

MINUTES OF THE MEETING OF THE JOINT APPROPRIATION SUBCOMMITTEE
ON EDUCATION

February 21, 1981

The Executive Session meeting on the University System of the Joint Appropriation Subcommittee on Education was called to order at 7:05 a.m. on Saturday, February 21, 1981 by Chairman Donaldson in Room 104, Capitol Bldg., Helena, Montana.

All members were present including Bruce Shively and Curt Nichols, Fiscal Analysts.

The committee discussed the amendments to HB69. (EXHIBIT A)

SENATOR NELSON moved that the amendments be added to HB69. MOTION PASSED UNANIMOUSLY.

The next discussion was on the Scholarships and Fellowships. (See EXHIBIT D of 2-16-81 minutes.)

REP. BENGTON moved to accept the LFA recommendation for Scholarships and Fellowships for \$1,833,098 for FY 82 and \$1,970,908 for FY 83 to be distributed by the Board of Regents. MOTION PASSED UNANIMOUSLY.

CURT NICHOLS explained the Support Cost Options. (EXHIBIT C)

Discussion was held in regard to the percentage the Universities should be at.

REP. THOFT moved to accept the 90% for FY 82 and 97% for FY 83 for Support Costs. MOTION PASSED UNANIMOUSLY.

CURT NICHOLS discussed the Modifications. (EXHIBIT D)

Discussion in regard to the Washington Library Network (WLN) was held.

REP. BENGTON moved that the committee accept the modification request for WLN for \$221,837 for FY 82 and \$146,458 for FY 83 for a biennium total of \$368,295. MOTION PASSED UNANIMOUSLY.

The committee discussed the computer requests. It was decided that it is being addressed in the Long Range Building Committee.

The next item discussed was for the Security Staff at Northern Montana College.

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SENATOR HAFHEY moved that the committee accept the modification for Security Staff at Northern Montana College for \$23,924 for the biennium. MOTION FAILED with three, REP. THOFT, REP. DONALDSON, AND SENATOR NELSON opposing.

The next discussion was on the MONTS PROGRAM (Montanans on a New Tract for Science).

REP. BENGTON moved that the Indirect Costs be used for the Monts Program. MOTION PASSED with two, SENATOR JACOBSON and SENATOR HAFHEY opposing.

REP. BENGTON moved that the committee accept the modification for the Cooperative MBA (Masters in Business Administration) Program for \$337,105 for the biennium. MOTION FAILED on a tie vote with three, SENATOR HAFHEY, REP. DONALDSON and REP. THOFT opposing.

The next item the committee discussed was the Master in Social Work for the University of Montana.

SENATOR HAFHEY moved to approve the Master in Social Work for the University of Montana for \$272,348 for the biennium. MOTION FAILED on a tie vote with three, REP. THOFT, REP. DONALDSON, and SENATOR NELSON opposing.

The committee took a half hour recess.

The next item discussed was the Vehicle Maintenance/Bus Driver for Western Montana College.

SENATOR HAFHEY moved that the committee accept the Vehicle Maintenance modification for \$20,000 for the biennium. MOTION FAILED with three, REP. THOFT, REP. DONALDSON, and SENATOR NELSON opposing.

Discussion was held in regard to the Library Acquisitions and the MONTS PROGRAM.

GLEN LEAVITT stated that when the committee voted on the Research Program the formula request included \$39,000 to increase research which we thought was plugging in that 15% and that was not approved. The one approved was the smaller budget using the LFA recommendation. They can use the 15% to fund MONTS and the remainder they could use wherever they want.

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REP. BENGTON stated that the intent of her motion to be per-
missive that the MONTS would not be funded but if they wanted
to use the 15% they could do that.

The committee agreed with Rep. Bengtson.

The committee discussed the enrollment projections, (See
EXHIBIT A of 2-17-81.)

CURT NICHOLS gave the revised enrollment projections. (EXHIBIT E)
He also gave the LFA original estimated enrollment projections
from the Budget Analysis 1983 biennium book. The projected
enrollment is:

	FY 82	FY 83
MSU	9,964	9,892
UofM	8,133	8,142
EMC	3,070	3,040
NMC	1,329	1,332
WMC	750	749
MCMST	1,525	1,550

The actual 80-81 revised estimates are:

MSU	10,228
UofM	8,145
EMC	3,078
NMC	1,353
WMC	820
MCMST	1,531

REP. BENGTON moved to accept the LFA enrollment estimates
from the Budget Analysis 1983 green book for an 82-83 system-
wide total. MOTION PASSED UNANIMOUSLY.

CHAIRMAN DONALDSON stated that Dick Dodge would be addressing
types of contingency funds with the committee therefore, we
should wait to make a decision.

The next discussion was held in regard to salaries.

CURT NICHOLS discussed the faculty compensation base adjust-
ments. (EXHIBIT F) Also see EXHIBIT A of 2-17-81 minutes.

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SENATOR HAFLEY moved that the three; Eastern, Northern, and Western be raised to 93% for salary increases. MOTION FAILED on a tie vote with three, REP. THOFT, REP. DONALDSON, and SENATOR NELSON opposing.

REP. THOFT moved that the three; Eastern, Northern, and Western stay at 90%.

REP. BENTSON made a substitute motion that Eastern Montana College be at 93%, Western and Northern at 90%. MOTION FAILED on a tie vote with three, REP. THOFT, REP. DONALDSON, and SENATOR NELSON opposing.

The committee then voted on REP. THOFT's motion and the MOTION FAILED with three, SENATOR HAFLEY, SENATOR JACOBSON, and REP. BENTSON opposing.

More discussion was held in regard to the salaries.

REP. THOFT moved that the committee use 84% for Northern, Western, and Eastern and 90% for the University of Montana and Montana State University.

REP. THOFT withdrew the motion.

REP. THOFT moved to raise Northern and Western to the 90% level. MOTION PASSED UNANIMOUSLY.

The next discussion was in regard to Catch-Ups. (See EXHIBIT A of 2-10-81 minutes.)

CHAIRMAN DONALDSON gave two reasons for not giving catch-ups to the Universities; (1) it would not be fair for the committee to give peer catch-ups to the University System, (2) but we do need to address the critical salary area.

Discussion followed with some of the committee members expressing agreement with the Chairman's views and others rising in opposition.

CURT NICHOLS stated that the cost above the current year on going to 93% would be \$458,771 the next biennium to move those three colleges. In addition to the peer picture leaving Eastern at 90% and reducing Northern and Western at 84% would be \$880,162.

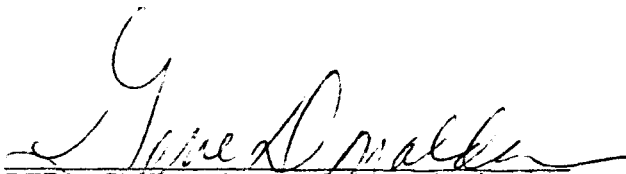
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CURT NICHOLS stated that to put all of them from 90% to 93% would be \$458,771. Just putting Eastern at 93% and leaving the rest at 90% would be roughly \$250,000 for the biennium.

Meeting adjourned at 9:55 a.m.


REP. GENE DONALDSON, Chairman

pb

2-21-81 A

Amendments to House Bill 69

1. Page 3, Line 6

Strike: Section 4 in its entirety

Insert:

New Section: Section 4. Calculation and Approval of Operating Budget.

(1) Annually by June 15, the board of trustees of a community college shall submit an operating budget to the board of regents for their review. The operating budget of the community college shall be financed in the following manner:

(a) General fund appropriation. The general fund appropriation shall represent a specific percentage of the total unrestricted budget authorized by the legislature and approved by the regents. This percentage shall be specified in the appropriations act appropriating funds to the community colleges for each biennium.

(b) An estimate of revenues to be generated by student tuition and fees, and all other unrestricted income, revenues, or balances shall be added to the state general fund appropriation and the total subtracted from the total unrestricted budget. The difference shall be obtained by a mandatory levy.

(c) The funding obtained in subsection (b) of subsection (1) is the amount of the unrestricted budget. A detailed expenditure schedule for the unrestricted budget shall be submitted to the board of regents for their review and approval.

(d) The amount estimated to be raised by the voted levy shall be detailed separately in an expenditure schedule.

(e) The spending of each restricted funding source shall be detailed separately in an expenditure schedule.

(f) The expenditure schedules ~~provided~~^o provided in subsection (c), (d), and (e) of subsection (1) shall represent the total operating budget of the community college.

(g) If revenues to the unrestricted budget exceed estimates, the excess shall be used to reduce the mandatory levy in the subsequent year.

(2) The board of regents shall review the proposed total operating budget and all its components and make any changes it determines necessary. A board of trustees of a community college district shall operate within the limits of the operating budget approved by the board of regents.

2. Page 5, Line 18

Following: 15-24-582

Strike: 15-24-505

Support Cost Options (without Pay Increases)

	2	3	4	5	6	7	8	9	10
	NISU	UM	EMC	NMC	WMC	MCMST	TOTAL		
ACTUAL 80	7711225	6036995	2756033	1146872	763271	1290388	19704784		
Formula 82	10353950	8545153	3221770	1377947	959374	1617449	26075643		
Formula 83	0540444	8804896	3289772	1421745	981628	1696248	26734730		
Cost of Increasing or decreasing									
Percentage of seeds by 1%									
in 1982	103925	84827	31805	13768	7770	18788	260883		
in 1983	106042	87282	32370	14186	7977	19623	267486		
To calculate any reduction due to a phase in multiply %									
For example: 90% of the seeds reduction in 1982									
	100-90 = 10% reduction								
	103925								
	<u>1039250</u>								
		reduction	From Formula	In Figures	at NISU	Leaving	9314700		
90%	9314700	7696883	2903720	1240267	881674	1429569	23466813		
93%	9626475	7951364	2999135	1281571	904984	1485933	24249462		
95%	9834325	8121018	3062745	1309107	920524	1523509	24771228		
97%	10042175	8290672	3126355	1336643	936064	1561085	25292994		
90%	9180024	7932076	2966012	1279885	901858	1500015	24059870		
93%	9798150	8193922	3063140	1322443	925787	1558884	24862328		
95%	10010234	8368486	3127892	1350815	941743	1598130	25397300		
97%	10222318	8543050	3192644	1379187	957697	1637376	25932272		

(10,353,950 - 1,039,250)

Faculty Compensation Base Adjustments (Catch Ups)

Category	1981 Peer Average	Percent Increase	1981 Peer Average	Percent Increase	1981 Peer Average	Percent Increase	1981 Peer Average	Percent Increase
MSU	25440	4.7	26639	4.7	26639	4.7	26596	4.5
UM	25440	4.7	26639	4.7	26639	4.7	26596	4.5
EMC	22900	4.8	23999	(2.5)	23999	4.8	24734	8.0
NMC	22900	(2.5)	22327	(2.5)	22327	4.8	24734	8.0
WMC	22900	13.2	27224	13.2	27224	4.8	24734	8.0
MEMST B	24043					10.8	27181	13.1

AN ALTERNATIVE WOULD BE TO
1. PUT MEMST AT THE UNIVERSITY
LEVEL

2. PUT NMC AND WMC AT THE
EMC LEVEL

The above could be done
with or without the peer
adjustment

Biennium Cost of Options

- Use 1981 Appropriated
- Use Formula Study 1981 Peer Average
- Use Regents Recommendation
- Use Alternative without Peer Adjustment
- Use Alternative with Peer Adjustment

ALL FIGURES ARE LISTED IN (M) NOMINICAL YEAR RATES AN AVERAGE

FOR EXAMPLE AN AVERAGE FACULTY MEMBER AT MSU IS AS THOUGH FULL TIME FOR 49 QUARTERS WOULD GET 26,639 X 1.33 = 35,430 TOTAL COMPENSATION ABOUT 30,000 OF WHICH WOULD BE SALARY AND THE REMAINDER BENEFITS.

MEMBER WHO WORKED A FULL YEAR WOULD RECEIVE

Category	without Peer Adjustment	Percent Increase	with Peer Adjustment	Percent Increase
MSU	25440	—	26639	4.7
UM	25440	—	26639	4.7
EMC	22900	—	23999	4.8
NMC	22900	—	23999	4.8
WMC	22900	—	23999	4.8
MEMST	25440	5.8	26639	10.8

—	0
3108546	
3927714	
244545	
3473181	