

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
52nd LEGISLATURE - REGULAR SESSION**

SUBCOMMITTEE ON EDUCATION & CULTURAL RESOURCES

Call to Order: By **CHAIRMAN PECK**, on January 17, 1991, at 8:00 a.m.

ROLL CALL

Members Present:

Rep. Ray Peck, Chairman (D)
Sen. Greg Jergeson, Vice Chairman (D)
Sen. Don Bianchi (D)
Rep. Larry Grinde (R)
Sen. H.W. Hammond (R)
Rep. Mike Kadas (D)

Staff Present: Pam Joehler, Senior Fiscal Analyst (LFA)
Skip Culver, Associate Fiscal Analyst (LFA)
Doug Schmitz, Budget Analyst (OBPP)
Mary Ann Wellbank, Budget Analyst (OBPP)
Melissa Boyles, Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Announcements/Discussion: **CHAIRMAN PECK** welcomed Mary Ann Wellbank, OBPP Analyst for the University System.

CHAIRMAN PECK stated that the Flathead Valley College trip is as scheduled, weather permitting. There are only six seats so only six committee members will be able to go. **REP. GRINDE** stated that he will not be able to go.

HEARING ON UNIVERSITY SYSTEM OVERVIEW

Tape No. 1

029

Pam Joehler distributed a handout on the LFA current level budget for the Montana University System. **EXHIBIT 1**

Ms. Joehler stated that there are more than six units in the University System involved. In addition there are the higher education agencies, which are lumped as a group, that include the Experiment Station, Forestry Experiment Station, Bureau of Mines, Cooperative Extension Service, Fire Services Training School and Commissioner of Higher Education. There are five Vocational

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Technical Centers and three Community Colleges. All of these agencies are under the authority of the Board of Regents.

Ms. Joehler stated that on all six university units the LFA used both the formula and incremental to develop the budget. The formula approach has been in use since at least 1975 in one form or another. The 1979 Legislature passed a resolution asking the Legislative Finance Committee to review University funding, the formula that was in use, and make recommendations for its change. It was a very complicated formula and was fairly responsive to changes in enrollment and program mix. The formula was in use through the 1989 session when at the request of the 1987 Legislature the formula was reevaluated again. The changes made last session simplified the formula.

Ms. Joehler stated that since 1975 the concept has been peer related. One of the Blue Ribbon Commission recommendations in 1974 was that at least the salaries should be comparable to its peers. Since that time there has been a lot of interest by the Legislature to compare itself to the peers. **Page 2, EXHIBIT 1**
Ms. Joehler stated that the peers were adopted by the 1989 Legislature and were used as the basis for setting the appropriations level for the 1991 biennium.

Ms. Joehler stated that the University Funding Study Committee (USFC) made recommendations to the 1989 Legislature to simplify the formula. It was adopted to use a two year average of actual student FTE enrollment for the six units. This policy has also been extended to the community colleges and will be proposed to the vocational technical centers. The UFSC made a recommendation to not rely on peer data for formula factors, however, the Legislature did rely on peer information for formula factors.
Ms. Joehler stated that the UFSC recommended that the legislature require the establishment of reporting systems for personnel on classification data. The RERS will be implemented on the 1st of July 1991. The LFA is in the process of developing the classroom enrollment system. The last recommendation suggested that the University System present data profiles to the Legislature so there is some common comparison. The University System did and it is included in their handout to the subcommittee.

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Ms. Joehler said the Legislature provided a 6% salary increase per year for the faculty at the 6 university units and the experiment stations. The salary negotiations and settlements at the university units included the 6% plus 2 1/2% a year and a merit increase. The LFA current level budget and the Executive recommendation include only the 6% salary increase.

Ms. Joehler stated that for the last couple of years the Post

Secondary Education Study Committee (PESC) was formed as an off shoot of the UFSC. The PESC looked at other areas of education as well as higher education. It appeared there is some duplication but it is necessary to provide access. There were questions as to whether the legislature was providing enough funding, this question has not been resolved. The PSSC also looked at alternative budgeting methods which was called cooridor funding, from cooridor funding came the issue lump sum appropriation idea. Ms. Joehler stated that the PSSC recommended that the lump sum be adopted for the Vo-Techs and the six University Units. The PESC recommended that a joint committee be formed with legislators, regents, and commissioners office to enhance communication.

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Bill Mathers, Chairman of the BOR, introduced the members of the Board of Regents (BOR). **EXHIBIT 2**

Mr. Mathers stated the driving force that will move the state forward in the 21st century will be the young people and the educational opportunities we provide to them. The budget presented today is what the regents feel is the necessary financial commitment to maintain quality education. The BOR have based its request on the report of the Commission for the 90s as well as the information gathered by staff. He urged the subcommittee to work with the regents to turn the situation around.

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John Hutchinson, Commissioner of Higher Education, introduced members of his staff and distributed the 1992 Biennium Budget Recommendations. **EXHIBIT 3** He also distributed and reviewed written testimony. **EXHIBIT 4**

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Jack Mudd stated that for the past year he has been a chairman for a group of citizens commissioned by the Governor to perform a citizen audit. The committee tried to perform the independent audit function as best they could, drawing upon the resources of the people of Montana and also the best resources and best minds they could draw outside the state. They came away with several important conclusions. First, the tradition in Montana has been to support a strong, competetive, and functioning system in higher education. The group was struck by the dedication of faculty, determination of the students and of the changes happening in higher education.

Mr. Mudd stated that their vision was twenty years in the future and not looking at the problems of today but at the future problems. They found the strength of the system was handicapped in several ways, also by our tradition. They found that the tradition of post secondary education was that we had adopted a number of units in various configurations and locations that responded more to local needs than to state needs. The handicap

of separateness has to change and move towards a system. The study also found that some academic patterns of the past will not address the economic and educational challenges of the future. There were a number of recommendations to focus on ends rather than to continue to accept means as ends.

Mr. Mudd stated that people like himself have said to the educators that we need to educate students with the technology and educational expertise necessary to prepare students for tomorrow, but we do not want to pay for it. This fact has brought us to a crossroads.

Mr. Mudd stated that a letter to the Governor, from the commission said Montana is at a crossroads. It is the group's conviction that the State cannot continue its present course for higher education without profound and detrimental impacts on the future of our people.

Mr. Mudd stated that the group's recommendations center upon a single theme to meet the challenges of the future; Montana needs and deserves a unified system of Higher Education, focused on educational outcomes and committed to serving the state. This unified system can be reached by the combined efforts of the Legislature, the Governor, Board of Regents and overall support of all people in the state. This is a time for new commitments and new beginnings. **Mr. Mudd** distributed a handout, Crossroads EXHIBIT 5

Commissioner Hutchinson introduced Kirk Lacey, President of the Associated Students at Eastern Montana College, Who also serves as President of the Montana Associated Students.

Kirk Lacey introduced student representatives.

Mr. Lacey stated that the Commission for the 90's report described and illustrated a crisis situation in the Montana University System. This was not new to the students; as a student **Mr. Lacey** is well aware of the problems that the report brought to light. The buildings on campus are deteriorating and the faculty members are leaving for higher paying jobs in other states. **Mr. Lacey** distributed a report on University System: "A Campus in Crisis" EXHIBIT 6

Mr. Lacey stated that the students spent a great deal of time, energy and personal expense to create this report and hopes the subcommittee will read it and take these issues to heart. **Mr. Lacey** urged the subcommittee to take action on these issues this session.

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CHAIRMAN PECK declared a 15 minute recess.

Mr. Mathers introduced Cordell Johnson, member of the Board of Regents.

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Jack Noble distributed and reviewed a handout on pay plan data
EXHIBIT 7

Mr. Noble stated that one reason they had the funding study last session was that the old formula created in 1981 was very complex. The formula was conceptually correct but it became difficult to deal with and almost impossible to update. The new formula is not as sophisticated but is more easily understood and easier to update. **Mr. Noble** reviewed the University System bar graphs, regarding peer update, in the 1993 Biennium Budget Recommendation Book. **EXHIBIT 8A & 8B**

Mr. Noble stated that in addition to looking at expenditures in faculty salaries, the other component important to the formula is student faculty ratio. In order to obtain that they had to survey a number of instructional full-time faculty and then divide by the equivalent FTE student to obtain student faculty ratio.

Mr. Noble stated that the program definitions and higher education expenditures are covered by National Accounting Systems. These definitions are governed by the American Institute of Certified Public Accountants and the National Association of College and University Business Officers. They converted the raw data on expenditures to percentages. **EXHIBIT 9** This allows you to scan down the line and find aberrations that do not appear normal. We are a national industry and would expect there to be reasonable trends and patterns of expenditures. The results on this survey are very close.

Mr. Noble stated that Montana has moved away from their peers this biennium. The peer states moved an average of 16.3% Montana moved ahead 11.1%. The regents chose to phase this in over 5 years.

Mr. Noble referred to page 10 in the 1993 Biennium Budget Recommendations Book. **EXHIBIT 10** **Mr. Noble** referred to page 4 of the 1993 Biennium Budget Recommendations Book. **EXHIBIT 11**

Mr. Noble encouraged the subcommittee to spend some time looking at the 1993 Biennium Budget Recommendation Book and encourage its continued use and refinement.

Mr. Noble stated there were some questions in regards to providing the subcommittee with preliminary data on pay plan cost. The analysis has been done and they are working closely with the Governors Office. The cost for the 1% pay plan increase for all employees of the University System is \$4,980,793, \$1.8 million of that is for insurance.

Mr. Noble stated that they would like to work with the OBPP and the LFA to reconcile if not eliminate any dispute in regards to these costs.

Mr. Noble stated that the Executive Branch allocated \$8,000,000 for other regent priorities. As the subcommittee compares the Executive with the LFA the difficulty will be that there is 8 million allocated directly to the BOR that was not placed in institutional budgets. The BOR is very interested in having a portion of monies certainly unallocated by this committee and left to the discretion of the Board of Regents.

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SEN. BIANCHI asked why faculty salaries are \$6,000,000 , in FY92 and \$3,000,000, in FY93. Mr. Noble stated that there is an additional 2 1/2% faculty salary settlement awarded in an arbitration settlement award. This carried throughout the system instead of arbitrating four times.

CHAIRMAN PECK stated that the University of Montana and Western Montana College will be heard on Monday the 28th. Commissioner Hutchinson concurred.

Commissioner Hutchinson stated that the Bureau of Mines would like to be heard on the same day as Montana Tech. CHAIRMAN PECK stated that had been taken care of.

SEN. JERGESON asked what would happen on the 24th. CHAIRMAN PECK stated that at this time the 24th would be left open for catch up.

ADJOURNMENT

Adjournment: 10:20 a.m.


REPRESENTATIVE RAY PECK, Chair


MELISSA J. BOYLES, Secretary

RP/mjb

HOUSE OF REPRESENTATIVES
EDUCATION SUBCOMMITTEE

ROLL CALL

DATE 1-17-91

NAME	PRESENT	ABSENT	EXCUSED
REP. RAY PECK, CHAIRMAN	✓		
SEN. GREG JERGESON			
REP. LARRY GRINDE	✓		
SEN. DON BIANCHI	✓		
REP. MIKE KADAS	✓		
SEN. H.W. "SWEDE" HAMMOND	✓		

LFA CURRENT LEVEL BUDGET

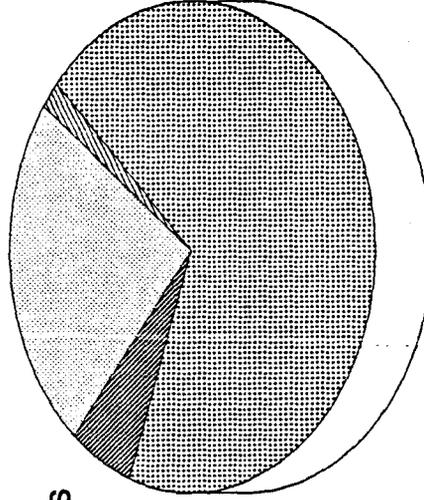
Montana University System

EXHIBIT 1
 DATE 1-17-91
 HB Ed. & Cur. Prod. Serv.

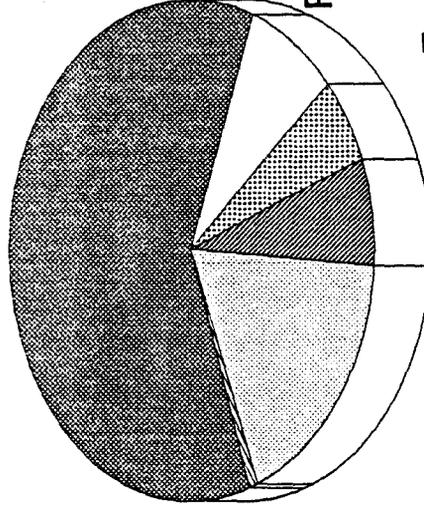
Higher Ed Agencies
23.4

Community Colleges
1.8

Vo-Techs
5.6



General Fund 60.7



Other
.8

Tuition
17.9

Mill Levy
6.9

Federal
5.7

Expenditures

Funding

1993 Biennium (Percent)

PEER INSTITUTIONS

The Montana legislature has used peer comparative analysis for several years to evaluate university funding methods and levels. In the 1989 biennium interim, the University Funding Study Committee reevaluated Montana's peer institutions. Peers were chosen on the basis of five major categories of institutional characteristics:

- 1) public institutions;
- 2) geographic region;
- 3) role and scope;
- 4) enrollment profile; and
- 5) research mission.

The selected peers are listed on the table below. These peers were used by the 1989 legislature in setting appropriation levels.

Montana University System Peer Institutions
Selected by University Funding Study Committee
1989 Biennium

MSU and UM Peers

New Mexico State University
North Dakota State University
Northern Arizona University
University of Idaho
University of Nevada, Reno
University of North Dakota
University of Wyoming
Utah State University

Eastern Montana College Peers

Eastern New Mexico University
Eastern Washington University
Minot State University, ND
Northern State College, SD
Southern Oregon State College
University Southern Colorado

Northern Montana College Peers

Adams State College, CO
Oregon Institute of Technology
Lewis-Clark State College, ID
Western New Mexico University

Western Montana College Peers

Dakota State, SD
Dickinson State University, ND
Mayville State University, ND
Valley City State University, ND
Western New Mexico University

MCMST Peers

Colorado School of Mines
South Dakota School of Mines
New Mexico Institute of Mining
and Technology

UNIVERSITY FORMULA FACTORS

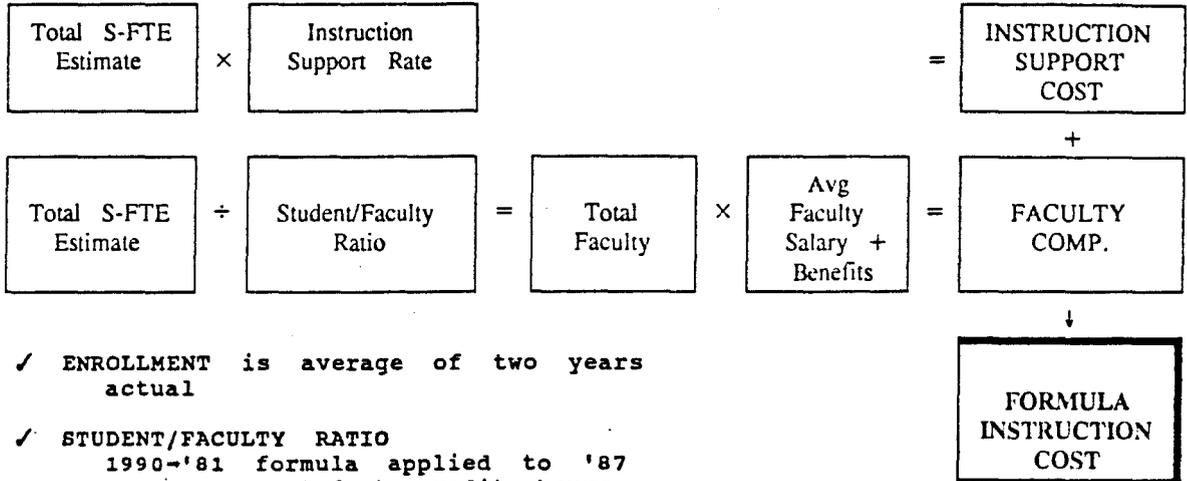
The LFA current level budget used fiscal 1991 appropriated formula factors to establish the 1993 biennium current level budget except as noted below. For a complete description of all the formula factors used in the LFA current level budget, see pages F-71 and F-72 in the 1993 Biennium Budget Analysis.

1. Student Enrollment-Used two year average of actual enrollment - FY 89 & 90
2. Student/Faculty Ratios
3. Average Faculty Salary
4. Faculty Benefit Rate-Benefit rates were updated for the 1993 biennium
5. Instructional Support Cost per Student-The 1991 biennium pay plan allocation and inflation were added to the fiscal 1991 appropriated rate.
6. Support Cost per Student-The 1991 biennium pay plan allocation and inflation were added to the fiscal 1991 appropriated rate.

UNIVERSITY BUDGET PROGRAMS

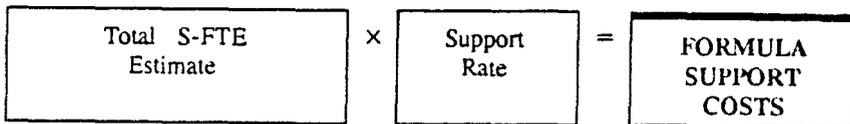
<u>Program</u>	<u>Budget Method</u>	<u>% of LFA CL Budget</u>
INSTRUCTION	Formula	53.5%
SUPPORT	Formula	29.1%
RESEARCH	Incremental	.9%
PUBLIC SERVICE	Incremental	.4%
PHYSICAL PLANT	Incremental	13.4%
SCH & FELLOWSHIPS	Formula	2.7%

**Instruction Program Cost
1989 Formula**



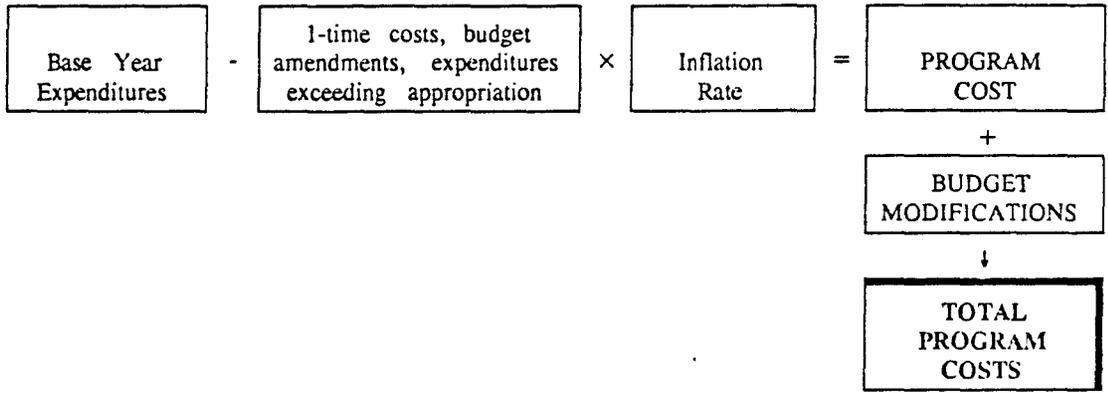
- ✓ ENROLLMENT is average of two years actual
- ✓ STUDENT/FACULTY RATIO
1990-'81 formula applied to '87 student credit hours
1991-1/8 peer group gap reduction
- ✓ NO DISCOUNT for summer or GTA
- ✓ NO CRITICAL AREA ADJUSTMENT
- ✓ AVERAGE FACULTY SALARY based on campus reported salary, plus 6% salary increase each year
- ✓ INSTRUCTION SUPPORT RATE is based on actual FY 87 costs plus 1/8 peer gap reduction each year of 91 B.

**Support Program Cost
1989 Formula**



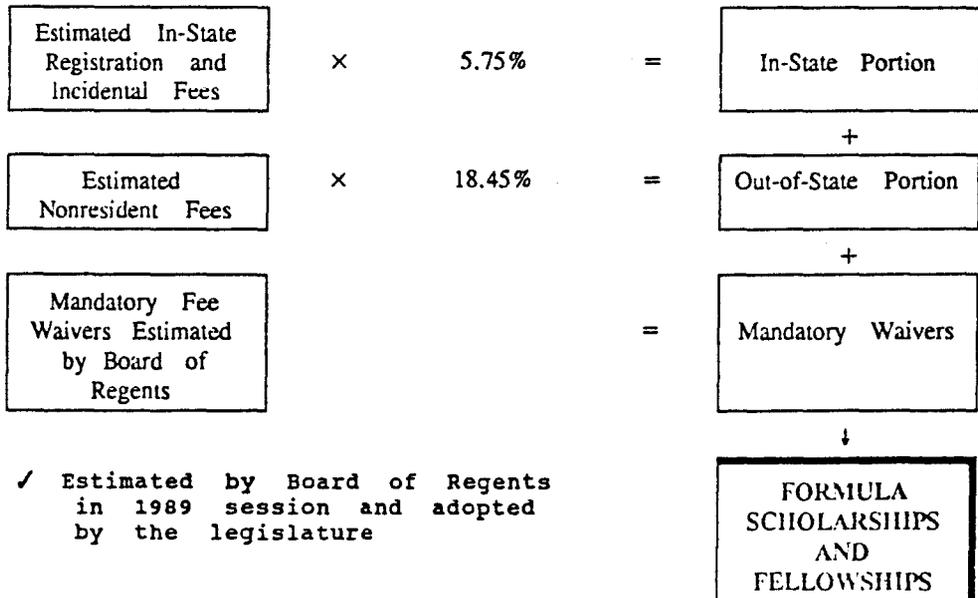
- ✓ ENROLLMENT is average of two years actual
- ✓ SUPPORT RATE actual FY 87 costs plus 1/8 peer gap reduction in '90 and 1/12 peer gap reduction in '91.
- ✓ NO HEADCOUNT ADJUSTMENT

Research, Public Service & Plant Operation and Maintenance Cost
 1989 Formula



- ✓ No Fundamental Changes from Old Formula
- ✓ MSU, UM, and Tech have Research Programs
- ✓ MSU, UM, EMC, and NMC have Public Service Programs
- ✓ All campuses have Plant Op. & Maintenance
- ✓ Budget Modifications considered separately by the Legislature

Scholarships and Fellowships Calculations
 1989 Formula



- ✓ Estimated by Board of Regents in 1989 session and adopted by the legislature

VOCATIONAL-TECHNICAL CENTERS
PESC-PROPOSED FORMULA FACTORS

1. Student Enrollment
2. Student/Faculty Ratios
3. Faculty Compensation (Salary + Benefits)
4. Instructional Support Cost per Student
5. Support Cost per Student
6. Minor Equipment Rate per Student
7. Uniform Capital Equipment Appropriation by Center

<u>TOTAL INSTRUCTION PROGRAM COST</u>				
Enrollment divided by Student/Faculty Ratio	X	Average Faculty Compensation	=	Total Faculty Cost
Enrollment	X	Instructional Support Rate	=	Instructional Support Cost

<u>TOTAL SUPPORT PROGRAM COST</u>				
Enrollment	X	Support Rate	=	Total Program Cost

<u>TOTAL EQUIPMENT</u>				
Enrollment	X	\$ per Student	=	Minor Equipment Allocation
Uniform Appropriation per Center		----- >>>		Capital Equipment Allocation

<u>TOTAL PLANT OPERATION AND MAINTENANCE COST</u>				
Base Expenditures	+/-	1-time costs, etc	=	Total Program Cost

COMMUNITY COLLEGE FORMULA FACTORS

1. Student Enrollment
2. Total Cost per Student
3. State Share Percentage

Community College Funding Formula
LFA Current Level
1993 Biennium

<u>Campus</u>	<u>Avg. Enroll.</u>	<u>Cost Factor</u>	<u>Unrestricted Budget</u>	<u>Audits</u>	<u>% State Support</u>	<u>General Fund*</u>
Dawson	382	\$3,907	\$1,492,474	\$ 9,000	47%	\$ 705,693
Flathead	987	3,907	3,856,209	12,500	47%	1,818,293
Miles	<u>465</u>	3,907	<u>1,816,755</u>	<u>9,000</u>	47%	<u>858,105</u>
Total	1,834		\$7,165,438	\$30,500		\$3,382,091

*For each fiscal year.

EXHIBIT

DATE

HB

EXECUTIVE CURRENT LEVEL VS. LFA CURRENT LEVEL
MONTANA UNIVERSITY SYSTEM - SIX UNITS
1993 BIENNIUM

Budget Item	Executive	LFA	Executive	Exec
	CL	CL	Over (Under)	Over (Under)
	93-B	93-B	LFA	LFA
Campus				
MSU	\$98,720,113	\$99,565,160	(\$845,047)	-0.8%
UM	85,464,838	85,930,959	(466,121)	-0.5%
EMC	30,579,140	30,689,386	(110,246)	-0.4%
NMC	16,055,187	15,857,010	198,177	1.2%
WMC	9,622,187	9,583,051	39,136	0.4%
MCMST	18,908,182	18,787,787	120,395	0.6%
Campus Totals	\$259,349,647	\$260,413,353	(\$1,063,706)	-0.4%
Program				
Instruction	\$139,279,972	\$139,402,949	(\$122,977)	-0.1%
Support	75,064,923	75,736,254	(671,331)	-0.9%
Research	2,771,648	2,424,000	347,648	14.3%
Public Service	952,446	913,147	39,299	4.3%
Plant	34,616,834	34,920,725	(303,891)	-0.9%
Sch & Fellow.	6,766,382	7,016,278	(252,454)	-3.7%
Program Totals	\$259,349,647	\$260,413,353	(\$1,063,706)	-0.4%
Revenue				
General Fund	\$170,557,409	\$171,147,720	(\$590,311)	-0.3%
Millage	23,301,566	24,018,000	(716,434)	-3.0%
Tuition & Fees	63,968,548	63,996,930	(28,382)	0.0%
Other	1,522,124	1,250,704	271,420	21.7%
Total Revenue	\$259,349,647	\$260,413,353	(\$1,063,706)	-0.4%
Major Differences:				
			Executive Over (Under) LFA	
1. Faculty Benefit Rates			\$208,000	
2. Instructional Support Inflation			(\$317,000)	
3. Support Inflation			(\$473,149)	
4. Telephone Lease Payments			(\$47,765)	
5. Statutory Appropriation (UM Research)			\$299,539	
6. Operating base and other UB differences			\$380,000	
7. Insurance				
Plant			(\$599,074)	
Support			\$214,188	
8. Scholarships & Fellowships			(\$352,454)	
TOTAL DIFFERENCE EXEC VS. LFA			(\$1,063,665)	

The Governor is also recommending two budget modifications for the six university units: 1) \$8,000,000 in the 1993 biennium for Regent retirement obligations, and 2) \$191,774 in the 1993 biennium for operating the Regents' Employees Reporting System.

UNIVERSITY FUNDING STUDY GLOSSARY

Academic Rank: A professional title held by a faculty employee. The most common ranks are full professor, associate professor, assistant professor, instructor, and lecturer.

Academic Support Program: A subprogram of the support program; includes activities carried out in direct support of the institutions' primary mission of instruction, research, or public service. Activities include libraries, museums, media services, academic administration, academic computing support, and academic professional development.

Accreditation: Recognition by a qualified board or agency that an educational institution or program meets or exceeds established standards.

ACT: An examination administered to high school students by the American College Testing program; used by college and university admissions offices to assess adequacy of preparation for higher education.

Accountability: Capability to justify or provide an explanation for expenditures, actions, or policies based on facts or events.

Adjunct Faculty: Professors and instructors hired on limited term contracts who hold academic rank but are not eligible for tenure.

Allocation: Distribution of funds by university units for specific programmatic purposes.

Appropriations: Money set aside by state action for specific use by state entities.

Auxiliary Subfund: That portion of the current fund devoted to providing on-campus services to students, faculty, or staff for a fee; includes residence halls, food services, and student union activities.

Board of Regents: A governing board of seven members which coordinates the university system, the vocational-technical centers, the community colleges, and other programs relating to postsecondary education in Montana. Members are appointed by the Governor and confirmed by the Senate. Six members serve seven year terms, and the student regent is appointed annually.

Board of Regents Contract: A written agreement between the Board of Regents and a faculty employee specifying rank, salary, and other terms and conditions of employment at the time of appointment or reappointment.

CEU: Continuing Education Unit - a measurement of participation in continuing education courses awarded to professionals. CEUs do not count toward any academic degree and are not included in calculating full-time equivalent (FTE) students for formula funding; courses are entirely funded by student participation.

Classified Employee: A person working for an agency in the state of Montana whose position has been reviewed and classified by the state classification system.

College: 1) An educational institution with primary emphasis on bachelor's degree programs; 2) an academic and administrative division within a university which offers a specialized group of courses.

Commissioner of Higher Education: The chief administrative official of the Montana University System appointed by the board of regents.

Constitutional Role: The function as set out in the Montana Constitution.

Credit Hour: A unit used by colleges and universities to measure student participation in courses. The number of credit hours assigned to a course per term is generally based on the number of hours the course meets during a week.

CUBA: College and University Business Administration; a guide for the principles of college and university financial accounting, reporting, and management.

Current Funds: Money deposited in the state treasury and used to pay current operating costs related to the programs conducted within the Montana university system and vocational-technical centers.

Current Restricted Subfund: That portion of the current fund expended for general operations but restricted to purposes specified by sources external to the board of regents and the legislature.

Current Unrestricted Subfund: That portion of the current fund expended for general operations and free of externally imposed restrictions, except those imposed by the legislature.

Dean: Administrative supervisor of a college or other student-oriented group of departments within a university.

Deferred Maintenance: Upkeep, repair, and/or replacement of buildings, building systems, utilities, and equipment which is postponed.

Department: Basic administrative unit of a college or university. Academic departments are discipline-oriented, and nonacademic departments provide specific services.

Department Head: Administrative supervisor of a single department.

Designated Subfund: That portion of current funds associated with general operations but separately classified to accumulate costs to be recharged to other funds and subfunds, identify financial activities of educational departments which are fully supported by supplemental assessments, and identify fees beyond normal course fees.

Discretionary Waivers: Aid to students which is awarded based on criteria established by the institution granting the waiver.

EMC: Eastern Montana College in Billings, established in 1927.

Exchange Program: A trade of students or faculty between two educational institutions.

Faculty Employee: A member of the teaching, research, or administrative staff at a college or university who holds academic rank.

Fee Waivers: Aid to students releasing them from paying tuition or fees, and not contingent upon the student performing services to the institution.

Fiscal Year: A contract and budgetary period extending from July 1 of one year to June 30 of the following year.

Formula Funding: A mechanism that relies on established factors, usually workload measures, to determine appropriations and distribute funds to governmental entities.

FTE Student: Full-time equivalent student; an index to the credit load taken by the average student attending a college or university on a full-time basis. As a measure of student enrollment, 45 quarter credit hours or 30 semester credit hours represent one FTE undergraduate student, and 36 quarter credit hours or 24 semester credit hours represent one FTE graduate student.

FTE Faculty: Full-time equivalent faculty; a measure of employment where one FTE represents a faculty member employed full-time for one academic year.

FTE Administration, Professional, or Classified: Full-time equivalent position; a measure of employment where one FTE represents an individual employed full-time for one fiscal year.

Funding Level: The level at which the legislature has chosen to fund the calculated costs of programs; the percentage applied to the calculated costs.

Funding Mechanism: The legislative and executive method used to appropriate and distribute funds to agencies.

Governance: The budgetary relationship between the university system and the state, exercised through procedure, rule or regulation of governmental entities; not involving the structural or hierarchical relationships between executive officers, boards, and the governor.

GRA: Graduate Research Assistant; a graduate student employed by a college or university to aid faculty in research projects.

Graduate: A person who has completed the requirements for and received an academic degree from an educational institution.

Graduate Student: A person enrolled at a college or university who is working toward a master's or doctoral degree.

Grants and Contracts: Agreements between external funding sources and a college or university to conduct research or provide services for fees.

GTA: Graduate Teaching Assistant; a graduate student employed by a college or university to aid faculty in classroom instruction and/or grading.

Headcount: The number of students enrolled in an educational institution, program, course, etc., without regard to the number of credit hours being taken by individual students.

HEGIS: Higher Education General Information Survey; a standardized federal reporting system for financial and enrollment data on higher education activities. Replaced by IPEDS in 1986 (see IPEDS).

Higher Education: Postsecondary education which provides programs resulting in baccalaureate or higher degrees.

Incremental Funding: A funding mechanism which uses the existing budget as a base, and provides increases or decreases using an agreed upon guideline.

Indirect Cost Recoveries: Assessments made to reimburse an agency for administrative and support costs incurred for activities sponsored by grants or contracts.

Institutional Support Program: A subprogram of the support program; consists of activities providing for day-to-day functioning and long-range organizational operation. Activities in this program include general administration, personnel management, and fiscal management.

IPEDS: Integrated Postsecondary Education Data System, federal reporting system for postsecondary financial and enrollment data. Replaced HEGIS in 1986 (see HEGIS).

Instruction Program: One of six functional program areas funded by the university funding mechanism; provides faculty and support for activities designed associated with classroom and laboratory teaching.

Instructional Support: Non-faculty instruction program expenditures.

Lab: A class period reserved for experimentation or observation.

Lower Division: Courses offered at the freshman and sophomore level.

Lecture: An instructional lesson addressed to a group of students during a class period by a faculty member or GTA.

Letter of Appointment: A limited term contract issued to professional and faculty employees when the period of employment is one quarter or less, or when the continuation of the appointment is subject to the availability of funds.

Mandatory Fees: Charges for educational services that are required by Board of Regents policy.

Mandatory Waivers: Aid to students in specific categories which are determined by state statute or Board of Regents policy. These groups include Native American students, veterans, war orphans, prisoners of war, senior citizens, custodial students, high school honor scholarships, community college honor scholarships, and National Merit finalists and semifinalists.

Marginal Costs: The costs associated with the most recent increases or decreases of students; lower than the average cost per student.

MSU: Montana State University in Bozeman, established in 1893.

MCMST: Montana College of Mineral Science and Technology in Butte, established in 1895.

Montana University System: A system composed of four colleges and two universities coordinated by the Board of Regents.

NCHEMS: The National Center for Higher Education Management Systems; a national organization for planning and management in postsecondary education.

NMC: Northern Montana College in Havre, established in 1913, opened in 1929.

Peer Institutions: Institutions whose size, mission, program offerings, geographic locations and other characteristics are similar to Montana institutions.

Performance Funding: The linking of funding with attainment of specific outcomes or objectives identified during planning.

Plant Operations and Maintenance Program: One of six functional program areas funded by the university funding mechanism; includes activities related to service and maintenance of existing grounds and facilities used for educational and general purposes, and utilities.

Postsecondary Education: Education beyond the public school level, including vocational-technical education, trade schools, community colleges, and universities and colleges granting bachelor's, master's, or doctoral degrees.

Professional Employee: A person employed by one of the units of the Montana University System on a Board of Regents contract. The term is often extended to include employees on Letter of Appointment.

Program Classification Structure: A common framework for categorizing post-secondary education activities and expenditures.

Public Service Program: One of six functional program areas funded by the university funding mechanism; includes non-instructional services which use the unique services and capabilities of the college or university for the benefit of groups external to the institution. Activities include conferences, radio and television public broadcasting, etc.

Quality Incentives: Specific practices to encourage quality in education.

Research Program: One of six functional program areas funded by the university funding mechanism; includes activities related to the studious inquiry or experimentation aimed at the discovery, interpretation, and practical application of facts, theories, and laws.

Restricted Credit Hours: Units used to measure student participation in courses which are funded by sources other than state appropriations (e.g., grants and contracts). These units are excluded from credit hour calculations used in the state appropriation process.

SAT: Scholastic Aptitude Test; an examination administered to high school students by the College Board; used by college and university admissions offices to assess adequacy of preparation for college.

SBAS: State-wide budgeting and accounting system; a financial reporting structure used by state agencies in Montana.

Scholarships and Fellowships Program: One of six functional program areas funded by the university funding mechanism; including only the financial assistance provided to students in the form of outright grants and trainee stipends, awarded by and/or administered through the institution.

Section: One of several class periods into which an academic course is divided. A course may be sectioned to divide high enrollment into smaller classes or to make a course available at different times during the day.

Six-Mill Levy: A permissive property tax, not to exceed 6 mills levied annually statewide, and reauthorized every 10 years for the support of the six units of the Montana University System.

Statutorial Role: The function as set out in the Montana Codes Annotated (MCA).

Student Services Program: A subprogram of the support program, includes those activities contributing to the students' emotional and physical well-being, as well as to their intellectual, cultural, and social development outside the context of the formal instruction program. Activities in this program include athletics, cultural events, student recreation and intramural programs, academic administration, and counseling.

Support Program: One of six functional program areas funded by the university funding mechanism; subdivided into Academic Support, Student Services, and Institutional Support.

Tenure: A status granted after a trial period which protects a teacher from dismissal without due process.

Term: A division of the school year during which a particular set of courses are taught. The most common terms are quarter and semester.

Tuition and Fees: Charges to students for a share of the cost of providing instruction. For the university system the resident and non-resident fees, registration, and admission fees are deposited in the current unrestricted fund.

UM: The University of Montana in Missoula, established in 1893.

Undergraduate: A student at a college or university who is working toward a bachelor's degree.

Unrestricted Credit Hours: Units used to measure student participation in courses which are funded by state appropriations.

University: An educational institution with a broad emphasis on undergraduate and graduate teaching and research.

Upper Division: Courses offered at junior and senior levels.

WMC: Western Montana College in Dillon, established in 1895; a unit of the University of Montana.

Chairman Bill Mathers

(I didn't do this one - you probably want to handle this yourself!)

Elsie J. Redlin

Regent Redlin was appointed to the Board in 1984 to fill the unexpired term of Regent Hansen who resigned. She was reappointed to a seven-year term which will end February 1, 1991. Regent Redlin received her B.A. in English and Speech, and Library Science, from Concordia College. Regent Redlin is a retired teacher who taught school in Crosby, North Dakota, and in Glendive, Wolf Point, and Lambert. She and her husband, Gerald Redlin, are the parents of seven children and own a farm in Lambert, Montana. Regent Redlin is active nationally in Lutheran church activities.

Cordell Johnson

Regent Johnson (55) was appointed to the Board April 1, 1990 to serve a term ending February 1, 1996. Regent Johnson is an attorney in Helena with the firm of Gough, Shanahan, Johnson & Waterman. Mr. Johnson's father was a faculty member at Montana State University for 38 years. Regent Johnson and his wife, June, are both graduates of the University of Montana, and Regent Johnson also received his law degree there in 1960. They have three children - the youngest now a freshman in college.

James Kaze

Regent Kaze was appointed to the Board in 1986 to fill the unexpired term of Regent Scully, who resigned. Regent Kaze will serve a term ending February 1, 1992. He and his wife Linda have two children. Regent Kaze received his law degree from the University of Montana, and a B.S. degree from Montana State University in civil engineering. He is a partner in the law firm of Bosch, Kukh, Dugdale, Martin and Kaze in Havre.

Kermit Schwanke

Regent Kermit R. Schwanke was appointed to the Board of Regents in 1990, and will serve a term ending February 1997. Regent Schwanke is a 1939 graduate of the University of Montana, and the retired president of the John R. Daily Co., a Missoula meatpacking firm. Regent Schwanke is a former president of the Missoula County Republican Central Committee and a former member of the Missoula County High School Board of Trustees.

Thomas F. Topel

Regent Topel, 44, was appointed to the Board to fill the unexpired term of Regent Hurwitz. His term expires February 1993. Regent Topel is a Billings tax attorney with the firm of Dorsey & Whitney. Regent Topel received a degree in accounting from the University of Montana, and his law degree from the University of San Francisco. He and his wife, Patsy, have three children, one of whom is an education major at Eastern Montana College..

Brad Musgrove

Student Regent Musgrove was appointed to the Board in June 1991 for a one year term ending June 1992. Student Regents are appointed for one-year terms, but in all other respects are full participating voting members of the Board. Regent Musgrove is a senior at Montana State University where he is studying mechanical engineering. Regent Musgrove and his wife are both from Helena, and have one daughter.

Exhibit 3 consists of a loose-leaf binder entitled "1992 Biennium Budget Recommendations." The entire exhibit is available at the Montana Historical Society, 225 North Roberts, Helena, MT 59601. (Phone 406-444-4775)

EXHIBIT 4

DATE 1-17-91

HB Ed. & Cuv. Post. Sec.

A Time for New Beginnings - A Time for New Commitments

The State of Postsecondary Education in Montana

John M. Hutchinson
Commissioner of Higher Education

Presented to the Education Subcommittee

January 17, 1991

Chairman Peck, members of the Subcommittee, friends: It is a time for new beginnings and a time for new commitments. In his poem, "The Passing of Arthur," Alfred Lord Tennyson wrote, "And slowly answered Arthur from the barge: 'The old order changeth, yielding place to new...'" Indeed, since last this Subcommittee heard the Commissioner of Higher Education address the state of postsecondary education in Montana, the old order has changed yielding place to the new. A majority of the Board of Regents has been appointed in just the last fourteen months. You have before you a new Commissioner of Higher Education. You will hear in several days time three new college and university presidents. All have brought to their quite influential positions a great many new ideas and exciting initiatives which will cause significant change to the entire postsecondary enterprise in Montana.

This turnover in leadership, while at times unsettling, is fortuitous because it is a time for new beginnings and a time for new commitments.

There are stirrings among our people. There is a deep sense of concern about higher education and an as yet unrefined desire for something to happen to make it all better. Such feelings led to the appointment of the Education Commission for the Nineties and Beyond, a group of committed lay people who, after hours of conversation, debate, and analysis issued a clarion call for change. Hallmarks of that change would include better efforts to assess student learning, a more integrated educational system, improved transferability of credit, increased access through telecommunications, selected enrollment limitations to enhance educational quality, greater involvement in the whole business of improving quality of life, a much stronger centralized management of higher education, improved relations with the Legislature, and adequate funding over which the Board of Regents exercises the power of allocation. Just four days ago, the Board of Regents gave thoughtful consideration to the work of the Education Commission for the Nineties and Beyond. With few exceptions, the Regents embraced these recommendations.

To bring the work of the Education Commission for the Nineties and Beyond into sharper focus, the units of the University System, the Vocational-Technical Center System, and the state-supported community colleges joined in an historic long-range planning effort. For the first time in the evolution of higher education in Montana, these diverse constituents met together and, over the course of four months, forged a set of goals for the future. These goals, approved just this week by the Board of Regents, are presented here for the first time in their final form.

Overhead on goals appended

The forging of these goals is not a trivial accomplishment, for in so doing, higher education, despite its incredible diversity, complexity, and plurality has demonstrated its capacity for uniformity of purpose. We now have a road map for the journey.

We have recognized that it is a time for new beginnings and a time for new commitments.

Not only have we drawn the road map for the future, we have begun the first few steps in this journey towards a stronger postsecondary education system for our people. Please allow me a few moments to share with you some of those initial steps.

In addition to the long-range planning effort, the Board of Regents has approved a whole new set of role and mission statements for the senior institutions and vo-tech centers. These role and mission statements describe the character of each of our units of higher education and provide a yard stick against which to measure the success of campus administrations and for the purposes of assessing new program initiatives.

Recognizing the often burdensome and punitive process of transferring from one institution to another, the Commissioner's office has inaugurated the Montana University System Core Curriculum. This core curriculum provides for 24 fully transferable general education credits that are guaranteed to be accepted course-for-course at any one of the senior institutions, community colleges, or tribally controlled community colleges. This is just the first step in a much larger effort to improve transferability of credit. That larger effort will include careful assessment of certain vocational-technical courses that might serve to fulfill requirements at a college or university within the System.

In order to increase preparedness of students, to increase retention, and to preserve the quality of educational experience, the Montana University System has successfully introduced the College Preparatory Program and has developed a set of admission standards. Now all students admitted to any one of the senior institutions must have four years of English, three years of mathematics, three years of social studies, three years of natural science

with appropriate laboratory experiences, and two additional years of subject matter considered appropriate for college preparatory work. Admission standards help to assure that only those with adequate mastery of material and requisite skills for a successful college experience will be allowed to enter as full-time students.

Last year, the units of the University System, in cooperation with the Department of Administration, created the Montana University System Educational Network. MUSENet, as it has come to be known, permits exchange of text and data among scholars on all of our campuses and with the Commissioner's office. MUSENet also permits scholarly exchange, via computer, with faculty members throughout the country and gives our scientists access to Boeing's supercomputer facilities.

In 1987, the vocational-technical centers were assigned to the Board of Regents for purposes of governance. At that time, they were five rather independent centers having grown up in quite separate school districts. In the past three years, we have molded them into a Vocational-Technical System with a common calendar, common funding strategy, centralized management, and opportunities for affiliation and resource sharing, not just among themselves, but with senior institutions as well. Mindful of the need to examine possibilities for merger of vocational-technical centers with a college or university, the Board of Regents has commissioned two merger studies, one in Billings and one in Butte. Those studies have been completed and will be presented to the Regents for consideration later this month.

There is a renewed sense of the very important relationship between the Montana University System, the vocational-technical centers, and the state-supported public community colleges. There has been considerably greater dialogue among us all, there is a far greater sense of cooperation and mutual support; in short, there is a sense that the community colleges belong and are a vital part of the higher education enterprise in Montana. Over the next several years, much will be done to increase this cooperative effort.

Similar efforts to improve relations with the tribally controlled community colleges have taken place in recent months. In September, the Board of Regents accepted an invitation to hold its regular meeting on the campus of Salish-Kootenai College. At that meeting, for the first time in the history of higher education in this state, the Regents, the presidents of the units of the Montana University System, the directors of the vo-tech centers, the presidents of the state-supported community colleges, and the presidents of the tribal colleges met to discuss the future of post-secondary education in this State, particularly as it relates to a richer cooperation between the University System and those most successful of all Indian education experiments - the tribal colleges.

At this historic September meeting, the Montana University System, by approval of the Board of Regents, initiated a minority achievement policy that requires all units to develop substantial campus plans for improving the recruitment and retention of minority students. In order to assist and

coordinate these efforts, the Commissioner's Office hired a Director of American Indian/Minority Achievement. This important position has been funded through a grant from the Northwest Area Foundation. This funding source will discontinue before the end of the current fiscal year. Consequently, we have come to this body for special funding to continue what has become a very significant position in the Commissioner's Office. Failure to fund the position will mean sagging sails for a ship that is now in full careen.

Finally, I would be remiss if I did not discuss a critical new direction for higher education in Montana. We have begun to resonate with the recommendation of the Education Commission for the Nineties and Beyond that strong centralized administration of public postsecondary education is essential for success. Accordingly, the Regents have approved policies that give to the Commissioner of Higher Education considerable authority to administer the systems. Most significantly, the college and university presidents now report to the Commissioner who functions not as a chief of staff but as the chief executive officer. One of the principal outcomes of this effort will be seen for the first time in this Legislature where the Commissioner is the chief spokesperson for higher education and campus representatives report to him on all matters related to legislative activity.

It is a time for new beginnings and a time for new commitments.

So, given all of these accomplishments and many, many more that you will hear in the days to come, what is the state of higher education? How well are we doing? Perhaps I can best describe the condition by reference to the light by which we work. When that light is bright, our vision is clearer and the quality of our work is better. It is a relief to work in bright light - our morale is good and the task gives more joy. If the light dims, our work goes on but our vision suffers, the quality of what we do is gradually impaired, no matter how competent we may be, and the joy with which we work fades with the light. I suppose, because our campuses and centers are filled with committed people, the work will always go on until such time as the light finally winks out. But if we proceed to the point of darkness, we shall destroy the spirit of this great State.

Friends, the light dims for higher education in Montana. The work goes on. Some of it is superb, giving renown to our teachers and scholars but, in general, vision, quality, and morale has suffered. Several weeks ago, one of our presidents spoke to me of his meeting with several students now in their junior and senior years. In that meeting, the students told the president that they could sense a deterioration in the quality of their education in just the few years since they began their studies as freshmen. One or two more pieces of equipment have been put on the shelf, mothballed for want of adequate funds to maintain them. Several dozen more periodicals have been canceled leaving these students without access to critical information needed for term papers and classroom presentations. A favorite faculty member or two have left for higher paying jobs and their positions have gone unfilled for lack of competitive salaries. Word of extreme concern by accrediting agencies shakes the confidence these students have in the quality of their education.

They struggle to understand a professor describing the use of a piece of laboratory equipment that they can neither see nor touch nor hear because there simply aren't the funds to buy the instrument. And, after the long summer vacation, they wonder why they must sit in the same dingy classrooms with the same decrepit seats, the same torn up linoleum, the same water-stained walls from the same leaking roofs, and the same unreliable vintage projectors.

The light dims. It is a time for new beginnings and a time for new commitments.

In preparing a budget to present to this Legislature, the Board of Regents used the work of the Education Commission for the Nineties and Beyond as a foundation. In the next several minutes, I shall share with you the product of the Regents' deliberations for three general systems: the Montana University System, the postsecondary Vocational-Technical System, and the three state-supported public community colleges. My presentation will offer an overview only. Later this morning the Deputy Commissioner for Management and Fiscal Affairs will lead you through a more technical presentation of the data underpinning these general budget figures.

University System Overhead appended

The Montana University System budget, for the six senior colleges and universities, consists of five general components. First, the Education Commission for the Nineties and Beyond has recommended that the Legislature begin a five-year "catch up" program whereby the University System can reach parity with peer institutions in nearby states. Current estimates place the whole of the University System approximately \$36 million below the average funding for peer institutions. Accordingly, approximately \$7 to \$8 million must be added to the base budgets of the University system over the next five years to reach the average funding for peers. As you can see, we have asked that \$7.5 million be added in FY 92 and \$7 million FY 93. These "catch up" funds would be distributed to the campuses in proportion to individual institutional disparity with the peers. All institutions, however, would receive some additional catch up funds.

Second, the Education Commission for the Nineties and Beyond suggested that in addition to catch up funds, the institutions should receive some inflationary increases as well. The Regents have adopted a very conservative 4% per year inflationary factor which would add approximately \$4 million each year to the University System.

Third, several campuses have grown in recent years, and, because we use enrollment-driven formula funding in Montana, these additional students should drive additional funds into their expanding campuses. This enrollment workload adjustment would add \$1.8 million to the University System.

Fourth, because of line-item appropriation to campuses by the Legislature, the Regents have no real flexibility in the fiscal management of the University System. They have no capacity to respond to opportunities, they have no capacity to respond to crisis, and they have no ability to link planning to budgeting. One of the hallmarks of successful management in any organization is the ability to fund priority programs. In order to give the Regents this much needed capacity, we are asking for a Regent contingency fund of \$1.5 million FY 92 and \$2 million in FY 93.

Fifth, there are several programs and agencies not covered by the formula used for funding. These programs and agencies would be enhanced though specific modified requests of approximately \$10.1 million over the biennium.

Vo-Tech System Overhead appended

There are four major components of the budget request for the Vocational-Technical System. First, changes in national statutes now require states to distribute federal Carl Perkins funds to vocational-technical providers for programs serving disadvantaged students. Such funds may not be appropriated, as is now the case in Montana, as part of the operational budgets of the centers. Accordingly, we must move the Carl Perkins funds from the Current Unrestricted Fund, used for operational purposes, to a Current Restricted Fund for services to disadvantaged students. However, such a move will significantly reduce much needed operational monies. We are asking the Legislature to "back fill" these Carl Perkins dollars with \$807,000 in general fund monies each year of the biennium.

Second, our current centralized administration of the Vocational-Technical System is supported entirely by federal Carl Perkins money. This centralized administration is not a federal responsibility; rather, it is an obligation of the State. Therefore, an additional \$130,000 are needed in each year of the biennium to cover personnel and operations overseen by the Deputy Commissioner for Vocational-Technical Education.

Third, when the vocational-technical centers were assigned to the Regents, great disparities existed in salary structures from center to center. This was so because of different salary structures in the several school districts from which these centers came. Now that we are forging a Vocational-Technical System, it is unacceptable for those in one center to be paid far less than those in another center for essentially the same work. Consequently, the Regents are asking the Legislature to provide a salary equity pool of approximately \$400,000 in each year of the biennium to redress these inequities among the centers.

Fourth, vocational and technical education, by its very nature, is equipment-intensive. That is to say, most of the programs require students to learn occupational skills on state-of-the-art equipment in order that they may be adequately prepared to enter the work force. As a result, it is forever

necessary to maintain and upgrade equipment in the Vocational-Technical System. This prompted the Regents to request \$250,000 in each year of the biennium for instructional equipment.

Community College Overhead appended

The Education Commission for the Nineties and Beyond, noting the decade-long decline in State support for the community colleges, called for a restoration of the policy providing for 65% State support for each of the three campuses. The Regents felt this restoration could not responsibly be accomplished in a single biennial appropriation. Instead, the Regents recommend that the restoration take place over a five-year span to correspond with the five-year catch up period for the University System. This would necessitate an increase of 4% State support in each year of the biennium which would amount to \$1.5 million.

A word or two more must be said about this general budget request. First, it is the strong position of the Education Commission for the Nineties and Beyond, a position solidly endorsed by the Regents, that the appropriation for postsecondary education should be awarded to the Regents as a "lump sum." This approach would remove from the Legislature the responsibility for line-item appropriation to the campuses and would award the duty of allocation to the Regents. In our judgment, this is what the framers of our new constitution intended when they said, "The government and control of the Montana University System is vested in the board of regents of higher education which shall have full power, responsibility, and authority to supervise, coordinate, manage, and control the Montana University system..." Subsequent statutory language directs the Montana University System to "...have general control of all receipts and disbursements of the System." The advantages of lump sum are many. As suggested earlier, a lump sum permits the Regents to respond in a timely fashion to crises and to opportunities. Most importantly, lump sum funding would allow the linking of planning and budgeting. The Regents fully recognize that the authority to allocate funds brings enormous responsibility to all of higher education. We have the duty to present to the Legislature fully how funds are to be used, how they have been used, and what, if any, explanations account for the difference between the two. The Regents also have the responsibility to assure that their allocations do not compromise the mission of any of the campuses. The Regents and Commissioner stand prepared to accept these obligations to accountability.

A second issue has been raised by the Education Commission for the Nineties and Beyond. Specifically, the Commission has called for a re-examination of the use of formula funding in the event of a severe budget shortfall. That is, larger student enrollments create the principal means of infusing a campus with new funds. Conversely, if enrollments decline, campuses lose money. Hence, there is no incentive to reduce enrollments because the formula would result in a funding penalty. However, in the event of a budget shortfall, one of the principal means of preserving and even

enhancing the quality of education is through enrollment reductions. If we were to discontinue formula funding so as not to penalize campuses for responsible reductions in the student population, what alternative funding structure should be used? In our judgment, the only acceptable alternative would be what some refer to as a "base-plus" procedure for funding. In this approach, each campus would receive a specified base level of support. This level would not be reduced until such time as additional funds, enrollment reductions, or both result in a funding level that matches the average of peer institutions. Should this combination of factors create a set of conditions whereby a campus exceeds the average of its peers in funding, the Regents would consider reducing that campus budget to favor one which has not reached the peer average. Note in this scenario the value of lump-sum funding to the Regents who could adjust campus budgets so that all are functioning on a level playing field. Once peer equity is reached on all campuses, new initiatives in the form of new programs, special accreditation needs, equipment needs, and so on would be requested of the Legislature as the "plus" portion of this "base-plus" approach to funding.

This concludes the budget portion of my presentation to you today. The Regents are asking for a significant increase in funding and a significant increase in responsibility. But, it is a time for new beginnings and a time for new commitments.

I should like to close my remarks to you by reminding all of us why higher education is so important to the well-being of the society it serves. Some years ago, Ernest Boyer and Fred Hechinger, at the behest of the Carnegie Foundation for the Advancement of Teaching, wrote a provocative essay entitled "Higher Learning in the Nation's Service." This essay summarized quite elegantly, in three broad points, the importance of higher education in its role of offering the mind in the service of society.

First, Boyer and Hechinger wrote, "Students are at the heart of the academic enterprise and higher learning must commit itself, with urgency and dedication, to serve effectively a new generation of Americans." Throughout its history, the American people have had a deep faith in the value of education for their children. And this faith is well-founded because, as James Agee wrote, "In every child who is born...the potentiality of the human race is born again." Educating each new generation of Americans to their full potential with the best institutions society can create is higher education's most compelling obligation.

Boyer and Hechinger have issued a second charge to society in these words: "In its service to the nation, higher education faces yet another challenge: to defend and strengthen scholarly investigation, the soil of creative thought in which the entire learning enterprise is rooted." They go on to define research as that creative response to anything we fail to understand and yearn to know. Basic and applied research are not superficialities relegated to some effete segment of our society and inappropriate for this "last best place." Quite to the contrary, sustaining the creative process is absolutely crucial if higher education is truly to be in the service of this place we call Montana.

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Third, we are reminded of the words of Thomas Jefferson who, when asked if mass opinion could be trusted, said, "I know of no safe depository for the ultimate power of society but the people themselves. And if we think them not enlightened enough to exercise their control with a wholesome discretion, the remedy is not to take it from them but to inform their discretion." The advancement of civic learning is one of higher education's most essential responsibilities. The importance of civic education is even more critical in times of economic constraint. It is one thing to exercise sound civic judgment in a time of prosperity: it is quite another when hard choices must be made between health and defense budgets, between tax cuts and welfare programs, between prisons and campuses, between energy consumption and preservation of the environment. Woodrow Wilson said it best, "The days of glad expansion are gone, our life grows tense and difficult, our resource for the future lies in careful thought, providence, and a wise economy: and the school must be of the nation."

Chairman Peck, members of the Subcommittee, friends: I thank you for this opportunity to appear before you to address the matter of higher education in Montana. It is a time of new beginnings and a time of new commitments.

**MONTANA SYSTEMS OF HIGHER EDUCATION
GOALS AND SUBGOALS**

I. MAINTAIN AND ENHANCE THE QUALITY OF INSTRUCTION IN HIGHER EDUCATION IN MONTANA.

- 0 PROVIDE A DIVERSITY OF RELEVANT EDUCATIONAL OFFERINGS IN ORDER TO IMPROVE THE WELL-BEING OF MONTANA'S CITIZENS.**
- 0 DEVELOP A PROGRAM OF STUDENT OUTCOME ASSESSMENT.**
- 0 PROVIDE A CARING CAMPUS ENVIRONMENT AND APPROPRIATE STUDENT SERVICES.**
- 0 ATTRACT, RETAIN AND MOTIVATE FACULTY AND PROFESSIONAL STAFF.**
- 0 ENSURE ADEQUACY OF LIBRARY RESOURCES AND INSTRUCTIONAL EQUIPMENT.**
- 0 ACQUIRE AND MAINTAIN ALL DESIRABLE AND NECESSARY ACCREDITATIONS.**
- 0 ASSURE THE INCORPORATION OF CULTURAL DIVERSITY WITHIN THE OFFERINGS OF THE SYSTEMS.**
- 0 WORK COOPERATIVELY WITH K-12 EDUCATION, TRIBAL AND PRIVATE COLLEGES TO PROVIDE A COORDINATED EDUCATIONAL EXPERIENCE FOR MONTANA CITIZENS.**
- 0 MAXIMIZE STUDENT PREPARATION FOR AN EFFECTIVE COLLEGE EXPERIENCE THROUGH THE APPLICATION OF COLLEGE ENTRANCE REQUIREMENTS AND COORDINATION OF COLLEGE PREPARATORY CURRICULA.**

MONTANA SYSTEMS OF HIGHER EDUCATION
GOALS AND SUBGOALS
PAGE 2

II. PROVIDE LEADERSHIP AND MANAGEMENT FOR AN INTEGRATED SYSTEM
OF HIGHER EDUCATION IN MONTANA.

- 0 CONTINUE THE DEVELOPMENT AND SUPPORT OF PARTNERSHIPS WITH OTHER STATE AGENCIES TO PROVIDE COMPREHENSIVE EDUCATIONAL AND DEVELOPMENT SERVICES.
- 0 PRESENT THE MONTANA SYSTEMS OF HIGHER EDUCATION AS A COORDINATED, INTEGRATED, AND ARTICULATED ENTERPRISE INVOLVING THE UNITS OF THE UNIVERSITY SYSTEM, THE VOCATIONAL-TECHNICAL CENTER SYSTEM, AND THE COMMUNITY COLLEGES.
- 0 PROVIDE ON-GOING PLANNING PROCESS TO RESPOND TO ENVIRONMENTAL REALITIES AND OPPORTUNITIES AFFECTING HIGHER EDUCATION IN MONTANA.
- 0 REFINE SYSTEMS OF ACCOUNTABILITY FOR THE USE OF RESOURCES FOR HIGHER EDUCATION.
- 0 DEVELOP A SOUND PROCEDURE FOR LINKING PLANNING AND BUDGETING.

MONTANA SYSTEMS OF HIGHER EDUCATION
GOALS AND SUBGOALS
PAGE 3

III. DEVELOP AN OPEN AND COOPERATIVE RELATIONSHIP WITH THE LEGISLATURE.

- 0 THE COMMISSIONER'S OFFICE AND THE REGENTS WILL BE AS RESPONSIVE AND FORTHRIGHT AS POSSIBLE IN PROVIDING INFORMATION TO LEGISLATORS, INDIVIDUALLY AND COLLECTIVELY.
- 0 THE REGENTS WILL SEEK TO FORM A JOINT REGENTS-LEGISLATIVE COMMITTEE.

IV. SEEK ADEQUATE AND STABLE FUNDING FOR HIGHER EDUCATION.

- 0 STRIVE TO SECURE ADEQUATE AND STABLE STATE SUPPORT FOR HIGHER EDUCATION TO ALLOW FLEXIBLE RESPONSE TO CHALLENGES AND OPPORTUNITIES BY THE BOARD OF REGENTS.
- 0 SEEK CREATIVE FUNDING SOURCES TO SUPPLEMENT STATE SUPPORT.

MONTANA SYSTEMS OF HIGHER EDUCATION
GOALS AND SUBGOALS
PAGE 4

V. PROVIDE REASONABLE ACCESS TO HIGHER EDUCATION OPPORTUNITIES.

- 0 IMPROVE TRANSFERABILITY AND ARTICULATION OF EDUCATION OFFERINGS THROUGHOUT THE SYSTEM.
- 0 PROVIDE INCREASED ACCESS THROUGH TELECOMMUNICATIONS, DISTANCE LEARNING, AND PUBLIC BROADCASTING OPPORTUNITIES IN CONCERT WITH OTHER STATE AND PRIVATE AGENCIES.
- 0 DETERMINE STRATEGIES FOR PROVIDING PUBLIC HIGHER EDUCATION IN UNDERSERVED AREAS OF THE STATE.
- 0 ASSURE THAT HIGHER EDUCATION REMAINS AFFORDABLE TO MONTANA CITIZENS.
- 0 SUBSTANTIALLY IMPROVE MINORITY RECRUITMENT AND RETENTION IN PUBLIC HIGHER EDUCATION.

VI. CONTRIBUTE TO THE STATE'S ECONOMIC AND SOCIAL WELL-BEING.

- 0 ENCOURAGE TRANSFER OF NEW IDEAS, METHODS AND PRODUCTS TO THE PUBLIC.
- 0 FACILITATE THE DELIVERY OF SERVICES THAT WILL CONTRIBUTE TO ECONOMIC AND SOCIAL WELL-BEING IN THE STATE.

MONTANA SYSTEMS OF HIGHER EDUCATION
GOALS AND SUBGOALS
PAGE 5

VII. MAINTAIN AND ENHANCE THE RESEARCH AND CREATIVE CAPABILITIES OF MONTANA'S SYSTEMS OF HIGHER EDUCATION.

- 0 SUBSTANTIALLY IMPROVE INTERCAMPUS COLLABORATION AND COOPERATION IN APPLIED AND FUNDAMENTAL RESEARCH PROGRAMS.
- 0 ENCOURAGE AND FACILITATE APPLICATION OF BOTH FUNDAMENTAL AND APPLIED RESEARCH IN AREAS OF ECONOMIC BENEFIT TO THE STATE.
- 0 MAXIMIZE OPPORTUNITIES FOR FACULTY AND STAFF TO CONDUCT PRODUCTIVE RESEARCH AND CREATIVE ACTIVITIES THROUGH SUPPORT FROM FEDERAL AND NON-STATE AGENCIES.
- 0 AS INSTITUTIONAL AND SYSTEM PRIORITIES ARE DEVELOPED, ENSURE AN APPROPRIATE BALANCE IN THE DISTRIBUTION OF FACULTY EFFORT BETWEEN RESEARCH AND INSTRUCTION.

OVERVIEW
REGENTS' BUDGET REQUEST
MONTANA UNIVERSITY SYSTEM

EXHIBIT 4
DATE 1-17-91
HB Ed. Cur. P. 1. 1

1. PEER CATCH-UP FUNDS

<u>FY 92</u>	<u>FY 93</u>
\$7.5 MILLION	\$7.0 MILLION

2. INFLATIONARY ADJUSTMENT

<u>FY 92</u>	<u>FY 93</u>
\$4.0 MILLION	\$4.0 MILLION

3. ENROLLMENT ADJUSTMENT

<u>FY 92</u>	<u>FY 93</u>
\$1.8 MILLION	?

4. REGENT CONTINGENCY FUND

<u>FY 92</u>	<u>FY 93</u>
\$1.5 MILLION	\$2.0 MILLION

5. MODIFIED REQUESTS NOT COVERED BY THE FORMULA

<u>FY 92</u>	<u>FY 93</u>
\$5.5 MILLION	\$4.6 MILLION

OVERVIEW
REGENTS' BUDGET REQUEST
VOCATIONAL-TECHNICAL EDUCATION SYSTEM

1. CARL PERKINS REPLACEMENT FUNDS (CENTERS)

<u>FY 92</u>	<u>FY 93</u>
\$807 THOUSAND	\$807 THOUSAND

2. CARL PERKINS REPLACEMENT FUNDS (CENTRAL ADMINISTRATION)

<u>FY 92</u>	<u>FY 93</u>
\$130 THOUSAND	\$130 THOUSAND

3. SALARY EQUITY FUNDS

<u>FY 92</u>	<u>FY 93</u>
\$400 THOUSAND	\$400 THOUSAND

4. CAPITAL EQUIPMENT POOL

<u>FY 92</u>	<u>FY 93</u>
\$250 THOUSAND	\$250 THOUSAND

5. PHYSICAL PLANT INFLATIONARY ADJUSTMENT

<u>FY 92</u>	<u>FY 93</u>
\$ 53 THOUSAND	\$102 THOUSAND

EXHIBIT 7
DATE 1-17-91
HB Ed. & Cur. De. Del

OVERVIEW
REGENTS' BUDGET REQUEST
COMMUNITY COLLEGES

RESTORATION OF 65/35 STATE-TO-LOCAL FUNDING

<u>CURRENT</u>	<u>FY 92</u>	<u>FY 93</u>
47%	51%	55%
53%	49%	45%

BIENNIAL INCREASE = \$1.5 MILLION

University
of Missouri

Exhibit 5 is 25 pg. booklet. The original is available at the Montana Historical Society, 225 N. Roberts, Helena, MT. 59601. (Phone 406-444-4775)

EXHIBIT
DATE 1-17-91
HB Ed. & Curr. Res. Sub

MONTANA

CROSSROADS

MONTANA

MONTANA

EDUCATION

NINETIES

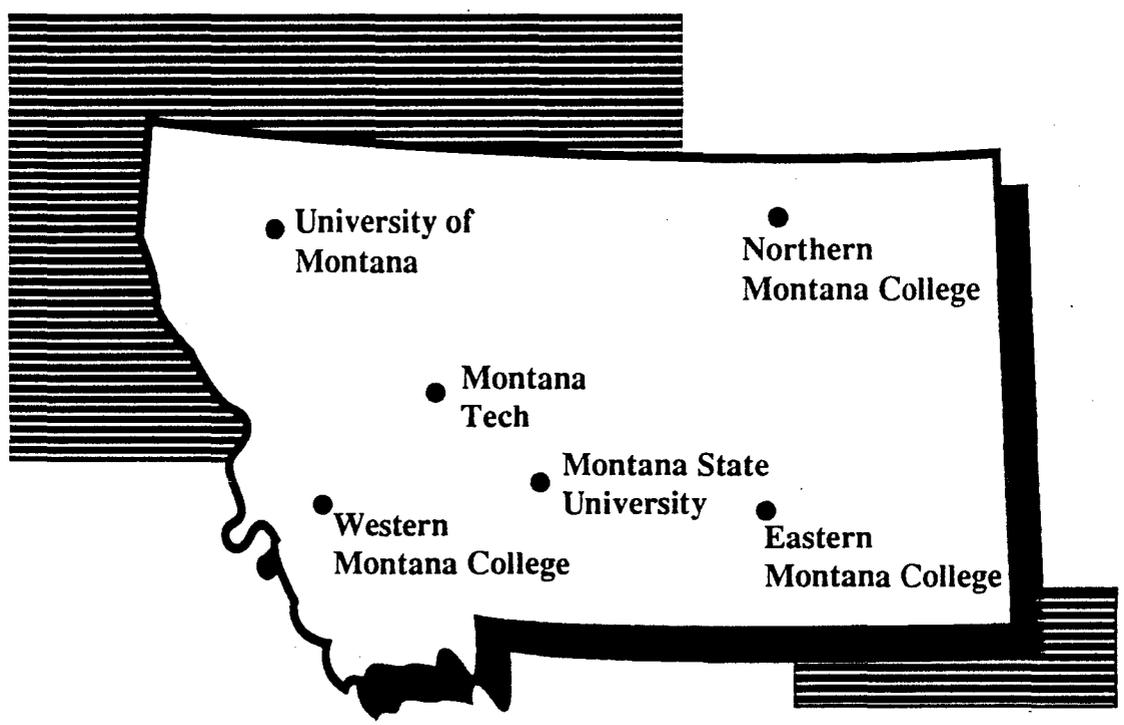
REPORT OF THE MONTANA
EDUCATION COMMISSION
FOR THE NINETIES
AND BEYOND

Exhibit 6 consists of 10 pg. booklet. The original is available at the Montana Historical Society, 225 N. Roberts, Helena, Mt. 59601. (Phone 406-444-4775).

DATE 1-17-91
HB Ed. & Cur. Div. Sub.

The Montana Associated Students report on the

University System: “A Campus in Crisis”



“
 Montana is at a crossroad. It is our firm conviction that our state cannot continue its present course for higher education without profound and detrimental impacts on the future of our people. We face fundamental choices that cannot be postponed any longer.
 -“Crossroads” report of the Montana Education Commission for the Nineties and Beyond.
 ”

FIG: (1991 CHE'S)

FACULTY	367.99	169.75	106.20	57.22	97.90	91.30	79.79	0.00	0.00	1489.22
PROFESSIONAL	126.70	40.61	23.30	24.67	27.96	32.09	10.62	17.01	8.45	416.84
CLASSIFIED	295.68	364.15	61.60	31.78	64.36	102.62	23.98	9.30	5.70	1080.72
PART-TIME AND OTHER	152.76	94.13	11.50	9.24	18.58	33.91	1.40	1.27	1.06	341.02
TOTAL	1,072.21	954.30	202.60	122.91	208.80	259.92	115.77	27.58	15.21	3,327.80
1991 CHE'S:										
Total benefits	6,647,289	5,556,588	2,149,891	1,033,666	1,244,256	1,402,531	853,960	164,863	92,342	19,788,035
Total salaries	30,739,777	27,001,398	9,173,980	5,085,238	5,840,668	6,521,432	3,134,387	846,316	457,857	91,976,928
Pers Serv/Total	21.62%	20.58%	23.43%	20.33%	21.30%	21.51%	27.24%	19.48%	20.17%	21.51%
1991:										
Faculty Salaries	18,245,794	14,305,573	5,223,842	1,598,134	3,421,377	3,212,311	2,230,383	0	0	51,286,526
Contract Professionals	4,637,779	4,283,873	1,596,631	755,679	929,406	813,750	496,061	661,468	306,373	11,033,849
Classified	5,261,309	6,615,120	2,036,801	656,374	1,152,079	1,857,934	383,773	162,848	130,726	19,313,429
Part-time and Other	2,594,896	1,796,832	296,706	165,688	337,806	637,436	24,170	22,000	20,758	6,098,762
TOTAL SALARIES	30,739,778	27,001,398	9,173,980	3,175,875	5,840,668	6,521,431	3,134,387	846,316	457,857	92,451,534

Classified/Part-time/other										
Salary portion - FY92 (1% raise)	78,562	84,120	23,535	8,221	14,899	24,954	4,079	1,848	1,515	254,122
Benefits portion excluding insur (15%)	11,784	12,618	3,530	1,233	2,235	3,743	612	277	227	38,118
Insurance increase \$180/fte	80,719	82,598	24,865	7,384	14,929	24,575	4,565	1,903	1,217	255,913
Total payplan cost - FY92	171,066	179,336	51,931	16,837	32,063	53,272	9,256	4,028	2,959	548,153
Classified/Part-time/other										
Salary portion - FY93 (1% raise)	157,910	169,080	47,305	16,523	29,947	50,157	8,200	3,715	3,045	510,785
Benefits portion excluding insur (15%)	23,686	25,362	7,096	2,479	4,492	7,524	1,230	557	457	76,618
Insurance increase \$180/fte	161,438	165,197	49,730	14,767	29,858	49,151	9,130	3,805	2,434	511,826
Total payplan cost - FY93	343,035	359,639	104,132	33,769	64,297	106,831	18,559	8,078	5,935	1,099,229
Biennium Cost - Classified/Part-time/Other	514,100	538,975	156,062	50,606	96,360	160,103	27,815	12,106	8,894	1,647,383

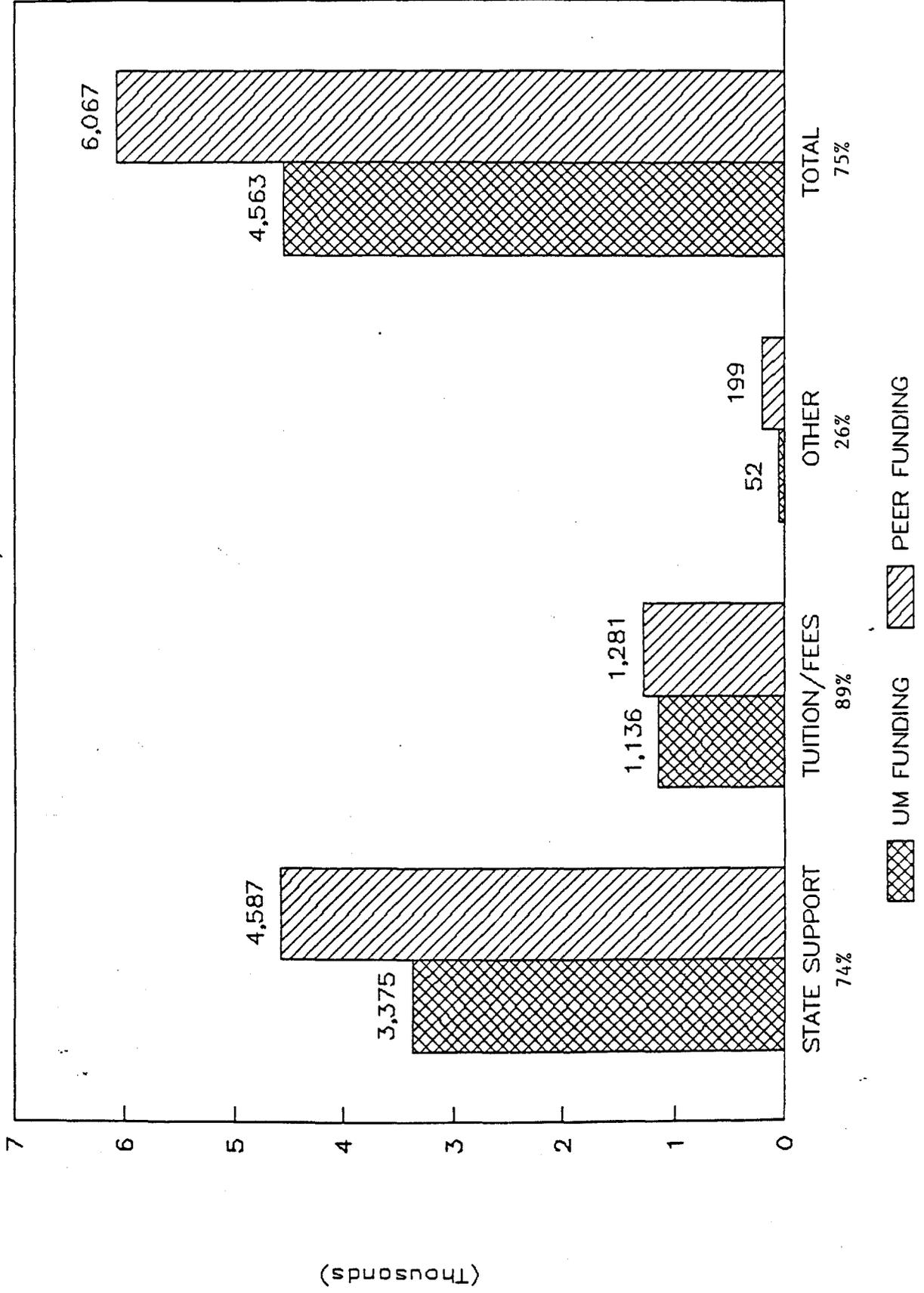
Faculty:										
Salary portion - FY92 (1% raise)	182,458	143,056	52,238	15,981	34,214	32,123	22,304	0	0	512,865
Benefits portion excluding insur (15%)	27,369	21,458	7,836	2,397	5,132	4,818	3,346	0	0	76,930
Insurance increase \$180/fte	89,473	70,198	30,555	10,300	17,622	16,434	14,362	0	0	268,060
Total payplan cost - FY92	299,299	234,712	90,629	28,678	56,968	53,376	40,012	0	0	857,855
Faculty:										
Salary portion - FY93 (1% raise)	366,740	287,542	104,999	32,122	68,770	64,567	44,831	0	0	1,030,859
Benefits portion excluding insur (15%)	55,011	43,131	15,750	4,818	10,315	9,685	6,725	0	0	154,629
Insurance increase \$180/fte	178,945	140,396	61,110	20,599	35,244	32,868	28,724	0	0	536,119
Total payplan cost - FY93	600,697	471,070	181,859	57,540	114,329	107,121	80,280	0	0	1,721,607
Biennium Cost - Faculty	899,996	705,782	272,488	86,218	171,297	160,496	120,291	0	0	2,579,462

Contract Professionals											
Salary portion -FY92 (1% raise)	46,378	42,839	15,966	7,972	7,557	9,294	8,138	4,961	6,615	3,064	152,762
Benefits portion excluding insur (15%)	6,957	6,426	2,395	1,196	1,134	1,394	1,221	744	992	460	22,917
Insurance increase \$180/fte	22,806	18,977	7,310	4,194	4,441	5,033	5,776	1,912	3,062	1,521	75,031
Total payplan cost - FY92	76,140	68,242	25,671	13,362	13,131	15,721	15,134	7,616	10,669	5,044	250,731
Contract Professionals											
Salary portion -FY93 (1% raise)	93,219	86,106	32,092	16,024	15,189	18,681	16,356	9,971	13,296	6,158	307,092
Benefits portion excluding insur (15%)	13,983	12,916	4,814	2,404	2,278	2,802	2,453	1,496	1,994	924	46,064
Insurance increase \$180/fte	45,612	37,955	14,620	8,388	8,881	10,066	11,552	3,823	6,124	3,042	150,062
Total payplan cost - FY93	152,814	136,977	51,526	26,815	26,349	31,549	30,362	15,290	21,413	10,124	503,218
Biennium Cost - Contract Professionals											
	228,955	205,218	77,197	40,177	39,480	47,270	45,497	22,906	32,082	15,168	753,949
Total Biennium Payplan Cost											
	1,643,051	1,449,975	505,747	285,430	176,304	314,927	366,096	171,013	44,188	21,062	4,980,793

MONTANA UNIVERSITY SYSTEM

FY89 FUNDING/FTE

EXHIBIT 8A
 DATE 1-17-91
 HB Ed. & Cur. Dir. Sec



(Thousands)

MONTANA UNIVERSITY SYSTEM

FY89 FUNDING/FTE

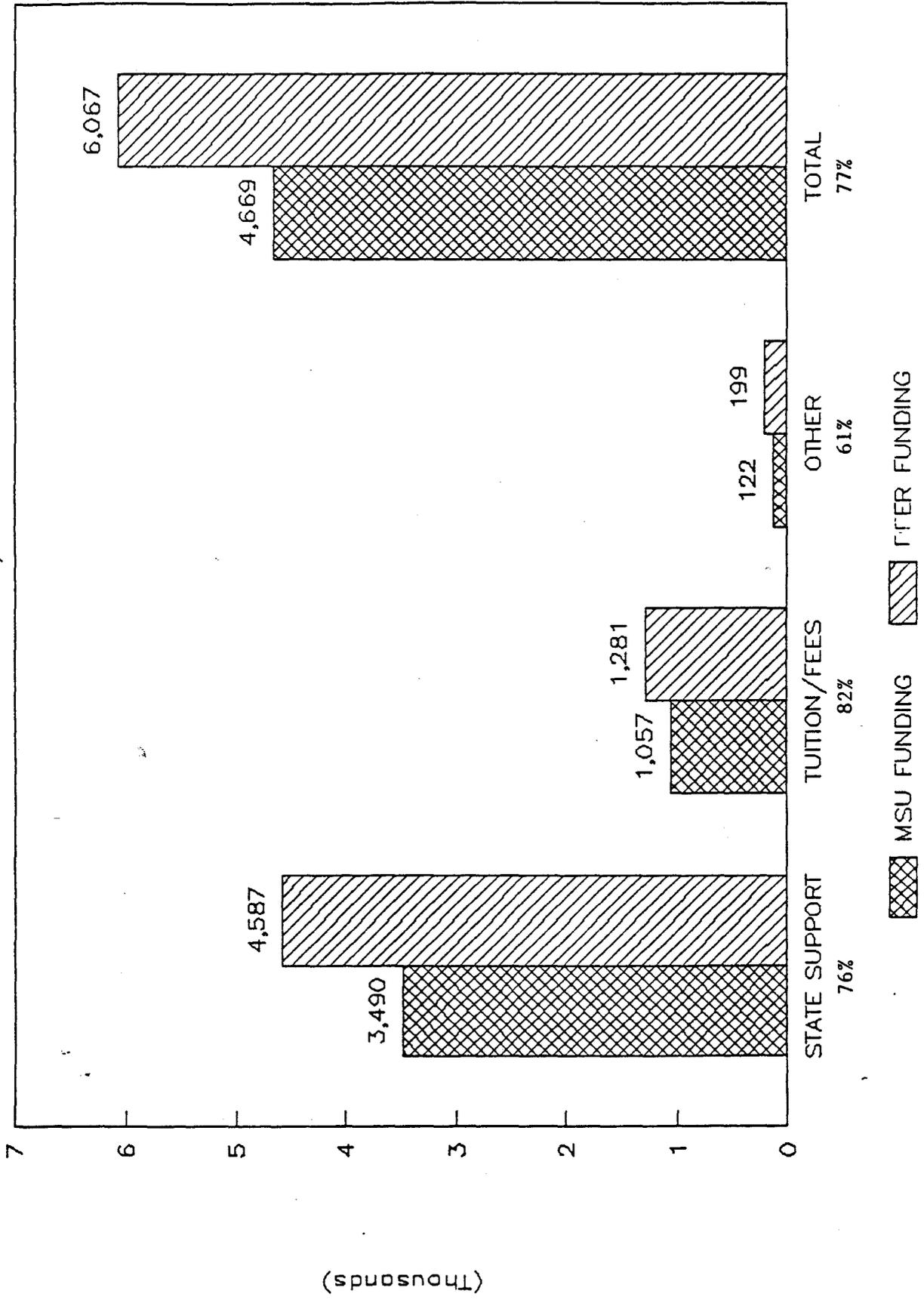
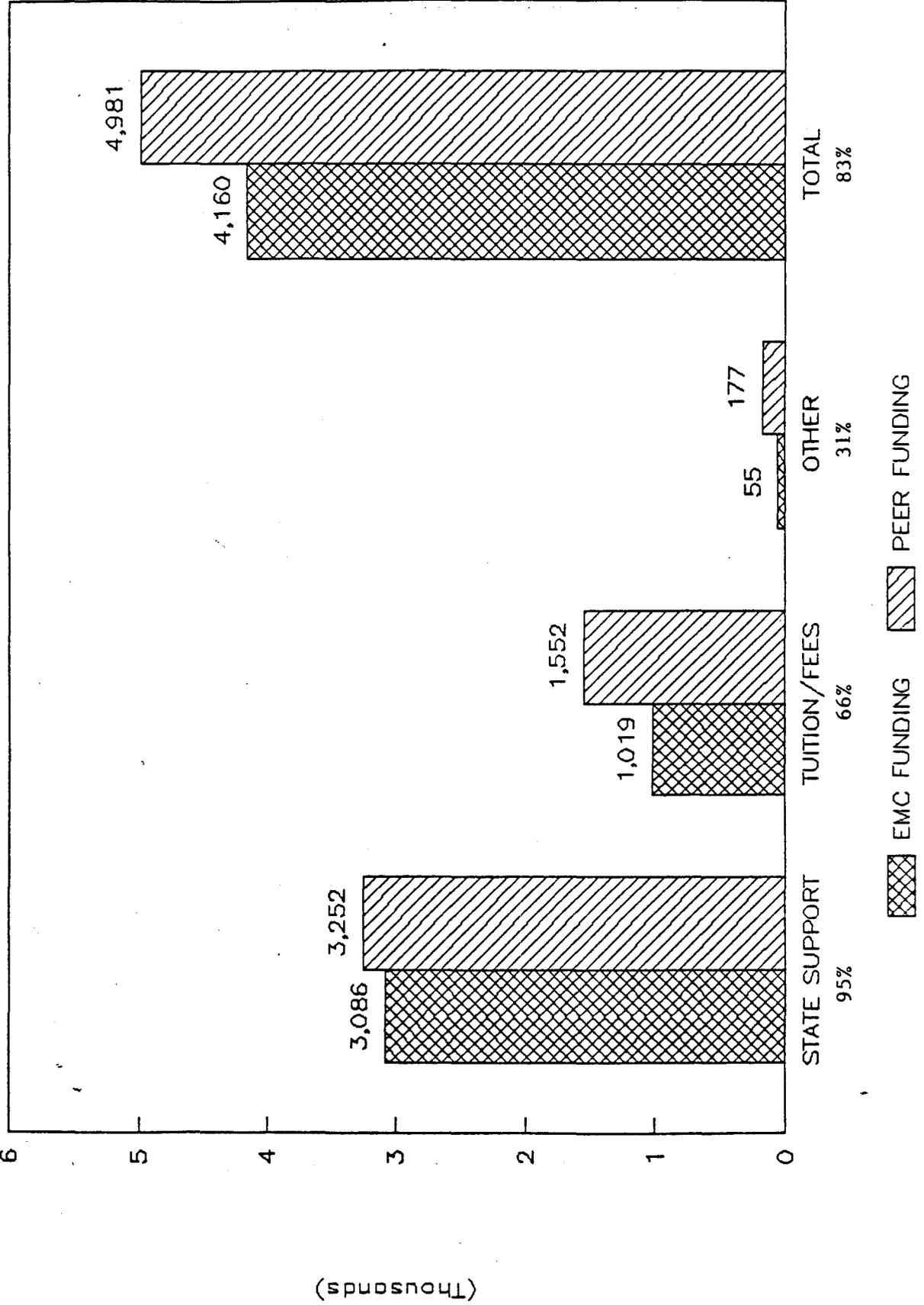


EXHIBIT 8a
 DATE 1-17-91
 HB Ed. & Cur. Des. 22

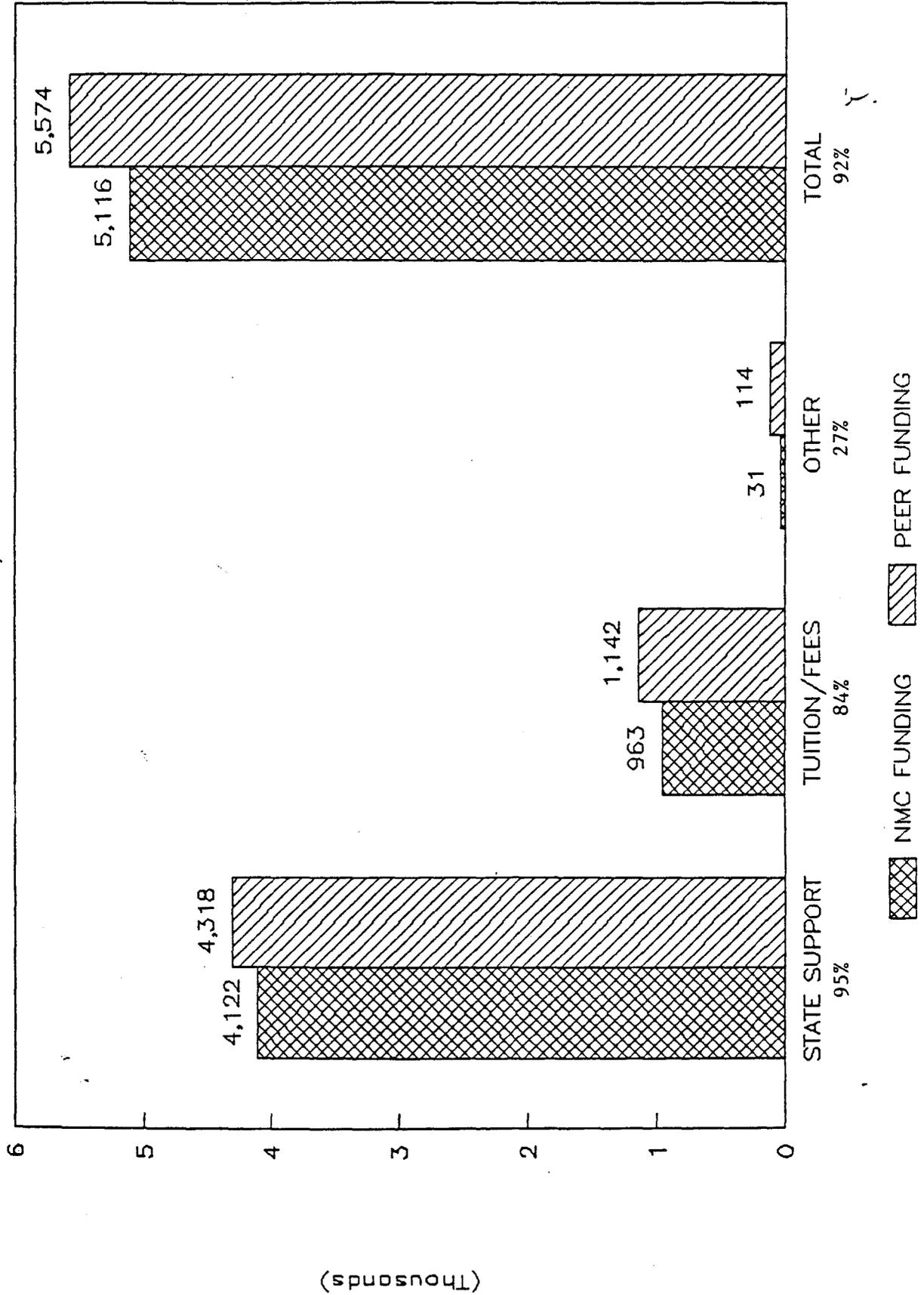
MONTANA UNIVERSITY SYSTEM

FY89 FUNDING/FTE

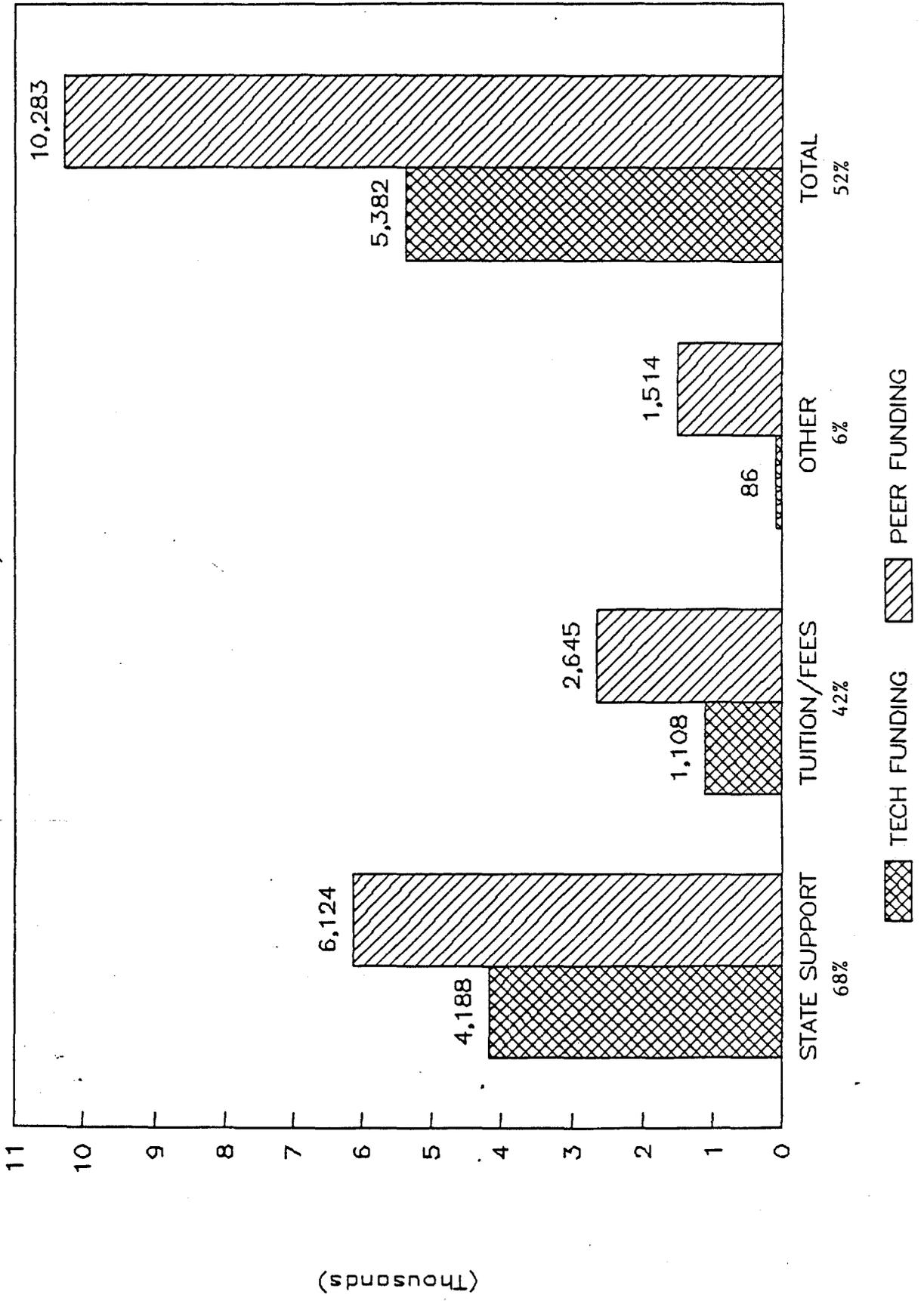


MONTANA UNIVERSITY SYSTEM

FY89 FUNDING/FTE



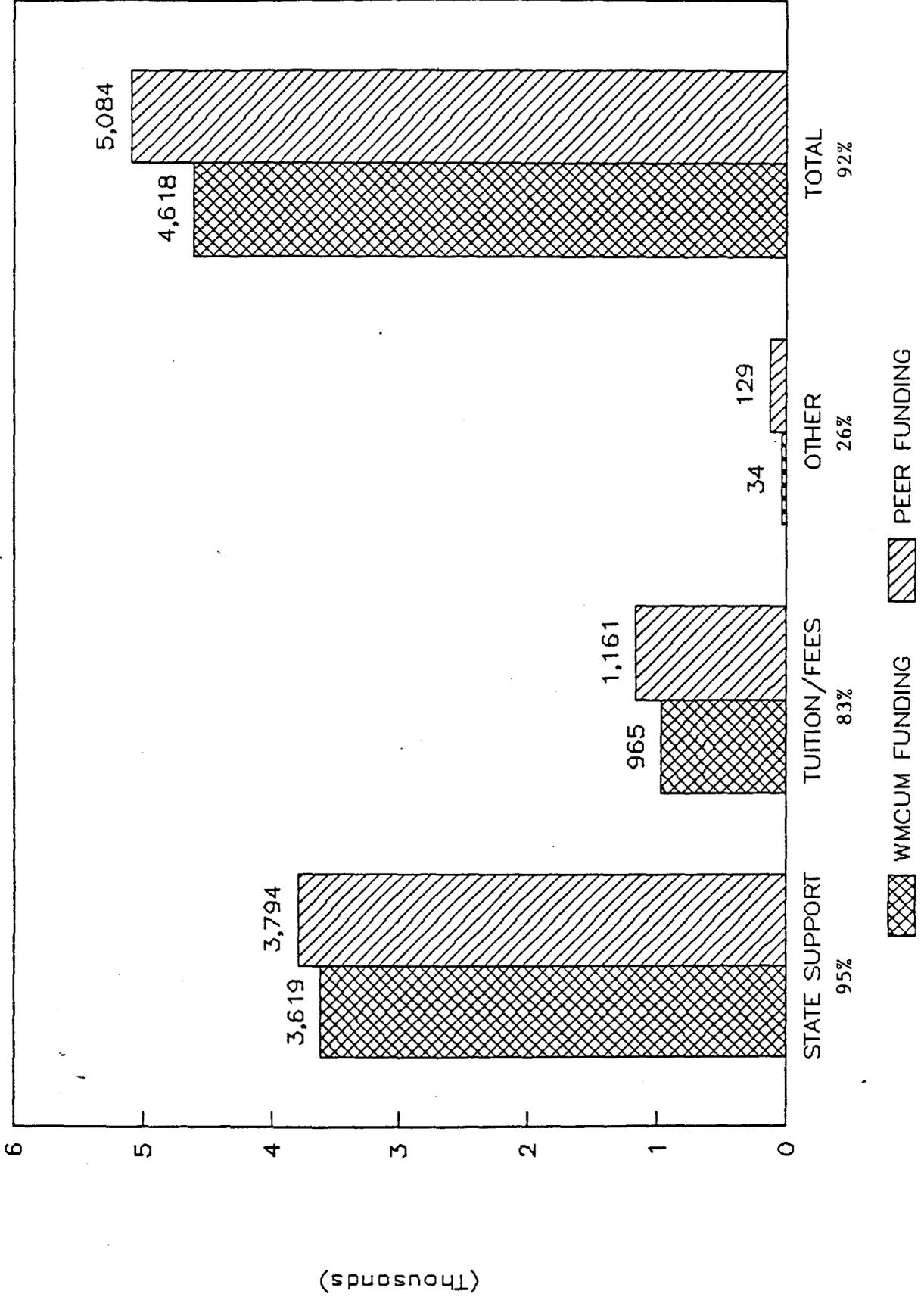
MONTANA UNIVERSITY SYSTEM
 FY89 FUNDING/FTE



(Thousands)

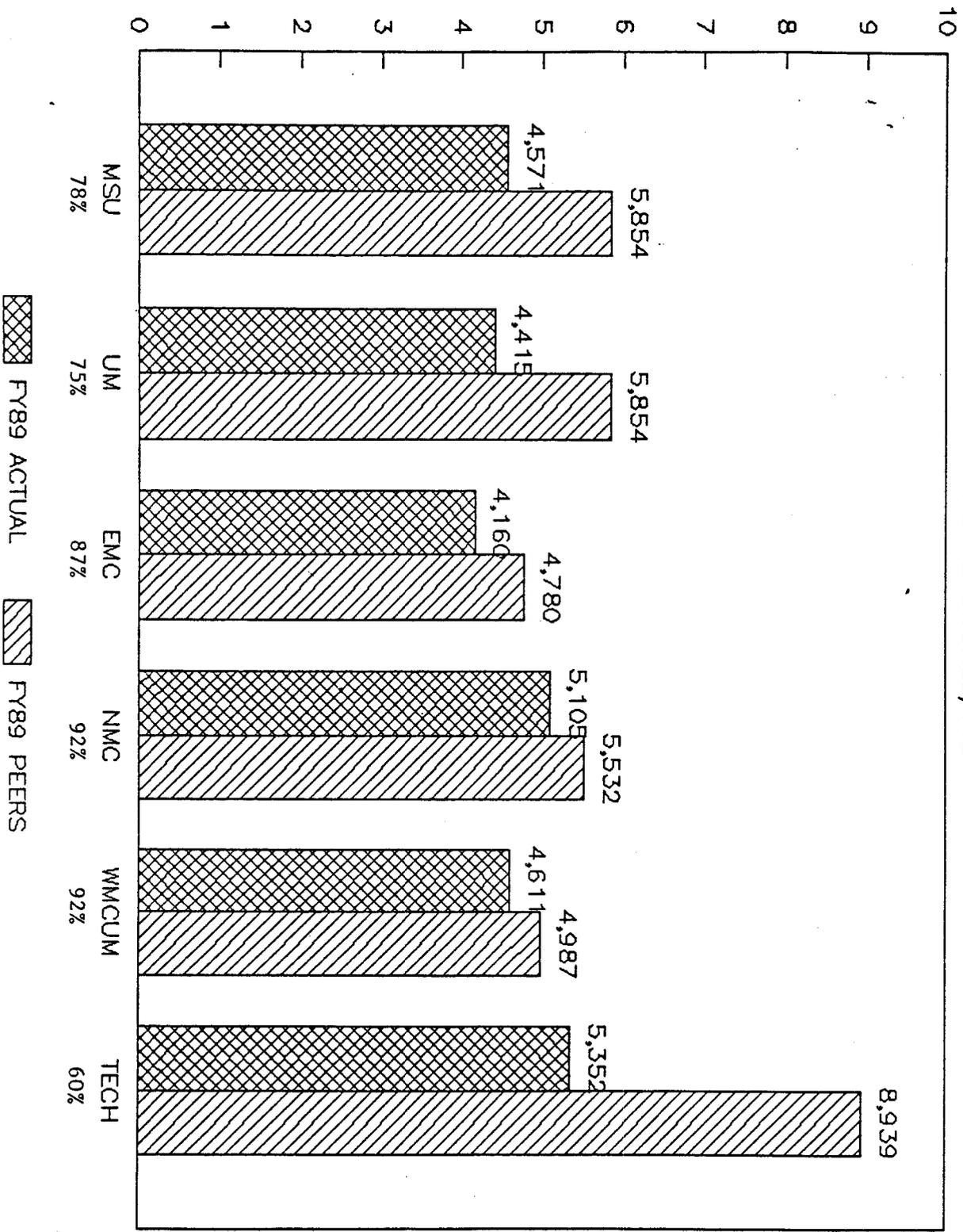
MONTANA UNIVERSITY SYSTEM

FY89 FUNDING/FTE



(Thousands)

MONTANA UNIVERSITY SYSTEM
 TOTAL EXPENDITURES/FTE



MONTANA UNIVERSITY SYSTEM

INSTRUCTION/FTE

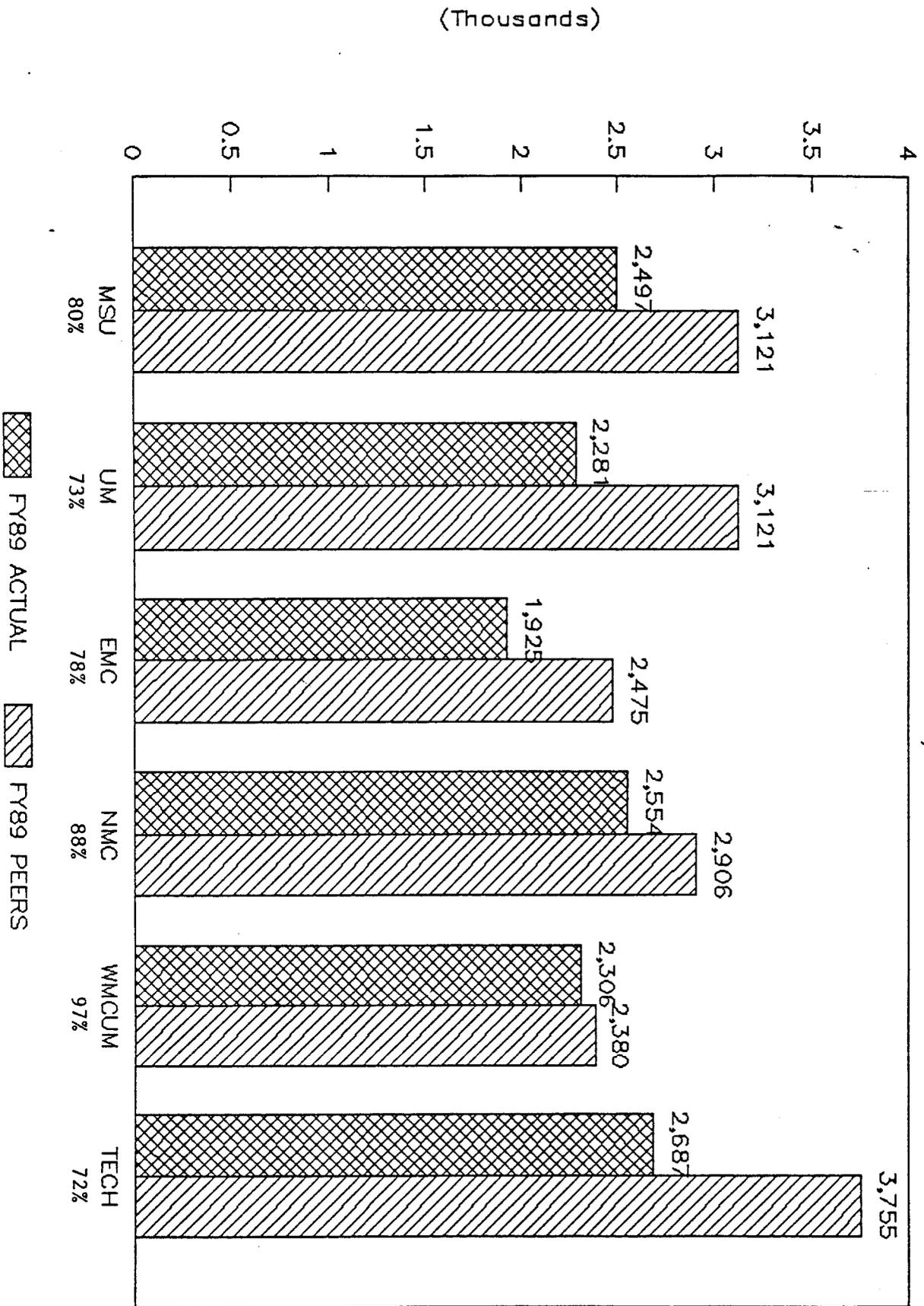
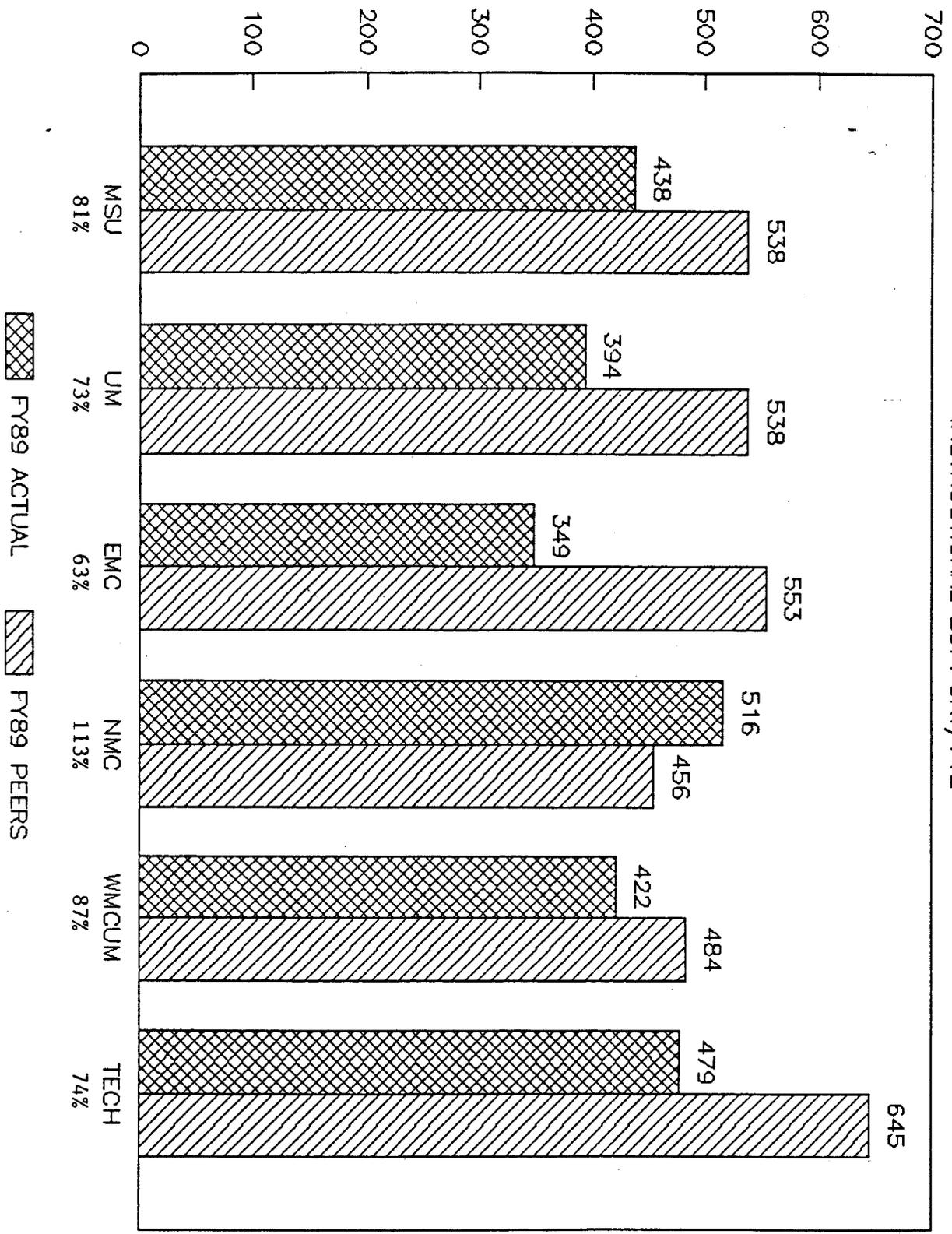


EXHIBIT 86
DATE 1-17-91
HB Ed. & Cur. Dev. A

MONTANA UNIVERSITY SYSTEM INSTRUCTIONAL SUPPORT/FTE



MONTANA UNIVERSITY SYSTEM

SUPPORT/FTE

(Thousands)

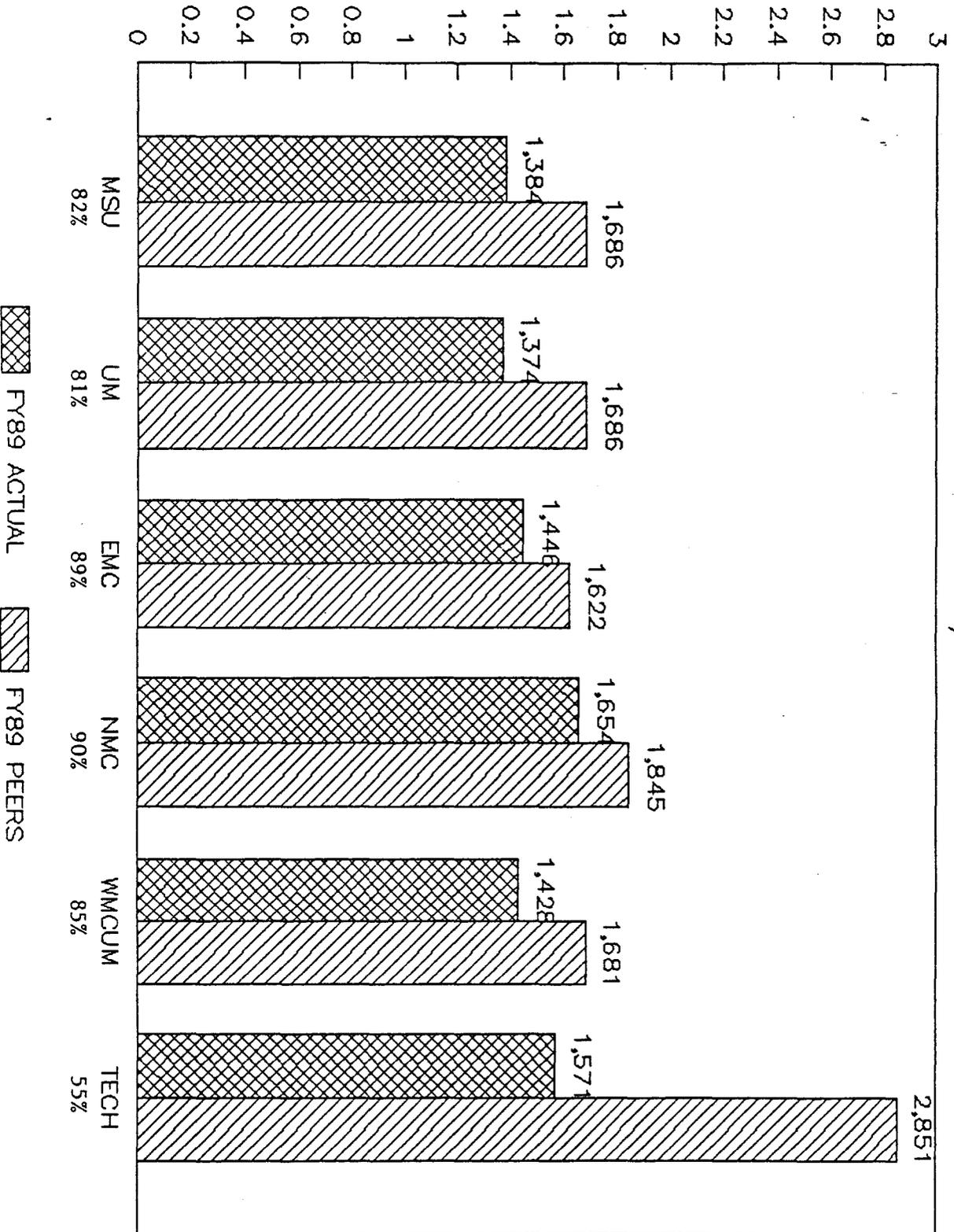
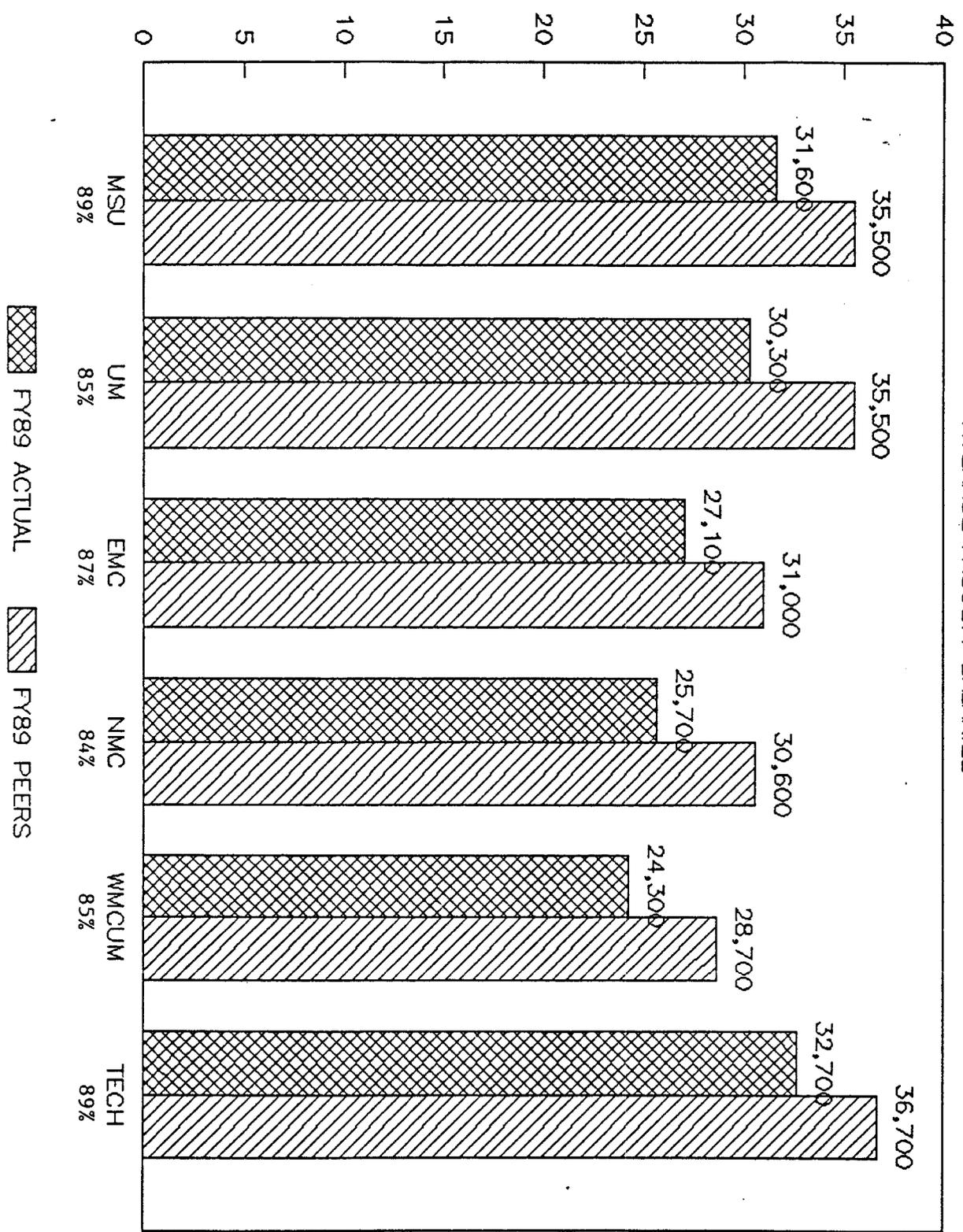


EXHIBIT 86
 DATE 1-17-91
 HB Ed. & Curr. Prod. Div.

(Thousands)

MONTANA UNIVERSITY SYSTEM

AVERAGE FACULTY SALARIES



FISCAL 1989

Object of Expenditure	MSU	OH	OSU	MAU	UMD	MDSU	MHSU	UMR	U WFO	U IDARO	PERCENT AVERAGE
Contract Faculty	34.97%	31.92%	29.39%	41.06%	33.20%	47.89%	33.56%	33.21%	46.06%	32.24%	32.32%
GTA	2.59%	3.07%	1.68%	3.27%	2.61%	2.95%	5.49%	2.39%	6.26%	2.59%	2.95%
Classified	3.14%	3.07%	2.46%	3.29%	3.60%	1.79%	2.55%	3.30%	1.58%	3.73%	3.13%
Other	0.80%	0.87%	2.99%	3.29%	0.01%	1.79%	0.67%	0.42%	1.58%	1.73%	1.16%
Benefits	7.65%	7.67%	10.26%	47.62%	8.33%	52.63%	7.23%	6.15%	53.89%	7.98%	7.98%
Total Personal Services	49.14%	46.60%	46.79%	47.62%	47.74%	47.89%	49.50%	45.47%	46.06%	48.19%	46.59%
Operations	4.41%	3.57%	3.69%	3.27%	1.78%	2.95%	4.84%	2.74%	6.26%	4.27%	3.73%
Capital	0.37%	0.44%	0.76%	3.29%	0.23%	1.79%	0.18%	1.58%	1.58%	1.12%	1.32%
Total Instruction	53.93%	50.62%	51.23%	47.62%	49.75%	52.63%	54.52%	49.79%	53.89%	53.58%	51.63%
Research	1.27%	1.56%	0.00%	2.82%	0.38%	0.58%	0.57%	2.30%	2.56%	5.46%	1.83%
Public Service	0.02%	0.49%	1.24%	1.01%	0.00%	1.36%	1.66%	1.51%	0.37%	0.00%	0.89%
Academic Support	11.84%	13.50%	13.29%	11.54%	11.63%	9.97%	10.28%	13.79%	10.92%	11.16%	11.57%
Student Services	9.30%	8.61%	5.75%	8.50%	4.97%	4.23%	7.11%	6.95%	5.94%	5.35%	6.10%
Institutional Support	8.74%	8.38%	9.46%	12.71%	11.49%	10.98%	10.59%	9.74%	8.24%	10.00%	10.40%
Physical Plant	12.35%	14.16%	15.47%	12.10%	19.54%	17.62%	14.52%	14.47%	11.83%	12.23%	14.72%
Fee Waivers	2.56%	2.70%	3.55%	3.70%	2.24%	2.62%	0.73%	1.47%	6.25%	2.22%	2.85%
Total Expenditures	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

EXHIBIT 9
 DATE 1-17-91
 HB Ed. Curr. Res. Sub

FISCAL 1989

REVENUES BY SOURCE	MSU	UM	OSU	MAU	UMD	MDSU	MNSU	UMR	UWYO	UIDAHO	Peer Average
State Appropriation	32,762,631	27,061,679	46,781,600	60,730,700	28,029,970	26,397,814	48,396,800	38,095,105	77,746,151	43,649,300	
Tuition and Fees	9,921,835	9,115,891	14,753,281	16,861,873	16,607,291	15,079,129	14,729,432	6,877,656	11,575,989	7,787,793	
Other	1,145,468	417,311	916,319	496,153	0	790,854	4,110,923	2,425,469	2,426,124	3,965,045	
Total Revenue	43,829,934	36,615,081	62,451,200	78,088,526	44,637,261	42,267,797	67,237,155	47,398,230	91,748,264	55,402,138	
PERCENT DISTRIBUTION											
State Appropriation	74.75%	73.96%	74.91%	77.77%	62.80%	62.45%	71.98%	80.37%	84.74%	78.79%	74.23%
Tuition and Fees	22.64%	24.90%	23.62%	21.59%	37.20%	35.68%	21.91%	14.51%	12.62%	14.86%	22.85%
Other	2.61%	1.14%	1.47%	0.64%	0.00%	1.87%	6.11%	5.12%	2.64%	7.16%	3.13%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
REVENUES/STUDENT FTE											
Enrollment	9,387.63	8,023.16	9,812.07	14,198.74	10,067.44	8,762.87	12,380.76	7,013.89	10,584.87	8,446.38	10,158.38
State Appropriation	3,490	3,375	4,768	4,277	2,784	3,012	3,909	5,431	7,345	5,168	4,587
Tuition and Fees	1,057	1,136	1,504	1,188	1,650	1,721	1,190	981	1,094	922	1,281
Other	122	52	93	35	0	90	332	346	229	469	199
Total	4,669	4,564	6,365	5,500	4,434	4,824	5,431	6,758	8,668	6,559	6,067

FORMULA FUNDING SUMMARY

<u>Campus</u>	<u>Appropriated Base FY 91</u>	<u>FY 92 Formula</u>	<u>% Increase</u>	<u>FY 93 Formula</u>	<u>% Increase</u>
MSU	\$49,490,465	\$54,470,885	10.1%	\$56,773,918	4.3%
UM	\$40,361,495	\$47,393,633	17.4%	\$49,666,847	4.8%
EMC	\$15,206,115	\$16,843,636	10.8%	\$17,491,961	3.8%
NMC	\$8,220,180	\$8,696,151	5.8%	\$8,973,007	3.2%
WMCUM	\$4,681,564	\$5,213,231	11.4%	\$5,281,232	1.3%
TECH	\$9,712,739	\$10,842,954	11.6%	\$11,691,007	7.8%
Total	<u>\$127,672,558</u>	<u>\$143,460,490</u>	<u>12.4%</u>	<u>\$149,877,972</u>	<u>4.5%</u>

FY 92 COMPONENT SUMMARY

Budget Increases

	<u>FY 92</u>	<u>FY 93</u>
Enrollment Adjustment	\$1,805,507	\$0
Student/Faculty Ratio	648,458	598,181
Faculty Salary	6,227,496	3,260,260
Instructional Support	888,077	847,266
Support	3,063,337	2,709,077
Library Catch-up	1,002,560	(1,002,560)
Instructional Equipment Catch-up	1,002,560	(1,002,560)
Telecomm/Computer Equipment	0	501,280
Incremental Programs	921,781	805,254
Audit	0	(298,716)
Scholarships/Fellowships	228,156	0
Total Increase	<u>\$15,787,932</u>	<u>\$6,417,482</u>

EXHIBIT 11
1-17-91
HB Ed. & Cur. Des. Sub.

CAMPUS PROFILE

The University of Montana
and
Western Montana College
of
The University of Montana

December 31, 1990

2nd Draft Submission
Budget Office

THE UNIVERSITY OF MONTANA

Role and Scope Statement

NATURE OF THE INSTITUTION

Since receiving its charter in 1893, The University of Montana has evolved into a comprehensive, doctoral level university with a home campus at Missoula, a separate campus at Dillon, residence centers in numerous locations, and broad responsibilities statewide for on-site and technological delivery of academic programs and services. As a major public university, The University of Montana generates new knowledge through research and creative activities, transmits that knowledge through its instructional programs, and commits its academic resources to the public good through a variety of service activities, including important contributions to Montana's economic development. Excellence is expected in all these areas. Admission, at both the undergraduate and graduate levels, is competitive, under policies endorsed by the Board of Regents of Higher Education.

The University of Montana has been recognized as the center of liberal education in Montana and will be supported in its efforts to perpetuate a rich academic tradition which for decades has constituted a special and unusual asset to Montana and the Rocky Mountain West, and which has given the University its special character within the Montana University System. Consistent with both its heritage and its comprehensive mission, The University of Montana maintains extensive and diverse academic offerings, fostering dialogue between professional schools and academic disciplines, sciences and humanities, theorists and practitioners. Equal emphasis is placed on traditional learning -- through a rigorous general education requirement for all students and through undergraduate and graduate degree offerings in the humanities and the social, behavioral, physical and biological sciences -- and on specialized academic and professional career preparation in the Graduate School and in the schools of Business Administration, Education, Fine Arts, Forestry, Journalism, Pharmacy and Allied Health Sciences, and Law. Through a variety of faculty and student exchanges, research partnerships, diverse offerings in languages and cultures, Mansfield Center programs, and other special efforts, the University has established a unique role in international programming; this special commitment will continue.

AREAS OF EMPHASIS

The University of Montana is assigned exclusive responsibility within the Montana University System for instructional programs in Journalism, Law, Forestry, Pharmacy, Physical Therapy, and Social Work, and currently offers the only graduate degree programs in Accounting, Business Administration and Administrative Sciences. Lead responsibility for graduate offerings in the humanities, the arts, and the social and behavioral sciences will remain a key institutional mission. Appropriate instructional and other academic entities should be

combined into a Center for Western Studies. The University shares lead responsibility in the physical and biological sciences and the allied health professions.

The Montana Science and Technology Alliance has sited the Center of Excellence in Biotechnology at The University of Montana which it operates in partnership with Montana State University. The University of Montana also cooperates with Montana State University and Eastern Montana College in the Montana Entrepreneurship Center. In addition to the teaching and scholarly resources within each department and school, the University maintains a number of specialized laboratories, institutes and facilities: Yellow Bay Biological Station, Montana Forest and Conservation Experiment Station, Maureen and Mike Mansfield Center for Public Affairs, Wood Chemistry Laboratory, Bureau of Business and Economic Research, Division of Educational Research and Services, Stella Duncan Memorial Institute, Montana Water Resources Research Center (in cooperation with Montana State University), Geology Field and Research Station at Dillon, Montana University Affiliated Program/Institute for Human Resources in Rural America including Rural Rehabilitation Training Center, Montana Defender Project, Center of Excellence in Biotechnology, Montana Entrepreneurship Center, Center for Population Research, Wilderness Institute, Telecommunications Center (including KUFM), Montana Repertory Theatre, Bureau of Press and Broadcasting Research, Clinical Psychology Center, Center for Continuing Education and Summer Programs, Cooperative Wildlife Research Unit, Montana Public Policy Research Institute, Institute for Tourism and Recreation, and Speech, Hearing and Language Clinic.

AREAS OF CONTINUING DEVELOPMENT

The University of Montana will maintain its commitment to program diversity through an essential balance between liberal learning and professional preparation. Nonacademic support services, essential to the quality of student life, will remain an institutional priority. The University will continue to respond to the needs of citizens for courses and programs through continuing education, telecommunications, and higher education centers in accord with regental policies; this responsibility is particularly strong in those areas in which the University has been assigned exclusive professional or graduate programmatic responsibility within the system. The University will be encouraged to strengthen its international programming, especially toward the peoples of the Pacific Rim. Programs related to Montana's K-12 educational system, to economic development, and to environmental quality will receive sustained support.

DEGREE LEVELS

The University of Montana awards associate, bachelor's, master's, specialist and doctoral degrees, as well as certificates of completion, among its more than fifty undergraduate and more than forty graduate and first-professional disciplines. In addition, it maintains, through its Night School and through a variety of developmental programs, access for nondegree students.

CONSTITUENCIES SERVED

Consistent with its status as a major public university, The University of Montana recognizes multiple constituencies, local, national, and international. Its student population will remain cosmopolitan, with large numbers of graduate, international, off-campus, out-of-state, and nontraditional student enrollments. Local students will continue to benefit from the University's developmental and Night School programs, while telecommunications and other continuing education activities will continue to address the increasing demands of a statewide constituency.

EXHIBIT 11
DATE 1-17-91
HB Ed. & Gov. & Dev. Div.

WESTERN MONTANA COLLEGE OF THE UNIVERSITY OF MONTANA

Role and Scope Statement

NATURE OF THE INSTITUTION

Western Montana College of The University of Montana is a rural four-year college located in the southwestern Montana town of Dillon. Established in 1893 as the state's normal school, Western's primary focus has always been teacher education. Accordingly, excellence in undergraduate instruction, derived from close student-faculty relationship, is focal while public service and research activities contribute to the broader mission of the institution. July of 1988 ushered in a new era of evolving cooperative relationships between Western and The University of Montana, as the two institutions were merged administratively. Western functions as a separately accredited, independently budgeted branch campus of the University.

AREAS OF EMPHASIS

Western's leadership role in delivering instruction and research in teacher education encompasses on- and off-campus components, which impact both baccalaureate-level students and a much wider range of Montanans. Educating teachers for service to Montana's and the nation's smaller schools in rural areas is a particular mission of the campus. Research in rural education and outreach to the rural community are vital extensions of this role. A unique vision of the content and sequence of experiences for the pre-service teacher provides enriching off-campus contact for students throughout their academic lives. Extensive continuing education offerings are directed toward career development of in-service teachers.

AREAS OF CONTINUING DEVELOPMENT

A number of associate degree programs in the arts, sciences, business, and education serve as vehicles for student diversification and transferability to other institutions of higher education. these programs also assist area students requiring retraining or more immediate entry into the work place. Particularly noteworthy are newly initiated programs in early childhood education and tourism/recreation. Institutional commitment, coupled with federal title III funds, has resulted in implementation of developmental education offerings for those students entering college underprepared in various academic areas.

DEGREE LEVELS

Western offers degrees at the associate and bachelor's degree levels and participates in a master's degree in education offered by The University of Montana.

CONSTITUENCIES SERVED

Activities of Western Montana College of The University of Montana are derived from and dedicated to Montana's people. The college provides services to southwestern Montana as well as the entire state, especially the rural sector. Traditional and nontraditional students are integral to current activities and in the college's future. Service to educators in the state is primary, but small businesses and other commercial and governmental concerns have recently benefited from outreach efforts.

EXHIBIT 11
DATE 1-17-91
HD. Ed. & Curr. Dr. [Signature]

THE UNIVERSITY OF MONTANA
Missoula, Montana

WESTERN MONTANA COLLEGE OF THE UNIVERSITY OF MONTANA
Dillon, Montana

EXECUTIVE OFFICERS

President: George M. Dennison
Provost & Vice President for Academic Affairs: Donald E. Habbe
Provost, Western Montana College of The University of Montana: W. Michael Easton
Acting Vice President for Administration and Finance: Sylvia K. Weisenburger
Vice President for University Relations: Sheila M. Stearns
Dean of Students: Barbara B. Hollmann
Legal Counsel: Joan B. Newman

CAMPUS PROFILES

THE UNIVERSITY OF MONTANA

WESTERN MONTANA COLLEGE OF
THE UNIVERSITY OF MONTANA

ENROLLMENT: Fall 1989

ENROLLMENT: Fall 1989

7,841 Undergraduate
1,838 Graduate
9,679 Total (Headcount)
8,538 FTE
8,530 FTE (Unrestricted)

889 Undergraduate
102 Graduate
991 Total (Headcount)
827 FTE

STUDENT PROFILE:

STUDENT PROFILE:

49% Male
51% Female
81% Undergraduate
78% Montana Residents
39% 25 years or older
249 Foreign Students
23 Average Age

48% Male
52% Female
92% Montana Residents
26 Average Age

FTE EMPLOYEES (Unrestricted):

FTE EMPLOYEES (Unrestricted):

404.9 Contract Faculty
106.2 Contract Professional
63.1 T.A.
348.0 Classified
50.4 Part-Time & Other
972.6 Total

57.1 Contract Faculty
24.0 Contract Professional
33.2 Classified
13.6 Part-Time & Other
127.9 Total

CAMPUS PROFILES (Cont'd)

THE UNIVERSITY OF MONTANA

WESTERN MONTANA COLLEGE OF
THE UNIVERSITY OF MONTANA

DECLARED MAJORS BY FIELD
(1989 Fall Headcount):

4,966 Arts & Sciences
1,813 Business Administration
978 Education
347 Fine Arts
523 Forestry
317 Journalism
211 Law
524 Pharmacy & Allied Health

DECLARED MAJORS BY FIELD
(1989 Fall Headcount):

2 American Studies
127 Business Administration &
Management
13 Secretarial Technology
504 Education
344 General & Undecided
1 Natural Heritage

DEGREES AWARDED (1990):

1,053 Baccalaureate
301 Masters
29 Doctorate
71 First Professional
14 Associate

DEGREES AWARDED (1990):

125 Baccalaureate
4 Masters
66 Associate

PEER INSTITUTIONS

Northern Arizona University
University of Idaho
New Mexico State University
University of North Dakota
North Dakota State University
Utah State University
University of Wyoming
University of Nevada, Reno

PEER INSTITUTIONS

Western New Mexico University
Mayville State University, ND
Valley City State University, ND
Dakota State College, SD

EXHIBIT 11
DATE 1-17-91
HB Ed. & Univ. Dev. Div.

THE UNIVERSITY OF MONTANA
1989-90 ACCREDITATION

Northwest Association of Schools and Colleges	University of Montana
National Association of Schools of Art and Design	Art
American Assembly of Collegiate Schools of Business	School of Business Administration
National Association of Schools of Theater	Drama
National Council for Accreditation of Teacher Education Montana State Board of Education	Teacher Education Programs
National Athletic Trainers' Association	Health and Physical Education Department's Athletic Training Program
Society of American Foresters	School of Forestry
American Council on Education in Journalism and Mass Communications	School of Journalism - News-Editorial and Radio-Television Programs
Association of American Law Schools American Bar Association	School of Law
National Association of Schools of Music	Music
American Council on Pharmaceutical Education	School of Pharmacy
American Physical Therapy Association	Physical Therapy
American Psychological Association	Clinical Psychology
Council on Social Work Education	Social Work
American Association for Accreditation of Laboratory Animal Care	Animal Care Facility

PRESTIGE

THE UNIVERSITY OF MONTANA

Twenty-five Rhodes Scholars - UM ranks fifth in the nation among public institutions (excluding military academies) in terms of the number of students who have received Rhodes Scholarships to Oxford University in England. Philosophy major Bridget Clarke of Missoula is the latest recipient.

Eight Truman Scholars - The Truman Scholarship is a prestigious, full scholarship instituted by Congress to support students with a commitment to a career in government.

Twenty-five Sears Congressional Interns - Throughout the 20-year history of that program, UM ranked first in the country in the number of journalism students selected for Sears internships in Washington, D.C.

Sixty-five percent placement of UM graduates in medical school, higher than the national average of about 60 percent. UM graduates also exceed the national average for placement in dentistry, optometry and veterinary school.

UM's Creative Writing Program produces poets and fiction writers of national stature such as James Welch, '65, who earned the Los Angeles Times national book award for Fools Crow.

Exchanges with universities in China, Japan and New Zealand, and Study Abroad programs in Austria, France, Spain, and Mexico.

In the spring of 1990, all 40 UM pharmacy graduates who took the National Association of Board of Pharmacy Licensing Exam passed on the first attempt. UM students' scores on that exam ranked about four percent higher than the national average.

In eight out of the last ten years, a team from the UM Law School has qualified for the finals in the national Moot Court Competition. The 1981 UM team won the national title.

Eighty Montana businesses are served annually at no cost by consultants in UM's Small Business Institute.

UM accounting students' success in passing all four sections of the C.P.A. examination on the first attempt consistently ranks the University among the top 1 percent in the nation.

SPECIAL FEATURES

UM was one of about 100 "outstanding public universities" recently profiled in How to Get an Ivy League Education at a State University by Martin Nemko. UM's selection was based upon criteria such as faculty quality, undergraduate excellence, opportunities for international honors study, and location.

Students at Western Montana College of The University of Montana can complete the first two years of most UM programs without losing academic credit. WMCUM offers its own four-year degrees in teacher education and two-year degrees in other areas.

The Center of Excellence for Biotechnology, designated by the Montana Science and Technology Alliance, provides support for Montana's growing biotechnology industry.

The Montana Repertory Theatre, the only professional Equity company between Minneapolis and Seattle, performs throughout the region.

Flathead Lake Biological Station, the oldest active biological station in the nation is a world-renowned facility for ecological studies and freshwater research.

The Lubrecht Experimental Forest, a 28,000-acre research and teaching forest, offers students and researchers a wealth of insights into all aspects of natural-resource management.

The Bureau of Business and Economic Research gathers and analyzes information on Montana's economy and publishes the award-winning Montana Business Quarterly.

The Telecommunications Center houses KUFM, Montana's first public radio station. Together with KGPR in Great Falls, the station serves an area with about 300,000 residents. In 1990, the station celebrated its 25th anniversary.

A Master's Degree in Education is offered at the Western Montana College campus. UM offers off-campus master's degree programs in Great Falls (M.A.S.), Helena (M.P.A.) and Billings (M.B.A.). Montana's first telecommunication course was transmitted to Billings from UM in 1988 via an interactive microwave television network.

The Maureen and Mike Mansfield Center offers courses, organizes international exchange programs and conducts research. The center also holds an annual public conference in which internationally known speakers focus on ethics and public affairs or modern Asian affairs. Recent participants have included former President Jimmy Carter, former Vice President Walter Mondale and consumer advocate Ralph Nader.

The Center for Continuing Education and Summer Programs each year hold hundreds of conferences and workshops attended by thousands of Montanans across the state. In 1989-90, 298 credit and non-credit programs courses were offered in 41 Montana communities and at six out-of-state or country locations.

UM Journalism graduates have earned seven Pulitzer Prizes, including two-time winner Jonathan Krim, a 1977 UM honors graduate who is now the metro editor for the San Jose Mercury News. Krim has directed two Pulitzer-winning reporting teams: in 1986 for stories on the Marcos family and the Philippines and the 1989 coverage of the San Francisco earthquake.

The School of Business Administration is the only School of Business in the state accredited at both the undergraduate and graduate levels.

Record enrollment highlights include:

9,679 students in fall quarter 1989, breaking the previous record of 9,371 set fall 1983;
9,475 winter quarter 1990 enrollment was surpassed only by fall quarter 1989;
Spring 1990 enrollment record high 9,063, follows only fall and winter quarters;
Graduate Student enrollment in fall 1989 was 1,596, increasing to 1,684 in fall 1990.

The Boone and Crockett Club has provided the University with an endowed professorship in Wildlife Biology. The professorship will utilize another of Boone and Crockett's gifts, the Theodore Roosevelt Memorial Ranch, as a research facility.

Robert M. Lee, entrepreneur, sportsman and conservationist, established an initial gift of \$500,00 in November 1988 for wildlife-management research at The University of Montana. Awards granted from the interest on the gift will go to UM graduate students in the form of scholarships to cover research projects in the fields of wildlife biology, forestry or zoology to be used for study in China.

The first student exchange between UM and Tokyo's Toyo University took place in September 1990. Each institution chooses one student to study at the other school for an academic year.

UM's Business School Ad Team won first place in the Advertising Federation's Northwest regional competition in late April 1990 and competed in national competition in June.

UM Forestry Professor Steven Running was awarded a projected \$7 million, 11-year grant to build satellite monitoring tools for NASA to study future vegetation responses to the "Greenhouse Effect." The "Greenhouse Effect" and other global environmental concerns are focal points for NASA's primary research project for the 1990s. UM has the only forestry program in the nation with a team member on this project.

Total grant and contract volume in FY 89 was \$8.75 million, an all-time high for the institution. The 1991 volume should exceed \$10 million; 100 percent indirect cost return is necessary to provide the resources to reach this goal.

Brenda Miller, UM creative writing graduate student, chosen as one of two American students to receive an Abraham Woursell fellowship, which will pay her \$38,000 a year for five years.

UM Law School hosted the Montana Constitutional Symposium Nov. 16-18, 1989.

UM senior Aaron Aylsworth was one of 50 U.S. undergraduates participating in a two-week American-Soviet Leadership Seminar at University of Vilnius in the Soviet Republic of Lithuania. The trip was part of a new exchange program aimed at introducing U.S. student leaders to varied aspects of Soviet life.

Bill Gallagher, a retired Missoula businessman and UM alumnus, gave UM's School of Business Administration \$1 million in seed money for a new building. This amount represents the University's largest gift from an individual donor.

Fifteen UM students studied Russian language and culture at the Leningrad M.I. Polytechnic Institute during the summer of 1990.

Fifteen UM students studied Japanese language and culture last summer at Toyo University in Tokyo.

Seven UM students from Montana families were selected to participate in UM's 1990-91 student exchange programs with universities in China, Japan and New Zealand.

The University of Montana and Community Medical Center joined forces to provide services to people with a variety of disabilities via an on-campus clinic called the Human Development Center. The center began providing services last fall in the clinic formerly occupied by UM's Communication Sciences and Disorders department. The center is a division of the University's Rural Institute on Disabilities and a department of CMC's rehabilitation center.

The Montana Entrepreneurship Center was formally opened in October 1990. The main office is located on campus with regional offices at MSU and Eastern. The MEC uses a comprehensive data base of public and university resources to link business owners and entrepreneurs with information, expertise and facilities needed for a successful business venture.

UM History Professor David Emmons' book about the Irish of Butte was designated by the Western History Association as the best book dealing with the 20th century American West in the past two years. The \$500 Robert G. Athearn Award was presented at the WHA's annual meeting in October, honoring Emmons' 1989 book, The Butte Irish: Class and Ethnicity in an American Mining Town, 1875-1925.

UM's Law School continued its tradition of excellence on Nov. 17, 1990 by placing first among 12 teams in regional competitions to test the future attorneys' skills in negotiations and appellate advocacy. The team will advance to the nationals in Seattle in February of 1991.

Paul Lauren, director of the Maureen and Mike Mansfield Center, addressed United Nations delegates at a special UN conference on human rights and racial discrimination. Lauren delivered the conference's opening lecture on Dec. 10, 1990. His topic was "The Politics and Diplomacy of Racial Discrimination."

WESTERN MONTANA COLLEGE OF THE UNIVERSITY OF MONTANA

Professional Offices and Honors

Board of Directors, National Rural Association - Alan Zetler
President, Grand Canyon Society - Frank Tikalsky
Henfield Foundation Award for Creative Writing - Ron Fischer
Chair, American Alliance for Theater in Education Conference Committee: Judith Ulrich
Board of Directors, Northwest Association of Teacher Educators - John Rogan
Vice President, Montana Technology Education Association: Jim Valach
Regional Coordinator, Montana Recreation and Parks Association: John Bailey
Vice President, Montana Audubon Council: Jack Kirkley
Board Member, Montana Association of Teachers of English and Language Arts: Jane Maddock
Secretary-Elect, Rocky Mountain Modern Language Association: Richard Turner
President-Elect, Montana Business Education Association: Cheri Jimeno
Secretary-Treasurer, Industrial Technology Education Association: Cleo Sutton
Academic Guest, University of Zurich: Craig Zaspel
Immediate Past President, Montana Academy of Sciences: Keith Parker
Fulbright Fellowship: Cheri Jimeno

Recent Faculty Publications

"How to Construct a Transparent Plastic Reflector," *The Montana Mathematics Teacher*, Otis Thompson
"A Mini-Review of the Pharmacology and Toxicology of Marijuana," *Proc. Mont. Academy of Sciences*, Keith Parker
Water Economy of Nestling Swainson's Hawks, *Condor* in press (February, 1990), Kirkley, J.S. and J.A. Gossaman
"Curriculum Texts: The Portrayal of the Field, Part I," *Journal of Curriculum Studies*, John Rogan
"Present Hopes? Future Dreams: Maybe Not," *Cadenza* (Montana Music Educators Association), David Warner
"Cusp Catastrophe in the Ferromagnetic Resonance Spectrum of a Layered Ferromagnet," *Physical Review*, Craig Zaspel
"A Cross-Cultural Examination of the Structure of Children's Fears," *The Journal of Cross-Cultural Psychology*, Frank Tikalsky
"Effects of Whole-Tree Harvest of Epilithic Bacterial Populations in Headwater Streams," *Journal of Microbial Ecology*, Karl Ulrich
"The Motivations of Unsafe Skiing Behavior," *Ski Area Management*, Sylvester Lahren and Frank Tikalsky
"Building a Rationale for Uniqueness in a Liberal Arts Setting: Teacher Education at Berea College," *New Directions in Teacher Education*, Walter Oldendorf
"Project Excellence: The Heart and Soul of It," *Cadenza*, Claudette Morton

ACT TEST SCORES OF 1989 ENTERING FRESHMEN

	<u>UM</u>	<u>WMCUM</u>	<u>USA</u>
English	19.4	15.9	19.0
Math	18.1	13.2	17.8
Social Studies	19.2	15.3	18.1
Natural Sciences	22.9	19.5	21.9
Composite	20.0	16.1	19.3

EMPLOYMENT STATUS OF 1989 GRADUATES

THE UNIVERSITY OF MONTANA

This data is based on a survey made by Career Services and represents 64% of the classes at all degree levels.

	Average Annual Salary	-----Percent Employed-----				Not Seeking Work
		Desired Field	Other Field	Graduate School	Seeking Work	
Baccalaureate	\$19,713	60%	16%	18%	4%	2%
Masters Degrees	\$24,021	67%	12%	19%	1%	1%
Doctoral Degrees	\$28,464	91%	2%	5%	2%	0%

WESTERN MONTANA COLLEGE OF THE UNIVERSITY OF MONTANA

	Average Annual Salary	-----Percent Placed-----				Not Seeking Work
		Desired Field	Other Field	Graduate School	Seeking Work	
Baccalaureate	\$18,300	62%	19%	3%	7%	9%

1989-90 FACULTY WITH TERMINAL DEGREES

THE UNIVERSITY OF MONTANA

Percent of Faculty with Terminal degrees: 74%

WESTERN MONTANA COLLEGE OF THE UNIVERSITY OF MONTANA

Percent of Faculty with Terminal degrees: 46%

EXAMPLES OF GRANT AND CONTRACT ACTIVITY

THE UNIVERSITY OF MONTANA

- \$177,365 - "A Study of the Neuromuscular Control and Linkage System of the Avian Wing During Flight," National Science Foundation. This study incorporates the use of a variable-speed wind tunnel in which birds can be observed, photographed, and x-rayed in flight at different work loads resulting from the varying wind velocities generated in the tunnel.
- \$6,828 - A project co-funded by the Montana Department of Health and Environmental Sciences and the Developmental Disabilities Planning and Advisory Council to conduct an AIDS prevention project for Montana's developmentally disabled population.
- \$105,786 - "Feline Retrovirus Model for Aids Chemotherapy," National Institute of Allergy and Infectious Diseases, compares the feline AIDS virus, which is not transmittable to humans, with the human AIDS virus, the ultimate goal being to find a cure for AIDS.
- \$91,000 - A grant from the Department of Health and Human Services, Administration on Developmental Disabilities, to fund the training of personnel to improve services to elderly persons with developmental disabilities.
- \$35,000 - Funded by Montana Power Company, this study will analyze the interrelationship of ecological studies to proposed fish, wildlife and erosion mitigation plans in the Flathead Lake area.
- \$48,700 - Conducting research on the parameterization, testing and validation of microclimate and ecosystem models on the Oregon transect for the National Aeronautics and Space Administration.
- \$24,467 - Environmental Protection Agency Superfund money passed through from the Montana Department of Health and Environmental Sciences to provide technical expertise in the determination of appropriate remedies for alleviating hazardous waste contamination at the Milltown Reservoir and Anaconda Smelter superfund sites.
- \$33,000 - The Montana Cooperative Wildlife Research Unit will continue its study on the mortality of white-tailed deer in an area recently recolonized by wolves with funding from the U.S. Fish and Wildlife Service.
- \$48,400 - Administration of funds from the National Collegiate Athletic Association to conduct the 1990 National Youth Sports Program.

- \$50,000 - Support from the National Science Foundation to Produce computerized books for the print-disabled science and mathematics student.
- \$32,000 - Funding from the U.S. Department of Education under the Patricia Roberts Harris Public Service Fellowship Program will provide stipends, fees and other costs associated with attending law school to minorities and other underrepresented groups who plan careers in public service law.
- \$63,868 - Funding from the National Institute of Mental Health will provide for a post-college attitude and experience study to determine student adjustment to college life.

Proposals Submitted: 344
Success Rate: 68%
UM 1988 Awards: \$7,666,512

Percentage of funded proposals:
71% Federal
18% State and Local Government
11% Private Foundations and Corporations

WESTERN MONTANA COLLEGE OF THE UNIVERSITY OF MONTANA

FEDERAL TITLE III FUNDING

Since 1985, Western Montana College of the University of Montana has received increased institutional funding through Federal Title III Institutional Aid Grant monies totalling \$2,038,704. As the only four-year college funded by Title III in Montana, Western has used the financial assistance to develop and implement several innovative curricular programs, activities and services, and upgrade the college's facilities and administrative and instructional equipment. The grant's thrust has been to enhance comprehensively all areas of the college. Through Title III funding, Western developed and implemented a comprehensive computerized Management Information System, created a developmental education program, increased student/faculty interaction in General Education, and increased the use of new technology and methodologies in both general education and teacher education. In addition, academic advising and placement and residence life have been improved, and articulation agreements and a comprehensive student retention program have been established.

US WEST FOUNDATION/BIG SKY TELEGRAPH FUNDING

Western's Big Sky Telegraph, an innovative on-line rural education network program, is Montana's first recipient of the US WEST Foundation's major Educational Initiative grant. The current grant, totalling over \$283,200, provides the continuation of Big Sky Telegraph's mission to increase opportunities to rural educators and the larger rural community. The Telegraph now connects Montana's one-room schools through on-line computer technology to increase peer and resource access for Montana's isolated rural teachers. US WEST grant monies will assist in underlining Western's role in providing tele-networking access through affordable networking capabilities needed by educators and business people around the state and around the nation.

IBM FUNDING

Western has been awarded over \$150,000 from the IBM Foundation to incorporate desktop training and personal computer technology in its teacher preparation curricula. Western's IBM grant is part of a national IBM program aimed at enhancing teacher training through technology. Only 50 such grants have been awarded by IBM to the nation's colleges; most grant recipients are education schools at larger universities. Designed to create a state-of-the-art computerized model teaching classroom, the IBM Foundation monies are being used at Western for the purchase of computer equipment, technical support and training for the model classroom project. The prestigious peer institutions awarded similar grants (which all will be linked through computer networking systems) include Ohio State University, the University of Nebraska, New Mexico State, and the University of New Mexico.

INNOVATIVE PROGRAM DEVELOPMENT IN TEACHER EDUCATION AND EVALUATION

As an integral segment of Western's teacher education curriculum development, faculty members have developed and implemented a comprehensive teacher education program that culminates in student teaching and graduation with a degree in elementary or secondary education. The program (TEP) stresses satisfactory completion of academic requirements, in addition to completion of evaluative interviews and essays to ensure the student's progress is continually measured and evaluated. This innovative approach to measuring both the curriculum and the student has recently been expanded into a developmental model for teacher evaluation and effectiveness beyond graduation. In a recently created evaluation process, Western's faculty are beginning a long-term longitudinal study to survey the effectiveness of teachers in the classroom setting. This innovative study is unique in Montana, and has already been identified as a model evaluation process for studying teacher education programs in the state.

TECHNOLOGY INNOVATION AND APPLICATION

The computer facilities available on the Western campus enhance the college's degree programs and integrate microcomputer technology in the Western education process. With one computer for every nine students, Western offers state-of-the-art technology. In addition to computer facilities for students on campus, Western also offers on-line computer access and information through Big Sky Telegraph and other remote delivery on-line computer classes. Big Sky Telegraph, a computer network program linking one-room schools from across the state, has earned international acclaim as one of the most versatile, user-friendly grassroots communications systems in the world.

FUND FOR IMPROVEMENT OF POST-SECONDARY EDUCATION (FIPSE) FUNDING

Since 1987, a combination of federal and state dollars totalling \$140,133 has been awarded to Western to develop an undergraduate teacher training model to prepare educators for teaching in rural and small schools. The grant monies have enabled Western to create a number of field experience sites for sophomore and junior education students, as well as to develop a new teacher education program curriculum.

MODEL DRUG EDUCATION PROJECT FUNDING

The U.S. Department of Education has awarded \$254,220 in grant monies to Western to develop and implement a drug education program for Montana's rural schools and communities. Western's model program serves Montana's smaller high schools and elementary schools with drug education program assistance and workshops. Networking assistance is designed to help train teachers, parents, and community leaders in the creation of their own local drug education projects.

TECHNOLOGY EDUCATION GRANT FUNDING

Through the assistance of the Lab Technologies company in Colorado, Western's Technology Education program has received over \$145,000 worth of computer graphics software from Autodesk, Inc. Autodesk's software packages will assist Western's technology education students on all types of Computer-Aided Design (CAD) work, enabling students to do animation, desktop video, architectural design, color enhancing, and three-dimensional solid modeling. With this grant award, Western's Technology Education program will offer one of the premier computer graphics courses in the nation.

OTHER GRANTS

\$42,835 - U.S. Forest Service Grant to provide business education to Job Corps enrollees.

\$61,745 - Energy Conservation Grant from the Department of Energy to reduce energy consumption through the use of retrofit and conservation measures.

\$4,200 - Institutional Research Grant from the American Cancer Society to study regulation of differentiation in CC Glioma.

\$4,000 - Adult Basic Education Grant from the Office of Public Instruction.

Over \$9,000 in grants for the Humanities from various state sources.

Percentage of funded proposals:

80% Federal

2% State

18% Private

1990 Western Montana College Awards: \$849,257

VISITOR'S REGISTER

Education

SUBCOMMITTEE

AGENCY (S) Univ. System Overview

DATE

DEPARTMENT _____

1-17-91

NAME	REPRESENTING	SUP- PORT	OP- POSE
AMc Clernon	MUS	✓	
Teresa Leardon	MFT		
Rob GREEN	ASMSU	X	
Buddy Vardemann	MUS/OCHE	X	
Jam Taylor	MUTC		
Jack Noble	CHE	X	
Patti Arnold	self		
Grant Cassin	EQ		
Cordell Johnson	BDS Regents	✓	
Laurie Neils	CHE	✓	
Debbie Hendrix	CHE	✓	
Ken Heikes	MUS	✓	
Patrick Milroy	UM	✓	
Heide Leighty	Mont. College Coalition	X	
John Dolan	MSU	X	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT
 IF YOU HAVE WRITTEN COMMENTS, PLEASE GIVE A COPY TO THE SECRETARY.