

## MINUTES

### MONTANA HOUSE OF REPRESENTATIVES 51st LEGISLATURE - REGULAR SESSION

#### SUBCOMMITTEE ON EDUCATION

Call to Order: By Chairman Peck, on January 18, 1989, at 7:00 a.m.

#### ROLL CALL

Members Present: All with exception of:

Members Excused: Sen. Boylan

Members Absent: None

Staff Present: Keith Wolcott, Senior Fiscal Analyst  
Sandy Whitney, Associate Fiscal Analyst  
Joe Williams, Budget Analyst, OBPP  
Claudia Johnson, Committee Secretary

Announcements/Discussion: Rep. Peck announced to the Subcommittee that Ms. Whitney will conclude her presentation on the School for the Deaf and Blind on education.

#### Conclusion on the School for the Deaf and Blind

Tape O:\1:000

Ms. Whitney started with Exhibit 13 and gave the Subcommittee the detailed changes of the FTE and the three aggregate positions that accounted for over \$20,000 of the \$22,298. Issue 1, Teacher salaries. The current level maintains the teacher salaries at the budgeted level for the 1989 biennium including the increases that the legislature appropriated in HB 871. The executive includes \$22,298 more for personnel services than is included in the current level. Matrix changes that were awarded to some teachers are included in the total of \$22,298 difference between the executive and the LFA current levels. Issue 2, textbook replacement: Current level includes \$22,500 for textbooks, while the executive budget includes \$12,500. The executive budget includes modified request of \$10,000 for these books. A decision by the Subcommittee to accept the LFA current level will include the \$10,000 which is in the modified request for books. Issue 3, Operating Expenses: The current level excludes contract services, supplies and other expenses of approximately \$14,000 which were funded using vacancy savings transferred from the Student Services program. Issue 4, Equipment: \$12,000 per fiscal year is shown in current level in the Education and Student Services programs as appropriated in FY 1988 and 1989. Since current level in equipment was in two programs, utilizing the executive budget would require reduction from the current level in

this program. Issue 5, Interest and income from State Lands: The executive budget includes federal and other funds from interest and income which was \$7,693 higher than the current level in FY 1990 and \$12,693 in FY 1991. Current level estimates came from the Department of State Lands. Modified Level: Issue 6, The agency included .73 FTE and \$22,683 from the general fund for an orientation and mobility instructor for each fiscal year. Ms. Whitney stated that agency request would be included at the Governor's budget but not at current level. Issue 7, The executive budget for a speech therapist includes .73 FTE and \$22,682 in general fund for each fiscal year. Issue 8, The executive budget includes .73 FTE and \$21,486 in the general fund for each fiscal year for a teacher for blind children. Issue 9, A modified request in the executive budget for \$10,000 for additional textbooks in each year of the 1991 biennium was included in current level in Issue 2. Tape O\1:(088). Ms. Whitney stated that one of the funds in the education program for the deaf and blind is the athletic program. Ms. Whitney stated there is currently a fund balance of zero and that this fund could be de-earmarked. See Exhibit 14.

EXECUTIVE ACTION:

DISPOSITION ON THE SCHOOL FOR THE DEAF AND BLIND

(124)

Motion: Rep. Marks moved to adopt LFA current level for FY 1990 and 1991.

Amendments, Discussion, and Votes: The question was called. The motion CARRIED unanimously.

Motion: Rep. Marks moved to adopt current level funding for FY 1990 and 1991.

Amendments, Discussion, and Votes: The motion CARRIED unanimously.

Rep. Peck asked if there were any motions for Issue 1, teacher salaries or Issue 2, text book replacement? Ms. Whitney replied that this has already been included in the last motion.

(145)

Rep. Peck asked Ms. Whitney about issue 3 on operating expense if this was a formal request? Ms. Whitney stated she had included it for information purposes only to let the Subcommittee know that the base was expanded because of the transfer.

Rep. Marks commented that current level does not include the expanded base and if it is left as is and no motion there

would be no expansion of the base.

(352)

Rep. Peck stated there is no motion on Issues 3 and 4, so the money that is in there is at the current level and the Subcommittee could come back later to take up these issues.

Rep. Peck asked for a motion on Issue 5. No motion was made at this time.

(400)

Motion: Sen. Jacobson moved to add the mobility instructor in Issue 6, for \$22,683 for each year of the biennium.

Amendments, Discussion, and Votes: Question was called. The motion CARRIED unanimously.

(574)

No motion at this time on Issue 7.

Tape 0\2:000

Issue 8 was discussed thoroughly on qualifications that teachers have to have to teach blind children.

(038)

Issue 9 for textbooks was already included in previous motion.

(135)

Rep. Peck gave a brief explanation of the Appropriation Committee Policy on vacancy savings. Rep. Peck stated it is the Appropriation's Committee policy not to use vacancy savings. Current level of \$12,046 has to be added back into personal services for each fiscal year. See Exhibit 13, page 2.

(143)

Discussion on Chapter I funding regarding the 5 positions Rep. Peck stated that the redefinition of the Federal Government relating to Chapter I, creates a \$18,000 obligation for the biennium that the Subcommittee can chose to support or not to support. See Exhibit 15.

Sen. Hammond wanted to know what was done prior to Chapter I federal funds, and if it came from general funds. Mr. Sykes stated it is a three year grant and this is the first year of the grant.

Rep. Peck asked if there is a motion for Chapter I. There was no motion at this time.

Rep. Peck asked if there were further motions to the preceding issues that had not been acted on.

Motion: Sen. Nathe made a motion to go back to Issue 3.

Amendments, Discussion, and Votes: Sen. Nathe stated that he is

concerned about parent/infant counselors. The ratios figure out to \$343 per child and he wanted to decrease the equipment budget and move it up to \$400 per child for parent/infant. Rep. Peck stated it could be transferred without making a motion.

(305)

Mr. Prickett distributed a handout on the cost of leasing a bus with a wheel chair lift, twenty four hours a day, seven days a week. See Exhibit 16.

(423)

Motion: Rep. Marks moved to appropriate \$7,500 for each year of the biennium in the Student Services budget for leasing a bus. (Issue 3)

Amendments, Discussion, and Votes: Sen. Nathe called the question. The motion CARRIED unanimously.

Mr. Prickett distributed a handout on contracted Occupational Therapy. Discussion followed. See Exhibit 17.

Rep. Peck asked for a motion that is necessary to amend the funding section of the Education program.

(485)

Motion: Sen. Nathe moved for the staff to amend the funding section of the Education program to provide for the amendments that have been passed.

Amendments, Discussion, and Votes: The motion CARRIED unanimously.

(499)

Motion: Rep. Marks moved that the funding for the student services program be amended to provide the \$7,500 passed in a previous motion.

Amendments, Discussion, and Votes: The motion CARRIED unanimously.

(533)

Motion: Sen. Hammond moved that the Subcommittee comply with the recommendation of the Appropriation Committee to put the Athletic Program into the general fund.

Amendments, Discussion, and Vote: The motion CARRIED unanimously.

There being no further discussion on the School for the Deaf and Blind, Rep. Peck called a recess at 8:20 a.m. and asked the Subcommittee to be back in at 8:30 a.m. to resume regular business.

Tape No. P\1:000

Presentation and Opening Statement:

Dr. Carroll Krause stated that the funding committee will be very important to the Board of Regents because it will give them the opportunity to look at how Regents might fund Vocational Technical Education in the future. Dr. Krause stated they do have some kind of FTE ratio but have never really looked at the formula in an appropriate formula for Vo-Tech education as they are now a free standing unit. Dr. Krause stated the Board of Regents have a bill that has been introduced for a 2 mill state wide levy. However, given the fate of that bill, Dr. Krause asked that the Subcommittee consider the need to replace that money with general funds as the governor did in this budget or at least partially replaced. Dr. Krause talked about the need to replace the bond payments that were in the previous budget. Dr. Krause stated they are not accounted for as far as the totals that the LFA has provided the Subcommittee with. Dr. Krause stated the Board of Regents purchased two Vo-Tech centers, one in Helena and in Missoula, for \$10 each from those school districts. Dr. Krause stated the lease on the others have been equivalent to the bond payments, but stated it was \$40,000 short of what was appropriated last year to cover the bond payments. The Board of Regents prorated the payments to the school districts, so they did not get the full amount of the bond payments. Dr. Krause stated the Board is looking at the possibility of refinancing the bond payments and if that happened the Board would purchase those facilities from the school district. Dr. Krause felt that Legislature has an obligation to pay those bonds or at least to provide some kind of money to lease the facilities. Dr. Krause stated there has to be money to pay those debts, and he thought the school districts would be willing to continue to lease them for the amount of the bond payment. Dr. Krause introduced Brady Vardemann, the Deputy Commissioner for Vo-Tech education.

(157)

Ms. Vardemann stated that the economic growth of Montana and the personal renewal of its people depend on the health and vitality of the work place which in turn is dependent upon the availability of educational and employment opportunities that equip the citizens of Montana to reach their fullest potential and to attain security in their personal lives. Ms. Vardemann stated these words describe the very mission, heart and purpose of vocational technical education - an enormous challenge and at the same time an equally great opportunity that was given to the Board of Regents in 1987 by the 50th Montana Legislature through the passage of HB 39. This enabling legislation was particularly important because it placed responsibility for all public post secondary higher education in Montana under one governing body for the first time in history. The responsibilities which the Regents now have may be characterized as spanning

two very broad and distinct areas. The first is the performance of those duties which rest with the Regents subsequent to its being vested as the sole state agency in Montana for the federal funds, namely the Carl D. Perkins Vocational Education Act of 1984. Secondly, in terms of broad areas of responsibility the implementation of a planned sequence of events which are designed to elevate the vocational technical centers to an appropriate level within the sphere of higher education in Montana. With respect to the federal responsibilities, Ms. Vardemann stated they are pleased to report that substantial and demonstrative progress has been made in the last year. With regard to the transitions, the technical vocational education staff of the Commissioner Office became a functional unit of that office about Sept. 1, 1987. With the newly appointed deputy commissioner assuming primary responsibilities for the transition efforts. During the first 6 months of operations, it was necessary for the staff to direct a substantial amount of attention to a number of immediate priorities. Among these the Regent transferred projects from OPI, staff members were assigned to each project and would oversee the projects until they were done. Some of the projects were Montana Methods of Administration that was amended, the 1989 and subsequent request for proposals for all Perkins Funds at post secondary level was developed, a new state plan for vo-ed for 1989 and 1990. HB 39 speaks to an array of activities which law makers felt were important to the future forward progress of post secondary vo-ed. There are 6 mandates which Legislature gave the Regents in terms of reporting back to the Subcommittee at this time: 1) a plan for the reorganization of the delivery system of all post secondary vo-tech ed., 2) to bring forth a long term plan for achieving high quality programs at the vo-tech centers through the possibility of program specialization at each center, 3) feasibility and appropriateness of closure of one or more of the centers, 4) a plan for elimination of programs that so few students enroll in, 5) a plan for the consolidation of administrative functions of the individual centers, 6) feasibility of consolidating post secondary vo-tech facilities and staff with nearby units of the university system. Ms. Vardemann gave a brief overview of the five groups involved in the transition. See Exhibit 1.

Tape P\2:000

Jack Noble, Deputy Commissioner, gave an outline of the issues that the Subcommittee has to face in resolving the funding for Vo-Techs in this period of transition. On the cover sheet there are 3 main over-riding issues. 1) replacement of local effort, 2) the staff will have to carry out the post secondary mission that is a part of replacing the local effort and in part both the direct and indirect effort, 3) the conversion to the state classification pay plan. See Exhibit 2. The state auditor will have to do some modifying on their system for the Board of Regents to handle student payroll. Mr. Noble stated they have to comply with federal

financial aid requirements and limitations in terms of enlarging the student payrolls. Mr. Noble stated there is a significant cost and the Subcommittee and the Regent will have to figure out how it can be approached. See Exhibit 2.

(312)

Dennis Lehram, Director of the Missoula Vo-Tech Center, stated that the Missoula center does not fit the general description of the condition of the other centers in that it is important to reemphasize the management effort has been one of trying to provide all the basic services found in the post secondary institution, to operate the institution in an independent manner, and not relying on the indirect or voted levy. The Missoula Center has taken care of its personnel independent of the district payroll, fiscal plant maintenance, insurance, phone system and all the other support services. In addition, the center has provided a full complement of services such as financial aid, clerical support, placement, curriculum development personnel, etc. This has been accomplished in FY 1988 with the current level budget of \$2,612,447. See Exhibit 3. Mr. Lehram asked for the Subcommittee's favorable consideration for a current level budget.

(450)

Alex Capdeville, Director of Helena Vo-Tech Center, stated they would like to go on record as supporting a higher level of funding for the Vo-Tech Center in FY 1990 and 1991. The governor's budget or the LFA's budget do not reflect the needed money to operate the center independent of the school district. Helena is one of the Vo-Techs that has had to rely on the school districts for such items as maintenance, supervising of the buildings and grounds as well as those contracted services. Mr. Capdeville stated they have been heavily dependent on a voted mill levy. The intent of HB 39 was to establish a system for the five Vo-Techs and hopefully provide an adequate funding base independent of those local school districts. See Exhibit 4.

TAPE Q\1:000

Will Weaver, Director of the Great Falls Vo-Tech Center, distributed a handout on the overview of the activities and needs of the Great Falls Vo-Tech Center. See Exhibit 5. Mr. Weaver closed stating that he recognized the tremendous task that this committee has but stated the importance of recognizing the needs of the Vo-Tech Centers for the next biennium and the tremendous asset that the Vo-Tech Centers can be to the state as far as economic development for Montana if given the opportunity.

(402)

Harrison Freeborn, Director of the Butte Vocational Technical Center, stated that much of what has been said already

applies to the Butte Vo-Tech Center. I have chosen not to be repetitious and distributed a hand-out. See Exhibit 6. Mr. Freeborn closed stating that he realized the Subcommittee has a tremendous task facing the financial status of the state and urged the Subcommittee to adequately fund the Vo-Tech system for the 1990 and 1991 biennium, provide funding of the personnel modifications to bring each center to organizational parity, pass the state-wide 2 mills, increase the equipment budgets to an appropriate level allowing the centers the equipment budgets to an appropriate level and allowing the centers to purchase up-to-date, state-of-the-art equipment for training.

(073)

Gary Johnson, Director of the Billings Vo-Tech Center stated he didn't prepare a narrative handout but distributed documents that will help to support oral presentation. See Exhibit 7. Mr. Johnson asked for the Subcommittee's support for adequate funding of the Vo-tech Center as presented and past by the last Legislature with HB 39. Mr. Johnson stated the need for adequate funding is needed to provide the staffing and services that will allow them to operate independently of the school district and be more like a state agency. Mr. Johnson stated there has to be a method of providing financing to continue to lease or purchase the facility and the instructional equipment within it and encouraged the Subcommittee to replace the voted mill levy that is now supporting the budget at all the centers with either general fund money or the passage of this statewide mill levy that is being considered. The appropriation of the federal funds does not seem to be consistent with the intent of the Carl Perkins Act but it is providing some basic services at this point when the intent is to provide new, innovative and expansion kinds of activities that will put the Vo-Techs ahead of time and be able to respond to the needs that have been identified.

Tape Q\2:485

Patricia Dotter, Helena Vo-Tech Center, encourage the Subcommittee to seek adequate funding for the Vo-Tech Centers. See Exhibit 8.

Tape R\1:070

Sib Clark, Director of Federal Vocational Grants gave a presentation to the Subcommittee and stated she wanted to bring to their attention two federal statutes that have an impact on the Appropriation Committee recommendations. The Perkins Act was passed in 1984, and superceded previous federal legislation that provided support to the state for vocational education, but there was substantial leeway on how those funds could be used. Federal funds could be used to support base salaries in school systems and other eligible recipients, operations and equipment. The federal



precedence within the Vo-Eds in the states was substantial. The Perkins Act reflects the Reagan administration's new Federalism which redefined the role of the federal government. The federal funds are designed to provide seed money for improvement, to provide the icing on the basic loaf of basic services. For this reason, the issue has come up in the Legislature for continued appropriation of approximately \$807,000 per year into the base operations of the current unrestricted fund of the 5 vocational technical centers. Ms. Clark stated that congress has funded two major sections of the money that comes through the state except the basic grant and the special programs grant. The basic grant is determined on the basis of census statistics. Ms. Clark stated the Department of Education uses the census and allocates to the states. The basic grant totals about \$4.1 million a year. Out of that there is a 7 percent administration cost plus a set-aside that is required to be spent for a sex equity coordinator position. Ms. Clark stated that each state must have such a position in order to receive the federal funds. The remainder is distributed according to specific targeted purposes. The basic grant after the administration has been taken out is designed in two parts: 1) target groups in our population that are traditionally under-served in education, 2) the economically and/or academically disadvantaged handicapped, 3) adults who are in need of training or retraining, 4) single parents, and 5) homemakers. These programs are carried out in order to mitigate or eliminate the effects of sex bias in vocational education opportunities for criminal offenders who are serving in correctional institutions. Each state receives basic grants, and 57 percent of it has to go to those categories in certain percentages for each program. The remainder of that basic grant is designed to be spent in an area that is generally described as program improvement, innovation and expansion. It is very clear from the state purposes of that act and the regulations that the federal funds are to be used to improve existing programs to expand the existing program in terms of content and expanding the hours that it is offered and to provide funds to innovate within the existing curricula. The emphasis is on a very reduced federal role and not to maintain basic services. Ms. Clark stated there is a dollar for dollar cash match requirement for all of the Perkins funds with the exception of the dollars that are allocated in the single parent homemaker percentages, the sex stereotyping, the criminal offenders, and in two special programs that are outside the basic grant. One deals with trying to get community based organizations to work with educational institutions to bring in some of those disadvantaged or other targeted populations into education. The funds that are allocated for support of consumer and homemaking education and do not require a dollar for dollar match. The rest of the dollars have to be matched with state or local dollars. Student tuition fees may not be used as a match as well as other federal funds may not be used as a match with the exception of the tribal

colleges. The equivalent of our general appropriation act states in its language that the BIA funds may be used to match. See Exhibit 9.

Tape R\2:170

Penny Jakes, Instructor at the Missoula Vo-Tech Center, stressed the need for an adequate, reliable funding base that can be counted on from year to year. Ms. Jakes stated there are two year programs and need to be able to count on the funding to be consistent and keep them going. Ms. Jakes stated that their programs work with businesses and meet the needs of the employers. The advisory committees are active and have up-dated the curriculum yearly to meet those needs. Ms. Jakes commented that she is the coordinator for the Coop Work Experience Program where the students work in the community and get classroom credit. Ms. Jakes stated it is good public relations for the programs and also gives the Vo-Tech the opportunity to see what the students actually need as far as skills and so they can incorporate into those classes to keep them up-dated and current. See Exhibit 10.

Matt Thiel, Field Rep. for the Montana Fed. of Teachers, gave a presentation and urged the Subcommittee's support for funding for the five Vo-Techs. See Exhibit 11.

There being no further business the Subcommittee was adjourned.

#### ADJOURNMENT

Adjournment At: 12:00 p.m.

  
REP. Ray Peck, Chairman

RP/cj

1521.min

DAILY ROLL CALL

## EDUCATION

SUBCOMMITTEE

DATE \_\_\_\_\_

June 18, 1989

[illegible]

**OPERATING EXPENSES**

**ISSUE 2: Textbook Replacement**

Current level includes \$22,512 per year for textbooks while the executive budget includes \$12,512. The executive includes a modified request of \$10,000 for books. A decision by the subcommittee to accept the LFA current level will include the \$10,000 which is in the executive modified request for books.

**ISSUE 3: Operating Expenses**

The LFA current level excludes contract services, supplies, and other expenses of approximately \$14,000 which were funded using vacancy savings transferred from the Student Services Program.

**EQUIPMENT**

**ISSUE 4: Equipment**

*2 Programs*  
Equipment in the amount of \$12,000 per fiscal year is shown in current level in the Education and Student Services Programs as appropriated for fiscal years 1988 and 1989. Since current level equipment was in two programs, utilizing the executive budget will require reduction from current level in this program.

**FUNDING**

**ISSUE 5: Interest and Income from State Lands**

The executive budget includes federal and other funds from interest and income which are \$7,693 higher than current level in fiscal 1990 and \$12,693 higher in fiscal 1991.

**MODIFIED LEVEL**

**ISSUE 6: Orientation and Mobility Instructor**

*27 Annual 9 mo. School term*  
The executive budget includes 0.73 FTE and \$22,683 from the general fund for an Orientation and Mobility Instructor for each fiscal year.

**ISSUE 7: Speech Therapist**

The executive budget includes 0.73 FTE and \$22,682 in general fund for a Speech Therapist for each fiscal year.

**ISSUE 8: Teaching Staff**

*Teachers for Blind Children*  
The executive budget includes 0.73 FTE and \$21,486 in general fund for a ~~Speech Therapist~~ for each fiscal year.

EXHIBIT 13

DATE Jan 17, 1989  
HB OPT

5113 04 00000

06:25 PM

09-Jan-89

## LEGISLATIVE ACTION

PROGRAM: EDUCATION

AGENCY: SCHOOL FOR THE DEAF AND BLIND

BUDGET ITEM	FY 1988 Actual	Fiscal 1990			Fiscal 1991			FY 88-90 % Change
		Executive	LFA Curr Lvl	Difference	Executive	LFA Curr Lvl	Difference	
FTE	43.68	45.87	43.68	2.19	45.87	43.68	2.19	0.00%
Personal Services	\$1,175,859	\$1,268,171	\$1,192,593	\$75,578	\$1,267,919	\$1,192,686	\$75,233	1.42%
Operating Expenses	140,318	134,299	120,056	14,243	134,131	120,021	14,110	-14.44%
Equipment	7,671	6,000	8,000	(2,000)	6,086	8,000	(1,914)	4.29%
TOTAL EXPENSES	\$1,323,848	\$1,408,470	\$1,320,649	\$87,821	\$1,408,136	\$1,320,707	\$87,429	-0.24%
FUNDING								
General Fund	\$976,349	\$1,082,062	\$1,001,934	\$80,128	\$1,076,728	\$1,001,992	\$74,736	2.62%
Federal & Other Revenue	347,499	326,408	318,715	7,693	331,408	318,715	12,693	-8.28%
TOTAL FUNDING	\$1,323,848	\$1,408,470	\$1,320,649	\$87,821	\$1,408,136	\$1,320,707	\$87,429	-0.24%

## CURRENT LEVEL

## PERSONAL SERVICES

## ISSUE 1: Teacher Salaries

The current level maintains teacher salaries at the budgeted level for the 1989 biennium, which includes the salary increases appropriated through House Bill 871. The executive budget includes \$22,298 more for personal services than is included in current level.

# ISSUE 9: Textbooks

*Modified request for Sept 1988*

The executive budget includes \$10,000 for additional textbooks in each year of the 1991 biennium. This amount has been included in current level. (See Issue 2.)

## Appropriation Committee Policy \* *Page 2* *File 2 #441*

The executive budget includes 2 percent vacancy savings, while current level includes 1 percent. Actual vacancy savings for fiscal 1988 was 1 percent. The vacancy savings is \$12,000 per year lower in current level than in the executive budget, which generates \$12,000 more in personal services. It is Appropriations Committee policy not to use vacancy savings. Therefore, \$12,046 in each fiscal year must be added back to current level personal services.

### ----- Changes from Current Level -----

	Fiscal 1990	Fiscal 1991	
	General Funds	General Funds	Other Funds

#### Current Level

##### Personal Services

Issue 1: Teacher Salaries

\$22,298

\$22,298

##### Operating Expenses

Issue 2: Textbook Replacement

-0-

-0-

Issue 3: Add back Contract Services and Supplies

14,243

14,110

##### Equipment

Issue 4: Equipment

(2,000) *1151*

(1,914) *2*

##### Funding

Issue 5: State Lands Interest & Income Executive Estimate

(7,693)

\$7,693

(12,693)

\$12,693

##### Modified Requests

Issue 6: O&M Instructor

22,683

22,683

Issue 7: Speech Therapist

22,682

22,682

Issue 8: Teaching Staff

21,486

21,486

Issue 9: Textbooks

-0-

-0-

##### Appropriation Committee Policy

Vacancy Savings

12,046

12,046

Tape 0 Side 1

092

EXHIBIT

14

DATE

Jan 18 1989

HB

OPT

The following is a list of accounting entities for your subcommittee whose fund balances **WILL** be transferred to the general fund on June 30, 1989 in accordance with Section 17-2-111, MCA. Given that the fund balances revert each year, the Department of Administration and the Legislative Finance Committee have recommended that these accounts be de-earmarked and reclassified in general fund. The House Appropriations Committee has referred these recommendations to the appropriations subcommittees for consideration for de-earmarking.

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Education Subcommittee

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<u>A/E</u>	<u>Account Title</u>	<u>Agency Number</u>	<u>Agency</u>	<u>FY88 Fund Balance</u>
03014	Athletic Program	5113	School for Deaf & Blind	-0-

EXHIBIT 15  
DATE JAN 18, 1989  
HB OPT. 1

LEGISLATIVE ACTION

AGENCY: SCHOOL FOR THE DEAF AND BLIND

PROGRAM: AGENCY SUMMARY

BUDGET ITEM	FY 1988 Actual	Fiscal 1990				Fiscal 1991				FY 88-90 % Change
		Executive	LFA Curr Lvl	Legislature		Executive	LFA Curr Lvl	Legislature		
FTE	84.63	86.82	84.63	84.54		86.82	84.63	84.54		(0.09)
Personal Services	\$1,949,558	\$2,108,776	\$1,997,056	\$2,076,253		\$2,109,744	\$1,998,233	\$2,077,539		6.50
Operating Expenses	466,374	500,057	471,153	492,630		490,554	462,783	483,262		5.63
Equipment	23,516	44,349	12,000	12,000		9,386	12,000	12,000		(48.97)
Non-Operating	11,957	11,957	11,957	11,957		6,975	6,975	6,975		0.00
TOTAL EXPENSES	\$2,451,405	\$2,665,139	\$2,492,166	\$2,592,840		\$2,616,659	\$2,479,991	\$2,579,776		5.77
FUNDING										
General Fund	\$2,065,488	\$2,300,731	\$2,135,451	\$2,238,039		\$2,247,251	\$2,123,276	\$2,224,975		8.35
Federal Revenue	385,917	364,408	356,715	354,801		369,408	356,715	354,801		(8.06)
TOTAL FUNDING	\$2,451,405	\$2,665,139	\$2,492,166	\$2,592,840		\$2,616,659	\$2,479,991	\$2,579,776		5.77

**Program Description:** Montana State School for the Deaf and Blind is a school for children whose hearing and/or vision is so significantly impaired that they are unable to receive an education in the public schools. Approximately 347 children, ranging in age from infancy to 18, are served by the school. Of these, approximately 70 percent are served by the school's Outreach and Itinerant Program. This program serves hearing impaired and visually impaired children in their local communities and through local schools. The remaining 30 percent are served from the Great Falls campus. Approximately 70 students reside on campus during the school year.

**Budget:** A decrease of 0.09 FTE results from the net of the elimination of 0.82 FTE administrative clerk and the addition of 0.73 FTE orientation and mobility instructor. Personal services increase 6.5 percent primarily because of: 1) the elimination of vacancy savings; 2) the addition of \$9,040 for the superintendent's housing allowance; 3) the addition of \$2,000 for salary increases for teachers who have achieved a higher educational level; and 4) the addition of \$2,000 for social security benefits which were not previously required for part-time employees. Operating expenses increase 6.5 percent because of the net of: 1) \$7,500 for lease of a bus with handicapped access; 2) increased student travel costs of approximately \$8,000 per year; 3) increases of \$17,000 for audit costs in fiscal 1990; and 4) a decrease of nearly \$7,000 in contract services, primarily for an orientation and mobility instructor. Equipment decreases 49.0 percent because it is appropriated at the \$12,000 per year budgeted in fiscal 1988.



**Funding:** Funding for the school comes from Chapter I and Chapter II federal funds, interest and income from state lands, federal school food service funds, and the general fund. The athletic fund was de-earmarked and replaced with general fund.

EXHIBIT 16  
DATE JAN. 18, 1989  
HB OPT

MONTANA SCHOOL FOR  
THE DEAF AND THE BLIND



STATE OF MONTANA

3911 CENTRAL AVENUE

GREAT FALLS, MONTANA 59401

(406) 453-1401  
VOICE/TDD

STAN STEPHENS, GOVERNOR

BILL PRICKETT, SUPERINTENDENT

TO: CHAIRMAN RAY PECK AND MEMBERS  
OF EDUCATION SUBCOMMITTEE  
FROM: BILL PRICKETT, SUPERINTENDENT *JPB*  
DATE: JANUARY 17, 1989  
SUBJECT: LEASING OF SCHOOL BUS WITH WHEELCHAIR LIFT

We have obtained information regarding the possible leasing of a school bus with a wheelchair lift, per direction from the subcommittee.

Listed below are vendors contacted, lease terms and cost.

<u>VENDOR</u>	<u>LEASE TERMS</u>	<u>ANNUAL COST</u>	<u>TOTAL COST</u>
DIETIRCKS	2 YEAR LEASE:*		
	PAYMENT ON DELIVERY	\$14,311	\$28,622
	1 YEAR AFTER DELIVERY	15,527	31,054
	3 YEAR LEASE:*		
	PAYMENT ON DELIVERY	9,924	29,772
	1 YEAR AFTER DELIVERY	10,767	32,301
	4 YEAR LEASE:*		
	PAYMENT ON DELIVERY	7,738	30,952
	1 YEAR AFTER DELIVERY	8,395	33,580

\*MINI SCHOOL BUS WITH WHEELCHAIR LIFT. ROOM FOR 2 WHEELCHAIRS AND 2-4 SEATS DEPENDING ON OPTIONS. MONTANA SCHOOL FOR THE DEAF AND BLIND WOULD BE RESPONSIBLE FOR MAINTENANCE AND INSURANCE.

BIG SKY BUS LINES NO EQUIPMENT AVAILABLE  
(CONTRACTS WITH  
GREAT FALLS PUBLIC  
SCHOOLS)

HALL TRANSIT NO EQUIPMENT AVAILABLE  
(CONTRACTS WITH  
GREAT FALLS PUBLIC  
SCHOOLS)

EXHIBIT 17  
DATE JAN. 18, 1989  
RE OPT

*Page 0*  
*Small 2 = 4/30*

**MONTANA SCHOOL FOR  
THE DEAF AND THE BLIND**



**STATE OF MONTANA**

3911 CENTRAL AVENUE

GREAT FALLS, MONTANA 59401

(406) 453-1401  
VOICE/TDD

STAN STEPHENS, GOVERNOR

BILL PRICKETT, SUPERINTENDENT

TO: Rep. Ray Peck, Chairman  
Joint Appropriations Subcommittee

DATE: January 18, 1989

FROM: Bill Prickett, Superintendent *JP*

SUBJECT: Contracted Occupational  
Therapy

During the hearing on the M.S.D.B. budget held on January 10, 1989 one of the committee members asked a question in reference to contracting for needed occupational therapy for our students.

We estimate that we have 20-25 students who would benefit from 1 hour of O.T. per week. The attached list of vendors in the Great Falls area documents a going rate of approximately \$40 per hour. Based on 20 students 1 hour per week for the 36 week school year, our cost of contracted service would be \$28,800.00 (20 x 36=720 x \$40=\$28,800.00).

MONTANA SCHOOL FOR THE DEAF AND BLIND  
ESTIMATED COST--CONTRACTED OCCUPATIONAL THERAPY

VENDOR

RATE

COLUMBUS HOSPITAL  
DEACONESS HOSPITAL  
JOE LUCKMAN

\$40-\$45 PER HOUR (NEGOTIABLE)  
\$40-\$45 PER HOUR (NEGOTIABLE)  
HAS NO O.T. SERVICES BECAUSE HE HAS  
NOT BEEN ABLE TO FIND A PERSON TO FILL  
THAT POSITION.

GREAT FALLS PUBLIC  
SCHOOLS

(A) HAVE ONE FULL-TIME O.T. WHO IS ON  
SALARY.  
(B) ADVERTISED FOR A SECOND FULL-TIME  
O.T. AND WERE UNABLE TO FILL THAT  
POSITION. THEY ARE OBTAINING SERVICES  
(PART-TIME) ON A CONTRACTED BASIS FOR  
3 DAYS/WEEK AT A NEGOTIATED RATE OF  
\$40/HOUR.

\*\*\*\*\*

M.S.D.B.

NO O.T. CURRENTLY.  
RECOMMEND 20 HOURS/WEEK FOR THE 36 WEEK  
SCHOOL YEAR OR 720 TOTAL HOURS. THERE  
ARE 20 TO 25 STUDENTS WHO WOULD BENEFIT  
FROM OCCUPATIONAL THERAPY--INDIVIDUAL  
SESSIONS OF 1 HOUR OR LESS PER WEEK.

ESTIMATED COST :

720 HOURS X \$40/HOUR = \$28,800  
=====



BOARD OF REGENTS OF HIGHER EDUCATION  
MONTANA UNIVERSITY SYSTEM

EXHIBIT 1

DATE Jan 18, 1989

HE VO-TECH

POSTSECONDARY TECHNICAL-VOCATIONAL TRANSITION

GROUP I: STATE STAFF/BOARD OF REGENTS

- o Deputy Commissioner for VTE and Staff
- o Other OCHE staff as necessary
- o BOR members as necessary

*standardization  
of courses  
more transfer  
inter*

GROUP II: EXECUTIVE PLANNING COUNCIL FOR TECHNICAL-VOCATIONAL EDUCATION

- tape P mile 1  
# 320*
- o Deputy Commissioner for VTE/OCHE staff as necessary
  - o Directors of VT Centers (5)
  - o Presidents of public community colleges (3)
  - o President of Northern Montana College (1)

GROUP III: VOCATIONAL-TECHNICAL CENTER SYSTEM-WIDE COUNCIL

- o Deputy Commissioner for VTE/OCHE staff as necessary
- o Directors of VTC Centers (5)
- o Person representing VTC INSTRUCTION (1)
- o Person representing VTC STUDENT SUPPORT (1)
- o Person representing VTC FISCAL AFFAIRS (1)

*internal reorganiz*

GROUP IV: CAMPUS COORDINATION TASK FORCES

- o Butte VTC/Montana Tech
- o Billings VTC/Eastern Montana College
- o Missoula VTC/University of Montana
- o Great Falls VTC/Northern Montana College
- o Helena VTC/Northern Montana College
- o Helena VTC/Montana State University
- o 2 Deputy Commissioners

*consolidation  
of staff*

GROUP V: MONTANA CENTER FOR VOCATIONAL EDUCATION RESEARCH, CURRICULUM AND PERSONNEL DEVELOPMENT

- o Center personnel
- o Steering Committee
- o OCHE/OPI staff as appropriate

EXHIBIT 2  
DATE Jan 18, 1989  
HB Vo-Tech  
Tape P side 3 000

VO-TECH PRESENTATION  
EDUCATION SUBCOMMITTEE ON APPROPRIATIONS  
JANUARY 18, 1989

EXHIBIT 3  
DATE Jan 18, 1989  
RE Miss. Vo-tech

fiscal 1988 voted mill levy funds and the relationship of the voted levy to total current unrestricted expenditures for each center.

Table 6  
Additional Voted Mill Levy Contribution to Center Funding  
Fiscal 1988

	<u>Billings</u>	<u>Butte</u>	<u>Great Falls</u>	<u>Helena</u>	<u>Missoula</u>	<u>Total</u>
Legis. Formula Revenue	\$1,682,130	\$1,379,119	\$1,442,531	\$2,098,635	\$1,932,877	\$ 8,535,292
Add'l. Voted Mill Levy	<u>83,805</u>	<u>223,049</u>	<u>316,985</u>	<u>297,541</u>	<u>679,570</u>	<u>1,600,950</u>
Total	<u>\$1,765,935</u>	<u>\$1,602,168</u>	<u>\$1,759,516</u>	<u>\$2,396,176</u>	<u>\$2,612,447</u>	<u>\$10,136,242</u>
FY 88 Voted Levy % of Total	4.75	13.92	18.02	12.42	26.01	15.79
FY 86 Voted Levy % of Total	12.04	16.05	12.32	12.32	23.46	15.71

For fiscal 1986 and fiscal 1988, additional voted levy funding averaged 15.75 percent of total current unrestricted revenue. The voted mill levy funds will be unavailable for the 1991 biennium.

- Option A: Eliminate the services provided by the additional voted mill levy funds.
- Option B: Substitute general fund appropriations for the 15.75 percent additional services provided by the voted levy funds.
- Option C: Amend Section 20-16-207, MCA, to continue a voted mill levy to provide additional operating funds for the vo-tech centers.
- Option D: Provide a statewide one-mill levy to provide additional operating funds for the vo-tech centers.

MISSOULA VOCATIONAL TECHNICAL CENTER  
REVENUE SOURCES REALIZED  
FY 76 THROUGH FY 87

EXHIBIT 3

DATE Jan 19, 1989

HB

BUDGETED PROJECTED  
FY 89 FY 89 FY 88 FY 87 FY 86 FY 85 FY 84 FY 83 FY 82 FY 81

State General Fund	1,199,643	1,199,643	1,007,184	801,086	908,506	1,264,413	1,281,707	1,406,897	1,191,645	1,097,484
Education Trust Fund	0	0	35,191	249,280	203,165	176,934	117,931	0	0	0
Federal VEA Funds	145,196	145,196	326,987	326,605	325,807	216,208	221,116	190,409	319,440	300,710
Mandatory Levy	171,814	171,814	171,026	214,789	216,714	222,599	211,862	197,706	187,970	169,438
Tuition & Fees	452,680	360,550	339,557	303,502	336,144	322,525	297,000	251,470	183,920	142,263
1) Fund Bal Transfers	0	0	30,928	0	0	0	0	0	0	0

TOTAL STATE	1,969,333	1,877,203	1,910,873	1,895,262	1,990,336	2,202,679	2,129,616	2,046,482	1,882,975	1,709,895
Voted Levy	713,687	713,687	673,586	642,670	607,900	379,743	297,854	160,220	127,075	0
Other	22,000	20,000	28,665	0	0	0	0	0	0	0

TOTAL 2,705,020 2,610,890 2,613,124 2,537,932 2,598,236 2,582,422 2,427,470 2,206,702 2,010,050 1,709,895

PERCENT CONTRIBUTION BY SOURCE

	PERCENT FY 89	PERCENT FY 89	PERCENT FY 88	PERCENT FY 87	PERCENT FY 86	PERCENT FY 85	PERCENT FY 84	PERCENT FY 83	PERCENT FY 82	PERCENT FY 81
--	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------

State General Fund	44.4	45.9	38.5	31.6	35.0	49.0	52.8	63.8	59.3	64.2
Education Trust Fund	0.0	0.0	1.4	9.8	7.8	6.8	4.9	0.0	0.0	0.0
Federal VEA Funds	5.4	5.6	12.5	12.9	12.5	8.4	9.1	8.6	15.9	17.6
Mandatory Levy	6.3	6.6	6.5	8.4	8.3	8.6	8.7	8.9	9.4	9.9
Tuition & Fees	16.7	13.8	13.0	12.0	12.9	12.5	12.2	11.4	9.2	8.3
Fund Bal Transfers	0	0	1.2	0	0	0	0	0	0	0

TOTAL STATE	72.8	71.9	73.1	74.7	76.5	85.3	87.7	92.7	93.8	100.0
Voted Levy	26.4	27.3	25.8	25.3	23.5	14.7	12.3	7.3	6.2	0.0
Other	0.8	0.8	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0

TOTAL 100.0 100.0 100.0 100.0 100.0 100.0 100.0 100.0 100.0 100.0

STAFF FTE	62.3	420	61.5	64.3	68.7	69.5	69.0	66.7	65.8	65.6
STUDENT FTE	586.0	486.0	486.0	507.0	577.0	575.0	606.0	533.0	548.0	528.0

REVENUE PER FTE	4,616	5,331	5,318	5,006	4,503	4,491	4,006	4,141	3,668	3,238
MACUBO REV PER FTE	---	---	---	5,756	5,390	5,078	4,622	4,216	---	---

1) Includes transfer of Student Fees and Indirect Cost Recovery previously accounted for and expended from other funds.



MISSOULA VOCATIONAL TECHNICAL CENTER  
STATE VS LOCAL CONTRIBUTIONS PER STUDENT FTE  
FY 76 THROUGH 89

	BUDGETED		PROJECTED		FY 87	FY 86	FY 85	FY 84	FY 83	FY 82	FY 81
	FY 89	FY 89	FY 89	FY 89							
Staff FTE	62.3	61.5	64.3	65.7	68.7	69.5	69.0	66.7	65.8	65.6	
Student FTE	586.0	486.0	486.0	507.0	577.0	575.0	606.0	533.0	548.0	528.0	
State Contributions	3,361	3,863	3,932	3,738	3,449	3,831	3,514	3,840	3,436	3,238	
Local Contributions	1,255	1,468	1,386	1,268	1,054	660	492	301	232	0	
TOTAL	4,616	5,331	5,318	5,006	4,503	4,491	4,006	4,141	3,668	3,238	
=====											
NACUBO STUDY	---	---	---	5,756	5,390	5,078	4,622	4,216	---	---	
=====											

EXHIBIT 4  
DATE Jan  
HE Helena Vo-Tech

HELENA VOCATIONAL-TECHNICAL CENTER

TESTIMONY

EDUCATION SUBCOMMITTEE ON APPROPRIATIONS

Prepared by

Alex Capdeville  
Director  
Helena Vo-Tech Center

January 18, 1989

The governance of the vocational-technical centers has been placed to rest and now we need to get on with developing to its fullest potential a very viable part of higher education in Montana. If the vo-tech centers are to be responsive to the training needs whether that be short or long-term, we need to have a adequate system of funding.

The Helena Vocational-Technical Center would like to go on record supporting a higher level of funding for the Center in FY 90 and FY 91 than is proposed by either the Governor's office or the Legislative Fiscal Analyst (LFA). Neither budget reflects the needed monies to operate the Center independent of the school district. This committee needs to consider that the vo-tech centers effective July 1989, can no longer depend on the local districts for any support in areas of personnel, maintenance, payroll, and voted mill levies. The intent of HB 39 was to establish a system for the five vocational-technical centers with adequate funding independent from the local school districts.

Following is a brief overview of the Helena Vo-Tech Center's budget comparison (LFA and Governor's), budget concerns and needs for FY 90-91 to operate as a free standing institution, enrollment by program, and student profile, as well as the issue of appropriating federal funds.

HELENA VOCATIONAL-TECHNICAL CENTER

BUDGET CONCERNS/NEEDS  
FY 90-91

- Replacement of voted mill levy (\$353,533 each year)
- Replace contracted services for buildings and grounds, presently provided by the school district
- Review the cost allocation for capital equipment for technical programs
- Related general education courses need to be added--presently our accreditation with Northwest Association is at show cause (see attached letter from Northwest)

Support Staffing Requirements Need to be Added:

- Payroll Technician
- Personnel Officer
- Supervisor of Buildings and Grounds
- Full-time Bookkeeper (presently have one-half time)
- Placement Officer (12 month)
- Move the Financial Aid Director from 9 month position to 12 month

Federal Carl Perkins Vocational Education Act Monies

The Helena Vocational-Technical Center has been appropriated \$217,953 of federal funds which is clearly not the intent of the Carl Perkins Vocational Education Act.

# HELENA VOCATIONAL-TECHNICAL CENTER

## FY 88 ENROLLMENT DATA

<u>PROGRAMS</u>	<u>TOTAL ENROLLED</u>
Ag-Diesel.....	31
Nursing.....	72
Accounting.....	226
Data Processing.....	552
Secretarial.....	335
Industrial Electronics.....	81
Aircraft.....	114
Auto Mechanics.....	88
Carpentry.....	22
Welding.....	29
Machine Shop.....	52
Truck-Diesel.....	56
TOTAL FY 88 ENROLLMENT	<u>1,658</u>

	<u>Lewis &amp; Clark</u>	<u>Out of County</u>	<u>TOTAL ENROLLMENT</u>
FY 87	914	319	1,233
FY 88	1,225	433	1,658

HELENA VOCATIONAL-TECHNICAL CENTER

STUDENT PROFILE (1988)

Academic Background

- 5% Did Not Complete High School
- 9% Completed One Year Beyond High School
- 7% Completed Two Years Beyond High School
- 15% Have a Bachelor's or Master's Degree

Age

35 - Average Age of Students (1988)

Financial Aid

78% of full-time students received federal financial aid in the form of grants and loans during 1987-88

Placement

1987 Graduate Placement of Those Contacted

- 70% Major/Related Field
- 23% Further Education, Working But Not in Major Field, or in Military
- 7% Unemployed

Special Programs

- Montana National Guard Diesel Mechanics
- Montana National Guard Computer Seminars
- American Institute of Banking Computer Classes
- Montana National Guard Machine Shop Classes
- Low Pressure Boiler Class
- Industry Seminar with Toyota, General Motors, Volkswagon, American Motors, and Chrysler Corporation
- I.V. Therapy Training
- Pathways Program with U.S. West



*NORTHWEST ASSOCIATION OF SCHOOLS AND COLLEGES*

*COMMISSION ON COLLEGES*

*Office of the Executive Director*

June 22, 1987

Dr. Alex Capdeville  
Director  
Helena Vocational-Technical Center  
1115 North Roberts  
Helena, Montana 59601

Dear Director Capdeville:

On behalf of the Commission on Colleges, I am pleased to report that the accreditation of Helena Vocational-Technical Center was reaffirmed on the basis of the April 1987 regular interim report and visit.

In granting reaffirmation, however, the Commission expressed serious concern that Helena Vocational-Technical Center has not demonstrated compliance with the eligibility requirements and the general education/related instruction policy of the Commission. Specifically, the Commission was troubled that the Center failed to demonstrate compliance with eligibility requirements 8, 9, and 10 (found on page 7 of the 1984 Accreditation Handbook) and the "related instruction" section of the General Education/Related Instruction Requirements policy (Policy Statement X) found on pages 97-98 of the Handbook. In an earlier 1984 focused interim visit report, there was cited the immediate need for the Center to have "a rationale and specific plan for related instruction in the certificate programs of one academic year or more in length."

The Commission, in reaffirming the accreditation, requested that the Center show cause as to why its accreditation should not be discontinued. Specifically, the Center is requested to prepare a focused interim report and host a three-person evaluation team in 1989 regarding compliance with all eligibility requirements and the related instruction section of Policy Statement X.

We will write early in 1989 regarding the focused interim report and schedule a date for the visit.

**RECEIVED**

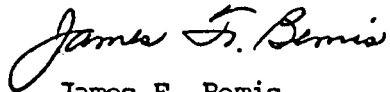
**JUN 24 1987**

**HELENA VO-TECH  
CENTER**

Dr. Alex Capdeville  
Page Two  
June 22, 1987

Best wishes for a pleasant summer. If there are questions, please phone or write.

Sincerely yours,

A handwritten signature in cursive script, reading "James F. Bemis".

James F. Bemis  
Executive Director

cc: Ms. Arliss Pfeffer  
Dr. Carroll Krause



EXHIBIT

5

DATE

Jan 18

HE

AT Fall Vo-Tech

## REAT FALLS VOCATIONAL TECHNICAL CENTER:

	FY88 ACTUALS	FY89 BUDGETED	FY90 STEPHENS	FY91 STEPHENS	\$BIENNIAL CHANGE	%BIENNIAL CHANGE
INSTRUCTION	\$1,101,683	\$1,277,498	\$1,216,143	\$1,216,143	\$53,105	2.23%
SUPPORT	419,397	412,714	509,709	487,295	164,893	19.82%
PLANT OPERATION & MAINTENANCE	238,436	211,469	271,453	271,453	93,001	20.67%
	<u>\$1,759,516</u>	<u>\$1,901,681</u>	<u>\$1,997,305</u>	<u>\$1,974,891</u>	<u>\$310,999</u>	<u>8.49%</u>
UNDING:						
GENERAL FUND	\$874,386	\$860,196	\$1,313,070	\$1,268,496	\$846,984	48.83%
TUITION & FEES	278,539	374,750	379,904	379,904	106,519	16.31%
MANDATORY MILLAGE	143,145	138,264	136,000	138,000	(7,409)	-2.63%
ADDITIONAL MILLAGE	316,985	387,000			(703,985)	-100.00%
ED TRUST FUND - INTEREST	24,241	0	26,860	34,670	37,289	153.83%
FEDERAL FUNDS	122,220	141,471	141,471	153,821	31,601	11.98%
	<u>\$1,759,516</u>	<u>\$1,901,681</u>	<u>\$1,997,305</u>	<u>\$1,974,891</u>	<u>\$310,999</u>	<u>8.49%</u>

BUTTE VOCATIONAL TECHNICAL CENTER:

EXHIBIT 6

DATE Jan 18, 1989

HB Butte Vo-Tech

	FY88 ACTUALS	FY89 BUDGETED	FY90 STEPHENS	FY91 STEPHENS	\$BIENNIAL CHANGE	%BIENNIAL CHANGE
INSTRUCTION	\$925,747	\$961,322	\$925,747	\$925,747	(\$35,575)	-1.6
SUPPORT	467,739	418,369	546,850	524,436	185,178	20.5
PLANT OPERATION & MAINTENANCE	208,682	213,329	209,682	209,682	(2,647)	-0.2
	<u>\$1,602,168</u>	<u>\$1,593,020</u>	<u>\$1,682,279</u>	<u>\$1,659,865</u>	<u>\$146,956</u>	<u>4.6</u>
FUNDING:						
GENERAL FUND	\$890,540	\$885,143	\$1,137,885	\$1,109,722	\$471,924	26.5
TUITION & FEES	274,203	285,525	321,678	321,678	83,628	14.5
MANDATORY MILLAGE	68,232	56,240	61,000	62,000	(1,472)	-1.0
ADDITIONAL MILLAGE	223,049	228,117			(451,166)	-100.0
ED TRUST FUND - INTEREST	25,031	0	23,721	30,619	29,309	117.0
FEDERAL FUNDS	121,113	137,995	137,995	135,846	14,733	5.0
	<u>\$1,602,168</u>	<u>\$1,593,020</u>	<u>\$1,682,279</u>	<u>\$1,659,865</u>	<u>\$146,956</u>	<u>4.6</u>

## BILLINGS VOCATIONAL TECHNICAL CENTER

## STAFFING COMPARISON

EXHIBIT

7

DATE

Jan 18, 1989

HB

Bldg. Vo-Tech

FUNCTION/PROGRAM POSITION(S)	CENTER FY 89 F T E	C H E RECOMMEND F T E	EXECUTIVE RECOMMEND F T E	L F A RECOMMEND F T E
	=====	=====	=====	=====
INSTRUCTION				
INSTRUCTORS	27.12	27.12	28.99	26.87
TECHNICIAN	0.75	0.75	1.00	1.00
	-----	-----	-----	-----
F T E SUBTOTAL.....	27.87	27.87	29.99	27.87
INSTITUTIONAL SUPPORT :				
DIRECTOR	1.00	1.00	1.00	1.00
ADMIN SECRETARY	1.00	1.00	1.00	1.00
FISCAL OFFICER	1.00	1.00	1.00	1.00
ACCOUNTING SPECIALIST	1.00	1.00	1.00	1.00
ACCOUNTING TECHNICIAN	0.75	1.00	0.50	0.58
	-----	-----	-----	-----
F T E SUBTOTAL.....	4.75	5.00	4.50	4.58
ACADEMIC SUPPORT				
ASSOCIATE DIRECTOR	1.00	1.00	1.00	1.00
SECRETARY	1.00	0.50	0.79	0.67
LIBRARIAN	0.50	1.00	1.00	1.00
LIBRARY CLERK	0.50	1.00	0.00	0.00
MEDIA TECHNICIAN	0.75	0.00	0.00	0.00
SECRETARY POOL	0.00	3.00	0.67	2.79
	-----	-----	-----	-----
F T E SUBTOTAL.....	3.75	6.50	3.46	5.46
STUDENT SERVICES				
REGISTRAR	1.00	1.00	0.00	0.00
FINANCIAL AID OFFICER	1.00	1.00	0.00	0.00
PLACEMENT OFFICER	1.00	0.50	0.00	0.00
COUNSELOR	0.00	1.00	1.40	1.41
SECRETARY	1.00	1.00	1.00	0.00
SECRETARY	1.00	1.00	1.00	0.00
	-----	-----	-----	-----
F T E SUBTOTAL.....	5.00	5.50	3.40	1.41
	-----	-----	-----	-----
FTE SUPPORT SUBTOTAL...	13.50	17.00	11.36	11.45
PLANT OPERATION & MAINT				
MAINTENANCE SUPERVISOR	0.00	1.00	1.00	1.00
HEAD CUSTODIAN	1.00	1.00	1.00	1.00
CUSTODIANS	2.00	3.50	2.50	2.50
	-----	-----	-----	-----
F T E SUBTOTAL.....	3.00	5.50	4.50	4.50
	-----	-----	-----	-----
FUNCTION/PROGRAM TOTALS..	44.37	50.37	45.85	43.82
	=====	=====	=====	=====

BILLINGS VOCATIONAL TECHNICAL CENTER  
PERSONAL SERVICES - F T E COMPARISON

	BILLINGS VTC APPROVED 89 -----	EXECUTIVE RECOMMENDED -----	EXECUTIVE DIFFERENCE -----	L F A RECOMMENDED -----	L F A DIFFERENCE -----
INSTRUCTION--					
PERSONAL SERVICES	909,610	789,361	(120,249)		
F T E	27.87	29.99	2.12		
INSTRUCTION--					
PERSONAL SERVICES	909,610			740,061	(169,549)
F T E	27.87			27.87	0.00
-----					
SUPPORT--					
PERSONAL SERVICES	449,958	401,930	(48,028)		
F T E	13.50	11.36	-2.14		
SUPPORT--					
PERSONAL SERVICES	449,958			366,652	(83,306)
F T E	13.50			11.45	-2.05
-----					
PLANT OPERATION --					
PERSONAL SERVICES	79,533	89,433	9,900		
F T E	3.00	4.50	1.50		
PLANT OPERATION --					
PERSONAL SERVICES	79,533			91,259	11,726
F T E	3.00			4.50	1.50
-----					
CENTER TOTALS--					
PERSONAL SERVICES	1,439,101 =====	1,280,724 =====	(158,377) =====	1,197,972 =====	(241,129) =====
F T E	44.37 =====	45.85 =====	1.48 =====	43.82 =====	-0.55 =====
=====					

890116R  
PS-FTE01

BILLINGS VOCATIONAL TECHNICAL CENTER

Estimated Annual Economic Support

Received From

Billings School District No. Two

Personnel/Payroll \$ 31,000

Clerical	\$ 18,000
Prof. Services	9,000
Advertising	4,000

Business/Accounting \$ 12,800

Legal Notices	\$ 2,000
Admin. Services	2,000
Messenger Service	2,000
Purchasing	4,000
Instr. Materials	800
Insurance	2,000

Building/Grounds Maintenance \$ 17,560

Painting	\$ 3,500
Building Maintenance	4,800
Grounds Maintenance	1,500
Irrigation Water	1,160
Telephone (Local Service)	6,600

Total	\$ 61,360
	=====

26 FEB 88

BILLINGS VOCATIONAL TECHNICAL CENTER

ESTIMATED COST OF IMPLEMENTING CENTRAL PAYROLL

NUMBER OF CENTER EMPLOYEES--

(BASED UPON AVERAGE OF NOVEMBER/DECEMBER 1988 PAYROLL)

45 REGULAR EMPLOYEES

12 PART-TIME EMPLOYEES

13 COLLEGE WORKSTUDY STUDENTS

BILLINGS SCHOOL DISTRICT NO. TWO CURRENTLY PROCESSES THE CENTER'S EMPLOYEE PAYROLL. MONTANA STATE UNIVERSITY PROCESSES THE PAYROLL FOR THE CENTER'S COLLEGE WORKSTUDY PROGRAM.

IMPLEMENTATION COSTS FOR SET-UP AND EQUIPMENT--

TRAINING COSTS AND COSTS RELATED TO ESTABLISHING THE CENTER'S PERSONNEL ON CENTRAL PAYROLL ARE ESTIMATED AT AN AMOUNT NOT TO EXCEED \$1,500. NO SPECIFIC EQUIPMENT NEEDS ARE INDICATED AT THIS TIME. THE PURCHASE OF "R-BASE" SOFTWARE WILL BE NECESSARY ALSO.

DUE TO THE INCREASED USE OF THE CENTER'S SINGLE LONG DISTANCE TELEPHONE LINE, IT WILL BE NECESSARY FOR THE BUSINESS OFFICE TO INSTALL AN ADDITIONAL LINE WITH THE STATE TELEPHONE NETWORK. THIS WILL BE NECESSARY IN ORDER TO ACCOMMODATE THE ON-LINE ENTRY AND EDIT SYSTEM TOGETHER WITH OUR TRANSMISSION OF THE PAYROLL TO HELENA. THE INSTALLATION COST FOR THE EXTRA LINE HAS BEEN ESTIMATED AT \$825 BY THE TELECOMMUNICATIONS DIVISION TOGETHER WITH AN ADDITIONAL YEARLY COST OF \$250 FOR SERVICE FROM THE STATE DATA COMMUNICATIONS NETWORK.

AFTER THE INITIAL SET-UP, IT IS ESTIMATED THAT A .50 FTE EMPLOYEE WOULD BE NECESSARY TO ADEQUATELY STAFF THE CENTER'S PAYROLL OPERATION. THE ESTIMATED COST FOR SALARY AND BENEFITS IS \$8,963. THE COST FOR PROCESSING A WARRANT BY THE AUDITOR'S OFFICE IS ESTIMATED AT \$2.50. LISTED BELOW IS A SCHEDULE OF THE ESTIMATED COSTS FOR USING THE SERVICES OF CENTRAL PAYROLL:

TRAINING & INITIAL SET-UP.....	\$ 1,500
INSTALLATION OF STN LINE.....	825
DATA COMMUNICATIONS NETWORK TIME.....	250
PURCHASE OF R-BASE SOFTWARE.....	600
POSTAGE AND ENVELOPES.....	500
EMPLOYEE .50 FTE WITH SALARY & BENEFITS.....	8,963
45 EMPLOYEES/26 WARRANTS PER YR @ \$2.50 EA...	2,925
25 EMPLOYEES/18 WARRANTS PER YR @ \$2.50 EA...	1,125
	=====
TOTAL ESTIMATED COST.....	\$ 16,688
	=====



EXHIBIT 8  
DATE Jan 18, 1989  
HB Vo Tech

# **Montana Vocational Association**

**VOCATIONAL EDUCATION PUTS KNOWLEDGE TO WORK**

January 17, 1989

TO: Education Subcommittee of the Appropriations Committee

FROM: Patricia Dotter, Chair  
MVA Legislative Committee  
Practical Nursing Coordinator/Instructor  
Helena Vocational Technical Center

RE: Funding for Vocational-Technical Education

As a vocational educator, I encourage this committee to seek adequate funding for the vocational technical system. The five vocational technical centers in Montana serve a wide variety of Montana students. Post-secondary vocational education needs to be able to continue to provide to those students the means to develop the skill, knowledge and attitudes suitable for employment. Many students attend the vo-techs to upgrade or learn new skills necessary to maintain or seek promotions in their jobs.

Typically, my practical nursing program serves women between the ages of 25-35 (the average age this year is 30), a single parent or if married the husband might be unemployed or cannot support a family on a single salary. I have had several students who were on welfare and because of their education received at the vo-tech center were able to become gainfully employed therefor contributing to Montana's economy.

Graduates of the vocational technical centers are very employable because of the hands on experience and excellent skills obtained during their education. With the nursing shortage and even previous, the practical nursing graduate's placement is very high (90-100%).

Vocational programs are also expensive. Take my program, for instance, in order to comply with the standards of the Montana State Board of Nursing, there can only be 10 students per instructor during clinical rotation. Close supervision

is necessary to ensure the safety of the patient. Other programs that have shop or lab classes also require less student teacher ratio than a strict academic class such as English.

With the rapidly changing technology in health and all other vocational areas, we need to provide our students with state of the art equipment and well qualified and updated instructors. Vo-ed teachers need to be able to attend workshops and inservices provided by industry to keep current in their area of expertise. All this costs money, but in order to meet the needs of the employer, this is a must.

With the change in governance of the vo-tech system, we need adequate funding in order to maintain stability of programs for the students and the faculty. The education system needs to be able to study and implement articulation of programs throughout the state. Educational opportunities in the communities need to be provided to supply a productive, taxpaying workforce for Montana.

Thank you. If you have any questions please contact me at the Helena Vo-Tech, 1115 N. Roberts - 442-0060.



98 STAT. 2448

PUBLIC LAW 98-524—OCT. 19, 1984

*Ante*, p. 2435.

29 USC 1501  
note.  
20 USC 1201  
note.  
20 USC 2701.  
20 USC  
3801-3807.  
20 USC 1400.  
29 USC 701 note.

*Post*, pp. 2450,  
2462.

20 USC 2354.

*Section 113(b)(16)*

"(B) the State will, as a component of the measures under subclause (A) of this clause, establish appropriate measures for evaluating the effectiveness of programs for the handicapped assisted under this Act; and

"(C) provide assurances that the State will evaluate not less than 20 percent of the eligible recipients assisted within the State in each fiscal year;

"(10) describe the methods proposed for the joint planning and coordination of programs carried out under this Act with programs conducted under the Job Training Partnership Act, the Adult Education Act, title I of the Elementary and Secondary Education Act of 1965 as modified by chapter 1 of the Education Consolidation and Improvement Act, the Education of the Handicapped Act, and the Rehabilitation Act of 1973, and with apprenticeship training programs;

"(11) that programs of personnel development, and curriculum development shall be funded to further the goals identified in the State plan;

"(12) provide assurances that the vocational education needs of those identifiable segments of the population in the State that have the highest rates of unemployment have been thoroughly assessed, and that such needs are reflected in and addressed by the State plan;

"(13) provide assurances that the State board will cooperate with the State council on vocational education in carrying out its duties under this part;

"(14) provide assurance that none of the funds expended under this Act will be used to acquire equipment (including computer software) in any instance in which such acquisition results in a direct financial benefit to any organization representing the interests of the purchasing entity or its employees or any affiliate of such an organization;

"(15) provide assurances that for each fiscal year, expenditures for career guidance and counseling from allotments for title II and part D of title III will not be less than the expenditures for such guidance and counseling in the State for the fiscal year 1984 assisted under section 134(u) of the Vocational Education Act of 1963;

"(16) provide assurances that Federal funds made available under this Act will be used so as to supplement, and to the extent practicable increase the amount of State and local funds that would in the absence of such Federal funds be made available for the uses specified in the State plan, and in no case supplant such State or local funds; and

"(17) provide assurances that the State will provide for such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of, and accounting for, Federal funds paid to the State (including such funds paid by the State to eligible recipients under this Act).

"(c)(1) When changes in program conditions, labor market conditions, funding, or other factors require substantial amendment to an approved State plan, the State board, in consultation with the State council, shall submit amendments to such State plan to the Secretary. Any such amendments shall be subject to review by the State job training coordinating council, and the State council.

"(2) The Secretary shall approve, within sixty days of submission, the State plan amendments which meet the requirements of this

*Anti-supplantin  
language,  
↑ amt of State  
and local  
funds*

"(2) not to exceed 50 percent of the costs of administration of vocational education services and activities of eligible recipients;

*Ante*, p. 2450.

*Ante*, p. 2450.

"(3)(A) 50 percent of the costs of vocational education services and activities under part A of title II for individuals described in clauses (1), (2), and (3) of section 201(b);

"(B) 100 percent of the costs of vocational education programs, services, and activities under part A of title II for individuals described in clauses (4), (5), and (6) of section 201(b);

"(4) 50 percent of the costs of vocational education improvement, innovation, and expansion programs under part B of title II;

*Ante*, p. 2455.

"(5) 100 percent of the costs of the State council under section 112;

*Ante*, p. 2443.

"(6) 100 percent of the costs to carry out the provisions of section 111(b)(3); and

*Ante*, p. 2441.

"(7) except as otherwise provided, 100 percent of the costs of programs under title III.

*Ante*, p. 2457.

"(b) The non-Federal contribution for the costs of vocational education programs, services, and activities for the handicapped and the disadvantaged under part A of title II shall be furnished equitably by the State from State and local sources, except that the non-Federal contributions of such costs shall be furnished by the State from State sources if the State board determines that an eligible recipient cannot reasonably be expected to provide such costs from local sources.

*Ante*, p. 2450.

#### "MAINTENANCE OF EFFORT

20 USC 2463.

*Ante*, p. 2435.

"SEC. 503. (a) No payments shall be made under this Act for any fiscal year to a State unless the Secretary determines that the fiscal effort per student or the aggregate expenditures of such State for vocational education for the fiscal year preceding the fiscal year for which the determination is made, equaled or exceeded such effort or expenditures for vocational education for the second preceding fiscal year.

(I.e., for 1990 expenditures 00-ed in 1989,  $\geq 1988$ )

"(b) The Secretary may waive the requirements of this section for one fiscal year only, upon making a determination that such waiver would be equitable due to exceptional or uncontrollable circumstances affecting the ability of the applicant to meet such requirements, such as a natural disaster or an unforeseen and precipitous decline in financial resources. No level of funding permitted under such a waiver may be used as the basis for computing the fiscal effort required under this section for years subsequent to the year covered by such waiver; such fiscal effort shall be computed on the basis of the level of funding which would, but for such waiver, have been required.

#### "WITHHOLDING; JUDICIAL REVIEW

20 USC 2464.

*Ante*, p. 2449.

"SEC. 504. (a) Whenever the Secretary, after reasonable notice and opportunity for hearing to the State board, finds that—

"(1) the State plan approved under section 114 has been so changed that it no longer complies with the provisions of this Act; or

"(2) in the administration of the State plan or of programs conducted pursuant to it there is a failure to comply substantially with any such provision,

institutions are counted as part of the 60 percent local share.

Several commenters recommended that § 401.19(a)(10) clarify whether 20 percent of the eligible recipients or 20 percent of the programs must be evaluated each program year. Additionally, some commenters wanted to know if all programs must be evaluated during the five-year period, or if some programs could be evaluated twice in order to meet the 20 percent requirement. Other commenters recommended that the regulations clarify that the evaluation requirement applies only to projects under the Act.

In response to comments, § 401.19(a)(10) now clarifies that each program year a State will evaluate all of the projects, services, and activities supported under Part 401 of at least 20 percent of the eligible recipients receiving funds under the Act so that by the end of a five-year period, every local program which has received Federal funds will have been evaluated.

Several commenters stated that § 401.19(a)(18) of the proposed rules appeared to set limits on the use of basic State grant funds reserved for vocational education services and activities for handicapped individuals and disadvantaged individuals, whereas section 204(a) of the Act seems broader, appearing to establish conditions that must be in place to receive those funds.

Although § 401.19(a)(18) was not intended to set limits on the use of such funds, a change has been made in the final regulations to clarify the Secretary's interpretation of the statute.

Both the regulations and the statute require the State to include certain assurances in the State plan prior to participating in programs under the State Vocational Education Program; in this sense, both the regulations and the statute establish preconditions to State participation. Section 204(a), however, requires the State board to make these assurances pertaining to the criteria applicable to the services and activities provided to handicapped individuals and disadvantaged individuals "with respect to" the basic State grant funds reserved for these populations. The statutory phrase "with respect to" is ambiguous. Broadly speaking, it might be read to mean that the receipt of Federal funds triggers the application of statutory criteria to the recipient's vocational education program. Or it might be read to mean that the recipient will comply with the statutory criteria in using the Federal funds for vocational education services and activities. In light of the available legislative history to section 204(a), the Secretary believes that the latter interpretation—that

Congress intended to ensure that the State would comply with certain equal access criteria in using the Federal funds reserved for handicapped individuals and disadvantaged individuals—is the more plausible interpretation. The legislative history of section 204(a) does not indicate that Congress intended to expand the application of those equal access criteria beyond the reach of funds under the Act. However, it is the Secretary's interpretation that while States must use their funds reserved under the Act for handicapped and disadvantaged individuals in ways that are consistent with the mandated criteria, they need not expend those funds to comply with those criteria which are already being satisfied with funds from other sources.

(ii) *State plan—descriptions.* Several commenters noted that both § 401.19(b)(4) of the regulations and section 113(b)(5) of the Act require that eligible recipients located in economically depressed areas receive more of the Federal funds received by the State than eligible recipients not located in economically depressed areas. Commenters were concerned that if this provision is interpreted to mean at least \$1.00 more than half of the State's total grant, such an interpretation would be excessively restrictive and would result in disproportionate allocations of funding, perhaps sending large amounts of money to areas with very small student populations. Commenters requested that the Secretary interpret the word "more" to mean that the economically depressed areas should receive proportionately more funding, e.g., on a per pupil or per capita basis.

The regulations have not been changed. Item 218 in the Conference Report (House Report No. 98-1129, 98th Cong. 2d Sess. p. 95) states that the intent of section 113(b)(5) was "... that eligible recipients in economically depressed areas [must] annually receive more total funds than the total amount of funding awarded to eligible recipients in areas which are not economically depressed." Section 401.19(b)(4) of the regulations is consistent with both the language and the intent of the statute as explained in the Conference Report.

Several commenters noted that § 401.19(b)(4) of the proposed regulations omitted the phrase "or which have high unemployment" which appears in section 113(b)(5) of the Act. The commenters pointed out that the omission of this phrase could have the effect of changing the in-State distribution requirements.

In response to this comment the regulations have been changed.

References to areas of high unemployment have been added to the fund distribution requirement in § 401.19(b)(4) to more closely reflect the language of the statute. States may now identify areas of high unemployment as well as economically depressed areas for the purpose of this requirement. Corresponding changes have been made to §§ 401.19(b)(12) and 401.102.

### (3) Section 401.22—Maintenance of Effort.

The Secretary requested comments on whether guidance was needed on the vocational education expenditures which form the basis of the maintenance of effort determination. Several commenters requested that maintenance of effort determinations be based on current expenses only. Another commenter asked for the legislative basis for the interpretation that only State sources are to be considered in maintenance of effort determinations.

The regulations have not been changed. However, section 503 of the Act states that to be eligible to receive funds under the Act, States must maintain their expenditures "for vocational education." The Secretary interprets the Act, consistent with prior practice under the Vocational Education Act, to include both current and capital expenditures for vocational education, as defined in section 521(31) of the Act and § 400.4(b) of the regulations. States may include vocational education construction costs, if they desire.

In regard to the second comment, the regulations are consistent with the language of the Act, which refers to the fiscal effort or expenditures "of each State." In addition, unlike the Vocational Education Act, the Carl D. Perkins Act does not require the maintenance of fiscal effort at the local level. It is reasonable to believe, therefore, that Congress did not believe that local expenditures should be included in State level maintenance of effort computations.

### (4) Section 401.31(a)—Criteria for Reallocation of Funds.

In response to the request for comments, several commenters asked that the regulations provide more guidance with respect to the criteria the Secretary will use in reallocating funds.

The Secretary rarely has occasion to reallocate funds and therefore feels that the criteria in § 401.31(a)(1) are sufficient. In the future the Secretary may determine that additional guidance is desirable.

eligible recipients in economically depressed areas or areas with high unemployment will receive more Federal funds under the Act, in the aggregate, than eligible recipients not in such areas. The Secretary believes that this level of regulatory detail is sufficient.

*Comment.* One commenter suggested that § 401.19(b)(8) require a description of how the State board will comply with Titles I, II, III, and V of the Act.

*Response.* No change has been made. The Act does not require such descriptions, and they would be an unnecessary burden on the States. The Secretary retains the authority to request additional information when necessary.

*Comment.* One commenter felt that the definition of "economically depressed area" chosen by a State should be well-documented in the State plan. The commenter suggested that the Department should require the States to describe: (a) the State definition of "economically depressed area"; (b) the data used to make such determinations; and (c) how these determinations are compatible with other State-designated economically depressed areas.

*Response.* No change has been made. Section 401.19(b)(12) requires each State to include in its State plan the criteria the State will use to identify economically depressed areas and areas with high unemployment. If the Secretary needs additional information to understand these criteria, it will be requested on a case-by-case basis.

*Comment.* One commenter suggested that § 401.19 require the State plan to include comments submitted in connection with the public hearings held by the State.

*Response.* No change has been made. Section 401.19(b)(13) already mandates that a summary of recommendations made at the public hearings and the State board's responses to those recommendations be included in the State plan.

#### *Section 401.20 State plan—submission.*

*Comment.* One commenter recommended that § 401.20 require the State board to provide the State job training coordinating council (SJTC) with a response to any objections the SJTC has with the State plan. The commenter felt that this requirement would enhance the close coordination mandated by the Act between the State board and the SJTC.

*Response.* No change has been made. The wording of § 401.20(a)(2) of the regulations repeats the wording of section 114(a)(1) of the Act, which states that "if the matters raised by the

comments of the . . . State job training-coordinating council are not addressed in the State plan, the State board shall submit those comments to the Secretary with the State plan." In contrast, section 114(b)(2) of the Act requires the State board to respond to any objections of the State council when submitting the State plan to the Secretary. It is clear that Congress intended that the comments of the State council and the SJTC be treated differently by the State board. However, the Act does not prohibit a State board from responding directly to the SJTC concerning its comments on the State plan.

*Comment.* One commenter suggested adding to § 401.20(b) (2) and (3) provisions for the "sex equity coordinator" to file objections concerning the State plan with the State board, and for the State board to respond to such objections.

*Response.* No change has been made. The Act neither requires nor prohibits the filing of such objections. In addition, § 401.13(b)(4) requires the "sex equity coordinator" to submit to the State board an assessment of the State's progress in meeting the purposes of the Act with regard to overcoming sex discrimination and sex stereotyping. In preparing this assessment, the "sex equity coordinator" may raise concerns and criticisms of the State plan's provisions for programs designed to overcome sex discrimination and sex stereotyping.

#### *Section 401.21 State plan—amendment*

*Comment.* One commenter noted that while section 113(c)(1) of the Act contains the phrase "in consultation with the State council," § 401.21 of the proposed regulations omits this language.

*Response.* A change has been made. The phrase "in consultation with the State council" was inadvertently omitted and has been added to the first sentence in § 401.21 immediately following the phrase "the State board."

*Comment.* One commenter felt that, since the proposed regulations refer to procedures for making and submitting amendments to the State plan, a more precise definition of the term "amendment" should be inserted in the regulations.

*Response.* No change has been made. While § 401.21 provides general guidance on State plan amendments, each State must decide if and when changes in the program would require an amendment to the State plan. Additional guidance on State plan amendments may be found in 34 CFR 76.140 through 76.142.

#### *Section 401.22 Maintenance of fiscal effort.*

*Comment.* A number of commenters requested that § 401.22(a) be changed that expenditures for purposes of determining maintenance of effort compliance would be as current expenses only.

*Response.* No change has been made. The Secretary does not believe that additional, detailed regulations regarding the maintenance of effort computation are warranted. However, section 503 of the Act states that to be eligible to receive funds under the Act, States must maintain their expenditures "for vocational education." The Secretary interprets the Act, consistent with prior practice under the Vocational Education Act, to include both current and capital expenditures for vocational education, as defined in section 52 of the Act and § 400.4(b) of the regulations. States may include vocational educational construction costs, if they desire.

*Comment.* One commenter noted that § 401.22(a) stipulates that the aggregate expenditures of the State to be maintained must be "from State sources." The commenter asked for the statutory basis of this provision.

*Response.* No change has been made. The regulations are consistent with language of the Act, which refers to fiscal effort or expenditures "of such State." In addition, unlike the Vocational Education Act, the Carl Albert Perkins Act does not require the maintenance of fiscal effort at the local level. It is reasonable to believe, therefore, the Congress did not believe that local expenditures should be included in State level maintenance of effort computations.

*Comment.* One commenter noted the use of the term "program year" in addition to "fiscal year" in § 401.22(a) could make a significant difference in the maintenance of effort calculation. The commenter asked why "program year" was added.

*Response.* No change has been made. While section 503 of the Act refers to fiscal years as the basis for maintenance of effort computations, States are required under the Act to carry out the vocational education programs on the basis of program years. It is reasonable and appropriate, therefore, to provide the flexibility to the States to perform their maintenance of effort computation on either a fiscal year or a program year basis, and the Secretary does not believe that Congress intended to preclude such flexibility.

*Comment.* One commenter recommended that § 401.22 should specify that maintenance of effort shall be based on State funds directly applicable only to those vocational education programs supported under the Carl D. Perkins Act. The commenter reasoned that the law should not hold a State responsible for maintaining expenditures for programs not supported under the Act.

*Response.* No change has been made. The Act requires that the State maintain expenditures for vocational education. This includes all expenditures from State sources which meet the definition of vocational education as set forth in section 521(31) of the Act. The Secretary does not believe a more restrictive interpretation would accurately measure the level of fiscal effort for vocational education, or be appropriate.

*Comment.* One commenter expressed the view that § 401.22(a) should be changed to reflect fiscal year 1986 as the base year of determination for applying the maintenance of effort requirement. The commenter reasoned that it would be inappropriate to compare State expenditures under the Carl D. Perkins Act to those made by the State prior to the enactment of the new law.

*Response.* No change has been made. Section 503(a) of the Act clearly prescribes the preceding year and the second preceding year as the years of comparison for each maintenance of effort computation. The Secretary believes it is appropriate to compare State expenditures for vocational education in those two years, regardless of the enactment of the Carl D. Perkins Act, because those expenditures are an indicator of the continuing level of State fiscal effort for vocational education.

#### *Section 401.30 Allotments under the State Vocational Education Program.*

*Comment.* One commenter asked whether payments to State councils are based upon an "approved" State plan.

*Response.* A change has been made. Section 501(b) of the Act specifies that a State plan must be approved before funds under the Act may be paid to the State council. Therefore, the phrase "upon approval of the State plan" has been added to § 401.30(b)(2). The statutory citation for this provision has also been added.

*Comment.* One commenter asked for the rationale behind § 401.30(b)(2) which requires a State council to submit to the Secretary an annual budget covering the proposed expenditures of the State council.

*Response.* No change has been made. The requirement is necessary for the

Secretary to maintain accountability for expenditures under the Act, and reflects long-standing administrative practice.

#### *Section 401.31 Reallotments under the State Vocational Education Program.*

*Comment.* Several commenters requested that the regulations provide more guidance with respect to the criteria the Secretary will use in reallotting funds under § 401.31(a)(1).

*Response.* No change has been made. In the past, the Secretary has rarely had occasion to reallocate State grant funds and believes it is desirable to retain sufficient flexibility to meet unforeseeable circumstances in the future. Therefore, the Secretary does not believe that additional regulatory detail is warranted at this time.

#### *Section 401.32 Approval of State plans and amendments by the Secretary.*

*Comment.* One commenter pointed out that § 401.32(a) omits the phrase "unless the proposed changes are inconsistent with the requirements and purposes of the Act" as it appears in section 113(c)(2) of the Act.

*Response.* A change has been made. The phrase "unless such amendments propose changes that are inconsistent with the requirements and purposes of the Act" was inadvertently omitted in the proposed regulations and has been added to § 401.32(a)(1) immediately following the phrase "... to a State plan."

#### *Section 401.40 How a State carries out the State Vocational Education Program.*

*Comment.* One commenter was concerned that, since § 401.40(b)(3) of the proposed regulations said that a State board acts directly when it supports local projects, services, or activities at State institutions, a State may interpret this as a way to evade the requirement that 80 percent of the basic State grant be passed through to eligible recipients.

*Response.* No change has been made. Although the regulations have been changed to clarify the State board's authority to carry out programs either directly, through State institutions, or through eligible recipients, the regulations continue to authorize States to count funds awarded to State institutions towards satisfying the 80 percent eligible recipient share. Item 226 of the Conference Report, House Report No. 98-1129, 98th Cong. 2d Sess. p. 98, makes it clear that Congress intended that vocational schools which are administered by the State should be considered eligible recipients for purposes of section 113(b)(4) of the Act

and funds allotted to these schools should count in the 80 percent eligible recipient share.

*Comment.* One commenter requested that § 401.40(c) be modified by adding "or other State agency" to the list of examples provided in this paragraph. The commenter reasoned that the addition of such language would make it clear that State agencies other than the State Board for Vocational Education (such as the Department of Corrections) can administer programs under the Act.

*Response.* A change has been made. With the exception of certain responsibilities, section 111(a)(1) of the Act provides clear authority for the State board to delegate any of its responsibilities involving administration, operation, or supervision of programs to one or more appropriate State agencies. In addition, § 401.40(a) authorizes a State board to make awards to a variety of State institutions to carry out programs under the Act.

#### *Section 401.41 Local applications.*

*Comment.* One commenter wanted the regulations to clarify that while a State may exempt small eligible recipients from the application requirements in § 401.41, the State is still required to abide by the other requirements of the Act for distributing funds to those small eligible recipients.

*Response.* No change has been made. The assurances that a State will comply with the requirements of the Act, including fund distribution, are contained in § 401.19, and no additional regulations are warranted. The commenter is correct that a waiver from local application requirements does not constitute a waiver from other provisions of the Act.

*Comment.* One commenter recommended that § 401.41(c) prescribe a methodology for the involvement of community-based organizations (CBOs) in the decision making process at the local level.

*Response.* No change has been made. Apart from the application requirements for the program for State assistance to the Community-Based Organizations under section 301 of the Act and § 401.72(b) of the regulations, the Act does not require the involvement of a CBO in the development of each local application. A State may require such involvement if it wishes.

*Comment.* One commenter pointed out that the statute requires the local application to cover the same period as the State plan while § 401.41(a)(2) of the regulations suggests that the period of the application could be shorter as long as it falls within the time frame of the

## MONTANA COUNCIL ON VOCATIONAL EDUCATION

### 1988 PUBLIC HEARING SUMMARY

#### ASSESSING VOCATIONAL EDUCATION NEEDS

Concerns . . .

Considerations . . .

Recommendations . . .

For Improvement!

The Carl D. Perkins Vocational Education Act (P.L. 98-524) requires that "the public is given an opportunity to express views concerning the vocational education program of the State." To fulfill this requirement, the Montana Council on Vocational Education conducts a public hearing annually to collect information providing valuable insight on current issues in vocational education. Recommendations provided by those making presentations are a valuable source of topics for Council discussions, research efforts, and recommendations to the sole state agent.

The 1988 public hearing was conducted Thursday, October 20, 1988, at the Copper King Inn, Butte. Individuals representing secondary and postsecondary vocational education, the sole state agent, the Legislature, special education, incarcerated, and the Department of Labor, presented testimony on the hearing topic, Assessing Vocational Education Needs. A review of the testimony revealed the following concerns and recommendations:

#### Funding:

- Financial support is needed for local school districts to continue and update vocational education programs.
- Establishment of a reliable funding base for secondary vocational technical education programs is necessary.
- It is important to develop a funding procedure for secondary vocational education in the foundation program.
- Concern with the reduction of available matching funds caused by the elimination of secondary vocational education state appropriation.
- A stable funding system for postsecondary vocational education must be established.
- Concern with the appropriation of federal funds to vocational technical centers to supplant general funds.
- Increased funding for postsecondary teacher education and the adaptation of new skills into teacher education curriculum is necessary.

### Vocational Education Needs for Special Populations and At-Risk Students:

- Vocational education in secondary schools is essential for "at risk" students.
- Academic and student support services are required for the non-traditional, special needs, handicapped, and displaced homemaker students.
- Vocational education must more effectively serve special education and special needs students.
- Basic education programs are essential for persons to continue in JTPA programs.

### Marketing Vocational Education:

- Vocational education must be recognized as an important part of the student's overall education.
- Marketing strategies for vocational education programs and services must be developed.

### Importance of Vocation Education in Economic Development:

- Postsecondary vocational education is essential for the economic development of Montana.
- Vocational technical education must substantiate its role in economic development.

### Curriculum:

- Continual upgrading of equipment, technology, and skills is necessary for students to acquire marketable skills.
- Postsecondary vocational technical education concentrates on skill level training and retraining. Greater emphasis should be placed on training in the areas of leadership, citizenship, work ethics, and pride of ownership.

### Business/Education Coordination:

- Vocational technical education faculty must be exposed and involved in respective business communities through business partnerships, advisory committees, internships, and teacher/worker exchange programs.

Governance:

- It is necessary to achieve the highest level of productivity from each postsecondary vocational education institution
- Articulation of vocational education credits between all educational units in the state is important.

JTPA Coordination:

- Continued cooperation and linkages between JTPA and education is important.
- Continued participation of individuals representative of education on JTPA councils is desirable.

\* A complete transcript of the public hearing is available upon request from the MCVE office, phone 444-2964.





EXHIBIT 10  
DATE Jan 18, 1989  
HB vo-tech

## **Montana Vocational Association**

**VOCATIONAL EDUCATION PUTS KNOWLEDGE TO WORK**

TO: Education Subcommittee of the Appropriations Committee

FROM: Penny Jakes, Montana Vocational Association

DATE: January 18, 1989

SUBJECT: Vocational Technical Centers Funding

The Montana Vocational Association encourages this committee to consider the importance vo-tech centers play in educating Montana's workforce when reviewing center budget requests. An adequate, reliable funding base will allow them to provide students the opportunity to acquire marketable skills using current technology and updated methods.

Post-secondary vocational education serves not only the students, but also the economic development of Montana. It is well-known that 80 percent of the jobs in Montana do not require four-year college degrees; thus, one of the main tenants of post-secondary vocational education is to prepare students for immediate placement in the workforce by giving them salable skills that will meet the needs of Montana employers. Many graduates start their own businesses: i.e., repair services, secretarial services, trucking, retail stores, nursing care, and computer programming. Within a relatively short time (up to two years) vo-tech graduates are productive members of society; the taxes these people pay during their careers more than reimburses the State for funding the vo-tech centers, not to mention the savings to the State because they are economically self-sufficient.

Because of the constantly changing technology and economic shifts from an industrial to information society, vo-tech centers must constantly upgrade equipment, provide teacher inservice, and offer programs that meet current employer demands. It is vital, then, that our funding base from the State be stable from year-to-year so we can guarantee new students that they will be able to complete their programs--with skills to meet needs of the business community. We also need stability so we can plan new courses and programs with new equipment. To be able to offer courses outside of the normal 8-4 day or

Education Subcommittee of the Appropriations Committee

Page 2

January 18, 1989

off-campus at remote sites helps us serve another population--those who are currently employed, but need coursework to improve their chances of promotion, or who need retraining to keep their jobs. Vo-tech centers are sources of continuing education opportunities and special workshops. Post-secondary vocational education needs to maintain high standards to produce a high quality workforce with job skills, as well as skills in leadership, citizenship, work ethics, and pride of ownership. By funding vo-ed and providing these skills, we give our students more opportunities, which in turn increases their standard of living and helps our economy.

Vo-tech training is occupational in nature, tends to be quite intensive, and most textbooks are college level; because of this, some adults need pre-vocational training to bring their basic skills up to the level needed to enter a training program--a service also provided by some vo-tech centers, such as Missoula Vo-Tech. The average age of our student population is 27 indicating that we are serving a wide variety of needs.

Because of the service vo-tech centers provide to the students, the business community, and the economic growth of Montana, MVA respectfully asks for this committee's support of an adequate, reliable funding scheme for the vo-tech institutions in Montana.



# MONTANA FEDERATION OF TEACHERS

AMERICAN FEDERATION OF TEACHERS, AFL-CIO

EXHIBIT 11  
DATE Apr 18, 1989  
RE vol tech



Box 1246

Helena, Montana 59624

(406) 442-2123

Jim McGarvey  
President

TESTIMONY TO THE APPROPRIATIONS EDUCATION SUBCOMMITTEE  
MATTHEW THIEL  
JANUARY 17, 1989

Mr. Chairman and members of the committee, My name is Matthew Thiel, I'm a Field Representative for the Montana Federation of Teachers. I'm appearing today on behalf of the 165 faculty and professional staff and 42 clerical support staff which the MFT represents at the five vo-tech centers. I have worked closely with the faculty and staff of the vo-tech centers for over a year, assisting them to work through the many challenges that the transition from school districts to university system presents. I am currently negotiating for both the faculty and support staff to reach new contracts with the Board of Regents prior to July 1, 1989, when the vo-tech employees become state employees.

While it is not our intent to be critical of this transition, you must realize that this transition is an uprooting in many aspects that has caused some uneasiness on the part of the staff. The 1987 legislative session expressed a desire to have the vo-tech centers begin this transition. This issue permeates almost every discussion at the local centers. The faculty and staff will be watching for a continued commitment to support a strong state vo-tech system.

The Regents and the vo-tech faculty and staff have worked cooperatively to meet the directives of moving the vo-tech centers to the university system. While the transition presents some uncertainty to the staff, they see the many opportunities which a state vo-tech system provides Montana's students and citizens.

The vocational-technical centers have an important role to play in Montana--a theme echoed at various forums held around the state this past year. The role of the vo-tech centers in Montana's economic development, especially as they relate to training and retraining a competitive work force is clear.

( The goals of the transition from school district to university system will be reached only if the state commits to a program of full support for the centers. Shifting control of the centers does not eliminate the need to address areas of concern for post secondary vocational-technical education, such as competitive salaries and realistic opportunities for professional development and upgrading of skills to maintain quality faculty and staff.

The faculty and staff at the five centers currently deliver~~ing~~ high quality programs and services on a minimum budget. Staffing is light at all of the centers and all the employees are carrying a full load of work. Budget proposals that call for cuts, or do not address the needs of this important transition period will be very damaging. The valuable faculty and staff and the essential programs and services these dedicated employees provide need the assurance that vocational-technical education is a priority in the state's education and economic development plans.

VISITOR'S REGISTER

Education

SUBCOMMITTEE

AGENCY (S) \_\_\_\_\_

DATE Jan 18, 1989

DEPARTMENT \_\_\_\_\_

NAME	REPRESENTING	SUP- PORT	OP- POSE
MATT THIEL	MFT	X	
Alex Capodiville	Helena Vo Tech	X	
Jim Fitzpatrick	MCVE		
WILL WEAVER	GREAT FALLS VO-TECH	X	
Eve Fryer	Billings Vo-Tech	X	
Pat Dotter	MVA & Helena Vo-Tech	X	
Denny C. Jones	MVA & Missoula Vo-Tech	X	
Jim Duenberg	Billings private intent	X	
Carol Brown	Comm of H. ED	X	
Dea Mc Carthy	Board of Regents	X	
Bert Berquist			
Wendy Verum	Miss Vo Tech Center	X	
Jim Taylor	Missoula Vo Tech Center	X	
Don Johnson	Butte Vo-Tech	X	
Mary Jo Riley	Butte Vo Tech	X	
W. J. Burroughs	Butte Vo-Tech	X	
Mary Ellen Baubal	G.F. Vo-Tech	X	
Eric Romney	Commissioner of Higher Ed Office	X	
Ted P. Loggemyer	UTEM / Helena Vo-Tech	X	
Steve Schuler	Helena Vo-Tech / UTEM	X	

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## VISITOR'S REGISTER

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Education

SUBCOMMITTEE

AGENCY(S) \_\_\_\_\_

DATE

Jan 18, 1987

DEPARTMENT \_\_\_\_\_

NAME	REPRESENTING	SUP- PORT	OP- POSE
LARRY ALTENBRUN	MISSOULA VO-TECH	X	
RICHARD PETERSON	BILLINGS VO-TECH	X	
JIM KAZE	Bd. of Regents	X	
TIM DELSIGNE	Office of Commissioner of High Ed	X	
JACIE NOBLE	" " "	X	
Laurie Neils	" " "		
Brady J. Vardemann	" " "	✓	
Lee Ann Riley	Bd. of Regents	X	
Elsie Redlin	" "	✓	

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