

MINUTES OF THE MEETING
EDUCATION SUBCOMMITTEE
50TH LEGISLATURE

February 11, 1987

The meeting of the Education Subcommittee was called to order by Chairman Dennis Nathe at 7:50 a.m. on Wednesday, February 11, 1987 in Room 104 of the State Capitol.

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

EXECUTIVE ACTION

(Continued) SCHOOL FOR THE DEAF AND BLIND - Transportation

Senator Hammond, Senator Jacobson and Representative Peck reported on the transportation issue for the school for the deaf and blind (Exhibit 1, 2, 3). Representative Peck explained that they had met with Mr. Bartos who had delivered an opinion stating that the present system of using vans for transportation students did leave liability problem. He suggested using commercial carriers, airlines, and the previous system of individual transportation contracts. The proposed legislation to accomplish this was attached.

Mr. Bob Demming said he had received the opinion from Mr. Bartos and had conferred with the board of public education. The school is out of the van transportation business as of Friday the 13th. An air charter contract had been written. He asked the committee to consider number two of the listed options which would allow the board of public education to determine travel in compliance with pupils individual education plans. Some students are required to travel more often than the regularly scheduled travel details. Mr. Sykes had a fiscal note and referred to a handout regarding individual transportation contracts being approximately \$90,000. This excluded reimbursement of meals and lodging. The cost to change to commercial travel and air charter would be an additional \$25,246 in FY88 and \$26,651 in FY89. However, the money would not cover bad weather if the flight was cancelled and the cottage had to be kept open. If that would occur they would need a supplemental. Dori Nielson said there would probably be enough money in other areas if that should happen.

Whether the resident school districts would be charged was discussed. The difference in the options was clarified. Dori Nielson said that option two involved an additional

cost. Norm Rostocki said that the third option would be more expensive due to the one and one half times rate. It was noted that the air travel cut down on travel time for the students.

Representative Iverson asked if any consideration was given to the probability of car pooling regarding option three. Representative Peck said a committee bill was needed. The suggested committee bill was considered. Chairman Nathe asked for clarification as to whether the travel costs could be charged back to the district. Mr. Demming said that their fiscal note would cover either option two or three. They were already paying those individual contracts and if they have to pay the one and one half rate they could, but that should be in there. Senator Jacobson explained that in some instances for outlying areas it was better to pay the parents one and one half times to bring the kids in to avoid having to route a bus.

Representative Peck stated that with option three the one and one half times could be avoided if language was adopted to do so (446). Representative Iverson said that option three seemed to allow more flexibility.

Representative Iverson moved to adopt option three to allow flexibility between individual transportation contracts and commercial carriers, inserting in the proposed legislation to not include the one and one half rate purposes of this act. It was discussed that this is really a new option four. The motion PASSED unanimously.

(1-B) Senator Jacobson was concerned that the language overlapped and was not specific enough. It would have to be reworked to make it clear before it was put in statute. Representative Peck suggested a draft be sent to the legislative council.

Senator Jacobson moved to draft a committee bill concerning cleaning up the statute with regard to transportation for those students at the Montana School for the Deaf and Blind in Great Falls. The motion PASSED unanimously. (030)

Chairman Nathe said the appropriation for the money to cover the new option four needed to be considered. The increased amount for option two was approximately \$25,000 for the first year and \$26,000 for the second year and would also cover the option that was accepted. Bill Sykes explained that the amounts were the cost difference between the present cost of using vans and the increased cost of adding commercial charter. The total amount needed to go commercial carrier and air charter was \$25,246 in FY88 and

\$26,651 in FY89. This would also include individual parent contracts.

Senator Jergeson moved to accept current level for transportation for the school for the deaf and blind plus \$25,246 in FY88 and \$26,561 in FY89 to provide for the commercial air transportation for those children formerly transported by van. The motion PASSED unanimously.

Senator Jergeson moved to accept the necessary additions to funding to reflect actions taken by the committee. (150) The motion PASSED unanimously.

(Continued) OFFICE OF PUBLIC INSTRUCTION - bill language

Representative Peck referred to MCA 20-3-103 (164) that is the only statute specifically requiring staff positions. OPI must employ a physical education specialist, a special education director and a vocational-education staff. He said that the use of the word "may" instead of "shall" would give flexibility. (Exhibit 4)

Representative Peck moved to adopt the request for the drafting a committee bill to deal with the Superintendent of Public Instruction staff appointments in order to change the statute from "shall" to "may" in MCA 20-3-103 under sub 2. The motion PASSED unanimously.

AGRICULTURAL EXPERIMENT STATION

Main Station: Jane Hamman explained the difference in the two budgets on the Main Station. (Exhibit 5) (265) The LFA focus was to increase general fund only to pay for inflation; (309) therefore, equipment in current level was reduced significantly due to declining state special and federal revenues. In order not to increase the general fund to pay for declining state special agricultural sales revenue, it was decided to let the agency make reductions to the extent of the \$195,000 difference in this area between current level and the executive, if additional revenue is not generated. Also, the agency indicated in February 3 testimony a revised state special figure for the U.S. Range Laboratory which showed an increase of 11.9 percent and a projection of income over the request submitted. There may be a potential for some increase. She pointed out the footnote that reported the retirement costs were more than twice that of any previous budget year with retirement costs projected to increase to \$250,800 in FY88 and drop in FY89 to \$87,000. (354)

Sib Clack stated that the FTE information on the revised plans for 87 was that the agency went down to 243.91 FTE and

in order to make the pay plan cut the executive reduced it a further 12 positions. The executive budget included communications for the range laboratory in the main station, so the LFA figures are correct.

Dr. Welsh (382) commented on the issues. He questioned items one and two on personal services and vacancy savings. The major issue to address is the vacancy savings rate. There are inconsistencies with the application of the vacancy savings rate to the agricultural experiment station and other agencies for the 1989 biennium. He pointed out that the research faculty of the agricultural experiment station are part of the faculty of the Montana State University and have joint teaching appointments. The same vacancy rate applications that are used for the university should be used for the agricultural experiment station. The equipment issue is another major concern because of the reductions (430). The average age of equipment is ten years including farm vehicles and scientific equipment. Such equipment could be expected to have a normal life of five years. An effort to maintain them is made but any replacements would have to be taken out of other parts of the budget. A regular replacement schedule would require \$500,000 per year. He also mentioned the declining state special revenue as being based on anticipated sales. The agricultural research station is a research program and if it were to concentrate on the business of sales then the research program would be diminished.

The livestock sales and cow inventories were discussed. Dr. Welsh said it was a difficult area of budgeting because additional income may or may not be realized. The replacement cost of vehicles and the turnover rate on lab equipment was discussed. The cost of replacing vehicles has increased and lab equipment is purchased in modules so additions can be made and obsolete portions replaced.

Dr. Tietz appealed for a consistent policy in regards to vacancy savings and the staff and faculty of the university, the experiment station, and the extension service. It was difficult for the managers to work with past variations of policy when the people were the same individuals. Consistent plans were important so that managers could count on the staffing pattern.

Senator Jacobson moved to accept current level for personal services and add in \$120,321 each year of the biennium to eliminate the vacancy savings just in the instruction area and accept current level for operating expenses and equipment for the program Main Station in the Agricultural Experiment Station for FY88 and FY89. Senator Jergeson asked if the motion could be divided. Senator Jacobson

withdrew the motion and the motion was remade to just include personal services, with the addition of \$120,321 each year of the biennium, and operating expenses. The motion PASSED with two NO votes by Representative Peck and Representative Iverson. (326)

Senator Jergeson said he understood how difficult it was to maintain equipment and that the experiment station should not get too far behind being the leading edge.

Sib Clack explained that the executive figure for replacement costs for equipment was not adequate but was within the budget constraints.

(355) Jane Hamman referred to page F-46 of the analysis that showed the portion of requests by the department which was included in current level. The effort was made to pick out relatively equal items of equipment and to ensure that funding was provided for all of those which the agency indicated already had matching designated, restricted, or other kinds of grant money available.

Representative Peck asked Dr. Welsh to clarify whether the equipment had been budgeted for fiscal 1987 or if money had been transferred into equipment where there was none appropriated. Dr. Welsh replied that there were equipment items built into the budget each year of the 1987 biennium but the problem was, as the revenue sources went down, there was a need to fill those deficiencies. Gerry Sutton said that because of a decline in revenue the only option was to reduce equipment in order to cover part of the cuts because the faculty salaries were already in contracts. Currently, the main station has no money budgeted for equipment in fiscal 1987. Representative Nathe asked what percentage of equipment is farm machinery and what is research. Gerry Sutton replied that the total cost value of the equipment is \$5 million for 2,400 items, with 60 percent being research and 40 percent farm equipment. Representative Nathe asked for more information about the research equipment. Gerry Sutton reported that 53 percent of the laboratory equipment is greater than ten years old and 77 percent is greater than five years old, whereas the National Science Laboratory recommends a life expectancy of five years. About one-half of the laboratory items cost \$1,000 or less. Dr. Tietz added that all of the expensive laboratory equipment is purchased with state funds, match with national grants and private funds, including university funds, and then made available to everyone on campus. The usual match is \$4 to 5 dollars of outside money to each \$1 dollar of state money.

Senator Jergeson (436) moved to accept current level for equipment and add \$33,000 each year of the biennium.

Senator Hammond asked if the agency relied on the advice of the managers of the units to purchase used equipment. The agency representatives replied that all of the managers and directors are involved. Sib Clack asked for clarification on current level. It was noted that the figure moved did not push it up to the \$198,000. Senator Jergeson withdrew the motion. Senator Jergeson moved that current level for equipment be increased to \$198,553 for FY88 and \$196,875 for FY89. The motion PASSED unanimously.

The retirement costs for the agency were discussed. This cost would be for FY88 of \$251,000 and for FY89 would decrease to about \$87,000. This is the regular retirement costs of the agency but there are an unusual number of faculty that are projected to retire. This information was not received until after the budget book was put together. It is a modification and an unusual circumstance by at least \$125,000 more than the agency projected. Dr. Welsh said this would make a bulge in the operating expenses but he could not say for sure that all of those people expected to retire would do so in FY88, or whether some would wait until FY89. Representative Peck said that another way to handle this would be to have a budget supplemental since the retirements were unsure. The data could be brought back in showing the retirement situation. The subcommittee decided that this agency could come back for a supplemental to cover this situation and the Chairman asked that the minutes clearly reflect this intent. Because a supplemental for FY88-89 retirement costs is anticipated. The subcommittee agreed no boilerplate language was required. Dr. Welsh said this was a help to the agency since they were not able to predict exactly when the retirements were going to take place so if they put it in a single year of the biennium and they occurred the next year it would still be a problem.

Jane Hamman explained the funding issue (017). She said that during testimony by the range laboratory, revised revenue projections were 11.9 percent higher. Gerry Sutton responded that they did have a higher use of earmarked revenue at the range station but it did not change the revenue estimate. They are now asking to use part of a fund balance to take up that difference in estimated revenue. Dr. Welsh remarked that it would be great if there was a sustained market turnaround particularly in the cattle business because that was where the big sales volume was for the agency. He was concerned that the agency not get the revenue estimates so high that they would be faced with the proposition of backing out the budget a couple hundred thousand dollars based on an over optimistic revenue estimate.

Sib Clack said they should be given a cushion to maintain their current operations reasonably. Senator Hammond said that the agency should be given a cushion since they had always been estimated higher when they were in a downslope and he hoped they would benefit one time on an upswing.

Senator Hammond moved to accept the executive budget under state special funding for the Main Station of the Montana Agricultural Experiment Station for \$325,000 for FY88 and for \$325,000 for FY89. The motion PASSED unanimously.

Representative Peck (148) moved to accept the federal revenue funds of \$1,673,303 each year of the biennium and that the staff adjust the general fund appropriation based on prior motions. The motion PASSED unanimously.

U.S. Range Laboratory: (167) Sib Clack explained that the executive had reduced the FTE level. However, the agency would benefit from inflationary adjustments in the executive budget.

Jane Hamman explained that current level had reduced the FTE to 16.5 based on the average salary that was paid in fiscal 1986. During testimony the agency had presented additional information increasing personal services and requested 36.64 FTE. The issue is that there was a federal research support agreement that the agency had developed that would allow work plans for some of the FTE to be paid by federal funds. The FTE themselves cannot be put on federal payroll so the agency states it needs the authority to continue that due to the declining revenue. (Exhibit 5a) Jane Hamman explained that the only increased FTE authority the agency needs is 0.20 FTE if the subcommittee accepts the requested addition of fund balance use. She stated there could be 100 employees partially covered by this 16.70 FTE. The balance of the FTE would be under the federal agreement.

Dr. Welsh explained that the agency operated the state component of the research activity for the Miles City station out of earmarked revenue. A decline in revenue had been experienced but a support staff level had been maintained. His concern was that the committee approve the authority for the FTE which could be funded through the federal research support agreement. (229) It allows the Department of Agriculture to supply funds to pay for the extra FTE until they can go through the downsizing.

Dr. Welsh explained that the experiment station has always been a federal regional USDA livestock and range station. It is a federal station but the state owns the livestock and provides the support staff. (340) Sib Clack clarified that at one point the personal services of the state FTE had been

paid for by sales and service income. All of the state employees were paid for by earmarked revenue account. But as the earmarked revenue went down the federal funds maintained the operation by picking up some of the personal services costs but did not want federal employees. The committee needs to indicate the FTE so that the federal revenue will take care of them. Dr. Welsh said that if the federal revenues are not sufficient for this purpose, the FTE would be cut. Chairman Nathe asked if the state had any obligation to employees. The termination costs would be obligated since they are state employees. Senator Jergeson said that the problem could be solved by putting in boilerplate language to describe the utilization of the 20 FTE.

Senator Jergeson (406) moved under personal services for the U.S. Range Laboratory to authorize 36.64 FTE, with 16.70 FTE supported by state special revenue and to have boilerplate language for an additional 20.14 FTE whose support comes through the USDA Research Support Agreement for the Montana Agricultural Experiment Station. The motion PASSED unanimously. The staff was asked to prepare draft language.

Senator Jergeson moved to accept current level funding for the U.S. Range Laboratory for FY88 of \$345,000 and for FY89 of \$345,000 on the expenditure side and the funding side. Jane Hamman said the agency requested (480) an increase of personal services during their testimony of \$40,954. Gerry Sutton said that the budget submitted preceded the federal fiscal year and, therefore, the agency did not have the research support agreement finalized. The budget needs to be raised to \$385,954 for each year of the biennium for total budget on the expenditure side and also on the funding side. Senator Jergeson withdrew his motion.

Senator Jergeson asked if there would be sales to pay for that. Dr. Welsh said that it would be a combination of sales with utilization of some reserve.

Senator Jergeson moved to reconsider. Senator Jergeson moved to accept current level for personal services and add in \$40,954 for both years of the biennium so that on the expenditure side and the funding side the total for FY88 of \$385,954 and for FY89 of \$385,954. The motion to reconsider PASSED unanimously. The motion to accept PASSED unanimously. (570)

HB187

Senator Hammond said that a high spring wheat protein would increase the price. Varieties of wheat make a bigger dollar difference on the market than any other factor. (642)


Education Subcommittee

February 11, 1987

9

Senator Hammond moved the subcommittee recommend "DO PASS" to the full appropriations committee on HB187 for \$320,000 for the Spring Wheat Breeding Program at the Montana Agricultural Experiment Station. The motion PASSED with one NO by Representative Peck.

ADJOURNMENT: The meeting was adjourned at 11:50 a.m. The next meeting will be held in Room 104 at 8:00 a.m. on February 12.


DENNIS NATHE, Chairman

dt/2-11

SUB COMMITTEE

Date _____

2-11-27

[illegible]



OFFICE OF PUBLIC INSTRUCTION

STATE CAPITOL
HELENA, MONTANA 59620
(406) 444-3095

Ed Argenbright
Superintendent

January 21, 1987

TO: Senator Judy Jacobson
Representative Dennis Iverson
Representative Ray Peck

FROM: Rick Bartos, Attorney *Rick Bartos*

RE: Transportation for Pupils - School for the Deaf and Blind.

I. TRANSPORTATION OF STUDENTS IN OTHER STATES

I have inquired as to the status of the use of transportation for the schools for the deaf and blind in surrounding states.

In summary the states used a mixed bag approach toward transportation of students to and from the state school. Most states provide transportation to and from the school by commercial carrier. Several states use individual transportation contracts. Only one state in addition to Montana use transportation by school vans and cars.

II. LIABILITY

Use of vans and cars that are neither commercial carriers or school buses significantly increases the risk of exposing the state to liability in the event of injury.

It appears after research that the use of commercial carrier to transport pupils on long distances is not in contravention of Federal law. See 27 CFR 1204.4.

The definition of school bus does not include vehicles that carry school children along with other passengers as part of the operation of a common carrier.

Use of commercial carriers would significantly reduce liability exposure to the state. Commercial carriers would not totally protect the state from potential litigation or liability (neither would a school bus, note the Whitefish bus accident).

III. INDIVIDUAL TRANSPORTATION CONTRACTS

Enclosed find proposed legislative language that would allow individual transportation contracts. In special circumstances or special education, the parent would be entitled to 1 1/2 times the rate approved for non-special education youngster.

Therefore there would be no need to redefine the number of trips a parent would be required to make. The law as presently written provides a means to increase mileage reimbursement in special circumstances.

Section 20-10-142(3) states in part:

"--- (3) where, due to excessive distances, impassable roads, or other special circumstances of isolation the rates prescribed in subsection (1) of (2) would be an inadequate reimbursement for the transportation costs ---, his parent or guardian may request an increase in the reimbursement rate. Such a request for increased rates due to isolation shall be made by the parent or guardian on the contract for individual transportation for the ensuing school fiscal year by indicating the special facts and circumstances which exist to justify the increase. --- Regardless of the action of the trustees and when approval is given by the county transportation committee and the superintendent of public instruction, the trustees shall pay such increased rate due to isolation. The increased rate shall be 1 1/2 times the rate prescribed in subsection (1) above. --- "

Section 20-7-442 states:

"Districts providing children with transportation to a special education class or program and complying with the special education transportation regulations promulgated by the superintendent of public instruction shall be eligible for a transportation reimbursement. The reimbursement shall be calculated from a schedule established by the superintendent of public instruction with the state providing two-thirds of the reimbursement and the county in which the children reside providing the remainder."

Also, we have adopted Rules that are in ARM for special education transportation which state:

"10.16.2501 DEFINITION (1) Specialized transportation for handicapped children and youth is a related service which is necessary in order for a handicapped child or youth to benefit from special education. It includes, but is not limited to:

(a) travel to and from school and between schools,

(b) specialized equipment, i.e., special or adapted buses and lifts, if required to provide special transportation for handicapped child or youth,

(c) travel to and from services listed in the student's Individual Education Plan (IEP). (History: Sec. 20-7-442, MCA; IMP, Sec. 20-3-106, MCA; NEW, 1986 MAR p. 1383, Eff. 8/15/86.)

10.16.2502 ELIGIBILITY (1) Specialized transportation needs must be documented in the handicapped child or youth's Individual Education Plan as a related service. (History: Sec. 20-7-442, MCA; IMP, Sec. 20-3-106, MCA; NEW, 1986 MAR p. 1383, Eff. 8/15/86.)

10.16.2503 FUNDING (1) For the purposes of capacity rating, the capacity of the bus prior to alteration for special education shall be the capacity used for reimbursement.

(2) All special education buses are deemed to have met the student load requirement of the law and are deemed to be full.

(3) On buses approved by the superintendent of public instruction as special education buses, an additional one-third of the on-schedule amount shall be paid to the school district.

(4) On individual transportation contracts where a special education student is transported, an additional one-third of the on-schedule amount shall be paid to the district. (History: Sec. 20-7-442, MCA; IMP, Sec. 20-3-106, MCA; NEW, 1986 MAR p. 1383, Eff. 8/15/86.)"

I believe that using the excessive distances portion of subsection (3) of section 20-10-142, MCA, section 20-7-442's authority and the special education transportation rules we can grant the 50% increase to the families of the children in the School for the Deaf and Blind and the local school district would not have any increased cost for these children's transportation. The county will pay 1/3 (which is picked up by the state in the case of elementary) and the state will pay 2/3 thus leaving the local district with zero (0) payment.

THE COMMITTEE HAS THREE OPTIONS:

1. Provide transportation for pupils with school buses and transport pupils to and from the school. This would be cost prohibitive and require additional purchases of school buses, maintenance and drivers.
2. Provide transportation to students with commercial carriers. The number of trips shall be determined by the Board of Public Education in compliance with the pupil's IEP.
3. Provide a combination of individual transportation contracts and the use of commercial carriers. Use of commercial carriers and individual contracts would be left to policy developed by the Board of Public Education and within the discretion of the school superintendent.

Individual transportation contract would be paid by the resident district. The law now allows that in special circumstances the school may permit the reimbursement to be 1 1/2 times the amount that would ordinarily be paid.

For those parents using their own vehicles to transport their pupil, the school would issue an individual transportation contract. Those parents would be reimbursed by the resident district at a higher rate.

RB:dkk

Enclosure - Proposed Legislation

New Provision

Proposed Legislation

Residential and boarding pupils of the School for the Deaf and Blind, who are residents of the state of Montana shall be conveyed from their residence to the School for the Deaf and Blind and back by a carrier of passengers certified by the Public Service Commission, or air carrier as provided in Section 67-3-401 et seq. MCA, or they shall be eligible transportees of their resident school districts for purposes of receiving reimbursement for costs of travel to and from the school and place of his residence. The superintendent, pursuant to policy adopted by the Board of Public Education shall determine whether transportation shall be provided by a individual transportation contract or commercial carrier.

When a pupil is an eligible transportee for purposes for the school for the deaf and blind; such pupil's parent or legal guardian shall be entitled to transportation reimbursement from their resident school district for such travel in the manner provided for in Section 20-10-142, MCA.

Amend section 20-10-101 (2) to read:

An "eligible transportee" shall mean a public school pupil who:
--- (e) or a residential boarding pupil, who is a resident of the state of Montana who is enrolled in the Montana School for the Deaf and Blind as defined by section 20-8-101.

Amend section 20-10-101 MCA to read:

(1) "Transportation" shall mean: --- (d) for purposes of the Montana School for the Deaf and Blind shall mean the conveyance of an eligible transportee of the school for the Deaf and Blind; and that such conveyance shall be accomplished by paying the parent or guardian for conveying the pupil.

Such individual transportation shall include a maximum of one round trip to the child's residence per month during such time as the school is in session. In addition, the individual transportation shall include such other times as the superintendent of the school for the Deaf and Blind shall determine, but in no event shall individual transportation be provided more than 9 times per school fiscal year.

Amend section 20-10-121 MCA as follows:---

(5) the trustees of the resident school district that maintains an eligible transportee as an enrolled pupil in the school for the Deaf and Blind shall be responsible for the reimbursement for travel expenses as set forth above.

COPY

CONTRACTS FOR SERVICES BETWEEN
THE MONTANA SCHOOL FOR THE DEAF AND THE BLIND
AND VALLEY AVIATION

THIS AGREEMENT IS MADE AND ENTERED INTO THIS 23RD DAY OF JANUARY 1987. BY AND BETWEEN THE MONTANA SCHOOL FOR THE DEAF AND THE BLIND (hereinafter MSDB) AND VALLEY AVIATION.

PURPOSE

THIS AGREEMENT IS ENTERED FOR THE PURPOSE OF ENSURING THE TRANSPORTATION OF MSDB STUDENTS TO THEIR HOME AREAS AND BACK AGAIN FOR TRAVEL DAYS LISTED AS PER ADDENDUM A.

PROVISIONS

1. IN CONSIDERATION OF THE MUTUAL COVENANTS CONTAINED HEREIN, THE PARTIES AGREE:
 - (1) VALLEY AVIATION WILL MAINTAIN A CURRENT AIR TAXI CERTIFICATE AND PROVIDE A COPY TO MSDB.
 - (2) VALLEY AVIATION AGREES TO HAVE A PLANE AVAILABLE TO TRANSPORT STUDENTS AT THE GREAT FALLS AIRPORT AS PER ADDENDUM B - FLIGHTS 1-4.
 - (3) STUDENTS WILL BE RETURNED BY VALLEY AVIATION TO THE GREAT FALLS AIRPORT AS PER ADDENDUM B - FLIGHTS 5-8.
 - (4) IN THE EVENT A FLIGHT IS CANCELLED DUE TO INCLEMENT WEATHER OR ANY OTHER REASON, VALLEY AVIATION SHALL GIVE MSDB NOTICE OF CANCELLATION BY 6:00 A.M. OR AS SOON THEREAFTER AS POSSIBLE.
 - (5) IF A RETURN TRIP TO MSDB IS CANCELLED, VALLEY AVIATION WILL NOTIFY MSDB AND MSDB WILL NOTIFY THE PARENTS BY 7:00 A.M. IN ADVANCE OF FLIGHT TIME OR AS SOON THEREAFTER AS POSSIBLE.
 - (6) VALLEY AVIATION IS RESPONSIBLE FOR CONTACTING DESIGNATED PERSONS AT AIRPORTS WHEN THEY ARRIVE WITH STUDENTS SO THAT NO STUDENT IS LEFT UNATTENDED, IF NO CONTACT CAN BE MADE, VALLEY AVIATION WILL RETURN THE STUDENT (s) TO GREAT FALLS AND NOTIFY MSDB AT NO ADDITIONAL COST TO MSDB.
 - (7) MSDB RESERVES THE RIGHT TO SCHEDULE FLIGHTS TWENTY-FOUR (24) HOURS AHEAD OF FLIGHT TIMES AS SCHEDULED, IN CASE OF SEVERE WEATHER CONDITIONS BEING FORECAST. VALLEY AVIATION RESERVES THE RIGHT TO POSTPONE RETURN FLIGHTS TWENTY-FOUR (24) HOURS FOR THE SAME REASON.

COPY

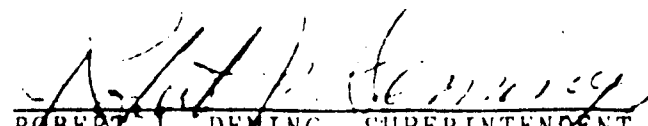
- (8) VALLEY AVIATION SHALL CARRY LIABILITY INSURANCE ON ALL STUDENTS WHO MAY FLY WITH THEM AND ANY OTHER REQUIRED INSURANCE AND MSDB SHALL BE HELD ABSOLUTELY HARMLESS. COPIES OF VALLEY AVIATION INSURANCE POLICIES OR OTHER DOCUMENTS VERIFYING AND IDENTIFYING THE INSURANCE COVERAGE SHALL BE MADE AVAILABLE TO MSDB.
- (9) IF VALLEY AVIATION DETERMINES A SUPERVISOR IS NECESSARY ON BOARD FOR THE FLIGHT, MSDB WILL PROVIDE SAID SUPERVISOR AT NO COST TO VALLEY AVIATION AND VALLEY AVIATION WILL PROVIDE A SEAT ON SAID FLIGHT AT NO COST TO MSDB.
- (10) MONTANA SCHOOL FOR THE DEAF AND THE BLIND AGREES TO PAY VALLEY AVIATION FOR THE SERVICES AS OUTLINED IN CONFORMANCE WITH ADDENDUM B.
- (11) VALLEY AVIATION IS EXPECTED TO MAINTAIN A HIGH STANDARD OF CARE FOR THE SAFETY OF THE PASSENGERS AND FOLLOW ALL OF THE REQUIRED FAA RULES AND REGULATIONS PERTAINING TO SUCH AIR PASSENGER SERVICES.
- (12) VALLEY AVIATION SHALL NOT ASSIGN ANY OBLIGATION UNDER THIS AGREEMENT TO ANYONE WITHOUT PRIOR WRITTEN APPROVAL FROM MSDB.

THIS AGREEMENT SHALL BE GOVERNED BY MONTANA LAW. ANY ACTION UNDER THIS AGREEMENT SHALL BE BROUGHT IN THE DISTRICT COURT OF THE EIGHTH JUDICIAL DISTRICT IN AND FOR THE COUNTY OF CASCADE.

THE ABOVE STATED PROVISIONS CONSTITUTE THE ENTIRE AGREEMENT BETWEEN THE PARTIES HERETO:

DATED THIS 23RD DAY OF JANUARY, 1987.


BILL VALLEY, GENERAL PARTNER
VALLEY AVIATION


ROBERT J. DEMING, SUPERINTENDENT
MONTANA SCHOOL FOR THE DEAF AND
THE BLIND

COPY

ADDENDUM A
MONTANA SCHOOL FOR THE DEAF AND THE BLIND

TRAVEL DAYS:

FEBRUARY 13, 1987
FEBRUARY 17, 1987 - RETURN

MARCH 13, 1987
MARCH 16, 1987 - RETURN

APRIL 16, 1987
APRIL 21, 1987 - RETURN

MAY 15, 1987
MAY 17, 1987 - RETURN

COPY

THE FOLLOWING FLIGHT SCHEDULES ARE INCORPORATED IN THE

TERMS OF THIS CONTRACT:

DATE: _____

Flight No. 1: Leave Gt. Falls at 7:30 AM
Arrive Wolf Point at 9:00 AM
Leave Wolf Point at 9:15 AM
Arrive Glasgow at 9:30 AM
COST \$ 785

Flight No. 2: Leave Gt. Falls at 11:15 AM
Arrive Ct. Bank at 11:45 AM
Leave Ct. Bank at 12:00 PM
Arrive Havre at 12:30 PM
COST \$ 375

Flight No. 3: Leave Gt. Falls at 1:30 PM
Arrive Kalispell at 2:20 PM
COST \$ 430

Flight No. 4: Leave Gt. Falls at 3:30 PM
Arrive Bozeman at 4:15 PM
COST \$ 350

SCHEDULE FOR RETURN OF STUDENTS TO GT. FALLS, MT: DATE: _____

Flight No. 5: Arrive Wolf Point at 9:00 AM
Leave Wolf Point at 9:15 AM
Arrive Glasgow at 9:35 AM
Leave Glasgow at 9:50 AM
Arrive Gt. Falls at 11:00 AM
COST \$ 785

Flight No. 6: Arrive Ct. Bank at 12:00 PM
Leave Ct. Bank at 12:15 PM
Arrive Havre at 12:45 PM
Leave Havre at 1:00 PM
Arrive Gt. Falls at 1:30 PM
COST \$ 375

Flight No. 7: Arrive Kalispell at 2:45 PM
Leave Kalispell at 3:00 PM
Arrive Gt. Falls at 3:55 PM
COST \$ 430

Flight No. 8: Arrive Bozeman at 4:30 PM
Leave Bozeman at 4:45 PM
Arrive Gt. Falls at 5:30 PM
COST \$ 350

COPY

INDIVIDUAL WEIGHTS OF STUDENTS REGARDING TRAVEL

FLIGHT No. 1 & 3:

Gt. Falls to Wolf Point - Glasgow

| <u>STUDENT</u> | <u>WEIGHT</u> |
|-------------------|---------------|
| 1. Leroy Dixon | 70 Lbs. |
| 2. Robin Blount | 51 " |
| 3. Cassidy Simons | 34 " |
| 4. Leo Martin | 84 " |
| 5. Mike Youngman | 93 " |
| 6. Shawn Onstad | 80 " |
| 7. Tasha Anderson | 39 " |
| TOTAL = 451 Lbs. | |

FLIGHT No. 2 & 6:

Gt. Falls to Havre

| <u>STUDENT</u> | <u>WEIGHT</u> |
|------------------|---------------|
| 1. Kristi Keith | 122 Lbs. |
| 2. Ryan Stout | 54 " |
| 3. Jacob Hawley | 49 " |
| 4. Wesley Mclean | 103 " |
| 5. Carol Hamby | 126 " |
| TOTAL = 454 Lbs. | |

FLIGHT No. 3 & 7:

Gt. Falls to Kalispell

| <u>STUDENT</u> | <u>WEIGHT</u> |
|---------------------|---------------|
| 1. Michele Jacobi | 103 Lbs. |
| 2. Michael Jones | 33 " |
| 3. Fred Mace | 124 " |
| 4. Charlie Phillips | 103 " |
| 5. Michele Hill | 103 " |
| 6. Cindy Brady | 142 " |
| 7. Fred Brockman | |
| TOTAL = 608 Lbs. | |

FLIGHT No. 4 & 8:

Gt. Falls to Roseman

| <u>STUDENT</u> | <u>WEIGHT</u> |
|--------------------|---------------|
| 1. Joshua anderson | 34 Lbs. |
| 2. Amy Crachy | 114 " |
| 3. Theresa Gray | 120 " |
| 4. Steven Davies | 116 " |
| 5. Joelle Heintz | 150 " |
| 6. Carla Bowlan | 143 " |
| 7. Ava Llamas | 133 " |
| TOTAL = 608 Lbs. | |

OLD REPUBLIC INSURANCE COMPANY

DECLARATIONS

COPY

POLICY NUMBER AV 16973 01

RENEWAL OF: NEW

ITEM 1. NAMED INSURED: Valley Aviation
R. R. 4032, International Airport
Great Falls, MT 59405

ITEM 2. POLICY PERIOD: FROM Oct. 20, 1986 TO Oct. 20, 1987
12:01 A.M. STANDARD TIME AT THE ADDRESS IN ITEM 1.

ITEM 3. The insurance afforded is only with respect to such of the following coverages as are indicated by specific premium charge or charges. The limit of the Company's liability against each such coverage shall be as stated herein, subject to all of the terms of this Policy having reference thereto. This Policy is completed by Aircraft Hull and Liability Form PAM-AV2.

ITEM 4. LIABILITY COVERAGES

| | LIMITS OF LIABILITY PER PERSON OCCURRENCE | LIAB. PREM. |
|--|--|----------------------------------|
| D. SINGLE LIMIT BODILY INJURY: INCLUDING PASSENGERS: AND PROPERTY DAMAGE PASSENGER LIABILITY LIMITED TO: FLAT CHARGE PER ENDT. #4 | \$1,000,000. **** \$100,000. | \$1,200. (DEPOSIT) \$ 700. |

LIAB. TOTAL \$1,900.

ITEM 5. DESCRIPTION OF AIRCRAFT AND PHYSICAL DAMAGE COVERAGE HEREUNDER:

| AIRCRAFT | F.A.A. REG. NO. | YEAR, MAKE & MODEL | SEATS CREW/PASS. | INSURED VALUE |
|--|--------------------|-----------------------|---------------------|------------------|
| -----SEE REPORTING FORM ENDORSEMENT----- | | | | |

| PHYSICAL DAMAGE COVERAGE | PREMIUM | DEDUCTIBLES NOT IN MOTION IN MOTION |
|--|-----------------------|--|
| F: ALL RISKS: Ground & Flight | \$1,500. (DEPOSIT) | \$100. \$ 500. |
| PHYSICAL DAMAGE TOTAL: \$1,500. (DEPOSIT) | | POLICY PREMIUM: \$3,700. (ADVANCE) |



COPY

UNITED STATES OF AMERICA
U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION

Air Carrier Operating Certificate

This certifies that

VALLEY AVIATION
RR 4032 INTERNATIONAL AIRPORT
GREAT FALLS, MONTANA 59401

has met the requirements of the Federal Aviation Act of 1958, as amended, and the rules, regulations, and standards prescribed thereunder for the issuance of this certificate, and is hereby authorized to operate as an air carrier in accordance with said Act and the rules, regulations and standards prescribed thereunder, and the terms, conditions, and limitations contained in the operations specifications.

This certificate is not transferable and, unless sooner surrendered, suspended or revoked, shall continue in effect indefinitely.

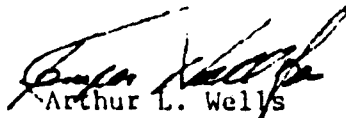
By Direction of the Administrator

Certificate number: 65NM-14AC

Reissued: November 14, 1986

Effective date: August 15, 1985

Issued at: Flight Standards District Office
FAA Building, Room 3
Helena Regional Airport
Helena, MT 59601


Arthur L. Wells

(Signature)

Manager, NM-FSDO-65

(Title)



VALLEY AVIATION

~~P.O. Box 2708 RR 4032 INTL. AIRPORT~~
Great Falls, MT 59408
(406) 727 2605

COPY

DESCRIPTION OF CESSNA 402L OPERATED BY

VALLEY AVIATION FOR CHARTER/PASSENGER USE:

Cessna 441QT is an 8 seat cabin class twin-engine aircraft having all weather capability.

Lauren L. Hill

Valley Aviation

20-3-102. Term, oath, and vacancy. (1) The superintendent of public instruction shall hold office at the seat of government for the term of 4 years. He shall assume office on the first Monday of January following his election and shall hold the office until his successor has been elected and qualified. Any person elected as the superintendent of public instruction shall take the oath of a civil officer.

(2) If the office of superintendent of public instruction becomes vacant, it shall be filled in the manner prescribed by The Constitution of the State of Montana.

History: En. 75-5703 by Sec. 12, Ch. 5, L. 1971; R.C.M. 1947, 75-5703.

Cross-References

Oath of office, Art. III, sec. 3, Mont. Const.: Oath defined, 1-1-201.
20-1-202. Affirmation in lieu of oath, 1-6-104.
Vacancy in office - how filled, Art. VI, sec. 6, ch. 9, part 3.
Mont. Const.: 2-16-505.

20-3-103. Deputy superintendent — staff. (1) The state superintendent of public instruction shall appoint a deputy who, in the absence of the principal or in the case of vacancy in his office, shall perform all the duties of office until such disability be removed or vacancy be filled. Such deputy shall subscribe, take, and file the oath of office provided by law for other state officers before entering upon the performance of his duties.

(2) The superintendent of public instruction shall have the power to employ, organize, and administer a staff of personnel to assist him in the administration of the duties and services of the office. In organizing his staff, the superintendent of public instruction shall employ:

(a) a supervisor of physical education who is a graduate of an accredited institution of higher education with a master's degree in physical education;

(b) a professional staff for the state supervision and administration of vocational education; and

(c) a special education supervisor who is a graduate of an accredited institution of higher education with a master's degree in a field of special education for the mentally retarded or physically handicapped and who has not less than 2 years' experience in special education.

History: (1) En. Sec. 1, Ch. 30, L. 1903; re-en. Sec. 143, Rev. C. 1907; re-en. Sec. 122, R.C.M. 1921; re-en. Sec. 122, R.C.M. 1935; and Sec. 1, Ch. 181, L. 1947; and Sec. 1, Ch. 8, L. 1949; and Sec. 48, Ch. 177, L. 1965; and Sec. 3, Ch. 468, L. 1977; Sec. 82-601, R.C.M. 1947; (2) En. 75-5704 by Sec. 13, Ch. 5, L. 1971; Sec. 75-5704, R.C.M. 1947; R.C.M. 1947, 75-5704, 82-601/part and Sec. 10, Ch. 298, L. 1979.

Cross-References

Oath of office, Art. III, sec. 3, Mont. Const.: Bonds of state officers and employees, Title 2,
20-1-202. ch. 9, part 6.
Oath defined, 1-1-201. Vocational education, Title 20, ch. 7, part 3.
Affirmation in lieu of oath, 1-6-104. Special education, Title 20, ch. 7, part 4.

20-3-104. Discretionary staff. In addition to the positions of employment listed in 20-3-103, the superintendent of public instruction may employ:

(1) one or more assistant superintendents, one of whom may be designated as assistant superintendent for vocational education;

(2) a high school supervisor who is the holder of a class 3 teacher certificate with a district superintendent endorsement;

(3) an elementary supervisor who is the holder of a valid teacher certificate;

AGENCY: AGRICULTURAL EXPERIMENT STATION

LEGISLATIVE ACTION

PROGRAM: U.S. RANGE LABORATORY

| 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 | 36.13 | 26.68 | 16.50 | 10.18 | 26.68 | 16.50 | 10.18 | -54.3% |
| Personal Services | \$500,702 | \$322,758 | \$336,300 | (\$13,542) | \$322,758 | \$336,300 | (\$13,542) | -32.8% |
| Operating Expenses | \$33,303 | \$6,344 | \$5,700 | \$644 | \$6,961 | \$5,700 | \$1,261 | -82.9% |
| Equipment | \$2,450 | \$3,000 | \$3,000 | \$0 | \$3,000 | \$3,000 | \$0 | 22.4% |
| TOTAL EXPENSES | \$536,455 | \$332,102 | \$345,000 | (\$12,898) | \$332,719 | \$345,000 | (\$12,281) | -35.7% |
| | | | | | | | | |
| FUNDING | | | | | | | | |
| State Special | \$536,455 | \$332,102 | \$345,000 | (\$12,898) | \$332,719 | \$345,000 | (\$12,281) | -35.7% |
| TOTAL FUNDING | \$536,455 | \$332,102 | \$345,000 | (\$12,898) | \$332,719 | \$345,000 | (\$12,281) | -35.7% |

Add to (Subtract From)
LFA Current Level

| ISSUES | Fiscal 1988 | Fiscal 1989 | COMMITTEE ACTION |
|---|-------------|-------------|------------------|
| 1. Number of FTE (LFA current level based on average salary for FY 86) | \$0 | \$0 | |
| 2. Vacancy Savings (Executive took 4%; LFA took -0- and included Personal Services as requested by the agency, due to loss of funds.) | (\$13,542) | (\$13,542) | |
| 3. Operating Inflation (Executive added inflation to agency request; LFA presented operating expenses as requested) | \$644 | \$1,261 | |

1/22/87

5

AGENCY: MONTANA AGRICULTURAL EXPERIMENT STATION LEGISLATIVE ACTION PROGRAM: MAIN STATION

| 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 | 255.57 | 231.91 | 242.00 | -10.09 | 231.91 | 242.00 | -10.09 | -5.3% |
| Personal Services | \$6,344,008 | \$6,395,159 | \$6,498,761 | (\$103,602) | \$6,395,159 | \$6,529,561 | (\$134,402) | 2.4% |
| Operating Expenses | \$1,445,559 | \$1,429,241 | \$1,439,675 | (\$10,434) | \$1,451,035 | \$1,462,720 | (\$11,685) | -0.4% |
| Equipment | \$220,652 | \$282,197 | \$116,553 | \$165,644 | \$282,197 | \$114,875 | \$167,322 | -47.2% |
| TOTAL EXPENSES | \$8,010,219 | \$8,106,597 | \$8,054,989 | \$51,608 | \$8,128,391 | \$8,107,156 | \$21,235 | 0.6% |
| FUNDING | | | | | | | | |
| General Fund | \$5,953,382 | \$6,108,294 | \$5,861,686 | \$246,608 | \$6,130,088 | \$5,913,853 | \$216,235 | -1.5% |
| State Special | \$289,991 | \$325,000 | \$520,000 | (\$195,000) | \$325,000 | \$520,000 | (\$195,000) | 79.3% |
| Federal Revenue | \$1,766,846 | \$1,673,303 | \$1,673,303 | \$0 | \$1,673,303 | \$1,673,303 | \$0 | -5.3% |
| TOTAL FUNDING | \$8,010,219 | \$8,106,597 | \$8,054,989 | \$51,608 | \$8,128,391 | \$8,107,156 | \$21,235 | 0.6% |

| | Add to (Subtract From) LFA Current Level | Fiscal 1988 | Fiscal 1989 | COMMITTEE ACTION |
|--|--|-------------|-------------|------------------|
| 1. Personal Services (Executive has 10.09 fewer FTE per year and \$478,646 less in personal services costs excluding vacancy savings.) | | | | |
| 2. Vacancy Savings (Executive exempted faculty from 4% and took \$240,642 less for the biennium, accounting for about 8.90 FTE of the total 10.09 FTE difference.) | (\$223,923) | | (\$254,723) | |
| 3. Contracted Services (Executive reduced analysis of samples harvesting of production fields, etc. more than LFA) | \$120,321 | | \$120,321 | |
| 4. Supplies and Materials (Executive reduced research chemicals, glassware, etc. more than LFA) | (\$1,600) | | (\$1,600) | |
| 5. Communications (Executive increased telephone equipment charge and LFA continued FY 86 base due to reduced FTE) | (\$1,562) | | (\$2,879) | |
| 6. Travel (Executive reduced FY 86 base by \$11,068 and LFA made reductions of \$4,999 due to agency cuts in FY 86) | \$8,353 | | \$8,353 | |
| 7. Utilities (Executive increased natural gas more than LFA inflation) | (\$6,069) | | (\$6,069) | |
| 8. Other expenses and miscellaneous (Executive is lower than LFA) | \$3,778 | | \$3,838 | |
| 9. Equipment (Executive higher than LFA) | (\$13,334) | | (\$13,328) | |
| FUNDING ISSUES | \$165,644 | | \$167,322 | |
| 10. Declining state special ag sales revenue | (\$195,000) | | (\$195,000) | |

Agency reported on 1/21/87 that FY 87 faculty retirement costs are more than twice any previous budget year: \$163,722 for 9 faculty. In addition, due to faculty retiring under the old Montana 12 contract, which allowed faculty to work 7 quarters and have the 8th quarter off for study or to receive the benefits in lieu of leave--the projected retirement costs for FY 88 are \$250,796. This will cause major research personnel shortages in the department here and to the other departments.

AGENCY: MONTANA COOPERATIVE EXTENSION SERVICE

SUBCOMMITTEE ACTION

| 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 | 135.30 | 116.19 | 121.02 | -4.83 | 116.19 | 121.02 | -4.83 | -10.55% |
| Personal Services | \$3,484,983 | \$3,223,172 | \$3,355,392 | (\$132,220) | \$3,223,172 | \$3,355,392 | (\$132,220) | -3.72% |
| Operating Expenses | \$545,757 | \$482,699 | \$498,984 | (\$16,285) | \$484,439 | \$500,456 | (\$16,017) | -8.57% |
| Equipment | \$20,217 | \$15,000 | \$12,829 | \$2,171 | \$15,000 | \$12,829 | \$2,171 | -36.54% |
| TOTAL EXPENSES | \$4,050,957 | \$3,720,871 | \$3,867,205 | (\$146,334) | \$3,722,611 | \$3,868,677 | (\$146,066) | -4.54% |
| FUNDING | | | | | | | | |
| General Fund | \$2,237,166 | \$1,891,603 | \$2,037,937 | (\$146,334) | \$1,893,343 | \$2,039,409 | (\$146,066) | -8.91% |
| Federal Smith-Lever | \$1,813,791 | \$1,829,268 | \$1,829,268 | \$0 | \$1,829,268 | \$1,829,268 | \$0 | 0.85% |
| TOTAL FUNDING | \$4,050,957 | \$3,720,871 | \$3,867,205 | (\$146,334) | \$3,722,611 | \$3,868,677 | (\$146,066) | -4.54% |

* LFA Actual used. Executive shows FY 86 total of \$4,016,843 or \$34,114 less for the base year.

| ISSUES | Add to (Subtract From) LFA Current Level | | COMMITTEE ACTION | |
|---|---|-------------|------------------|-------------|
| | Fiscal 1988 | Fiscal 1989 | Fiscal 1988 | Fiscal 1989 |
| 1. Fiscal 1986 Base for Personal Services (Executive starts with base of \$3,450,869 or \$34,114 less) | n/a | n/a | | |
| 2. Number of FTE and Compensation (Executive 4.83 FTE less) | (\$132,220) | (\$132,220) | | |
| 3. Supplies and Materials (Executive \$15,285 less) | (\$15,285) | (\$15,285) | | |
| 4. Communications (Executive \$6,817 more) | \$6,817 | \$6,817 | | |
| 5. Travel (Executive \$8,225 less) | (\$8,225) | (\$8,225) | | |
| 6. Rent (Executive more) | \$610 | \$881 | | |
| 7. Other expenses (Executive less) | (\$202) | (\$205) | | |
| 8. Equipment (Executive \$2,171 more) | \$2,171 | \$2,171 | | |

Agency reports as of 1/21/87 show employer costs for federal employees on agency staff will increase in FY 88 and 89 by \$400,000 to a maximum \$568,326 if all eligible employees convert to the new Federal Employees Retirement System (FERS) options. This will cause a decrease in services due to the federally mandated cost increases. There will be no increase in federal funds to pay for the increased federal costs.

1/22/87

LEGISLATIVE ACTION

AGENCY: BUREAU OF MINES AND GEOLOGY

| 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 | 32.41 | 26.43 | 26.43 | 0.00 | 26.43 | 26.43 | 0.00 | -18.45% |
| Personal Services | \$957,620 | \$868,378 | \$868,378 | \$0 | \$868,378 | \$868,378 | \$0 | -9.32% |
| Operating Expenses | \$549,685 | \$526,623 | \$369,151 | \$157,472 | \$527,013 | \$368,024 | \$158,989 | -32.84% |
| Equipment | \$18,868 | \$20,000 | \$22,075 | (\$2,075) | \$20,000 | \$23,875 | (\$3,875) | 17.00% |
| TOTAL EXPENSES | \$1,526,173 | \$1,415,001 | \$1,259,604 | \$155,397 | \$1,415,391 | \$1,260,277 | \$155,114 | -17.47% |
| FUNDING | | | | | | | | |
| General Fund | \$1,173,871 | \$1,362,001 | \$1,206,604 | \$155,397 | \$1,362,391 | \$1,207,277 | \$155,114 | 2.79% |
| State Special | \$52,302 | \$53,000 | \$53,000 | \$0 | \$53,000 | \$53,000 | \$0 | 1.33% |
| Resource Indemnity Trust | \$300,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | -100.00% |
| TOTAL FUNDING | \$1,526,173 | \$1,415,001 | \$1,259,604 | \$155,397 | \$1,415,391 | \$1,260,277 | \$155,114 | -17.47% |

Add to (Subtract From)
LFA Current Level

| ISSUES | Fiscal 1988 | Fiscal 1989 | Fiscal 1988 | Fiscal 1989 |
|---|-------------|-------------|-------------|-------------|
| 1. Administrative Charge (Executive higher by \$324,854 for the biennium. LFA reduced to 5 percent of total expenditures each year.) | \$162,135 | \$162,719 | | |
| 2. Operating Expenses (Executive higher in shop items but lower in contracted services, supplies and materials, and communications for a net decrease.) | (\$4,663) | (\$3,730) | | |
| 3. Equipment (Executive lower) | (\$2,075) | (\$3,875) | | |

2/4/87

VISITORS' REGISTER

Education Sub COMMITTEE

BILL NO. _____

DATE 2-11

SPONSOR _____

| NAME (please print) | RESIDENCE | SUPPORT | OPPOSE |
|-------------------------|---|---------|--------|
| <i>Claudette Tipton</i> | <i>Board of Public Education</i> ^{SDB} | ✓ | |
| <i>JIM WELSH</i> | <i>AG-EXP STA, 1750</i> | ✓ | |
| <i>Ferry Linton</i> | " " " | ✓ | |
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IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.