

MINUTES OF THE MEETING
EDUCATION SUBCOMMITTEE
50TH LEGISLATURE

January 26, 1987

The meeting of the Education Subcommittee was called to order by Chairman Dennis Nathe at 8:12 a.m. on Monday, January 26, 1987 in Room 104 of the State Capitol.

ROLL CALL: All members were present with the exception of Dennis Iverson who was absent. Also present were Dori Nielson of the Legislative Fiscal Analyst office, Norm Rostocki of the Office of Budget and Program Planning, and Deb Thompson, Secretary.

OFFICE OF PUBLIC INSTRUCTION - EXECUTIVE ACTION

Vo-Ed Administration: (14-1-A) Dori Nielson briefly outlined the remaining parts of the Vo-Ed Program still to be addressed. The administrative services program, special services program, chief state officer department, equipment indirects and the request for funds in excess including the new federal funds still had to be dealt with. The major differences between the executive and LFA budget was explained. (Exhibit 1)

Norm Rostocki discussed a vacant position. He explained that the position was funded but the money moved to other areas in the department and the position stayed open. The money was tracked as pointed out on page E-32 of the LFA budget book on sub 1 and sub 2. Ray Shackelford felt that a contingency fund was needed for contracted services or to fund sections of the budget where there was no flexibility. Representative Peck told him that this needed to be listed as contingency funds and not staff. The intent of the committee in the past was to have the position staffed in vocational education. If the committee was willing to approve contingency funds then the funds should be written that way. (186)

Representative Peck inquired about needed staff should HB39 change the governance. Gene Christiaanson replied saying two positions were necessary including one for guidance and one for health occupation. Dori Nielson said that there was still one vacant position in the budget.

Representative Peck moved to accept current level for personal services for FY88 of \$405,906 and for FY89 of \$405,588. The motion PASSED unanimously.

Senator Jacobson moved to accept current level for operating expenses for FY88 of \$76,927 and for FY89 of \$76,962. The motion PASSED unanimously.

Maintenance of effort of sex-equity and secondary vo-ed was discussed. Norm Rostocki explained that (304) the sex equity funds were not required to be matched. They had been matched in the last biennium but there was an overall maintenance of effort. Secondary Vo-Ed would also meet maintenance of effort and was not required to be matched. Gene Christiaanson said it would not affect operations. Senator Hammond asked if this would make them short of money. (403) A state-wide levy was discussed. Senator Hammond was concerned that there be a guarantee of maintenance of effort in regards to federal match if they are transferred to the Board of Regents. Gene Christiaanson said that collectively it was a maintenance of effort and that they would be able to carry through.

Senator Hammond moved to accept current level for funding for FY88 and FY89 with figures to be adjusted for equipment and indirect costs when those decisions are made. The motion PASSED unanimously.

Adult Basic Education: (520) Dori Nielson said the total figure varied little between current level and the executive (Exhibit 2a). There was a \$1,000 difference in the projection for federal funds in the second year of the biennium. Senator Jergeson moved to accept current level on the appropriation side for personal services and operating expenses for FY88 and FY89. The motion PASSED unanimously.

Senator Jergeson moved to accept the executive budget for federal revenue funding for FY88 and FY89 with an adjustment to general fund. Senator Hammond wondered if the federal funds would revert back. Tom Chesbro said they had 27 months to use the funds. The motion PASSED, Senator Hammond abstained.

(B-007) Senator Jergeson moved to accept current level for the general fund portion of funding with figures to be adjusted to reflect the ratio of federal funding and to include non-operating expenses, when determined. The motion PASSED unanimously.

Job Training-JTPA: There were minor differences in the budgets. Again, the difference was in federal revenue and the amount of state funds included. Senator Hammond moved to accept current level for FY88 and FY89 for personal services and operating expenses. The motion PASSED unanimously.

Senator Jacobson moved to accept current level for funding for FY88 and FY89 with the figures to be adjusted to reflect the appropriate non-operating expenses (052). The motion PASSED unanimously.

Administrative Services: Dori Nielson explained that there were differences in five issues. The aggregate positions, foundation lawsuit expenditures, buildings and grounds, transfers, and federal fund levels that needed to be reviewed. The issue of the foundation lawsuit was discussed concerning the need to defend the state against the foundation lawsuit. The LFA adjusted out expenses for the whole issue. The executive took just the legal expenses from the base. There is a need to be aware that the executive left some of the expenditures for travel and supplies including some contractual expenses in the base. The intent of the committee is that OPI pursue the lawsuit and request a supplemental appropriation to provide for costs of pursuing the lawsuit. If all lawsuit costs are set out, it will be possible to track the lawsuit and know what the expenditures are. Senator Jergeson wondered if a better course would be to budget for the lawsuit so revenue is available. Norm Rostocki indicated that funding in advance would be very difficult since expenses are not known nor is the duration of the lawsuit known.

Senator Hammond moved to accept current level figures for operating expenses with the intent the Office of Public Instruction pursue the lawsuit knowing that they may have to come in for supplementals. The motion PASSED unanimously.

Norm Rostocki explained the vacant aggregate position in the budget, where temporary part-time employees filled the position when needed (221). The LFA budget excluded this. Tom Chesbro explained that the vacant position was an aggregate that could be serviced by different grade levels. Senator Hammond agreed that this was a way to provide flexibility. Senator Hammond moved to accept the executive budget for personal services for FY88 of \$721,369 and for FY89 of \$721,187. Representative Peck said he liked to see flexibility but this was disguised and not a good way to do it. Tom Chesbro said that the aggregate positions did not take any of the 2 percent cuts. The motion PASSED with two NO votes by Representative Peck and Senator Jergeson.

An explanation of the figures for funding was given by Norm Rostocki. The executive budget held federal funding at the 1986 level. Current level general fund was in the proportion needed for match and the funding picture was completed with federal funds.

Senator Jergeson moved to accept the executive budget figures for federal revenue for FY88 of \$305,082 and for FY89 of \$305,082. The motion PASSED unanimously.

Senator Jergeson moved to accept the general funding and state and special revenue at current level to be adjusted by the LFA to reflect the changes made in personal services, equipment and nonoperating expenses. (397) The motion PASSED unanimously.

Indirect Cost Pool: (410) Payroll service fees were noted as being from non-general fund only in LFA budget. There is a difference between the budget office and current level in payroll service fee. This fee was included by the State Auditor's Office. This item relates to how much it costs OPI in non-general funds to support payroll costs. Chairman Nathe commented that it was interesting that OPI was charged for payroll costs. Norm Rostocki said that someone could come in from the auditor's office to explain that. He went on to explain that the auditor's office made a big spread sheet for the the LFA and the OBPP saying that this is how much each agency will have to pay in general fund and this is how much they will have to pay in other funds to cover additional costs of the payroll costs in the auditor's office. This exists in every budget. Each subcommittee may show this change as a revenue or not. Norm Rostocki explained that this is another nonoperating expense, the area that is left open in the budget. The indirect cost pool is funded from all the other sources of funding. He referred to the chart on page E-36 of the LFA budget analysis. A further issue to be looked at was the audio-visual library. On Page E-36 the audio visual library is shown with a contribution to the indirect cost pool. The A/V library is expected to contribute to indirect costs. The necessary funds would come from general fund. In the past no indirect costs were contributed, and the special fund revenue is not enough to cover this amount.

The library is not self-sufficient and may not be self-sufficient again because its function has changed. Senator Jacobson commented that if the library was partly supported with general fund money this would be built into the base next time, and would not be an issue again.

Representative Peck said he was reluctant to put money into a dying program but would have to wait two years to know. This area should be considered as a soft spot. (2-A-048)

Senator Jergeson moved to accept current level for FY88 and FY89 for personal services and operating expenses for appropriations and funding for indirect cost pool and state federal revenue for a total in FY88 of \$567,001 and in FY89

of \$567,417. The motion was discussed. Payroll services could be reconsidered after knowing what the general government subcommittee does. The motion PASSED unanimously.

Indirect costs in all programs will be adjusted to reflect the indirect cost decision made in this program. Equipment costs will be considered for the programs on a priority basis. Following acceptance of program budgets, accepted equipment costs will be adjusted into each program.

School Foods: Senator Jergeson moved to accept current level for FY88 and or FY89 for personal services, operating expenses and nonoperating expenses. The motion PASSED unanimously.

On funding, Tom Chesbro said that \$67,277 was the exact amount required to match federal funds if any school food money is spent. (FLAG) This figure was used in the base. (175)

The criteria for a budget amendment is to have committee intent in the record. (222) Representative Peck moved to accept current level funding for FY88 and FY89 under the school foods program. OPI may come in for a budget amendment to spend available federal funds if more become available for school foods. The motion PASSED unanimously.

Special Services Administration: The current level projection was needed for the funding scheme, but the personal services projection was needed from the executive budget to resolve supplanting and Chapter II underfunding issues.

Senator Jacobson moved to accept the executive budget for personal services and operating expenses for FY88 and FY89 under the special services program. The motion PASSED unanimously.

Senator Jacobson moved to accept current level for nonoperating for FY88 and FY89 under the special services program. The motion PASSED unanimously.

Senator Jacobson moved to accept current level for general fund under funding for FY88 of \$51,140 and for FY89 of \$51,054 with the federal revenue to be adjusted to meet the budget approved. (447) The motion PASSED unanimously.

Special Education: Senator Jacobson moved to accept current level for personal services, operating expenses and nonoperating expenses under the special education program, for \$491,993 in fiscal 1988 and \$491,539 in fiscal 1989. The motion PASSED unanimously.

Senator Jacobson moved to accept current level funding for FY88 and FY89 under the special education program. The motion PASSED unanimously.

EHA Title IV: (543) Senator Jergeson moved to accept current level for the appropriations and funding for FY88 for \$64,354 and FY89 for \$64,401 for the EHA Title IV, deaf and blind specialist. The motion PASSED unanimously.

Sex Desegregation: Norm Rostocki indicated that more federal money was available than used in LFA current level. Senator Jacobson moved to accept current level for personal services, operating expenses and nonoperating expenses and plug in FY88 \$1,374 and in FY89 \$1,378 in equipment under the sex desegregation program, bringing the total to the level of available federal funds. The motion PASSED unanimously.

Senator Jacobson moved to accept the executive budget for federal revenue funding of \$82,652 in fiscal 1988 and \$82,625 in fiscal 1989 for sex desegregation funding. The motion PASSED unanimously.

Chapter 1: (2-B-000) An addition of \$53,368 for fiscal 1988 and \$53,358 for fiscal 1989 should be included for indirect charges.

Representative Peck asked about the audit indicating Chapter 1 needing to provide maintenance of effort. Chapter 1 maintenance of effort is dealt with at the local level not the state. Senator Jacobson moved to accept current level in appropriations for personal services and operating expenses for FY88 and FY89 Chapter 1 program, inserting under nonoperating expenses the figure \$53,368 for FY88 and \$53,358 for FY89. The motion PASSED unanimously.

Senator Jacobson moved to accept current level funding to be adjusted for nonoperating expense for FY88 of \$53,368 and for FY89 of \$53,358 under the Chapter I program. The motion PASSED unanimously.

Gifted and Talented Program: Senator Jacobson moved to accept current level for FY88 and for FY89 in the appropriation for personal services and operating expenses and funding for the gifted and talented program. The motion PASSED unanimously. (085)

Miscellaneous Federal Grants: The national diffusion network that disseminates programs throughout the state bilingual education, and the national origin program are the grants that come under this program. One vacant FTE position will remain in this program after a .51 vacant position

is assigned to the person who is filling the .5 Indian Education position. OPI has requested that this vacant position be there for flexibility. One of the concerns here is that federal money is for specific purposes and then expending that money differently would be inappropriate. Representative Peck did not like that vacant FTE just sitting there. Senator Jergeson pointed out that this FTE can only be used in this program. Mr. Shackleford replied the reason to leave it open was to provide flexibility in other places in the office.

Representative Peck moved to accept current level for personal services, operating expenses and nonoperating expenses under miscellaneous federal grant program but reduce the FTE to 1.5. Senator Jergeson amended the motion to say the reduction of 2.5 FTE to 1.5 FTE position was not to affect the Indian Education Specialist. The motion PASSED unanimously. (194)

Representative Peck moved to accept current level for funding for FY88 and FY89 under the miscellaneous federal grants. The motion PASSED unanimously.

New federal grant funds will be available (220). OPI requested funding the special services program in excess of the amounts contained in either the executive budget or LFA current level for additional grants known as Drug-Free Schools and Communities Act of 1986 and an AIDS grant from the Center for Disease Control (Exhibit 4).

Senator Jergeson moved to amend federal funds to reflect the increased amount of federal funds available for the programs known as drug free school and communities and an AIDS grant from the Center for Disease Control. The figures to be amended are for drug free schools and communities in FY88 of \$58,005 and in FY89 of \$58,005, and for the AIDS grants from the Center for Disease Control in FY88 of \$60,000 and in FY89 of \$60,000. The motion PASSED unanimously.

Chief State School Officer: Vacancy savings in LFA current level for this office include the Superintendent's position. Senator Jergeson moved to accept the executive budget for personal services for FY88 of \$93,922 and for FY89 of \$93,762, and accept current level for operating expenses for FY88 of \$30,368 and for FY89 of \$30,300, adjusting the general fund to reflect the appropriated total (338). The motion PASSED unanimously.

Publications: OPI updates the school law handbook every two years. The statutes state that an updated volume of the school laws is to be published not more than once every four years and that a cumulative supplement will be done in

between. It was noted that a new book would be needed after this session.

Senator Jacobson moved to accept current level for operating expenses and for funding with state special revenue for FY88 and FY89 under the publications program. The motion PASSED unanimously.

The committee wishes to revise the statute to allow OPI to update the school laws every two years to be consistent with practice. Senator Jacobson suggested that the committee request for a bill wait for a unanimous consent of the committee and that either the Appropriation Committee or the Finance and Claims Committee approve the request.

Equipment: Current level used the most recent list from OPI and took the top tier (Exhibit 2). The executive list covers the full request made earlier.(477) Senator Jergeson asked about the computer purchases in school foods. Mr. Chesbro replied that federal funds in school foods are used to purchase equipment and the primary use would be in school foods. Senator Jacobson moved to accept current level for equipment totaling \$27,000 for each year of the biennium under basic skills, vo-ed, and administrative services program. The motion PASSED unanimously.

Norm Rostocki asked about rolling the figures back into the program levels rather than remaining in the 30 sub-programs. Representative Peck moved to roll the figures back into the five programs of the chief school officer, basic skills, vocational education, administration, and special services for forwarding on to the full committee and floor action. In the future the committee clearly wishes to examine this budget at the sub-programs level with a rollup of the figures into the program level for the presentation to the full Appropriations Committee and Senate Finance and Claims Committee (3-A-000) The motion PASSED unanimously.

Distribution to Schools: Senator Jergeson moved to accept current level for special education. He then withdrew his motion. Representative Peck moved to accept current level for special education for FY88 and FY89 of \$27,361,646 with language to protect this funding against any decrease in the same way that the foundation program was protected. Since this is part of the funding for basic education costs, these funds should be protected. (056) The motion PASSED unanimously. Representative Peck moved to accept current level contingency fund under special education increased by \$100,000 per year to a one million dollar biennial appropriation to be used on approval of the Office of Public Instruction. The motion PASSED unanimously.

(3-A-141) Representative Peck moved to accept current level funding for transportation for FY88 of \$6,200,918 and for FY89 of \$6,200,918. This program is to be reassessed if gasoline prices come down. The motion PASSED unanimously.

Senator Jergeson moved to accept current level for school foods for FY88 of \$594,751 and for FY89 of \$594,751. The motion PASSED unanimously.

(220) Senator Jacobson moved to accept the executive budget for the secondary vo-ed program for FY88 of \$400,000 and for FY89 of \$400,000. The motion PASSED unanimously.

(209) Senator Jacobson moved to accept current level impact aid for FY88 of \$5,000 and for FY89 of \$5,000 to be used under the impact aid program. The motion PASSED unanimously.

Senator Jacobson moved to accept current level for gifted and talented for FY88 of \$95,000 and for FY89 of \$95,000 under the gifted and talented program. Chairman Nathe voiced concern about the program being only for the truly gifted and talented or an enrichment program for all students and whether there was a methodology in place to look out for the truly gifted and talented. Nancy Lukenbill explained that Montana does not require gifted and talented education therefore no defined guidelines are in place. The motion PASSED unanimously.

(280) Representative Peck moved to accept current level for FY88 of \$147,523 and for FY89 of \$147,523 for adult basic education program which is funded from coal trust interest. The motion PASSED unanimously.

Senator Jergeson moved to accept funding to reflect any and all changes made on the appropriations side of the distribution to schools program. The motion PASSED unanimously.

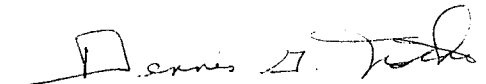
Norm Rostocki distributed a handout to explain how the total expenditures in OPI were distributed. The order of magnitude and the categories and relationships were shown in one profile. (Exhibit 3a, 3b)

Overview: University related agencies: Jane Hamman presented briefly five issues that cut across more than one of the six agencies. Personnel and payroll information: four of these agencies receive appropriations based on figures for personal services, operating expenses, and equipment, but personal services detailed, consistent information is not available for those four agencies. They are not on the state payroll system and consistent FTE information is not provided. Administrative charges: four agencies pay fees to

two units based on specific charges for general support and utility costs. Administrative costs for support should be decreasing as the six units are streamlining administration and support. For the bureau of mines a reduction has been included in current level because of no specific basis for the administrative charge to be calculated. Vacancy savings: Faculty and research specialists have been exempted from vacancy savings in prior years. LFA included 4 percent for all of them while the executive included 4 percent for all except some of the agricultural experiment station faculty. In terms of FTE and dollar reduction for unfunded pay plan or vacancy savings, the agency comes out ahead with vacancy savings. General fund replacing other funds: The LFA made an effort to be consistent with all the agencies and not replace lost or declining federal revenue with general fund.

The commissioner's office requested the subcommittee start with the student assistance program first at 8:00 a.m. tomorrow. Jane Hamman distributed a second exhibit showing there are 14 states in the WICHE region and only 4 of those states pay to send for medical students out of state through WICHE. In terms of the number of students and how much it is costing, Montana was providing 48.5 percent of the total medical out-of-state payments among those 4 states in fiscal 1986.

ADJOURNMENT: The meeting was adjourned at 12:12 p.m. The next meeting was announced for 8:00 a.m., January 27, in the Scott-Hart Auditorium.


DENNIS NATHE, Chairman

EDUCATION

50th LEGISLATIVE SESSION -- 1987

Date _____

CS-30

OFFICE OF PUBLIC INSTRUCTION
COMPARISON OF EXECUTIVE BUDGET AND LFA CURRENT LEVEL

	FTE FY '89	- - - - - Biennium General Fund	- - - - - Total Funds
Executive Budget	129.60	\$4,425,848	\$10,534,871
LFA Current Level	<u>125.85</u>	<u>4,503,437</u>	<u>10,375,819</u>
Executive Over (Under) LFA	<u>--3.75</u>	<u>\$--(77,589)</u>	<u>\$--159,052</u>

The difference between the executive and LFA current level represents 1.5 percent of total funding. The following is a discussion of the major differences between the executive and current level budgets.

ISSUE 1: FTE REDUCTIONS

Several factors contribute to the difference in FTE between the executive and LFA current level: 1) LFA current level deletes 2.0 FTE positions in the Film Library as the positions are vacant and the library will not be self-sufficient in the 1989 biennium if the positions are funded; 2) LFA current level deletes 0.5 FTE of the Indian education specialist position, as the FTE will be 0.5 supported by federal funds in the Special Services Program. A vacant position in that program has been retained in LFA current level for that purpose; 3) LFA current level deletes 1.0 FTE program specialist in Vocational Education, as the position has been vacant since the beginning of fiscal 1986; 4) LFA current level deletes 0.2 FTE aggregate secretarial position in the Vocational Education Program, as the position had not been used all of fiscal 1986; 5) LFA current level deletes 1.05 FTE aggregate clerical positions in Administrative Services, as the FTE were not used during the entire fiscal 1986; and, 6) the executive deletes the assistant superintendent position in the Basic Skills Program, as the position is currently vacant and a proposed reorganization would delete the FTE.

ISSUE 2: VOCATIONAL EDUCATION: TOTAL GENERAL FUND

The Governor includes \$77,923 more general fund over the biennium than does LFA current level in the Vocational Education Program. LFA current level does not match \$48,000 in sex equity expenses of the program with general fund, as the state is not required to match these federal funds. The executive funds these expenses with 50 percent general fund, resulting in a total of \$48,000 additional general fund over the biennium. The remainder of the difference in general fund is due to the deletion in LFA current level of the 1.2 FTE retained by the executive.

ISSUE 3: ADMINISTRATIVE SERVICES: INDIRECT COST TRANSFERS

The executive did not allocate any Chapter II funds for transfer to the indirect cost pool, yet used an estimate of indirect cost revenues which included \$104,000 of these funds. This in effect results in spending the same funds twice. As a result general fund is reduced in the executive budget.

ISSUE 4: SPECIAL SERVICES: GENERAL FUND ADDITIONS

LFA current level includes \$55,174 more general fund over the biennium than does the executive in the Special Services Program. Current level maintains funding of several positions with general fund within the program in keeping with fiscal 1986 funding practice, while the executive incorporates general fund within the program to the extent that anticipated federal funds do not meet total budgeted expenditures, and does not fund any particular positions with general fund.

OFFICE OF PUBLIC INSTRUCTION					
<u>Budget Item</u>	Actual Fiscal 1986	Appropriated Fiscal 1987	- - Current Level - - Fiscal 1988 Fiscal 1989		% Change 1987-89 Biennium
F.T.E.	134.10	134.10	125.85	125.85	(8.25)
Personal Service	\$3,525,844	\$3,587,270	\$3,558,490	\$3,557,676	---
Operating Expense	1,366,851	1,544,183	1,251,597	1,212,696	(15.3)
Equipment	134,321	60,075	27,000	27,000	(72.2)
Total Operating Costs	\$5,027,016	\$5,191,528	\$4,837,087	\$4,797,372	(5.7)
Non-Operating Costs	388,366	443,739	370,807	370,553	(10.9)
Total Expenditures	<u>\$5,415,382</u>	<u>\$5,635,267</u>	<u>\$5,207,894</u>	<u>\$5,167,925</u>	<u>(6.1)</u>
<u>Fund Sources</u>					
General Fund	\$2,441,257	\$2,400,975	\$2,266,782	\$2,236,655	(7.0)
State Special	678,902	762,697	667,950	667,947	(7.3)
Federal and Other	<u>\$2,295,223</u>	<u>\$2,471,595</u>	<u>\$2,273,162</u>	<u>\$2,263,323</u>	<u>(4.8)</u>
Total Funds	<u>\$5,415,382</u>	<u>\$5,635,267</u>	<u>\$5,207,894</u>	<u>\$5,167,925</u>	<u>(6.1)</u>

The Office of Public Instruction (OPI) provides general supervision of the public primary and secondary schools and postsecondary vocational technical centers in Montana. OPI administers federal and state regulations applicable to the school districts, provides technical and curriculum assistance, monitors federal programs and expenditures, provides state leadership to school districts, and disburses state funds to school districts. The Superintendent of Public Instruction is an elected official and serves a four-year term.

The office is composed of five programs: Chief State School Officer, Basic Skills, Vocational Education, Administrative Services, and Special Services.

CHIEF STATE SCHOOL OFFICER

<u>Budget Item</u>	<u>Actual Fiscal 1986</u>	<u>Appropriated Fiscal 1987</u>	<u>- - Current Level - -</u>		<u>% Change 1987-89 Biennium</u>
			<u>Fiscal 1988</u>	<u>Fiscal 1989</u>	
F.T.E.	3.00	2.00	3.00	3.00	1.00
Personal Service	\$ 91,051	\$ 75,235	\$ 92,039	\$ 91,875	10.6
Operating Expense	62,127	60,532	51,836	43,368	(22.4)
Equipment	538	-0-	-0-	-0-	(100.0)
Total Expenditure	<u>\$153,716</u>	<u>\$135,767</u>	<u>\$143,875</u>	<u>\$135,243</u>	<u>(13.6)</u>
<u>Fund Sources</u>					
General Fund	\$128,190	\$116,696	\$122,307	\$122,175	(.2)
Proprietary	25,526	19,071	21,568	13,068	(22.3)
Total Funds	<u>\$153,716</u>	<u>\$135,767</u>	<u>\$143,875</u>	<u>\$135,243</u>	<u>(13.6)</u>

Chief State School Officer consists of the Superintendent of Public Instruction and support staff, and of revenues and expenditures associated with the sale of school publications.

Fiscal 1986: Comparison of Actual Expenses to the Appropriation

Table 1 compares fiscal 1986 actual expenditures and funding to appropriations as anticipated by the 1985 legislature.

Table 1
Comparison of the Appropriation to Actual Expenses - Fiscal 1986

<u>Budget Item</u>	<u>Legislature</u>	<u>Actual</u>	<u>Difference</u>
F.T.E.	2.00	3.00	(1.00)
Personal Service	\$ 74,046	\$ 91,051	\$(17,005)
Operating Expense	69,272	62,127	7,145
Equipment	-0-	538	(538)
Total Expenditures	<u>\$143,318</u>	<u>\$153,716</u>	<u>\$(10,398)</u>
<u>Funding</u>			
General Fund	\$114,216	\$128,190	\$(13,974)
State Special	29,102	25,526	3,576
Total Funds	<u>\$143,318</u>	<u>\$153,716</u>	<u>\$(10,398)</u>

One FTE secretary and \$16,308 in general fund was transferred to this program from Vocational Education, allowing the overexpenditure of personal services and general fund. Within operating expenses, travel expenditures were \$8,517 less than anticipated.

Current Level Adjustments

The current deputy superintendent was paid from this program when under contract. That contract amount, totaling \$6,000, was removed from current level. One time consulting expenses totaling \$6,412 were also deleted from current level.

Every two years, the Office of Public Instruction prints law publications, which are then sold to school districts. In fiscal 1988, \$8,500 was added for printing and sale. Other recurring printing expenses total \$10,000 each year. Printing expenses totaled \$15,625 in fiscal 1986.

Funding

Chief State School Officer is supported by two funding sources: general fund, which funds the Superintendent of Public Instruction and his support staff, and income from the sale of school publications.

BASIC SKILLS					
Budget Item	Actual Fiscal 1986	Appropriated Fiscal 1987	- - Current Level - - Fiscal 1988 Fiscal 1989		% Change 1987-89 Biennium
F.T.E.	37.80	35.80	32.80	32.80	(3.00)
Personal Service	\$ 934,457	\$ 900,589	\$ 886,649	\$ 888,191	(3.3)
Operating Expense	312,558	299,541	251,143	251,858	(17.8)
Equipment	68,530	32,573	15,000	15,000	(70.3)
Total Operating Costs	\$1,315,545	\$1,232,703	\$1,152,792	\$1,155,049	(9.4)
Non-Operating Costs	19,222	34,802	34,413	34,413	27.4
Total Expenditures	\$1,334,767 =====	\$1,267,505 =====	\$1,187,205 =====	\$1,189,462 =====	(8.7) =====
<u>Fund Sources</u>					
General Fund	\$ 939,533	\$ 882,134	\$ 852,787	\$ 854,868	(6.3)
State Special	253,628	269,371	237,904	237,943	(9.0)
Federal and Other	141,606	116,000	96,514	96,651	(25.0)
Total Funds	\$1,334,767 =====	\$1,267,505 =====	\$1,187,205 =====	\$1,189,462 =====	(8.7) =====
<div> <div>- - - - - Fiscal 1988 - - - - -</div> <div> <div>ISSUES:</div> <div>General Fund</div> <div>Other Funds</div> </div> <div> <div>- - - - - Fiscal 1989 - - - - -</div> <div> <div>General Fund</div> <div>Other Funds</div> </div> </div> </div>					
1. Teacher Certification	\$ (36,917) =====	\$ -0- =====	\$ -0- =====	\$ -0- =====	

Basic Skills provides services to school districts in the areas of basic skills instruction, teacher certification, audio-visual library materials, and traffic safety education.

Fiscal 1986: Comparison of Actual Expenses to the Appropriation

Table 2 compares fiscal 1986 actual expenditures and funding to appropriations as anticipated by the 1985 legislature.

Two FTE and \$38,696 in general fund were transferred to this program from Vocational Education, resulting in the additional FTE and allowing the overexpenditure in personal services. The underexpenditure in operating expenses primarily occurred in contract services. Office equipment was overexpended by \$12,701, while the program expended \$20,821 in computer hardware and software not included by the 1985 legislature, resulting in the \$37,638 equipment overexpenditure.

Table 2
Comparison of the Appropriation to Actual Expenses - Fiscal 1986

<u>Budget Item</u>	<u>Legislature</u>	<u>Actual</u>	<u>Difference</u>
F.T.E.	35.80	37.80	(2.00)
Personal Service	\$ 892,641	\$ 934,457	\$(41,816)
Operating Expense	320,238	258,074	62,164
Equipment	30,892	68,530	(37,638)
Total Operating Expenses	\$1,243,771	\$1,261,061	\$(17,290)
Non-Operating Expenses	33,385	19,222	14,163
Total Expenditures	<u>\$1,277,156</u>	<u>\$1,280,283</u>	<u>\$(3,127)</u>
<u>Funding</u>			
General Fund	\$ 907,842	\$ 939,531	\$(31,689)
State Special	265,074	253,628	11,446
Federal Revenue	104,240	87,124	17,116
Total Funds	<u>\$1,277,156</u>	<u>\$1,280,283</u>	<u>\$(3,127)</u>
<u>Additions</u>			
Budget Amendments	<u>\$ 130,234</u>	<u>\$ 54,484</u>	<u>\$ 75,750</u>

Current Level Adjustments

The Basic Skills Program was broken down into several components for budgeting purposes in the 1989 biennium. The following table shows each component, FTE, general fund, and other funds in the 1989 biennium.

Table 3
Basic Skills - FTE and Funds

Area	FTE	Fiscal 1988			Fiscal 1989		
		Gen Fund	Other Funds	Total	Gen Fund	Other Funds	Total
Administration	9.13	\$282,401	\$ -0-	\$ 282,401	\$283,187	\$ -0-	\$ 283,187
Curriculum Consultants	14.00	481,723	-0-	481,723	482,312	-0-	482,312
Audio-Visual Library	5.00	50,535	145,125	195,660	51,241	145,125	196,366
Other Federal Grants	0.00	-0-	13,510	13,510	-0-	13,510	13,510
Traffic Safety Educ.	1.67	-0-	92,780	92,780	-0-	92,819	92,819
Veterans-Indian Educ.	3.00	38,128	62,751	100,879	38,128	62,808	100,936
Drivers' Education	0.00	-0-	20,252	20,252	-0-	20,332	20,332
Total	33.80	\$852,787	\$334,418	\$1,187,205	\$854,868	\$334,594	\$1,189,462

The following is a discussion of each component, current level, and funding.

ADMINISTRATION

Administration provides overall guidance and support for the Basic Skills Program.

An administrative clerk position was deleted at the department's request, reducing personal services by \$17,015 in fiscal 1988 and \$16,984 in fiscal 1989. A 1.0 FTE administrative position totaling \$21,134 in fiscal 1988 and \$21,135 in fiscal 1989 is transferred to this component from Indian Education. The position had been doing general administration work for the Basic Skills Program. A total of \$7,272 in contract services, \$553 in supplies, \$4,886 in travel, and \$150 in rent associated with test validation expenditures was deleted from current level. For a further discussion, see Issue 1.

Administration is entirely funded by general fund.

CURRICULUM CONSULTANTS

Curriculum Consultants provides support services in various educational disciplines to school districts and conducts accreditation reviews.

A 1.0 FTE education program representative and a 0.5 FTE administrative clerk were deleted from current level due to the five percent cuts and pay plan funding, reducing personal services by \$49,481 in fiscal 1988 and \$49,399 in fiscal 1989. The duties of the FTE will be undertaken by existing staff or eliminated.

Curriculum Consultants is entirely supported by general fund.

AUDIO-VISUAL LIBRARY

The Office of Public Instruction maintains a centralized film library for use by school districts, state agencies, and other interested groups. In fiscal 1985, 207

districts and other groups rented films and videotapes from the film library. Films are rented on a fee basis, totaling \$6.50 on each film over ten minutes long and \$3.50 on each film under ten minutes. Approximately 19,000 films were rented in fiscal 1986.

Due to a lack of income for the library to remain self-sufficient in the coming biennium, 2.0 FTE film library clerk positions vacant as of November 7, 1986 have been deleted from current level. One of the positions had been vacant all of fiscal 1986. The other has been vacant since the beginning of fiscal 1987. Indirect costs total \$10,125 in fiscal years 1988 and 1989. No indirect costs were taken due to a lack of funds in fiscal 1986. Equipment, which is used primarily for films, totals \$15,000 in fiscal 1988 and \$15,000 in fiscal 1989.

The library is supported by user fees, which fund all operational costs of the library, and by general fund, which funds all film purchases. In the 1989 biennium, the library/media specialist of the Basic Skills Program, who is supported by general fund, will be included in this program. The following table shows actual fiscal 1986 expenditures and current level for fiscal years 1988 and 1989.

Table 4
Audio-Visual Library Fund
(Including Media Specialist)

<u>Budget Item</u>	<u>Actual FY 1986</u>	<u>Current Level FY 1988</u>	<u>Current Level FY 1989</u>
Personal Services	\$ 97,839	\$103,785	\$103,940
Operating Expenses	66,160	66,750	67,301
Equipment	33,169	15,000	15,000
Total Operating Costs	\$197,168	\$185,535	\$186,241
Non-Operating Costs	-0-	10,125	10,125
Total Costs	<u>\$197,168</u>	<u>\$195,660</u>	<u>\$196,366</u>
<u>Funding</u>			
General Fund	\$ 48,989	\$ 50,535	\$ 51,241
User Fees	148,179	145,125	145,125
Total	<u>\$197,168</u>	<u>\$195,660</u>	<u>\$196,366</u>

As stated earlier, the film library would not be self-sufficient in the 1989 biennium if requested staff levels were maintained. The following table shows revenues and disbursements from the film library account since fiscal 1984.

Table 5
Film Library - Revenues and Disbursements
Fiscal 1984 - 1989

	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987*</u>	<u>FY 1988</u>	<u>FY 1989</u>
Beginning Balance	\$ 36,432	\$ 46,896	\$ 40,476	\$ 23,605	\$ 23,605	\$ 23,605
Revenues						
Film Rental	\$128,338	\$124,445	\$119,836	\$166,371	\$145,125	\$145,125
Equipment Rental	968	616	618	-0-	-0-	-0-
Duplication of Mats	223	3,660	10,270	-0-	-0-	-0-
Satellite Service	-0-	-0-	35	-0-	-0-	-0-
Sale of Catalogs	-0-	24	-0-	-0-	-0-	-0-
Total Revenues	\$129,529	\$128,745	\$130,759	\$166,371	\$145,125	\$145,125
Funds Available	\$165,961	\$175,641	\$171,235	\$189,976	\$168,730	\$168,730
Disbursements	119,049	135,387	148,177	166,371	145,125	145,125
Ending Balance	\$ 46,896 =====	\$ 40,476 =====	\$ 23,605 =====	\$ 23,605 =====	\$ 23,605 =====	\$ 23,605 =====

* Appropriated.

A fund balance was left in fiscal 1988 and 1989 in the event that fiscal 1987 follows recent trends and revenues are not equal to disbursements.

OTHER FEDERAL GRANTS

This component is a catch-all for any federal grants the program receives to carry out special projects, and for on-going Northwest Association and Mellon grants. Grants in fiscal 1986 included Mellon I and II grants, funds from the Northwest Association for accreditation review, math-science grants, and several other grants. Current level maintains Mellon, Northwest Association and chief state school office grants.

Current level totals \$13,500 in fiscal 1988 and \$13,510 in fiscal 1989.

TRAFFIC SAFETY EDUCATION

This program represents the state administrative expenses of distributing traffic education funds to school districts with approved traffic education courses.

No adjustments were made to current level, which totals \$92,780 in fiscal 1988 and \$92,819 in fiscal 1989. Indirect charges to administrative services total \$16,102 in fiscal 1988 and \$16,111 in fiscal 1989, compared to \$13,135 in fiscal 1986.

Traffic Safety Education is entirely supported by earmarked revenues from fines and citations issued by the highway patrol and from motor vehicle license fees.

VETERANS' - INDIAN EDUCATION

This program provides educational support services to veterans and Native Americans.

The 1.0 FTE Indian education specialist has been partially reassigned, and will now be working 0.5 FTE in the Bilingual and National Origins Programs in Special Services. This position has subsequently been reduced by 0.5 FTE in this program.

Veterans' Education is funded with federal veterans' education administrative funds, which total \$54,851 in fiscal 1988 and \$54,908 in fiscal 1989.

Indian Education Funds

One of the duties of the Indian education specialist is to administer federal Johnson-O'Malley funds granted to the Fort Peck and Crow Indian reservations. The office currently administers approximately \$350,000 in Johnson-O'Malley funds. The department previously had administered up to \$1.5 million of these funds.

The following table shows funding of the Indian education specialist since fiscal 1984.

Table 6
Indian Education Specialist - Funding

<u>Fund Source</u>	<u>FY 1984</u>	<u>FY 1985</u>	<u>FY 1986</u>
General Fund	\$ -0-	\$ 6,628	\$42,301
Johnson-O'Malley	<u>29,124</u>	<u>23,057</u>	<u>1,754</u>
Total	<u>\$29,124</u>	<u>\$29,685</u>	<u>\$44,055</u>

The 1985 legislature gave the department \$20,000 in Johnson-O'Malley authority in fiscal 1986 and 1987. However, as seen in the table, OPI funded the office with only \$1,755 of Johnson-O'Malley funds. In addition, the department has requested only \$4,000 in Johnson-O'Malley authority in fiscal 1988 and fiscal 1989.

According to the Bureau of Indian Affairs, there are no set standards or criteria as to how much of the funds could be claimed by OPI as administrative expenses, but that given a full-time specialist 5 percent, or \$17,500 of the total amount administered, was "not unreasonable". Since 0.5 FTE of the Indian education specialist will be funded with federal funds in the 1989 biennium, current level assumes \$10,000 in Johnson-O'Malley funds each year, of which \$2,100 are indirect costs used to offset general fund in the Indirect Cost Pool.

DRIVERS' EDUCATION

This program provides federal funds to school districts for drivers' education programs. No change was made to current level, which totals \$20,253 in fiscal 1988 and \$20,253 in fiscal 1989. Drivers' Education is entirely federally funded.

ISSUE 1: TEACHER TESTING EXPENSES

The Office of Public Instruction was given a one-time appropriation of general fund totaling \$50,500 in fiscal 1986 and \$11,500 in fiscal 1987 to cover costs of proposed Board of Education rules to test teachers prior to certification and all school children in grades 3, 6, 8, and 10 for student achievement. The program was to be self-sufficient after the 1987 biennium. Therefore, all expenditures associated with the service should be removed from OPI's expenditure base in the 1989 biennium.

OPI can account for only \$13,583 in expenditures for this service. As stated earlier, all traceable expenses were removed from the base. However, OPI can neither say how much of the appropriation was expended or where. Therefore, up to \$36,917 in excess general fund authority is still within OPI's base for a program that was to be self-sufficient in this biennium.

Option A: Reduce OPI's expenditure base and general fund by up to \$36,917.
This

option assumes the entire \$50,500 was expended in fiscal 1986 and ensures that all one-time expenditures have been removed.

Option B: Require OPI to determine where the funds were expended and to what degree, and to explain why the funds were not segregated for later base reduction.

VOCATIONAL EDUCATION

Budget Item	Actual	Appropriated	- - Current Level - -		% Change 1987-89 Biennium
	Fiscal 1986	Fiscal 1987	Fiscal 1988	Fiscal 1989	
F.T.E.	17.15	19.15	15.95	15.95	(3.2)
Personal Service	\$498,271	\$530,384	\$500,834	\$500,431	(2.7)
Operating Expense	94,919	140,326	87,503	87,538	(25.6)
Equipment	22,776	2,400	8,000	8,000	(36.4)
Total Operating Costs	\$615,966	\$673,110	\$596,337	\$595,969	(7.5)
Non-Operating Costs	67,648	61,119	67,552	67,379	4.8
Total Expenditures	<u>\$683,614</u>	<u>\$734,229</u>	<u>\$663,889</u>	<u>\$663,348</u>	<u>(6.4)</u>
<u>Fund Sources</u>					
General Fund	\$334,329	\$386,132	\$274,812	\$275,467	(23.6)
Federal Revenue	349,285	348,097	389,077	387,881	11.4
Total Funds	<u>\$683,614</u>	<u>\$734,229</u>	<u>\$663,889</u>	<u>\$663,348</u>	<u>(6.4)</u>

The Vocational Education Program administers state and federal vocational education funds to school districts, postsecondary vocational-technical centers, and various other organizations. This program was broken down into three components for budgeting purposes in the 1989 biennium: Administration, Job Training Partnership Act (JTPA), and Adult Basic Education.

Fiscal 1986: Comparison of Actual Expenses to the Appropriation

The following table compares fiscal 1986 actual expenditures and funding to appropriations as anticipated by the 1985 legislature.

Two FTE, including 1.0 FTE education program representative and 1.0 FTE secretary, and expenses totaling \$55,005 were transferred from Vocational Education to the Chief State School Officer and to the Basic Skills Programs, resulting in the decrease in FTE and causing the underexpenditure in personal services. The underexpenditure in operating expenses is due primarily to fewer expenditures in contract services than originally anticipated. Equipment was overexpended on computer equipment for the Administrative Services Program. For a discussion of the general fund difference, see the current level narrative of Vocational Education Administration.

Table 7
Comparison of the Appropriation to Actual Expenses - Fiscal 1986

<u>Budget Item</u>	<u>Legislature</u>	<u>Actual</u>	<u>Difference</u>
F.T.E.	19.15	17.15	2.00
Personal Service	\$561,702	\$498,271	\$ 63,431
Operating Expense	144,126	94,919	49,207
Equipment	1,470	22,776	(21,306)
Total Operating Expenses	\$707,298	\$615,966	\$ 91,332
Non-Operating Expenses	62,930	67,648	(4,718)
Total Expenditures	<u>\$770,228</u>	<u>\$683,614</u>	<u>\$ 86,614</u>
<u>Funding</u>			
General Fund	\$409,983	\$334,329	\$ 75,654
Federal Revenue	360,245	349,285	10,960
Total Funds	<u>\$770,228</u>	<u>\$683,614</u>	<u>\$ 86,614</u>

Current Level Adjustments and Funding

The following table shows FTE and funding in the 1989 biennium of the three components of Vocational Education.

Table 8
Vocational Education - FTE and Funding

Area	FTE	Fiscal 1988			Fiscal 1989		
		Gen Fund	Other Funds	Total	Gen Fund	Other Funds	Total
Administration	12.69	\$246,916	\$294,917	\$541,833	\$246,775	\$294,775	\$541,550
JTPA	1.00	-0-	41,160	41,160	-0-	41,106	41,106
Adult Basic Education	2.26	27,896	53,000	80,896	28,692	52,000	80,692
Total	15.95	\$274,812	\$389,077	\$663,889	\$275,467	\$387,881	\$663,348

ADMINISTRATION

Administration administers federal Carl Perkins Act vocational education funds to school districts, postsecondary vocational technical centers, and other organizations.

The Carl D. Perkins Vocational Education Act replaced the Vocational Education Act of 1963 in fiscal 1986. The department feared losses in administration funds from this replacement would jeopardize 4.0 FTE in the program. As a result, the 1985 legislature increased Vocational Education's general fund allocation by \$64,381 in fiscal 1986 and \$64,565 in fiscal 1987 to maintain 2.0 FTE education program representatives. However, the funds were not used for the purpose intended by the legislature.

1) The Administrative Services Program expended \$31,872 of general fund in fiscal 1986 to fund: a) a portion of the current deputy superintendent's salary in his prior position in the department; b) the contract for the current deputy superintendent prior to his becoming an employee of the department; c) computer equipment totaling \$16,268 and office equipment of \$1,984; and d) other miscellaneous expenses. Although the funds were not expended in Vocational Education, they appear as expenses in that program. The funds were never transferred to Administrative Services, but the department is requesting that those expenditures be considered part of current level in Administrative Services.

2) As stated earlier, 2.0 FTE and \$55,004 of general fund were transferred from this program to Basic Skills and the Chief State School Officer. A total of 1.0 FTE education program specialist was included in the transfer along with a secretary.

3) Within Vocational Education, a 1.0 FTE education program specialist was vacant the entire fiscal 1986 and was still vacant as of November 7, 1986.

Since the department had specifically requested general fund to maintain a position it did not fill, the vacant education program representative has been deleted from current level. In addition, the \$31,872 in expenses coded to this program but actually expended in Administrative Services have been deleted from current level in that program.

Indirect charges total \$55,351 in fiscal 1988 and \$55,318 in fiscal 1989, compared with a fiscal 1986 total of \$50,975. Equipment includes \$8,000 each year to replace computer terminals.

Administration is funded by general fund and by Carl Perkins federal funds. The state is required to set aside \$60,000 each year for sex equity purposes. With the exception of these funds, the state must match all Carl Perkins administrative funds 50/50.

JOB TRAINING PARTNERSHIP ACT

The Job Training Partnership Act (JTPA) provides administrative services, support and technical assistance to education entities statewide in concert with the federal Job Training Partnership Act.

Indirect charges total \$6,954 in fiscal 1988 and \$6,943 in fiscal 1989 compared with a fiscal 1986 total of \$7,520.

Job Training Partnership Act is entirely funded with federal JTPA funds.

ADULT BASIC EDUCATION

Adult Basic Education (ABE) provides technical assistance and support to adult education activities statewide and administers the state allocation to ABE programs.

No adjustments were made to current level.

This program is funded with general fund and with federal Adult Education funds. Federal funds totaling \$50,000 are available each year of the biennium with additional carryover funds of \$3,000 in fiscal 1988 and \$2,000 in fiscal 1989. The funds have a 10 percent matching requirement. The remainder of the program's funding needs are provided by general fund.

ADMINISTRATIVE SERVICES

Budget Item	Actual	Appropriated	- - Current Level - -		% Change 1987-89 Biennium
	Fiscal 1986	Fiscal 1987	Fiscal 1988	Fiscal 1989	
F.T.E.	48.30	50.05	46.25	46.25	(3.8)
Personal Service	\$1,253,745	\$1,299,705	\$1,291,305	\$1,290,075	1.1
Operating Expense	572,697	636,250	530,674	499,390	(14.8)
Equipment	36,809	4,705	\$4,000	\$4,000	(80.7)
Total Operating Costs	\$1,863,251	\$1,940,660	\$1,825,979	\$1,793,465	(4.8)
Non-Operating Costs	106,327	120,953	102,131	102,131	(10.1)
Total Expenditures	\$1,969,578 =====	\$2,061,613 =====	\$1,928,110 =====	\$1,895,596 =====	(5.1) =====
Fund Sources					
General Fund	\$ 908,126	\$ 874,699	\$ 885,388	\$ 852,755	(2.5)
State Special	425,274	493,326	430,045	430,003	(6.4)
Federal Revenue	636,178	693,588	612,677	612,838	(7.8)
Total Funds	\$1,969,578 =====	\$2,061,613 =====	\$1,928,110 =====	\$1,895,596 =====	(5.1) =====

Administrative Services is responsible for accounting, budgeting, personnel, public information, program planning and evaluation, legal services, financial aid distribution, and school food services.

Fiscal 1986: Comparison of Actual Expenses to the Appropriation

The following table compares fiscal 1986 actual expenditures and funding to appropriations as anticipated by the 1985 legislature.

Table 9
Comparison of the Appropriation to Actual Expenses - Fiscal 1986

<u>Budget Item</u>	<u>Legislature</u>	<u>Actual</u>	<u>Difference</u>
F.T.E.	50.05	48.30	1.75
Personal Service	\$1,293,894	\$1,244,479	\$ 49,415
Operating Expense	627,019	502,433	124,586
Equipment	<u>4,687</u>	<u>36,809</u>	<u>(32,122)</u>
Total Operating Expenses	\$1,925,600	\$1,783,721	\$141,879
Non-Operating Expenses	<u>110,986</u>	<u>102,772</u>	<u>8,214</u>
Total Expenditures	<u>\$2,036,586</u>	<u>\$1,886,493</u>	<u>\$150,093</u>
<u>Funding</u>			
General Fund	\$ 863,889	\$ 842,710	\$ 21,179
State Special	495,718	425,274	70,444
Federal Revenue	<u>676,979</u>	<u>618,509</u>	<u>58,470</u>
Total Funds	<u>\$2,036,586</u>	<u>\$1,886,493</u>	<u>\$150,093</u>
<u>Additions</u>			
Budget Amendment	\$ 34,710	\$ 17,669	\$ 17,041
Supplemental*	<u>68,000</u>	<u>65,416</u>	<u>2,584</u>
Total Additions	<u>\$102,710</u>	<u>\$83,085</u>	<u>\$19,625</u>

*The supplemental was received for activities related to the foundation lawsuit.

The difference in FTE is due to the transfer of 0.25 FTE accounting technician to Job Training Partnership Act and 1.50 FTE to Basic Skills.

Operating expenses were underexpended primarily in contract services, repair and maintenance, and other expenses. Equipment was overexpended in purchasing computer equipment.

State special funds were underexpended due to: 1) fewer funds received as reimbursements from private schools for food services and fewer expenditures than anticipated to administer that function; 2) fewer indirects received than anticipated; and, 3) less reimbursements from school districts for computer searches than anticipated.

Current Level Adjustments and Funding

The following table shows FTE and funding in the 1989 biennium of the three components of Administrative Services.

Table 10
Administrative Services

Area	FTE	Fiscal 1988			Fiscal 1989		
		Gen Fund	Other Funds	Total	Gen Fund	Other Funds	Total
Administration	25.00	\$652,155	\$ 304,000	\$ 956,155	\$616,064	\$ 304,000	\$ 920,064
Indirect Cost Pool	11.75	165,956	401,045	567,001	169,414	401,003	570,417
School Foods	9.50	67,277	337,677	404,954	67,277	337,838	405,115
Total	46.25	\$885,388	\$1,042,722	\$1,928,110	\$852,755	\$1,042,841	\$1,895,596

ADMINISTRATION

Administration is responsible for overall administrative support services to the Office of Public Instruction.

A total of 1.05 FTE currently vacant that would be used for temporary help has been deleted from current level, as Administration did not use those services in fiscal 1986.

All expenses incurred against the general fund originally allocated to Vocational Education and which the Office of Public Instruction included in this budget have been deleted from current level, including \$7,477 in operating expenses and \$18,252 in equipment. Audit fees of \$36,000 were added in fiscal 1988 only. Audit expenses totaled \$21,842 in fiscal 1986. Indirect charges total \$52,066 in fiscal 1988 and fiscal 1989, against a fiscal 1986 total of \$51,891.

Foundation Lawsuit

The Office of Public Instruction received a supplemental totaling \$68,000 in general fund in fiscal 1986, of which \$65,416 was expended in fiscal 1986, including \$6,141 in personal services and \$59,275 in operating expenses. As the department does not know what expenses will be incurred in fiscal 1988 and beyond to defend against the lawsuit, those expenses have been removed from current level to allow for legislative review.

Administration is funded by general fund and by federal Chapter II administration funds, which are used to support the data processing function of the department.

INDIRECT COST POOL

The Indirect Cost Pool encompasses all payroll, personnel and accounting services, and office space expenses of the Office of Public Instruction.

Payroll service fees of \$4,017 in fiscal 1988 and \$3,918 have been added to current level. Payroll service fees totaled \$2,799 in fiscal 1986. Gasoline expenses of \$388 were eliminated at the department's request.

The Office of Public Instruction assesses all non-general fund sources an indirect rate negotiated with the federal government to fund this program. The balance of the expenses of this program not funded with the indirect assessments is funded with general fund. The following table shows anticipated indirect cost assessments against state and federal funding sources in the 1989 biennium, assuming the department's estimated restricted indirect rate of 21 percent and unrestricted rate of 23 percent. Actual fiscal 1986 indirect rates were 22.1 percent and 25.2 percent.

Table 11
Indirect Charges by Fund Source
1989 Biennium

	<u>FY 1988</u>	<u>FY 1989</u>
<u>Basic Skills</u>		
State Traffic	\$ 16,103	\$ 16,110
Audio - Visual Library	10,125	10,125
Math/Science	-0-	-0-
Drivers Safety	-0-	-0-
Veteran's Ed	6,086	6,086
Indian Education	2,100	2,100
<u>Vo-Ed</u>		
Basic Grant	\$ 55,351	\$ 55,318
ABE	-0-	-0-
JTPA	6,954	6,943
<u>Admin Services</u>		
Chapter II	\$ 52,066	\$ 52,066
Summer Foods	-0-	-0-
School Foods Admin.	45,124	45,124
Nutrition	4,941	4,941
<u>Special Services</u>		
Chapter II	\$ 32,107	\$ 32,107
EHA-B	65,447	65,447
Deaf/Blind	11,169	11,177
Desegregation	14,104	14,101
Chapter I	53,368	53,358
Migrant	-0-	-0-
Diffusion, Bilingual, Origins	26,000	26,000
Total	<u>\$401,045</u>	<u>\$401,003</u>

SCHOOL FOODS

School Foods is responsible for administering all state and federal programs to reimburse school districts for their food costs.

Equipment includes \$4,000 each year for computer equipment.

This program is funded by general fund and by federal funds for the administration of the National School Lunch Program, the Summer Food Service Program for Children, and for the Nutrition Education Program.

General fund totals \$67,277 each year of the biennium and represents the state's required maintenance of effort level.

SPECIAL SERVICES					
Budget Item	Actual Fiscal 1986	Appropriated Fiscal 1987	- - Current Level - - Fiscal 1988	Fiscal 1989	% Change 1987-89 Biennium
F.T.E.	27.85	27.10	27.85	27.85	0.75
Personal Service	\$ 748,320	\$ 781,357	\$ 787,663	\$ 787,103	2.9
Operating Expense	324,550	407,534	330,440	330,539	(9.7)
Equipment	5,668	20,397	-0-	-0-	(100.0)
Total Operating Costs	\$1,078,538	\$1,209,288	\$1,118,103	\$1,117,642	(2.3)
Non-Operating Costs	195,169	226,865	166,711	166,630	(21.0)
Total Expenditures	\$1,273,707 =====	\$1,436,153 =====	\$1,284,814 =====	\$1,284,272 =====	(5.2) =====
Fund Sources					
General Fund	\$ 131,079	\$ 141,314	\$ 131,488	\$ 131,389	(3.5)
Federal Revenue	1,142,628	1,294,839	1,153,326	1,152,883	(5.4)
Total Funds	\$1,273,707 =====	\$1,436,153 =====	\$1,284,814 =====	\$1,284,272 =====	(5.2) =====

Special Services is responsible for administering federal Chapter I, Chapter II and Special Education funds, as well as several smaller federal programs. The program is also responsible for administering the state's Gifted and Talented and Special Education programs.

Fiscal 1986: Comparison of Actual Expenses to the Appropriation

The following table compares fiscal 1986 actual expenditures and funding to appropriations as anticipated by the 1985 legislature.

Table 12
Comparison of the Appropriation to Actual Expenses - Fiscal 1986

<u>Budget Item</u>	<u>Legislature</u>	<u>Actual</u>	<u>Difference</u>
F.T.E.	27.10	27.85	(0.75)
Personal Service	\$ 788,964	\$ 748,320	\$ 40,644
Operating Expense	439,632	324,550	115,082
Equipment	20,396	5,668	14,728
Total Operating Expenses	\$1,248,992	\$1,078,538	\$170,454
Non-Operating Expenses	238,365	195,169	43,196
Total Expenditures	<u>\$1,487,357</u>	<u>\$1,273,707</u>	<u>\$213,650</u>
<u>Funding</u>			
General Fund	\$ 133,999	\$ 131,079	\$ 2,920
Federal Revenue	1,353,358	1,142,628	210,730
Total Funds	<u>\$1,487,357</u>	<u>\$1,273,707</u>	<u>\$213,650</u>

The difference in FTE is due to the transfer of 0.25 FTE accounting technician from Job Training Partnership Act and 0.50 FTE secretary from Veterans' Education.

Federal funds of \$27,000 were transferred from Special Services to Vocational Education. The remainder of the difference between the actual and the appropriated is due to fewer contract services than originally anticipated.

The following is a discussion of each component of Special Services, current level adjustments and funding.

Current Level Adjustments and Funding

Special Services has been broken down into several components for budgeting purposes in the 1989 biennium. These components are: Administration, Special Education, EHA Title IV (Deaf and Blind), Sex Desegregation, Chapter I, Gifted and Talented, and Miscellaneous Federal. The following table shows FTE and funding in the 1989 biennium of the components of Special Services.

Table 13
Special Services

Area	FTE	Fiscal 1988			Fiscal 1989		
		Gen Fund	Other Funds	Total	Gen Fund	Other Funds	Total
Administration	6.05	\$ 51,140	\$ 148,589	\$ 199,729	\$ 51,055	\$ 148,649	\$ 199,704
Special Education	9.45	38,954	453,039	491,993	38,989	452,532	491,521
EHA Title IV	1.00	-0-	64,354	64,354	-0-	64,401	64,401
Sex Desegregation	1.25	-0-	81,278	81,278	-0-	81,278	81,278
Chapter I	6.60	-0-	269,022	269,022	-0-	269,015	269,015
Gifted and Talented	1.00	41,394	-0-	41,394	41,345	-0-	41,345
Misc. Federal Funds	2.50	-0-	137,044	137,044	-0-	137,008	137,008
Total	27.85	\$131,488	\$1,153,326	\$1,284,814	\$131,389	\$1,152,883	\$1,284,272

ADMINISTRATION

Administration is responsible for overall support to the Special Services Program.

Indirect charges total \$32,107 in fiscal years 1988 and 1989, compared with a fiscal 1986 level of \$24,985.

General fund supports 60 percent of the 1.0 FTE assistant superintendent and 75 percent of a 1.0 FTE administrative secretary position and totals \$51,140 in fiscal 1988 and \$51,055 in fiscal 1989. The remainder of Administration is funded by federal Chapter II administration funds, which total \$148,589 in fiscal 1988 and \$148,649 in fiscal 1989.

SPECIAL EDUCATION

Special Education administers federal and state special education programs.

One-time computer support expenditures of \$1,070 and engraving expenditures of \$128 were removed from current level. Indirect charges total \$65,447 annually in fiscal 1988 and fiscal 1989, compared with a fiscal 1986 total of \$70,317.

Special Education is supported by federal EHA-B special education funds, with the exception of the personal services costs of the 1.0 FTE head of special education, who is supported by general fund. General fund totals \$38,954 in fiscal 1988 and \$38,989 in fiscal 1989. Federal EHA-B funds total \$453,038 in fiscal 1988 and \$452,532 in fiscal 1989.

EHA TITLE IV (DEAF AND BLIND)

This component administers all federal special education grants for deaf and blind students.

No adjustments were made to current level. EHA Title IV is entirely supported by federal funds.

SEX DESEGREGATION

This component administers federal sex desegregation programs.

No adjustments were made to current level. Sex Desegregation is entirely supported with federal funds.

CHAPTER I

Chapter I is responsible for administration of the federal Chapter I grant.

No adjustments were made to current level. This component is entirely supported with federal Chapter I administration funds.

GIFTED AND TALENTED

Gifted and Talented administers state gifted and talented grants and provides support services to local gifted and talented programs.

No adjustments were made to current level. This program, which includes 1.0 FTE, is entirely funded by general fund.

MISCELLANEOUS FEDERAL GRANTS

This component includes all activities related to administration of Bilingual, National Origins, and National Diffusion Network grants.

No adjustments were made to current level. Miscellaneous Federal Grants is entirely supported with federal funds.

**DISTRIBUTION TO PUBLIC SCHOOLS
COMPARISON OF EXECUTIVE BUDGET AND LFA CURRENT LEVEL**

<u>Program</u>	<u>Funding</u>	<u>Biennium Executive</u>	<u>LFA Current Level</u>	<u>Difference</u>
Special Ed	General Fund	\$54,723,292	\$54,723,292	\$ -0-
Special Ed Contingency	General Fund	800,000	800,000	-0-
Transportation	General Fund	11,562,000	12,401,836	(839,836)
School Lunch	General Fund	1,244,500	1,189,502	54,998
Secondary Vo-Ed	General Fund	800,000	900,000	(100,000)
Gifted and Talented	General Fund	190,000	190,000	-0-
Impact Aid	General Fund	10,000	10,000	-0-
Adult Basic Education	Coal Tax	312,516	295,046	17,470
Total		<u>\$69,642,308</u>	<u>\$70,509,676</u>	<u>\$(867,368)</u>

ISSUE 1: TRANSPORTATION

LFA current level funds transportation costs to the statutory level of \$6,200,918 each year of the biennium. The executive maintains the fiscal 1987 appropriation of \$5,781,000 each year. Consequently, LFA current level exceeds the executive by \$839,836 of general fund.

ISSUE 2: SCHOOL LUNCH

The executive maintains the fiscal 1987 appropriated level of \$622,250 of general fund each year of the biennium. LFA current level is based upon the maintenance of effort requirement in fiscal 1988 and totals \$594,751 each year.

ISSUE 3: SECONDARY VO-ED

LFA current level maintains the 1987 biennium total funding for this program of \$900,000 in general fund in the 1989 biennium. The executive maintains funding each year at the fiscal 1987 appropriated level of \$400,000 each year.

ISSUE 4: ADULT BASIC EDUCATION

The executive includes \$156,258 in coal tax funds each year of the biennium from Adult Basic Education Programs, which represents an increase of 5.9 percent over the fiscal 1986 level. LFA current level maintains the appropriation at the fiscal 1986 level of \$147,523 each year of the biennium.

DISTRIBUTION TO PUBLIC SCHOOLS

The following table summarizes actual fiscal 1986 and current level fiscal 1988 and 1989 distributions to schools.

Table 1
Distribution to Schools

<u>Program</u>	<u>Actual Fiscal 1986</u>	<u>- - - - Current Level- - - -</u>	
		<u>Fiscal 1988</u>	<u>Fiscal 1989</u>
Special Education	\$27,450,020	\$27,361,646	\$27,361,646
Special Ed. Contingency	392,443	400,000	400,000
Transportation	6,048,428	6,200,918	6,200,918
School Lunch	626,910	594,751	594,751
Gifted & Talented	97,475	95,000	95,000
Secondary Vo-Ed	500,000	450,000	450,000
Adult Basic Education	147,523	147,523	147,523
Impact Aid	5,000	5,000	5,000
Total	<u>\$35,267,799</u>	<u>\$35,254,838</u>	<u>\$35,254,838</u>

Special Education

Federal and state laws direct school districts to provide a free and appropriate public education program for all handicapped children. Special education provides this education for children with a variety of handicapping conditions.

Current level includes funds to maintain the fiscal 1987 per child expenses of the program, and totals \$27,361,646 in fiscal 1988 and fiscal 1989.

The following table shows total special education expenditures and the number of children enrolled in special education classes since fiscal 1982. The number of students is as of December 1 of each year. Fiscal 1987 expenditures are the appropriation. Fiscal 1988 and 1989 expenditures are current level.

AGENCY: SUPERINTENDANT OF PUB INSTR

LEGISLATIVE ACTION

PROGRAM, VO-ED ADMINISTRATION

BUDGET ITEM	FY 1986 Actual	Executive Current Level	Fiscal 1988 Current Level	Difference	Executive Current Level	Fiscal 1989 Current Level	Difference	FY 86-88 % Change
FTE	18.07	13.89	12.69	1.20	13.89	12.69	1.20	-0.30
Personal Services	\$397,154	\$445,636	\$405,906	\$39,730	\$445,230	\$405,588	\$39,642	0.02
Operating Expenses	\$76,865	\$76,761	\$76,927	(\$166)	\$76,796	\$76,962	(\$166)	0.00
Equipment	\$4,525	\$3,300	\$8,000	(\$4,700)	\$3,300	\$8,000	(\$4,700)	0.77
Non-Operating	\$50,975	\$51,000	\$51,000	\$0	\$51,000	\$51,000	\$0	0.00
TOTAL EXPENSES	\$529,519	\$576,697	\$541,833	\$34,864	\$576,326	\$541,550	\$34,776	0.02
FUNDING								
General Fund	\$272,425	\$286,697	\$246,916	\$39,781	\$286,326	\$246,775	\$39,551	-0.09
Federal Revenue	\$257,094	\$290,000	\$294,917	(\$4,917)	\$290,000	\$294,775	(\$4,775)	0.15
TOTAL FUNDING	\$529,519	\$576,697	\$541,833	\$34,864	\$576,326	\$541,550	\$34,776	0.02

Add to (Subtract from)

LFA Current Level

Fiscal 1988 Fiscal 1989

Committee Action

Fiscal 1989

1. Vacant Program Representative
2. Vacant Temporary Position
3. Overfunded Position
4. Equipment - PC's
5. Sex Equity Match

\$27,332	\$27,286
2,651	2,632
10,161	10,141
(4,700)	(4,700)
24,000	24,000

AGENCY: SUPERINTENDANT OF PUB INSTR

LEGISLATIVE ACTION

PROGRAM: ADULT BASIC EDUCATION

BUDGET ITEM	FY 1986 Actual	Fiscal 1988		Fiscal 1989		FY 86-88 % Change	
		Executive Current Level	Difference	Executive Current Level	Difference		
FTE	1.08	2.26	0.00	2.26	0.00	1.09	
Personal Services	\$63,878	\$64,124	(\$54)	\$64,093	(\$56)	0.00	
Operating Expenses	\$7,574	\$7,574	(\$38)	\$7,574	(\$38)	0.00	
Non-Operating	\$9,153	\$9,198	(\$198)	\$9,025	(\$25)	0.00	
TOTAL EXPENSES	\$80,605	\$80,896	(\$290)	\$80,692	(\$119)	0.00	
FUNDING							
General Fund	\$30,033	\$27,896	(\$290)	\$28,692	(\$1,119)	-0.07	
Federal Revenue	\$50,572	\$53,000	\$0	\$52,000	\$1,000	0.05	
TOTAL FUNDING	\$80,605	\$80,896	(\$290)	\$80,692	(\$119)	0.00	

ISSUES:

Add to (Subtract from)

LFA Current Level

Fiscal 1988 Fiscal 1989

Committee Action

Fiscal 1988 Fiscal 1989

1. Federal Fund Assumption

\$ -0- \$(1,000)

AGENCY, SUPERINTENDANT OF PUB INSTR

LEGISLATIVE ACTION

PROGRAM: JOB TRAINING-JTPA

BUDGET ITEM	FY 1986 Actual	Fiscal 1988			Fiscal 1989			FY 86-88 % Change
		Executive	Current Level	Difference	Executive	Current Level	Difference	
FTE	0.00	1.00	1.00	0.00	1.00	1.00	0.00	ERR
Personal Services	\$31,100	\$30,736	\$30,804	(\$68)	\$30,684	\$30,750	(\$66)	-0.01
Operating Expenses	\$3,002	\$3,002	\$3,002	\$0	\$3,002	\$3,002	\$0	0.00
Non-Operating	\$7,520	\$7,520	\$7,354	\$166	\$7,520	\$7,354	\$166	-0.02
TOTAL EXPENSES	\$41,622	\$41,258	\$41,160	\$98	\$41,206	\$41,106	\$100	-0.01
	=====	=====	=====	=====	=====	=====	=====	=====
FUNDING								
Federal Revenue	\$41,622	\$41,258	\$41,160	\$98	\$41,206	\$41,106	\$100	-0.01
TOTAL FUNDING	\$41,622	\$41,258	\$41,160	\$98	\$41,206	\$41,106	\$100	-0.01
	=====	=====	=====	=====	=====	=====	=====	=====

Executive Budget Revision
Fiscal 1988-1989
Office of Public Instruction
Distribution Program

*****Fiscal 1988*****

Expenditure Category	Amount	Fund Type		
		Gen Fund	State Special	Federal
2000 Operating Expenses	\$355,328	\$355,328		
5000 Local Assistance:				
School Lunch	\$622,250	\$622,250		
Transportation	\$5,781,700	\$5,781,700		
Special Ed Contingency	\$400,000	\$400,000		
Gifted and Talented	\$95,000	\$95,000		
Special Ed	\$27,361,646	\$27,361,646		
Secondary vo ed	\$400,000	\$400,000		
State Impact payments	\$5,000	\$5,000		
Adult Basic Ed	\$156,258		\$156,258	
Traffic Safety	\$1,100,000		\$1,100,000	
Equalization	\$174,900,000		\$174,900,000	
Local Asst. Subtotal	\$210,821,854	\$34,665,596	\$176,156,258	
6000 Grants				
Federal Pass Through (Carl Perkins, JTPA, EHA, Spec Ed)	\$5,310,469			\$5,310,469
Lottery Funds for teachers ret	\$7,463,225		\$7,463,225	
Grants Subtotal	\$12,773,694		\$7,463,225	\$5,310,469
8000 Transfers				
Foundation Program gf	\$42,476,000	\$42,476,000		
GF to vo techs	\$4,227,396	\$4,227,396		
Coal tax- vo techs	\$776,742		\$776,742	
millage-vo techs	\$823,823		\$823,823	
Transfers subtotal	\$48,303,961	\$46,703,396	\$1,600,565	
Totals	\$272,254,837	\$81,724,320	\$185,220,048	\$5,310,469

Executive get Revision
Fiscal 1988-1989
Office of Public Instruction
Distribution Program

*****Fiscal 1989*****

Expenditure Category	Amount	Fund Type		
		Gen Fund	State Special	Federal
Expenditure Category				
2000 Operating Expenses	\$355,328	\$355,328		
5000 Local Assistance:				
School Lunch	\$622,250	\$622,250		
Transportation	\$5,781,700	\$5,781,700		
Special Ed Contingency	\$400,000	\$400,000		
Gifted and Talented	\$95,000	\$95,000		
Special Ed	\$27,361,646	\$27,361,646		
Secondary vo ed	\$400,000	\$400,000		
State Impact payments	\$5,000	\$5,000		
Adult Basic Ed	\$156,258		\$156,258	
Traffic Safety	\$1,100,000		\$1,100,000	
Equalization	\$174,900,000		\$174,798,000	
Local Asst. Subtotal	\$210,821,854	\$34,665,596	\$176,054,258	
6000 Grants				
Federal Pass Through (Carl Perkins, JTPA, EHA, Spec Ed)	\$5,310,469			\$5,310,469
Lottery Funds for teachers ret	\$9,120,500		\$9,120,500	
Grants Subtotal	\$14,430,969		\$9,120,500	\$5,310,469
8000 Transfers				
Foundation Program gf	\$34,626,000	\$34,626,000		
GF to vo techs	\$4,071,808	\$4,071,808		
Coal tax- vo techs	\$784,742		\$784,742	
millage-vo techs	\$844,463		\$844,463	
Transfers subtotal	\$40,327,013	\$38,697,808	\$1,629,205	\$0
Totals	\$265,935,164	\$73,718,732	\$186,803,963	\$5,310,469

OFFICE OF PUBLIC INSTRUCTION

Agency Summary Budget Detail Summary	Actual	Budgeted	Recommendation	
	FY 1986	FY 1987	FY 1988	FY 1989
Full Time Equivalent Employees	134.10	134.10	129.60	129.60.
Personal Services	3,525,844.18	3,587,270	3,635,458	3,634,998
Operating Expenses	1,722,732.87	1,884,986	1,638,828	1,596,623
Equipment	134,322.45	60,075	37,900	37,900
Local Assistance	205,909,897.01	33,669,498	205,909,897	205,909,897
Grants	3,913,930.71	3,964,879	12,773,694	14,430,969
Transfers	12,131,303.54	34,116,214	48,369,208	40,393,260
Total Agency Costs	\$227,338,030.76	\$77,282,922	\$272,364,985	\$266,003,647
General Fund	46,915,037.33	67,944,008	82,754,609	74,714,961
State Special Revenue Fund	174,638,717.70	2,902,440	181,937,150	183,624,401
Federal & Other Spec Rev Fund	5,784,275.73	6,436,474	7,673,226	7,664,285
Total Funding Costs	\$227,338,030.76	\$77,282,922	\$272,364,985	\$266,003,647
Current Level Services	227,265,878.72	77,282,922	272,364,985	266,003,647
Modified Level Services	72,152.04	0	0	0
Total Service Costs	\$227,338,030.76	\$77,282,922	\$272,364,985	\$266,003,647

Agency Description

The Superintendent of Public Instruction is an elected official Mandated by Section 1, Article VI, of the Montana Constitution. Section 20-3-106, MCA, states that the Superintendent "...has the general supervision of the public schools and districts of the state." Section 20-7-301, MCA, names the Superintendent as "the governing agent and executive officer" for vocational education in Montana.

The office provides services to Montana's school age children and to teachers in 556 school districts. The staff provides technical assistance in planning, implementing and evaluating educational programs in such areas as teacher preparation, teacher certification, school accreditation, school curriculum, school finance and school law. The staff administers a number of federally funded programs and provides a variety of information services.

Budget Issues

The budget recommendation for the Office of Public Instruction (OPI) generally reflects the current level of oper-

ation when adjusted for the reductions made by the June 1986 Special Session. Few reductions were made to the FY86 actual level of expenditures, but the funding for the office uses federal funds to the fullest extent possible.

OPI distributes over \$220 million in funding to public schools in Montana. These transfer payments are shown in the Distribution Program. The Executive Budget continues the transfer payments at the level established by the June 1986 Special Session. The Foundation Program is recommended to continue at its current level. With no increase in the foundation schedules, the general fund needed for the Foundation Program will increase from \$32,560,000 in the 1987 biennium to \$75,351,000 in the 1989 biennium due to changes in the other sources of revenue for the Foundation Program. For additional information regarding the Foundation Program, please refer to the separate Public School Support narrative.

CHIEF STATE SCHOOL OFFICER Budget Detail Summary	Actual	Budgeted	Recommendation	
	FY 1986	FY 1987	FY 1988	FY 1989
Full Time Equivalent Employees	3.00	2.00	3.00	3.00
Personal Services	91,050.41	75,235	93,922	93,762
Operating Expenses	55,713.94	60,532	54,810	46,341
Equipment	537.96	0	0	0
Total Program Costs	\$147,302.31	\$135,767	\$148,732	\$140,103
General Fund	128,187.35	116,696	127,173	127,044
Federal & Other Spec Rev Fund	19,114.96	19,071	21,559	13,059
Total Funding Costs	\$147,302.31	\$135,767	\$148,732	\$140,103
Current Level Services	147,302.31	135,767	148,732	140,103
Total Service Costs	\$147,302.31	\$135,767	\$148,732	\$140,103

Program Description

The Chief State School Officer Program provides leadership, direction and coordination of services to a variety of school and public groups. The staff provides assistance to the Superintendent of Public Instruction in performing pre-

scribed duties requiring the Superintendent's personal attention or representation. This program's educational services component provides informational, evaluative, planning, data processing and administrative support for basic and vocational programs available in Montana schools at the ele-

mentary, secondary and post-secondary levels. Staff members manage state and federal financial resources for schools; assist school staff directly through on site consultation, research, needs assessments, material development and in-service education; prepare recommendations for school accreditation; and operate a teacher certification program.

Budget Issues

This budget unit was maintained at the FY86 level incorporating the reductions made by the June 1986 Special

Session. The FTE level in this program was increased by 1.0 FTE transferred from the vocational education program. Contracts to professionals were reduced \$3,000 from the base level due to the agency hiring one of the contractors as an FTE. Federal and private spending authority reflects the expenses of the publication and sale of education laws. The expenses are anticipated to increase in FY88 due to updating education laws after the 1987 Legislature.

BASIC SKILLS Budget Detail Summary	Actual FY 1986	Budgeted FY 1987	Recommendation FY 1988	FY 1989
Full Time Equivalent Employees	37.80	35.80	34.30	34.30
Personal Services	934,456.99	900,589	886,460	887,742
Operating Expenses	318,969.12	299,541	265,084	265,768
Equipment	68,531.34	32,573	33,100	33,100
Transfers	19,221.43	34,802	19,221	19,221
Total Program Costs	\$1,341,178.88	\$1,267,505	\$1,203,865	\$1,205,831
General Fund	939,533.05	882,134	850,309	851,540
State Special Revenue Fund	253,627.56	269,371	260,740	261,334
Federal & Other Spec Rev Fund	148,018.27	116,000	92,816	92,957
Total Funding Costs	\$1,341,178.88	\$1,267,505	\$1,203,865	\$1,205,831
Current Level Services	1,286,696.25	1,267,505	1,203,865	1,205,831
Modified Level Services	54,482.63	0	0	0
Total Service Costs	\$1,341,178.88	\$1,267,505	\$1,203,865	\$1,205,831

Program Description

The Basic Instructional Services Department is designed to offer assistance to elementary and secondary schools in the academic disciplines of Math, Science, Computer Education, Social Studies, Language Arts, Reading, Library Science, Art, Music, Indian Education, Second Languages, Driver Education and Safety, Veterans Education, and Health and Physical Education. This department also issues nearly 23,000 teacher certificates and provides administrative assistance to the Board of Public Education for review of teacher training programs for all public and private colleges in Montana. Over 800 public and private schools are accredited each year and a five year rotation of on-site visitations occur for each of these schools. The department provides the schools, other agencies, and private concerns with a state

film library for more than 7,000 films, videotapes, and laser discs, as well as satellite reception.

Budget Issues

The recommended budget for this program represents a reduction of 3.5 FTE from the FY86 level. This decrease reflects most of the reduction made by the legislature during the June 1986 Special Session. The program was generally held at the FY86 level of expenditures as requested by the department. This program receives a portion of traffic fines to support the traffic safety program. Federal funds also support driver's education programs, veteran and Indian education programs. The audiovisual library is supported by the general fund and from fees charged for the rental of movies. Equipment in this budget includes two personal computer workstations in each fiscal year at \$3,300 per station, and \$26,000 each year for new and duplicate films.

VOCATIONAL EDUCATION Budget Detail Summary	Actual FY 1986	Budgeted FY 1987	Recommendation FY 1988	FY 1989
Full Time Equivalent Employees	17.15	19.15	17.15	17.15
Personal Services	492,129.12	530,384	540,442	539,951
Operating Expenses	87,440.81	140,326	87,299	87,334
Equipment	4,524.08	2,400	3,300	3,300
Transfers	67,647.52	61,119	67,520	67,520
Total Program Costs	\$651,741.53	\$734,229	\$698,561	\$698,105
General Fund	302,457.39	386,132	314,303	313,899
Federal & Other Spec Rev Fund	349,284.14	348,097	384,258	384,206
Total Funding Costs	\$651,741.53	\$734,229	\$698,561	\$698,105
Current Level Services	651,741.53	734,229	698,561	698,105
Total Service Costs	\$651,741.53	\$734,229	\$698,561	\$698,105

Program Description

The Department of Vocational Education Services staff provide supervision, leadership and consultant services for local

vocational education programs. The staff assist students, teachers, counselors, and administrators in secondary and

postsecondary vocational-technical schools through evaluations, workshops, and technical assistance.

Budget Issues

The recommended budget for the Vocational Education program remains at the 1986 level of expenditures. The department transferred \$55,000 general fund out of this program into Basic Skills and the Superintendent's Office during FY86. This change in department priorities is continued

within the recommended budget for these programs. Personal services expenditures increase from FY86 to FY88 and FY89 because some positions were left vacant during FY86 to generate savings to absorb the savings allocated to this division. All positions have been fully funded in the 1989 biennium. Equipment budgeted for this program includes 1 personal computer workstation in each year of the biennium.

ADMINISTRATIVE SERVICES Budget Detail Summary

	Actual FY 1986	Budgeted FY 1987	Recommendation FY 1988	FY 1989
Full Time Equivalent Employees	48.30	50.05	47.30	47.30
Personal Services	1,259,887.54	1,299,705	1,302,720	1,302,270
Operating Expenses	581,053.28	624,493	547,505	512,960
Equipment	55,182.56	4,705	0	0
Transfers	106,327.09	120,952	50,000	50,000
Total Program Costs	\$2,002,450.47	\$2,049,855	\$1,900,225	\$1,865,230
General Fund	939,997.05	862,941	834,824	799,053
State Special Revenue Fund	425,272.71	493,326	434,817	435,559
Federal & Other Spec Rev Fund	637,180.71	693,588	630,584	630,618
Total Funding Costs	\$2,002,450.47	\$2,049,855	\$1,900,225	\$1,865,230
Current Level Services	1,984,781.06	2,049,855	1,900,225	1,865,230
Modified Level Services	17,669.41	0	0	0
Total Service Costs	\$2,002,450.47	\$2,049,855	\$1,900,225	\$1,865,230

Program Description

The Administrative Services Program staff administer the planning, development, implementation, and evaluation of the Office of Public Instruction programs. This area manages the entire data information system for the office.

The staff also administers and provides consulting service in the areas of equalization aid, transportation, federal impact funding, school food services, legal services, budgeting and accounting. They also allocate and distribute the state equalization aid money and pupil transportation reimbursement.

Budget Issues

The recommended budget for the Administrative Services Program is adjusted from the 1986 level because 1.0 FTE clerk position was transferred to the Superintendent's office. Operational expenses are reduced in the 1989 biennium due to hiring a contractor instead of contracting for the service and not funding the one time appropriation for legal services for the under-funded school lawsuit. Audit costs of \$33,600 are included in the FY86 base and at \$36,000 in FY88. Transfer payments are for administrative support of the non-general funded programs.

SPECIAL SERVICES Budget Detail Summary

	Actual FY 1986	Budgeted FY 1987	Recommendation FY 1988	FY 1989
Full Time Equivalent Employees	27.85	27.10	27.85	27.85
Personal Services	748,320.12	781,357	811,914	811,273
Operating Expenses	323,671.68	407,534	328,802	328,892
Equipment	5,546.51	20,397	1,500	1,500
Transfers	195,168.60	226,865	195,169	195,169
Total Program Costs	\$1,272,706.91	\$1,436,153	\$1,337,385	\$1,336,834
General Fund	131,079.02	141,314	103,845	103,858
Federal & Other Spec Rev Fund	1,141,627.89	1,294,839	1,233,540	1,232,976
Total Funding Costs	\$1,272,706.91	\$1,436,153	\$1,337,385	\$1,336,834
Current Level Services	1,272,706.91	1,436,153	1,337,385	1,336,834
Total Service Costs	\$1,272,706.91	\$1,436,153	\$1,337,385	\$1,336,834

Program Description

The function of the Special Services Program is to administer all federal grants except Vocational Education, School Food Services, Veteran's Education and Adult Education. The largest programs are Education for the Handicapped

and Chapter I Chapter II of the Education Consolidation and Improvement Act of 1981, which provide financial assistance to states and local education agencies. Also included in this division are Gifted and Talented, National Origins, Sex Desegregation, Title IX Compliance, Bilingual Education and National Diffusion Network Desegregation.

The division staff provide assistance to local districts in these program areas.

Budget Issues

The recommended budget for the Special Services program increases approximately \$65,000 in each year of the 1989 biennium when compared with the FY86 level. This program is the recipient of several Federal grants, none of

which require matching funds. Where it was possible, the increase in Federal funds offset an equal amount of general fund, keeping the total program costs at the current level. As a result, general fund expenditures decline approximately \$27,000 per year, while total program costs increase. Personal services increase over the FY86 level because positions were held open in the base year to generate savings to cover the 2% reductions.

DISTRI TO PUB SCH PGM Budget Detail Summary	Actual	Budgeted	Recommendation	
	FY 1986	FY 1987	FY 1988	FY 1989
Full Time Equivalent Employees	.00	.00	.00	.00
Operating Expenses	355,884.04	352,560	355,328	355,328
Local Assistance	205,909,897.01	33,669,498	205,909,897	205,909,897
Grants	3,913,930.71	3,964,879	12,773,694	14,430,969
Transfers	11,742,938.90	33,672,476	48,037,298	40,061,350
Total Program Costs	\$221,922,650.66	\$71,659,413	\$267,076,217	\$260,757,544
General Fund	44,473,783.47	65,554,791	80,524,155	72,519,567
State Special Revenue Fund	173,959,817.43	2,139,743	181,241,593	182,927,508
Federal & Other Spec Rev Fund	3,489,049.76	3,964,879	5,310,469	5,310,469
Total Funding Costs	\$221,922,650.66	\$71,659,413	\$267,076,217	\$260,757,544
Current Level Services	221,922,650.66	71,659,413	267,076,217	260,757,544
Total Service Costs	\$221,922,650.66	\$71,659,413	\$267,076,217	\$260,757,544

Program Description

The Distribution to Public Schools Program is used by the Office of Public Instruction to distribute various funds to local education agencies. The "pass-through" funds contained in this budget include the state's share of public school support, special education, transportation, school lunch, adult basic education, gifted and talented, secondary vocational education, and traffic safety funds.

Budget Issues

The Distribution Program reflects transfer of funds to local school districts. These transfers include the Foundation Pro-

gram payments, Adult Basic Education allocations, Millage and Coal Tax allocations to the Vo Tech Centers, and various federal pass-through funds. The Local Assistance category reflects the Foundation payments.

The Executive Request maintains the Foundation Program at the level established by the June 1986 Special Session. Although the Foundation Program schedules will not increase, the general fund needed to fund the current level will increase from \$32.56 million in the 1987 biennium to \$75.35 million in the 1989 biennium due to the decline in other revenue sources. The table below displays anticipated revenues and expenditures for the Foundation Program.

OFFICE OF PUBLIC INSTRUCTION

PUBLIC SCHOOL SUPPORT
(FIGURES IN MILLIONS)

	FY 86	FY 87	FY 88	FY 89
SCHEDULE INCREASE IN PERCENT	4.00%	1.00%	0.00%	0.00%
MAX. GF BUDGET WITHOUT VOTE	282.165904	283.934000	285.435000	286.185000
% CHANGE	4.11%	0.63%	0.53%	0.26%
STATE REVENUE				
INCOME TAX	43.054033	48.337000	52.022000	57.498000
CORPORATION TAX	13.236255	10.374000	12.038000	13.383000
COAL TAX	4.210861	10.452000	13.215000	12.002000
INTEREST & INCOME	37.301053	34.960000	32.710000	33.316000
US OIL & GAS ROYALTIES	12.629639	16.036000	16.138000	17.620000
EDUCATION TRUST INTEREST	7.759479	7.610000	6.300000	6.353000
MISCELLANEOUS	0.000000			
COUNTY LEVY SURPLUS	18.344046			
TOTAL STATE	136.535366	127.769000	132.423000	140.172000
% CHANGE	-19.44%	-6.42%	3.64%	5.85%
STATEWIDE TAXABLE VALUATION	2370.133000	2266.402000	1997.193000	2024.661000
% CHANGE	1.68%	-4.38%	-11.88%	1.38%
COUNTY REVENUE				
45 MILLS	88.311954	101.988100	89.874000	91.110000
ELEMENTARY TRANSPORTATION	-3.626615	-3.627000	-3.627000	-3.627000
CASH REAPPROPRIATED	3.018776	3.906000	1.125000	0.492000
FOREST FUNDS	1.119352	1.119000	1.119000	1.119000
TAYLOR GRAZING	0.117681	0.118000	0.118000	0.118000
MISCELLANEOUS	6.045683	6.624000	6.624000	6.624000
HIGH SCHOOL TUITION	-0.760577	-0.761000	-0.761000	-0.761000
TOTAL COUNTY	94.226254	109.367000	94.472000	95.075000
% CHANGE	1.63%	16.07%	-13.62%	0.64%
DISTRICT REVENUE				
PERMISSIVE LEVY	17.674084	16.901000	14.893000	15.098000
LIGHT VEHICLE REPLACEMENT	1.395710	1.273000	1.170000	1.214000
TOTAL DISTRICT	19.069794	18.174000	16.063000	16.312000
% CHANGE	3.95%	-4.70%	-11.62%	1.55%
TOTAL STATE,COUNTY,DISTRICT	249.831414	255.310000	242.959000	251.559000
% CHANGE	-10.94%	2.19%	-4.84%	3.54%
BEGINNING FUND BALANCE	25.636321	1.194000	0.000000	0.000000
TOTAL REVENUE	249.831414	255.310000	242.959000	251.559000
TOTAL AVAILABLE	275.467735	256.504000	242.959000	251.559000
TOTAL COST	282.165904	283.934000	285.435000	286.185000
ENDING FUND BALANCE	1.193619	-27.430000	-42.476000	-34.626000
GENERAL FUND APPROPRIATED	32.560000	27.906000		
GENERAL FUND REQUIRED	4.654304	27.430000	42.476000	34.626000
GF BALANCE FORWARD/REVERSION	27.905696	0.476000		

The additional general fund transfers for the Foundation Program are reflected in the increase seen in the transfer expenditure category. General fund is transferred internally to the equalization account before being distributed to local school districts. General Fund transfers to fund to the current level foundation program are budgeted at \$42.475 million in FY88 and \$34.626 million in FY89.

The FY86 level shown for grants reflects the distribution of federal funds to public schools. The recommended budget includes authority totalling \$5,310,469 in FY88 and

\$5,114,193 in FY89 due to expected increases in federal pass-through funds. In addition, anticipated proceeds from the state lottery are included in this item at \$7.28 million in FY88 and \$9.11 million in FY89. The initiative approved by the voters in November, 1986 specified all revenue remaining after administrative costs and prizes be passed through to school districts on the basis of each district's average number belonging (ANB, which is a measurement of enrollment). The additional revenue is to fund a portion of the costs of teachers' retirement.

Transfer payments include two components. First, general fund, county millage, and Vo-Tech Center coal tax allocation are reflected in this expenditure. Secondly, general fund that is needed to fund the foundation program needs is shown in this item. This allows a transfer to a state special revenue account for distribution to local school districts. This item increases substantially from the FY86 level because other foundation revenue sources have declined. The Foundation Program narrative in the revenue section of the Executive Budget provides additional detail on this issue.

Special Education

The Executive budget maintains the Special Education budget at the level approved by the June, 1986 Special session of \$27,361,646 in each year of the 1989 biennium. The special education contingency level is maintained at \$400,000 per year.

Transportation

The Executive recommendation for School Transportation is \$5,781,000 in each year of the biennium. This level of funding represents the level approved by the June 1986 Special session.

This level of funding may be insufficient to fully fund the existing transportation reimbursement schedules, requiring the Office of Public Instruction to prorate the reimbursements to fit within the appropriation.

School Lunch

The recommended level of funding for School Lunch is \$622,250, again the level established by the June 1986 Special session. This program requires a state match to receive the Federal funds but the total state match is intact because funds at the local district are eligible to be counted toward the state match. Federal funding will remain at the current level and is not in jeopardy due to this reduction of general fund.

Gifted and Talented

The Gifted and Talented Program is recommended at the 1987 current level of \$95,000 per year.

Secondary Vocational Education

The Executive budget includes \$400,000 per year for pass through of Secondary Vo Ed funds. This amount reflects the level established by the June 1986 Legislature.

State Impact Payments

This is a payment in lieu of taxes for school districts that include State Institutions. The Office of Public Instruction has requested and the Executive budget includes \$5,000 per year for this purpose.

Special Narrative

The 1989 biennium budget requests for the five area Vocational Technical Centers were prepared using the formula developed by the Legislative Finance Committee and used by the Legislature since the 1983 biennium. The formula is used to derive the budgets for the Instruction and Support Programs at each center. The incremental budgeting process is used to determine the Plant Operation and Maintenance budget at each center.

The instruction cost component of the formula for the centers is determined by a flat rate per student FTE and the projected enrollment of each center. Enrollment is measured in terms of Full Time Equivalent (FTE) students where 1 FTE student is the equivalent of 1000 contact hours in a school year. The 1986 regular session based the instruction

component on \$2,016 per student FTE in 1986 and \$2,080 per student FTE in 1987. The requested budget reflects reductions to this level equal to the changes enacted by the June 1986 Special Session plus the loss of the pay plan to the centers. The Executive budget request assumes an instruction cost component factor of \$2,007 per FTE for each year of the 1989 biennium. This includes \$1,774 for personal services expenses and \$233 for operating cost for each FTE student. Variable equipment items (those which cost less than \$1,000) were budgeted at the 1987 biennium level of \$33 per student FTE.

The support cost component of the formula for Vo Tech funding contains both personal services and operating costs related to administrators, student services, and instruction supervision. Again, the Executive budget uses the formula developed by the Legislative Finance Committee. The number of support staff that are funded under the formula are derived from the number of student FTE that are projected to attend the centers. The number of support staff that will be supported by state funds is determined by applying ratios in the formula that designate the number of support staff per student FTE. These staff are compensated with a system wide average salary that has been adjusted for the FY 1987 pay plan. The state supported salaries and allowable FTE ratios are shown below in Table 1.

TABLE 1
State Supported FTE at Vo Tech Centers

Position	State Supported Salary	State Supported FTE
<u>Administration</u>		
Director	\$52,704	1 per center
Asst. Director	52,693	1 per center
<u>Support</u>		
Chief Accountant	44,565	1 per center
Counselor	33,347	1 per 300 students
Librarian	22,805	1 per center
Head Custodian	based on system wide average	1 per center
Custodian	adjusted for pay plan	1 per 35,000 gross square feet

From the projected enrollment, the support staff for each center can be derived from Table 1. The operating costs for support are a dollar amount per FTE support staff. The operating costs per FTE were \$5,345. After adjusting for the reductions made by the June 1986 Special Session, the operating costs factor was reduced to \$5,069 per support staff FTE.

The Plant budgets consists of personal services and operating expenses. Personal services represents a system-wide average for Plant personnel and have been adjusted to reflect the 1987 pay plan. The number of FTE supported by state funds is dependent upon the gross square footage of the facility. Although a facility may employ a greater number of FTE, the State supports only 1 FTE per 3,500 square feet in addition to 1 head custodian at each facility. The executive budget maintains this level of state supported FTE. The operating expenses allowed for the Plant budget is an incremental budget and is determined by examining historical expenditures and making necessary adjustments. All Plant budgets have been increased to adjust for anticipated increase in utility rates. There were no other adjustments made in the Plant operating expense budgets.

OFFICE OF PUBLIC INSTRUCTION
REQUEST FOR FUNDS IN EXCESS OF BUDGET

The Office of Public Instruction requests funds in the Special Services Program in excess of the amounts contained in either the executive budget or LFA current level analysis for the Drug-Free Schools and Communities Act of 1986 and an AIDS grant from the Centers for Disease Control.

Drug-free School and Communities

<u>Item</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>
Operating Expenses	\$55,685	\$55,685
Transfers	<u>2,320</u>	<u>2,320</u>
Total Federal Funds	\$58,005	\$58,005

AIDS Grants from the Centers for Disease Control

<u>Item</u>	<u>Fiscal 1988</u>	<u>Fiscal 1989</u>
Operating Expenses	\$115,685	\$115,685
Transfers	<u>2,320</u>	<u>2,320</u>
Total Federal Funds	\$118,005	\$118,005

Committee Action

EQUIPMENT COMPARISON - OBPP AND LEA
OFFICE OF PUBLIC INSTRUCTION

BASIC SKILLS PROGRAM

<u>Item</u>	<u>OBPP</u>	Budget <u>LEA</u>	<u>Funding Source</u>
Two Personal Computers	\$6,600	\$ -0-	General Fund
Films - Film Library	24,000	15,000	General Fund
Films - Traffic Safety	<u>2,500</u>	<u>-0-</u>	State Special
Total	\$33,100	\$15,000	

VOCATIONAL EDUCATION

Personal Computers	\$3,300	\$8,000	General/Federal
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ADMINISTRATIVE SERVICES

Computer - School Foods	\$ -0-	\$4,000	Federal.
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SPECIAL SERVICES

Films - Sex Deseg	\$1,500	\$ -0-	Federal
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Total	\$37,900	\$27,000	
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All equipment is for each year of the biennium.

AGENCY, SUPERINTENDANT OF PUB INSTR

LEGISLATIVE ACTION

PROGRAM: PUBLICATIONS

BUDGET ITEM	FY 1986 Actual	Fiscal 1988		Fiscal 1989		FY 86-88 % Change
		Executive Current Level	Difference	Executive Current Level	Difference	
FTE	0.00	0.00	0.00	0.00	0.00	ERR
Personal Services	\$334	\$0	\$0	\$0	\$0	-1.00
Operating Expenses	\$18,781	\$21,559	(\$9)	\$13,059	(\$9)	0.15
TOTAL EXPENSES	\$19,115	\$21,559	(\$9)	\$13,068	(\$9)	0.13
FUNDING						
State Special	\$19,115	\$21,559	(\$9)	\$13,059	(\$9)	0.13
Federal Revenue						
TOTAL FUNDING	\$19,115	\$21,559	(\$9)	\$13,059	(\$9)	0.13

AGENCY, SUPERINTENDANT OF PUB INSTR

LEGISLATIVE ACTION

PROGRAM, PUBLICATIONS

BUDGET ITEM	FY 1986 Actual	Fiscal 1988		Fiscal 1989		FY 86-88 % Change
		Executive Current Level	Difference	Executive Current Level	Difference	
FTE	0.00	0.00	0.00	0.00	0.00	ERR
Personal Services	\$334	\$0	\$0	\$0	\$0	-1.00
Operating Expenses	\$18,781	\$21,559	\$21,568 (\$9)	\$13,059	\$13,068 (\$9)	0.15
TOTAL EXPENSES	\$19,115	\$21,559	\$21,568 (\$9)	\$13,059	\$13,068 (\$9)	0.13
		=====	=====	=====	=====	=====
FUNDING						
State Special	\$19,115	\$21,559	\$21,568 (\$9)	\$13,059	\$13,068 (\$9)	0.13
Federal Revenue						
TOTAL FUNDING	\$19,115	\$21,559	\$21,568 (\$9)	\$13,059	\$13,068 (\$9)	0.13
		=====	=====	=====	=====	=====

Agency: Office of Public Instruction		SUBCOMMITTEE ACTION				Program: Basic Skills	
FY 1986		Fiscal 1988		Fiscal 1989			
Actual	Executive	Current Level	Difference	Executive	Current Level	Difference	
FTE 37.8	34.3	32.8	1.5	34.3	32.8	1.5	
Personal Services \$ 934,457	\$ 886,460	\$ 886,649	\$ (189)	\$ 887,742	\$ 888,191	\$ (449)	
Operating Expenses 312,558	265,084	251,143	13,941	265,768	251,858	13,910	
Equipment 68,530	33,100	15,000	18,100	33,100	15,000	18,100	
Transfers 19,222	19,221	34,413	(15,192)	19,221	34,413	(15,192)	
Total Expenditures \$1,334,767	\$1,203,865	\$1,187,205	\$ 16,660	\$1,205,831	\$1,189,462	\$ 16,369	
Funding							
General Fund \$ 939,533	\$ 850,309	\$ 852,787	\$ (2,478)	\$ 851,540	\$ 854,868	\$ (3,328)	
State Special 253,628	260,740	237,904	22,836	261,334	237,943	23,391	
Federal and Other 141,606	92,816	96,514	(3,698)	92,957	96,651	(3,694)	
Total Funding \$1,334,767	\$1,203,865	\$1,187,205	\$ 16,660	\$1,205,831	\$1,189,462	\$ 16,369	

Issues:

1. Assistant Superintendent - *educ. skills serv.*
2. Film Library *Self-Sufficient (13,000) Students assessment*
3. Test Validation Expenses - *50,500 (13,500) Removed 5 FTE to spec services*
4. Indian Education - *Johnson*
5. Equipment - *01 materials*

43,000 stud. assess.
13

Agency: Office of Public Instruction			SUBCOMMITTEE ACTION			Program: Vocational Education		
FY 1986			Fiscal 1988			Fiscal 1989		
Actual	Executive	Difference	Current Level	Difference	Executive	Current Level	Difference	
FTE	17.15	17.15	15.95	1.2	17.15	15.95	1.2	
Personal Services	\$498,271	\$540,442	\$500,834	\$39,608	\$539,951	\$500,431	\$39,520	
Operating Expenses	94,919	87,299	87,503	(204)	87,334	87,538	(204)	
Equipment	22,776	3,300	8,000	(4,700)	3,300	8,000	(4,700)	
Transfers	67,648	67,520	67,552	(32)	67,520	67,379	141	
Total Expenditures	\$683,614	\$698,561	\$663,889	\$34,672	\$698,105	\$663,348	\$34,757	
Funding								
General Fund	\$334,329	\$314,303	\$274,812	\$39,491	\$313,899	\$275,467	\$38,432	
Federal and Other	349,285	384,258	389,077	(4,819)	384,206	387,881	(3,675)	
Total Funding	\$683,614	\$698,561	\$663,889	\$34,672	\$698,105	\$663,348	\$34,757	

ISSUES:

1. Sex Equity Match - State required to set aside position & related total filled - no match necessary

2. Vacant Program Specialist

3. Vacant Temporary Positions

4. Equipment

SUBCOMMITTEE ACTION

Agency: Office of Public Instruction

Program: Special Services

FY 1986		Fiscal 1988		Fiscal 1989		Difference	
Actual	Executive	Current Level	Difference	Executive	Current Level	Difference	Difference
FTE	27.85	27.85	-0-	27.85	27.85	-0-	-0-
Personal Services	\$ 748,320	\$ 811,914	\$ 24,251	\$ 811,273	\$ 787,103	\$ 24,170	\$ 24,170
Operating Expenses	324,550	328,802	(1,638)	328,892	330,539	(1,647)	(1,647)
Equipment	5,668	1,500	1,500	1,500	-0-	1,500	1,500
Transfers	195,169	195,169	28,458	195,169	166,630	28,539	28,539
Total Expenditures	\$1,273,707	\$1,337,385	\$ 52,571	\$1,336,834	\$1,284,272	\$ 52,562	\$ 52,562
<u>Funding</u>							
General Fund	\$ 131,079	\$ 103,845	\$ (27,643)	\$ 103,858	\$ 131,389	\$ (27,531)	\$ (27,531)
Federal and Other	1,142,628	1,233,540	80,214	1,232,976	1,152,883	80,093	80,093
Total Funding	\$1,273,707	\$1,337,385	\$ 52,571	\$1,336,834	\$1,284,272	\$ 52,562	\$ 52,562

*3 year plan
Drug 55,*

*AIDS 60,000
115.685 direct
2,320 indirect
118,005 total federal*

ISSUES:

1. General Fund Requirements

LEGISLATIVE ACTION

AGENCY, SUPERINTENDANT OF PUB INSTR

PROGRAM: JOB TRAINING-JTPA

BUDGET ITEM	FY 1986 Actual	Executive Current Level	Fiscal 1988 Executive Current Level	Difference	Executive Current Level	Fiscal 1989 Executive Current Level	Difference	FY 86-88 % Change
FTE	0.00	1.00	1.00	0.00	1.00	1.00	0.00	ERR
Personal Services	\$31,100	\$30,736	\$30,804	0	\$30,684	\$30,750	\$0	-0.01
Operating Expenses	\$3,002	\$3,002	\$3,002	\$0	\$3,002	\$3,002	\$0	0.00
Non-Operating	\$7,520	\$7,520	\$7,354	\$166	\$7,520	\$7,354	\$166	-0.02
TOTAL EXPENSES	\$41,622	\$41,258	\$41,160	\$98	\$41,206	\$41,106	\$100	-0.01
FUNDING								
Federal Revenue	\$41,622	\$41,258	\$41,160	\$98	\$41,206	\$41,106	\$100	-0.01
TOTAL FUNDING	\$41,622	\$41,258	\$41,160	\$98	\$41,206	\$41,106	\$100	-0.01

AGENCY: SUPERINTENDANT OF PUB INSTR

LEGISLATIVE ACTION

PROGRAM: ADULT BASIC EDUCATION

BUDGET ITEM	FY 1986 Actual	Fiscal 1988			Fiscal 1989			FY 86-88 % Change
		Executive Current Level	Difference		Executive Current Level	Difference		
FTE	1.08	2.26	0.00		2.26	0.00		1.09
Personal Services	\$63,878	\$64,124	(\$54)		\$64,093	(\$56)		0.00
Operating Expenses	\$7,574	\$7,574	(\$38)		\$7,574	(\$38)		0.00
Non-Operating	\$9,153	\$9,198	(\$198)		\$9,025	(\$25)		0.00
TOTAL EXPENSES	\$80,605	\$80,896	(\$290)		\$80,692	(\$119)		0.00
FUNDING								
General Fund	\$30,033	\$27,896	(\$290)		\$28,692	(\$1,119)		-0.07
Federal Revenue	\$50,572	\$53,000	\$0		\$52,000	\$1,000		0.05
TOTAL FUNDING	\$80,605	\$80,896	(\$290)		\$80,692	(\$119)		0.00

*Fed Revenue - Spec.
G.F. L.F.A.*

ISSUES:

1. Federal Fund Assumption	Committee Action	
	Fiscal 1988	Fiscal 1989
	\$ -0-	\$(1,000)

AGENCY: SUPERINTENDANT OF PUB INSTR

LEGISLATIVE ACTION

PROGRAM: VO-ED ADMINISTRATION

BUDGET ITEM	FY 1986 Actual	Fiscal 1988 Executive Current Level	Difference	Fiscal 1989 Executive Current Level	Difference	FY 86-88 % Change
FTE	18.07	13.89	12.69	1.20	13.89	1.20
Personal Services	\$397,154	\$445,636	\$405,906	\$39,730	\$445,230	\$0
Operating Expenses	\$76,865	\$76,761	\$76,927	(\$166)	\$76,796	\$39,642
Equipment	\$4,525	\$3,300	\$8,000	(\$4,700)	\$3,300	(\$166)
Non-Operating	\$50,975	\$51,000	\$51,000	\$0	\$51,000	(\$4,700)
TOTAL EXPENSES	\$529,519	\$576,697	\$541,833	\$34,864	\$576,326	\$0

FUNDING

General Fund	\$272,425	\$286,697	\$246,916	\$39,781	\$286,326	\$39,551	-0.09
Federal Revenue	\$257,094	\$290,000	\$294,917	(\$4,917)	\$290,000	(\$4,775)	0.15
TOTAL FUNDING	\$529,519	\$576,697	\$541,833	\$34,864	\$576,326	\$34,776	0.02

Add to (Subtract from)

LFA Current Level

Fiscal 1988

\$27,332	\$27,286
2,651	2,632
10,161	10,141
(4,700)	(4,700)
24,000	24,000

Committee Action

Fiscal 1988

Fiscal 1989

ISSUES:

1. Vacant Program Representative
2. Vacant Temporary Position
3. Overfunded Position - error
4. Equipment - PC's
5. Sex Equity Match - maintenance of Effort - N.N.

Current level

Current level

Current level

Per. Serv. Oper. Expen. - Funding 2-1-89

AGENCY, SUPERINTENDANT OF PUB INSTR

LEGISLATIVE ACTION

PROGRAM, ADMINISTRATION

BUDGET ITEM	FY 1986 Actual	----- Fiscal 1988 ----- Executive Current Level	Difference	----- Fiscal 1989 ----- Executive Current Level	Difference	FY 86-88 % Change
FTE	0.00	26.05	1.05	25.00	1.05	ERR
Personal Services	\$681,147	<u>\$721,369</u>	0	<u>\$709,057</u>	\$0	
Operating Expenses	\$258,218	<u>\$218,090</u>	\$12,312	<u>\$708,947</u>	\$12,240	0.04
Equipment	\$44,238	<u>\$0</u>	\$23,058	<u>\$159,051</u>	\$23,058	-0.24
Non-Operating	\$55,446	<u>\$0</u>	\$0	<u>\$0</u>	\$0	-1.00
		<u>\$52,066</u>	(\$52,066)	<u>\$52,066</u>	(\$52,066)	-0.06
TOTAL EXPENSES	\$1,039,049	\$939,459	(\$16,696)	\$920,064	(\$16,768)	-0.08

FUNDING

General Fund	\$714,815	\$630,377	(\$21,778)	\$594,214	(\$21,850)	-0.09
State Special Rev	\$1,479	\$4,000	\$0	\$4,000	\$0	1.70
Federal Revenue	\$322,755	<u>\$305,082</u>	\$5,082	<u>\$300,000</u>	\$5,082	-0.07
TOTAL FUNDING	\$1,039,049	\$939,459	(\$16,696)	\$920,064	(\$16,768)	-0.08

EXPENDITURE

*Personal Serv. Exp. L.F.A.
Operating Exp.*

ISSUES:	Add to (Subtract from) LFA Current Level	Fiscal 1988	Fiscal 1989
1. Aggregate Positions	\$ 12,473	\$ 12,473	
2. Foundation Lawsuit	21,026	21,026	
3. Buildings and Grounds	1,175	1,175	
4. Transfers	(52,066)	(52,066)	
5. Assumption of Federal Funds			

Committee Action	Fiscal 1988	Fiscal 1989
	12,473	12,430

LEGISLATIVE ACTION

AGENCY: SUPERINTENDANT OF PUB INSTR

PROGRAM: INDIRECT COST POOL

BUDGET ITEM	FY 1986 Actual	Fiscal 1988		Fiscal 1989		FY 86-88 % Change
		Executive Current Level	Difference	Executive Current Level	Difference	
FTE	21.05	11.75	0.00	11.75	0.00	-0.44
Personal Services	\$328,545	\$317,344	(\$742)	\$316,175	\$127	-0.03
Operating Expenses	\$237,038	\$249,657	(\$6,203)	\$254,242	(\$9,463)	0.05
TOTAL EXPENSES	\$565,583	\$567,001	(\$6,945)	\$570,417	(\$9,336)	0.00
FUNDING						
General Fund	\$155,783	\$154,239	(\$11,717)	\$169,414	(\$14,892)	0.07
State Special Rev	\$409,800	\$405,817	\$4,772	\$401,003	\$5,556	-0.02
TOTAL FUNDING	\$565,583	\$560,056	(\$6,945)	\$570,417	(\$9,336)	0.00

Add to (Subtract from)

LFA Current Level
Fiscal 1988 Fiscal 1989

Committee Action

Fiscal 1988 Fiscal 1989

\$ 4,063 \$ 4,062
(1,853) (1,853)

1. Payroll Service Fees
2. Insurance

3 Audio-Visual Library provided
Audio

AGENCY: SUPERINTENDANT OF PUB INSTR

LEGISLATIVE ACTION

PROGRAM: SCHOOL FOODS

BUDGET ITEM	FY 1986 Actual	Fiscal 1988		Fiscal 1989		FY 86-88 % Change
		Executive Current Level	Difference	Executive Current Level	Difference	
FTE	13.00	9.50	0.00	9.50	0.00	-0.27
Personal Services	\$250,196	\$264,749	(\$155)	\$264,781	(\$173)	0.06
Operating Expenses	\$85,808	\$85,961	(\$24)	\$86,072	(\$24)	0.00
Equipment	\$10,946	\$0	(\$4,000)	\$0	(\$4,000)	-0.63
Non-Operating	\$50,881	\$50,000	(\$65)	\$50,000	(\$65)	-0.02
TOTAL EXPENSES	\$397,831	\$400,710	(\$4,244)	\$400,853	(\$4,262)	0.02

FUNDING

General Fund	\$69,399	\$50,208	(\$17,069)	\$50,317	(\$16,960)	-0.03
State Special Rev	\$14,000	\$25,000	\$0	\$25,000	\$0	0.79
Federal Revenue	\$314,432	\$325,502	\$12,825	\$325,536	\$12,698	-0.01
TOTAL FUNDING	\$397,831	\$400,710	(\$4,244)	\$400,853	(\$4,262)	0.02

ISSUES:

Add to (Subtract from)		Committee Action	
LFA Current Level		Fiscal 1989	
Fiscal 1988	Fiscal 1989	Fiscal 1988	Fiscal 1989

1. Equipment	\$ (4,000)		
2. General Fund Requirement	\$ (4,000)		

Special Services

PROGRAM: ADMINISTRATION

LEGISLATIVE ACTION

AGENCY: SUPERINTENDANT OF PUB INSTR

BUDGET ITEM	FY 1986 Actual	Executive Current Level	Fiscal 1988 Current Level	Difference	Executive Current Level	Fiscal 1989 Current Level	Difference	FY 86-88 % Change
FTE	0.00	6.05	6.05	0.00	6.05	6.05	0.00	ERR
Personal Services	\$135,664	\$163,856	\$139,232	\$24,624	\$163,775	\$139,202	\$24,573	0.03
Operating Expenses	\$28,383	\$28,380	\$28,390	(\$10)	\$28,385	\$28,394	(\$9)	0.00
Equipment	\$1,279	\$0	\$0	\$0	\$0	\$0	\$0	-1.00
Non-Operating	\$24,955	\$24,955	\$32,107	(\$7,152)	\$24,955	\$32,107	(\$7,152)	0.29
TOTAL EXPENSES	\$190,281	\$217,191	\$199,729	\$17,462	\$217,115	\$199,703	\$17,412	0.05

FUNDING

General Fund	\$52,270	\$40,353	\$51,140	(\$10,787)	\$40,361	\$51,054	(\$10,693)	-0.02
Federal Revenue	\$138,011	\$176,838	\$148,589	\$28,249	\$176,754	\$148,649	\$28,105	0.08
TOTAL FUNDING	\$190,281	\$217,191	\$199,729	\$17,462	\$217,115	\$199,703	\$17,412	0.05

Add to (Subtract from)

LFA Current Level

Fiscal 1988 Fiscal 1989

Committee Action

Fiscal 1988

Fiscal 1989

ISSUES:

1. Personal Services
2. General Fund Assumption

AGENCY: SUPERINTENDANT OF PUB INSTR

LEGISLATIVE ACTION

PROGRAM: SPECIAL EDUCATION

BUDGET ITEM	FY 1986 Actual	Executive Current Level	Fiscal 1988 Current Level	Difference	Executive Current Level	Fiscal 1989 Current Level	Difference	FY 86-88 % Change
FTE	4.15	9.45	9.45	0.00	9.45	9.45	0.00	1.28
Personal Services	\$259,312	\$280,983	\$281,034	(\$51)	\$280,573	\$280,626	(\$53)	0.08
Operating Expenses	\$128,757	\$127,568	\$127,630	(\$62)	\$127,606	\$127,668	(\$62)	-0.01
Equipment	\$1,335	\$0	\$0	\$0	\$0	\$0	\$0	-1.00
Non-Operating	\$70,317	\$70,317	\$83,329	(\$13,012)	\$70,317	\$83,245	(\$12,928)	0.19
TOTAL EXPENSES	\$459,721	\$478,868	\$491,993	(\$13,125)	\$478,496	\$491,539	(\$13,043)	0.07
FUNDING								
General Fund	\$37,462	\$22,108	\$38,954	(\$16,846)	\$22,163	\$38,989	(\$16,826)	0.04
Federal Revenue	\$422,259	\$456,760	\$453,038	\$3,722	\$456,333	\$452,549	\$3,784	0.07
TOTAL FUNDING	\$459,721	\$478,868	\$491,992	(\$13,124)	\$478,496	\$491,538	(\$13,042)	0.07

Add to (Subtract from)

LFA Current Level

Fiscal 1988 Fiscal 1989

\$(13,012) \$(12,928)
(16,846) (16,826)

Committee Action

Fiscal 1988

Fiscal 1989

ISSUES:

1. Transfers
2. General Fund FTE Support

SUBCOMMITTEE ACTION

SUBCOMMITTEE ACTION

ISSUES:

1. Foundation Lavasuit Expenditures - Capital
2. Equipment
3. Transfer of General Fund from Vocational Education
4. Vacant Temporary Positions

AGENCY: SUPERINTENDANT OF PUB INSTR

LEGISLATIVE ACTION

PROGRAM: EHA TITLE IV CHDCP

BUDGET ITEM	FY 1986 Actual	Executive Current Level Fiscal 1988	Difference	Executive Current Level Fiscal 1989	Difference	FY 86-88 % Change
FTE	7.25	1.00	0.00	1.00	0.00	-0.86
Personal Services	\$31,772	\$31,813	(\$20)	\$31,848	(\$23)	0.00
Operating Expenses	\$21,364	\$21,372	(\$11)	\$21,376	(\$11)	0.00
Non-Operating	\$10,763	\$11,169	(\$406)	\$11,177	(\$414)	0.04
TOTAL EXPENSES	\$63,899	\$64,354	(\$437)	\$64,401	(\$448)	0.01
FUNDING						
Federal Revenue	\$63,899	\$63,917	(\$437)	\$63,953	(\$448)	0.01
TOTAL FUNDING	\$63,899	\$63,917	(\$437)	\$63,953	(\$448)	0.01

Def 4 Blind spec.

AGENCY, SUPERINTENDANT OF PUB INSTR

LEGISLATIVE ACTION

PROGRAM, SEX DESEGREGATION

BUDGET ITEM	FY 1986 Actual	Fiscal 1988		Fiscal 1989		Fiscal 1989		FY 86-88 % Change
FTE		Executive Current Level	Difference	Executive Current Level	Difference	Executive Current Level	Difference	
	0.00	1.25	0.00	1.25	0.00	1.25	0.00	ERR
Personal Services	\$36,297	\$35,972	\$35,974	\$35,935	\$35,938	\$35,938	(\$3)	-0.01
Operating Expenses	\$19,851	\$29,791	\$31,198	\$29,801	\$31,208	\$31,208	(\$1,407)	0.57
Equipment	\$1,563	\$1,500	\$0	\$1,500	\$0	\$0	\$1,500	-1.00
Non-Operating	\$15,389	\$15,389	\$14,106	\$15,389	\$14,101	\$14,101	\$1,288	-0.08
TOTAL EXPENSES	\$73,100	\$82,652	\$81,278	\$82,625	\$81,247	\$81,247	\$1,378	0.11
			\$1,374					
FUNDING								
Federal Revenue	\$73,100	\$82,652	\$81,278	\$82,625	\$81,247	\$81,247	\$1,378	0.11
TOTAL FUNDING	\$73,100	\$82,652	\$81,278	\$82,625	\$81,247	\$81,247	\$1,378	0.11

Add to (Subtract from)

LFA Current Level

Committee Action

Fiscal 1988 Fiscal 1989

Fiscal 1988 Fiscal 1989

1. Contracted Expense
2. Equipment - Films

\$(1,359) \$(1,359)
1,500 1,500

AGENCY: SUPERINTENDANT OF PUB INSTR

LEGISLATIVE ACTION

PROGRAM: CHAPTER 1

BUDGET ITEM	FY 1986 Actual	Executive Current Level	Fiscal 1988 Executive Current Level	Difference	Executive Current Level	Fiscal 1989 Executive Current Level	Difference	FY 86-88 % Change
FTE	15.70	6.60	6.60	0.00	6.60	6.60	0.00	-0.58
Personal Services	\$195,716	\$201,984	\$202,270	(\$286)	\$201,982	\$202,270	(\$308)	0.03
Operating Expenses	\$57,732	\$66,670	\$66,752	(\$82)	\$66,680	\$66,759	(\$79)	0.16
Equipment	\$1,370	\$0	\$0	\$0	\$0	\$0	\$0	-1.00
Non-Operating	\$49,470	\$49,470	\$0	\$49,470	\$49,470	\$0	\$49,470	-1.00
		<u>53,368</u>				<u>53,358</u>		
TOTAL EXPENSES	\$304,288	\$318,124	\$269,022	\$49,102	\$318,112	\$269,029	\$49,083	-0.12

FUNDING

Federal Revenue	\$304,288	\$318,124	\$269,022	\$49,102	\$318,112	\$269,029	\$49,083	-0.12
TOTAL FUNDING	\$304,288	\$318,124	\$269,022	\$49,102	\$318,112	\$269,029	\$49,083	-0.12

adjust non op
adjust non op

Add to (Subtract from)

LFA Current Level

Fiscal 1988	Fiscal 1989
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Committee Action

Fiscal 1988	Fiscal 1989
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ISSUES:

1. Transfers

\$49,470
53,368

\$49,470
53,358

AGENCY, SUPERINTENDANT OF PUB INSTR

LEGISLATIVE ACTION

PROGRAM, GIFTED AND TALENTED

BUDGET ITEM	FY 1986 Actual	Executive Current Level	Fiscal 1988 Executive Current Level	Difference	Executive Current Level	Fiscal 1989 Executive Current Level	Difference	FY 86-88 % Change
FTE	0.00	1.00	1.00	0.00	1.00	1.00	0.00	ERR
Personal Services	\$33,727	\$33,754	\$33,764	0	\$33,697	\$33,708	\$0	0.00
Operating Expenses	\$7,618	\$7,630	\$7,630	(\$10)	\$7,637	\$7,637	(\$11)	0.00
TOTAL EXPENSES	\$41,345	\$41,384	\$41,394	\$0	\$41,334	\$41,345	\$0	0.00
				(\$10)			(\$11)	0.00
FUNDING								
General Fund	\$41,345	\$41,384	\$41,394	(\$10)	\$41,334	\$41,345	(\$11)	0.00
TOTAL FUNDING	\$41,345	\$41,384	\$41,394	(\$10)	\$41,334	\$41,345	(\$11)	0.00

AGENCY, SUPERINTENDANT OF PUB INSTR

LEGISLATIVE ACTION

PROGRAM: MISCELLANEOUS FEDERAL GRANT

BUDGET ITEM	FY 1986 Actual	Fiscal 1988			Fiscal 1989			FY 86-88 % Change
		Executive Current Level	Difference		Executive Current Level	Difference		
FTE	0.00	2.50	0.00		2.50	0.00		ERR
			0			\$0		
Personal Services	\$55,825	\$63,572	(\$4)		\$63,506	(\$5)		0.14
Operating Expenses	\$59,974	\$47,402	(\$66)		\$47,418	(\$79)		-0.21
Non-Operating	\$24,275	\$24,275	(\$1,725)		\$24,275	(\$1,725)		0.07
TOTAL EXPENSES	\$140,074	\$135,249	(\$1,795)		\$135,199	(\$1,809)		-0.02
FUNDING								
Federal Revenue	\$140,074	\$135,249	(\$1,795)		\$135,199	(\$1,809)		-0.02
TOTAL FUNDING	\$140,074	\$135,249	(\$1,795)		\$135,199	(\$1,809)		-0.02

Highway and bridge improvement
for Federal Highway
1.5 FTE due to
Grand
Summary 11/10/88 FTE
Drug-Free School
Grants
Comm. Grant
Grant
118,005

AGENCY, SUPERINTENDANT OF PUB INSTR

LEGISLATIVE ACTION

PROGRAM, SUPERINTENDENT

BUDGET ITEM	FY 1986 Actual	Fiscal 1988		Fiscal 1989		FY 86-88 % Change
		Executive Current Level	Difference	Executive Current Level	Difference	
FTE	2.00	3.00	0.00	3.00	0.00	0.50
Personal Services	\$90,717	\$93,922	0	\$93,762	\$0	
Operating Expenses	\$36,935	\$92,039	\$1,883	\$91,875	\$1,887	0.01
Equipment	\$538	\$33,251	\$2,983	\$30,300	\$2,982	-0.18
		\$0	\$0	\$0	\$0	-1.00
TOTAL EXPENSES	\$128,190	\$127,173	\$4,866	\$122,175	\$4,869	-0.05

FUNDING

General Fund	\$128,190	\$127,173	\$4,866	\$122,175	\$4,869	-0.05
TOTAL FUNDING	\$128,190	\$127,173	\$4,866	\$122,175	\$4,869	-0.05

Add to (Subtract from)

LFA Current Level

Fiscal 1988	Fiscal 1989
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Committee Action

Fiscal 1988	Fiscal 1989
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ISSUES:

1. Vacancy Savings on the Superintendent
2. Contracted Services

\$1,883	\$1,887
3,000	3,000

Agency: Office of Public Instruction		SUBCOMMITTEE ACTION				Program: Agency Total	
	FY 1986 Actual	Executive	Fiscal 1988 Current Level	Difference	Executive	Fiscal 1989 Current Level	Difference
FTE	134.1	129.6	125.85	3.75	129.6	125.85	3.75
Personal Services	\$3,525,844	\$3,635,458	\$3,558,490	\$ 76,968	\$3,634,998	\$3,557,676	\$ 77,322
Operating Expenses	1,366,851	1,283,500	1,251,597	31,903	1,241,295	1,212,696	28,599
Equipment	134,321	37,900	27,000	10,900	37,900	27,000	10,900
Transfers	388,366	331,910	370,807	(38,897)	331,910	370,553	(38,643)
Total Expenditures	\$ =====	\$5,288,768 =====	\$5,207,894 =====	\$80,874 =====	\$5,246,103 =====	\$5,167,925 =====	\$78,178 =====
Funding							
General Fund	\$2,441,257	\$2,230,454	\$2,266,782	\$(36,328)	\$2,195,394	\$2,236,655	\$(41,261)
State Special	678,902	717,116	667,950	49,166	709,952	667,947	42,005
Federal and Other	2,295,223	2,341,198	2,273,162	68,036	2,340,757	2,263,323	77,434
Total Funding	\$5,415,382 =====	\$5,288,768 =====	\$5,207,894 =====	\$80,874 =====	\$5,246,103 =====	\$5,167,925 =====	\$78,178 =====

ISSUES:

Agency: Office of Public Instruction		SUBCOMMITTEE ACTION				Program: Chief State School Officer			
FY 1986		Executive		Fiscal 1988		Executive		Fiscal 1989	
Actual	FTE			Current Level	Difference			Current Level	Difference
	3.0	3.0	3.0	3.0	-0-	3.0	3.0	3.0	-0-
Personal Services	\$ 91,051	\$ 93,922	\$ 92,039	\$ 91,883	\$1,883	\$ 93,762	\$ 91,875	\$ 91,875	\$1,887
Operating Expenses	62,127	54,810	51,836	2,974	2,974	46,341	43,368	43,368	2,973
Equipment	538	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Transfers	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Total Expenditures	\$153,716	\$148,732	\$143,875	\$4,857	\$4,857	\$140,103	\$135,243	\$135,243	\$4,860
<u>Funding</u>									
General Fund	\$128,190	\$127,173	\$122,307	\$4,866	\$4,866	\$127,044	\$122,175	\$122,175	\$4,869
State Special	25,526	21,559	21,568	(9)	(9)	13,059	13,068	13,068	(9)
Total Funding	\$153,716	\$148,732	\$143,875	\$4,857	\$4,857	\$140,103	\$135,243	\$135,243	\$4,860

ISSUES:

1. Vacancy Savings on the Superintendent
2. Contracts on the Current Deputy Superintendent

\$6,000

Education

AGENCY (S)

CP I

DATE _____

1-26-87

DEPARTMENT

[illegible]

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT.
IF YOU HAVE WRITTEN COMMENTS, PLEASE GIVE A COPY TO THE SECRETARY.