

LFD COMMENT The federal GEAR-UP grant has a five-year award cycle that expired in 2004. However, Montana received a one-year extension through August 2005. A competitive process for a subsequent five-year award will occur in early 2005. The present law budget for GEAR-UP is based upon an assumption of funding at the FY 2005 amount. Therefore, DP 24 reflects the difference between 2004 base year grant expenditures and the FY 2005 actual award.

New Proposals

Program	FTE	Fiscal 2006				Fiscal 2007				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 20 - Add 0.5 FTE Accountant for GEAR-UP Grant										
06	0.50	0	0	28,800	28,800	0.50	0	0	28,813	28,813
Total	0.50	\$0	\$0	\$28,800	\$28,800	0.50	\$0	\$0	\$28,813	\$28,813

DP 20 - Add 0.5 FTE Accountant for GEAR-UP Grant - The executive budget adds 0.50 FTE to be funded from the federal GEAR-UP grant for an accountant to assist with program financial management. This 0.50 FTE position, which is currently filled, is the second half of a 1.00 FTE position that has been funded from two federal grants (Carl Perkins and GEAR-UP) for at least three years. This 0.50 FTE position is requested in order to present the budget accurately.

LFD COMMENT While OCHE has not requested this position in previous biennia, it has filled the position during the interim using funding from two different grants in two different programs. Any positions created through this process, called "modified" positions, are not included in the base budget presented to the legislature. The executive is requesting that the position be made a permanent, budgeted position in the Talent Search Program. Funding is from the GEAR-UP grant.