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

February 14, 1985

Tape 53 Side A

The meeting of the Education Subcommittee was called to order by Chairman Gene Donaldson at 7:10 A.M. on Thursday, February 14, 1985, in Room 104 of the State Capitol.

ROLL CALL: All members were present.

The purpose of the meeting was discussion of federal funding of the Vo-Tech centers and EXECUTIVE ACTION on this matter. The Subcommittee also took EXECUTIVE ACTION on the Budgets of Adult Basic Education and the State Work Study Program.

The Subcommittee first discussed federal funding under the Carl Perkins Act and its relationship to the Vo-Tech centers (EXHIBIT 1).

Gene Christiaansen, Assistant Superintendent, Department of Vocational Education, Office of Public Instruction (OPI), joined in the discussion, along with Alex Capdeville, Director, Helena Vo-Tech Center, Dennis Lerum, Director, Missoula Vo-Tech Center, Jim Taylor, Business Manager, Missoula, Vo-Tech Center, Carl Spinti, Great Falls Vo-Tech Center, and Pam Joehler of the Legislative Fiscal Analyst's office.

Chairman Donaldson noted that in the past the state has used federal funds to trade off with General Fund monies. However, the Carl Perkins Act specifies that federal funds must be used for "new and innovative programs", and many of the programs require matches. Chairman Donaldson referred to Page 3 of Exhibit 1.

Item I, Exhibit 1, "Expansion of New Programs and Equipment", was discussed. Chairman Donaldson said it might be a good idea to take a new tack in this area. He suggested that the total equipment budget of the post-secondary Vo-Techs, $439,450, be matched. The net result of doing this would be a savings of $219,725 of General Fund. Item I of Exhibit 1 shows a total equipment amount for all five Vo-Techs of $78,000. However, this number would be expanded to $219,725 for the biennium. The net result,

Chairman Donaldson said, is that there would still be the same equipment purchases that were projected. Half of the amount would be paid by federal money, resulting in savings of $219,725 of General Fund monies.

Item II, "Revitalization of Business and Industry", was discussed. Part of the $219,725 General Fund savings could be used to match the $26,803 amount specified in Item II, which is a summer aviation program at the Helena Vo-Tech Center, Chairman Donaldson said.

Item III, "Mathematics and Science Fundamentals", was discussed (53:A:109). In this area, there is involvement with the Adult Basic Education Program, Chairman Donaldson said. The amount of money involved is $55,000. Again, the General Fund savings of $219,725 could be used to match this amount. This would result in a total of $110,000 for use in the mathematics and science fundamentals program throughout the state, Chairman Donaldson said.

Item IV, "Communications/Telecommunications", was discussed (53:A:122). Mr. Christiaansen said currently the centers in Butte and Great Falls are interested in broadcasting via satellite, and then putting that educational programming onto video tapes and transmitting the information to other centers or secondary schools. Such subjects as basic electronics can be taught with video tapes along with instructional material, he said. The amount required for this program is $55,104, and the program is a 50/50 match, he said.

Item V, "Area Vo-Tech Centers", was next discussed (53:A:138). Chairman Donaldson said that these programs are for expansion and improvement. These are the areas where it will be necessary to make modifications in the current program in order to satisy the federal requirement that the programs are for expansion and improvement. Chairman Donaldson said that it may be necessary to be innovative at the local level in order to qualify for federal funds and to meet federal specifications. The total amount of money involved in this area is $553,551. Mr. Christiaansen said this amount is all federal money and that the in-house match would come from other sources within the state. He said $553,551 is an annual figure, and that number was changed to $524,582 for fiscal year 1986 and $518,827 for fiscal year 1987, because of changes in the equipment budget.

Mr. Christiaansen (53:A:176) said the regulations with regard to federal financial assistance for students require that there be an individual on staff who is familiar with

and current with federal regulations. He said this is a regulation that he had not been aware of previously and that possibly under Item V, it might be appropriate to re-address concern relative to financial aid officers under the staffing patterns, as well as placement personnel. It might be possible, he said, to reduce Category V, which is difficult for the centers to comply with.

Chairman Donaldson asked Mr. Christiaansen if he was suggesting that the pupil ratio, previously adjusted by the Subcommittee, should be changed back to 300:1. Mr. Christiaansen said he thinks the 250:1 ratio can be continued (in the budget). In some cases, additional people may be required, he said. In effect then, Chairman Donaldson said, this will reduce the $524,000 and $518,827 amounts, and the money could be used in other categories.

Ms. Joehler said that by taking the types of actions just discussed, $1,043,474 per year would be available for utilization at the Vo-Tech centers. She said the LFA current level budget was funded with $1.2 million-worth of federal monies, and there will still be more cost to the General Fund, even if the $1,043,474 per year is used. She said she doesn't see any General Fund savings.

There was further discussion (53:A:290).

Representative Moore asked how much more local monies will be required in order to get the $1.2 million-worth of federal monies. Chairman Donaldson said that part of the problem is the match, and the other part of the problem is the requirement to meet the specifications for new and innovative programs. Mr. Christiaansen said the $1.2 million is not available unless the set-asides for specific populations (Part A) are mixed with Part B. This is not allowed under federal regulations, he said. Chairman Donaldson pointed out that all of this discussion is tentative and basically only a starting point to determine what is going to work. He invited comments from Vo-Tech personnel.

Mr. Capdeville (53:A:352) said the issue is the amount of revenue and what is considered a match. He said that what is being considered is the matching of the federal dollar with a new emphasis on re-vitalization and expansion, out of an on-going budget, out of dollars that are used for maintenance of programs. He said the action taken by OPI is being done in order to comply with federal law, but he said he feels Helena Vo-Tech is marginal regarding qualification for the money. He said replacement of equipment isn't innovative; "a solvent tank is a solvent tank." The existing program must be run. The intent of the law is good, but there is a revenue shortfall in the state. He said he feels the Helena center is not in compliance with the new federal regulations.

Mr. Lerum (53:A:408)said that with some of the fiscal responsibility at the local level--there is not a lot of control that he as an administrator has over the programming and personnel in order to respond to those needed changes. He said he shares Mr. Capdeville's perspective. There are some areas that the centers can respond to meaningfully, but he said that those areas don't have significant impact to consume as many dollars as are being discussed. His concern is that the centers may get out on a limb with an audit exception, and their present fiscal and student accounting is totally inconsistent with what will be required as far as reports are concerned.

Mr. Spinti (53:A:440) said regarding Item V, if Great Falls has to come up with a $120,000 match, it will be very difficult.

Chairman Donaldson said he thinks the match is there; the problem is justifying to the federal government that the funds will be used for new or innovative purposes. He said, for instance, the coal money can be used to make the match.

Mr. Christiaansen (53:A:466) offered the following clarification. At current level, with the programs that exist, along with local district support for the current biennium, the centers are spending $19.9 million. Given 6 percent salary increases per year, including 3.5 percent on the salary step and a 2.5 percent salary increase from the next biennium and holding operations and equipment to about the same levels, it will take $21.8 million to maintain the existing programs. He said the federal funds available under the Carl Perkins Act represent a new ballgame which says, "Expand, be innovative, improve." For Montana, this is not a year where it's possible to expand and respond to the federal mandates. Regarding the coal tax, and using those funds, the funds are already used in the revenue projections in order to maintain less than the on-going expenditures for programs currently in place. He said he estimates that it will take approximately $4 million to do this. The local centers will have to come up with that amount for the biennium. This looks impossible, so there may have to be cuts in current level, Mr. Christiaansen said.

Chairman Donaldson said the problem is compounded by the fact that the $19.1 million is partly federal monies, and if it's not possible to utilize these monies, current level will have to replace what's missing.

Discussion of the issue continued (53:A:530).

Mr. Lerum said he is in concert philosophically with the thought that the centers should improve and expand. He welcomes this as an opportunity, but when he returns to Missoula, where they have a levy of $404,000 and which next year is projected to be about $700,000, he's going to be told that locally they are not interested in improvement or expansion but want to pull back. He said he doesn't know what his alternatives are.

Representative Peck said that at the centers, then, the word is that no more money can be raised. Chairman Donaldson said philosophically he thinks it is a good idea for the centers to come up with new and innovative programs, but he doesn't see how they will put it all together. Jim Taylor said that relative to the fiscal impact and the accounting ramifications under the new law, he is concerned that matching categorical areas within programs may result in an accounting nightmare. Chairman Donaldson said if $219,000 in the equipment area is made available, he wonders if it should be used as a match, and what is the best way to handle it? He explained that Itmes II, III and IV, as discussed earlier, have already used up the match. Now, new and innovative programs must be adopted by the centers so that current monies can be used to make the match. How do you teach diesel mechanics in a new and innovative way, he asked.

Tape 53 Side B

Senator Haffey said in terms of decision making for the Vo-Tech centers, funding by source should be discussed. He said that the amount that is available is known--if the right way to use it can be determined. The total amount available is less than what's been available in the past, he said. He said there is a decision on tuition that can be made independently from this dilemma. There is a decision on mandatory millage which can be made independently. He asked if the education trust interest is affected by the Carl Perkins Act. Mr. Christiaansen said it is not affected. Chairman Donaldson said it is only affected in what it does in regard to Adult Basic Education. Then, independent decisions can be made regarding the education trust fund interest, Senator Haffey said. The problem is with federal vocational education funds and their relationship to the General Fund. The General Fund decisions could be made (almost) independent of the federal vocational education funds, he said.

There was further discussion of the Carl Perkins Act, Title 2, Parts A and B (53:B:184).

Senator Haffey said he thinks the state should take every dollar that's available, which amounts to $1,043,474 per year, and demonstrate ethically, morally and with validity, reliability and credibility that it's being used innovatively. Mr. Christiaansen said that a vocational education act was discussed and debated in Congress for about a year. A concern expressed by Congress was that the states were using federal funds to maintain on-going programs that possibly were not reflective of the needs of the states' labor markets. After 257 differences of opinion between the Senate and the House bill, the Carl Perkins Act emerged. Senator Haffey said he thinks Vo-Tech students are being taught to live in the changing world. Chairman Donaldson said that students in the Vo-Techs must be trained in today's technologies, and he isn't sure that this is always being done. In some respects, he said, the federal government is right.

Discussion of the issue continued (53:B:208).

Mr. Christiaansen said the federal dollars were used before to maintain programs, pay salaries, and for those types of on-going activities. Those dollars aren't available anymore. For example, the retail center at the Billings Vo-Tech requested additional staff in order to expand the marketing and distributive education program. According to federal regulations, this is a legitimate request. But it does not address the basic concern which is that a way to pay for the first class has not yet been found, he said. Senator Haffey asked if the Subcommittee could vote to tell the centers to use $1,043,474 per year. Chairman Donaldson said this is possible--and also "iffy". Mr. Christiaansen said his concern is that two different problems are being mixed: the problem of meeting the needs of the on-going programs and then meeting the needs of the federal government relative to new and expanded services.

Mr. Capdeville said it must be kept in mind that over 80 percent of the budget deals with existing personnel. Regardless of how this is handled, personnel must still be maintained, he said. Representative Moore asked if there is a possibility that some of the centers' other programs can be reduced. Mr. Lerum said this is done routinely, and it will be done to a degree, but he doesn't know to what degree.

Chairman Donaldson (53:B:445) suggested that (1) $1,043,474 be accepted on a tentative basis and that the Vo-Tech people be asked to try to work out their programs in order to comply with federal regulations, and (2) if there are some parts of the rules and regulations that will not work for Montana, the Subcommittee should relay those concerns to the Montana congressional delegation.

Representative Hand (53:B:490) made a motion that $1,043,474 for each year be approved tentatively as the amount of federal participation in the post-secondary Vo-Tech systems. The motion passed 6 - 0.

Representative Hand (53:B:510) made a motion that the Subcommittee communicate its concerns relative to the difficulties of state compliance to the regulations of the Carl Perkins Act to the Montana congressional delegation. The motion passed 6 - 0.

The Subcommittee next turned to a discussion of the Adult Basic Edcuation Program.

Bill Cunneen (53:B:525) (EXHIBITS 2, 3, 4, 5), Adult Education Specialist, OPI, said Adult Basic Education (ABE) can provide services within the Vo-Tech centers in the teaching of math and science. He said a total amount of $205,988 is requested by ABE personnel working in the field. This represents a minimum amount of dollars to provide the services which are needed (Exhibit 2).

A question and answer session followed between Mr. Cunneen, Mr. Christiaansen and members of the Subcommittee (53:B:666).

Tape 54 Side A

In response to questions from Chairman Donaldson and Representative Peck, Mr. Cunneen said that there is not one mill available for ABE on a statewide basis. This can be done, he said, if every school district in the state elected to do so, but this, of course, is not likely. Chairman Donaldson said that his concern is that a figure of $161,000 (in 1984) of local monies is being discussed, which is about one-twentieth of a mill. People are saying that they want and need this, but there does not seem to be real local commitment, he said.

Mr. Cunneen said where the program exists, there is that commitment. It does not exist in every community for a variety of reasons, mostly because the money to generate it isn't available. Ms. Joehler, in response to a question from Senator Haffey, said the Subcommittee has already approved $148,535 for FY 86 and $155,962 for FY 87 for ABE. Mr. Christiaansen said as there are expanding needs for ABE from the coal tax revenues, the problem is compounded because this is also a revenue source for the Vo-Tech centers.

Discussion of the issue continued between the Subcommittee members, Mr. Cunneen, Mr. Christiaansen, Ms. Joehler, Mr. Capdeville and Mr. Lerum (54:A:114).

Representative Moore noted that the total federal grant for 1986 and 1987 amounts to $484,119 for each year. Ten percent is taken from that amount reducing it to $435,708 for each year. Referring to Exhibit 5, Representative Moore asked why $50,000 is required for each year of the biennium for program administration. Mr. Cunneen said OPI uses this amount to administer the program. He said the indirect costs are contained in the $50,000, along with his wages, one-fifth of a secretary, and whatever expenditures are incurred in the administration of the state program. Mr. Christiaansen said $50,000 is the level that the federal government recommends for the states, the 10 percent being discussed is for special demonstration projects, and that's not the match of the 10 percent for the local level; this is another federal requirement.

Chairman Donaldson said he thinks someone needs to take a look at some different matches for the ABE program. Representative Moore said that with the local funds, the interest from the Educational Trust Fund, and with the federal monies, the total by year for 1985 is $695,848, for 1986 $750,231, and $764,000 for 1987. This is a substantial increase of the total funds to be used for ABE. Mr. Cunneen said this is correct and totally unexpected. At the federal level, for fiscal 1982, this program took a large cut in federal appropriations. Since then, Congress has added to the total appropriation each year, so that now it's back up to where it was prior to the cut. In fiscal 1986 a new formula will make more money available to states with large rural populations--like Montana. There hasn't been an increase in federal appropriations, but there has been a change in formula, he said, which results in a larger allocation to Montana. Chairman Donaldson pointed out that ABE will have more money to spend. Mr. Cunneen concurred.

Following a five-minute recess, there was more discussion of ABE and the ABE budget (54:A:502).

Chairman Donaldson noted that, tentatively, $110,000 for each year of the biennium has been put into the ABE program, and there is approximately $50,000 more in federal monies, which may not be available.

Representative Moore (54:A:543) moved that funding in the amounts of $403,411 for FY 86 and $405,878 for FY 87 for ABE be approved. The motion passed 6 - 0.

Representative Peck (54:A:582) moved that $20,000 for each year of the biennium be added to the amount previously appropriated for 1986 and 1987 for ABE.

Representative Moore said he does not think it is a good idea to go back and change the current level amount already approved for ABE. He said the additional $20,000 should be considered a modified.

There was further discussion of the motion.

Tape 55 Side A

There was a roll call vote on the motion to add $20,000 for each year to the ABE budget. The motion failed 3 - 4, with Senator Haffey, Representative Hand and Representative Peck voting for the motion.

The Subcommittee next turned to the Work Study Program.

Senator Haffey (55:A:048) moved approval of $300,000 for each year for the State Work Study Program. The motion passed unanimously.

Chairman Donaldson discussed a handout (EXHIBIT 6), which details the additional cost for including the Vo-Tech centers in fiscal years 1984 and 1985 under the State Work Study Program. Mr. Christiaansen asked if it was possible to address the problem in appropriations language, rather than changing the law. Chairman Donaldson said it will probably be necessary to change the law.

Ms. Joehler pointed out that the plant operation and maintenance budget for the Vo-Tech centers had not been approved by the Subcommittee (EXHIBIT 7).

Representative Moore (55:A:107) moved approval of LFA current level for plant operations and maintenance for the Vo-Tech centers in the amounts of $1,245,575 for FY 86 and $1,292,038 for FY 87. The motion passed unanimously.

ADJOURN: The meeting adjourned at 9:40 A.M.

Gene Donaldson, Chairman

DAILY ROLL CALL

EDUCATION SUB COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date February 14, 1985

NAME	PRESENT	ABSENT	EXCUSED
Rep. Gene Donaldson, Chair	X		
Sen. Judy Jacobson, Vice	X		
Sen. Jack Haffey	X		
Sen. Swede Hammond	X		
Rep. Bill Hand	X		
Rep. Jack Moore	X		
Rep. Ray Peck	X		

VISITORS' REGISTER

Education Sub COMMITTEE

BILL NO. _____ DATE Feb. 14, 1985

SPONSOR _____

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Bill Brinneen	Helena - OPI		
Alex Capdeville	Helena Vo Tech		
Derek Christiaansen	Helena		
Carl Spratt	Great Falls Vo-Tech		
Dennis Serum	Mslo Vo Tech Center		
Jim Taylor	Mslo Vo Tech Center		

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

CS-33

EXHIBIT 1
2-14-85

OFFICE OF PUBLIC INSTRUCTION
STATE CAPITOL
HELENA, MONTANA 59620
(406) 444-3095

Ed Argenbright
Superintendent

February 11, 1985

Representative Gene Donaldson, Chairman
Appropriations Subcommittee on Education
State Capitol
Helena, Montana 59620

Dear Representative Donaldson:

You have requested a review of the Carl Perkins Vocational Education Act to maximize the flow of federal funds to the postsecondary vocational-technical centers as may be provided in the intent of the federal law.

To reiterate testimony given before the Subcommittee on Education, the new law addresses specific populations in Part A of Title II with set-aside funds. Programs, activities and services may be of an ongoing nature within these categories under the Basic State Grants for Vocational Education opportunities. Certain restraints are placed upon these allocated funds as well as within the state distribution of funds available under Part A of Title II. In example; disadvantaged and handicapped funds must flow by formula to eligible recipients at 100 percent of the state allocation. Of the remaining sums in the categories of adult, single parent/homemaker, sex-bias/stereotyping, and correctional institutions, eighty percent (80%) must flow to eligible recipients and "more" funds must flow to economically depressed areas for all funding distributions within the 1984 Act.

Under Title II Part A (Adult Training/Retraining), the centers could be designated as the sole recipients of the funds available in the amount of $287,135. This might however be judged to be in violation of the funds available to all eligible recipients language of the Act. I would, therefore, suggest, for your consideration, not more than $275,000 earmarked for the centers.

Under the law these funds could be used for:

Federal Reg's (401.54)

(1) Coordination with the state agency administering Title III JTPA

(2) Additional training under JTPA Title III

(3) Programs for older individuals and displaced homemakers

(4) Services for adults including keeping school facilities open longer

(5) Individuals who have left or completed high school and are enrolled in organized programs of study for which credit is given toward an associate degree . . .

(6) Individuals who have already entered the labor market

Fund distribution to reflect "more" funds to depressed areas is feasible as follows:

Center	Amount	Purpose(s)
Billings	$ 25,000	17,300 Expansion of secretarial offerings 4,400 Upgrading of equipment covered
Butte	75,000	Training/retraining of adults and/or extended day services
Great Falls	75,000	25,000 Microcomputer purchase 50,000 To be matched for the cook's program
Helena	50,000	Late evening expansion of classes available for adults for vo-tech credits
Missoula	50,000	Expanded instructional programs
	$275,000	

Other eligible recipients would be awarded the balance of $12,135.

Funds under Title II Part B must take on a different spending purpose and Federal Regulations 401.59 and 401.60 note that funds may not be used to maintain existing services or activities. Funds must be spent to expand, improve, modernize or develop high quality vocational education programs or support services that will provide for marketable skills, improve productivity or promote economic growth.

Of the several categories designated for spending by the joint membership of the Planning Council and former State Advisory Council the following are suggested for your consideration.

I. Expansion of new ~~programs~~ and equipment

Center	Amount	Purpose
Billings	$ 16,000	Purchase CAD equipment
Butte	20,000	New placement officer
Great Falls	20,000	New placement officer
Helena	10,000	New summer counselor position
Missoula	12,000	Computer equipment
	$ 78,000	

equipment

219,725 bus Fed/state match
being rid by

II. Revitalization of business and industry

Center	Amount	Purpose
Helena	$ 26,803	Summer Aviation program

match

III. Mathematics and Science fundamentals

Center	Amount	Purpose
Billings	$ 10,000	Funds shall be used to assist academically disadvantaged as determined through testing prior to enrollment within programs. Contracted services with adult education with services delivered within the centers.
Butte	12,000	
Great Falls	12,000	
Helena	10,000	
Missoula	11,000	
	$ 55,000	

– 55000 match –

IV. Communications/telecommunications

Center	Amount	Purpose
Butte	$ 15,104	Review current communications systems for replication in Montana, purchase of software, travel, meetings, and equipment purchases which focus upon telecommunications.
Great Falls	40,000	
	$ 55,104	

put in on fund match with

V. Area vo-tech centers

Any project assisted must be of sufficient size, scope and quality to give reasonable promise of meeting vocational education needs of students involved in the project to expand and improve programs.

Center	Amount	Purposes(s)
Billings	$ 100,000	Expansion/improvement
Butte	130,000	
Great Falls	120,000	
Helena	100,000	
Missoula	103,551	
	$ 553,551	

-524000 -86
513,897 -87
In-House Match
paint booth

The summary of funds for your consideration is as follows:

Revenue:	Title II Part A	$ 275,000
	Title II Part B	
	B1. New programs and equip.	78,000
	B2. Revitalization	26,803
	B3. Math and Science	55,000
	B4. Comm./tele.	55,104
	B5. Area centers	553,551

Center	Part A	B1	B2	B3	B4	B5	Total
Billings	25,000	16,000		10,000		100,000	151,000
Butte	75,000	20,000		12,000	15,104	130,000	252,104
Gt. Falls	75,000	20,000		12,000	40,000	120,000	267,000
Helena	50,000	10,000	26,803	10,000		100,000	196,803
Missoula	50,000	12,000		11,000		103,551	176,551
	275,000	78,000	26,803	55,000	55,104	553,104	1,043,458

The table above represents a first step process which will require applications from the centers complete with identification of matching funds and required assurances that the federal regulations will be followed.

I trust that the information provided will assist you and committee members in the resolution of the biennium funding for the centers.

Sincerely,

GENE R. CHRISTIAANSEN
Assistant Superintendent
Department of Vocational Education Services

hd

xc: E. Argenbright
W. Anderson
P. Joehler
J. Dietz
H. Freebourn
L. Frazier
A. Capdeville
D. Lerum
T. Chesbro
R. Frisbee

Additional Cost for excluding Vo Tech Centers in FY 1984-85 State Work Study Allocations

EXHIBIT 4
2-14-85

	# FTE Student *	Add'l Cost
Billings Vo Tech	401	$ 5325
Butte Vo Tech	294	3904
Helena Vo Tech	683	9070
Missoula Vo Tech	595	7902
Great Falls Vo Tech	423	5617
Total	2396	$ 31818

* Fall 1983 FTE students

Methodology: Current appropriation of $290,790 divided by 21,890 full-time resident students = $13.28. This figure multiplied by number of FTE students at each Vo Tech Center is used to derive additional funding requirements

Paul C Durham
2/13/85

EXHIBIT 3
2-14-85

ADULT BASIC EDUCATION STATEWIDE PROGRAM REVENUES BY SOURCE

REVENUES	1984 Expenditures	1985 Projections	1986 Projections	1987 Projections
LOCAL—Usual source is 1 mil permissive adult ed levy	161,436.79	194,397.00	198,285.00 (102% of 1985)	202,251.00 (102% of 1986)
STATE—Interest income from Ed Trust fund—state appropriation	129,776.74 (appropriated) (140,820.00)	147,380.00 (appropriated) (149,270.00)	148,535.00 LFA Budget Recommendation	155,962.00 LFA Budget Recommendation
FEDERAL—Adult Ed Act PL 91-230 (grant + carryover) (see below)	282,586.57	354,071.46	403,411.55	405,878.58
TOTAL BY YEAR	**573,800.10**	**695,848.46**	**750,231.35**	**764,091.58**
Total Fed. Grant	**384,760.00**	**398,233.00**	**484,119.00**	**484,119.00**
Tchr. Ed. and Special Demo Projects 10% (Minimum)	38,476.00	39,823.00	48,411.00	48,411.00
	346,284.00	**358,410.00**	**435,708.00**	**435,708.00**
Program Administration	50,000.00	50,000.00	50,000.00	50,000.00
Flow-Thru Funds	**296,284.00**	**308,410.00**	**385,708.00**	**385,708.00**
Carryover—from previous year	31,964.28	45,661.46	17,703.55	20,170.58
	328,248.28	**354,071.46**	**403,411.55**	**405,878.58**

FEDERALLY FUNDED FISCAL YEARS 1984 & 1985

ADULT BASIC EDUCATION STATEWIDE PROGRAMS

LOCAL PROJECT BUDGET CATEGORIES

PROJECT Summary	ACTUAL EXPENDED FY'84 Local Match	Federal Funds	Total Funds		CURRENT FY'85 BUDGETED Local Match	Federal Funds	Total Funds	
PERSONAL SERVICES								
Salaries	$103485.92	$220379.59	$323865.51		$123135.00	$279822.00	$402957.00	
Benefits	$19747.52	$36052.68	$55800.20		$24736.24	$42857.46	$67593.70	
Totals	$123233.44	$256432.27	$379665.71	$379665.71	$147871.24	$322679.46	$470550.70	$470550.70
OPERATING EXPENSES								
Supplies	$3657.61	$10820.25	$14477.86		$3954.00	$14218.00	$18172.00	
Instructional Travel	$691.50	$3932.00	$4623.50		$597.00	$4089.00	$4686.00	
Printing, Recruitment	$660.56	$249.41	$909.97		$455.00	$70.00	$525.00	
Advertising	$385.65	$542.09	$927.74		$301.00	$838.00	$1139.00	
Other Supplies, Expenses	$174.61	$191.58	$366.19		$275.00	$333.00	$608.00	
Indirect Cost		$10418.97	$10418.97			$11373.00	$11373.00	
Totals	$5569.93	$26154.30	$31724.23	$31724.23	$5582.00	$30921.00	$36503.00	$36503.00
EQUIPMENT								
New Minor Equipment	$300.00	$0.00	$300.00		$300.00		$0.00	
Major Equipment			$0.00		$174.00	$471.00	$942.00	
Totals	$300.00	$0.00	$300.00	$300.00	$474.00	$471.00	$942.00	$942.00
PROGRAM TOTAL	$129103.37	$282586.57	$411689.94	$411689.94	$153927.24	$354071.46	$507995.70	$507995.70

STATE FUNDED FISCAL YEARS 1984 & 1985

ADULT BASIC EDUCATION STATEWIDE PROGRAMS

LOCAL PROJECT BUDGET CATEGORIES

PROJECT SUMMARY	ACTUAL EXPENDED FY'84 Local Match	State Funds	Total Funds		CURRENT FY'85 BUDGETED Local Match	State Funds	Total Funds	
PERSONAL SERVICES								
Salaries	$21699.40	$96261.89	$117961.29		$29596.50	$114375.00	$143971.50	
Benefits	$4897.12	$10925.40	$15822.52		$8218.84	$14102.42	$22321.26	
Totals	$26596.52	$107187.29	$133783.81	$133783.81	$37815.34	$128477.00	$166292.76	$166292.76
OPERATING EXPENSES								
Supplies	$2733.65	$8658.44	$11292.09		$1540.00	$9171.00	$10711.00	
Instructional Travel	$319.64	$10636.62	$10956.26		$586.00	$6110.00	$6696.00	
Printing, Recruitment	$67.67	$450.53	$518.20		$55.00	$580.00	$635.00	
Advertising	$57.50	$771.80	$829.30		$90.00	$1422.00	$1512.00	
Other Supplies, Expenses	$307.67	$710.03	$1017.70		$39.00	$274.00	$313.00	
Heat	$210.00	$100.00	$310.00		$210.00	$100.00	$310.00	
Utilities	$53.00	632.55	$685.55		$53.00	$650.00	$703.00	
Totals	$3749.13	$21959.97	$25609.10	$25609.10	$2573.00	$18307.00	$20880.00	$20880.00
EQUIPMENT								
New Minor Equipment	$26.52	$629.48	$756.00		$15.00	$410.00	$425.00	
Major Equipment	$1961.25		$1961.25		$69.00	$186.00	$255.00	
Totals	$1987.77	$629.48	$2717.25	$2717.25	$84.00	$596.00	$680.00	$680.00
PROGRAM TOTAL	$32333.42	$129776.74	$162110.16	$162110.16	$40472.34	$147380.00	$187852.76	$187852.76

ADULT BASIC EDUCATION
Example of Impact at Seven Sites
(continued)

Center	Total Students Served (FY 84)	Recent Cuts	Total Needy Population* (20+ Yrs., not H.S. Grad.)		Program Needs
Miles Community College Program Needs Cost $21,200	613	* Reduced 1 afternoon ABE/ GED class * Reduced 1 3-hour ABE course for college and pre-college students NOTE: Fall 1984 enrollment (125 students) doubled from Fall 1983 (68 students). Approximately 20% of those students were put on a waiting list * Reduced satellite program by half	2,498 1,579	Custer County Rosebud County*	* A full-time instructor is needed to give the program continuity * Additional ABE classes
Flathead Community College Program Needs Cost $6,320	318	* Eliminated 1 full-time administrative position * Eliminated 1 full-time teaching position and replaced it with part-time position * Reduced number of class hours available for day & evening students * Reduced amount of money available for expandable and non-expandable instructional materials	7,591 3,343	Flathead County Lincoln County	* Class hours need to be increased from 4 days of GED preparation to 5 days * Class hours need to be increased for evening classes from 1 night a week to 2 nights a week * Increased funding for instructional materials

TOTAL $205,988

TOTAL	4,685	69,354 (124,246 statewide total)***	

* 1980 Census figures
** Current ABE satellite locations
*** Total additional students would be distributed at all ABE centers & satellites rather than just the seven shown here.

2/5/85

ADULT BASIC EDUCATION
Example of Impact at Seven Sites

Center	Total Students Served (FY 84)	Recent Cuts	Total Needy Population* (20+ Yrs., not H.S. Grad.)		Program Needs
Billings Program Needs Cost $44,400	1,087	* .5 FTE English teacher * No new replacement of lost or stolen typewriters since 1978 * 1 FTE math teacher (waiting list for math day classes)	15,697	Yellowstone County	* Adult classes are needed in math and English in west Billings. We would use the Career Center or Billings Vo-Tech facility. 2 FTE. * Increase .5 FTE math instructor at Taft School. * Purchase one new classroom typewriter per year * Purchase two microcomputers
Great Falls Program Needs Cost $15,469	499	* Reduction of program operating hours	12,327	Cascade County	* 2 additional nights for A.B.E. * More advertising for recruitment of students
Helena Program Needs Cost $34,135	1,030	* 79-80 lost 1 FTE teaching position * 81-82 lost 1 FTE teaching position and 1 FTE counselor position (2-week waiting period for entry testing and placement in classes)	4,730 564 469	Lewis & Clark County Broadwater** County Meagher County**	* One full-time position needed to work with prospective and current Vo-Tech students in order to help insure their success * New equipment needed: 1 photocopier, 1 memory typewriter, 1 microcomputer with second disk drive and printer
Missoula Program Needs Cost $56,564	560	* Unable to replace 1 teacher aide in 1982 * Reduced 1 FTE English teaching position to .18 FTE * Reduced 1 FTE full-time math teaching position to .18 FTE * Unable to replace aging classroom typewriter (1980-84)	8,662	Missoula County	* 1.0 FTE Reading Specialist to serve 14 non-reading adults * .33 FTE Counselor * 1.0 FTE Teacher Aide * 1.5 FTE Math and English instructor to serve primary center and home study students
Dawson Community College Program Needs Cost $27,900	578	* Program has not expanded because funds not available	1,956 1,762 797 342 2,438 1,126 2,026 625 479 343	Dawson County Valley County Fallon County* Carter County* Richland County* Sheridan County* Roosevelt County* Daniels County* Prairie County* Wibaux County*	* A counselor should be available for use by the sites for career and personal counseling

EXHIBIT
2-14-85

POSTSECONDARY VOCATIONAL TECHNICAL CENTERS
SUBCOMMITTEE ACTION AS OF 2/8/85
-- SYSTEM SUMMARY --

	1986			1987		
	Executive	LFA Current Level	Subcommittee Current Level	Executive	LFA Current Level	Subcommittee Current Level
Student FTE	2785	2585	2605	2785	2585	2605
Expenditures by Center						
Billings	$1,745,682	$1,818,134	$	$1,726,210	$1,823,352	$
Butte	1,459,047	1,223,870		1,439,926	1,217,925	
Great Falls	1,613,970	1,519,958		1,594,514	1,518,325	
Helena	2,205,625	2,112,131		2,186,348	2,122,732	
Missoula	2,056,416	2,010,897		2,038,774	2,018,371	
Total Expenditures	$9,080,740	$8,684,990	$	$8,985,772	$8,700,705	$
Expenditures by Program						
Instruction	$5,345,086	$5,154,490	$5,194,370	$5,345,187	$5,195,850	$5,236,050
Support	2,318,760	2,071,635	2,074,438	2,219,870	1,988,057	1,990,881
Plant O & M	1,324,989	1,245,575		1,328,810	1,292,038	
Equipment	91,905	213,290	213,970	91,905	224,760	225,480
Total Expenditures	$9,080,740	$8,684,990	$	$8,985,772	$8,700,705	$
Funding by Source						
Tuition	$1,514,700	$1,447,600	$1,469,220	$1,514,700	$1,499,300	$1,544,765
County Millage	857,800	855,233		873,668	868,314	
Federal Vo-Ed	1,022,199	1,179,327		1,022,199	1,179,327	
Education Trust Interest	870,472	895,000		967,688	1,000,000	
General Fund	4,815,569	4,307,830		4,607,517	4,153,764	
Total Funding	$9,080,740	$8,684,990	$	$8,985,772	$8,700,705	$

EXHIBIT 5
2-14-85

POSTSECONDARY VOCATIONAL TECHNICAL CENTERS
SUBCOMMITTEE ACTION
-- SYSTEM DETAIL --

	FY 1984 Actual	1986 Executive	1986 LFA Current Level	1986 Subcommittee Current Level	1987 Executive	1987 LFA Current Level	1987 Subcommittee Current Level
Student FTE by Center							
Billings	485	521	538	511	521	538	511
Butte	342	428	344	415	428	344	415
Great Falls	449	502	445	423	502	445	423
Helena	663	716	650	660	716	650	660
Missoula	607	618	608	596	618	608	596
System Total	2,546	2,785	2,585	2,605	2,785	2,585	2,605

The subcommittee estimated the student enrollment by finding the difference by center between actual Fall and Winter fiscal 1985 enrollment then adding/subtracting one-half the difference from LFA current level estimate. Due to the Great Falls center's significant enrollment decline from LFA current level and the Helena center enrollment increase, 10 FTE were removed from Great Falls and included at Helena. A separate enrollment figure was estimated for Butte due to the new facility.

* *

	FY 1984 Actual	1986 Executive	1986 LFA Current Level	1986 Subcommittee Current Level	1987 Executive	1987 LFA Current Level	1987 Subcommittee Current Level
Instruction by Center							
Billings		$ 999,906	$1,072,772	$1,018,934	$ 999,908	$1,081,380	$2,027,110
Butte		821,503	685,936	827,510	821,578	691,440	834,150
Great Falls		963,438	887,330	843,462	963,438	894,450	850,230
Helena		1,374,173	1,296,100	1,316,040	1,374,197	1,306,500	1,326,600
Missoula		1,186,066	1,212,352	1,188,424	1,186,066	1,222,080	1,197,960
System Total		$5,345,086	$5,154,490	$5,194,370	$5,345,187	$5,195,850	$5,236,050

The subcommittee approved a 0 percent vacancy savings rate for instructional staff.

	1986 Executive	1986 LFA Current Level	1986 Subcommittee Current Level	1987 Executive	1987 LFA Current Level	1987 Subcommittee Current Level
Support by Center						
Billings	$ 442,406	$ 416,259	$ 412,477	$ 422,406	$ 399,553	$ 395,742
Butte	438,322	362,606	372,553	418,322	345,352	355,375
Great Falls	436,849	399,021	395,939	416,849	382,162	379,056
Helena	481,373	443,781	445,182	462,014	427,346	428,758
Missoula	514,810	449,968	448,287	495,279	433,644	431,950
System Total	$2,313,760	$2,071,635	$2,074,438	$2,214,870	$1,988,057	$1,990,881

The subcommittee current level support budget reflects a student enrollment of 2,605 and the support staffing standards approved by the 1983 legislature. The subcommittee approved a 0 percent vacancy savings rate for support program personnel. The subcommittee approved a modified request which changed the counselor staff standard ratio from one counselor for every 300 FTE to one counselor for every 250 FTE. The additional system-wide cost of the current level budget would $72,992 in fiscal 1986 and $73,548 in fiscal 1987 for 2.06 additional support staff and related operating costs.

* *

	1986 Executive	1986 LFA Current Level	1986 Subcommittee Current Level	1987 Executive	1987 LFA Current Level	1987 Subcommittee Current Level
Plant Operations & Maintenance by Center						
Billings	$ 286,177	$ 279,461	$ 6,716	$ 286,703	$ 290,126	$ (3,423)
Butte	175,098	163,632	11,466	175,902	168,749	7,153
Great Falls	192,117	187,127	4,990	192,661	192,768	(107)
Helena	323,201	318,800	4,401	325,559	332,561	(7,002)
Missoula	329,146	296,555	32,591	331,035	307,834	23,201
System Total	$1,305,739	$1,245,575	$60,164	$1,311,860	$1,292,038	$19,822

Issues:

	1986	1987
1. Executive applied 4% vacancy savings	$(20,687)	$(20,687)
2. Executive has higher base costs caused primarily from leaving in expenditures funded from voted levy funds		
a. Personal Services	102,028	102,028
b. Operating Expenses	75,524	75,524
3. LFA has more 1.76 more FTE	(35,660)	(35,660)
4. LFA has higher inflation	(61,041)	(101,383)

	1986			1987		
	Executive	LFA Current Level	Subcommittee Current Level	Executive	LFA Current Level	Subcommittee Current Level
Equipment by Center						
Billings	$ 17,193	$ 49,642	$ 48,724	$17,193	$ 52,293	$ 51,321
Butte	24,124	11,696	14,110	24,124	12,384	14,940
Great Falls	21,566	46,480	45,732	21,566	48,945	48,153
Helena	26,878	53,450	53,790	24,578	56,325	56,685
Missoula	26,394	52,022	51,614	26,394	54,813	54,381
System Total	$116,155	$213,290	$213,970	$113,855	$224,760	$225,480

* *

	Executive	LFA Current Level	Subcommittee Current Level	Executive	LFA Current Level	Subcommittee Current Level
Tuition by Center						
Billings	$ 286,200	$ 301,280	$ 288,204	$ 286,200	$ 312,040	$ 303,023
Butte	232,200	192,640	234,060	232,200	199,520	246,095
Great Falls	283,500	249,200	238,572	283,500	258,100	250,839
Helena	378,000	364,000	372,240	378,000	377,000	391,380
Missoula	334,800	340,480	336,144	334,800	352,640	353,428
System Total	$1,514,700	$1,447,600	$1,469,220	$1,514,700	$1,499,300	$1,544,765

The subcommittee approved a tuition revenue estimate which reflects a tuition rate increase of 4.5 and 5 percent in fiscal 1986 and 1987, respectively. The tuition rate increased from $540 per year in fiscal 1985 to $564 in fiscal 1986 and $593 in fiscal 1987.

	1986			1987		
	Executive	LFA Current Level	Executive Over (Under) LFA	Executive	LFA Current Level	Executive Over (Under) LFA
County Millage by Center						
Billings	$315,496	$326,126	$(10,630)	$321,332	$331,117	$ (9,785)
Butte	76,702	76,579	123	78,121	77,733	388
Great Falls	150,007	138,882	11,125	152,782	141,123	11,659
Helena	88,878	104,490	(15,612)	90,522	106,046	(15,524)
Missoula	226,717	209,156	17,561	230,911	212,295	18,616
System Total	$857,800	$855,233	$ 2,567	$873,668	$868,314	$ 5,354

PJLEG:vtc app nar form

Subcommittee Action
Support Staff Standards and Personal Services
Subcommittee Current Level and Modified Level
1987 Biennium

	Director	Assistant Director	Bus Mgr/ Chief Acct	Counselor	Librarian	Admin. Sec'y	Admin. Support Sec'y	Other Support Sec'y	Instruc. Support Sec'y	Total Support Staff	Total Personal Services
BILLINGS											
Subcomte. Current Level	1.00	1.00	1.00	1.70	1.00	1.00	.67	1.63	3.29	12.29	$325,838
Modified Level	1.00	1.00	1.00	2.04	1.00	1.00	.67	1.70	3.29	12.70	337,940
Add'l. Staff & Cost				.34			.07			.41	12,102
BUTTE											
Subcomte. Current Level	1.00	1.00	1.00	1.38	1.00	1.00	.67	1.41	2.16	10.62	$294,964
Modified Level	1.00	1.00	1.00	1.66	1.00	1.00	.67	1.46	2.16	10.95	304,792
Add'l. Staff & Cost				.28				.05		.33	9,828
GREAT FALLS											
Subcmte. Current Level	1.00	1.00	1.00	1.41	1.00	1.00	.67	1.56	3.10	11.74	$312,317
Modified Level	1.00	1.00	1.00	1.69	1.00	1.00	.67	1.61	3.10	12.07	322,334
Add'l. Staff & Cost				.28				.05		.33	10,017
HELENA											
Subcomte. Current Level	1.00	1.00	1.00	2.20	1.00	1.00	.67	1.69	3.91	13.47	$352,198
Modified Level	1.00	1.00	1.00	2.64	1.00	1.00	.67	1.77	3.91	13.99	367,829
Add'l. Staff & Cost				.44				.08		.52	15,631
MISSOULA											
Subcomte. Current Level	1.00	1.00	1.00	1.99	1.00	1.00	.67	1.83	4.31	13.80	$353,514
Modified Level	1.00	1.00	1.00	2.38	1.00	1.00	.67	1.91	4.31	14.27	367,629
Add'l. Staff & Cost				.39				.08		.47	14,115
SYSTEM TOTAL											
Subcomte. Current Level	5.00	5.00	5.00	8.68	5.00	5.00	3.35	8.12	16.77	61.92	$1,638,832
Modified Level	5.00	5.00	5.00	10.41	5.00	5.00	3.35	8.45	16.77	63.98	1,700,524
Add'l. Staff & Cost				1.73				.33		2.06	61,692