

MINUTES OF THE MEETING OF
THE LEGISLATIVE SUB-COMMITTEE ON APPROPRIATIONS FOR EDUCATION

March 8, 1977
8:00 A. M.
Room 132
State Capitol Building

Subject: Work Session

The meeting was called to order by Chairman Carroll South.
The following members of committee were present:

Sen. Larry Fasbender
Rep. Ora Halvorson
Sen. Matt Himsl
Rep. Oscar Kvaalen
Rep. Jack Moore

Also present for the meeting were Judy Rippingale, Fiscal Analyst, and John Krutar, Office of Budget and Planning.

A motion was made by Rep. Jack Moore to give TECH \$23,452 each year for the purpose of making the two remaining payments due on a computer that they purchased with money they borrowed from their operational fund. This amount of \$23,452 each year would remove the amount of the purchase price of the computer from the base of the budget.

A substitute motion was made by Sen. Larry Fasbender to give TECH a lump sum of \$48,000 or the balance of the computer payment in 1978 to pay off the contract and thus avoid all interest charges.

All voted aye. None opposed. Motion carried.

A motion was made by Rep. Jack Moore to appropriate for EMC part of Priority 5 of the Modified Requests for the purpose of hiring an EEO officer and support staff needed.

All voted aye. None opposed. Motion carried.

A motion was made by Rep. Oscar Kvaalen to appropriate funds to TECH in order to hire the personnel they requested in Priority 1 of the Modified Requests. An Administrative Assistant would be hired with total funds of \$59,656 requested.

All voted aye. None opposed. Motion carried.

There was discussion regarding Personnel Services for MSU and UM. Because of the increased enrollment at MSU and the decrease in enrollment at UM, it will be necessary to give MSU \$8-900,000 increase in budget for Personnel Services. It was decided that the committee would defer action on this until they had contacted UM and had a response from them regarding the decrease in personnel which they will have to make because of the enrollment decrease. There was also discussion regarding the fact that UM contracts all custodial services but they still have 23 more employees than MSU has on staff.

A motion was made by Sen. Fasbender that the committee accept all scholarships and fee waivers that are currently being used by students at all units since to make any other decision at this time would disrupt the educational plans of many students in the middle of a term. This decision was made with the understanding that the units evaluate the scholarships and fee waivers that they have been granting in order to report to legislature. The voting was as follows:

Sen. Fasbender	- aye
Sen. Himsl	- aye
Rep. Halvorson	- aye
Rep. Kvaalen	- aye
Rep. Moore	- no

Motion carried.

A motion was made by Rep. Moore that there be no contingency funds appropriated or allowed held in account at any of the units during the next biennium. Rep. Kvaalen added that he was in agreement with this decision and that he thought the units should have a realistic budget they can work with and not be allowed to keep large sums of money in reserve as they had done the past biennium. Rep. Halvorson said that she was not in agreement with this--that it was unrealistic to expect any business or organization to operate without having some unmarked funds in reserve in case of emergency. It was clarified that this motion is referring to contingency funds related to increased enrollment only.

The voting was as follows:

Rep. Kvaalen	- aye
Sen. Fasbender	- aye
Sen. Himsl	- aye
Rep. Moore	- aye
Rep. Halvorson	- no

Motion carried.

Present for the meeting were Larry Pettit, Commissioner of Higher Education and Marshall Cook, Special Project Director, Commissioner's Office. There was a discussion regarding the FTE that are currently on staff in that office. Two years ago the legislative committee authorized 7.5 employees for this office. Currently, there are 20 positions within this office--two of them at present are not filled. The Commissioner's office requested 24 positions and the Fiscal Analyst recommended 17 positions for the Commissioner's office staff.

Chairman South pointed out that the legislative committee has no direct control over the placement of personnel within this office or the types of positions created but that the committee must assume some control in the number of FTE they will allow. The Committee agrees that there needs to be a strong central office; however, they have been less than satisfied with the performance of some members of staff, work-wise, and the production of work for the office in general. The committee had to go to the university units for reports and information which was needed this session when it was expected that this information would be compiled by the Commissioner's office and would be available for the committee.

Chairman South said that he thought the committee needed to exercise strong supervision of this office and expect them to be responsible for the money that is appropriated for their use. He said that the committee would go on record as saying that they want a strong central office and that they expect the staff to be in positions where they can get the work done that is needed.

There was a general discussion in which Dr. Pettit defended some positions on staff and answered questions which included the value of some programs such as Indian Teachers' Training at EMC. The authorized travel for the Commissioner's office was discussed. The Legislative Fiscal Analyst recommends 14 trips--24 had been made. Positions on staff were discussed. The Committee wants an auditor on the staff and it is their intent that it be a person who has not been closely involved with the university system. Dr. Pettit said that he feels it is necessary to have someone in this position who is familiar with the university system.

Committee members questioned several positions such as that of the attorney, director of information and it was pointed out that the staff only has two finance persons even though there are 11 positions over what the Legislative Committee had authorized. Dr. Pettit discussed several positions that are filled, their responsibilities, salaries, resistance from the universities, and his duties in general. Relationships with unit presidents and the press were also discussed.

The building that is now occupied by the staff of the Commissioner was also discussed. It has 10,000 square feet and has room for 24 persons. The Fiscal Analyst has suggested that some of this building be rented but the chairman said that after inspecting the building, he felt that it would not be practical because of the layout of the building and the space available. The rent for this building is \$61,000 per year.

A motion was made by Sen. Fasbender that the Committee authorize the funding of 19 FTE for the Office of the Commissioner of Higher Education. This would be 5 positions below that which they requested. The Commissioner's office would have to work out the positions that are productive and that includes that position of an auditor, director of special projects and the secretarial staff that would be needed for these positions.

A substitute motion was made by Rep. Moore that the Committee authorize the funding of 18 FTE for the Office of the Commissioner of Higher Education. When a vote was called, Rep. Moore was the only one who voted. The motion was not carried.

Sen. Fasbender again stated his motion as before.

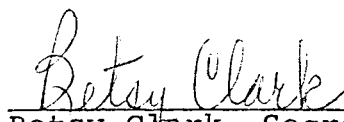
The voting was as follows:

Sen. Fasbender	- aye
Rep. Halvorson	- aye
Rep. Kvaalen	- aye
Sen. Himsl	- aye
Rep. Moore	- no

Motion carried.

The meeting was adjourned at 10:30 A. M.
The Committee will meet again at 8:00 A. M., March 9.


CARROLL V. SOUTH, CHAIRMAN


Betsy Clark, Secretary