

MINUTES OF THE MEETING
EDUCATION SUBCOMMITTEE
50TH LEGISLATURE

January 12, 1987

OVERVIEW: (7-1-A-000) Dori Nielson from the Office of the Legislative Fiscal Analyst gave the committee an overview of the agencies and the issues to be considered by this committee this week.

Vo-Ed Council: The Vo-Ed Council is entirely federally funded. There are two FTE. The federal funding is independently assigned for the council under the Carl Perkins Act. A state vo-ed council is a requirement in order to receive vo-ed funds. Funding had been cut by Gramm-Rudman to \$112,113 but it was restored to its original \$116,350. Funding is presently at least \$120,000 for this next year. Since the director's position was vacant for seven months in fiscal 1986 both personal services and operating expenses were curtailed. Consequently, there will be considerable difference from the 1986 expenditures to the budget for 1988 and 1989.

Vo-Tech Centers: The vo-tech centers are administered by the Office of Public Instruction. OPI is designated as the sole state agency to receive vocational education funds. One individual is assigned by that agency to administer vo-ed programs. The five vo-tech centers have approximately 2,500 students with a director at each center. House Bill 39 is a result (049) of the joint subcommittee actions, and recommends transferring governance of the vo-tech centers to the Board of Regents. The bill designates that as of June 30, 1989, employees would become employees of the Board of Regents. A budgeting formula is used to arrive at a funding level for this agency. Current level uses a 95 percent funding level, which represents the present funding level for these agencies due to the actions of Special Session III.

The executive budget has been revised due to a need to recalculate portions of the formula. Norm Rostocki of the Office of Budget and Program Planning used somewhat different formula factors. The OBPP used increased tuition in the same as in current level. OPI has recommended the increases. Funding consists of tuition revenue, federal funds, coal tax interest, the one and one-half mill levy, and general fund as the final plugged-in amount.

When questioned about the tuition increase, Gene Christiaansen of the Office of Public Instruction, said that

a survey of the surrounding states shows Montana slightly lower than the surrounding states by about 4 percent.

A portion of the interest from the educational trust is assigned to the Vocational-Technical Centers and Adult Basic Education. The law does not divide the money but this committee establishes the division of the money.

The Carl Perkins Act defines the requirements for receiving federal vo-ed funding (147). Grants need to be written to revamp curriculum, to include new technologies, and to fulfill new requirements. Match money can come by choosing to drop or scale back ongoing programs and use the savings to begin a new program. Current level revenue sources for the 1989 biennium show federal funds representing from 10 to 11 percent of the total. Discussion followed concerning matching funds and the difficulties associated with obtaining federal funds. Questions were raised concerning transferring matching funds into programs, applying federal funds to redesigned classes, and making changes to existing programs in order to use federal funds. The feeling was expressed that federal funds would not be replaced by general fund. The biggest issue in the vo-tech centers' budgets is the use of the federal funds.

The appropriated spending authority does not represent the final budget. The local voter levy provides 10 to 15 percent of the total budgets. The centers request additional spending authority for voted levy funds. This amount is not included in the formula or the revenue projections. Whatever the legislature authorizes can be expanded at each of the centers. This give flexibility for the centers to expend the money wherever they want.

An explanation of the budget formula (Exhibit 1) was distributed by Dori Nielson of the LFA. The calculation of program expenditures are done in four areas. They are instruction, support, plant operation and maintenance, and equipment. The first three include calculations for personal services and operating expenses. The equipment budget has both variable equipment and capital equipment. The factors involved in the budgeting formula were discussed. Each factor that is accepted or changed will impact other areas. Enrollment estimates, inflation factors, compensation levels and staffing standards, and the funding level are the factors that will impact the budget in an interrelated fashion. It may be easier to make decisions on enrollment and the other factors and then after recalculation done by the LFA, come back and look at the budget amounts.

(7-1-A-377) The meeting of the Education Subcommittee was called to order by Chairman Nathe at 8:08 a.m. on Wednesday,

January 12, 1987 in Room 104 of the State Capitol following the overview.

ROLL CALL: All members were present. Also present were Dori Nielson of the Legislative Fiscal Analyst's office, Norm Rostocki of the Office of Budget and Program Planning and Deb Thompson, Secretary.

STATE COUNCIL ON VOCATIONAL EDUCATION

OBPP: Since the directors position was open for seven months the base year expenditure level is not representative of council operations. The council is entirely federally funded with no general fund match. The allocation is based on federal legislation. The executive budget total is basically the same as the LFA budget with the exception of the executive allocation for vacancy savings. Since additional federal funds have recently become available, the OBPP has no objection to expansion of the council's budget.

LFA: Few difference exist between the executive and current level. A planned expansion of services to be accomplished has been mapped out by the director. There is very little difference in operating expenses. Approximately \$5,000 more per year is available now for the council than was available when the current level was prepared. A carryover of about \$60,000 from previous years provides additional funding possibilities.

Agency: Vo-Ed Council

Bill Olfert, Executive Director of the Montana Council on Vocational Education, requested a \$120,000 budget, which is higher than recommended by either the LFA or OBPP (Exhibit 3).(515) He expressed the need for an increase in the operations amount, and indicated that the federal funds for the council had now been increased to \$120,000. He explained that the requested increase would allow the council to do more effective data collection to assist in key policy making.

Discussion followed. Senator Hammond inquired as to suggestions for ways the vo-tech centers could utilize federal funds. The vo-ed money must be matched dollar for dollar and used for new and innovative activities.

Proponents: Gene Christiaansen, Assistant Superintendent of Vocational Education services under the Office of Public Instruction, offered support for the Vo-Ed Council.

Opponents: There were no opponents.

It was noted in committee discussion that the Carl Perkins Act provides that the present funding level be maintained for a three year period.

VO-TECH CENTERS:

The question was raised concerning the effect of HB39 transferring the vo-tech centers to the Board of Regents authority. Chairman Nathe briefly explained that the committee would proceed on the basis that the present status will continue. Necessary adjustments will be made if changes occur due to HB39.

OBPP: Norm Rostocki of the OBPP stated that the executive budget has been revised. The committee will need to address six issues: enrollment, funding, personal services compensation, operating expense rates, revenue sources and FTE. The most important factor will be enrollment. An estimate of the additional amount of millage required will be needed if HB39 does pass. Capital and variable equipment costs will also be factors that will impact the budgets.

LFA: Dori Nielson (B-183) referred to Exhibit 4. She explained that the enrollment figures will impact the budget in several areas. She also noted the differences between the executive and the current level budget, adding the difference in the equipment portion. The executive budget did not include capital equipment as that is decided per request. The LFA will provide an equipment list for the work session. It was noted that the 1985 Legislature chose to give a flat rate of \$31,350 to each center, so current level reflects that rate discounted to 95 percent.

Agency: Gene Christiaansen from the Office of Public Instruction (B-310) set out recommendations to the Legislature (Exhibit 5). He stated that the difference between the budgets falls in a number of areas. The differences noted are on enrollment, the revenue estimates including the county millage, the coal tax and the use of federal funds. The property tax area differs significantly. This he pointed out on page 3 of Exhibit 5 of the county millage review. The one-time transfer of the reserve amount of the coal tax trust revenue offset general fund expenditures during Special Session III, so declines sharply to this biennium. He pointed out that when considering using federal funds, they are restrictive in that they can only be used for a three year term for the same project, they require a match of dollars, and they affect only specific program areas. The center directors would prefer federal funds not be appropriated within the budget.

Discussion followed. HB39, if passed, would make changes by transferring the centers to the Board of Regents. This would be an advantage in terms of providing a state system and reducing local district tax.

Billings Vo-Tech: (7-2-A-157) Mr. Jeff Dietz, Director, said the Billings center has a stable enrollment. If there were additional funds, enrollment would increase. There is a growing interest but the center has a diminished capacity. The recommendation of the Billings center for the budget is to use the 1987 funding rather than staying with the formula. There is a serious economic situation and a projected shortfall. Short-term training is an important objective but difficult to do.

Butte Vo-Tech: Mr. Harry Freeborn, Director, (300) said the executive cuts by the governor have reduced the schools accessibility and cut instructors. If the LFA budget is accepted the budget would be further reduced. The federal funds should not be part of the appropriation. It is difficult to follow the guidelines of the Carl Perkins Act when the budget is being reduced and other funds are not available.

Chairman Nathe left the committee at 10:00 a.m. to attend to other responsibilities. Vice Chairman Jacobson assumed the chair.

The committee discussed the Carl Perkins Act. Senator Hammond asked about the reduction in the local mill levy. (588). The guidelines of the Carl Perkins Act were discussed. In definition the money must be used for the expansion of current programs or innovative programs. The money can only be used in a small part of the program for only three years.

Great Falls Vo-Tech: Mr. Will Weaver, Director, explained the turnaround and increase in enrollment over the last year. New classes and seminars were accepted well by the business community. The proposed budgets will affect the center. Five more FTE would be reduced in support areas causing less enrollment. The center has been a solution in helping turn around Montana's economy.

Discussion followed concerning the match of federal funds in instruction costs.

Helena Vo-Tech: Mr. Alex Capdeville, Director, (3-A-186) supported maintaining the present budget for 1988 and 1989. They have concerns that all three budgets puts them below the present level. The OPI proposal is more reasonable in determining the amount of federal dollars, since the federal

dollars are gradually phased into the programs, but it is still a significant cut. They feel there is an obligation to spend federal money but have concerns as to how money is appropriated. The effects of each agency's budget on the Helena Vo-Tech Center is listed. (See Exhibit 6)

Missoula Vo-Tech: Mr. Dennis Lerum, Director, (559) said the voter levy support is good. The enrollment has decreased more than the expected 1987 level. Due to the reductions, special session actions, and decreased enrollment, tuition revenue has declined. He requested the funding of the center be given at the LFA 100 percent level. This level of funding will still require some reductions but would avoid drastic levels of reduction. The center makes a direct contribution to Montana's economic base.

(7-3-B-000)

Proponents: Dr. Carroll Krause, of the Montana University System, testified that the Board of Regents does have an interest in the governance of vocational technical education and thinks there is very strong merit in coordinating all vocational education in the state as set out in HB39. The governance would possibly be coordinated at Northern Montana College. It would be assigned as a state system under the Board of Regents. He stated several concerns, including the possible need for 4.5 mill levy at the county level and the use of Carl Perkins Act money on new things that are temporary.

Representative Peck asked how the model of HB39 compared with other states. The trend is to convert vocational technical centers to community colleges or educational centers.

Jan Norse, representing the United Councils of Vo-Tech Centers (Exhibit 7) said they did not know the long range effects of transfer to the Board of Regents but were willing to take that step. The vo-techs give quality education at an affordable price. Placements are high in the business community.

Mr. Paul Stohl, Chairman of the School Board in Helena, (217) had concerns about the current level increase in use of federal revenue. They cannot have that many new and innovative programs. They have less money and fewer students. The move for the vo-tech centers to be under the Board of Regents is a better structure and the only way the system is to survive.

ADJOURNMENT: Vice Chairman Jacobson announced the next meeting for tomorrow. For the work session, an equipment list will be provided, and, the committee will look at the

Education Subcommittee
January 12, 1987
7

repercussion of the additional mill levy and the federal
vo-ed funds. The meeting adjourned at 10:24 a.m.


DENNIS NATHE, Chairman

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1-12-87

1-12-87

SUBCOMMITTEE ACTION

Agency: State Council for Vocational Education

	FY 1986 Actual	Executive	Fiscal 1988 Current Level	Difference	Executive	Fiscal 1989 Current Level	Difference
FTE	2.00	2.0	2.00	0.00	2.00	2.00	0.00
Personal Services	\$41,576	\$ 58,463	\$ 60,998	\$(2,535)	\$ 57,868	\$ 60,318	\$(2,450)
Operating Expenses	42,380	55,144	54,752	392	55,795	55,397	399
Equipment	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Expenditures	\$83,956	\$113,607	\$115,750	\$(2,143)	\$113,663	\$115,715	\$(2,052)
<u>Funding</u>							
Total General Fund	\$83,956	\$113,607	\$115,750	\$(2,143)	\$113,663	\$115,715	\$(2,052)

Add to (Subtract from)

LFA Current Level

Fiscal 1988 Fiscal 1989

Fiscal 1988

Committee Action

Fiscal 1989

MODIFIED BUDGETS:

DNI:bn:scvesa.

MONTANA COUNCIL ON VOCATIONAL EDUCATION



EXECUTIVE MANAGEMENT BUILDING

1226 11TH AVENUE

STATE OF MONTANA

(406) 444-2964

HELENA, MONTANA 59620

January 12, 1987

WILLIAM C. OLFERT
EXECUTIVE DIRECTOR

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

FROM: William C. Olfert, Executive Director,
Montana Council on Vocational Education

MEMBERS
George McCallum
Chairman
Gordon Simmons
Vice-Chairman
Duane Gebhardt
Ralph Godtland
Robert Hokom
Jon Jourdonnais
Patricia Kercher
Dennis Lerum
Glenn Roush
James Schultz
Howard Williams
Avis Ann Tobin
J. Melvin Williams

Chairman Nathe and Committee members, I am Bill Olfert,
Executive Director of the Montana Council on Vocational Education.
I am here to request a 1988 - 89 biennium appropriation level higher
than either the Office of Budget and Program Planning or the Legis-
lative Fiscal Analyst's Office have recommended. I request an
appropriation as follows:

	<u>FY 88</u>	<u>FY 89</u>
Personal Services	\$ 60,998	\$ 60,318
Operations	<u>59,002</u>	<u>59,682</u>
Total	\$120,000	\$120,000

Please note that the increase requested is in the operations
budget only. The requested amount for personal services remains as
recommended in the LFA budget analysis.

This is a request of \$240,000 for the biennium. It is \$12,730
(5.6%) more than the Executive Budget recommendation and \$8,535 (3.7%)
more than the LFA recommendation.

My brief presentation is comprised of three components:

I. An explanation of the Council and their federally mandated re-
sponsibilities.

II. An explanation of the federal funding provisions for the State Council.

III. The rationale for increasing the appropriation for the State Council to our request of \$240,000 for the biennium.

I. The Carl D. Perkins Vocational Education Act of 1984 (P.L. 98-524) establishes State Councils on Vocational Education. The Act requires that Councils provide states with the evaluation, information, recommendations, and advice to assist meeting the purposes of the Act.

The role of the Montana Council on Vocational Education lies in assessing and monitoring the coordination of programs provided by the Vocational Education Act and the private sector as they fulfill nine mandated responsibilities:

1. Evaluate the adequacy and effectiveness of vocational education;
2. Recommend procedures for enhancing involvement of local labor and employers in local programs;
3. Identify ways to strengthen vocational education, particularly for the handicapped;
4. Evaluate coordination between the public and private sector;
5. Assess financial resources and distribution;
6. Identify private sector initiatives needed to modernize vocational education;
7. Assess the availability of activities and services;
8. Evaluate the adequacy and effectiveness of JTPA programs in vocational education; and
9. Report on the equality of access for disadvantaged, handicapped, adults, single parents, non-traditional, and incarcerated.

The State Council's additional responsibilities include advising and working with the sole state agent for Vocational Education, which in Montana

is the Superintendent of Public Instruction, to carry out:

1. Development of a State Plan;
2. Establishment of criteria for evaluation of vocational education;
3. Establishment of technical committees for curricula improvement;
4. Development of adult training, retraining, and employment development programs; and
5. Development of industry-education partnerships for high-tech occupational training.

The Council also solicits input from the public through the public hearing process.

The thirteen members of the Council are appointed by the Governor and represent the following:

Seven Representatives of the Private Sector

- * Five representing business, industry and agriculture.
- * Two representing organized labor.

Six representative of Vocational Education
(Secondary and Postsecondary)

The Montana Council on Vocational Education is making a concerted effort to carry out its responsibilities for assisting, consulting, advising, and analyzing. The reports prepared are submitted to the following:

Business Community
General Public
Governor
Job Training Coordinating Council
State Board of Education
U. S. Secretary of Education
U. S. Secretary of Labor

II. An explanation of the federal funding provisions for the State Council:

1. The Council is funded entirely from federal vocational education funds.
2. Section 112(f)(1)(A) of the Carl Perkins VEA states that each Council shall be allotted a minimum of \$120,000. Fiscal year 1988 will be the first time Congress has appropriated funding at that level. For FY 87 the Council was to receive a grant award of \$116,350. Gramm-Rudman reductions of 4.3% resulted in the \$112,113 we are now receiving.
3. Since development of the biennium budget in July, Congress has appropriated funds enabling the U. S. Department of Education to increase our grant award to the minimum level of \$120,000 (see attached correspondence).
4. Anticipated revenue for each year of the biennium is \$120,000. Gramm-Rudman reductions will not affect the FY 88 grant award, but may affect the FY 89 award.
5. The Council has additional federal revenue available for allocation during the 1989 biennium of \$61,532. This amount will result from a carryover for the 1987 biennium which resulted from a vacancy in the position of Executive Director and subsequent reduction in activities.

Federal Revenues Available for 1989 Biennium

1987 Biennium Carryover	\$ 61,532
FY 88 Grant Award	120,000
FY 89 Grant Award	<u>120,000</u> *
	\$301,532

* May experience Gramm-Rudman reduction.

6. Federal revenue available for the 1989 biennium of \$301,532 exceeds the Council's request of \$240,000 by \$61,532. A budget amendment of \$23,500 has been requested in this legislative session for the purchase of much needed office automation equipment

On approval of this budget amendment, \$38,063 of revenue will remain available to the Council. State Councils have two years to spend their grant award under the Tidings Amendment.

7. Section 112(F)(2) of the Carl Perkins 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 directed or reprogrammed for any other purpose by any State board, agency, or individual."

III. A rationale for increasing the appropriation for the State Council to the level requested:

The requested increase in appropriation will allow the Council to expand its ability and effectiveness in providing recommendations and data collection necessary to adequately assess and monitor the vocational education delivery in Montana. As a result of that increased effort, substantive information and evaluations will be provided to key policy makers.

We will utilize the increased operations budget by providing more technical assistance to secondary and postsecondary vocational education programs, on-site program evaluations, additional research projects, and greater communication with various publics.

In summary, may I reiterate three key portions of my presentation:

- (1) The federal government has appropriated these monies to the State of Montana to be utilized by the Council for the benefit of its citizens;
- (2) revenue to support the increase is available with no impact on the general fund;
- (3) the increase will allow the Council to be more effective and accomplish their federally mandated duties.

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

DEPARTMENT OF EDUCATION
OFFICE OF VOCATIONAL AND ADULT EDUCATION

November 12, 1986

PROGRAM MEMORANDUM OVAE/DVE - FY 87 - 2

SENT BY: LeRoy A. Cornelsen
Director
Division of Vocational Education

RECEIVED
NOV 19 1986

SENT TO: State Directors of Vocational Education
State Councils on Vocational Education

STATE COUNCIL ON
VOCATIONAL EDUCATION

SUBJECT: Vocational Education Allotments for Program Year (PY) 1987-88

The attached table shows the estimated State allotments under the Carl D. Perkins Vocational Education Act for Program Year 1987-88, beginning July 1, 1987. The allotment figures are based on the long-term continuing resolution, P.L. 99-500, signed into law on October 18, 1986. You may use these figures for planning purposes.

In order to receive the grant award for PY 1987-88, a State must request the additional funds reflected on the attached table. This may be done in one of two ways:

1. If the State continues to follow the same goals, objectives, and activities as identified in the Three-Year Plan, a letter from the Executive Officer of the State Board indicating that the additional funds will be allocated according to the required formula and expended for State Plan purposes will suffice.
2. If any changes are made in the goals, objectives, and activities of the Three-Year or annual update, then an amendment, including a new budget summary, will be required.

Changes adopted in the Technical Amendments will be fully applicable, since the final regulations were published on July 14, 1986. These changes include:

- a. The LEP formula as revised in Section 401.96(b) of the regulations.
- b. The requirement that Consumer and Homemaking funds be expended for State leadership (Section 401.102(b)(2)).
- c. The establishment of the six percent maximum funding level for State administration under Consumer and Homemaking (Section 401.102(c)).

If these changes have not already been incorporated into the Three-Year Plan, an amendment must be submitted before the relevant grant award can be issued.

If an amendment is required, the State must follow the requirements of Section 401.21; i.e., development and adoption of the amendment(s) by the State board in consultation with the State council and review of all amendment by the State job training coordinating council and the State council on vocational education.

If you have any questions concerning this allotment table or the funding process, please contact Mr. Les Thompson at (202) 732-2450.

Attachment

VOCATIONAL EDUCATION ALLOTMENTS FOR PROGRAM YEAR 1988 (7/1/87 - 6/30/88)
(CARL D. PERKINS VOCATIONAL EDUCATION ACT; P.L. 98-524)
P. L. 99-500 (LONG-TERM CONTINUING RESOLUTION), OCTOBER 18, 1986

STATES	STATE TOTALS/1	BASIC GRANTS	C & H	CBOs	STAT. COUNCILS
ALABAMA	16,751,404	15,989,373	643,814	118,217	127,638
ALASKA	2,324,811	2,247,363	47,511	29,937	120,000
ARIZONA	10,996,063	10,519,244	399,045	77,774	120,000
ARKANSAS	9,393,028	8,966,964	359,767	66,297	120,000
CALIFORNIA	72,931,658	69,624,861	2,792,030	514,767	225,000
COLORADO	10,123,266	9,675,120	376,613	71,533	120,000
CONNECTICUT	8,850,788	8,447,051	341,284	62,453	120,000
DELAWARE	3,959,981	3,848,680	81,364	29,937	120,000
FLORIDA	34,237,288	32,725,009	1,270,328	241,951	216,000
GEORGIA	23,399,848	22,344,851	889,791	165,206	147,494
HAWAII	4,195,638	4,038,399	127,302	29,937	120,000
IDAHO	4,213,887	4,038,399	145,551	29,937	120,000
ILLINOIS	36,996,547	35,339,001	1,396,269	261,277	225,000
INDIANA	21,187,547	20,223,010	815,019	149,518	138,761
IOWA	10,570,252	10,102,127	393,435	74,690	120,000
KANSAS	8,078,481	7,721,548	299,844	57,089	120,000
KENTUCKY	15,611,872	14,901,640	600,057	110,175	124,781
LOUISIANA	18,660,433	17,864,989	663,360	132,084	132,561
MAINE	4,633,967	4,418,764	182,533	32,670	120,000
MARYLAND	13,697,529	13,058,045	542,940	96,544	120,000
MASSACHUSETTS	18,194,316	17,323,922	747,197	123,197	129,401
MICHIGAN	32,986,658	31,478,779	1,275,142	232,737	207,761
MINNESOTA	14,265,199	13,601,111	563,529	100,559	121,363
MISSISSIPPI	11,170,705	10,665,823	426,025	78,857	120,000
MISSOURI	17,778,990	16,938,984	714,768	125,238	130,130
MONTANA	4,188,159	4,038,399	119,823	29,937	120,000
NEBRASKA	5,665,519	5,408,700	216,830	39,989	120,000
NEVADA	4,168,835	4,038,399	100,499	29,937	120,000
NEW HAMPSHIRE	4,201,357	4,038,399	133,021	29,937	120,000
NEW JERSEY	20,582,852	19,614,040	823,796	145,016	137,111
NEW MEXICO	6,040,546	5,776,986	220,848	42,712	120,000
NEW YORK	53,862,470	51,361,537	2,129,936	370,997	225,000
NORTH CAROLINA	25,661,688	24,499,881	980,668	181,139	161,718
NORTH DAKOTA	4,166,224	4,038,399	97,888	29,937	120,000
OHIO	38,871,889	37,100,852	1,496,734	274,303	225,000
OKLAHOMA	11,969,380	11,473,631	410,919	84,830	120,000
OREGON	9,187,023	8,769,508	352,678	64,837	120,000
PENNSYLVANIA	41,193,884	39,310,871	1,592,370	290,643	225,000
RHODE ISLAND	4,204,068	4,038,399	135,732	29,937	120,000
SOUTH CAROLINA	14,403,460	13,755,208	546,554	101,698	121,781
SOUTH DAKOTA	4,174,754	4,038,399	106,418	29,937	120,000
TENNESSEE	19,353,345	18,472,551	744,218	136,576	134,162
TEXAS	56,651,005	54,279,483	1,970,210	401,312	225,000
UTAH	6,751,066	6,458,291	245,026	47,749	120,000
VERMONT	4,102,144	3,987,899	84,308	29,937	120,000
VIRGINIA	19,570,814	18,664,737	768,080	137,997	134,666
WASHINGTON	14,178,666	13,551,808	526,663	100,195	121,230
WEST VIRGINIA	7,709,070	7,354,147	300,550	54,373	120,000
WISCONSIN	17,548,807	16,745,524	679,476	123,807	129,611
WYOMING	2,737,839	2,651,840	56,062	29,937	120,000
DIST. OF COLUMBIA	3,714,013	3,607,804	76,272	29,937	120,000
PUERTO RICO	15,159,283	14,501,096	550,974	107,213	123,711
AMERICAN SAMOA	201,207	191,167	8,833	1,207	50,000
GUAM	524,469	501,823	18,886	3,760	50,000
N. MARIANA IS.	200,560	191,167	8,833	560	50,000
TRUST TERRITORY/2	539,566	516,370	19,327	3,869	50,000
VIRGIN ISLANDS	446,856	427,602	16,050	3,204	50,000
TOTAL AVAILABLE:	847,140,974	809,507,974	31,633,000	6,000,000	7,500,000
TOTAL CALCULATED:	847,140,974	809,507,974	31,633,000	6,000,000	7,500,000

1/ State totals include "BASIC GRANTS," "C & H," and "CBOs."

2/ Reductions for the Federated States of Micronesia and the Marshall Islands (required by P.L.s 99-178 & 99-239) have not been determined yet.

VotTech

SUBCOMMITTEE ACTION

Agency: Postsecondary Vocational-Technical Centers

FY 1986 ACTUAL Executive* FISCAL 1988 Current Level Difference Executive* FISCAL 1989 Current Level Difference Program: Total

	FY 1986 ACTUAL	Executive*	FISCAL 1988 Current Level	Difference	Executive*	FISCAL 1989 Current Level	Difference	Program: Total
Instruction								
Personal Services	\$4,099,714	\$4,435,107	\$4,435,107	(\$335,393)	\$4,099,714	\$4,435,107	(\$335,393)	
Operating Expenses	\$538,463	\$571,807	\$571,807	(\$33,344)	\$538,463	\$571,807	(\$33,344)	
Support								
Personal Services	\$1,634,727	\$1,633,038	\$1,633,038	\$1,689	\$1,634,727	\$1,633,038	\$1,689	
Operating Expenses	\$418,947	\$401,642	\$401,642	\$17,305	\$418,947	\$313,818	\$5,129	
Plant								
Personal Services	\$465,451	\$451,221	\$451,221	\$14,230	\$465,451	\$451,221	\$14,230	
Operating Expenses	\$775,336	\$762,033	\$762,033	\$13,303	\$817,718	\$803,291	\$14,427	
Equipment								
Variable	\$0	\$148,915	\$148,915	(\$148,915)	\$0	\$148,915	(\$148,915)	
Capital	\$76,263	\$81,685	\$81,685	(\$5,422)	\$76,263	\$81,685	(\$5,422)	
Total Exp.	\$8,008,901	\$8,485,448	\$8,485,448	(\$476,547)	\$7,951,283	\$8,438,882	(\$487,599)	

	FY 1986 ACTUAL	Executive*	FISCAL 1988 Current Level	Difference	Executive*	FISCAL 1989 Current Level	Difference	Program: Total
FUNDING								
General Fund	\$4,640,674	\$4,243,411	\$4,374,971	(\$131,560)	\$4,087,823	\$3,952,739	\$135,084	
County Millage	\$903,288	\$823,823	\$800,291	\$23,532	\$844,463	\$808,294	\$36,169	
Tuition	\$1,496,675	\$1,559,925	\$1,707,075	(\$147,150)	\$1,629,255	\$1,782,945	(\$153,690)	
Education Trust	\$895,000	\$776,742	\$795,637	(\$18,895)	\$784,742	\$856,904	(\$72,162)	
Federal Vo-Ed	\$589,270	\$605,000	\$807,474	(\$202,474)	\$605,000	\$1,038,000	(\$433,000)	
Total Funding	\$8,524,907	\$8,008,901	\$8,485,448	(\$476,547)	\$7,951,283	\$8,438,882	(\$487,599)	

*Executive budget revised January 1987

ISSUES:

- Enrollment

	Executive	Current Level	Annual Difference
Billings	481	490	(9)
Butte	400	405	(5)
Great Falls	410	410	0
Helena	531	658	(127)
Missoula	489	576	(87)
Total (annual)	2,311	2,529	(218)
- Funding level 100 percent
- Personal services compensation 95 percent
- Operating expense rates
- Revenue sources

SUBCOMMITTEE ACTION

Agency: Postsecondary Vocational-Technical Centers	FISCAL 1988		FISCAL 1989		Difference
	Executive*	Current Level	Executive*	Current Level	
Instruction					
Personal Services	\$4,099,714	\$4,435,107	\$4,099,714	\$4,435,107	(\$335,393)
Operating Expenses	\$538,463	\$571,807	\$538,463	\$571,807	(\$33,344)
Total Exp.	\$4,638,177	\$5,006,914	\$4,638,177	\$5,006,914	(\$368,737)

*Executive budget revised January 1987

RECONCILIATION

FACTOR DIFFERENCES:	Fiscal 1988	Fiscal 1989
1. Enrollment estimates	\$(454,312)	\$(454,312)
2. Personal services rate Executive \$1,774 per student LFA \$1,846 per student Difference - \$72 per student	\$(166,392)	\$(166,392)
3. Operating expense rate Executive \$233 per student LFA \$238 per student Difference - \$5 per student	\$(11,555)	\$(11,555)
4. Funding level Executive 100% LFA 95% Difference - 5%	\$263,522	\$263,522

Preliminary
LFA 01/12/87

SUBCOMMITTEE ACTION						
Agency: Postsecondary Vocational-Technical Centers	FISCAL 1988		FISCAL 1989		Program: Support	
	Executive*	Current Level	Difference	Executive*	Current Level	Difference
FTE	62.92	61.71	1.21	62.92	61.71	1.21
Support						
Personal Services	\$1,634,727	\$1,633,038	\$1,689	\$1,634,727	\$1,633,038	\$1,689
Operating Expenses	\$418,947	\$401,642	\$17,305	\$318,947	\$313,818	\$5,129
Total Exp.	\$2,053,674	\$2,034,680	\$18,994	\$1,953,674	\$1,946,856	\$6,818

*Executive budget revised January 1987

SUBCOMMITTEE ACTION

Agency: Postsecondary Vocational-Technical Centers

Program: Plant

	FISCAL 1988		FISCAL 1989		Difference
	Executive*	Current Level	Executive*	Current Level	
FTE	22.25	22.25	22.25	22.25	-0-
Plant					
Personal Services	\$465,451	\$451,221	\$465,451	\$451,221	\$14,230
Operating Expenses	\$775,336	\$762,033	\$817,718	\$803,291	\$14,427
Total Exp.	\$1,240,787	\$1,213,254	\$1,283,169	\$1,254,512	\$28,657

*Executive budget revised January 1987

RECONCILIATION

FACTOR DIFFERENCES:

	Fiscal 1988	Fiscal 1989
--	-------------	-------------

- Personal services compensation
Executive \$20,919
LFA \$21,347
Difference \$428 per FTE
- Operating expense base & inflation
Executive 100%
LFA 95%
Difference - 5%

	\$ (9,523)	\$ (9,523)
	\$ (26,804)	\$ (27,851)
	\$ 63,856	\$ 66,027

Preliminary
LFA 01/12/87

SUBCOMMITTEE ACTION			
Agency: Postsecondary Vocational-Technical Centers	Program: Equipment		
	FISCAL 1988	FISCAL 1989	Difference
Executive*	Current Level	Current Level	Difference
Equipment	\$76,263	\$81,685	(\$5,422)
Variable	\$0	\$148,915	(\$148,915)
Capital	\$76,263	\$230,600	(\$154,337)
Total Exp.			

*Executive budget revised January 1987

RECONCILIATION

FACTOR DIFFERENCES:	Fiscal 1988	Fiscal 1989
1. Enrollment estimate	\$(7,412)	\$(7,412)
2. Variable equipment rate Executive \$33 per student LFA \$34 per student	\$(2,311)	\$(2,311)
3. Capital equipment	\$(156,752)	\$(156,752)
4. Funding level Executive 100% LFA 95% Difference - 5%	\$12,136	\$12,136

SUBCOMMITTEE ACTION

Agency: Postsecondary Vocational-Technical Centers

Program: Funding

FY 1986 ACTUAL	FISCAL 1988		FISCAL 1989		Difference
	Executive*	Current Level	Executive*	Current Level	
FUNDING					
General Fund	\$4,640,674	\$4,374,971	\$4,087,823	\$3,952,739	\$135,084
County Millage	\$903,288	\$800,291	\$844,463	\$808,294	\$36,169
Tuition	\$1,496,675	\$1,707,075	\$1,629,255	\$1,782,945	(\$153,690)
Education Trust	\$895,000	\$776,742	\$784,742	\$856,904	(\$72,162)
Federal Vo-ed	\$589,270	\$807,474	\$605,000	\$1,038,000	(\$433,000)
Total Funding	\$8,524,907	\$8,485,448	\$7,951,283	\$8,438,882	(\$487,599)

*Executive budget revised January 1987

REVENUE DIFFERENCES:

Add to (subtract from)
LFA Current Level
Fiscal 1988 Fiscal 1989

1. County Millage
(executive budget higher than current level) \$23,532 \$36,169
2. Tuition
(enrollment difference) \$(174,150) \$(153,690)
3. Education trust
(executive budget less than current level) \$(18,895) \$(72,162)
4. Federal Vo-ed
(executive budget less than current level) \$(202,474) \$(433,000)
5. Tuition increase
(executive and current level both
include increase from \$594 FY87
to \$675 FY88 to \$705 FY89)
ISSUE 2: Budget Analysis, LFA, E-62 \$(204,849) \$(280,719)

NOTE: Funding level increased to 100%
ISSUE 1: Budget Analysis, LFA, E-62

\$441,971 \$444,152

TESTIMONY BEFORE EDUCATION SUBCOMMITTEE
JANUARY 12, 1986

5
1-12-87
VotTech

VOCATIONAL-TECHNICAL CENTER SYSTEM

In addition to the Executive Budget and the budget analysis, the Office of Public Instruction is directed in MCA 20-7-301(8) to transmit budget recommendations to the Legislature.

The testimony presented will follow a sequence of the Office of Public Instruction and each center director and/or board of trustee member.

The overall budget recommendation of the Office of Public Instruction reflects a current level of expenditures from fiscal 1986 for the 1989 biennium. Total amounts and distributions are found on page 2 of this testimony.

The appropriated request level is comparable to the analysis of the LFA with the following exceptions:

1. Property tax within the five counties differs significantly. The recent history of appropriations and actual collections is illustrated with a projection for fiscal 1988 and 1989 on page 3.
2. Coal tax trust revenue differs from both the Executive Budget and analysis. Actual revenue has exceeded appropriated levels over the past three years, which allowed the one-time transfer and savings of general fund during Special Session 3.

The 1987 biennium appropriation was \$1,895,000 with anticipated collections meeting 98 percent of the appropriation.

- a. The Office of Public Instruction projects a shortfall of \$143,000 or down 7.55 percent.
 - b. Executive Budget projects a shortfall of \$333,516 or down 17.60 percent.
 - c. LFA projects a shortfall of \$242,459 or down 12.79 percent.
3. Federal fund use. There are a number of considerations relative to the use of federal funds.
 - a. Center directors collectively would prefer that federal funds not be appropriated because of match requirements, restrictive language or population specific services.
 - b. Failing consideration of "a," there is a collective opinion that a match provided with general fund or other special revenue should be made available for the appropriated federal amount.
 - c. Failing "a" or "b," the request would be for fewer federal funds to be appropriated than is reflected in the LFA analysis and Executive Budget.

Consideration was given to June 1986 correspondence issued by Representative Donaldson which sought a greater use of federal funds for the centers. The recommendations of the Office of Public Instruction do reflect a greater use of funds; however, their use emanates from modifications submitted in the center budgeting process and not within current level budgets. The use of the Office of Public Instruction federal level would have an impact upon current programs unless a matching source of funds could be determined.

Finally, the use of federal funds for programs, services and activities is limited to a three-year cycle. A new program initiated in fiscal 1986 will not be eligible for funding in fiscal 1989, thereby creating a continual recycling problem that involves equipment, facilities and personnel.

4. General fund appropriation differs significantly in fiscal 1989 and it is assumed that the difference was replaced by the 25 percent increase in federal funds.

There is a major concern that the formula developed in 1983 and later refined does not work when the individual elements of the formula are not held constant. In example, if the instructional component has been determined to be at one level in a biennium and it is adjusted downward the next biennium, the formula relationship is no longer valid. The application of the formula has not kept pace with actual practice and has resulted in the increased dependence upon a local district mill levy.

A major issue is that of a potential governance change. If HB 39, as it appears or as it may be amended, succeeds in transferring the governance from the Office of Public Instruction to the Board of Regents, the fiscal decisions to be made prior to the bill passing may be less than productive.

For many years it has been charged that governance is the problem to solve and it will follow that funding will be adequately addressed. It may be appropriate to consider that sequence during this session, holding in abeyance the budgetary decisions until after governance has been settled.

**VOCATIONAL-TECHNICAL CENTERS
FISCAL 1988**

Totals		Billings	Butte	Great Falls	Helena	Missoula
1,705,050	Tuition	331,425	270,000	276,750	438,750	388,125
885,679	County Millage	332,218	79,268	149,591	100,170	224,431
876,000	Coal Tax Trust	176,952	138,408	148,044	213,744	198,852
4,354,319	General Fund*	632,364	802,753	788,178	1,228,751	902,273
669,245	Federal Funds	177,986	23,443	109,500	89,650	268,666
<u>8,490,293</u>	Total	<u>1,650,945</u>	<u>1,313,872</u>	<u>1,472,063</u>	<u>2,071,065</u>	<u>1,982,347</u>

*includes \$20,000 per center for audits

FISCAL 1989

Totals		Billings	Butte	Great Falls	Helena	Missoula
1,780,830	Tuition	346,155	282,000	289,050	458,250	405,375
885,679	County Millage	332,218	79,268	149,591	100,170	224,431
876,000	Coal Tax Trust	176,952	138,408	148,044	213,744	198,852
4,470,583	General Funds	617,634	790,631	775,878	1,170,251	1,116,189
477,201	Federal Funds	177,986	23,565	109,500	128,650	37,500
<u>8,490,293</u>	Total	<u>1,650,945</u>	<u>1,313,872</u>	<u>1,472,063</u>	<u>2,071,065</u>	<u>1,982,347</u>

16,980,575
17,174,740

Bienn. Total '89
Bienn. Total '87 AFTER ADJUSTMENTS (estimated)

TOTAL Full-time students*

		Blgs	Bte	GF	Hln	Msla
2526	Fiscal 1988	491	400	410	650	575
2526	Fiscal 1989	491	400	410	650	575

*Subject to downward revisions based upon funding levels.

VOCATIONAL-TECHNICAL CENTER SYSTEM

COUNTY MILLAGE REVIEW

Appropriations and Actual Collections

Fiscal Year	1984	1985	1986
Actual Collections	\$841,604.56	\$868,009.70	\$903,288.26
Appropriated	823,751.00	842,220.00	855,233.00
Difference	17,863.56	25,789.70	48,055.26
Percent of Actual	+2.12	+2.97	+5.32
Reversion	17,853.56	25,789.70	48,055.26
1985 Biennium Reversion	\$43,643.26		

Dollar Increase	\$26,405.14	\$35,278.56
Percentage Increase	+3.14%	+4.06

County Millage Projected

Fiscal Year	1987	1988	1989
Actual Collections	N/A		
Estimated Collections	\$903,423	\$885,679 (-1.9%)	\$885,679
Appropriations	868,314	823,823 Gov	844,463 Gov
After Reduction	(-17,367)	800,291 LFA	808,294 LFA
Adjusted	850,947		
Estimated Reversion	\$52,476	\$61,856 Gov	\$41,216 Gov
Percent of Actual	5.81	85,388 LFA	77,385 LFA
1989 Estimated Biennium		Potential	\$103,072 Gov
		Reversion	162,773 LFA

Dollar Increase	134.74
Percentage Inc/Dec	+ .015

The final issue is that of the local district mill support for the centers. The districts have met a need to supplement the appropriated budgets for the centers since the early 1980s. In 1981 the district mill levy amounted to \$260,777. By the close of the fiscal year 1986, the support level was at \$1,613,693* or 6.19 times the 1981 level. As a percent of each local budget, the local millage ranged from 8 to 22 percent of the center budgets, averaging 15.9 percent of the total expenditures.

Projections for 1989 biennium from the total actual expenditure level of 1986 without pay plan increases and other inflation factors would require \$3,280,000 of district support.

The increasing burden of the district levy support has played an important role in the quest for a governance revision. At the same juncture, as governance may be changed, it is an absolute necessity to address the absence of revenue provided by the districts should they be precluded from future budgetary support.

- * Does not include \$100,000 of additional support in Great Falls or the additional funds provided to meet the Governor's reduction of January 1986 for Helena.

HELENA VOCATIONAL-TECHNICAL CENTER
TESTIMONY
January 12, 1987

The Helena Vocational-Technical Center would like to go on record supporting a current level budget for the Center in FY 88 and 89. The budgets submitted by the Governor's office, the Office of Public Instruction, and the Legislative Fiscal Analyst (LFA), are all below current level. The Office of Public Instruction's proposal represents a more reasonable approach in determining the amount of federal dollars for they gradually phase federal dollars into our programs.

While we strongly feel that we do have an obligation to try to expend as much federal money as possible, we have a concern as you will note in FY 89, the LFA's budget has increased the federal revenue from \$107,743 to \$310,000. Because the federal act money has to be matched dollar for dollar and the money is to be expended for new and innovative activities, we would be placed in a tenuous position to obligate \$620,000 for such activities within a current level budget. We in Helena strongly feel that we should not be changing programs to accommodate spending federal monies. While we are not opposed to change, we feel change needs to be realistic and based on program needs.

In FY 86 School District No. 1 replaced \$51,424 of the federal monies with local voted millage so we could legally spend a portion of what was appropriated.

The Governor's budget is based on our FY 87 fall enrollment which did experience a decrease; however, since then our part-time enrollment has gone up. We feel that by the end of FY 87 we should be able to generate an additional 50 FTE. The Governor's budget also does not take into consideration our prior year's enrollment, consequently it is based on an all time low allowing little flexibility for us to ever bring back an increase in our enrollment. Should you as a committee adopt the Governor's budget, the Helena Vocational-Technical Center's enrollment will continue on a downward spiral resulting in self-destruction. We could hardly maintain our enrollment with decreases in our budget over the past two years as a result of the special session and the action taken by the Governor's office.

Following we have listed the effects each agency's budget would have on the Helena Vocational-Technical Center. Thank you for your consideration.

REVENUE
SOURCES

	FY 1981	%	FY 1982	%	FY 1983	%	FY 1984	%
GENERAL FUND	\$1,039,078	66.8%	\$1,191,935	64.4%	\$1,419,542	66.8%	\$1,250,510	56.1%
LOCAL TAX		0.0%		0.0%		0.0%	\$117,931	5.3%
FEDERAL	\$269,091	17.3%	\$298,800	16.1%	\$238,111	11.2%	\$281,228	12.6%
TUITION	\$134,697	8.7%	\$185,956	10.0%	\$278,937	13.1%	\$343,530	15.4%
PERM LEVY	\$89,465	5.8%	\$85,487	4.6%	\$89,915	4.2%	\$87,682	3.9%
STATE APPROP	\$1,532,331		\$1,762,178		\$2,026,505		\$2,080,881	

VOTED LEVY	\$22,651	1.5%	\$89,000	4.6%	\$98,000	4.6%	\$149,690	6.7%
TOTAL	\$1,554,982		\$1,851,178		\$2,124,505		\$2,230,571	

	FY 1985	%	FY 1986	%	FY 1987	%
GENERAL FUND	\$1,252,996	51.7%	\$1,313,122	55.0%	\$1,196,971	49.1%
LOCAL TAX	\$197,285	8.1%	\$218,380	9.2%	\$267,784	11.0%
FEDERAL	\$251,104	10.4%	\$55,944	2.3%	\$50,000	2.1%
TUITION	\$386,640	15.0%	\$372,240	15.6%	\$391,380	16.1%
PERM LEVY	\$87,264	3.6%	\$96,684	4.1%	\$96,318	4.0%

STATE APPROP	\$2,175,289		\$2,056,370		\$2,002,453	
--------------	-------------	--	-------------	--	-------------	--

VOTED LEVY	\$248,678	10.3%	\$329,130	13.8%	\$433,957	17.8%
TOTAL	\$2,423,967		\$2,385,500		\$2,436,410	

1-9-87

FY 1987 ANALYSIS OF FUNDING

FY87 LOSSES

STATE	ORIGINAL	GOV 5%	GOV 2%	PAY PLAN	TOTAL LOSS	CURRENT
GEN FUND	\$1,369,485	(\$64,424)	(\$24,428)	(\$55,416)	(\$144,268)	\$1,225,217
COAL TAX	\$245,000		(\$5,465)		(\$5,465)	\$239,535
FEDERAL	\$107,743				(\$57,743)	\$50,000
TUITION	\$391,380				INELIGIBLE	\$391,380
P. LEVY	\$98,284		(\$1,966)		(\$1,966)	\$96,318
T. STATE	\$2,211,892	(\$64,424)	(\$31,852)	(\$55,416)	(\$209,442)	\$2,002,450
LOCAL	\$353,957					\$433,957 **
GRAND T.	\$2,565,849					\$2,436,407

** INCLUDES FUNDS TO OFFSET INELIGIBLE FEDERAL FUNDS

9-87

REVENUE
SOURCES
FY 1988

	GOVERNOR PROPOSED FY 1988		LFA PROPOSED FY 1988		OPI PROPOSED FY 1988	
		%		%		%
GENERAL FUND	\$1,100,983	51.1%	\$1,237,522	50.4%	\$1,208,751	50.3%
COAL TAX	\$178,473	8.3%	\$206,866	8.4%	\$213,744	8.9%
FEDERAL	\$55,096	2.6%	\$107,743	4.4%	\$89,650	3.7%
TUITION	\$358,425	16.6%	\$444,150	18.1%	\$438,750	18.2%
PERM LEVY	\$106,221	4.9%	\$103,392	4.2%	\$100,170	4.2%

STATE APPROP	\$1,799,198		\$2,099,673		\$2,051,065	
=====						
VOTED LEVY	\$353,533	16.4%	\$353,533	14.4%	\$353,533	14.7%

TOTAL	\$2,152,731		\$2,453,206		\$2,404,598	
=====						

PROPOSED FUNDING SHORTAGES BASED ON NEEDED BUDGET

	GOVERNOR FY 1988	LEG FIS ANA 1988
ESTIMATED CURRENT LEVEL BUDGET NEEDED	\$2,493,421 *	\$2,493,421 *
less PROPOSED STATE FUNDING	\$1,799,198 **	\$2,099,673 ***
less ADDITIONAL VOTED LEVY (FY87 BASE)	\$353,533	\$353,533

FUNDING SHORTAGE	\$340,690	\$40,215
=====		

* Based on Federal CPI Index Rate of +3.5%
 **Based on Student FTE of 531
 *** Based on Student FTE of 658

OPI FY 1988
\$2,493,421 *
\$2,051,065
\$353,533

\$88,823
=====

1-9-87

	REVENUE SOURCES FY 1989					
	GOVERNOR PROPOSED FY 1989		LFA PROPOSED FY 1989		OPI PROPOSED FY 1989	
		%		%		%
GENERAL FUND	\$1,065,391	49.8%	\$988,901	40.5%	\$1,170,251	48.3%
COAL TAX	\$180,311	8.4%	\$222,795	9.1%	\$213,744	8.8%
FEDERAL	\$55,096	2.6%	\$310,000	12.7%	\$128,650	5.3%
TUITION	\$374,355	17.5%	\$463,890	19.0%	\$458,250	18.9%
PERM LEVY	\$111,229	5.2%	\$104,426	4.3%	\$100,170	4.1%
STATE APPROP	\$1,786,382		\$2,090,012		\$2,071,065	
VOTED LEVY	\$353,533	16.5%	\$353,533	14.5%	\$353,533	14.6%
TOTAL	\$2,139,915		\$2,443,545		\$2,424,598	

PROPOSED FUNDING SHORTAGES BASED ON NEEDED BUDGET

	GOVERNOR FY 1989	LEG FIS ANA 1989
ESTIMATED CURRENT LEVEL BUDGET NEEDED	\$2,583,185 *	\$2,583,185 *
less PROPOSED STATE FUNDING	\$1,786,382 **	\$2,090,012 ***
less ADDITIONAL VOTED LEVY (FY87 BASE)	\$353,533	\$353,533
FUNDING SHORTAGE	\$443,270	\$139,640

* Based on Federal CPI Index Rate of +3.5%

**Based on Student FTE of 531

*** Based on Student FTE of 658

	OPI FY 1989
	\$2,583,185 *
	\$2,071,065
	\$353,533
	\$158,587

HELENA VO-TECH CENTER
REDUCTION BASED ON GOVERNOR'S PROPOSAL

1/12/87

5.75 Professional Staff	\$204,707
3.00 Support Staff	36,892
Operational Budget	57,091
Industry Training/Extended Day	42,000
	<hr/>
TOTAL	\$340,690 =====

workforce until vocational education.

Vo-ed serves a two-fold purpose in that not all people are genuinely suited to a college education, and not all people can afford it. (The average cost of a single credit course in most state colleges is about \$116 whereas one quarter or 6 courses at Vo-techs average slightly over \$200) These people are looking for a quality education at an affordable price with a minimal investment of time. These people, if you will, are the indians of the future blue collar workforce.

Point 1. Vo-Tech centers provide an expedient education for those not opting for a college education; those who have been absent from the workforce or displaced such as, displaced mining industry workers, and young high school grads who are not ready for a college setting.

Point 2. Vo-Tech centers provide the business community with constantly upgraded business knowledge and capabilities thereby enhancing the business climate

of the state.

of the state.

Placement statistics for Vocational Technical students are as high as 85-100% in the community of Butte, and some employers actually request VO-Tech students above college graduates, for their hands on knowledge of state of the art computer equipment. VO-Ed is a foundational tool for providing a quality technically trained blue collar workforce.

In short the step child has ^{come} ~~some~~ of age, and we cannot afford to let non-resident workers. In closing, let me respectfully request that any legislation now being introduced be carefully worded toward preserving vocational education and further that a percentage of any new tax revenues such as bed tax, sales tax or lottery revenues be earmarked for VO-Ed and that the vocational center be allowed a voice on the board of regional development.

Additional information

vocational education)

Thank You

VISITORS' REGISTER

Education Sub COMMITTEE

BILL NO. _____

DATE 1-12-87

SPONSOR _____

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
John H. ...	MFT		
Lucie ...	Butte Vo-Tech		
Bill ...	MT Council on Co. Ed.		
Tom ...	United Council of W. Ed.		
Tim Ceccone	"		
Lore Grant	"		
Judy Ceccone	"		
Gene R. Christensen	OPI Helena		
RICHARD J. PETERSON	BILLINGS VO-TECH CTR		
SEFF DIETZ	Billings vo-Tech		
MaryEllen BANKOL	Meat Falls vo-Tech		
Cassal ...	MT Univ. System		
William ...	Meat Falls vo-Tech		
Jerry ...	MFT		

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FOR
PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.