

MINUTES OF THE MEETING
LEGISLATIVE SUBCOMMITTEE ON APPROPRIATIONS FOR EDUCATION

January 15, 1979
8:30 a.m.
Room 104
State Capitol Building
Subject: Board of Regents
Presentation

The meeting was called to order by Chairman Carroll South, with the following members being present:

Sen. Larry Fasbender
Sen. Harold Nelson
Rep. Oscar Kvaalen
Rep. Jack Moore
Rep. Esther Bengtson

Also present in the meeting were the following members of the Board of Regents: Jack Peterson, Jeff Morrison, and Ted James. Mr. Bandy, Acting Commissioner of Higher Education; Jack Noble, Deputy Commissioner of Financial Affairs; Representative Francis Bardanouve; and Judy Rippingale, Fiscal Analyst, were also in attendance.

Chairman South mentioned that there should be a discussion as to whether the committee wished to visit any of the campuses during the session. He suggested that the visits be made early in the session and that long-range building requests would be the primary reason for the visitations. In the 1977 session it was determined that the University of Montana should be visited again to see how it had progressed. Montana Tech, Western Montana College and possibly Montana State University were the other campuses which would be visited.

The committee recessed until 10:00 a.m. when the Regents were to arrive.

After reconvening, a general statement was made by Mr. James that the Board runs the management portion of the university system and the legislature controls the purse strings. With regard to fee waivers, Mr. James felt that the Board had been accountable. He also felt that since the Fiscal Analyst's office and the Office of Higher Education were both in Helena, there should be more cooperation between these agencies in discussing relevant money issues during the interim. Their proposals could then be brought to the Board of Regents. The Regents have also adopted the policy that all six university units will remain open; there is no supporting data for its closure.

Jeff Morrison was concerned that there were no modifications allowed by the Fiscal Analyst's office and hoped that the committee will consider some of them as being justified.

There was a discussion on faculty pool dollars. Mr. James stated that the Regents needed some flexibility on salary negotiations and hoped the appropriations bill or the minutes would provide this.

Representative Moore, as a member of a commission which did an in-depth study of the WICHE program, felt it was important that the WICHE student exchange program be continued but that the funding methods should be studied.

Chairman South stated that as a legislator he would hope that any funds not used for faculty would revert so that when the next budget was built, it would be on what actually occurred.

Representative Moore commented that in an overview in December there were a number of would-be participants from one of the units in attendance and he hoped bargaining negotiations would not result during the committee meetings.

In the area of scholarships and fee waivers, Chairman South stated that the committee did not feel that fee waivers had been granted illegally but that they were looking at approximately 3½ million dollars during the biennium and the net loss in revenue would have to be picked up by either the students or the state. Chairman South questioned whether all the scholarships are absolutely necessary and on what basis they should be granted. He feels there will be another tuition increase with the present inflation rate and the lost revenue has to be made up either out of the state general fund or by student tuition.

Representative Bardanoue expressed his concern over WICHE. He stated that statistics show that a very low percentage of these students actually return to Montana to practice; he feels that the cost of the program is quite high for the number of students served (approximately 125). He also brought out the point that the potential earning power of a WICHE graduate is far higher than the average college graduate.

With regard to Western Montana College's closure, Mr. James stated that the Board had adopted the policy that all six units in the system remain open; he reiterated that there is no supporting data that it should be closed and that the presidents from Western and the University of Montana had met with the Board to study the issue. He suggested that perhaps President Bowers from the University of Montana should appear before the committee to discuss his position.

Chairman South questioned whether there could possibly be a compromise in the WICHE program where students who could afford it would pay the out-of-state tuition and the state would pay the \$5,000 to guarantee the slot; Mr. James stated this was not a possibility for various reasons.

Mr. Noble defended the WICHE program. He feels that it is a contract which they are obligated to and must abide by. The Regents

feel that making students pay the out-of-state tuition is wrong because these students do not have the opportunity to study in Montana.

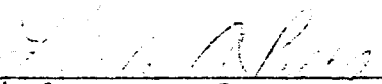
Mr. Bandy also defended Western Montana College's existence, stating that it had the largest enrollment percentage increase of any of the universities for the year. He also stated that the other smaller institutions take a large proportion of their students from the county in which they are located.

With regard to expansion of the universities, the Regents stated they would give authority for the acquisition of land adjacent to the universities but that there is no large-scale enlargement planned.

Chairman South inquired whether there would be two TV and film facilities; there will be only one facility and it will remain at MSU for the present time.



CARROLL SOUTH, CHAIRMAN



Linda Berg, Secretary