

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
51st LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON EDUCATION

Call to Order: By Chairman Peck, on February 6, 1989, at 8:00
a.m.

ROLL CALL

Members Present: All

Members Excused: None

Members Absent: None

Staff Present: Keith Wolcott, Senior Fiscal Analyst
Joe Williams, Budget Analyst, OBPP
Claudia Johnson, Committee Secretary

Announcements/Discussion: Rep. Peck asked the Subcommittee
Members to decide when they want to make up the scheduled
tour for Western Montana College and Montana Tech that had
been canceled earlier due to bad weather.

Mr. Wolcott informed the Subcommittee that they needed to do the
supplementals for OPI, enrollment supplementals for U of M,
MSU, and the Board of Regents.

HEARING ON NORTHERN MONTANA COLLEGE

Tape No. R1\1:000

Presentation and Opening Statement:

Dr. William Merwin, President of NMC, distributed a handout
and gave a presentation on the accomplishments of NMC. See
Exhibit 1. Dr. Merwin stated they have a program they refer
to as middle technology, the computer information
application of Vocational Technical Education. Dr. Merwin
stated they have strong teacher education programs,
business, nursing, liberal arts and sciences programs. Dr.
Merwin stated that 34 percent of the students are from Hill
County, and the student body ranges from 1,600-1,800, and 90
percent come from farming/ranching families.

Dr. Merwin stated they eliminated 10 FTE positions among
administrators and 25 percent of their entities; majors and
minors, and about 65 classes, which saved about \$200,000,
but lost 100 FTE students in the process. Dr. Merwin stated
they were accredited by the Northwest Accreditation
Association this last biennium for the next 10 years.

Dr. Merwin stated they have formed an alliance with General Motors, who provides new automobiles, component parts and lab manuals, and have a satellite training center with GMC. AutoCad provides all the software free of charge in their computer assisted design program and stated that NMC has the only computer assisted manufacturing, complete automation lab.

Dr. Merwin stated that their library is a net lender; they loan five times as many books as they borrow. NMC has a technology transfer center where blueprints, topographical maps and survey maps can be converted into a computerized format. Currently, agencies have to send out of state for those services. In the last two years, Hewlett Packard, Burlington Northern, General Motors, and AutoCad have invested heavily in NMC, Dr. Merwin stated they are looking for schools that can produce people who can use this kind of equipment.

(360)

NMC opened a child care facility three years ago; 500 of 750 of last year's freshman class have children, many preschool age. Dr. Merwin stated they opened up a women's center to help and provide specialized counseling as they go through the program.

Dr. Merwin stated that NMC has received a \$500,000 grant over the next four years for water treatment and water purification. Dr. Merwin stated they have a center and provide an associate degree program for all the waste water technicians in Montana.

Dr. Merwin stated that four years ago there was no public radio, or public TV on the Hi-line, now they have both and NMC played a big part in that.

(550)

Dr. Merwin stated that 100 percent of their elementary education graduates are employed, 91 percent of the 1988 graduates are employed in a job of their choice and 82 percent of those are employed in Montana. The Board of Regents provided them with a Bachelor of Science nursing program. Dr. Merwin stated they are the center for vocational technical research curriculum and personnel development. They have a center funded by the Carl Perkins money that does research, provides in-service workshops and training. Dr. Merwin stated that in the coming biennium they would like to designate that center as the center for producing registered nurses in coordination with the Vo-Tech LPN programs, but there are some funding problems associated with it. Dr. Merwin stated that on the recent 6 mill levy referendum, Hill County acquired yes votes from 72 percent of those voting, the highest in Montana.

(578)

Bill Byars, Director of Fiscal Affairs, referred to Exhibit 1. The problems associated with potential closure, funding, changing curriculum, and lack of an education program contributed to the FTE level dropping from 1710 in FY 1987 to 1550 in FY 1988.

TAPE R1\2:000

(060)

Sen. Hammond asked Mr. Byars how the Community Colleges on the Indian Reservation affect the enrollment at NMC? Mr. Byars replied that the Native American Students are down, but NMC is in the process of transferring the programs and the Vo-Tech students are coming in to finish their careers. Mr. Byars stated they are down about 70-80 students.

(270)

Mr. Byars gave a brief overview of the Library. He stated that their expenditures, personal services, and operational expenses have remained constant from 1984 to 1988. He stated that they have many students manning the library. The book purchases in FY 1984 were \$57,000 and in FY 1988 it was down to \$29,000. (Refer to Exhibit 1, page III). Mr. Byars stated that 54 percent of the reference materials are over 10 years old and the reference collection is becoming rapidly outdated. See Exhibit 1, page III.

(458)

Sen. Jergeson, SD 8, stated that he is in support of the budget requests for NMC in it's entirety as presented by Dr. Merwin and Mr. Byars.

(475)

Mr. Byars stated that NMC is a capital intensive campus, the majority of their materials require tremendous capital outlays. See Exhibit 1, page IV. The last audit they received had a recommendation that stated the college develop a comprehensive long range preventative maintenance plan.

TAPE S1\1:000

(40)

Mr. Byars referring to Exhibit 1, page VI on the budget proposal analysis. Mr. Byars went over the FY 1989 appropriated and actual budget and stated it has dropped about \$80,000 in student tuitions and fees. Mr. Byars stated that the main concern is in the support area. On page 6 of Exhibit 1, Mr. Byars stated that LFA shows \$2.8 million and the Regent's position is \$2.4 million.

(182)

Dr. Krause stated that (Item II, Exhibit 1, page 6) they were looking at increasing the average faculty salary from \$27,000 to \$28,000. He stated that if they were budgeted at 1700 FTE like they were last year and in the future, it

would put them about even with the current level.

Rep. Bachini stated he is in support of NMC budget proposal.

(200)

Dr. Merwin closed stating that NMC is in a state of change. With the loss of enrollment due to more rigorous curriculum, particularly mid technology, and population fallout in their regional service. Dr. Merwin stated they received a federal grant of \$100,000 to help the students with mid technology. By 1991 the student population will be close to 2,000. He stated that NMC needs about \$260,000 beyond what the formula will generate for them.

Rep. Peck asked Dr. Merwin about the proposal for the Malmstrom Air Force Base and offering classes for as few as one student, and asked how he could justify the cost for that? Dr. Merwin replied that the Great Falls Vo-Tech is one of the few markets that may be available for student growth in the state of Montana. Last July, universities from around the nation bid competitively for their educational services. The College of Great Falls is in some jeopardy because of the tuition differential of a private school versus a public school. Dr. Merwin stated that 20-25 universities have made proposals to Malmstrom to provide them services. Northern developed a cooperative program with the U of M and Great Falls Vo-Tech Center to develop business, computer, automotive construction, drafting, computer design programs for their base. If that is successful, Dr. Merwin stated that NMC will triple their enrollment at that base.

Rep. Peck asked Dr. Merwin if the taxpayers of Montana are involved in underwriting the education of the military personnel to the same extent of the university system? Dr. Merwin stated that the student pays an extra fee of \$20 per student credit hour. Dr. Merwin stated that pays for that program and it is also not limited to service personnel.

(400)

Dr. Krause commented that NMC would propose with the Great Falls Vo-Tech Center to establish very strong affiliations during the next two years. Dr. Krause stated that there is a proposal in the Senate about the degree in granting associate degrees for Vo-Techs and felt it would be disastrous for Montana because it would create five more community colleges. Dr. Krause felt that an alternative is a license for NMC to take the associate degree programs and deliver them on sight to the Vo-Tech Centers. Dr. Krause stated they would like to try one or two of the degree programs and try to share the services, but it would cost 2 FTE per student per year. See Exhibit 2.

(490)

Rep. Peck asked Dr. Krause if he could see a specific way that the Legislature could help with the coordination of Great

Falls and NMC? Dr. Krause stated that Great Falls Vo-Tech is working closely with NMC and will go to the Board of Regents with a proposal to offer two degree programs and provide essential services for the students who are concerned to do that during this two year period and will report back to Legislature. Dr. Krause stated he has encouraged the Board to consolidate.

Tape S1\2:000

(040)

Rep. Marks asked Dr. Krause if he took a strong consideration to the merging of consolidation? Dr. Krause stated that it will avoid costs in the future. Discussion followed.

Tape S1\2 quit at 128.

Tape T1\1:000

Dr. Krause stated that there is a model developed for consolidation and the Board is looking at one of the options. He stated there is a problem with the way the two institutions are funded. To generate an FTE in Vo-Tech Centers requires 1,000 contact hours and to generate and FTE at a university unit it is 45 student credit hours. The confusion that exists is keeping them both out there as separate entities. Dr. Krause stated that the 1,000 contact hours is more actual hours than the 45 credits in the classroom. He stated it was developed by the equated number of lectures and/or labs and came up with the 1,000 hrs.

(078)

Mr. Wolcott stated that in the last discussion on Vo-Techs it had been determined that the current formula for determining Vo-Tech funding is out-dated and he will have to develop a new formula to fund the Vo-Techs.

(085)

Rep. Peck asked Dr. Merwin how NMC records Vo-Techs credits? Dr. Merwin replied that they convert them by looking at each course and syllabus to give them the number of credit hours.

Dr. Merwin commented that there is a real purpose for Vo-Tech training that may not be college level work that occurs in those five centers, but some of those students do not need it or do not want it or cannot do it, and stated that it should continue that way. Dr. Merwin stated that the students that are able to do college work should be provided with levels of associate degrees that could be provided by NMC and they would also be offering a service to Great Falls. It would prevent Vo-Techs from becoming Community Colleges and it would improve the service more effectively and more efficiently. Dr. Merwin stated they would teach those courses as NMC credits on the Vo-Tech campus and it

would give them credits at NMC and the Great Falls Vo-Tech.

Terry Minnow, representing Montana Federation of Teacher stated that she would like to go on record in support of adequate and full funding of Northern Montana College.

There being no further business the Subcommittee was adjourned.

ADJOURNMENT

Adjournment At: 10:40 a.m.



REP. Ray Peck, Chairman

RP/cj

3121.min

OUTLINE OF PRESENTATION TO APPROPRIATION SUB-COMMITTEE

William C. Merwin, President
February 6, 1989

- I. OVERVIEW OF PRESENTATION
- II. THUMBNAIL SKETCH OF N.M.C.
- III. ACCOMPLISHMENTS OF 1987-1989
 - A. Northwest Association of Schools & Colleges (accreditation)
 - B. Business linkages (B.N., G.M, H.P., autocad)
 - C. Non-traditional student accommodation (average age 28.5)
 - 1. Women's Center
 - 2. Childcare Center
 - 3. Non-degree registration status
 - 4. Late class schedule
 - D. Mid-technology role/scope (economic development)
 - 1. Electronic farm management
 - 2. Electronics Bulletin Board
 - 3. CAD/CAM
 - 4. Automation lab
 - 5. Technology Transfer Center
 - 6. Wastewater management training
 - E. Public radio/T.V.
 - F. Reinstatement of elementary education
 - G. B.S. in Nursing
 - H. Center for Vocational Education Research, Curriculum and Personnel Development
 - I. General Education improvements (quality)
 - J. Project Havre
 - K. Placement record
 - L. Cooperative Education, careers, practical approaches

M. Adjustments to financial cutbacks

1. Reduced administrative staff - 10 FTE
2. Reduced non-productive/non-essential programs - 25%
3. Reorganized college administrative structure (5 faceted curriculum)

N. Fundraising (\$2.5 million for biennium)
Self-help ethicO. Six-mill levy - 72% said "yes" in geographical service area.

Winston Churchill on accountability: "If we give you the tools, then we expect you to do the work."

- IV. MAJOR PROBLEM AREAS
- Enrollment decline (Figure I)
 - Faculty salary issues (Figure II)
 - Library (Figure III)
 - Equipment intensive program (Figure IV)
 - Preventative maintenance (Figure V)
 - Transition problem (Figure VI)

V. REASONS FOR THE DECLINE

- A. Mid-tech curriculum demands
- B. Threats
- C. Tribal community colleges
- D. Vo-Tech growth
- E. Population decline in service area
- F. Large graduation classes/smaller replacement classes

VI. PLAN TO BUILD ENROLLMENTS

- A. Improve Retention
 - Transitional studies, supplemental instruction
 - Revamp advisement system
 - Resident hall improvements
 - Financial Aid
- B. Articulation/Transfer Agreement with Vo-Techs/Tribal Colleges
- C. Malmstrom proposal

- D. Great Falls Vo-Tech affiliations
- E. Scholarships for non-traditional
- F. Mid-technology "hour is at hand"
- G. Marketing plan

VII. GOALS FOR 1989-91 BIENNIUM

1. Enrollment growth - 1991- By 1991
2. Faculty salaries
3. Library improvement
4. Articulation agreements (affiliation with Great Falls Vo-Tech)
5. Preventative maintenance program
6. Renovation of Donaldson Hall
7. Land grant for N.M.C.
8. Center for Vo-Tech - Nursing, L.P.N., A.D.N.
9. Improve Northern's image (subject area accreditation, multiple-entry/exit)
10. Engineering technology
11. Revenue production projects (Technology Transfer, indirect costs from grants)
12. Increase fundraising to \$3 million/biennium
13. Participate in economic revitalization of Montana's economy
14. Implementing central payroll

VIII. REQUEST FOR BIENNIUM

- Transition or phase in \$250,000 each year
- % of 2-mill levy for Vo-Tech Center
- \$900,000 for Donaldson Hall
- \$100,000 preventative maintenance program

IX. SUMMARY

Perhaps a fitting summary and conclusion might be the very last paragraph of our Case Statement where it says: NMC will continue to be an institution that characterizes a multiple-entry/multiple-exit college providing career enhancement opportunities to citizens throughout the state. We will continue to invest and re-invest in ourselves, turning our energies to the direction of change. Our remote location, coupled with the development of a unique program of high quality and efficiency will ensure the continued growth and development of this institution. NMC will continue to serve as the "Beacon of Light" on the Hi-Line for decades to come.

NORTHERN MONTANA COLLEGE
ENROLLMENT BY COUNTY
FALL QUARTER 1988

COUNTY	NUMBER	% OF TOTAL	POPULATION CHANGE 1980 TO 1986
BEAVERHEAD	4	0.3%	-2.1%
BIG HORN	6	0.4%	-5.7%
BLAINE	91	5.7%	-9.0%
BROADWATER	6	0.4%	2.6%
CARTER	0	0.0%	-7.8%
CARBON	1	0.1%	2.3%
CASCADE	288	18.1%	-8.2%
CHOUTEAU	45	2.8%	-6.9%
CUSTER	5	0.3%	-2.9%
DANIELS	12	0.8%	-7.7%
DAWSON	6	0.4%	-10.6%
DEER LODGE	4	0.3%	-13.6%
FALLON	0	0.0%	-11.4%
FERGUS	24	1.5%	-6.5%
FLATHEAD	45	2.8%	5.4%
GALLATIN	12	0.8%	4.5%
GARFIELD	2	0.1%	-5.3%
GLACIER	37	2.3%	-7.0%
GOLDEN VALLEY	0	0.0%	3.6%
GRANITE	2	0.1%	-3.5%
HILL	530	33.4%	-7.7%
JEFFERSON	10	0.6%	10.3%
LAKE	8	0.5%	1.9%
LEWIS & CLARK	22	1.4%	1.2%
LIBERTY	18	1.1%	-2.7%
LINCOLN	19	1.2%	-2.1%
MADISON	4	0.3%	1.5%
MCCONE	5	0.3%	-10.9%
MEAGHER	2	0.1%	-1.4%
MINERAL	1	0.1%	-6.9%
MISSOULA	15	0.9%	-4.4%
MUSSELSHELL	3	0.2%	1.4%
PARK	4	0.3%	-0.7%
PETROLEUM	0	0.0%	-7.5%
PHILLIPS	39	2.5%	-1.9%
PONDERA	29	1.8%	-7.4%
POWDER RIVER	0	0.0%	-10.9%
POWELL	2	0.1%	-4.2%
PRAIRIE	0	0.0%	-5.1%
RAVALLI	11	0.7%	7.6%
RICHLAND	9	0.6%	-1.7%
ROOSEVELT	27	1.7%	1.0%
ROSEBUD	8	0.5%	10.6%

COUNTY	NUMBER	% OF TOTAL	POPULATION CHANGE 1980 TO 1986
SANDERS	3	0.2%	-1.9%
SHERIDAN	7	0.4%	-0.4%
SILVER BOW	34	2.1%	-11.2%
STILLWATER	1	0.1%	9.5%
SWEET GRASS	1	0.1%	0.6%
TETON	20	1.3%	-5.6%
TOOLE	26	1.6%	-7.2%
TREASURE	0	0.0%	-4.0%
VALLEY	63	4.0%	-13.2%
WHEATLAND	2	0.1%	-10.1%
WIBAUX	0	0.0%	-12.7%
YELLOWSTONE	23	1.4%	4.4%
TOTAL	1536	96.7%	-1.8%
NON RESIDENT	43	2.7%	
FOREIGN	9	0.6%	
TOTAL	1588	100.0%	

ENROLLMENT BY COUNTY BY % OF TOTAL
FALL QUARTER 1988

COUNTY	NUMBER	% OF TOTAL	POPULATION CHANGE 1980 TO 1986
HILL	530	33.4%	-7.7%
CASCADE	288	18.1%	-8.2%
BLAINE	91	5.7%	-9.0%
VALLEY	63	4.0%	-13.2%
FLATHEAD	45	2.8%	5.4%
CHOUTEAU	45	2.8%	-6.9%
PHILLIPS	39	2.5%	-1.9%
GLACIER	37	2.3%	-7.0%
PONDERA	29	1.8%	-7.4%
ROOSEVELT	27	1.7%	1.0%
TOOLE	26	1.6%	-7.2%
FERGUS	24	1.5%	-6.5%
LEWIS & CLARK	22	1.4%	1.2%
TETON	20	1.3%	-5.6%
LINCOLN	19	1.2%	-2.1%
LIBERTY	18	1.1%	-2.7%
DANIELS	12	0.8%	-7.7%
RICHLAND	9	0.6%	-1.7%
SHERIDAN	7	0.4%	-0.4%
DAWSON	6	0.4%	-10.6%
MCCONE	5	0.3%	-10.9%
JUDITH BASIN	5	0.3%	-6.8%
GARFIELD	2	0.1%	-5.3%
PETROLEUM	0	0.0%	-7.5%
SUB TOTAL	1286	85.1%	
ALL OTHERS	302	14.9%	

NORTHERN MONTANA COLLEGE

ENROLLMENT STATISTICS

FALL QUARTER

	HEADCOUNT	FTE
1980	1473	1313
1981	1584	1462
1982	1687	1558
1983	1859	1640
1984	1811	1600
1985	1729	1512
1986	1788	1528
1987	1658	1383
1988	1593	1313

FISCAL YEAR

1980	1410	1236
1981	1680	1382
1982	1852	1542
1983	2055	1663
1984	2186	1744
1985	2134	1707
1986	2196	1693
1987	2276	1710
1988	2137	1550

*Tape R 1 side 2
290*

NORTHERN MONTANA COLLEGE

FACULTY TURNOVER

From FY 1986 to FY 1987, thirteen (13), out of a total eighty-eight (88), faculty terminated employment with Northern Montana College. This amounted to a 14.8 % turnover. The following reasons were given:

Higher Pay	= 5
Non-renewal	= 3
Temporary appointment	= 4
Resigned	= 1
Total	=13

From FY 1987 to FY 1988, twenty-two(22), out of a total ninety-three(93), faculty terminated employment with Northern Montana College. This amounted to a 23. 6% turnover. The following reasons were given:

Higher pay	= 6
Non-renewal	= 3
Temporary Appointment	= 5
Retired	= 8
Total	=22

From FY 1988 to FY 1989, seventeen(17), out of a total eighty-five(85), faculty terminated employment with Northern Montana College. This amounted to a 20.0% turnover. The following reasons were given:

Higher pay	= 1
Non-renewal	= 2
Temporary	= 3
Retired	= 7
Resigned	= 3
Death	= 1
Total	=20

AVERAGE FACULTY SALARY

Peer Comparison

Academic year 1986-87

College	State	Average Salary
Adams State College	Colorado	\$ 29,400
Lewis & Clark State	Idaho	\$ 25,900
Oregon Institute of Tech	Oregon	\$ 30,300
Western NEW Mexico	New Mexico	\$ 27,600
Peer Average		\$ 28,300

Northern Montana College \$ 24,900
 % of Peers 88.0%

BRARY EXPENDITURES

	FY 84	FY 85	FY 86	FY 87	FY 88
PERSONAL SERVICES	\$93,755	\$97,096	\$93,807	\$88,476	\$80,898
LIBRARIES	\$42,101	\$31,179	\$33,072	\$42,526	\$51,090
LIBRARY EMPLOYEES	\$20,177	\$21,492	\$20,753	\$20,112	\$20,307
LIBRARY BENEFITS					
TOTAL P.S.	\$156,032	\$149,767	\$147,633	\$151,113	\$152,294
OPERATIONS					
UNTRACTED SERV.	\$928	\$352	\$351	\$205	\$227
SUPPLIES	\$9,204	\$7,675	\$8,144	\$6,386	\$7,786
COMMUNICATIONS	\$1,271	\$1,260	\$1,525	\$1,503	\$1,767
TRAVEL	\$2,876	\$939	\$2,262	\$1,812	\$4,652
PAIRS	\$2,540	\$2,507	\$3,446	\$2,973	\$2,445
OTHER	\$7,134	\$5,869	\$6,120	\$5,734	\$5,039
TOTAL OPS.	\$23,953	\$18,601	\$21,848	\$18,613	\$21,917
EQUIPMENT	\$2,123	\$6,989	\$7,957	\$3,217	\$1,965
BOOKS	\$57,729	\$79,226	\$45,346	\$49,061	\$29,858
DESCRIPTIONS	\$22,610	\$24,735	\$28,106	\$29,235	\$31,386
FILMS & MICROFORMS	\$20,150	\$13,390	\$16,673	\$14,557	\$16,526
OTHER	\$41,571	\$37,198	\$40,007	\$34,383	\$38,942
TOTAL EXPENDITURES	\$324,168	\$329,906	\$307,570	\$300,179	\$292,888

BRARY STATISTICS

ACQUISITION PERIOD	NUMBER OF VOLUMES	PERCENT OF TOTAL	BOOK ADDITIONS	AVERAGE PRICE	PERCENT INCREASE
1985-89	318	13.9%	1597	\$31.19	7.09%
1980-84	720	31.3%	1975	\$33.40	5.00%
1975-79	452	19.7%	2394		
1970-74	330	14.3%	2875		
1969-	479	20.8%	2539		
TOTAL	2299	100.0%	2140		
			1012		
			402 (6 MONTHS)		

PERCENT OF NMC REFERENCE MATERIALS ARE AT LEAST 10 YEARS OLD

PERIODICALS & JOURNALS	INTER LIBRARY LOANS	FY81	FY82	FY83	FY84	FY85	FY86	FY87	FY88	FY89
1986	700									
1987	640	52	71	81	239	312	295	246	389	134
1988	650									
1989	625	92	181	370	820	879	1149	1204	1199	504

CAPITAL INTENSIVE PROGRAM

7 YEAR SUMMARY OF CAPITAL EXPENDITURES

YEAR	PROGRAM INST.	PUBLIC SERVICE	ACADEMIC SUPPORT	LIBRARY	STUDENT SERVICES	INSTIT. SUPPORT	PHYSICAL PLANT	TOTAL
FY 81-82	\$106,012	\$0	\$19,378	\$52,904	\$3,875	\$2,509	\$6,504	\$191,182
FY 82-83	\$222,040	\$0	\$4,548	\$72,200	\$1,105	\$5,422	\$3,904	\$309,219
FY 83-84	\$231,747	\$0	\$41,201	\$80,002	\$35,852	\$73,617	\$13,262	\$475,681
FY 84-85	\$172,130	\$0	\$10,105	\$99,605	\$9,891	\$9,020	\$9,581	\$310,332
FY 85-86	\$67,593	\$0	\$15,701	\$69,976	\$18,068	\$11,183	\$15,338	\$197,859
FY 86-87	\$30,123	\$0	\$8,067	\$66,835	\$7,289	\$2,654	\$2,134	\$117,102
FY 87-88	\$210,791	\$9,556	\$56,279	\$48,349	\$12,730	\$8,371	\$19,444	\$365,520
TOTAL	\$1,040,436	\$9,556	\$155,279	\$489,871	\$88,810	\$112,776	\$70,167	\$1,966,895

NORTHERN MONTANA COLLEGE

The FY86 - FY87 Financial-Compliance Audit of Northern Montana College, conducted by the Office of the Legislative Auditor, contained the following recommendation:

"WE RECOMMEND THE COLLEGE DEVELOP A COMPREHENSIVE LONG-RANGE PREVENTIVE MAINTENANCE PLAN."

In October of 1988, a professional maintenance management firm visited Northern Montana College to give an estimate of the cost of instituting a comprehensive maintenance plan for the College. These managers reviewed the level of funding and staffing for all physical plant operations. It is their opinion that if the Physical Plant budget were increased above the current level by approximately \$125,000, each year of the biennium, they would be able to institute a complete maintenance program for the College. This would not only include building repairs and maintenance, but would include all custodial services, all grounds services, and security. This service would be a management service only, and all employees, except their manager, would remain the employees of the College. These additional funds would be necessary to get the physical plant staffing to the level required to do the job. Some of the additional funds would also be required to pay for their services.

The use of a management service, such as being proposed, provides the campus with access to a professional level of services that are not cost effective to have on a small campus. The management firm has in place preventive maintenance plans for the majority of equipment that will be encountered on the NMC campus. The management service would have available to them, experts that can work in the areas of grounds maintenance, custodial maintenance, and employee development.

At this time it appears that the most cost effective way for Northern Montana College to implement the Auditors recommendation is to contract for the services required to accomplish that task. The additional cost, as previously stated would be \$125,000 each year of the biennium.

NORTHERN MONTANA COLLEGE

BUDGET PROPOSAL ANALYSIS

1/26/89

BUDGET DEFICIT REDUCTION ALTERNATIVES

#1 CHANGE THE STUDENT FACULTY RATIO FROM 15.45/1 TO 15/1.

#2 CALCULATE INSTRUCTIONAL BUDGET ON THE BASIS OF A

\$28,000 AVERAGE FACULTY SALARY

#3 SET THE FUNDING LEVEL AT 1700FTE STUDENTS

#1 15/1 SFR	#2 \$28,000 SAL	#3 1700 FTE
\$4,093,061	\$4,117,338	\$4,158,344
\$4,093,061	\$4,117,338	\$4,158,344
\$2,427,197	\$2,427,197	\$2,528,257
\$8,891	\$8,891	\$8,891
\$1,162,059	\$1,162,059	\$1,162,059
\$260,916	\$260,916	\$260,916
\$7,952,124	\$7,976,401	\$8,118,467
(\$160,877)	(\$136,600)	\$5,466
\$4,337,051	\$4,350,551	\$4,393,887
\$4,337,051	\$4,350,551	\$4,393,887
\$2,407,764	\$2,408,987	\$2,509,625
\$8,891	\$8,891	\$8,891
\$1,177,527	\$1,177,527	\$1,177,527
\$260,916	\$260,916	\$260,916
\$8,192,149	\$8,206,872	\$8,350,846
(\$140,852)	(\$126,129)	\$17,845

NORTHERN MONTANA COLLEGE

BUDGET PROPOSAL ANALYSIS

1/26/89

FY 1990	FY 89 APPROPRIATED	FY 89 BUDGET	LFA	REGENTS POSITION
INSTRUCTION	\$4,055,134	\$3,889,801	\$4,041,505	\$3,989,768
ADD FAC SAL INC	\$210,000	\$210,000	\$210,000	
ADJ INST	\$4,265,134	\$4,099,801	\$4,251,505	\$3,989,768
SUPPORT	\$2,507,101	\$2,601,836	\$2,820,133	\$2,427,809
PUBLIC SERVICE	\$8,891	\$8,891	\$8,891	\$8,891
PHYSICAL PLANT	\$1,146,577	\$1,146,577	\$1,106,337	\$1,162,059
SCHOLARSHIPS	\$271,722	\$255,896	\$242,706	\$260,916
TOTAL	\$8,199,425	\$8,113,001	\$8,429,572	\$7,849,443

DIFFERENCE FROM
FY89 BUDGET

\$316,571 (\$263,558)

FY 1991

INSTRUCTION	\$4,055,134	\$3,889,801	\$4,041,505	\$4,215,955
ADD FAC SAL INC	\$430,000	\$430,000	\$430,000	
ADJ INST	\$4,485,134	\$4,319,801	\$4,471,505	\$4,215,955
SUPPORT	\$2,507,101	\$2,601,836	\$2,820,133	\$2,408,987
PUBLIC SERVICE	\$8,891	\$8,891	\$8,891	\$8,891
PHYSICAL PLANT	\$1,146,577	\$1,146,577	\$1,121,859	\$1,177,527
SCHOLARSHIPS	\$271,722	\$255,896	\$242,706	\$260,916
TOTAL	\$8,419,425	\$8,333,001	\$8,665,094	\$8,072,276

DIFFERENCE FROM
FY89 BUDGET

\$332,093 (\$260,725)

COMPONENTS OF REGENTS PROPOSED BUDGET

COMPONENT	FY 1990	FY 1991
ENROLLMENT	1631	1631
S/F RATIO	15.45	15.5
FTE FACULTY	105.57	105.23
FACULTY SALARY	27000	28620
BENEFIT RATE	0.21037	0.21037
INST SUP RATE	331	350
SUPPORT RATE	1465	1476
AUDIT COSTS	38394	

RECOMMENDATIONS

The following actions were adopted by the Board of Regents in December, 1988 with regard to postsecondary technical-vocational education in Montana:

1. The Board of Regents urges the 51st legislature to impose a statewide levy of 2-mills to fund postsecondary technical-vocational education at the VT Centers and the public community colleges.
2. The Board of Regents authorizes the establishment of a formalized network of two-year institutions (i.e., the VT Centers and the community colleges) and will organize them in such a manner that the statewide delivery of technical-vocational education is further systematized and coordinated.
3. The Board of Regents affirms the continued need for postsecondary technical-vocational educational opportunities in the five locations now served by the VT Centers.
4. The Board of Regents supports the establishment of a centralized, coordinated system of technical-vocational education comprised of five (5) branch campuses which shall be supervised by the Commissioner of Higher Education and which shall function as one component of the overall system of higher education in Montana.

Further, the Board of Regents directs that:

- a. Specific cooperative agreements between the VT Centers and university units be developed as appropriate to gain economies and efficiencies in providing services common to those specific institutions;
 - b. A review of instructional programs be conducted which may result in the consolidation of programs which are common to the VT Center and a unit of the university system; and
 - c. Specific articulation agreements be developed between the VT Centers and units of the university system so that appropriate curricular progression may be enhanced. These articulation agreements may be developed between the VTC and the local unit of the university system in those programs which are common or similar within the two institutions, or between the VTC and Northern Montana College in those technical-vocational program areas which are unique to NMC. Such agreements shall be approved prior to implementation by the OCHE.
5. The Board of Regents supports the provision by the VT Centers of adult education which is occupational in nature and consistent with institutional role and scope.
 6. The Board of Regents formally expresses to the Montana legislature its continuing concern about legislative appropriation of federal (Perkins) funds as a portion of VT Centers operating budgets.

