current Level	<u>4,700</u>	<u>4,000</u>
Difference	<u>\$13,200</u>	<u>\$ 2,400</u>

----- Equipment Issues <sup>746</sup> -----

4 X Station Wagon for Replacement of Vehicle at Miles City

Executive	\$11,500	\$ -0-
LFA Current Level	<u>-0-</u>	<u>-0-</u>
Difference	<u>\$11,500</u>	<u>\$ -0-</u>

9 X Public Fire Safety Education

Executive	\$ 2,400	\$ 2,400
LFA Current Level	<u>-0-</u>	<u>-0-</u>
Difference	<u>\$ 2,400</u>	<u>\$ 2,400</u>

10 X Miscellaneous Office Equipment

Executive	\$ -0-	\$ -0-
LFA Current Level	<u>700</u>	<u>-0-</u>
Difference	<u>\$ 700</u>	<u>\$ -0-</u>



# CASCADE RURAL



EXHIBIT 4  
1-10-85

# COUNTY COUNCIL

JANUARY 7, 1985

GENTLEMEN;

THE FOLLOWING RURAL VOLUNTEER FIRE COMPANIES OF CASCADE COUNTY SUPPORT THE  
NEEDS OF THE MONTANA FIRE SERVICES TRAINING SCHOOL AND RECOMMEND A DO PASS OF  
THE GOVERNOR'S RECOMMENDATION

FORT SHAW RURAL VOLUNTEER FIRE DEPARTMENT

Anderson Fire Dept

GORE HILL RURAL VOLUNTEER FIRE DEPARTMENT

See home PRESIDENT

MONARCH RURAL VOLUNTEER FIRE DEPARTMENT

Jim Hoff chief

SAND COULEE RURAL VOLUNTEER FIRE DEPARTMENT

George Brock Ch. F. P.

SIMMS RURAL VOLUNTEER FIRE DEPARTMENT

See home PRESIDENT

STOCKETT RURAL VOLUNTEER FIRE DEPARTMENT

Ben Parentera President

SUN RIVER RURAL VOLUNTEER FIRE DEPARTMENT

Gary L. Parker Pres.

ULM RURAL VOLUNTEER FIRE DEPARTMENT

James A. Campbell, President

VAUGHN RURAL VOLUNTEER FIRE DEPARTMENT

Carl Mager President

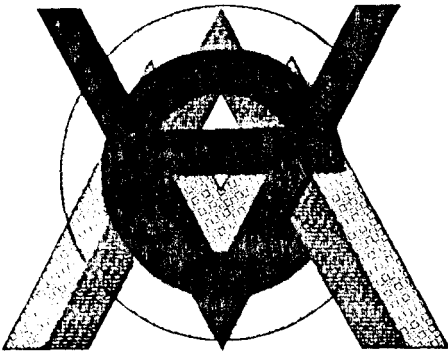


EXHIBIT 5  
1-10-85

## MONTANA ADVISORY COUNCIL FOR VOCATIONAL EDUCATION

Kathryn M. Penrod, Ph.D.  
Executive Director

January 9, 1985

TO: Rep. Gene Donaldson, Chairman, and Members of the Appropriations -  
Finance and Claims Joint Subcommittee on Education

FROM: Kathryn M. Penrod, Executive Director, Montana Council for Vocational Education

Chairman Donaldson and Committee members, I am Kathryn Penrod, the Executive Director of the Montana Council for Vocational Education. I am here to respectfully request a higher appropriation than either the Office of Budget and Program Planning or the Legislative Fiscal Analyst's Office have requested for the State Council for Vocational Education for the 1986-1987 biennium. I request an appropriation equal to my original request which is as follows:

	<u>FY86</u>	<u>FY87</u>
Personal Services	\$ 58,857.00	\$ 59,380.00
Operations	<u>49,098.00</u>	<u>45,635.00</u>
Total	\$107,955.00	\$105,015.00

This is a request of \$212,970.00 for the biennium. It is \$3,615.00 more than the Executive appropriation and \$6,847.00 more than the LFA appropriation.

I will make a brief presentation with three main components:

1. An explanation of the Council, their duties as listed in federal law, and recent changes in regard to the Council;
2. An explanation of the federal funding provisions for the Council;
3. A rationale for increasing the State Council's appropriation to our request of \$212,970.00 for the biennium.

1. The State Council for Vocational Education was created by the Carl Perkin's Vocational Education Act, P.L. 98-524, effective October 1, 1984.

Section 112(a) states, "Each State which desires to participate in vocational education programs authorized by this Act for any fiscal year shall establish a State council, which shall be appointed by the Governor or, in the case of States in which the members of the State board of education are elected (including election by the State Legislature), by such board. Each State council shall be composed of 13 individuals, and shall be broadly representative of citizens and groups within the State having an interest in vocational education." (P.L. 98-524)

Membership:

- a. Thirteen members total;
- b. Seven members from the private sector (two labor representatives);
- c. Six from education (both secondary and postsecondary);
- d. Chairman must be from the private sector.

Duties: (As listed in Section 112 (d) of P.L. 98-524)

- a. Meet with State board for vocational education to consult on the development of the State plan for vocational education;
- b. Advise State board, Governor, and the business community on ways to strengthen vocational education;
- c. Analyze the distribution and availability of funds for vocational education in the State;
- d. Consult with State board for vocational education on establishment of evaluation criteria;
- e. Submit recommendations which relate to concerns of business/industry and labor that would improve vocational education;
- f. Access distribution of federal vocational education financial assistance in the State;
- g. Recommend procedures for greater public participation in vocational education;

- h. Report on the extent to which disadvantaged and handicapped persons are being served;
- i. Evaluate and report the effectiveness of the vocational education delivery system and coordination of state vocational education system with other employment and training programs.

The major difference between P.L. 94-432 and the Carl Perkins Act, P.L. 98-524, in reference to the Vocational Education Council is that the Council is no longer advisory. The Council is to be a partner in the planning and evaluation process and is to be the important link between vocational education and business and industry. The Council will need to meet more often and do more in-depth evaluation projects.

- 2. An explanation of the federal funding provisions for the State Council.
  - a. The Council is 100 percent federally funded.
  - b. Montana is a minimum funded State, currently receiving \$102,772.00.
  - c. Until last year at this time, State councils were sent their entire grant each year in four quarterly checks regardless of how much they spent. Now the Council must request funds on a month-by-month basis.
  - d. If there were extra funds (carryover) this money was held in the State Treasury.
  - e. State Councils have two years to spend their grant under the Tidings Amendment.
  - f. In FY84 we spent \$34,472.00 of the FY83 federal grant and \$60,818.00 of the FY84 federal grant. In FY85 we spent \$33,182.00 of the FY84 federal grant and currently we are spending the FY85 federal grant which is \$102,772.00.

- g. At the end of FY 85, approximately \$30,000.00 will be available in the U.S. Treasury of our 1985 grant for use by the Council during FY86. (Review C above.)
  - h. The Carl Perkins Act states each Council shall be allotted a minimum of \$120,000.00. Section 112 (f)(1)(A) states, "From the amounts appropriated pursuant to Section 3(c) the Secretary shall make grants to State councils from amounts allotted to State councils . . . except that no State council shall be allotted less than \$120,000.00 nor more than \$225,000.00 for each fiscal year."
  - i. The expenditure of funds of the State council are to be determined solely by the Council. Section 112 (f)(2) of the Act states, "The expenditure of the funds paid pursuant to this subsection is to be determined solely by the State council for carrying out its functions under this Act, and may not be diverted or reprogrammed for any other purpose by any State board, agency, or individual."
3. A rationale for funding the State Council at the level originally requested.

I submit to you that Montana citizens as represented on the Council deserve the right to expend federal grant money that is rightfully theirs. The proposed limited State appropriations eliminate the option for the Council to operate as effectively as possible and use the available funds. The Council's responsibilities have changed. Their duties will require more meetings, more research projects, and more communication with various publics. The Council has a function to help strengthen vocational education in Montana. The Council must be able to operate to do this. The LFA's suggested operating budget of \$39,834.00 in FY87 would be insufficient to operate the telephones, routine mailings, and a very limited meeting schedule. An operating budget in FY87 of only \$1,000.00 more than in FY85 would not allow for an effective State Council.

If the money did not already belong to Montana citizens, or if an additional allotment from the limited General Fund were being requested, I could understand the appropriations proposed by the Budget Office and the LFA. But there will be not be a General Fund impact nor a tax impact. The money already belongs to the Council and, consequently, the citizens of Montana. I believe it behooves all of us to approve the appropriation requested by the Council of \$107,955.00 in FY86 and \$105,015.00 in FY87. These appropriation requests are conservative and will still necessitate careful management by the Council. They will, however, also allow the Council to be more effective and accomplish their federally assigned duties.

Mr. Chairman and Committee members, I respectfully submit this testimony to you for your consideration. Thank you.