



Education Interim Budget Committee

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67th Montana Legislature

SENATE MEMBERS

DAN SALOMON – Vice Chair
JOHN ESP
JOHN FULLER
SHANE MORIGEAU

HOUSE MEMBERS

DAVID BEDEY – Chair
LLEW JONES
CONNIE KEOGH
JONATHAN WINDY BOY

COMMITTEE STAFF

KATY CALLON, Fiscal Analyst
KATIE GUENTHER, Fiscal Analyst
ALICE HECHT, Fiscal Analyst
JULIA PATTIN, Fiscal Analyst
KURT SWIMLEY, Fiscal Analyst

MINUTES LOG

September 13, 2023
Room 317
Helena, Montana

Please note: This document is a Minutes Log and provides annotation of the time elapsed between the beginning of the meeting and the time at which the item was presented or discussed, a motion was made, or a vote was taken. The narrative presented here is provided only as a guide to the audio or video recording of the meeting. The official discussion, motion, or vote is available on the audio or video archive of this meeting. The Legislature does not prepare a transcript of the meeting activities. The time designation may be used to locate the referenced discussion on the audio or video recording of this meeting.

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MEMBERS PRESENT:

Rep. David Bedey, Chair (R)
Sen. Dan Salmon, Vice Chair (R)
Rep. Llew Jones (R)
Rep. Connie Keogh (D)
Rep. Jonathan Windy Boy (D)
Sen. Shane Morigeau (D)
Sen. John Esp (R)
Sen. John Fuller (R)

MEMBERS EXCUSED:

MEMBERS ABSENT:

STAFF PRESENT:

Katy Callon, Fiscal Analyst
Katie Guenther, Lead Fiscal Analyst
Julia Pattin, Fiscal Analyst
Kurt Swimley, Fiscal Analyst
Alice Hecht, Fiscal Analyst

AGENDA (Attachment 1)

VISITORS' LIST (Attachment 2)

COMMITTEE ACTION

CALL TO ORDER/ROLL CALL

- 07:49:20 Rep. David Bedey called the meeting to order
- 07:49:26 Secretary took roll.
- 07:49:47 Julia Pattin introduced Kurt Swimley, Fiscal Analyst, (LFD) to the committee.

MONTANA STATE LIBRARY:

- 07:50:47 Katy Callon, Fiscal Analyst, (LFD) gave a review of the quarterly financial report.
- 08:06:56 Jennie Stapp, State Librarian gave an update on the Hot Spot Program. Provided reports.
- 08:14:07 Sen. John Esp asked for clarification about overdue fines.
- 08:14:27 Jennie Stapp, State Librarian explained that most libraries have adopted the method of waiving the fee if the item is returned but if an item is lost or cannot be returned the patron will be charged to replace it.
- 08:14:50 Sen. John Esp asked what a typical replacement cost would be.
- 08:14:56 Jennie Stapp, State Librarian replied that the fee is roughly \$30 dollars.
- 08:15:25 Rep. David Bedey requested a report in December on the implementation of the Real Time Network. Would like to see more data on staffing and modified FTEs
- 08:21:57 Sen. John Esp asked staff to research staff pay broken into categories across agencies.
- 08:23:17 Rep. Connie Keogh complemented State Librarian on the Hot Spot reports presented.

COMMISSIONER OF HIGHER EDUCATION:

- 08:24:06 Kurt Swimley, Fiscal Analyst, (LFD) presented Quarterly Financial Report
- 08:32:18 Shauna Lyons, Director of Accounting and Budget, Commissioner of Higher Education, (OCHE) presented a report on the HiSET program.
- 08:36:43 Rep. Connie Keogh asked if the Commissioners office is currently doing any study or analysis across tribal colleges to gauge student engagement, techniques, and services.
- 08:37:10 Shauna Lyons, Director of Accounting and Budget, (OCHE) explained that if the committee has specific questions, data can be pulled for the committee. Another option would be to invite tribal college partners to come and present to the committee.
- 08:37:49 Rep. Connie Keough clarified if there are best practices being utilized across programs and if the college partners are sharing this information.

- 08:39:05 Shauna Lyons, Director of Accounting and Budget, (OCHE) responded that she can consult with Director Angela McLean, Director of American Indian/ Minority Achievement and K-12 Partnerships and get results back to the committee.
- 08:40:50 Sen. Shane Morigeau brought up concerns around self-reporting data. Asked if HiSET programs are always self-reporting for pass rates.
- 08:41:30 Shauna Lyons, Director of Accounting and Budget, (OCHE) explained that each campus records their own data for students who use their testing centers and resources except for Chief Dull Knife College in Lama Deer, MT. Explained Chief Dull Knife can only provide test prep. Students will have to take the HiSET test at another testing location. Described data challenges around this issue.
- 08:42:17 Sen. Shane Morigeau asked if OCHE can record and report offsite testing locations in these situations to ensure accurate pass rate data can be gathered.
- 08:43:13 Shauna Lyons, Director of Accounting and Budget, (OCHE) explained their office would be willing to speak to Chief Dull Knife College about partnering with a testing site. Students who are participating in test prep at the college do receive a testing voucher for the HiSET at a testing location however she is unaware of the rules surrounding data sharing. Responded that more information can be gathered for the committee.
- 08:44:18 Rep. David Bedey asked what is preventing Chief Dull Knife College from establishing their own testing center if it has been done at the other colleges.
- 08:44:24 Shauna Lyons, Director of Accounting and Budget, (OCHE) responded that the college has struggled finding a qualified instructor that will stay on board. One of the key criteria is to have an individual with proper training at the college location.
- 08:44:52 Rep. David Bedey requested Director Angela McLean regional/national statistics on pass rates among students who take HiSET for the committee. Also asked about pass rates at Salish Kootenai and why they are much higher than the other colleges.
- 08:47:35 Joe Thiel, Deputy Commissioner, Office of Commissioner of Higher Education, (OCHE) gave a brief overview and history of United States university systems.
- 08:52:25 Rep. David Bedey brought up concern that the Max S. Baucus Institute at the University of Montana received appropriation from Chinese funding. Asked why the Baucus Institute was not included in their reports.
- 08:52:55 Joe Thiel, Deputy Commissioner, Office of Commissioner of Higher Education, (OCHE) explained that the Baucus Institute is a 501c3 that has an agreement to share space and a staff member at the University. Like all nonprofits, the University is required to report on their partnerships with them if those nonprofits receive more than \$100,000 dollars from a foreign entity or more than 10% of their resources each year. The Baucus Institute was found to have no funding that met this threshold.
- 08:55:00 Rep. David Bedey asked for more information about recent patented related activities on the report. Noticed patents filed with Chinese government.

- 08:55:28 Joe Thiel, Deputy Commissioner, Office of Commissioner of Higher Education, (OCHE) explained that there are currently two entries that are related to filing patent claims on two University of Montana inventions in China. Explained the process of registering inventions through patents.
- 08:56:37 Rep. David Bedey requested a report at the next meeting on continued sources of funding for 12Free Program.

MONTANA ARTS COUNCIL:

- 08:58:40 Alice Hecht, Fiscal Analyst, (LFD) presented the quarterly financial report for the Montana Arts Council.
- 09:04:13 Kristin Han Burgoyne, Acting Deputy Director, Montana Arts Council updated the committee on the hiring process for a new Director. Expected that an announcement would be made within the next week.

MONTANA HISTORICAL SOCIETY:

- 09:05:20 Alice Hecht, Fiscal Analyst, (LFD) presented the quarterly financial report for the Montana Historical Society
- 09:11:38 Rep. David Bedey asked about expansion of staff to meet needs of their new facility.
- 09:11:50 Molly Kruckenberg, Director, Montana Historical Society (MHS) described vacant positions, recruitment efforts.
- 09:12:54 Rep. David Bedey made comments about the HB 5 Study of State Budget Process and Personal Services Expenditure Committee and future information requirements that will be requested.
- 09:14:37 Sen. Dan Salomon made comments on touring the new Montana Historical Society. Thanked Director Kruckenberg on her efforts.
- 09:18:23 Sen. John Esp added remarks on the history of Montana Historical Society.

BOARD OF PUBLIC EDUCATION:

- 09:20:49 Alice Hecht, Fiscal Analyst, (LFD) presented the quarterly financial report for the Board of Public Education.
- 09:24:04 Rep. David Bedey asked now that the Board of Public Education is fully funded by general fund rather than state special fund, when was this switch made?
- 09:24:38 Alice Hecht, Fiscal Analyst, (LFD) responded that she can gather this information for the committee.

RECESS:

- 09:25:21 Reconvened at 10:01:38

OFFICE OF PUBLIC INSTRUCTION:

- 10:01:45 Rep. David Bedey introduced Rep. Linda Rexton who was invited to join the conversation on Database Modernization Program.

- 10:02:09 Julia Pattin, Fiscal Analyst, (LFD) presented the quarterly financial report for the Office of Public Instruction.
- 10:19:20 Rep. Connie Keough asked by what date the Data Systems Modernization Program appropriations should be expended.
- 10:19:39 Julia Pattin, Fiscal Analyst, (LFD) explained that these projects funds were split into two different appropriations. The first is due to be obligated by September 2023, the second is due at the end of September 2024.
- 10:20:30 Jay Phillips, Chief Financial Officer, Office of Public Instruction, (OPI) gave an update on Covid-19 Funding.
- 10:39:52 Rep. Connie Keough would like to know what is involved in the annual maintenance of the PowerSchool system. Asked staff to follow up on this for the next meeting.
- 10:40:40 Rep. David Bedey asked if there is a dedicated team set up to support the PowerSchool system.
- 10:41:11 Jay Phillips, Chief Financial Officer, (OPI) explained that Elementary and Secondary School Emergency Relief Fund (ESSER) funding was not enough to dedicate staff exclusively to this project. There are system support staff and project managers on staff.
- 10:41:52 Chris Sinrud, Chief Information Officer, (OPI) described staff organization and challenges surrounding the success of the PowerSchool project.
- 10:42:45 Rep. David Bedey noted that there are three vacant positions needed for the project and asked if OPI is currently advertising to fill these.
- 10:43:00 Chris Sinrud, Chief Information Officer, (OPI) explained there are currently program staff that are covering these positions, but they are currently seeking qualified applicants.
- 10:45:21 Rep. David Bedey asked if there are active recruitment actions taking place for the 3.00 vacant FTE.
- 10:45:35 Jay Phillips, Chief Financial Officer, (OPI) explained that the agency is analyzing these positions with the addition of the 1% vacancy savings requirements brought about during the recent legislative session. Budgetary factors are being considered before the positions are filled.
- 10:48:55 Rep. David Bedey asked for more information at the next meeting around vacancy savings and how these effects necessary FTE.
- 10:50:01 Chris Sinrud, Chief Financial Officer, (OPI) introduced Zam Aldina, Program Manager for Data Modernization.
- 10:51:30 Zam Aldina, Program Manager for Data Modernization gave a status update and overview report on HB 367 OPI Data Modernization. Reported that a vendor has been selected. Partnering with PowerSchool/ Amazon Web Services.
- 11:05:15 Rep. Linda Rexton asked if PowerSchool could create a dashboard to look at GEMS (Growth and Enhancement of Montana Students) data in a more efficient manner.

- 11:05:55 Chris Sinrud, Chief Financial Officer, (OPI) explained that if the data is theirs, they will be able to employ it on the PowerSchool platform.
- 11:07:23 Rep. Linda Rexton asked if the dashboards will be able to provide a gap analysis on student proficiency across the state.
- 11:08:36 Rep. Llew Jones has concerns around copyright and privacy and has this been acknowledged and thought through.
- 11:10:10 Chris Sinrud, Chief Financial Officer, (OPI) replied that from a project standpoint all security concerns have been analyzed and resolved with their legal team.
- 11:11:30 Jay Phillips, Chief Financial Officer, (OPI) explained that the Office of Public Instruction, PowerSchool, and Department of Administration did finalize a non-disclosure agreement.
- 11:11:54 Rep. David Bedey added comments about trade secrets and privacy.
- 11:14:58 Rep. Linda Rexton asked if sample reports could be provided of what GEMS will look like.
- 11:15:19 Steve Ciarrocchi, Developer, PowerSchool responded that this information could be presented at the next meeting.
- 11:16:35 Rep. David Bedey asked about maintenance contracts and ongoing costs relating maintaining PowerSchool. Requested a report of post implementation costs.
- 11:20:10 Dr. Julie Murgle, Chief Program Officer, (OPI) explained within Indian Education there are two units; Tribal Student Achievement Relations and Resiliency Unit and the IEFA unit (Indian Education for All). Described staffing organization and vacancies.
- 11:23:20 Donnie Wetzel Jr. Language and Culture Specialist, (OPI) gave an update on language preservation efforts.
- 11:28:17 Rep. David Bedey asked if the department is struggling to complete their work and expand their mission with the staffing they are appropriated.
- 11:28:46 Donnie Wetzel Jr. Language and Culture Specialist, (OPI) described collaboration with other units in OPI that may have a bigger workforce. Collaborating on ideas on how to work more effectively in Indian country.
- 11:30:12 Rep. David Bedey asked for more details on MILP appropriations.
- 11:30:59 Dr. Julie Murgle, Chief Program Officer, (OPI) explained that Rep. Bedey is referencing the Montana Indian Language Preservation (MILP) program- Currently 100% of the funding provided by MILP is going out to work being done in the tribes.
- 11:34:31 Mary Heller, Montana Ready Coordinator, (OPI) gave a detailed overview of the departments Career Coaching Initiative and staffing needs.
- 11:59:19 Rep. Llew Jones made comments on advanced opportunities and its utilization across the state. Asked for the difference in the roles of an engagement specialist and a career coach.

- 12:01:50 Mary Heller, Montana Ready Coordinator, (OPI) explained that an engagement specialist focuses primarily on business engagement while career coaches primarily focus on schools and working with students.
- 12:05:38 Jay Phillips, Chief Financial Officer, (OPI) added additional comments on funding for career tech education programs.
- 12:07:11 Rep. David Bedey asked if the 9 recently hired FTE are modified.
- 12:07:43 Jay Phillips, Chief Financial Officer, (OPI) explained that this is correct. Described process of BCD request for 1 aggregate position which gives them the ability to add 9 positions.
- 12:08:32 Rep. David Bedey asked if the BCD request was approved.
- 12:08:41 Jay Phillips, Chief Financial Officer, (OPI) responded that it had not been approved yet. Their team has been working diligently with Governor's Office of Budget and Program Planning, (OBPP) to analyze potential dual effort.
- 12:09:55 Rep. David Bedey would like to know from which ESSER funds the appropriations are being drawn.
- 12:10:08 Jay Phillips, Chief Financial Officer, (OPI) responded that this program is earning appropriation from ESSER and HB 632.
- 12:11:15 Sarah Swanson, Commissioner spoke about the Workforce Services Division and analysis on career needs across the state.
- 12:24:50 Mary Heller, Montana Ready Coordinator, (OPI) made closing remarks on the career coaching initiatives across the state.
- 12:28:24 Rep. David Bedey requested another update on this program for the March 2024 meeting. Would like to know how many school districts are being engaged across the state.
- 12:29:55 Rep. David Bedey made comments relating to an alleged social issue rumored to be occurring in specific school districts.
- 12:33:15 Sen. Shane Morigeau made comments in response to Rep. David Bedey. Requested more information on HiSET testing in relation to career coaching at the next meeting.

LUNCH:

- 12:32:52 Reconvened at 01:11:01

HB 587 SCENARIOS:

- 01:13:25 Pad McCracken, Research Analyst, (LSD) gave an overview of new School Equalization and Property Tax Reduction Account (SEPTR). Guarantees state equalization aid.
- 01:27:28 Julia Pattin, Fiscal Analyst, (LFD) explained HB 587.
- 01:44:40 Rep. Llew Jones made comments about the historical origination of the 95 mills.
- 01:51:40 Pad McCracken, Research Analyst, (LSD) continued to discuss HB 587.

01:53:34 Paul Taylor, Lead Budget Analyst, (OPI)

02:02:13 Rep. Connie Keough

MONTANA SCHOOL FOR THE DEAF AND BLIND:

02:08:59 Alice Hecht, Fiscal Analyst, (LFD) presented the quarterly financial report for the Montana School for The Deaf and Blind.

02:13:35 Paul Furthmyre, School Superintendent, Montana School for the Deaf and Blind, (MSDB) updated the committee on the Federal Covid Funding Report. Discussed current projects underway at MSDB and staffing/vacancy needs.

02:24:08 Rep. Connie Keough made comments about 4 outreach positions that were recently filled. Congratulated MSDB. Expressed interest in having more conversation around the need for more sign language interpreters in Montana.

HB 946 STUDY:

02:27:31 Misty Ann Giles, Director, Department of Administration, (DOA) gave a high-level overview of the Department of Administration and services they provide to all government agencies. Discussed potential of DOA provision of administrative services to Montana State Library, Montana Arts Council and Montana Historical Society.

02:32:20 Rep. David Bedey made comments on operational considerations.

02:37:17 Sen. John Esp asked to confirm that this discussion is about basic administrative functions rather than the agency's autonomy.

02:37:30 Rep. David Bedey confirmed this is correct.

02:37:56 Sen. John Esp asked about costs of services.

02:38:16 Misty Ann Giles, Director, Department of Administration, (DOA) explained internal service rates to the committee.

02:39:34 Rep. David Bedey gave an announcement on HB 424 Study of State Budget Process and Personal Services Expenditures and his goal to involve the committee on this work.

PUBLIC COMMENT:

02:40:49 Lance Melton, Chief Executive Officer, Montana School Boards Association

02:52:06 Sen. John Esp gave comments on general fund budget.

ADJOURNMENT:

02:55:17 Rep. David Bedey adjourned the meeting.