

MINUTES OF THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION
February 16, 1983

The House Appropriations Subcommittee on Education met at 7 a.m. on Wednesday, February 16, 1983 in Room 104 of the State Capitol. With Chairman Rep. Esther G. Bengtson presiding, all members were present. Sen. Jacobson was excused from the University of Montana hearing. The budgets for the University of Montana and Western Montana College were heard.

Mr. Tom Crosser, OBPP, introduced Dave Lewis, Budget Director for OBPP. Mr. Lewis presented the options OBPP had come up with for dealing with the change in enrollment projections which had taken place in December, after their budget had been put together. He stressed the need for flexibility in projecting enrollments, and rose in support of setting up a contingency fund in the Regents' office to accommodate changes in enrollment projections. One option would be to apply \$2 million in the contingency to meet the funding levels proposed by the OBPP of 95% on Instruction and 90% on Support, based on December 10 enrollment projections. The other option would be to reduce the level of the funding of the formula. The third option would be to put more money into the University System. He pointed out that the number of unknowns related to enrollment required flexibility in order to deal with changes in enrollment. He stressed the importance of using the best possible enrollment projections, and avoiding the supplemental approach.

Mr. Crosser reviewed how OBPP projected the University budgets. Enrollments projected at 27,058 for 1984 and 27,312 for 1985 were used as the base, and the formula approach adopted in 1981 was used. The latest enrollment estimates are about 393 students above the original estimates. OBPP reduced the instructional budgets to 95% of the generated amount, and the support areas to 90% of the generated amount. Incremental areas of the budget were calculated using a 1982 base. In addition to the contingency fund, modified requests for new space at four of the units were added. The same factors were applied to everyone equally. The contingency fund was set up to handle either fluctuations in enrollment or a decrease in federal work-study money.

Mr. Curt Nichols, LFA, then spoke. The current level analysis used a consistent approach with all the units. He referred the Committee members to P. 708 of the LFA Narrative, and proceeded to review the material contained therein.

Dr. Neil Bucklew, President of the University of Montana, spoke. See Exhibit "A." UM has produced 21 Rhodes scholars and is in the top four institutions west of the Mississippi in this area. This was one of several distinctions held by UM. He stated that one activity currently taking place on campus was an effort towards general education reform. He pointed to

the cooperation which was taking place within the University System. The units work in conjunction to provide such programs as the Masters Program at EMC working with the Hearing Impaired, and the Public Administration program, which MSU and UM are involved in. The proposed modified for a Masters in Business Administration in Billings would involve three units. He referred the Committee members to a booklet entitled, "University of Montana - Framework for Planning 1982-3"; see Exhibit "B," bulk testimony file.

Regarding enrollment, UM is in the current year at an all-time high enrollment level. Enrollment for Autumn 1982 was 9,101 and the Winter Quarter enrollment is 9,021; both are records. These enrollments exceed their current operating budget.

Dr. Bucklew submitted there was optimism on campus due to the funding level granted in 1981. He said it was very important that the progress made be preserved. He stressed the importance of higher education in the long-term economic development of the State. He urged that the Committee support the Board of Regents' budget proposal, which incorporated the formula approach, and accommodated the cost of some 300 additional students at UM, which were currently being served. He pointed out that the general fund appropriation recommended by the Governor was 2.3% lower than the current appropriation and the LFA's amount was 2.7% lower.

The Board of Regents instituted a 10.6% tuition and fee increase for the UM for 1983-4. The OBPP had recommended 7%. The Regents instituted the 10.6% increase reluctantly, and the 20% increase recommended by the LFA he submitted would seriously erode the possibility of students being able to afford educational opportunity in the State.

Dr. Bucklew said that the OBPP recommendation would have the effect of causing UM to have to deal with retrenchment and loss of both faculty and staff positions. He was anxious that the impact on UM, which was not intentional on the part of the Governor's office, not become fact. He submitted that the LFA proposal underestimated UM's expected enrollment. In addition, there were several other areas of concern: (1) assumed revenue to be generated by the institution. The LFA estimates are higher than UM believes will be realized. This is especially their feeling regarding the LFA's estimates for tuition and fees. He submitted that the LFA estimated about \$.5 million more than would be realized, in 1983-4, beyond what the Regents would generate, and in the second year about \$1 million. (2) Utilities. UM's utility budget is \$1.5 million. The LFA had recommended about a \$500,000 increase, and OBPP about \$800,000. UM feels both estimates will be exceeded. He stressed the importance of having a realistic budget. He stated that there

were expenditures as well as income estimate problems which would have to be worked out with the Committee and staff.

Regarding enrollment estimates, he felt the Board of Regents' estimates were "in the right ballpark." He assured the Committee that UM would be above the LFA estimates in the upcoming biennium. In the past five years, UM has been involved in serious reduction of their faculty, in order to live within the resources available. Since 1981 they have been able to hold their faculty level stable, with minimal increases. He submitted that it was inappropriate for them to have to face another sequence of retrenchment at the present time. The student/faculty ratio had been steadily increasing from 17:1, since 1981. They felt they were at a very productive level, above 20:1. The Regents' recommendation would hold UM stable, with no new faculty, but the other recommendations would force UM to take their student/faculty ratio even higher. He said that UM faculty lagged behind its peers in faculty salaries. Dr. Bucklew referred to a series of charts during his presentation; see Exhibit "C."

Professor Howard Rinehart, a Mathematics professor and acting Dean of the College of Arts and Sciences and a faculty representative on the UM campus, then spoke up regarding faculty salaries. At the professor and assistant professor level, UM ranks 12th of 14 peer institutions for salary levels. At the Associate Professor level, they are 13th out of 14th. Instructors are 7th of 14. He stressed that it was essential that the UM faculty salaries be not funded on the basis of vacancy savings. Vacancy savings could only be achieved by eliminating classes.

Prof. Charles Bryan, Chairman of the Math Dept. and President of the University Teachers' Union, then testified. Funding the Instruction area of the budget at 95% of the peer average, as the OBPP had recommended, would mean a decrease in the instruction budget at UM. The LFA underestimated enrollment, and this caused a decrease in the general fund level of appropriations. He submitted that increasing class sizes was not the answer for coping with a decrease in the instruction budget. Regarding faculty salaries, they do not feel they are 12th from the top in terms of quality.

Marquette McRae-Zook, President of the Associated Students of UM, then spoke. At present, the students at UM are very pleased and excited about the quality of the education they are getting and the spirit that pervades the campus. She urged continuing the level of support for higher education established in 1981.

Dr. Bucklew then addressed the subject of program modifications and budget adjustments. See Exhibit "D," bulk testimony

file. Their program modifications represent the highest priorities for a changing institution that requires special support and help from the Legislature. He said that the modifications, if granted, needed to be made on the base of a continuing, functional operating budget. New modifications should not be built on top of an eroding base. He then reviewed the modifications:

New Space modification. This modification is recommended by both the LFA and the OBPP. The only difference is the estimate of when the Performing Arts building will come on line. He said he would work with the Committee staff in order to reach an agreement on the time. The most current date they have was provided by the contractor, for completion in May, 1984.

Proposed Billings MBA. Dr. Bucklew explained that Dean Paul Blomgren, of the School of Business, UM, had coordinated with his two colleague deans the development of the proposal. The Billings area is in much need of this program; over 200 people have expressed interest in the program.

Dr. Bruce Carpenter, EMC President, spoke. He read a letter from Mr. Russ Hart in support of the MBA Program proposal; see Exhibit "E." He rose in support of the proposed program and added that the business community and Billings residents were also very interested in the proposal. He submitted that these kinds of cooperative efforts within the University System saved money for the State and provided educational opportunities which would be much more costly if approached differently.

Rep. Les Kitselman, Billings, representing the Board of Directors of the Billings Chamber of Commerce, and Chairman of the Interim Study on Business, spoke. The Interim study found that education was a key factor in the development of the economy of Montana. It was recommended in the report that Montana should provide funding for University research aimed at creating jobs, and that college-level business courses be expanded in the State's business centers. Even though Billings has 1/5-1/6 of the State's population, there is little opportunity for the people employed in that area to receive this type of education without relocating.

Dave Goss, Billings Area Chamber of Commerce, rose in support of the modification, on behalf of the Chamber. There is a vast pool of people in the Billings area who would like to continue their business education. A pamphlet entitled, "The MBA in Billings" was brought to the Committee's attention; see Exhibit "F."

Computer Equipment modification. Dr. Bucklew said there was a great deal of pent-up need that continued to be unmet in the area of computer access. UM added \$260,000 to the \$218,000 allocated by the 1981 Legislature to expand their computer capacity. Currently 120 concurrent users can utilize the UM computer.

However, they continue to lag behind in the revolutionary uses and applications of the computer. He presented the Committee with a petition signed by over 700 faculty and students from UM indicating the fact that their needs are obvious and intense, to have further computer access. The proposal would allow UM to increase by about 50% the computer access on campus.

Public Radio - (KUFM) modified. The proposal is a "challenge grant." Listeners are asked to provide donations to help support the operation. The modification would provide for a \$15,000 annual grant, available only if KUFM could come up with matching dollars from the private sector.

Forestry Experiment Station - Mission Oriented Research Program. One part of the modification requests support for the operational costs of the new facility at Lubrecht forest, which was totally paid for by private funds. The second part of the modification requests support to maintain the existing facilities.

Law School - Legal Education Development modification. UM's Law School is using its strong tradition to build some very critical improvements. The modification involves a change in the law school curriculum which focuses on prudent practice. The change is designed to improve the student/faculty ratio. The Law School is willing to generate substantial new resources by way of a special fee which the Regents were willing to implement.

Dean Jack Mudd, Law School, then spoke. See Exhibit "G," bulk testimony file, and Exhibit "H."

Montana Supreme Court Associate Justice Fred Weber, then spoke. Those who have graduated from the UM Law School received a good background in theory, and a reasonably good background in the perspective of the role of law and the lawyer in society. However, the law school has not significantly dealt with the areas of the ability to apply the law and personal attributes and interpersonal skills. At present, it is difficult to start a practice in Montana on one's own, as a result. He expressed pride in the law school and its faculty and submitted that in proposing the change they were demonstrating a leadership second to none in the nation.

Pharmacy Program funding adjustment modified. Dr. Bucklew said the professional education in Pharmacy was undergoing a changing pattern. There is a shift taking place, nation-wide, from a five-year program to a six-year program. To adjust to this, the resource base needs to be changed in the School of Pharmacy. More extensive clinical work is being required. UM

is prepared to institute a special fee, and the Board of Regents has endorsed this need, and is willing to raise a special Pharmacy fee. In addition to this, State help is needed; thus the modified. He said that if the State was unable to provide all or part of the requested funding, at any rate they would do the best they could on their part. He asked the Committee to help them to be assured that the special fees to be instituted would be preserved for the program improvements, on a long-term basis.

Dr. Bucklew closed, urging support of the Regents' recommendations.

Hal Stearns, a member of the Citizens' Advisory Council for the UM, then spoke. 83% of the people of Montana have affirmed that they believe in higher education in Montana. The University System produces the real resource of the State, more important than timber, metals, etc. There is much more cooperation between the units than in the past. To support the University System is to support the future of Montana.

House Speaker Rep. Dan Kemmis, Missoula, then spoke. Since Dr. Bucklew became the President of UM, morale and attitude has undergone a dramatic change for the better. Part of the credit goes to Dr. Bucklew and part goes to the Legislature's funding support provided in 1981. He expressed concern that if the LFA or OBPP budget became the basis upon which the Subcommittee budgeted for UM, that it would lead to retrenchment.

Mae Nan Ellingson, representing the Missoula City Council and the Mayor of Missoula, testified. UM and the University System and local governments are suffering for funds and allocations from the State. They feel the University is an incredible resource for the City and the County, and both the LFA and the OBPP budgets would have a serious impact on both city and county tax bases. She pointed out that the University losing 50 employees would have the same economic impact as if a small industry shut down. She urged support of the Board of Regents' recommendations.

Rep. Bob Ream, Missoula, spoke. He was a UM Forestry School faculty member, also. He submitted that the backbone of the University System was its faculty. He stated that formula funding was good, but fluctuations in the economy had to be adjusted to. He said that in his fourteen years at UM, he respected the current administration in the University.

Diane Elliott, a UM student, then spoke. She urged support of the Board of Regents' proposal. She submitted that it presented a fair enrollment estimate and budget for the coming biennium.

Robert M. Holding, the attorney and Executive Director of the Montana Wood Products Association, then spoke. Their

industry utilizes many of the University System graduates, and he rose in support of funding the requests of the System to the best extent the Legislature could, in view of the prevailing economic problems.

Rod Sing, a graduate student at the University of Montana, then spoke. He rose in support of the UM administration. At present, the computing facilities at UM are inadequate. Some students got together some petitions requesting support to resolve this problem; see Exhibit "I," bulk testimony file.

David Bollinger, also a UM student, spoke. The Law School Modification is one of his concerns. He added that Dr. Bucklew had been an inspiring force for the students. There were a lot of problems with the previous administration. He recommended as much funding as possible for the University, and also rose in support of the work-study modified request.

Written testimony was submitted from Julie Fosbender, representing ASUM; see Exhibit "J:" and Andy Stroble, a UM Student Council member; see Exhibit "K." A letter from Owen Hummel to Sen. Mark Etchart had been distributed to the Committee members as well; see Exhibit "L." Also, two pamphlets had been given to the Committee, entitled "University of Montana Viewbook 1982-3;" (Exhibit "M," bulk testimony file) and "University of Montana Legislative Report: November 1982," (Exhibit "N," bulk testimony file).

Sen. Mike Halligan was unable to attend the hearing but wished to go on record in support of the UM budget request.

The hearing on the University of Montana budget was closed. The Chairman announced that questions would be asked when the Executive Session regarding the UM budget was held.

The hearing on the Western Montana College budget was opened.

Mr. Crosser said the OBPP enrollment estimates were 869 students each year of the biennium. These estimates had been changed in the most recent estimates by the Task Force, to about 6 students higher.

WMC President Bob Thomas then spoke. He stated that the concerns expressed by the other units and by the System were shared by WMC; notably, the work-study modification, and computer-related issues, and faculty salaries. He said that they accepted the reality that they were a part of the University System and that they would be funded accordingly. Instead of addressing the formula or the components of the

normal funding procedures, they chose to address the issues which were unique to WMC. See Exhibit "O," bulk testimony file. In 1982, WMC moved from the quarter system, and this has created some management advantages for them, by cutting out one enrollment per year.

Dr. Thomas then brought on the subject of the proposed new swim center. He pointed out that normally a capital construction project would be heard in the Long-Range Building Subcommittee, but due to the unique nature of the funding proposal for the center, they felt they should present the issue to both subcommittees. Their campus is the only 4-year campus in the State, including private colleges, that does not have a swim facility for instruction, competition and recreation. Their present facility, built in 1926, is rapidly deteriorating. The Board of Regents did not include this request on their list of top priorities for the System as a whole, and he asked for the Committee's special consideration of the project. He gave a brief history of the events leading up to the funding request; see Exhibit "O." He said WMC had sufficient interest and income money that if all of it were reassigned to the P.E. Complex, they could add another bond release on the same indenture document and build a \$1 million swimming pool. He added that the Regents had approved a preliminary study; artists' drawings were shown to the Committee. Approval by the Legislature was the key to whether they would proceed with the project. The owners of the land adjacent to the P.E. Complex, the area where the swim center will be located, have agreed to give the land to the College. The total cost of the facility was about \$1.4 million, and the Community of Dillon was willing to support the building of the public entrance, locker rooms, showers, and a wading pool facility for \$385,000.

R. T. Snyder, WMC Student Body President, then spoke, outlining the benefits of having the Swim Center. A campus referendum passed with an 80% majority favoring construction of the new Center. In addition, the students voted to tax themselves up to \$30 per year for the maintenance and care of the pool and Complex.

Dr. Thomas stated that the Community was also very interested in having the pool built. A steering committee of 15 has had over 35 meetings since September 1982, and has generated over 1,200 signatures from community property owners to establish a special district so they could support their share of the proposed facility. Legislative approval of the bond sale to proceed with the pool would be followed by a community election to vote on the issue of the community charging itself a tax to support their portion of the cost.

Mr. Tedd Stanisch, a Beaverhead Co. High School teacher and coach, and representing the general community and the public school interest in the proposal, spoke. There is a great deal of cooperation between the community and the College. A swim center would make a change in both their recreation programs and their curriculum. Both the high school and grade school districts are very interested in the proposal.

Rep. Bill Hand, Dillon, then spoke. There is widespread support for the proposed swim center. Former Rep. Harold Briggs has offered to excavate for the pool.

Dr. Thomas concluded by pointing out that a building project of this magnitude was good for the entire region; it would create construction jobs. He asked that as the appropriations bill was drafted, either the interest and income revenue money be omitted from the bill and WMC be authorized to use the money from the 1967 indenture, for this project, or at least make the approval contingent upon the passage of HJR 9. Omitting the "I and I" money would have an impact on the general fund throughout the formula, it was brought out. In response to Rep. Bengtson, Mr. Nichols said that other units in the University System were using their I and I money for purposes other than general operations. Mr. Glen Leavitt, WMC Fiscal Affairs Director, said that they were estimating that I and I money to be at a level of \$110,000 per year for the next biennium, and the LFA estimated \$130,000.

Dr. Evelyn Hively, Vice President for Academic Affairs, WMC, then talked about the Rural Education Center funding proposal. The Northwest Area Foundation had provided the funds to operate this program for the first three years. In those three years the project had become very vital to the teachers of the State. (1) The activities of the Center were closely related to the mission of the College. (2) The teachers in the field have understood the services being given them and they have demanded further services. Their demands have informed much of the decisions on campus. Possibilities for serving all of the rural schools in Montana with some of WMC's proposed computer software and hardware money have been considered. She suggested that perhaps the greatest reasons for the success of the program were the two people who directed and carried on the program: Dr. Alan Zetler, Director, and Ralph Kroon, Project Director.

Dr. Zetler spoke. He pointed out that Montana had 110 (10% of the National Total) one-room schools. In addition, Montana had 56 two or three-teacher schools. About 14% of the State's public school enrollment is comprised of these schools.

The purpose of the Center is to provide direct service in the field to compensate for the special problems created by extreme social, geographical, and professional isolation that those teachers experience. Also, there is a teacher preparation program in place at WMC specifically designed to prepare teachers for small schools. They also have a field service.

There are several advantages to the Rural Education Center's role: They do not have a regulatory image, so the small schools are willing to ask for and receive help. They do their business directly in the schools; there is only a small office on campus. Third, they are able to cross jurisdictional boundaries. One product of this has been the "Montana Rural Education Curriculum Guide," see Exhibit "P," bulk testimony file. They contribute to the professional good health of the rural school teachers, most importantly.

For the past two years they have been receiving about \$83,000 per year from the Northwest Area Foundation. They request about \$65,000 per year for the coming biennium, from the Legislature. The budget is about 60% personnel, 25% travel, and 15% office expenses.

Ralph Kroon then talked about some of the projects the Rural Education Center had undertaken. The last time a curriculum guide had been put together was 1943, until the present one was completed. He pointed out that the guide had been developed throughout the State. He distributed copies of the Guide to the Committee members. (Exhibit "P.") The Center provides in-service workshops to bring together the expertise found in the rural schools. The Center also conducts a budget comparison on the Class C Schools in Montana, which provides much information. They are also conducting a salary survey for the rural teachers. They put a handbook together for the County Superintendents regarding their duties. They also provide some continuing education courses through WMC, for the rural teachers.

Pat Rodriguez, a rural school teacher from the Spring Creek Colony School, Fergus County, then spoke. One of the most critical situations with which the rural teacher must contend is the lack of professional communication. Colleges do not provide the background necessary for teachers to manage rural classrooms, and as a result the rural teaching position is often a frustrating experience. The Rural Education Center has taken great strides to remedy the situation. She stressed that it was essential that the Center have the opportunity to continue their efforts to help maintain excellence in Montana's rural schools.

Helen Loney, Cascade County Superintendent of Schools, spoke. She submitted that Ralph Kroon was a "one-man show." Mr. Kroon has drawn the County Superintendents together, and the result is they have been made aware of each other's problems and also the good things they have done for the rural schools. She added that WMC's summer enrollment grows every year as a result of Mr. Kroon's efforts.

Rod Svee, OPI, then spoke in support of the Rural Education Center. It provides a service that historically had not been addressed. OPI works as closely with the small rural schools as it can, but it is impossible to serve them in the way they need, and OPI cannot provide this service, for efficiency reasons. OPI holds the workshops which Mr. Kroon coordinates.

Harriet Meloy, Board of Public Education, then spoke in support of the Rural Education Center; see written testimony Exhibit "Q."

Mr. Terry Love, editor of the Rural Education Center paper, was introduced.

Dr. Thomas closed, requesting that the Committee give every consideration to providing the field services which the Center must provide.

Rep. Bengtson wanted to know if there was any duplication of services between the Rural Education Center and OPI, and what kind of ongoing cooperation there was between the two. Mr. Svee replied that they worked very closely to prevent duplication of services. However, he said that it was not cost-efficient for OPI to go into the small schools to the extent that Mr. Kroon had. In addition, the policies for small school boards are worked up by a committee of three which is functioning technically without leadership, but Mr. Kroon has been available to serve them, for one example. OPI and the Center work in conjunction in several areas: Rural Education Handbook, summer conferences, etc.

The meeting was adjourned at 10:40 a.m.

Rep. Esther G. Bengtson *Chm*
Rep. Esther G. Bengtson - Chairman

VISITORS' REGISTER

HOUSE Appropriations - EDUC. SUB-COMMITTEEBudget
U of M, Western MT
CollegeDate 2/16/83

SPONSOR _____

NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
<u>Norman Haldel</u>	<u>Missoula</u>	<u>U of Montana</u>	<u>X</u>	
<u>Philip Stefano</u>	<u>Missoula</u>	<u>U of Montana</u>	<u>X</u>	
<u>Paul Blomquist</u>	<u>Missoula</u>	<u>U of Montana</u>	<u>X</u>	
<u>Norman</u>	<u>Missoula</u>	<u>U of Montana</u>	<u>X</u>	
<u>Cal Bay</u>	<u>Missoula</u>	<u>U of Montana</u>	<u>X</u>	
<u>Donald S. Spencer</u>	<u>Missoula</u>	<u>U of Montana</u>	<u>X</u>	
<u>Daniel Smith</u>	<u>Missoula</u>	<u>U of Montana</u>	<u>X</u>	
<u>W. Michael</u>	<u>Missoula</u>	<u>U of Montana</u>	<u>X</u>	
<u>James</u>	<u>Missoula</u>	<u>U of Montana</u>	<u>X</u>	
<u>Gene</u>	<u>Missoula</u>	<u>U of Montana</u>	<u>X</u>	
<u>Jim</u>	<u>Missoula</u>	<u>U of Montana</u>	<u>X</u>	
<u>Bob Reagin</u>	<u>Missoula</u>	<u>House D. 73</u>	<u>X</u>	
<u>Mike</u>	<u>Missoula</u>	<u>U of Montana</u>	<u>X</u>	
<u>Jim Morrison</u>	<u>HLW</u>	<u>U of Montana</u>	<u>X</u>	
<u>John</u>	<u>Billings</u>	<u>U of Montana</u>	<u>X</u>	
<u>Gene</u>	<u>Billings</u>	<u>U of Montana</u>	<u>X</u>	
<u>Bob</u>	<u>Billings</u>	<u>U of Montana</u>	<u>X</u>	
<u>Jim</u>	<u>Billings</u>	<u>U of Montana</u>	<u>X</u>	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

HOUSE Appropriations Educ. Sub COMMITTEE

Budget

~~FILE~~ URM, Western MT College

Date 2/14/83

SPONSOR

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IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

HOUSE Appropriations & Education COMMITTEE

BILL Bugant Ward

Date June

SPONSOR _____

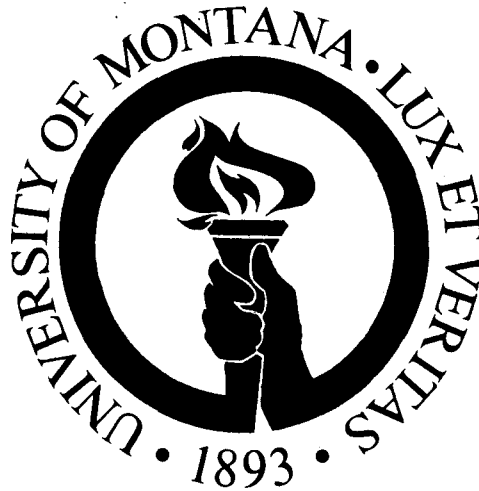
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IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR LONGER FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

- I. Introduction and Background
 - A. Observations by a Relatively New President
 - 1. Quality institution
 - 2. A comprehensive, yet small University
 - 3. Commitment to instruction
 - 4. Strength of the System
 - B. Recent Developments
 - 1. Planning process
 - 2. Enrollment
 - 3. Spirit on campus
- II. Perspective on the 1983-1985 Biennium
 - A. State Fiscal Situation
 - B. Funding Pattern for Higher Education
 - C. Economic Development
 - D. Preservation of Base
- III. Program and Budget Request
 - A. Board of Regents Proposal
 - B. Concerns with Other Budget Proposals
 - C. Supportive Information
 - 1. Enrollment
 - 2. Instructional staff
 - 3. Faculty:student ratio
 - 4. Salary increase program
- IV. Program Modifications and Budget Adjustments
 - A. New Space
 - B. MBA - Billings
 - C. Computer Equipment
 - D. Public Radio - KUFM
 - E. Montana Forest and Conservation Experiment Station
 - F. Law School - Legal Education Development
 - G. Pharmacy School
- V. Summary

University of Montana



Supporting Information

FIGURE 1

Three Approaches to UM's Budget
(Amounts in Millions of Dollars)

	82-83 Current	83-84 Regents	83-84 Governor	83-84 LFA
Budget	33.2	35.1	32.8	33.5
Change in General Fund Appropriation	--	+9.9%	-2.3%	-2.7%
Change in Student fees	--	+10.6%	+7.0%	+20.1%

Figure 2
**Unrestricted Fiscal Year
Full-Time-Equivalent Enrollment
University of Montana**

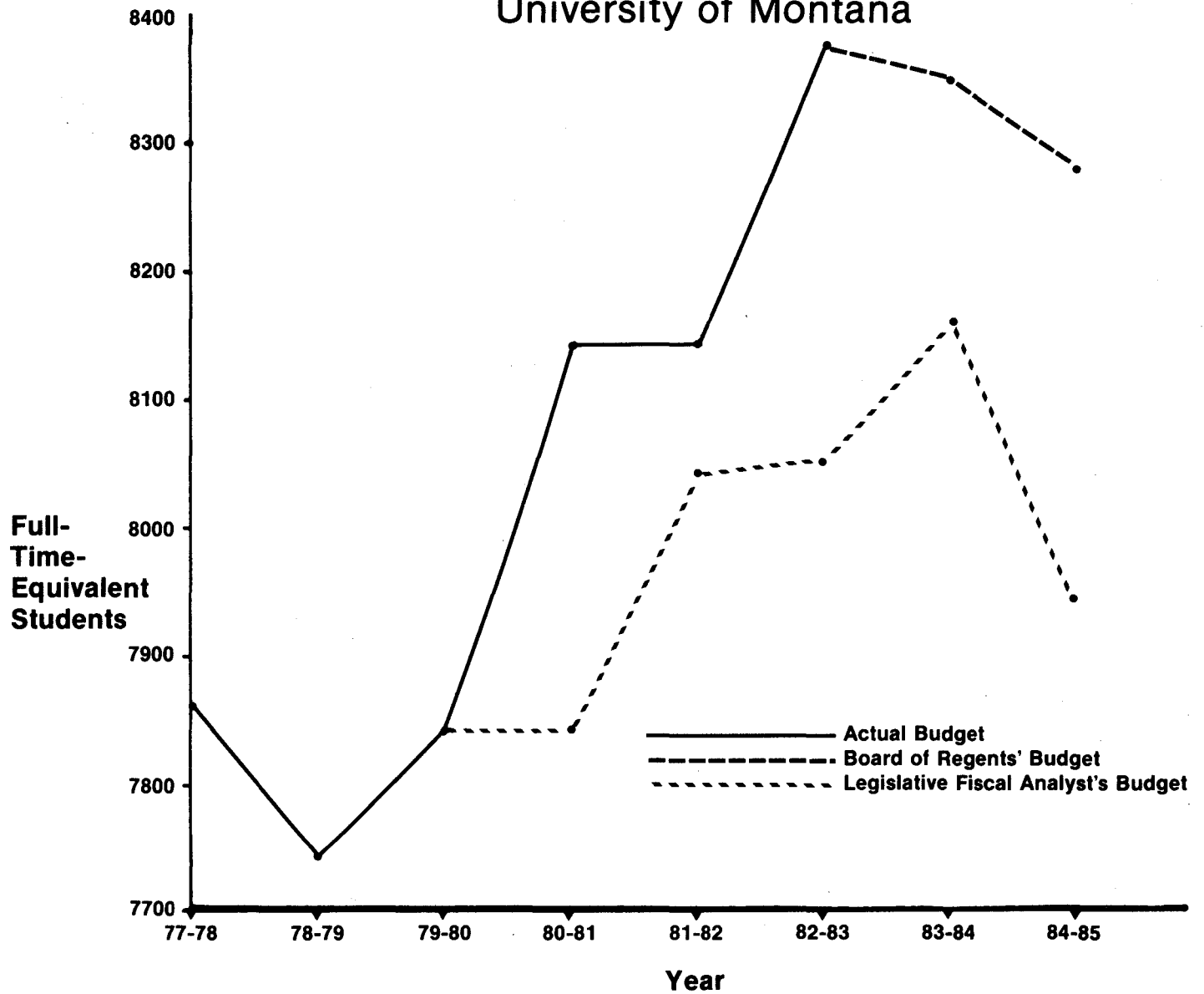


Figure 3
Full-Time-Equivalent Faculty
University of Montana

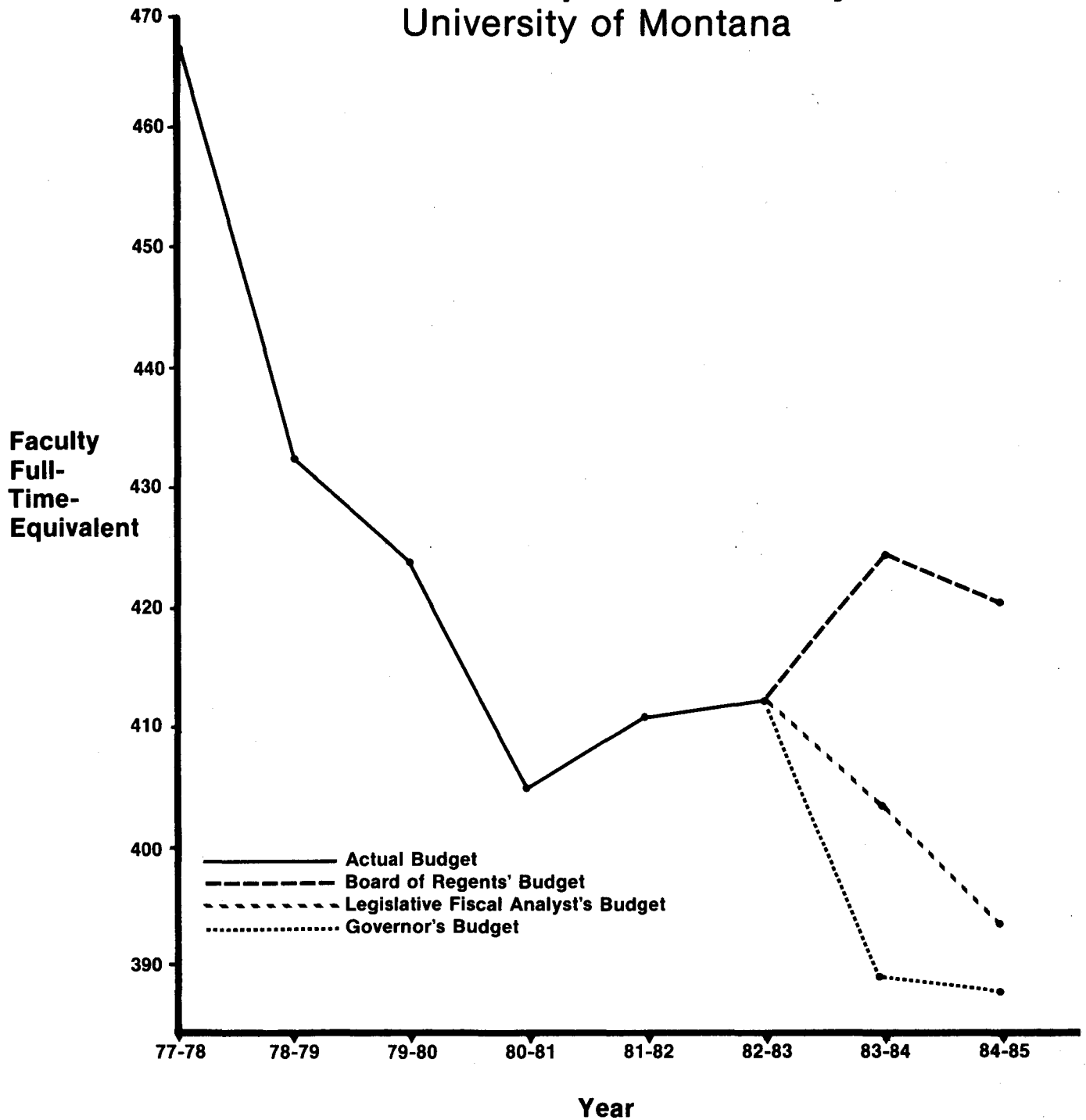


Figure 4

Student Faculty Ratio University of Montana

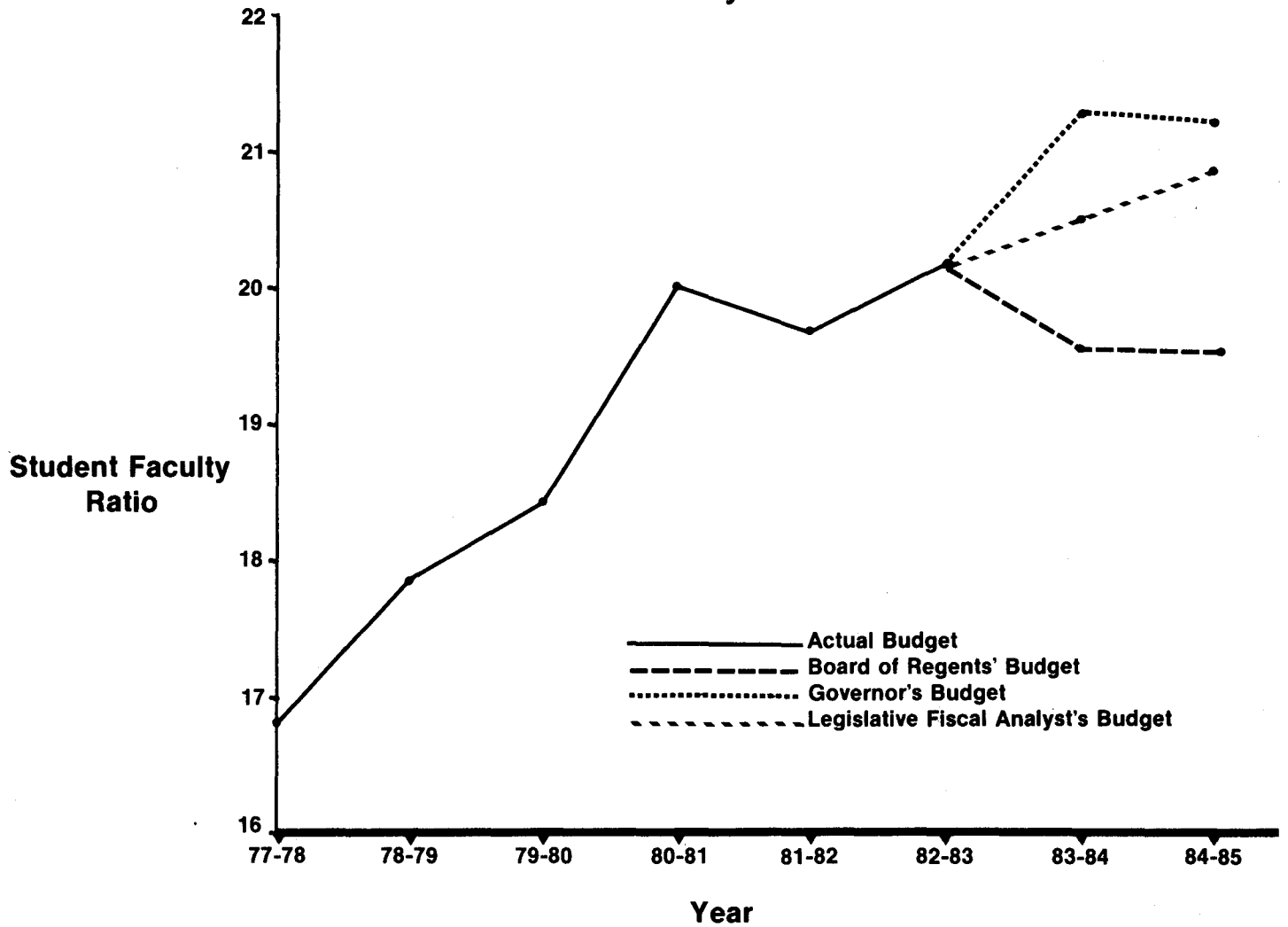


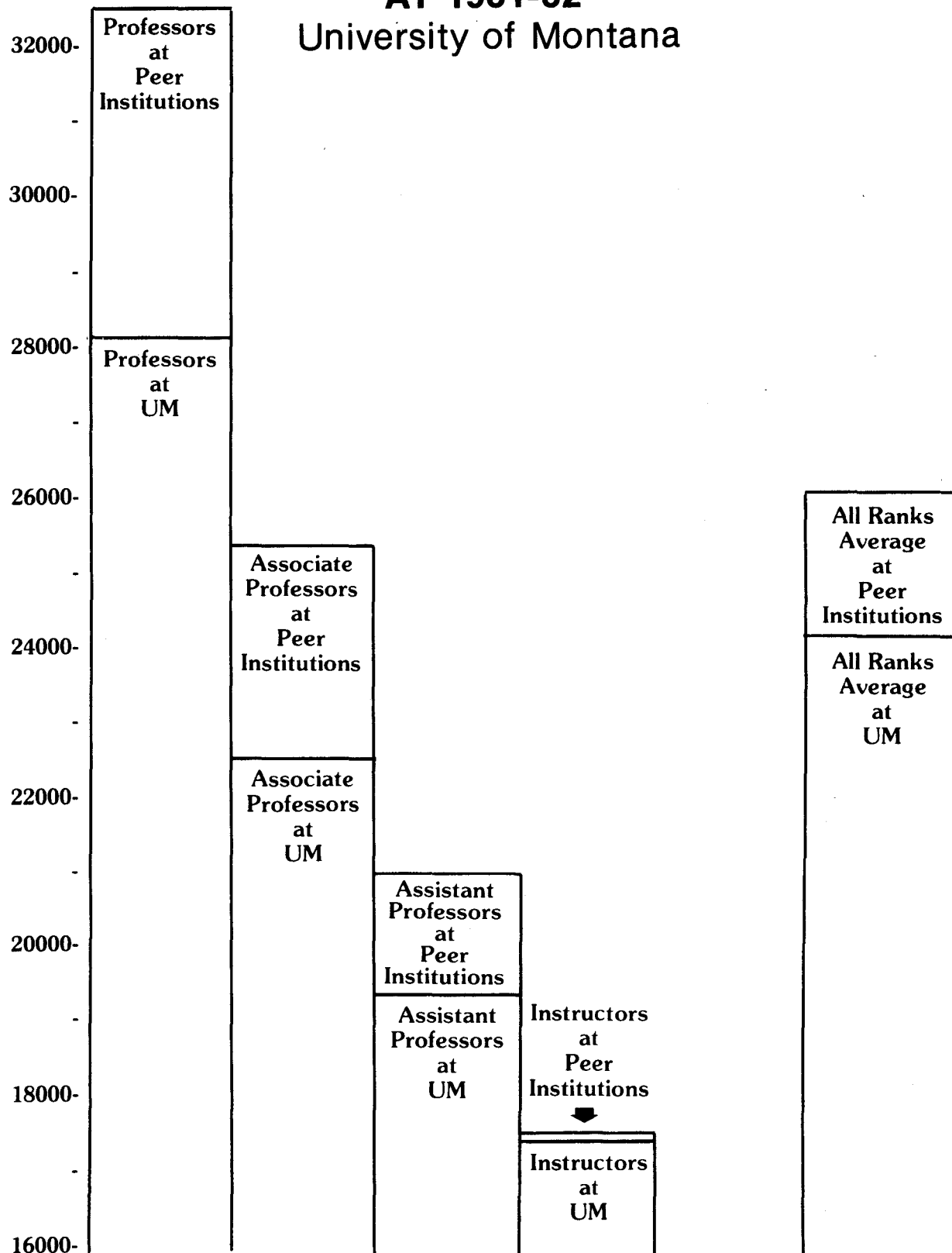
Figure 5

Faculty Salary Comparison By Rank

AY 1981-82

University of Montana

Dollars



Source: Idaho Salary Survey, 1981-82

Hart-Albin Company

*Educ. Subcomm.
2/16/83*

BILLINGS, MONTANA 59103

February 15, 1983

Mrs. Esther Bengston
Montana Legislature
Helena, Montana

Dear Mrs. Bengston:

I am writing to express my unqualified support for the proposed M.B.A. program to be offered at Eastern Montana College through the cooperation of the Graduate School of Business of the University of Montana.

When the possibility of this program being offered was announced recently the response from interested persons was quite overwhelming. In less than one day all the interview times for the entire week were reserved. Over 200 people exhibited definite intentions of enrolling in the M.B.A. program for the Fall of 1983. Most of these were persons holding middle management jobs with Billings companies. These people while keenly interested in improving their career possibilities through the acquisition of an M.B.A. degree, could not afford to give up their jobs and move to Missoula to attend classes on the University of Montana campus.

Some persons from as far away as Miles City said they would drive in twice a week to attend classes held at Eastern.

By affording this opportunity to people in this area, the University System will have taken a giant step forward in becoming truly a State System of Higher Education, rather than six separate institutions.

I urge your support, and the support of your committee in bringing this program into being. I am sure it fills a growing need in this area.

Sincerely,

Russ B. Hart

Chairman,
Hart-Albin Company

2/1/83

EXHIBIT "P-4"

THE

MBA

IN BILLINGS

Questions and Answers



**University of
Montana**

Q. Why an MBA in Billings?

A. In summer 1982 a study was conducted to determine if there was a need for an MBA in Billings. Over 250 individuals sought an appointment to have their prior work evaluated and to express an interest in such a program. Almost all of these individuals were fully employed in the Billings area and could not "just pick up and move" to pursue the degree elsewhere. Over two-thirds have degrees in disciplines other than business and need the management education to help them advance in their careers. The need for and interest in an MBA in Billings became readily apparent.

Q. Who will offer the program?

A. The degree will be from the University of Montana since the Board of Regents limits the offering of the MBA to this institution. The program will be a joint effort by Eastern Montana College, Montana State University and the University of Montana. It will use faculty from all three institutions—truly, a cooperative effort.

Q. Will this be a day or night program?

A. Since the program is designed primarily for persons who already have full-time jobs, it will be a night program. The possibility of Saturday and early morning classes will be explored.

Q. How long will it take to complete the program?

A. The great majority of students will only attend part time. The average student with an undergraduate degree in business will probably take two calendar years to complete the program. Certain pre-graduate business background is necessary before going into graduate business courses. The average part-time student without this background will take longer.

Q. Will this be a high-quality program?

A. Yes. The University of Montana's bachelor's and master's program are accredited by the professional accrediting organization for business, the American Assembly of Collegiate Schools of Business (AACSB). Only 182 schools in the United States hold this dual accreditation.

Q. How will the program be funded?

A. Units of the University system are funded primarily by state appropriation. The appropriations are based on estimated enrollment, derived from past enrollment history. There is no funding in the present budget of the three institutions to start up a program of this kind and carry it until there is an enrollment history which will generate funding. Consequently, the University of Montana with the support of the other two institutions and the Board of Regents, is requesting funding from

the legislature to cover the first two years of the program operation.

Q. How much money is being requested?

A. A total of \$458,016 spread over the two years of the next biennium.

Q. Isn't this a lot of money?

A. Yes. However, \$76,326 of this money is a one-time cost to bring the EMC library in business and economics from an undergraduate to a graduate level. The remaining amount is equal to that which the estimated enrollment would generate under the legislature's funding formula. The difference in this case is that the University is asking for the funds "up front" instead of after two years of program operation.

Q. If the funding request is granted, when will the program start?

A. September, 1983.

Q. Where is more information available?

A. Office of the Dean
School of Business & Economics
Eastern Montana College
Billings, MT 59101

Office of the Dean
School of Business
Montana State University
Bozeman, MT 59717

Office of the Dean
School of Business Administration
University of Montana
Missoula, MT 59812

2/16/83

EXHIBIT "H"

Education Subcommittee

Testimony of John O. Mudd
Dean, University of Montana School of Law

You have received a brief description of a program which is under way at the University of Montana Law School. I would like to underline the importance of three points related to that program: (1) legal education as we know it today was designed over 100 years ago; (2) the legal world has changed--more in the last 10 years than the preceding 100; (3) legal education must respond to this change if it is going to serve the public interest.

As part of our research we have received information on Montana law practice from over 500 lawyers and judges. They and members of the public tell us that four elements are needed to practice law effectively: First, an understanding of the rules of law and legal procedures; second the ability use those rules and procedures in practice to assist clients; third, an understanding of the proper role of law and the lawyer in society, including the ethical responsibility of the lawyer; fourth, the personal qualities and interpersonal skills which are necessary to work well with people.

Legal education as it was designed over 100 years ago at Harvard was intended to provide only an academic background, not to train law students how to practice law.

In the last two years three major studies by the American Bar Association have called for significant reform in legal education to broaden the scope of a lawyer's training.

At the Law School we have designed new programs to address the full range of professional requirements. For example, we have new programs to teach legal writing and trial practice; we are implementing new ways to teach legal ethics and the responsibility of the lawyer to the public; and we have plans for teaching students how to resolve disputes in ways other than through the court system.

We have made significant progress at the School, but we have a long way to go. We cannot move further without your help. The reason is this: under the old method one law teacher could explain a legal procedure to 75 or 100 students in a classroom much like a doctor might explain a surgical procedure. But one teacher cannot supervise 75 students learning how to perform the procedure themselves. This training in practical skills requires close individual supervision whether it is teaching a medical student how to suture a wound, or a law student how to introduce evidence at trial.

The Law School has never been staffed to provide this type of training. Historically law professors teach four times as many students as teachers in other graduate programs and compared with programs like medicine they teach ten times as many students. Simply put, these high student-faculty ratios made effective clinical instruction impossible. To provide the necessary supervision and instruction in these other areas the law school must be staffed like other graduate programs.

The plan before you would reduce the law school student-faculty ratio to 14:1, still twice the average of 7:1 for other graduate programs in the State. It costs more to address these other critical aspects of lawyer competence, and we propose to pay the cost by significant increases in student tuition and by relatively small increases in state appropriations. The changes are planned over four years knowing that we cannot alter old patterns all at once.

Two additional points need to be made. These changes are needed for community lawyers who represent ordinary clients, not for lawyers practicing in large national law firms. We are not trying to outdo Harvard.

Second, this is not just an educational issue like improving a history department. We are here talking about educating the profession which produces our judges and shapes our entire legal system.

As a fourth-generation Montanan concerned about the future of our state, as a lawyer, and as dean of your Law School, I believe I have as serious obligation to explain these facts to you as clearly as I can. You will ultimately tell me how you want us to prepare your future lawyers and judges. You will have to decide this issue in the face of a tight budget. I understand that. The question is not whether in Montana we will complete the process of change in this biennium: we cannot. The question which is squarely before you is, will we begin?

Madam Chairman, members of the committee, I am Julie Fosbender and I represent the Associated Students of the University of Montana.

We are very concerned with the funding of the University of Montana as it relates directly to the quality of education we receive. Quality as reflected in the finest professors we can obtain and then allowing them to teach in classrooms that aren't overcrowded. Overcrowded classes were you become a number, a FTE student to be counted, instead of an individual. Where you must take a multiple choice test instead of an essay because the professor cannot afford the time to grade an essay or the University cannot afford the money to hire a teaching assistant to help out. Quality in equipment and in the library. Access time to the computer is limited from lack of terminals and our library research is hindered by a lack of books and periodicals. As a personal example, I was trying to write an assigned ten page term paper and the only resources I could find were one out dated book written in the 1930's and a few current magazine articles. Not very helpful in researching a political trend occurring in the 1970's. Quality is also reflected in the physical aspect of the University. The hallway on the fourth floor of our Liberal Arts building turns into a maze of buckets and containers to prevent a flood zone whenever it rains. Peeling paint, uneven temperatures, outdated lab equipment--all these things influence the attitude of current students, visitors from the private sector, and especially prospective students touring the University. All these problems will get worse with time unless they are corrected now.

Yet, we realize that quality costs money. We also realize that the students can't always be the one's with their hands out. As was demonstrated by the work-study hearing, we are willing to work for our education but many of us are at or nearing the financial line of not returning to school if financial aid is decreased or tuition rises drastically. The Regents proposed a tuition hike of \$54.00 in state in FY 84 and \$162.00 out of state and we can live with these figures. Favorable consideration of the LFA tuition increases could begin to price students out of an education--especially if the state work-study program isn't funded. I hate to see the University system filled only with students whose parents can afford to send them to school or those risky enough with their futures to go into debt with no job guarantees when the loans come due. Again, a plea to help us help ourselves by funding the work-study program.

In conclusion, we urge your full support of the formula at the Regent's enrollment level. Remember that 100% of the formula puts us at the average of our peers. Yet, if this support isn't possible during these hard fiscal times, I would propose an alternative of funding the formula as near as possible to 100% but discounting all the units at the same percent from the Regents request. We are the Montana University System. As a system we should take the good times as well as the hard times together.

Thank you.

Julie Fosbender

FEBRUARY 16, 1983

2/16/83
EXHIBIT "K"

TO: THE EDUCATION SUBCOMMITTEE OF APPROPRIATIONS

FROM: ANDY STROBLE, STUDENT, UNIVERSITY OF MONTANA, MEMBER: STUDENT COUNCIL


Chairperson Bengston, members of the committee,

I come before you today as one among many Montanans who appreciate those things about Montana of which we are all justly proud: the scenic grandeur of this state, its quality of life, wealth of natural resources; and above all its free and independent thinking people.

Generations of Montanans have seen fit to promote a tradition of excellence in higher education that we today are the beneficiaries of. We, all the people of Montana, will decide, in the days and years to come, questions that will shape the future of Montana and its people. In dealing with these questions we must have at our disposal all the intellectual resources we, the people of Montana, can command. Our problems are many, and the challenge is great. There is not only a need, but a necessity to invest in the future of Montana's people by working not merely to maintain, but to enhance our educational institutions and allow every Montanan access to them.

We all share a respect for the people of Montana, and realize they are worthy of every dollar that can be spent on them.

Respectfully,


Andy Stroble



The Big Sky Country

2/16/83

EXHIBIT "L"

MONTANA STATE SENATE

SENATOR MARK ETCHART

DISTRICT NO 2

GLASGOW, MONTANA 59230

HELENA ADDRESS:

613 1ST STREET

442-6377

COMMITTEES:

FINANCE AND CLAIMS

HIGHWAYS AND TRANSPORTATION, CHAIRMAN

NATURAL RESOURCES

January 20, 1983

Owen Hummel
610 Stephens
Missoula, MT 59801

Dear Owen:

I read your letter with interest and assume that the subcommittee which is working on funding for the University System will take note.

At any rate, I am going to refer your letter to them and refresh their memory, as I think that a question or two during the hearings on their budget might clear up the matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mark Etchart".

Senator Mark Etchart
Chairman, Highways
and Transportation

ME/cdf

1/14/83
January 14, 198³

The Honorable Mark Etchart
Capitol Station
Helena, MT 59620

I have been unemployed since June. Do you know anyone who is out of work? It is very depressing.

The reason for my situation is complicated. My supervisor at the University of Montana said I was fired for misconduct. I was responsible for charging the U of M printing department with operating an unsafe paper cutter. The machine was finally taken out of service when I wrote a lot of letters and filed a complaint with the Bureau of Workers Compensation.

I filed a grievance with the printing union and I will probably win the case in arbitration. If I win, the state will have to give me my job back and pay back wages. Even if I lose, this whole affair is a lesson in poor management.

I worked for the U of M since June 1972. The management in the printing department has built a clerical empire while it has lost customers. There are six nonproductive people doing office work in a small shop that would normally require two or three. The customers lost include the Montana Kaimin and Scholars Press. Even the U of M catalog is now printed out of state.

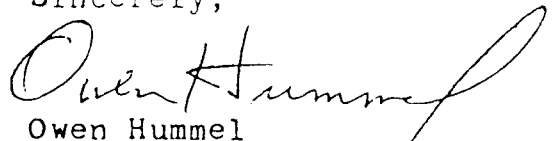
If you are going to continue to fund the university system, shouldn't you make its management accountable? Why should these public operations be allowed to build clerical empires?

I believe the management at the U of M to be incompetent and wasteful. One solution would be to discontinue many of the services such as printing. Get rid of the management and have the work done in the private sector. Also, conduct an investigation of the U of M management and help me get back to work.

They even tried to have my unemployment compensation stopped. The governor and his son are aware of what happened. I have written to the governor many times; he has answered all of my letters but hasn't been willing to help solve the problem.

I certainly hope something positive will come from my experience, don't you?

Sincerely,



Owen Hummel
610 Stephens
Missoula, MT 59801



Wickham

3/16/83

EXHIBIT "Q"

33 South Last Chance Gulch
Helena, Montana 59620
(406) 449-2785

Board of Public Education

BOARD MEMBERS

February 16, 1983

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Assistant to the Board

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Ed Argenbright, Superintendent of
Public Instruction

Wing E. Dayton, Acting Commissioner
Higher Education

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Helena

Jean Robocker
Kalispell

Thomas A. Thompson
Bozeman

TESTIMONY ON BEHALF OF THE MONTANA RURAL EDUCATION CENTER, WESTERN MONTANA COLLEGE BEFORE THE APPROPRIATIONS/FINANCE AND CLAIMS SUB-COMMITTEE OF THE 48th LEGISLATIVE ASSEMBLY:

One of the special goals of the BPE

Improving the quality of rural schools has long been a goal of the Montana Board of Public Education. The Board has considered the possibility of providing two sets of accreditation standards to give more latitude to small schools; but the small schools have resisted such a suggestion, and rightly so.

we have Small rural schools have some decided advantages over their urban counterparts such as one-to-one relationships with teachers, closer supervision ~~by~~ parents and more ability for time on task. But distances and isolation have their drawbacks--less equipment, fewer programs, fewer books, less salary and facilities. Teachers are ~~not~~ *sometimes* ~~not~~ *not* all prepared to handle very small classes with several grades in a school and integrated classes.

To answer some of the problems of small rural schools, the Montana Rural Education Center was established on the campus of Western Montana College in 1980 under a grant provided by the Northwest Foundation. ~~In the person of Ralph Brown,~~ The Center takes its experience and expertise to the schools, gives inservice assistance to teachers, arranges for special resource sharing, helps teachers trade ideas and materials, provides an annual conference for school teachers and helps in a dozen other ways to bring high quality education to small rural districts.

Over 41% of Montana's schools benefit by this assistance. The Board of Public Education encourages the continuance of this program at Western Montana College.

Harriett Meloy, MEMBER
Board of Public Education