

Commissioner Of Higher Ed

Program Proposed Budget

The following table summarizes the executive budget proposal for this program by year, type of expenditure, and source of funding.

Program Proposed Budget								
Budget Item	Base Budget Fiscal 2004	PL Base Adjustment Fiscal 2006	New Proposals Fiscal 2006	Total Exec. Budget Fiscal 2006	PL Base Adjustment Fiscal 2007	New Proposals Fiscal 2007	Total Exec. Budget Fiscal 2007	Total Exec. Budget Fiscal 06-07
FTE	20.45	0.00	0.50	20.95	0.00	0.50	20.95	20.95
Personal Services	889,445	(34,199)	28,800	884,046	(34,204)	28,813	884,054	1,768,100
Operating Expenses	413,419	105,456	0	518,875	106,308	0	519,727	1,038,602
Grants	(326,090)	1,580,766	0	1,254,676	1,580,663	0	1,254,573	2,509,249
Transfers	547,201	0	0	547,201	0	0	547,201	1,094,402
Total Costs	\$1,523,975	\$1,652,023	\$28,800	\$3,204,798	\$1,652,767	\$28,813	\$3,205,555	\$6,410,353
General Fund	81,595	18,166	0	99,761	18,936	0	100,531	200,292
Federal Special	1,442,380	1,633,857	28,800	3,105,037	1,633,831	28,813	3,105,024	6,210,061
Total Funds	\$1,523,975	\$1,652,023	\$28,800	\$3,204,798	\$1,652,767	\$28,813	\$3,205,555	\$6,410,353

Program Description

Talent Search is primarily a federally funded program intended to decrease the dropout rate of low-income and at-risk students at the secondary school level, and to increase their enrollment in post-secondary education. Talent Search has three components providing services to the target populations:

- Gaining Early Awareness & Readiness for Undergraduate Programs (GEAR-UP) is an early intervention and scholarship program that provides mentoring, counseling and outreach to build academic success that will lead to post-secondary education enrollment and achievement
- Montana Educational Talent Search (METS) creates a long-term academic contract with middle school students that subsequently provides academic support, skills building and counseling to encourage the planning, preparation and pursuit of a post-secondary education
- American Indian/Minority Achievement works with the campuses of the MUS to recruit, enroll and graduate American Indian and other minority students with a post-secondary education

Program Highlights

Talent Search Program Major Budget Highlights
<ul style="list-style-type: none"> • The executive budget includes an increase of \$3.3 million of federal authority for the 2007 biennium in anticipation of grants for the following: <ul style="list-style-type: none"> • \$3.2 million for the GEAR-UP program • \$0.18 million for the METS program • The executive budget includes an additional \$57,613 of federal authority for the 2007 biennium for an additional 0.50 FTE in the GEAR UP program.

Funding

The following table shows program funding, by source, for the base year and for the 2007 biennium as recommended by the Governor.

Program Funding Table						
Talent Search						
Program Funding	Base FY 2004	% of Base FY 2004	Budget FY 2006	% of Budget FY 2006	Budget FY 2007	% of Budget FY 2007
01000 General Fund	\$ 81,595	5.4%	\$ 99,761	3.1%	\$ 100,531	3.1%
03000 Federal Spec. Rev. Funds	1,442,380	94.6%	3,105,037	96.9%	3,105,024	96.9%
Grand Total	\$ 1,523,975	100.0%	\$ 3,204,798	100.0%	\$ 3,205,555	100.0%

General fund is used in this program solely to support the American Indian/Minority Achievement program, which is funded 100 percent from this source. The METS (Talent Search) program is funded 100 percent from federal funds and there is no match requirement. GEAR-UP is funded by a federal grant that requires a 50 percent non-federal fund match, which is provided through allowable in-kind services.

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	Fiscal 2006				Fiscal 2007					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					1,434					1,432
Vacancy Savings					(35,633)					(35,636)
Inflation/Deflation					(346)					(332)
Fixed Costs					12,462					18,849
Total Statewide Present Law Adjustments					(\$22,083)					(\$15,687)
DP 23 - Increase Federal Talent Search Grant Funds	0.00	0	0	93,340	93,340	0.00	0	0	87,791	87,791
DP 24 - Increase Federal GEAR-UP Grant Funds	0.00	0	0	1,580,766	1,580,766	0.00	0	0	1,580,663	1,580,663
Total Other Present Law Adjustments	0.00	\$0	\$0	\$1,674,106	\$1,674,106	0.00	\$0	\$0	\$1,668,454	\$1,668,454
Grand Total All Present Law Adjustments					\$1,652,023					\$1,652,767

DP 23 - Increase Federal Talent Search Grant Funds - The executive budget adds \$181,131 federal authority in the 2007 biennium to allow the Office of the Commissioner of Higher Education (OCHE) to fully expend the anticipated amount of this grant each year of the 2007 biennium.

LFD COMMENT	Since OCHE has not received a federal award letter for the Talent Search grant for the 2007 biennium, the present law budget is based upon an assumption of funding at the FY 2005 amount. Therefore, DP 23 reflects the difference between FY 2004 base year grant expenditures and the FY 2005 actual award.
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DP 24 - Increase Federal GEAR-UP Grant Funds - The executive budget adds \$3,161,429 federal authority in the 2007 biennium to allow the Office of the Commissioner of Higher Education to fully expend the anticipated amount of this grant each year of the 2007 biennium.

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

New Proposals	Fiscal 2006					Fiscal 2007					
	Program	FTE	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.