MINUTES OF THE MEETING
EDUCATION SUBCOMMITTEE
50TH LEGISLATURE

February 18, 1987

The meeting of the Education Subcommittee was called to order by Chairman Dennis Nathe at 8:24 a.m. on Wednesday, February 18, 1987 in Room 104 of the State Capitol.

ROLL CALL: All members were present. Also present was Dori Nielson of the Legislative Fiscal Analyst office, Sib Clack of the Office of Budget and Program Planning, and Deb Thompson, Secretary.

(Continued) UNIVERSITY SYSTEM - EXECUTIVE ACTION

Plant: The issues under plant were discussed. The current unrestricted funds being transferred into the plant was discussed. Money to build base would most likely be moved from instruction or support. Senator Jergeson was concerned that if a realistic budget was not built, the money would be used from instruction to make up the difference.

Sib Clack (156) said there had been one time expenditures and that maintenance was deferred. Deteriorating conditions could cause problems. Representative Peck asked for a realistic position as to needs in the plant. Senator Hammond asked which were one time costs and whether money should be plugged in to build the base. He agreed that maintenance put aside would cause problems later. Chairman Nathe inquired of the committee how to handle one time expenditures. He commented that if built into the base there would be no way to follow that money. Dori Nielson said that the money could be traced by looking at the new base in two years to see what proportion increased. Representative Peck commented that if the units were allowed to transfer money into the base then more money could be transferred to build the base. Jack Noble (294) responded that the decisions to move money were not made lightly. There is less motivation to move money into physical plant to build the base. He cited an example that when utilities were underestimated that the heat was not turned off but that money was found. He said that the money goes where there was a need. Representative Peck was concerned that money was being taken out of instruction. President Merwin stated that money was moved from the instructional budget into the physical plant. Maintenance had been deferred on the buildings and the base had not been appropriate in the beginning. The property is valuable and needs to be maintained. Senator Jergeson (358) said that the subcommittee

may have not built an appropriate base for two of the campuses. The ongoing types of expenses should be looked at and the one time expenses removed. The one time expenditures and deferred maintenance were discussed.

President Tietz requested that the ground rules be spelled out and be set out in the minutes so that in 1989 those that overexpend aren't fried and those that underexpend aren't fried. Senator Hammond said that if an increase in base is provided, deferred maintenance projects should be taken care of. He said the amount of investment and evaluation of the plants should be taken into consideration. An emergency list of deferred maintenance from each campus was requested.

Senator Hammond (1-B-076) moved to accept current level under plant for both years of the biennium, leaving open possible adjustments to the base. The motion PASSED unanimously.

Dori Nielson (106) discussed the difference of figures in the energy savings from the natural gas rate decrease at MSU. The savings based on most recent information would be $146,253 and would increase current level by $112,747. Current level had already deducted $259,000 from the MSU base. President Tietz petitioned the committee to add back in the earlier estimate of $259,000. Senator Jacobson commented that Montana State University should be commended for pursuing energy savings so they could utilize it elsewhere in plant maintenance. Senator Jacobson moved to add energy saving of $259,000 back into the Montana State University budget. The motion PASSED unanimously.

The plant adjustments for Montana State University, Western Montana College, and Montana Tech were discussed. Senator Jacobson moved to adjust Montana State University budget under the plant program to reflect $274,987 which is $238,414 plus $36,573 for the full year new space adjustment. The $238,414 used by both budget office and LFA was for .867 of a year and needs to be one full year. The motion PASSED unanimously. Dori Nielson commented that that adjustment would be inflated.

Senator Jergeson moved (396) to add $75,679 per fiscal year into the plant program of Montana State University for increased sewer and water costs. The motion PASSED unanimously.

Adjustments to base and reductions to Montana State University by the actions of the 1985 legislature were discussed. Senator Jacobson (434) clarified that money had been moved out of plant into instruction due to an excess of students and a mild winter. The Legislature put the amount back to

their base in the subcommittee and House floor action took it out. In the Senate it was put back for FY86. Representative Peck said this reduced base if the money was not used and recommended being consistent. President Tietz said this is an attempt to replace base.

Senator Hammond moved to add $229,535 back to the Montana State University plant program because of the actions of the 1985 session. Representative Peck said that this represented a disagreement between the two houses in the legislature. The motion FAILED with 3 NO votes by Senator Jergeson, Representative Peck, and Chairman Nathe.

Vacancy savings was not taken out of the budget in current level, but had been applied in the past in this area. If vacancy savings were taken on the agencies that had over 20 FTE two units, NMC and WMC, would not have vacancy savings taken. Senator Jergeson moved 4 percent vacancy savings for FY88 and for FY89 for the 4 units over 20 FTE-MSU, UM, EMC, and MCMST. Vacancy savings will be applied to the LFA current level figures. The motion PASSED unanimously.

Mr. Craig Roloff discussed the hazardous waste issue (2-A). He distributed the Hazardous Material Management Operations under Montana State University Proposed Program Modifications (Exhibit 1). He explained that the cost of program operation had to take into account the hazardous waste law with amendments and the right to know law. The right of know law mandated training for people in custodial, vehicle maintenance, and campus safety positions. He pointed out that the university was the best place to develop programs to deal with the issue and would be a good source of information for small businesses, farms and ranches that will eventually be covered by the laws.

Chairman Nathe (122) asked if the projected amount was a constant yearly figure or a figure to take care of the years of accumulation. Mr. Roloff clarified that this was a standard operation figure for the campus. New lab equipment or the use of micro levels of chemicals could be pursued.

Dori Nielson distributed the instruction program totals that included new enrollment projections (Exhibit 2). She explained that this showed the impact of the enrollment on the programs. The average faculty salary and the percent of increase as compared to the state pay plan was discussed (Exhibit 3).

Senator Jacobson questioned how the tuition shortfall was handled at MSU. Dr. Tietz replied that the first year it was handled by adjusting after the year started. At that time all the contracts were signed and the money had to be

found where free money was available, so they looked at capital, maintenance, etc. In the second year of the biennium, MSU budgeted short anticipating the shortfall but still came up short and operational money had to be used. (2-B) Dr. Norman described Montana Tech's shortfall. He asked that the program be budgeted with actual tuition revenue. (taped missed to 010). Jack Noble asked that the committee to look at the total budget drop and then look at the instruction drop. Dori Nielson explained that there were transfers made in the past and the tables that were distributed indicated a cushion in instruction. Dr. Koch would like to look at Table C since it appeared that the appropriated contract faculty includes graduate teaching assistants where the operational plan did not. He felt the University of Montana was doing just the opposite of what the tables suggested. Dr. Tietz stated that they would like an opportunity to look over the information and respond was needed. Chairman Nathe said that since the units would like to stop and look at the support and instruction information the committee would give them until the meeting on the following day.

ADJOURNMENT: The meeting was adjourned at 11:02 a.m. The next meeting was announced for 8:00 a.m., February 19.

Dennis A. Nathe

DENNIS NATHE, Chairman

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DAILY ROLL CALL

EDUCATION SUB COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date 2-18-87

NAME	PRESENT	ABSENT	EXCUSED
Rep. Dennis Nathe, Chairman	✓		
Sen. Judy Jacobsen, Vice Ch.	✓		
Sen. Swede Hammond	✓		
Rep. Dennis Iverson	✓		
Sen. Greg Jergeson	✓		
Rep. Ray Peck	✓		

CS-30

MONTANA STATE UNIVERSITY
PROPOSED PROGRAM MODIFICATIONS

1. INDIRECT COST REIMBURSEMENT FORMULA (from 15% to 100%)
2. HAZARDOUS MATERIAL MANAGEMENT OPERATIONS ($67,180)
3. MUSEUM OF THE ROCKIES (WORKLOAD - $220,980)
4. MUSEUM OF THE ROCKIES (NEW SPACE - FY89 - $128,758)
5. H & PE FACILITY (NEW SPACE - $24,528)

mods.G35

	1988	1989	Total
MODIFY INDIRECT COST FORMULA FROM 15% TO 100%	$1,600,000	$1,600,000	$3,200,000[1]

The formula budget study entitled Final Report - College and University Funding Study completed in March, 1982 contained the following recommendation regarding indirect cost reimbursements:

> "A portion of indirect cost reimbursements should not be applied toward funding formula generated budgets. The committee recommends 15 percent be disregarded until the question can be studied further and a clear rationale for disregard determined."

The legislature passed H.B. 18 during a special session in March of 1986 that, in effect, amended the original appropriation act to provide that the state's colleges and universities could retain 100% of the indirect cost revenues that exceeded the original appropriation revenue estimate. House Bill 18 was very important for two major reasons.

1. The discussion that accompanied the bill's passage created an increased awareness on the part of the legislature of the importance of creating campus incentives to increase research activities in Montana. Other states have discovered that there is a tremendous rate of return to a state's economy from expanding research.

2. Retention of the added funds enabled some campuses to redirect their budgets to help alleviate the cutbacks.

Other states have modified the manner in which indirect cost funds are budgeted in order to increase the research incentives for faculty and to help their campuses remain competititve in the research field.

Utah currently offsets 50% of their indirect cost funds against the state budget. The Utah legislature, however, has passed a resolution changing the campus retention rate to 90%. A Utah survey of major research campuses showed that 50% of the successful institutions are allowed to retain a full 100% of indirect costs. Table I compares Montana's retention rate to the results of that survey.

[1]Preliminary Estimate

TABLE I

Utah Survey
Retained Overhead at Top Public Research Universities

Institution	Percent Retained
Arizona	100
California System	85
Colorado	100
Georgia Tech	100
Iowa	12
Michigan	100
North Carolina	80
Ohio State	100
Penn State	100
Texas	0
Utah	50
Virginia	70
Washington	12
Wisconsin	100
Montana	15

Utah's success at using incentives to expand research can be a valuable lesson for Montana. Table II shows the type of results that can occur.

TABLE II

State of Utah
Economic Returns from Academic Research

A. DIRECT ECONOMIC BENEFIT

$70M University of Utah research funding
Economic multiplier yields $129M in total state activity
$14.3M in state and local taxes

B. UNIVERSITY OF UTAH RESEARCH PARK

45 companies, 3,000 employees
$100M annual payroll
$13M in state and local taxes

C. NEW BUSINESSES IN UTAH

56 new companies started in 15 years
4,500 new jobs
$150M annual payroll
$20M in state and local taxes

Montana faculty have demonstrated through the Montanans on a New Track for Science (MONTS) program grant that they can successfully compete in the research field if the opportunity and the incentives are present. The present formula approach of offsetting research generated funds against the general fund to meet enrollment driven formula budgets is extremely detrimental to higher education and the state economy.

The attached editorial from a Utah daily newspaper speaks to the success that state has experienced from expanded research. It is time Montana follows the same course of action.

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J. cites economic activity generated by researcl

University of Utah officials say they have generated ;2 million in economic activity by retaining $7.28 million overhead on the college's $70.4 million in research ants.

"That's a return of 20 to 1 in real dollars the same year — t dollars projected to enter the state at some unnamed int down the road," said James J. Brophy, vice president r research at the U. "And that figure doesn't consider an lditional $15 million spawned in local and state taxes."

Brophy reported Monday to the University's Institution-Council.

Brophy said benefits also ride on the success of high chnology companies at Research Park, which are drawn the area because of U. research programs. These firms mploy 2,800 people, generate $222 million in sales and $10 illion in state and local taxes.

Further, under an aggressive U. policy that fosters peedy transfer to the marketplace of new technology deeloped in academic research laboratories, some 25 new companies have been founded in Utah over the past two years alone.

"These businesses are still in their infancy, but we have every reason to believe they'll contribute as much to Utah's economy as other companies have, such as Evans and Sutherland, TerraTek, Ceramatec and Digital Recording Corp.," he said.

Business reinvests its capital to spur growth and ensure prosperity. The business of research can be viewed in much the same way, said Brophy.

"A logical and convenient way to reinvest in education and research is to retain a substantial portion of the indirect costs, or overhead, that are generated by contracts and grants University researchers win in a process that is highly competitive."

Over the past decade, University research and training grants have risen from $40 million to $70 million annually, he said. "The increase is due in significant measure to annual expenditures of reimbursed indirect costs the University retains."

Such funds are used primarily to purchase or upgrade sophisticated research equipment, to rent off-campus research laboratory space and facilities and to aid in recruiting new faculty.

"Retaining indirect costs is a most effective way of investing in the research enterprise, because it's tied to the size of the activity," he said.

Overhead is an accounting term for the costs not related directly to research and training programs funded by sources outside the state. Examples include federal agencies such as the National Institutes of Health and the National Science Foundation as well as private corporations and foundations.

When faculty compete for and are awarded grants, the funds cover those costs directly related to the proposed research — salaries, equipment, supplies and so forth, plus expenses called indirect costs, which may include laboratory space, administrative costs, utilities and library use.

The state appropriates approximately half of that money to the U. to be invested in the research effort, said Brophy. This helps pay for the support every research and training program requires to function effectively, such as major research instrumentation and suitable lab space.

"The trend at top public research universities across the nation is toward retaining all or a substantial portion of indirect costs," noted Brophy. "The Utah Legislature endorsed this concept last year in suggesting that the University retain 90 percent of indirect costs it generates. We are hopeful that this will be enacted at the budget discussions during the next legislative session."

Discussions of indirect costs may border on esoteric to most Utahns, yet the results of U. research have improved the state's economy and the welfare of its citizens, he said.

"Those benefits extend from artificial organs, new laser surgery techniques and drug delivery systems, to advances in energy law, computer-aided design, seismology and robotics."

HAZARDOUS MATERIAL MANAGEMENT OPERATIONS ($67,180)

MSU is requesting a base budget adjustment of $67,180 to fund this essential program so that we may maintain our compliance with State and Federal regulations. Although the State Legislature has mandated the activities of this program, we have so far been unsuccessful in our attempts to secure funding to support it.

The Montana Hazardous Waste Act of 1981 (75-10-400 MCA) adopted and mandated the enforcement of the Federal Resource Conservation and Recovery Act of 1976.

Senate Bill 452 of the 1985 Legislative Session created the Montana Right-To-Know law.

COSTS OF PROGRAM OPERATION

ITEM	FTE	PERSONNEL	OPERATIONS	CAPITAL	TOTAL
Matl Disposal (40)	.70	15,550	20,000	0	35,550
Matl Processing (30)	.50	11,600	2,000	0	13,600
R-T-K law (15)	.25	5,800	600	0	6,400
Campus Safety (10)	.20	3,800	200	0	4,000
Administration (5)	.10	2,130	100	0	2,230
Processing Research	na	0	0	5,400	5,400
Total	1.75	$38,380	$22,900	$5,400	$67,180

The LFA alternative of $1,000 per barrel guarantees continually rising costs because it does not fund the innovative and cost effective portion of our program — our processing/recycling activities. In addition, this budget does not provide funds for necessary program administration costs nor for the costs of complying with the State's Right-To-Know law.

Our program places a high priority on reducing our costs of disposal through innovative chemical processing and recycling activities. The following chart provides a comparison of costs.

MATERIAL HANDLING COSTS

ITEM	POUNDS	GALLONS	BARRELS	COST	$/BARREL
Disposal	5,000	625	34	$35,550	$1,045.59
Processing	3,000	375	20	$13,600	$680.00
Disposal by Incineration	5,000	625	34	$42,350	$1,246
	8,000	1,000	54	$67,284	

At present, nearly 40 percent of all chemicals we collect on campus never have to be shipped away for expensive land disposal. This reduces our liability and our equivalent barrel cost. In addition, it provides us with the potential of avoiding much of the high cost inflation generally associated with hazardous waste disposal. So, during the next year, when many chemicals will be banned from the land burial form of disposal and many will have to depend more heavily on incineration, MSU will be in a strong position to avoid much of the additional $200/barrel costs of this process.

Given the above, we hope that the MSU program will be funded at the level of our original budget request.

Support of the MSU program at its full request will not only provide the State with a good demonstration of how to manage chemical wastes, but it will also be an investment in cost containment for the coming years.

MONTANA STATE UNIVERSITY

1987-89 Biennium Level Budget Request
Hazardous Material Management Operations

In response to numerous, complex State and Federal regulations, MSU created this operation in 1984 to provide all on campus a centralized service for all aspects of chemical safety. The HWM officer coordinates our Right-to-Know compliance activities, safety inspections and all toxic material handling, recycling, processing and disposal. Funds to support this essential, and mandated, operation were unsuccessfully requested in 1985.

		FY'88	FY'89
NEW SPACE ADDED: (as applicable)		N.A.	N.A.
ADDITIONAL FTE: (as applicable)		1.75	1.75
BUDGET MODIFICATION			
PERSONAL SERVICES:	Salaries	32,000	32,000
	Benefits	6,880	6,880
	TOTAL	38,880	38,880
OPERATIONS (Itemize):	Contracted disposal svcs.	17,000	20,000
	miscellaneous	5,900	6,200
	TOTAL	22,900	26,200
CAPITAL (Itemize):	second fume hood	5,400	
	distilling eqt.		2,700
	TOTAL	5,400	2,700
GRAND TOTAL		67,180	67,780

*PLEASE ATTACH SUPPORTING DOCUMENTS

MONTANA STATE UNIVERSITY
1987-89 BIENNIUM MODIFIED LEVEL BUDGET REQUEST
MUSEUM OF THE ROCKIES

INTRODUCTION

The Museum of the Rockies is an active part of the education, research, and public service mission of Montana State University. The Museum provides outreach services similar to the Agricultural Experiment Station. The Museum is currently a department of Montana State University under the Vice President for Research but is seeking independent budget status similar to the Agricultural Experiment Station which reports to the President of Montana State University. The 20 member Board of Trustees, a non-profit 501 (C) 3 corporation, generates support for the Museum. This year, more than 70,000 people of all ages benefited from Museum visits and programs. In addition, many more were reached through publications, traveling exhibits, public programs, and video productions.

Construction will begin this summer on a $6 million addition to the Museum of the Rockies at Montana State University. Planning has been in process for six years and this unique new educational complex has been designed to be one of the largest and most active museums in our 3-state region. All of the funds for construction as well as 2/3rds of the annual operational expenses have been or will be donated to the people of Montana for University and public use. This proposal requests consideration of a Program Modification which will provide additional annual operational support amounting to 1/3 of the total operational budget. The remainder of the annual budget will be provided by the Board of Trustees through contributions and the staff through grants and contracts. When complete, this new educational complex will have a value of $12.0 million ($6.0 million new building, $3.0 million equipment and exhibits, $2.0 million collections, and $1.0 million current facility) all provided by private contributions and grants. The new facility and personnel will allow us to serve 250,000 people per year, and it will provide a significant boost to the economy and the state tourism effort.

WORKLOAD

The new facility will open during the summer of 1989 as part of Montana's Centennial Celebration. Fully staffed, it will require approximately 28 full-time employees (currently there are 11), 100-150 part-time volunteers (currently there are 70), 20 part-time students (currently there are 10), and 10 seasonal employees.

In preparation for the opening a Curator of Exhibits, Planetarium Director, Curator of Art, Curator of Archaeology, Curator of Education, and Planetarium Technician are needed to plan and equip the new building and design and implement new exhibits and programs. With construction in progress, a unique opportunity exists to obtain grants and donations. Curatorial staff are needed as soon as possible to design the programs, to write the grants for funding, and to implement them.

NEW SERVICES

Expansion of the Museum of the Rockies will result in a unique regional museum where exciting educational opportunities will be available to people of all ages. Plans call for the addition of 63,600 square feet to our existing building of 31,200 square feet. This will enable us to interpret our region "through all of time" in exhibits arranged in chronologic order to include:

- A planetarium to explain the birth of the solar system and our planet as well as interpret the "Big Sky".

- Geology exhibits interpreting the birth of the Rockies, our western landscape, and the formation of economic mineral deposits.

- Mounted dinosaur skeletons and models interpreting past life of our region. Featured here will be dinosaur eggs, embryos, babies, juveniles, and adults and other fossils interpreted in light of our own research on world famous Montana localities.

- The archaeologic record of prehistoric people in the Northern Rockies from more than 12,000 years ago to the present. Featured exhibits will be based on research and artifacts from many Montana localities.

- The history of Native Americans in the Northern Rockies based on our collection of historic art and artifacts.

- The history of our region from early exploration and fur trade through homesteading and up to the end of the 1903's. An actual homestead will be featured in an outdoor interpretive area.

- A western art and photographic gallery will feature the works of historic artists and photographers of the region.

- A contemporary exhibit hall which will feature changing exhibits to provide an opportunity for the people of the Northern Rockies to see shows of national significance which often bypass us for lack of facilities.

- A regional art gallery which will feature contemporary art and artists of the region.

An integral part of the new facility is the educational program which includes classes for children and adults throughout the State, University classes, public school curriculum development, traveling exhibits, and an expansion of our research and publication efforts. Museum professional staff will be directly involved in the research, teaching, and public service mission of Montana State University and University faculty and staff will utilize the Museum in teaching and research. The new Museum will provide a major new educational resource for the people of Montana and it will contribute significantly to the State's economy as a major tourist attraction.

FUNDING MODIFICATION

Professional staff are needed for the new facility and expanded programs. Total University support will remain proportionate to existing levels of funding which amounts to 1/3 of the total cost.

Cost Summary	FY 1987-88	FY1988-89	Total
FTE Employees	6	6	6
Salary	$184,920	$184,920	$369,840
Benefits	36,060	36,060	72,120
Personnel Total	$220,980	$220,980	$441,960
Operations	0	0	0
Capital	0	0	0
GRAND TOTAL	$220,980	$220,980	$441,960

MONTANA STATE UNIVERSITY

1987-89 Biennium Modified Level Budget Request
Museum of the Rockies Addition

The Museum of the Rockies is constructing a 63,600 square foot addition to its current 31,200 square foot building, with a completion date of July 1988. The Physical Plant provides custodial, utility, building, and grouds maintenance services plus utilities and telephone trunk line costs.

		FY'88	FY'89
NEW SPACE ADDED: (as applicable)		-0-	63,600
ADDITIONAL FTE: (as applicable)		-0-	2.59
BUDGET MODIFICATION			
PERSONAL SERVICES:	Salaries	-0-	43,329
	Benefits	-0-	9,952
	TOTAL	-0-	53,281
OPERATIONS (Itemize):	Custodial	-0-	6,363
	PP Admin	-0-	1,273
	Maintenance	-0-	31,179
	Grounds	-0-	3,182
	Utilities	-0-	32,419
	Telephone	-0-	1,061
	TOTAL	-0-	75,477
CAPITAL (Itemize):			
	TOTAL	-0-	-0-
GRAND TOTAL		-0-	128,758

MONTANA STATE UNIVERSITY

1987-89 Biennium Modified Level Budget Request
Health and P.E./Fieldhouse Building Additions

The Health & PE/Fieldhouse complex is being remodeled and expanded to include additional rest rooms, offices, and weight room space amounting to 11,512 square feet, scheduled for completion during the fall of 1986. The Physical Plant provides custodial, utility, building, and grounds maintenance services plus utilities to these buildings. Our cost projections include the following. Electricity increases 10.55% over FY'87 and 5% over FY'88; sewer increases 5% over FY'87 and 5% over FY'88; natural gas remains constant; these are all rate increases based on projected consumption calculated by our Engineer. Salaries will increase 2% per year and operations increase 3% a year; the base was calculated at $ .65 per square foot for salaries and at $ .61 per square foot for operations.

		FY'88	FY'89
NEW SPACE ADDED: (as applicable)		11,512	
ADDITIONAL FTE: (as applicable)		.44	
BUDGET MODIFICATION.			
PERSONAL SERVICES:	Salaries	7,483	7,633
	Benefits	1,646	1,756
	TOTAL	9,129	9,389
OPERATIONS (Itemize):	Custodial		
	Bldg. Maint.		
	Grounds	7,233	7,450
	Water/Sewer	209	219
	Electricity	6,441	7,460
	Natural Gas	1,516	1,516
	TOTAL	15,399	16,645
CAPITAL (Itemize):			
	TOTAL	- 0 -	- 0 -
GRAND TOTAL		24,528	26,034

Table 1
University System - INSTRUCTION Program
1989 Biennium
Executive, Current Level, and Totals With New Enrollment Projections

	Fiscal 1988			Fiscal 1989		
Unit	Executive	Corrected Current Level	New Enrollment Projections	Executive	Corrected Current Level	New Enrollment Projections
MSU	$23,075,478	$23,269,383	$22,911,205	$23,075,478	$23,338,975	$22,565,483
UM	17,499,838	17,490,004	17,566,898	17,499,838	17,558,578	17,622,396
EMC	6,152,031	6,108,652	6,033,213	6,152,031	6,180,416	6,042,485
NMC	4,041,362	3,656,528	3,961,433	4,041,362	3,700,171	4,033,583
WMC	2,235,292	2,072,138	2,194,311	2,235,292	2,094,741	2,171,525
MCMST	3,412,871	3,548,952	3,386,910	3,412,871	3,642,024	3,100,179
Total	$56,416,872	$56,145,657	$56,053,970	$56,416,872	$56,514,905	$55,535,651

Table 2
University System - SUPPORT Program
1989 Biennium
Executive, Current Level, and Totals With New Enrollment Projections

	Fiscal 1988			Fiscal 1989		
Unit	Executive	Current Level	New Enrollment Projections	Executive	Current Level	New Enrollment Projections
MSU	$11,694,429	$12,365,879	$12,176,792	$11,612,829	$12,303,666	$11,895,902
UM	9,800,051	10,362,790	10,408,001	9,720,851	10,307,012	10,344,027
EMC	4,044,030	4,238,679	4,186,985	3,991,230	4,227,371	4,133,027
NMC	2,122,236	2,041,322	2,207,938	2,079,036	2,018,472	2,200,351
WMC	1,192,571	1,153,167	1,218,681	1,150,571	1,121,464	1,162,571
MCMST	2,261,547	2,435,630	2,326,886	2,207,547	2,439,887	2,076,891
Total	$31,114,864	$32,597,467	$32,525,283	$30,762,064	$32,417,872	$31,813,215

Table 3

University System - SCHOLARSHIPS AND FELLOWSHIPS Program

1989 Biennium

Executive, Current Level, and Totals With New Enrollment Projections

	Fiscal 1988			Fiscal 1989		
Unit	Executive w/o Surcharge	Current Level With Surcharge	New Enrollment Projections With Surcharge	Executive w/o Surcharge	Current Level With Surcharge	New Enrollment Projections With Surcharge
MSU	$1,023,359	$1,147,803	$1,121,532	$1,023,359	$1,149,605	$1,103,043
UM	981,835	985,840	960,822	981,835	988,069	962,265
EMC	322,850	356,466	351,828	322,850	359,988	351,718
NMC	264,188	227,135	246,010	264,188	229,449	250,057
WMC	83,231	82,683	87,525	83,231	83,448	86,473
MCMST	289,193	205,447	195,736	289,193	210,468	178,852
Total	$2,964,656	$3,005,374	$2,963,453	$2,964,656	$3,021,027	$2,932,408

Table 4

University System - TUITION Revenue

1989 Biennium

Executive, Current Level, and Totals With New Enrollment Projections

	Fiscal 1988			Fiscal 1989		
Unit	Executive	Current Level	New Enrollment Projections*	Executive	Current Level	New Enrollment Projections*
MSU	$9,518,988	$10,371,026	$10,160,993	$9,518,988	$10,387,316	$9,993,498
UM	9,075,405	9,306,830	9,185,458	9,075,405	9,327,873	9,199,243
EMC	2,905,097	3,235,105	3,192,592	2,905,097	3,267,067	3,191,594
NMC	1,450,746	1,447,149	1,566,792	1,450,746	1,461,887	1,592,568
WMC	869,553	853,213	902,967	869,553	861,104	892,123
MCMST	1,668,737	1,809,429	1,724,421	1,668,737	1,853,647	1,575,684
Total	$25,488,526	$27,022,752	$26,733,223	$25,488,526	$27,158,894	$26,444,710

* Adjusted

Table 5

University System - 1989 Biennium

Expenditure and Revenue Impact to General Fund Using New Enrollment Projections

	Fiscal 1988			Fiscal 1989		
Expenditure Impact	**Current Level**	**New Enrollment**	**Difference**	**Current Level**	**New Enrollment**	**Difference**
Instruction	$56,145,657	$56,053,970	$ (91,687)	$56,514,905	$55,535,651	$ (979,254)
Support	32,597,467	32,525,283	(72,184)	32,417,872	31,813,215	(604,657)
Scholarships/Fellowships	3,005,374	2,963,453	(41,921)	3,021,027	2,932,408	(88,619)
Expenditure Impact			$(205,792)			$(1,672,530)
Revenue Impact						
Tuition Fees	$27,022,752	$26,733,223	$(289,529)	$27,158,894	$26,444,710	$ (714,184)
General Fund			83,737			(958,346)
Revenue Impact			$(205,792)			$(1,672,530)

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Ex 3

Table A

MONTANA UNIVERSITY SYSTEM
COMPARISON OF FACULTY SALARIES
as reported in unit operating plans
FISCAL 1986 - FISCAL 1987

Unit	Average Faculty Salary FY1986	Average Faculty Salary FY1987	% increase	State Pay Plan Inc	Individual Difference Over State Pay Plan Percent	Individual Difference Over State Pay Plan Dollars	Number Contract Faculty	Total Difference Over State Pay Plan
MSU	$30,306	$32,049	5.75%	3.60%	2.15%	$651.98	515.59	$336,156
UM	$29,868	$30,989	3.75%	3.60%	0.15%	$45.75	397.68	$18,195
EMC	$25,757	$26,733	3.79%	3.60%	0.19%	$48.75	178.38	$8,696
NMC	$24,631	$25,832	4.88%	3.60%	1.28%	$314.28	101.10	$31,774
MMC	$23,462	$25,166	7.26%	3.60%	3.66%	$859.37	54.97	$47,239
MCMST	$29,790	$31,595	6.06%	3.60%	2.46%	$732.56	94.90	$69,520
							1342.62	$511,580

Table B

MONTANA UNIVERSITY SYSTEM
COMPARISON OF FTE DATA
as reported in unit operating plans
FISCAL 1986 - FISCAL 1987

	Contract Professional and Administrative			Contract Faculty			Enrollment		
Unit	FY1986	FY1987	% change	FY1986	FY1987	% change	FY 1986	FY 1987*	% change
MSU	132.90	124.38	-6.4%	547.02	515.59	-5.7%	10,097	9,617	-4.8%
UM	103.46	97.91	-5.4%	409.19	397.68	-2.8%	8,144	8,034	-1.4%
EMC	34.44	36.34	5.5%	181.96	178.38	-2.0%	3,442	3,192	-7.3%
NMC	23.60	22.60	-4.2%	101.40	101.10	-0.3%	1,693	1,717	1.4%
WMC	21.33	19.63	-8.0%	54.44	54.97	1.0%	854	928	8.7%
MCMST	29.30	28.30	-3.4%	101.90	94.90	-6.9%	1,659	1,572	-5.2%
Total	345.03	329.16	-4.6%	1395.91	1342.62	-3.8%	25,889	25,060	-3.2%

*Projection
WMC and TECH Actual

Table C

MONTANA UNIVERSITY SYSTEM
STUDENT/FACULTY RATIO
INSTRUCTION PROGRAM
FISCAL 1986

- - - - Fiscal 1986 - - - -

	OPERATIONAL PLAN			APPROPRIATED			STUDENT/FACULTY RATIO		
Unit	FYFTE Students	Contract Faculty	Student/ Faculty Ratio	FYFTE Students	Contract Faculty	Student/ Faculty Ratio	Actual	Budgeted	Difference
MSU	10,097	536.38	18.82	10,382	572.64	18.13	18.82	18.13	0.69
UM	8,144	409.19	19.90	8,183	433.88	18.86	19.90	18.86	1.04
EMC	3,442	180.71	19.05	3,516	183.03	19.21	19.05	19.21	-0.16
NMC	1,683	101.40	16.60	1,737	116.66	14.89	16.60	14.89	1.71
WMC	854	54.44	15.69	875	57.15	15.31	15.69	15.31	0.38
MCMST	1,659	101.20	16.39	1,843	105.07	17.54	16.39	17.54	-1.15
Total	25,879	1,383.32	18.71	26,536	1,468.43	18.07	18.54	18.07	0.47

Unit	Approp Contract Faculty	Op. Plan Contract Faculty	Difference Over (Under)	99% Formula Average Sala with Pay Pla	Formula Average Benefits	Total Excess Inst. Funding
MSU	572.64	536.38	36.26	$29,610	$5,727	$1,281,370
UM	433.88	409.19	24.69	$29,610	$5,757	$873,260
EMC	183.03	180.71	2.32	$26,491	$5,247	$73,621
NMC	116.66	101.40	15.26	$26,274	$5,205	$480,230
WMC	57.15	54.44	2.71	$26,274	$5,178	$85,304
MCMST	105.07	101.20	3.87	$28,664	$5,621	$132,826
Total	1,468.43	1,383.32	85.11			$2,926,611

Table D

MONTANA UNIVERSITY SYSTEM
INSTRUCTION PROGRAM
FISCAL 1986

Unit	FY 1986 APPROPRIATED with pay plan	ADJUSTMENTS 2% cut	ADJUSTMENTS transfers	Total INSTRUCTION PROGRAM	
MSU	$25,615,980	($378,966)	($15,000)	$25,222,014	
UM	$19,353,478	($219,319)	($179,452)	$18,954,707	
EMC	$6,837,589	($94,599)	($66,464)	$6,676,526	
NMC	$4,260,693	($108,972)	($348,937)	$3,802,784	
WMC	$1,713,467	($31,280)	($111,856)	$1,570,331	1,794,043
MCMST	$4,689,648	($106,157)	($278,491)	$4,305,000	
	$62,470,855	($939,293)	($1,000,200)	$60,531,362	60,959,074
			(8,85 344)		

Table E

MONTANA UNIVERSITY SYSTEM
INSTRUCTION & SUPPORT PERSONAL SERVICES COMPARED TO TOTAL APPROPRIATION AFTER SPECIAL SESSION III

SUPPORT PROGRAM

	- - - - -FISCAL 1986 EXPENDITURES - - - -			- - - -FISCAL 1987 OPERATING PLAN - - - -		
Unit	Support Prog Pers Services	Total Budget Expenditures	Pers Serv as % of Total	Support Prog Pers Service	Total Budget Authority	Pers Serv as % of Total
MSU	$9,549,167	$45,110,620	21.2%	$9,092,589	$44,635,258	20.4%
UM	$6,906,140	$35,748,881	19.3%	$7,155,402	$36,012,295	19.9%
EMC	$3,046,457	$13,779,825	22.1%	$3,136,423	$13,977,746	22.4%
NMC	$1,637,530	$7,534,412	21.7%	$1,670,700	$7,701,114	21.7%
WMC	$1,025,629	$3,936,907	26.1%	$1,024,038	$4,037,473	25.4%
MCMST	$1,870,460	$8,736,399	21.4%	$1,737,066	$8,804,697	19.7%
Total	$24,035,383	$114,847,044	20.9%	$23,816,218	$115,168,583	20.7%

INSTRUCTION PROGRAM

Unit	Instr Prog Pers Services	Total Budget Expenditures	Pers Serv as % of Total	Instr Prog Pers Service	Total Budget Authority	Pers Serv as % of Total
MSU	$22,989,742	$45,110,620	51.0%	$22,407,745	$44,635,258	50.2%
UM	$17,456,252	$35,748,881	48.8%	$17,442,141	$36,012,295	48.4%
EMC	$5,916,160	$13,779,825	42.9%	$6,072,612	$13,977,746	43.4%
NMC	$3,198,173	$7,534,412	42.4%	$3,774,536	$7,701,114	49.0%
WMC	$1,631,328	$3,936,907	41.4%	$1,717,879	$4,037,473	42.5%
MCMST	$3,721,664	$8,736,399	42.6%	$3,807,062	$8,804,697	43.2%
Total	$54,913,319	$114,847,044	47.8%	$55,221,975	$115,168,583	47.9%