

MINUTES OF THE MEETING
JOINT SUBCOMMITTEE
ON EDUCATION APPROPRIATIONS
MONTANA STATE
HOUSE OF REPRESENTATIVES

February 11, 1985

Tape 46 Side A

The meeting of the Education Subcommittee was called to order at 7:00 A.M. by Chairman Gene Donaldson on Monday, February 11, 1985, in Room 104 of the State Capitol.

All members were present.

The purpose of the meeting was hearing the Budget of the Community Colleges.

The first presentation was made by Sib Clack (46:A:023), (EXHIBIT 1), Office of the Budget and Program Planning. Appropriations for the three community colleges are passed through the Community College Program in the Office of the Commissioner of Higher Education. The three community colleges are Dawson, located at Glendive; Flathead Valley, located in Kalispell; and Miles City Community College, located in Miles City.

Funding for the community colleges is determined by a formula developed by the Legislative Finance Committee. The total current unrestricted budget is determined by multiplying the cost per FTE student by the projected enrollment for the forthcoming biennium, Ms. Clack said.

The budget is funded by a variety of sources: (1) General Fund, at a percentage of total determined by the Legislature; (2) tuition and fees, at a rate per student, credit hours, etc.; (3) "other", per community college for indirect cost recovery and interest income; and (4) mandatory levy, which is the remainder after all other sources are determined.

Ms. Clack said the Executive recommends General Fund support for the community colleges of approximately \$7 million for the biennium. This includes a 5 percent increase in FTE student projections over the 1985 biennium. The Executive budget recommends a cost per FTE student of \$3,516 for each year. This cost is based on the appropriated levels for fiscal year 1985. In line with the Executive recommendation for zero inflation, no inflation was applied to operations between fiscal 1986 and 1987. There is also no inflation applied to personal services, since the Executive's figures are based on the 1985 personal services level, Ms. Clack said.

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Ms. Clack said the Executive budget recommends continuation of the 53 percent level of General Fund support. However, in order to meet the revised revenue estimates, 2 percent of the total General Fund support for the Administration Program and the Community College Assistance Program was removed, she said. There is no recommendation from the Executive as to precisely where these 2 percent cuts should be made. This decision is up to the Subcommittee and the agencies involved, Ms. Clack said.

A presentation by Bill Sykes (46:A:116) (EXHIBITS 2 and 3) of the Legislative Fiscal Analyst's office followed. The LFA is higher than the Executive in cost per student in both FY 86 and FY 87. The cost factor includes the average cost of instruction, academic support, student services, institutional support, and operation and maintenance of plant. The current level cost factors were derived by applying inflation to the fiscal 1984 cost factor of \$3,325. Executive cost factors are lower than current level by \$67 per student in FY 86 and \$117 in FY 87, he said. The Executive did not allow inflation in the cost factor between fiscal 1986 and 1987.

Mr. Sykes said the Executive budget exceeds current level in enrollment estimates for the three colleges by 133 in fiscal 1986 and 213 in fiscal 1987. The major difference occurs at Dawson Community College where the Executive estimates higher student enrollments by 100 FTE in FY 86 and 145 FTE in FY 87.

Part of the difference between the Executive and the LFA in the area of funding occurs because the Executive did not include audit costs, Mr. Sykes said. The current level budget provides an increase of General Fund support of 2.1 percent over the 1985 biennium, he said.

Mr. Sykes said that an area of concern is that Miles Community College had an actual fiscal FTE in 1984 which was 116 below the level funded by the 1983 Legislature. This resulted in the school's receiving \$204,421 more in General Fund than was justified by unrestricted student enrollment. The decrease in enrollment at Miles results because student enrollment at three Indian community colleges are not counted in the unrestricted FTE in Miles' enrollment in the 1987 biennium. The three out-of-district centers are the Fort Peck Community College, Dull Knife Memorial Community College and Little Big Horn Community College. Fiscal 1984 student enrollment funded by the 1983 Legislature at Miles included enrollment from the three out-of-district centers, Mr. Sykes said.

Based upon the loss of student FTE from the three tribal colleges and a slight decrease in fiscal 1985 fall enrollment, Miles' unrestricted student enrollment is projected to remain constant at the actual fiscal 1984 level of 464

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FTE in each year of the 1987 biennium, Mr. Sykes said. Funding of the reduced enrollment at Miles will cause a decrease in General Fund support of 15.2 percent from the 1985 biennium. Also, the mandatory levy for Miles is projected to decrease by 15.6 percent from fiscal 1984 to 1986 as student enrollment declines. Funding of the reduced enrollment at Miles will cause a reduction in services in the 1987 biennium, he said.

The first witness in behalf of the community colleges was Bill Lannan (46:A:260), Community College Coordinator, Board of Regents. Title 20, Chapter 15 of the codes governs the community colleges, Mr. Lannan said, specifically, Section 20-15-103 directs the Board of Regents to supervise and coordinate community college districts. Mr. Lannan said he anticipates that during the fiscal years 1985 and 1986 the community colleges will have an unrestricted FTE enrollment of 1,740 students for the first year of the biennium and 1,770 students for the following year. Mr. Lannan said that the community college is the best education buy in the state from the point of view of the state General Fund and the students. He said he bases this statement on the following facts:

- (1) The expenditure per FY FTE is the lowest of all public post-secondary institutions.
- (2) The state's share of the unrestricted budget is 53 percent.
- (3) Tuition fees are the lowest of all post-secondary institutions.
- (4) Faculty and staff salaries are lower on the average.
- (5) Faculty teaching loads are, on the average, lower.

Each community college is accredited by the Northwest Association of Schools and Colleges, Mr. Lannan said.

The next witness was Don Ketner (46:A:382) (EXHIBITS 4 and 5), President, Dawson Community College. Dr. Ketner introduced the Dean of Administrative Services at Dawson, Charles Kintz. Dr. Ketner said enrollment at Dawson has grown since 1983, in spite of the fact that over 1,230 workers have been lost in the area because of the oil recession. The school has a new dormitory, which was financed through municipal bonds, he said.

Dr. Ketner pointed out that the school's enrollment projections have been on target. He mentioned further on-campus improvements: a new student center and expanded library. The school is particularly proud of this project, he said, because no direct dollars from taxation monies were used.

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The tax impact on the county in which Dawson is located is 22 mandatory mills with a 5.8 special voted mill levy, Dr. Ketner said. He said tuitions were raised in 1981-- for the first time in ten years--and they were raised again in 1982.

Dean Kintz (46:A:594) discussed Dawson's budget (Exhibit 4), and answered questions from the Subcommittee.

Dr. Ketner discussed the two instructional sites at Baker and Sidney.

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Dr. Ketner said that the instructional sites provide opportunities for people in more remote areas to upgrade themselves. He said at Dawson they are confident they will have more FTE than the number projected. He said the state's community colleges educate some 3600 plus students, and the colleges play a valuable role in offering access to higher education to people in the isolated areas. These people in out-of-the-way areas are the backbone of the state, he said.

Dr. Ketner then answered questions from the Subcommittee (46:B:084).

The next witness was Howard Fryett, (46:B:165) (EXHIBIT 6), President, Flathead Valley Community College. Dr. Fryett said that in November of 1984 the school asked for a bond levy for the campus, which failed by a vote of 12,804 to 12,603. He said there is a lot of support for a new campus, and they will go back and make a second effort to get the levy passed. He said the people in his district want vocational and technical training. Enrollments at the school have increased steadily, and the school has educated approximately 216 more FTE than the number funded.

Dr. Fryett mentioned Lincoln County Center and Glacier Institute, which have been accredited. He said the Flathead has an articulation agreement with Western Montana College which allows Flathead students with the appropriate credits to transfer to Western Montana College in their junior year. He reiterated Mr. Lannan's statement that community college is the best buy for the money.

Dr. Fryett answered questions from the Subcommittee (46:B:307).

Senator Les Hirsch (46:B:444) of Miles City said community colleges are a good investment of education dollars.

The next witness was Judson Flower (46:B:461) (EXHIBIT 7), President, Miles City Community College. Dr. Flower introduced Eilleen Carlson, Chairman of the Board of Trustees at the school. Dr. Flower said he wanted to underscore what had been said previously regarding the value the state receives from its investment in community colleges. He said Miles City has a genuine concern for those in the remote areas of the state. Forecasts for the future, in terms of jobs, indicate that 80 percent of jobs in the future will be in technical areas that require less than four years of college education. During the average working lifetime of individuals, they will need to be re-trained to keep pace with technological changes three times. Keeping up with this re-training process is an immense task, he said.

Dr. Flower next discussed the school's involvement with the Indian schools. In 1977, there was a meeting held in Bozeman of all the higher education institutions in the state and representatives of each of the Indian tribes. The basic concern was that the needs of Indian students were not being met, he said.

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At this meeting, Miles City was given the assignment to work with the Indians by offering them, on the reservation, freshman and sophomore level courses. There are two reservations in the Miles City district: the Northern Cheyenne and the Crow. All of this took place before the Indian community colleges came into being. Now, Miles City is caught in the middle of a change. The total impact in dollars is a reduction of approximately \$353,000, or about 17 percent of the total budget, he said.

Miles City did get involved with both the Cheyenne and the Crow, Dr. Flower said. The Board of Regents, since the establishment of the funding formula, has set up a community college education center policy in which it is trying to establish additional quality control for course offerings that are off-campus. This had the impact of reducing Miles City's ability to deliver some of its programs throughout the state.

The Indians were asked if they were interested in becoming community college education centers, Dr. Flower said. The Indians opted not to become community college centers, and in the meantime Dull Knife was awarded candidate status by the Northwest Association. This raised the question of how to treat the credits that were generated at Dull Knife. The University System established a policy that they would not accept credits from Dull Knife until the students from Dull Knife completed 15 hours of credit at

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the University. Dull Knife at this point asked to continue their relationship with Miles City, which was done. Fort Peck Indian School, in the meantime, asked to continue their relationship with Dawson. The Regents said yes to this, but specified that when the Indian institutions reached the level of candidate status they would no longer be supported by the community colleges, he said.

Dull Knife had already achieved candidate status, but by this time Miles City had peaked in its work with Dull Knife and was almost phased out of the program there, Dr. Flower said. The Crow, however, were a different matter, and were thought by Miles City to be two or three years away from receiving candidate status, he said. Then, last June, the Crow were awarded candidate status, catching many people off guard. The drop in Miles City's enrollment is attributable to this sudden loss of the Crow.

Dr. Flower interrupted his own testimony at this point and introduced newly arrived members of the Miles City delegation: Ken Bower, a member of the Board of Trustees; Milt Binge, also a member of the Board of Trustees; Marty Lenelin, a staff member; and Jessica Stickney, a member of the Board of Trustees.

Dr. Flower resumed his testimony. When the funding formula for community colleges was established in 1981, the base figure used for Miles City was 486 FTE, 404 on-campus and the remainder Indian enrollment. For the next two years the school was funded on a declining FTE basis, Dr. Flower said. The school's enrollment continued to go up, however, partly due to the Indians. In 1983, the school volunteered to reduce its FTE to 580, because it couldn't afford the local tax base caused by its increasing numbers. The school was funded at this level for the past two years, while in the meantime its unrestricted enrollment continues to grow. Dr. Flower said the school feels that the LFA's FTE projections of 464 for FY 86 and FY 87 are not appropriate. The school has a steady growth pattern in its unrestricted enrollment, and the growing program at Colstrip will in time make these numbers conservative. The reason used for staying at 464 FTE is that the fall quarter enrollment was 462, but fall quarter enrollment is not the most accurate barometer for the school as to what the yearly FTE will be, Dr. Flower said.

It is almost impossible to administer an institution, Dr. Flower said, when the enrollment goes up and the funding goes down. He said the school does need to phase out of its operations with the Indian institutions. The impact on the school of this sudden reduction is critically inhibiting, he said. The loss of programs and students that would come

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from such a reduction would be devastating to the school. He said the school was set on its path of working with the Indians by the state, and somehow there must be some way to ease this drastic drop. Colstrip will continue to grow, but right now 600 FTE is as high as the school will go. 490 FTE is a number that the school can accept. Dr. Flower said that there must be some mechanism that will ease the school's drastic reduction over a two-year period.

A question and answer session followed between Dr. Flower and members of the Subcommittee (47:A:347).

Representative Moore asked what the school's actual winter quarter enrollment is. Dr. Flower said it's approximately 470, and that the figures aren't final yet. Representative Moore said that when the school was funded by the 1983 Legislature, its FTE was under the formula by approximately \$200,000. Dr. Flower said that because of the change in definition, not because of any change in working relationships, this drastic drop occurred. Representative Moore said the point is that the school was funded by the formula at 580. It didn't reach the 580, so the third year it was over-funded by \$200,000.

Representative Moore stated that it was the intention of the Legislature in 1979 and 1981 when the Indian community colleges were coming on board, that the state have nothing to do with the Indian schools. He said he didn't understand how the community colleges got involved with the Indians. Chairman Donaldson asked if any instructional support was provided to the Indian schools. Dr. Flower said it's an indirect process; agreements were established with the reservations so that there was not a passing back and forth of tuitions or instructors' salaries. Normally, Miles City would have collected students' tuitions and paid the instructors. This bookkeeping process was eliminated in their agreement with the reservations. Miles City collected only the fee portions of tuitions and fees. The Indians paid the instructors directly. Had they collected the full tuitions and fees, the school would have been making the expenditures for the instructional costs. Chairman Donaldson asked if federal money was put into the school's unrestricted budget. Dr. Flower said it was not.

Chairman Donaldson asked if Colstrip was making any contribution to Miles City. Dr. Flower said Colstrip has indicated a preference to join the district, but this hasn't happened yet. They prefer this to the service agreement; Colstrip wants full participation, he said. Chairman Donaldson pointed out that part of the school's local levy problem is that Colstrip people are being educated at the school, yet Colstrip isn't really making any contribution to it.

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Chairman Donaldson asked Dr. Flower what the taxable value of Rosebud County is. Dr. Flower said the taxable value is \$244,000 in the county, and the school district that Miles City is working in is the bulk of that tax base--about \$200,000 itself.

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Representative Peck asked Mr. Lannan if he remembered making the Subcommittee aware that it was counting FTE out of these programs during last session's meetings. Mr. Lannan said that last session his office presented to the Subcommittee the enrollment information that was reported to them, and no differentiation was made as to whether they were on campus, or whether they were at Lame Deer, or where they were located. He said his office received student credit hours for FTE that were either restricted or unrestricted. Representative Peck asked Mr. Lannan if he knew if the Subcommittee was made aware that it was counting FTE out of these programs. Mr. Lannan said no.

Dr. Flower said in the community colleges' submission of enrollment reports to the Regents, the schools specify the locations of all the enrollments. There has always been an awareness of where these credits are coming from, he said. Chairman Donaldson said the Commissioner's Office may have been aware of this, but he didn't think the Subcommittee was. Mr. Lannan said that what the Subcommittee would have seen was total FTE production with a subtraction of restricted enrollments, therefore (on the reports) the Subcommittee would not have seen FTE that were produced at various locations. Representative Peck said the Subcommittee was looking at total FTE, not a breakdown. Mr. Lannan said that is correct. Chairman Donaldson asked if Indian students were given fee waivers at the community colleges. Mr. Lannan said this is up to each college.

Representative Peck said he is concerned that there may have been some questionable sponsoring of credits. Mr. Lannan said his office also had concerns about the development of tribal colleges. However, he said, whether the Board liked it or not, the colleges were going to develop, and students attending those institutions will probably attend state-sponsored campuses eventually. The Board was concerned with maintaining quality education, and for that reason--in 1977--the Board directed the community colleges to work with the Indian tribes. There was also concern that some of the Indian students would qualify for federal grants, and in order for those students to qualify for such grants they had to be associated with an accredited institution, he said. This is why the Board felt the agreement between the tribes and the community colleges was important, Mr. Lannan said.

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Representative Peck asked if this was circumvention of federal law that says a student has to be in an accredited school: attaching him to a community college, just to make him eligible for all the programs? Mr. Lannan said the Board was encouraged by the Northwest Association of Schools and Colleges to do that. Mr. Lannan said he did not believe there was any circumvention of law, because the students were attending an accredited institution, even though they were not on campus.

Representative Peck asked Mr. Lannan if he still considered the students to be attending an accredited institution--once the tribal colleges got started--or was this a convenience to make the students eligible for federal benefits? Mr. Lannan said when it became apparent that the tribal colleges were reaching candidate status, there was a question regarding the students who would transfer from the tribal schools to the University System. The administration of the University System recommended that these credits be transferred from an institution with candidacy status (in the northwest region only) to the units of the University System only if a student completed 15 credits within the University System.

Representative Peck said it sounded to him like they were washing credits. He said that through Miles Community College it is being certified that those are accredited credits that have been earned, while in fact they were earned at Dull Knife Tribal College. He said the tribal colleges are springing up throughout the state, and when the federal money is jerked out from under them, there will be a big drive on the Legislature to fund them. He asked if the Commissioner's office had any part--or say--or authority in allowing those schools to be established. Mr. Lannan said they had no right (in this matter). Representative Peck said then it was strictly a federal deal; there was no state involvement. Mr. Lannan said this is correct (47:B:185).

The next witness was Dr. Merlin Harwood (47:B:195), a Blackfoot Indian and private consultant. He said he thinks the state has done a good job assisting the tribes. He said he is afraid Indian students will be driven away from community colleges because of problems with federal funding. He said there is a legal obligation on the part of the state of Montana to assist with the education of Indians. He said he is a taxpayer and therefore deserves the same benefits as anyone else in the state. He said the practice of separating Indians from the state is wrong and that some type of study should be made of the practice.

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Chairman Donaldson said he can understand the reluctance of the Indian people to leave the reservation in order to get an education. He said he did not think the state has denied the Indian people access to the University System. Dr. Harwood agreed with this.

The next witness was Jessica Stickney (47:B:408). Ms. Stickney said one of the strengths of the community colleges is their ability to meet the needs of the areas they are serving. She said she thinks Miles City did exactly the right thing for the right reasons when they were asked to work with the tribes. The fact that the Indians were legally being counted as part of the school's FTE was also done for the right reasons. She said the school should not be penalized for doing the right thing and that the school is now attempting to expand its district base.

Chairman Donaldson (47:B:439) asked Ms. Stickney to comment on the school's efforts in broadening its base, particularly in the Colstrip area. He noted that unfortunately enrollment sometimes does not reflect the tax base. Ms. Stickney said she thinks the whole state should be re-districted into community college districts. Chairman Donaldson said that eventually Colstrip is going to have to make some sort of financial contribution to the school. Ms. Stickney agreed with this and said Colstrip is in the process of voting to become part of the Miles City District.

Senator Hammond said there may be some "washing of money and credits" as far as Indian students are concerned, but the high schools are now doing that for the church schools. The same process goes on, he said. If the Indian schools are going to be there, these people somehow are going to have to be accredited--or discredited. He said it sounds to him as if the Board of Regents or the Commissioner of Higher Education mandated the program.

Chairman Donaldson said the Subcommittee is now faced with a policy decision, which needs a serious look. In effect, the Subcommittee is involved in funding enrollments at the Indian schools, he said. He stated further that the 1983 Legislature did not knowingly fund students at the tribal colleges, nor was it the intent of the Legislature to provide financial support to the tribal colleges.

The next witness was Milton Binge (47:B:534, who said the school did what it was asked to do. Now it needs a way to ease out of its difficult financial situation.

The next witness was Eilleen Carlson (47:B:565). Ms. Carlson reminded the Subcommittee that there are a lot of people

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east of Billings. Miles City Community College serves a huge territory. The people who are out in that part of the state want an education too, she said.

Senator Haffey assured Ms. Carlson that a lot of the people on the Subcommittee know there are a lot of people east of Billings, and because they know that and empathize with her concerns, decisions were not made during the last session that would have adversely impacted that area.


Dr. Flower said Miles City would play by whatever rules are adopted, but when the rules change and cause such hardship, there is a need for some sort of easement into the new situation. Senator Haffey asked Dr. Flower if the 490 number is one the school can live with. Dr. Flower said 490 would help in easing the situation.

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Senator Jacobson asked Dr. Flower what it would mean to the school in dollars if Colstrip becomes part of the district. Dr. Flower said dollars wouldn't change because the school is funded on the basis of total FTE, but if Colstrip were part of the district the levy required to raise the local share of dollars would be changed drastically.

Following more discussion, Chairman Donaldson stated that a primary concern is the fact that FTE were counted twice.

The meeting adjourned at 10:15 A.M.


Gene Donaldson, Chairman

DAILY ROLL CALL

EDUCATION SUB COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date February 11, 1985

NAME	PRESENT	ABSENT	EXCUSED
Rep. Gene Donaldson, Chair	X		
Sen. Judy Jacobson, Vice	X		
Sen. Jack Haffey	X		
Sen. Swede Hammond	X		
Rep. Bill Hand	X		
Rep. Jack Moore	X		
Rep. Ray Peck	X		

VISITORS' REGISTER

Job

COMMITTEE

BILL NO. _____

DATE Feb. 11, 1985

SPONSOR _____

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
CHARLES L. KINTZ	GLENDIVE	X	
HOWARD L. FRYETT	KALISPELL	X	
DON KETTNER	GLENDIVE	X	
Judson H. Flower	Miles City	X	
Carl Zabrocke	Miles City	X	
Bill Lannan	Helena	X	
Jessica P. Stidman	Miles City	X	
Milton Bern	Miles City	X	
Ken Bowden	Miles City	X	
Martin J. Lavelin	Miles City	X	
DR. MERLIN HARWOOD	BROWNING		
Eleanor Carlson	Miles City	X	
Ed Myers	Kalispell (FVCC)	X	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.
PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

COMMUNITY COLLEGE FUNDING FORMULA

FTE Student Enrollment X Cost-per-FTE-Student = Total Current Unrestricted Budget

Total Current Unrestricted Budget is funded with:

- GENERAL FUND @ Percent of Total determined by Legislature
- TUITION AND FEES @ Rate per student, credit hours, etc.
- OTHER @ Per Community College for indirect cost recovery, interest income
- MANDATORY LEVY @ Remainder after all other sources determined

THEREFORE,

Total Current Unrestricted Budget	
General Fund	-
Tuition and Fees	-
Other	-
Mandatory Levy	

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OBPP WORKSHEET
COMMUNITY COLLEGE COST/FTE STUDENT - 1987 BIENNIUM

Personal Services Cost/FTE									
Community College	Percent Pers. to Total FY85 Request*	HB 447 Approp. for FY85 Minus Audit Line-item	Derived Pers. Serv. from HB 447 Approp.	Allocation of HB 902 Pay Plan - 85 Bien.	Total GF Pers. Serv. Approp.s for Calculation	Total CUF Pers. Serv. for Calc.**	FY85 Student FTE - Set by 1983 Session	Personal Services Cost/FTE Student	Personal Services Cost/FTE Student for 1987 Biennium
Dawson Flathead V. Miles	71.62 69.02 57.98	\$ 718,256 1,484,994 1,041,471	\$ 514,415 1,024,943 603,845	\$ 26,916 55,014 40,404	\$ 541,331 1,079,957 644,249	\$ 1,021,379 2,037,555 1,215,564	400 827 580	\$	\$ 2,553 2,464 2,096

Operations Cost/FTE						
Community College	Percent Pers. to Total FY85 Request	HB 447 Approp. for FY85 Minus Audit Line-item	Derived Oper. Approp. from HB 447	Total CUF for Operations Calculation**	FY85 Student FTE - Set by 1983 Session	Operations Cost/FTE Student
Dawson Flathead V. Miles	28.38 30.98 42.02	\$ 718,256 1,484,994 1,041,471	\$ 203,841 460,051 437,626	\$ 384,606 868,021 825,709	400 827 580	\$ 962 1,050 1,424

Derivation of Aggregate Cost Factor				
Community College	Personal Services Cost/FTE Student	Operations Cost/PTE Student	Total CUF Cost/FTE Student	AVERAGE AGGREGATE COST
Dawson Flathead V. Miles	\$ 2,553 2,464 2,096	\$ 962 1,050 1,424	\$ 3,515 3,514 3,520	\$ 3,516

* Taken from CHE Form 201 submitted by each unit for 1985 Biennium budget request.
 ** Derived by dividing percent of GF support (53%) into total GF appropriation.

OBPP WORKSHEET
COMMUNITY COLLEGE COST/FTE STUDENT - 1987 BIENNIUM

Personal Services Cost/FTE									
Community College	Percent Pers. Serv. to Total FY85 Request#	HB 447 Approp. for FY85 Minus Audit Line-Item	Derived Pers. Serv. from HB 447 Approp.	Allocation of HB 902 Pay Plan - 85 Bien.	Total GF Pers. Serv. Approp.s for Calculation	Total CUF Pers. Serv. for Calc.**	FY85 Student FTE - Set by 1983 Session	Personal Services Cost/FTE Student for 1987 Biennium	
Dawson	71.62	\$ 718,256	\$ 514,415	\$ 26,916	\$ 541,331	\$ 1,021,379	400	\$ 2,553	
Flathead V.	69.02	1,484,994	1,024,943	55,014	1,079,957	2,037,655	827	2,464	
Miles	57.98	1,041,471	603,845	40,404	644,249	1,215,564	580	2,096	

Operations Cost/FTE									
Community College	Percent Pers. Serv. to Total FY85 Request	HB 447 Approp. for FY85 Minus Audit Line-item	Derived Oper. Approp. from HB 447	Total CUF for Operations Calculation**	FY85 Student FTE - Set by 1983 Session	Operations Cost/FTE Student for 1987 Biennium			
Dawson	28.38	\$ 718,256	\$ 203,841	\$ 384,606	400	\$ 962			
Flathead V.	30.98	1,484,994	460,051	868,024	827	1,050			
Miles	42.02	1,041,471	437,626	825,709	580	1,424			

Derivation of Aggregate Cost Factor				
Community College	Personal Services Cost/FTE Student	Operations Cost/FTE Student	Total CUF Cost/FTE Student	AVERAGE AGGREGATE COST
Dawson	\$ 2,553	\$ 962	\$ 3,515	
Flathead V.	2,464	1,050	3,514	\$ 3,516
Miles	2,096	1,424	3,520	

* Taken from CHE Form 201 submitted by each unit for 1985 Biennium budget request.
 ** Derived by dividing percent of GF support (53%) into total GF appropriation.

COMMUNITY COLLEGES

Formula

The total unrestricted budgets for the community colleges are generated by a formula approved by the 1981 legislature in which projected student enrollment (FTE) is multiplied by a cost factor. The total budget is then multiplied by 53 percent to determine the general fund allocation to each college. The remaining 47 percent of the formula budget is financed from a combination of sources including student tuition and fees, interest income, indirect cost reimbursements, and a mandatory levy on the community college district. The formula is illustrated in Table 2 on page 772 in the analysis. Table 3 on page 773 in the analysis presents the calculation of the mandatory levy for each community college.

----- Formula Issues -----

1. Cost Factor Per Student	<u>1986</u>	<u>1987</u>
Executive	\$3,516	\$3,516
LFA Current Level	<u>3,583</u>	<u>3,633</u>
Difference	<u>\$ (67)</u>	<u>\$ (117)</u>

The cost factor or average expenditure per student includes the average cost of instruction, academic support, student services, institutional support, and operation and maintenance of plant. The current level cost factors were derived by applying inflation to the fiscal 1984 cost factor of \$3,325.

Executive cost factors are lower than the current level by \$67 per student in fiscal 1986 and \$117 per student in fiscal 1987. The executive did not allow inflation in the cost factor between fiscal 1986 and 1987. Current level cost factors allow for inflation between fiscal 1986 and 1987 in all expenditures other than personal services.

2. Student Enrollment

The following table presents a college by college comparison of executive estimates of student enrollment to current level. The executive budget exceeds the current level in enrollment estimates for the three colleges by 133 in fiscal 1986 and 213 in fiscal 1987. The major difference between the executive and current level enrollment estimates occurs at Dawson Community College where the executive has estimated higher student enrollments by 100 FTE in fiscal 1986 and 145 FTE in fiscal 1987.

Table 1
Comparison of Executive Estimates of Student Enrollment
(FTE) to Current Level
1987 Biennium

College	----- Fiscal 1986 -----			----- Fiscal 1987 -----		
	Executive	Current Level	Executive Over(Under) Current Level	Executive	Current Level	Executive Over(Under) Current Level
Dawson	500	400	100	545	400	145
Miles	462	464	(2)	462	464	(2)
Flathead	<u>885</u>	<u>850</u>	<u>35</u>	<u>920</u>	<u>850</u>	<u>70</u>
Total	<u>1,847</u>	<u>1,714</u>	<u>133</u>	<u>1,927</u>	<u>1,714</u>	<u>213</u>

FUNDING

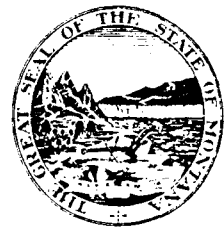
3. General Fund	<u>1986</u>	<u>1987</u>
Executive	\$3,441,848	\$3,590,927
LFA Current Level	<u>3,286,669</u>	<u>3,300,290</u>
Difference	<u>\$ 155,179</u>	<u>\$ 290,637</u>

The executive budget exceeds the current level in general fund by \$445,816 in the 1987 biennium as a result of using higher enrollment estimates. The current level provides for an increase in general fund support from the 1985 biennium of 2.1 percent.

- - - - - Areas of Concern - - - - -

Actual fiscal 1984 student FTE at Miles Community College were 116 FTE below the level funded by the 1983 legislature which resulted in Miles receiving \$204,421 more in general fund than was justified by unrestricted student enrollment. Refer to Table 1 on page 771 in the analysis for a comparison of actual to budgeted FTE by college for fiscal 1984. The difference in enrollment at Miles results as student enrollment at three Indian community colleges are not counted in the unrestricted FTE in Miles enrollment. The three out-of-district centers are the Fort Peck Community College at Poplar, Dull Knife Memorial Community College at Lame Deer, and the Little Pig Horn Community College at the Crow Agency near Hardin. Fiscal 1984 student enrollment funded by the 1983 legislature at Miles included enrollment from the three out-of-district centers.

Based upon the loss of student FTE from the three tribal colleges and a slight decrease in fiscal 1985 fall enrollment, Miles unrestricted student enrollment is projected to remain constant at the actual fiscal 1984 level of 464 FTE in each year of the 1987 biennium. Funding of the reduced enrollment at Miles will cause a decrease in general fund support of 15.2 percent from the 1985 biennium. Additionally, the mandatory levy for Miles is projected to decrease by 15.6 percent from fiscal 1984 to 1986 as student enrollment declines. Funding of the reduced enrollment at Miles will cause a reduction in services in the 1987 biennium.



STATE OF MONTANA

Office of the Legislative Fiscal Analyst

EXHIBIT 3
2-11-85

STATE CAPITOL
HELENA, MONTANA 59620
406/449-2986

JUDY RIPPINGALE
LEGISLATIVE FISCAL ANALYST

January 31, 1985

Senator Pat Regan, Seat 19
Montana State Senate
State Capitol
Helena, MT 59620

Dear Senator Regan:

This is in response to your request concerning out-of-district community college centers established since passage of House Bill 746 effective in April 1983. The most recent out-of-district center established is Flathead Valley's out-of-district center at Libby. This center was approved under Board of Regent Policy 220.1 in October of 1983. Subsequent to approval of the Libby center by the Board of Regents, residents of Lincoln County voted in November of 1983 to establish the Lincoln Service Region for the purpose of levying a permissive tax allowed under House Bill 746 to defray a portion of the costs associated with college courses offered at Libby. The out-of-district center at Libby is the only service region that levies a tax (\$125,000 in 1984, according to Flathead Valley Community College). The state supports 53 percent of the cost of courses offered at out-of-district centers.

The only other centers approved under Board of Regent Policy 220.1 are Dawson's center at Baker-Sidney and Miles' center at Colstrip. The out-of-district centers at Polson, Fort Peck, Dull Knife, and Little Bighorn were not approved under Board of Regent Policy 220.1 nor under House Bill 746. Therefore, student FTE associated with these centers should not be included in unrestricted FTE used in calculating state appropriations. Table 1 on page 2 presents actual unrestricted student out-of-district FTE for each college for fiscal years 1983 and 1984. The Board of Regents in fiscal 1984 would not allow Miles Community College to include student FTE at the three tribal colleges in unrestricted student enrollment as the centers were not approved and the colleges were close to being accredited. The Board of Regents allowed Dawson to continue their relationship with Fort Peck only through fiscal 1984. After fiscal 1984, Dawson will not be allowed to include student FTE at the tribal college in unrestricted enrollment.

Table 1
Community College Out-of-District Student FTE
Fiscal 1983 and 1984

<u>Community College</u>	<u>Out-of-District Center</u>	- - - - Student FTE - - - - <u>Fiscal 1983</u>	<u>Fiscal 1984</u>
Flathead	Polson	3.37	3.00
	Troy	.93	-0-
	Eureka	1.33	-0-
	Libby	<u>6.30</u>	<u>7.30</u>
	Total Unrestricted FTE	<u>11.93</u>	<u>10.30</u>
Dawson	Fort Peck	43.00	51.00
	Baker-Sidney	<u>21.00</u>	<u>25.00</u>
	Total Unrestricted FTE	<u>64.00</u>	<u>76.00</u>
Miles City	Dull Knife	74.40	-0-
	Fort Peck	22.60	-0-
	Little Bighorn	56.40	-0-
	Colstrip	<u>15.30</u>	<u>28.40</u>
	Total Unrestricted FTE	<u>168.70</u>	<u>28.40</u>
Total for Three Colleges		<u>244.63</u>	<u>114.70</u>

If you have further questions, please call.

Sincerely,



Bill Sykes
Assistant Analyst

Exhibit 4
2-11-85

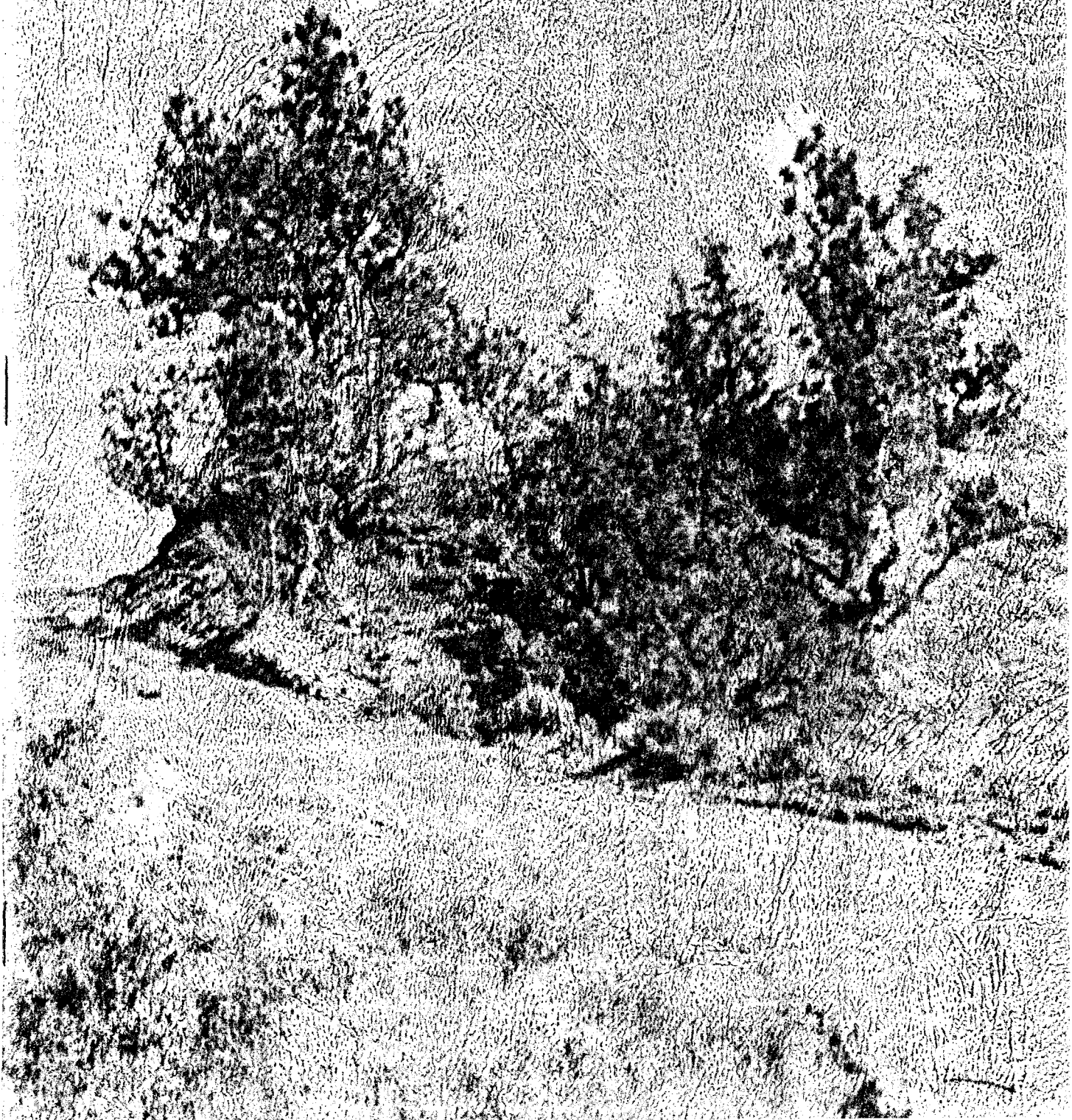
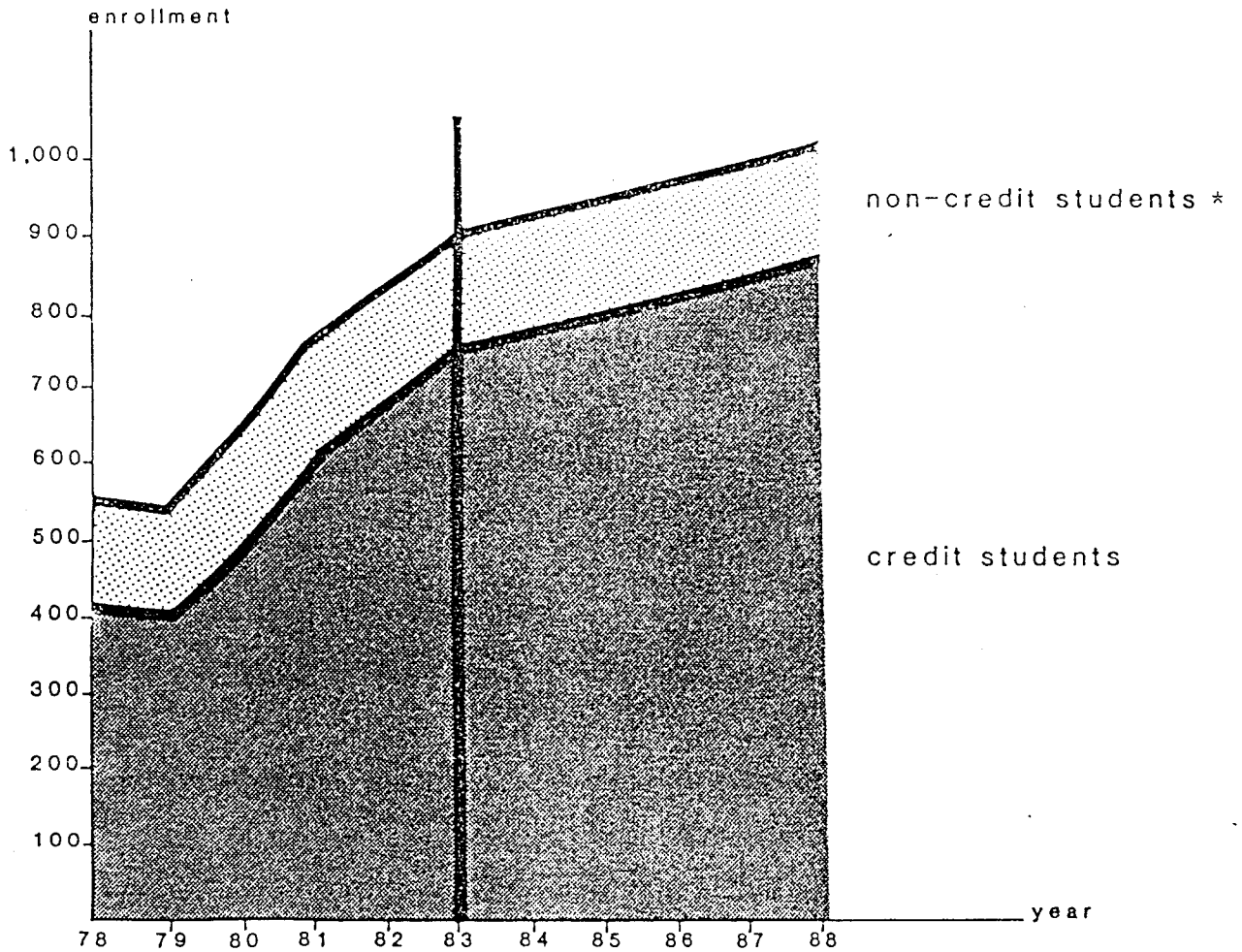


CHART I

DAWSON COMMUNITY COLLEGE

Actual and projected student enrollment
1978 - 1988 (fall quarter)



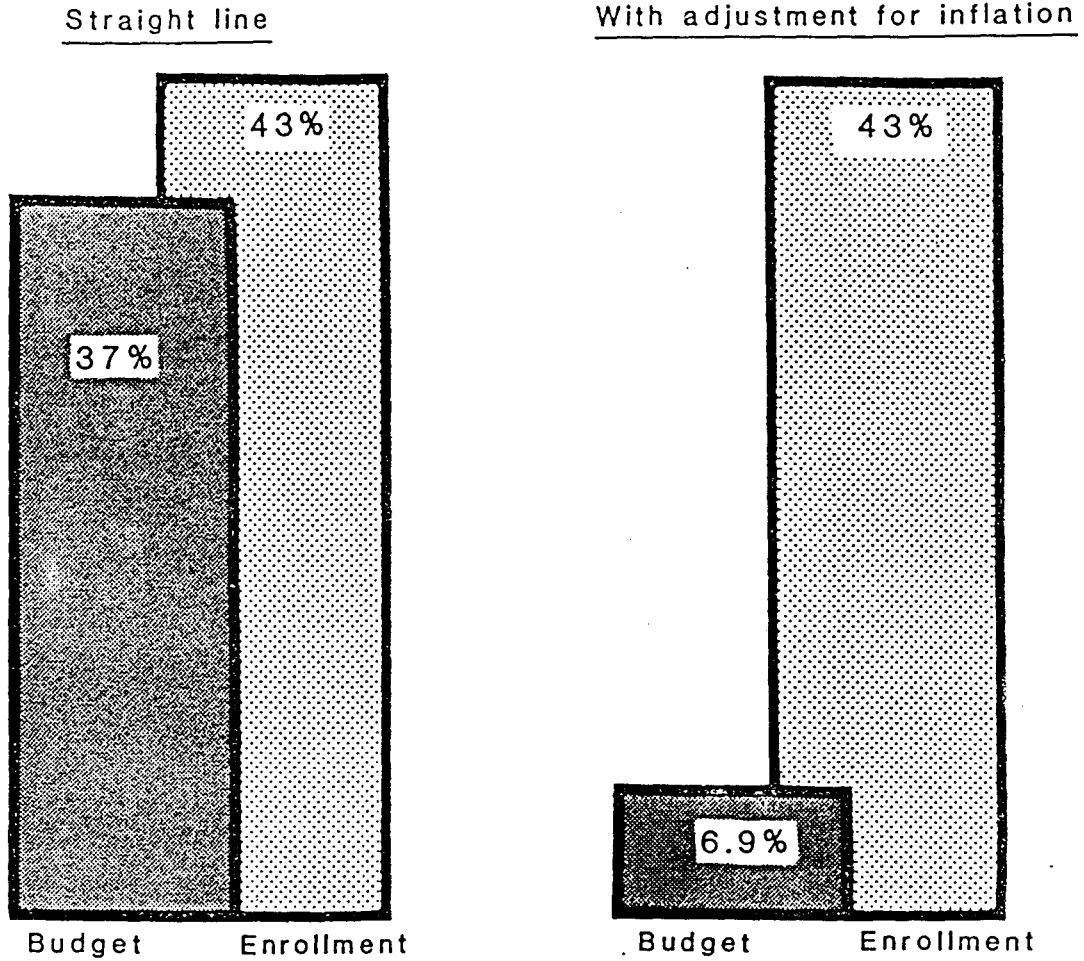
*non-credit students: at an average of 150 students per fall quarter.

Projections established by Dawson County Planner and the Director of Research and Planning at Dawson Community College.

CHART III

DAWSON COMMUNITY COLLEGE

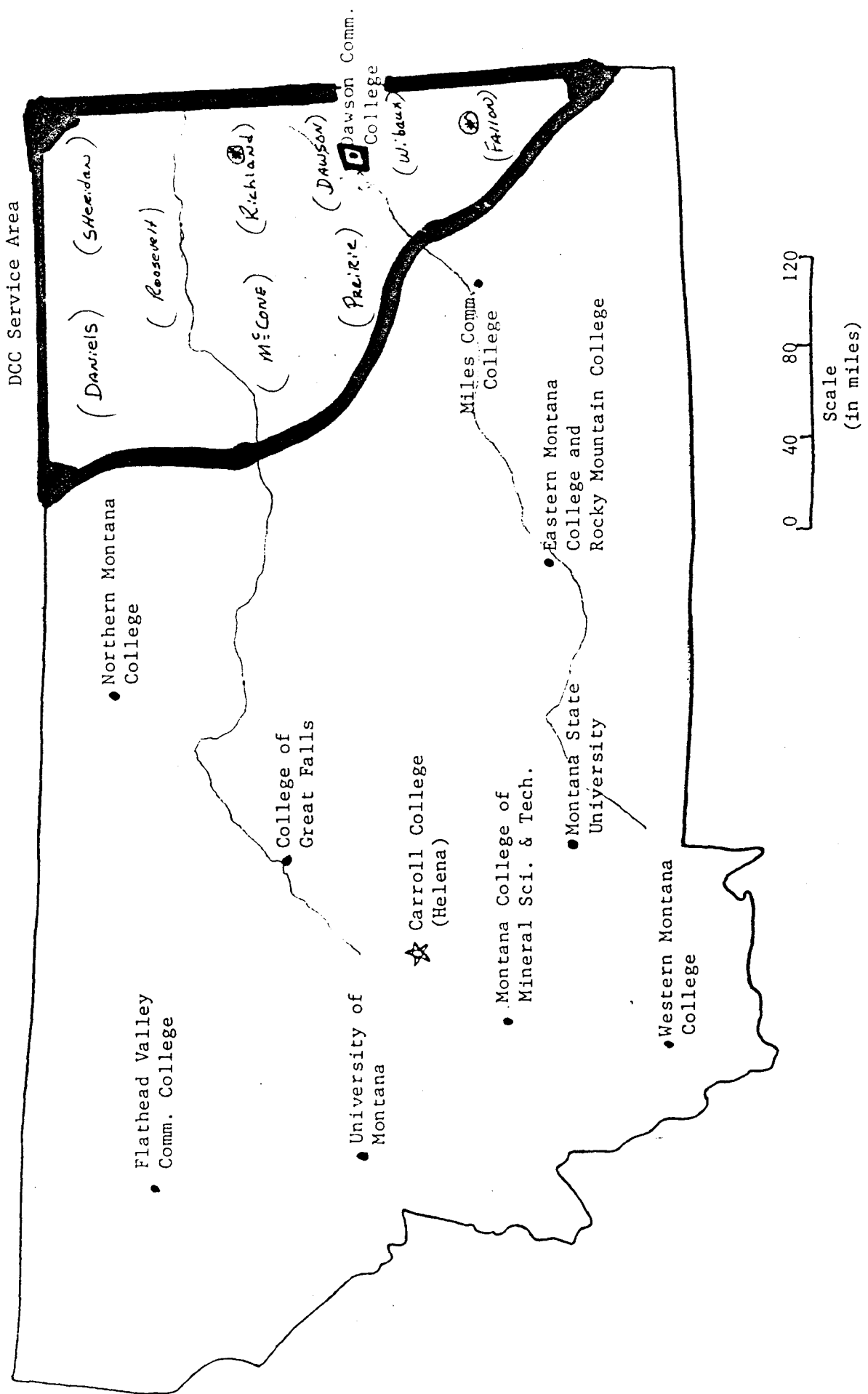
Rate of growth: Budget vs. Enrollment
1979 - 1984



Assumed inflation rate of 30.6% for the same 5-year period. This figure is based on the Deflator for Personal Consumption Items according to the Bureau of Business and Economic Research, University of Montana in Missoula.

CHART I

POSTSECONDARY INSTITUTIONS IN MONTANA



FLATHEAD VALLEY COMMUNITY COLLEGE
Number One First Street East
Kalispell, Montana 59901

EXHIBIT 6
2-11-85

FTE STUDENT ENROLLMENT PROJECTIONS

	<u>FTE</u>	<u>Projections</u>
I. <u>Fiscal Year 1985/86</u>		
1984/85 Fiscal Year	827	
Lincoln County Center	<u>29</u>	
1984/85 Base Line FTE		856
1985/86 Projections:		
--Lincoln County Center		25
--Varsity Sports		24
--Welding		15
--Tourism Management		10
Total Fiscal Year 1985/86 Projected FTE Enrollments		<u>930</u>
II. <u>Fiscal Year 1986/87</u>		
1985/86 Projected Base Line FTE		930
--Computer Science		20
--Transferable Nursing Curriculum		20
--Welding		15
--Lincoln County Center		15
Total Fiscal Year 1986/87 Projected FTE Enrollments		<u>1,000</u>
III. Enrollments are expected to increase in the programs listed below. These increases have not been included in the above projections.		
--Tourism Management		10
--Small Business Management		10
--General Growth		20
Total Projected FTE Enrollments		<u>40</u>

FLATHEAD VALLEY COMMUNITY COLLEGE

Number One First Street East
Kalispell, Montana 59901

COMPARATIVE BUDGET DATA

	LFA RECOMMENDATIONS		EXECUTIVE REQUEST		COLLEGE REQUEST		LFA OVER (UNDER)		COLL. FY 87
	FY 86	FY 87	FY 86	FY 87	FY 86	FY 87	FY 86	FY 87	
FTE	827	850	885	920	930	1000	(80)	(150)	
COST PER FTE	3,388	3,633	3,516	3,516	3,516	3,516	67	117	
BUDGET WITHOUT PAY PLAN	2,801,876	3,088,050	3,111,660	3,234,720	3,269,880	3,516,000	(224,330)	(427,950)	
PAY PLAN	69,200								
*AUDIT COSTS	20,000								
TOTAL BUDGET	2,871,076	3,045,550*	3,111,660	3,234,720	3,269,880	3,516,000	(224,330)	(427,950)	
SOURCE OF FUNDS:									
GENERAL FUND	1,516,670	1,614,142*	1,649,180	1,714,402	1,733,036	1,863,480	(118,895)	(226,814)	
LOCAL FUNDS	1,349,406	1,431,409	1,462,480	1,520,318	1,536,844	1,652,520	(105,435)	(201,137)	

* Not included in total budget or in general fund totals

EXECUTIVE
 OVER (UNDER) COLL.
FY 86 FY 87

LFA
 OVER (UNDER) EXEC.
FY 86 FY 87

(45)	(80)	(35)	(70)
0	0	67	117
(158,220)	(281,280)	(66,110)	(146,670)
(158,220)	(281,280)	(66,110)	(146,670)
(83,857)	(149,078)	(35,038)	(77,735)
(74,363)	(132,202)	(31,072)	(68,935)

FLATHEAD VALLEY COMMUNITY COLLEGE

Number One First Street East
Kalispell, Montana 59901

HEAD COUNT AND FTE ENROLLMENTS

	1980 / 81		1981 / 82		1982 / 83		1983 / 84		1984 / 85	
	H/C	FTE	H/C	FTE	H/C	FTE	H/C	FTE	H/C	FTE
FALL QUARTER	1,778	763	1,663	766	1,808	781	1,874	745	1,956	851
WINTER QUARTER	1,629	722	1,689	740	1,805	785	1,800	761	1,929	828
SPRING QUARTER	1,333	596	1,638	714	1,584	703	1,688	679		
SUMMER QUARTER					437	126	694	164	568	134

STUDENT PROFILE

Winter Quarter - 1985

LOCAL ADDRESS	<u>PART-TIME</u>		<u>FULL-TIME</u>	
	MALE	FEMALE	MALE	FEMALE
Kalispell	249	506	125	180
Columbia Falls	52	112	27	29
Whitefish	69	97	24	20
Bigfork	27	76	13	23
Somers	8	12	--	7
Libby	24	40	--	3
Polson	1	1	--	--
Marion	--	5	--	3
Hungry Horse	4	2	4	--
Lakeside	4	14	3	2
Kila	4	11	1	2
West Glacier	2	6	2	2
Olney	--	3	1	--
Martin City	2	4	2	--
Coram	3	2	--	6
Eureka	17	30	1	4
Trego	2	7	1	--
Troy	1	12	--	--
Other In-State	9	6	5	5
Out-of-State	3	4	1	--
	<hr/>	<hr/>	<hr/>	<hr/>
	478	955	210	286

OFFICE OF THE REGISTRAR
 INSTITUTION- FLATHEAD VALLEY COMMUNITY COLLEGE

RUN DATE 2/04/85

REPORT A-1

END 3RD WEEK WINTER 85

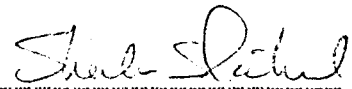
ENROLLMENT SUMMARY AND CLASS DISTRIBUTION

UNDERGRADUATES

	*** PART-TIME ***			*** FULL-TIME ***			*** TOTAL ***		
	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL
FIRST-TIME BEGINNING FRESHMEN	133	216	349	25	23	48	158	239	397
OTHER FRESHMEN	309	655	964	124	168	292	433	823	1256
TOTAL FRESHMEN	442	871	1313	149	191	340	591	1062	1653
SOPHOMORES	36	84	120	61	95	156	97	179	276
TOTAL UNDERGRADS	478	955	1433	210	286	496	688	1241	1929

DATE CLASSES BEGAN 1/03/85

CUT-OFF DATE FOR REPORT 1/23/85



*FULL TIME - 12 OR MORE CREDITS

REGISTRAR

*NO COMMUNITY SERVICE ENROLLMENTS INCLUDED

RUN DATE 2/04/85

END 3RD WEEK WINTER 85

NEW STUDENT TRANSFERS
MONTANA COLLEGES

MONTANA COLLEGE TRANSFERRED FROM	FROSH	SOPH	TOTAL
02 RMC	1		1
03 MSU	26		26
04 U.OF M.	28		28
05 WMC	2		2
06 MCMS&T	1		1
07 CARROLL CO		1	1
08 EMC	3		3
09 NMC	6		6
10 GR. FALLS	3		3
11 MILES COMM	1		1
99 OTHER	3		3
TOTAL MONTANA TRANSFERS	74	1	75

DATE CLASSES BEGAN 1/03/85

CUT-OFF DATE FOR REPORT 1/23/85

*NO COMMUNITY SERVICE ENROLLMENTS INCLUDED.

Shul

RUN DATE 2/04/85

REPORT E

END OF 3RD WEEK WINTER 85

GEOGRAPHIC ORIGINS OF MONTANA STUDENTS BY COUNTY

COUNTY	FIRST-TIME BEGINNING FRESHMEN	TOTAL UNDERGRADUATE ENROLLMENT
1 BEAVERHEAD		1
13 CASCADE		7
15 CHOUTEAU	1	1
23 DEERLODGE		1
27 FERGUS		1
29 FLATHEAD	339	1654
31 GALLATIN		1
35 GLACIER	1	5
41 HILL	1	3
43 JEFFERSON		1
47 LAKE	4	17
49 LEWIS AND CLARK		3
51 LIBERTY	1	2
53 LINCOLN	36	164
61 MINERAL		1
63 MISSOULA	2	10
71 PHELLIPS		1
73 PONDERA		1
77 POWELL		2
81 RAVALLI		1
85 ROOSEVELT		1
87 ROSEBUD		1
89 SANDERS		6
91 SHERIDAN		1
101 TOOLE		1
111 YELLOWSTONE		5
999 UNAVAILABLE	4	8
TOTAL MONTANA STUDENTS	389	1900

DATE CLASSES BEGAN 1/03/85

CUT-OFF DATE FOR REPORT 1/23/85

Shirley Spittel

REGISTRAR

*NO COMMUNITY SERVICE ENROLLMENTS INCLUDED

RUN DATE 2/04/85

REPORT F

END OF 3RD WEEK WINTER 85

GEOGRAPHIC ORIGINS OF STUDENTS BY HOME STATE

STATE	FIRST-TIME BEGINNING FRESHMEN	TOTAL UNDERGRADUATE ENROLLMENT
AL ALABAMA	1	1
AR ARKANSAS		1
AZ ARIZONA	1	1
CA CALIFORNIA	1	3
FL FLORIDA		1
IA IOWA		1
ID IDAHO		1
IL ILLINOIS	1	2
KS KANSAS		1
MA MASSACHUSETTS		1
ND NORTH DAKOTA		1
OH OHIO		2
OR OREGON		2
PA PENNSYLVANIA		1
TX TEXAS		1
UT UTAH		1
WA WASHINGTON	2	5
TERRITORIES		
SUB-TOTAL	6	26
FOREIGN COUNTRIES	2	3
TOTAL NON-MONTANA	8	29
MONTANA	389	1900
TOTAL NET ENROLLMENT	397	1929

DATE CLASSES BEGAN 1/03/85

CUT-OFF DATE FOR REPORT 1/23/85



REGISTRAR

*NO COMMUNITY SERVICE ENROLLMENTS INCLUDED

OFFICE OF THE REGISTRAR
INSTITUTION - FLATHEAD VALLEY COMMUNITY COLLEGE

RUN DATE 2/04/85

REPORT H

END OF 3RD WEEK WINTER 85

DISTRIBUTION OF STUDENT CREDIT HOUR ENROLLMENT

CREDIT HOURS	UNGRADUATE
1.00	268
2.00	339
3.00	312
4.00	111
5.00	135
6.00	71
7.00	54
8.00	46
9.00	32
10.00	52
11.00	13
12.00	66
13.00	66
14.00	70
15.00	91
16.00	60
17.00	58
18.00	40
19.00	19
20.00	12
21.00	2
22.00	3
23.00	2
24.00	2
25.00	1

PART TIME STUDENTS 1433

FULL TIME STUDENTS 496

TOTAL UNDERGRADUATES 1929

DATE CLASSES BEGAN 1/03/85

CUT-OFF DATE FOR REPORT 1/23/85

Shel Steiner
REGISTRAR

*NO COMMUNITY SERVICE
ENROLLMENTS INCLUDED

RUN DATE 2/04/85

END 3RD WEEK WINTER 85

NEW STUDENT TRANSFERS
OUT-OF-STATE

STATE TRANSFERRED FROM	FROSH	SOPH	TOTAL
AK ALASKA	2		2
AZ ARIZONA	3		3
CA CALIFORNIA	28		28
CO COLORADO	10		10
CT CONNECTICUT	1		1
FL FLORIDA	1		1
IA IOWA	3		3
ID IDAHO	7		7
IL ILLINOIS	3		3
IN INDIANA	1		1
KS KANSAS	1		1
LA LOUISIANA	1		1
MA MASSACHUSETTS	2		2
MI MICHIGAN	1		1
MN MINNESOTA	4		4
MO MISSOURI	1		1
ND NORTH DAKOTA	5		5
NJ NEW JERSEY	1		1
NM NEW MEXICO	1		1
NV NEVADA	2		2
NY NEW YORK	1		1
OH OHIO	4		4
OK OKLAHOMA	4		4
OR OREGON	2		2
PA PENNSYLVANIA	5		5
SD SOUTH DAKOTA	3		3
TX TEXAS	1		1
UT UTAH	4		4
WA WASHINGTON	16		16
WI WISCONSIN	1		1
WY WYOMING	7		7
TOTAL OUT-OF-STATE TRANSFERS	126		126

DATE CLASSES BEGAN 1/03/85

CUT-OFF DATE FOR REPORT 1/23/85

*NO COMMUNITY SERVICE ENROLLMENTS INCLUDED

Shirley S

RUN DATE 2/04/85

REPORT I - PART I

END 3RD WEEK WINTER 85

STUDENT CREDIT HOURS GENERATED BY RESTRICTED FUNDS

HEGIS CODE	PROGRAM COURSE	RESTR FACTOR	STUDENT CREDIT HOURS		FUNDING SOURCE
			UNDERGRADUATE TOTAL	RESTR	
13.1010	ABE 040 01	1.00	12.00	12.00	
13.1010	ABE 070 01	1.00	.00	.00	
13.1010	ABE 070 02	1.00	.00	.00	
13.1010	ABE 070 30	1.00	.00	.00	
13.1010	ABE 070 40	1.00	.00	.00	
13.1010	ABE 071 01	1.00	22.00	22.00	
13.1010	ABE 073 01	1.00	24.00	24.00	
13.1010	ABE 074 01	1.00	24.00	24.00	
13.1010	ABE 076 01	1.00	20.00	20.00	
13.1010	ABE 077 01	1.00	24.00	24.00	
44.0701	NS 020 01	1.00	98.00	98.00	
TOTAL			224.00	224.00	
FTE			15	15	

DATE CLASSES BEGAN 1/03/85

CUT-OFF DATE FOR REPORT 1/23/85

Shel Stibel

RUN DATE 2/04/85

REPORT C-D

END 3RD WEEK WINTER 85

UNDERGRADUATES- LOWER DIVISION

INSTRUCTIONAL CATEGORY NUMBER / NAME	CREDITS	LECTURE HOURS	LAB HOURS
1.0000 * AGRIBUSINESS AND AGRICULTURAL PRODUCTION			
TOTALS	.00	.00	.00
2.0000 * AGRICULTURAL SCIENCES			
2.0203 ANIMAL HEALTH	15.0	6.00	9.00
TOTALS	15.00	6.00	9.00
3.0000 * RENEWABLE NATURAL RESOURCES			
3.0401 FORESTRY PRODUCTION AND PR	55.0	22.00	66.00
3.0499 FORESTRY PRODUCTION AND PR	10.0	10.00	.00
3.0502 FORESTRY SCIENCE	73.0	53.00	40.00
TOTALS	138.00	85.00	106.00
4.0000 * ARCHITECTURE AND ENVIRONMENTAL DESIGN			
4.0501 INTERIOR DESIGN	28.0	14.00	28.00
TOTALS	28.00	14.00	28.00
5.0000 * AREA AND ETHNIC STUDIES			
TOTALS	.00	.00	.00
6.0000 * BUSINESS AND MANAGEMENT			
6.0101 BUSINESS AND MANAGEMENT, G	129.0	129.00	.00
6.0201 ACCOUNTING	656.0	616.00	80.00
6.0301 BANKING AND FINANCE	177.0	177.00	.00
6.0401 BUSINESS ADMINISTRATION &	542.0	527.00	60.00
6.0703 RESORT MANAGEMENT	48.0	48.00	.00
6.1399 MANAGEMENT SCIENCE, OTHER	3.0	.00	6.00
6.1401 MARKETING MANAGEMENT	80.0	80.00	.00
6.1701 REAL ESTATE, GENERAL	69.0	69.00	.00
6.1704 REAL ESTATE APPRAISAL	24.0	24.00	.00
6.1801 SMALL BUSINESS MANAGEMENT	87.0	87.00	.00
6.1901 TAXATION	18.0	18.00	.00
TOTALS	1,833.00	1,775.00	146.00
7.0000 * BUSINESS AND OFFICE			
7.0303 BUSINESS DATA ENTRY EQUIPM	60.0	35.00	50.00
7.0305 BUSINESS DATA PROGRAMMING	551.0	371.00	360.00
7.0306 BUSINESS SYSTEMS ANALYSIS	24.0	24.00	.00
7.0399 BUSINESS DATA PROCESSING A	498.0	345.00	306.00
7.0601 SECRETARIAL AND RELATED PR	355.0	223.00	226.00
7.0605 MEDICAL SECRETARIAL	63.0	26.00	118.00
7.0607 STENOGRAPHIC	60.0	12.00	48.00
7.0608 WORD PROCESSING	78.0	26.00	104.00

RUN DATE 2/04/85

REPORT C-D

END 3RD WEEK WINTER 85

UNDERGRADUATES- LOWER DIVISION

INSTRUCTIONAL CATEGORY NUMBER / NAME	CREDITS	LECTURE HOURS	LAB HOURS
7.0710 TYPING	351.0	.00	585.00
TOTALS	2,040.00	1,062.00	1,797.00
8.0000 * MARKETING AND DISTRIBUTION			
TOTALS	.00	.00	.00
9.0000 * COMMUNICATIONS			
9.0401 JOURNALISM	39.0	39.00	.00
TOTALS	39.00	39.00	.00
10.0000 * COMMUNICATION TECHNOLOGIES			
10.0104 RADIO & TV PRODUCTION & BR	3.0	6.00	.00
TOTALS	3.00	6.00	.00
11.0000 * COMPUTER AND INFORMATION SCIENCES			
11.0201 COMPUTER PROGRAMMING	28.0	35.00	14.00
TOTALS	28.00	35.00	14.00
12.0000 * CONSUMER, PERSONAL AND MISCELLANEOUS SERVICES			
TOTALS	.00	.00	.00
13.0000 * EDUCATION			
13.0101 EDUCATION, GENERAL	545.0	269.00	240.00
13.1001 SPECIAL EDUCATION, GENERAL	40.0	40.00	.00
13.1010 REMEDIAL EDUCATION	126.0	260.00	252.00
13.1314 PHYSICAL EDUCATION	635.0	160.00	663.00
TOTALS	1,346.00	769.00	1,375.00
14.0000 * ENGINEERING			
14.0801 CIVIL ENGINEERING	24.0	24.00	.00
14.1901 MECHANICAL ENGINEERING	16.0	16.00	.00
TOTALS	40.00	40.00	.00
15.0000 * ENGINEERING & ENGINEERING-RELATED TECHNOLOGIES			
15.0201 CIVIL TECHNOLOGIES	272.0	159.00	226.00
15.0801 AERONAUTICAL TECHNOLOGY	105.0	105.00	.00
TOTALS	377.00	264.00	226.00
16.0000 * FOREIGN LANGUAGES			
16.0501 GERMAN	73.0	73.00	.00

RUN DATE 2/04/85

REPORT C-D

END 3RD WEEK WINTER 85

UNDERGRADUATES- LOWER DIVISION

INSTRUCTIONAL CATEGORY NUMBER / NAME	CREDITS	LECTURE HOURS	LAB HOURS
16.0901 FRENCH	82.0	82.00	.00
16.0905 SPANISH	85.0	85.00	.00
TOTALS	240.00	240.00	.00
17.0000 * HEALTH			
17.0699 NURSING-RELATED SERVICES,	180.0	108.00	144.00
TOTALS	180.00	108.00	144.00
18.0000 * HEALTH SCIENCES			
18.1006 EMERGENCY MEDICINE	110.0	88.00	44.00
TOTALS	110.00	88.00	44.00
19.0000 * HOME ECONOMICS			
TOTALS	.00	.00	.00
20.0000 * VOCATIONAL HOME ECONOMICS			
20.0301 CLOTHING, APPAREL, AND TEX	14.0	7.00	14.00
20.9999 VOCATIONAL HOME ECONOMICS,	.0	.00	.00
TOTALS	14.00	7.00	14.00
21.0000 * INDUSTRIAL ARTS			
TOTALS	.00	.00	.00
22.0000 * LAW			
TOTALS	.00	.00	.00
23.0000 * LETTERS			
23.0101 ENGLISH, GENERAL	106.0	106.00	.00
23.0401 COMPOSITION	474.0	474.00	.00
23.0501 CREATIVE WRITING	66.0	66.00	.00
23.0701 LITERATURE, AMERICAN	90.0	90.00	.00
23.0801 LITERATURE, ENGLISH	45.0	45.00	.00
23.1001 SPEECH, DEBATE, AND FORENS	138.0	138.00	10.00
TOTALS	919.00	919.00	10.00
24.0000 * LIBERAL/GENERAL STUDIES			
TOTALS	.00	.00	.00
25.0000 * LIBRARY AND ARCHIVAL SCIENCES			
TOTALS	.00	.00	.00

RUN DATE 2/04/85

REPORT C-D

END 3RD WEEK WINTER 85

UNDERGRADUATES-- LOWER DIVISION

INSTRUCTIONAL CATEGORY NUMBER / NAME	CREDITS	LECTURE HOURS	LAB HOURS
26.0000 * LIFE SCIENCES			
26.0101 BIOLOGY, GENERAL	90.0	54.00	72.00
26.0301 BOTANY, GENERAL	160.0	128.00	64.00
26.0501 MICROBIOLOGY	110.0	66.00	88.00
26.0601 ANATOMY	70.0	42.00	56.00
26.0609 NUTRITIONAL SCIENCES	52.0	52.00	.00
26.0703 GENETICS, HUMAN AND ANIMAL	30.0	18.00	24.00
26.9999 LIFE SCIENCES, OTHER	36.0	36.00	.00
TOTALS	548.00	396.00	304.00
27.0000 * MATHEMATICS			
27.0101 MATHEMATICS, GENERAL	1,061.0	1,055.00	12.00
27.0301 APPLIED MATHEMATICS	68.0	68.00	.00
TOTALS	1,129.00	1,123.00	12.00
28.0000 * MILITARY SCIENCES			
TOTALS	.00	.00	.00
29.0000 * MILITARY TECHNOLOGIES			
TOTALS	.00	.00	.00
30.0000 * MULTI/INTERDISCIPLINARY STUDIES			
30.0401 HUMANITIES AND SOCIAL SCIE	24.0	24.00	.00
TOTALS	24.00	24.00	.00
31.0000 * PARKS AND RECREATION			
TOTALS	.00	.00	.00
32.0000 * BASIC SKILLS			
TOTALS	.00	.00	.00
33.0000 * CITIZENSHIP/CIVIC ACTIVITIES			
TOTALS	.00	.00	.00
34.0000 * HEALTH-RELATED ACTIVITIES			
TOTALS	.00	.00	.00
35.0000 * INTERPERSONAL SKILLS			
TOTALS	.00	.00	.00

RUN DATE 2/04/85

REPORT C-D

END 3RD WEEK WINTER 85

UNDERGRADUATES- LOWER DIVISION

INSTRUCTIONAL CATEGORY NUMBER / NAME	CREDITS	LECTURE HOURS	LAB HOURS
36.0000 * LEISURE AND RECREATIONAL ACTIVITIES			
TOTALS	.00	.00	.00
37.0000 * PERSONAL AWARENESS			
TOTALS	.00	.00	.00
38.0000 * PHILOSOPHY AND RELIGION			
38.0101 PHILOSOPHY	60.0	60.00	.00
38.0201 RELIGION	33.0	33.00	.00
TOTALS	93.00	93.00	.00
39.0000 * THEOLOGY			
TOTALS	.00	.00	.00
40.0000 * PHYSICAL SCIENCES			
40.0101 PHYSICAL SCIENCES, GENERAL	50.0	40.00	20.00
40.0501 CHEMISTRY, GENERAL	231.0	184.00	94.00
40.0504 ORGANIC CHEMISTRY	40.0	32.00	16.00
40.0601 GEOLOGY	80.0	66.00	50.00
40.0703 EARTH SCIENCE	54.0	20.00	54.00
40.0801 PHYSICS, GENERAL	50.0	40.00	20.00
TOTALS	505.00	382.00	254.00
41.0000 * SCIENCE TECHNOLOGIES			
TOTALS	.00	.00	.00
42.0000 * PSYCHOLOGY			
42.0101 PSYCHOLOGY, GENERAL	245.0	245.00	.00
42.0701 DEVELOPMENTAL PSYCHOLOGY	208.0	208.00	.00
42.1101 PHYSIOLOGICAL PSYCHOLOGY	60.0	60.00	.00
42.1601 SOCIAL PSYCHOLOGY	117.0	117.00	.00
TOTALS	630.00	630.00	.00
43.0000 * PROTECTIVE SERVICES			
TOTALS	.00	.00	.00
44.0000 * PUBLIC AFFAIRS			
44.0701 SOCIAL WORK, GENERAL	497.0	328.00	458.00
TOTALS	497.00	328.00	458.00

RUN DATE 2/04/85

REPORT C-D

END 3RD WEEK WINTER 85

UNDERGRADUATES- LOWER DIVISION

INSTRUCTIONAL CATEGORY NUMBER / NAME	CREDITS	LECTURE HOURS	LAB HOURS
45.0000 * SOCIAL SCIENCES			
45.0201 ANTHROPOLOGY	185.0	180.00	10.00
45.0601 ECONOMICS	195.0	195.00	.00
45.0801 HISTORY	202.0	198.00	5.00
45.1001 POLITICAL SCIENCE AND GOVE	95.0	75.00	40.00
45.1101 SOCIOLOGY	220.0	220.00	.00
TOTALS	897.00	868.00	55.00
46.0000 * CONSTRUCTION TRADES			
46.0201 CARPENTRY	14.0	7.00	14.00
46.0301 ELECTRICAL AND POWER TRANS	45.0	45.00	.00
TOTALS	59.00	52.00	14.00
47.0000 * MECHANICS AND REPAIRERS			
TOTALS	.00	.00	.00
48.0000 * PRECISION PRODUCTION			
48.0102 ARCHITECTURAL DRAFTING	24.0	12.00	24.00
48.0303 UPHOLSTERING	22.0	11.00	22.00
48.0501 PRECISION METAL WORK, GENE	16.0	8.00	16.00
48.0506 WELDING, BRAZING, AND SOLD	84.0	42.00	84.00
48.0701 WOODWORKING, GENERAL	72.0	36.00	20.00
TOTALS	218.00	109.00	166.00
49.0000 * TRANSPORTATION AND MATERIAL MOVING			
TOTALS	.00	.00	.00
50.0000 * VISUAL AND PERFORMING ARTS			
50.0202 CERAMICS	84.0	44.00	124.00
50.0205 GLASS	26.0	13.00	26.00
50.0206 METAL/JEWELRY	48.0	.00	96.00
50.0299 CRAFTS, OTHER	14.0	.00	28.00
50.0301 DANCE	39.0	.00	62.00
50.0401 DESIGN, GENERAL	58.0	26.00	20.00
50.0402 GRAPHIC DESIGN	72.0	36.00	72.00
50.0605 PHOTOGRAPHY	116.0	87.00	58.00
50.0703 ART HISTORY AND APPRECIATI	18.0	18.00	.00
50.0705 DRAWING	90.0	45.00	90.00
50.0708 PAINTING	66.0	33.00	66.00
50.0709 SCULPTURE	22.0	8.00	16.00
50.0901 MUSIC, GENERAL	28.0	9.00	38.00
50.0902 MUSIC HISTORY AND APPRECIAT	21.0	21.00	.00
TOTALS	702.00	340.00	696.00

GRAND TOTALS

12,652.00

9,802.00

5,872.00

OFFICE OF THE REGISTRAR
INSTITUTION - FLATHEAD VALLEY COMMUNITY COLLEGE

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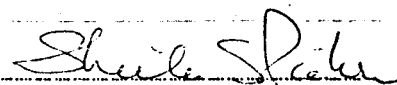
RUN DATE 2/04/85

END 3RD WEEK WINTER 85

TOTAL UNDERGRADUATE	CREDITS	14,690.00	
LESS "W" CREDITS		1,886.00	
LESS "N" CREDITS		152.00	
LESS "Z" CREDITS		.00	
TOTAL NET CREDITS		12,652.00/15 =	843 FTE

DATE CLASSES BEGAN 1/03/85

CUT-OFF DATE FOR REPORT 1/23/85



REGISTRAR

*NO COMMUNITY SERVICE ENROLLMENTS INCLUDED

FLATHEAD VALLEY COMMUNITY COLLEGE
 Number One First Street East
 Kalispell, Montana 59901

YEAR	TUITION SCHEDULES				ACTIVITY FEE	ACTIVITY TOTAL
	Cost Per Credit		Full-Time			
	TUITION	BUILDING FEE	ACTIVITY FEE	TUITION	BUILDING FEE	
1979-80						
IN DISTRICT	7.00	2.00	9.00	70.00	20.00	5.00 95.00
OUT OF DISTRICT	10.00	2.00	12.00	100.00	20.00	5.00 125.00
OUT OF STATE	20.00	2.00	22.00	200.00	20.00	5.00 225.00
1980-81						
IN DISTRICT	7.00	2.00	9.00	70.00	20.00	5.00 95.00
OUT OF DISTRICT	10.00	2.00	12.00	100.00	20.00	5.00 125.00
OUT OF STATE	20.00	2.00	22.00	200.00	20.00	5.00 225.00
1981-82						
IN DISTRICT	8.00	2.00	10.00	96.00	24.00	5.00 125.00
OUT OF DISTRICT	11.00	2.00	13.00	132.00	24.00	5.00 161.00
OUT OF STATE	22.00	2.00	24.00	264.00	24.00	5.00 293.00
1982-83						
IN DISTRICT	8.00	2.00	10.00	96.00	24.00	5.00 125.00
OUT OF DISTRICT	11.00	2.00	13.00	132.00	24.00	5.00 161.00
OUT OF STATE	22.00	2.00	24.00	264.00	24.00	5.00 293.00
1983-84						
IN DISTRICT	8.00	2.00	0.50	10.50	24.00	6.00 126.00
OUT OF DISTRICT	11.00	2.00	0.50	13.50	24.00	6.00 162.00
OUT OF STATE	22.00	2.00	0.50	24.50	24.00	6.00 294.00
1984-85						
IN DISTRICT	8.00	2.00	0.50	10.50	24.00	6.00 126.00
OUT OF DISTRICT	11.00	2.00	0.50	13.50	24.00	6.00 162.00
OUT OF STATE	22.00	2.00	0.50	24.50	24.00	6.00 294.00

Special Fees

Lab fees: Lab fees may be charged for classes that provide consumable supplies to students. See quarterly class schedule for detail listing

Graduation Fee: Charged to graduating students \$10.00. Fee was implemented in academic year 1982-83

Transcript Fee: Students receive one free copy per year. Each additional copy costs \$1.00.

Notes

During 1979-81 a full time student was someone taking 10 to 16 credits. From 1981 to present a full time student is someone taking 12 to 18 credits. From fall quarter of 1983 activity fees are computed at \$.50 per credit with no maximum limitation

FLATHEAD VALLEY COMMUNITY COLLEGE

Number One First Street East
Kalispell, Montana 59901

I. Academic Achievements

1. Tourism Curriculum implemented
2. Human Service Transfer Option established
3. Computer Science Curriculum implemented
4. Re-establish mens and womens basketball programs
5. Development of a Vocational Education Plan
6. Establishment of an Audio-Visual Tutorial Lab, with assistance of \$97,478 from the Office of Public Instruction

II. Institutional Support Achievements

1. Establishment and accreditation of Lincoln County Center
2. Establishment and accreditation of the Glacier Institute
3. Acquisition of Melton Hall to relocate Applied Sciences Division and Bookstore
4. Establishment of the Student Development Center, which includes the Career Resource Library
5. Joined The Washington Library Network
6. Receipt of Northwest Area Foundation Grant for Computer Assistance in Instruction (72,770)
7. Title III Funding to Institution - 1982-83 \$162,859
- 2983-84 \$114,992
8. Significant enrollment increase in 1984-85
9. On-line computer registration system
10. Campus Master Plan developed
11. Successful Accreditation review this Fall
12. Achieved significant improvements in Board of Trustees, President, and employee relationships. Trust and employee morale has been significantly enhanced over the past year.
13. College organizational structure has been revised and management has been improved resulting in more institutional stability, direction and confidence.



MILES COMMUNITY COLLEGE

RECEIVED

copy
JAN 11 1985

2715 Dickinson

MILES CITY, MONTANA 59301

LEGISLATIVE

January 11, 1985

Telephone (406) 232-3031

Bill Sykes, Assistant Analyst
Office of the Legislative Fiscal Analyst
State Capitol
Helena, Montana 59620

Dear Bill:

The Trustees and Administration of Miles Community College view with grave concern the projections that have been made of our funding for the upcoming 1985-87 biennium.

The 1985-86 budgets proposed by the Governor's Budget Office and the Legislative Fiscal Analyst are as follows:

	Proposed 1985-86 Budget	Reduction From 1984-85 Budget of \$2,015,863	% Change
	-----	-----	-----
Governor	1,624,392	(391,471)	-19.42
LFA	1,662,512	(353,351)	-17.53

Needless to say, reductions of such magnitude would have a devastating impact upon the college; its programs, staff, and students.

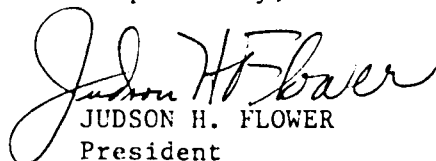
We do not wish to impune the good work of the Governor's Budget Office or the Legislative Fiscal Analyst, both of which elicited data from the college in the formulation of their projections. However, there are important factors which were evidently not considered, plus some omissions and errors that require clarification and/or correction.

It would be highly preferable to have opportunity for direct input and interaction as these projections are prepared, but since the "Funding Study" which preceded the 1981 Legislative Session there has been no such opportunity. It is therefore imperative that our concerns be brought to your attention.

We would greatly appreciate your serious consideration of our concerns as detailed in the following pages. They weigh heavily upon the future of Miles Community College.

I would also appreciate any opportunity to discuss these matters with you personally at a date and time convenient to your schedule.

Respectfully,



JUDSON H. FLOWER
President

JHF:srm

AN "ANNUAL FTE ENROLLMENT SUMMARY" CHART IS ATTACHED, TO USE IN REFERENCE TO THE ISSUES PRESENTED.

ALSO ATTACHED IS A DETAILED BACKGROUND OF OUR INVOLVEMENT WITH THE NORTHERN CHEYENNE AND CROW TRIBES.

I. A major issue is the counting of the FTE's generated in our work with the Indian Tribes on the reservations of our service region. The most critical factors include the following:

- a.) Our work with the Indian Tribes was assigned us by the Commissioner of Higher Education Office at a meeting held in Bozeman on November 10-11, 1977.
- b.) MCC has complied with all the quality control and reporting requirements established by the Regents for including "Indian FTE's" in the funding formula of community colleges.
- c.) Such Indian FTE's were included in the base enrollment figures (486/1980-81) used to project FTE enrollment and formula budgets for the 1981-83 biennium. MCC was at that time in the middle of its most significant growth period, despite which, LFA downward projections were used for the funding formula.
- d.) Such Indian FTE's were again included in the base enrollment figures (617/1982-83) used in projections for the 1983-85 biennium. MCC voluntarily accepted a lowered 580 FTE base for both years because of the burdensome impact on the local district tax base.
- e.) MCC has exceeded the funded FTE enrollment each year through 1983-84. Now suddenly in 1984-85 our Indian FTE's are not to be counted (not because of any change in programs and operations but because of a mid-biennium change in definition by the Regents, combined with the awarding of "Candidate Status" to the tribal institutions).
- f.) Our success in filling the assignment to work with the Northern Cheyenne and Crow should not result in such extreme budget reductions as to incur irreparable damage to the college. Some kind of phased reduction should be implemented to prevent a debilitating impact.

II. The up and down roller coaster ride attending funding formula projections is clearly a problem (see chart), and precludes effective administrative planning and efficient institutional management.

III. Miles Community College has always endeavored to play by the rules established for institutional funding. But when the rules are changed in mid-biennium, compensating adjustments should be made so as not to work undue and unfair hardships on the college or the students which are our ultimate concern.

IV. To use 1983-84 FTE as a data base while applying new 1984-85 definitions is an improper mix. If the new definitions applied for the first time in 1984-85 are to be used, 1984-85 FTE enrollment should also be used as the data base. With Summer Session, Fall and Winter Quarter enrollments already known, an accurate projection can be made for 1984-85 and extended into the new biennium. This projection is very consistent with the steady growth pattern since 1980-81 (see chart).

V. There is no valid reason for the flattened projection of our Unrestricted Enrollment at 464 FTE. The explanation given for justifying a continuing 464 FTE figure was that it paralleled our 1984 Fall Quarter FTE enrollment. However, Fall Quarter enrollments are not appropriate in projecting annual FTE at Miles Community College. Because of a large Nursing Program which operates year-round, MCC has a substantial Summer School program and enrollment that must be factored into our yearly FTE projections. Our 1984 Summer Quarter FTE of 45.9 (factored to 1/3 for yearly FTE) would alone increase the projection by 15, to a total of 479 FTE.

VI. There is precedent for phasing and adjustment to assist institutions which experience abrupt and excessive reductions in enrollment and budget. This would seem to be especially appropriate in view of the circumstances outlined above.

BASED ON ALL THE ABOVE THERE WOULD SEEM TO BE THREE JUSTIFIED ALTERNATIVES, EACH APPROPRIATE IN ITS OWN WAY, THAT OFFER A MORE VALID FTE BASE AND RESULTING BUDGET FOR MILES COMMUNITY COLLEGE FOR THE 1985-87 BIENNIUM.

1.) KEEP BOTH THE FTE DATA BASE AND QUALIFYING DEFINITIONS FROM 1983-84.

This would retain the Indian FTE's and produce a total of 621 FTE as the base for projections in the upcoming biennium. It is no doubt the least realistic of the three alternatives, but it has the virtue of consistency among the internal factors used to compute projections.

2.) STRIKE AN ARBITRARY MIDDLE GROUND BALANCE BETWEEN CURRENT FUNDING LEVEL AND LFA PROJECTIONS FOR THE 1985-87 BIENNIUM.

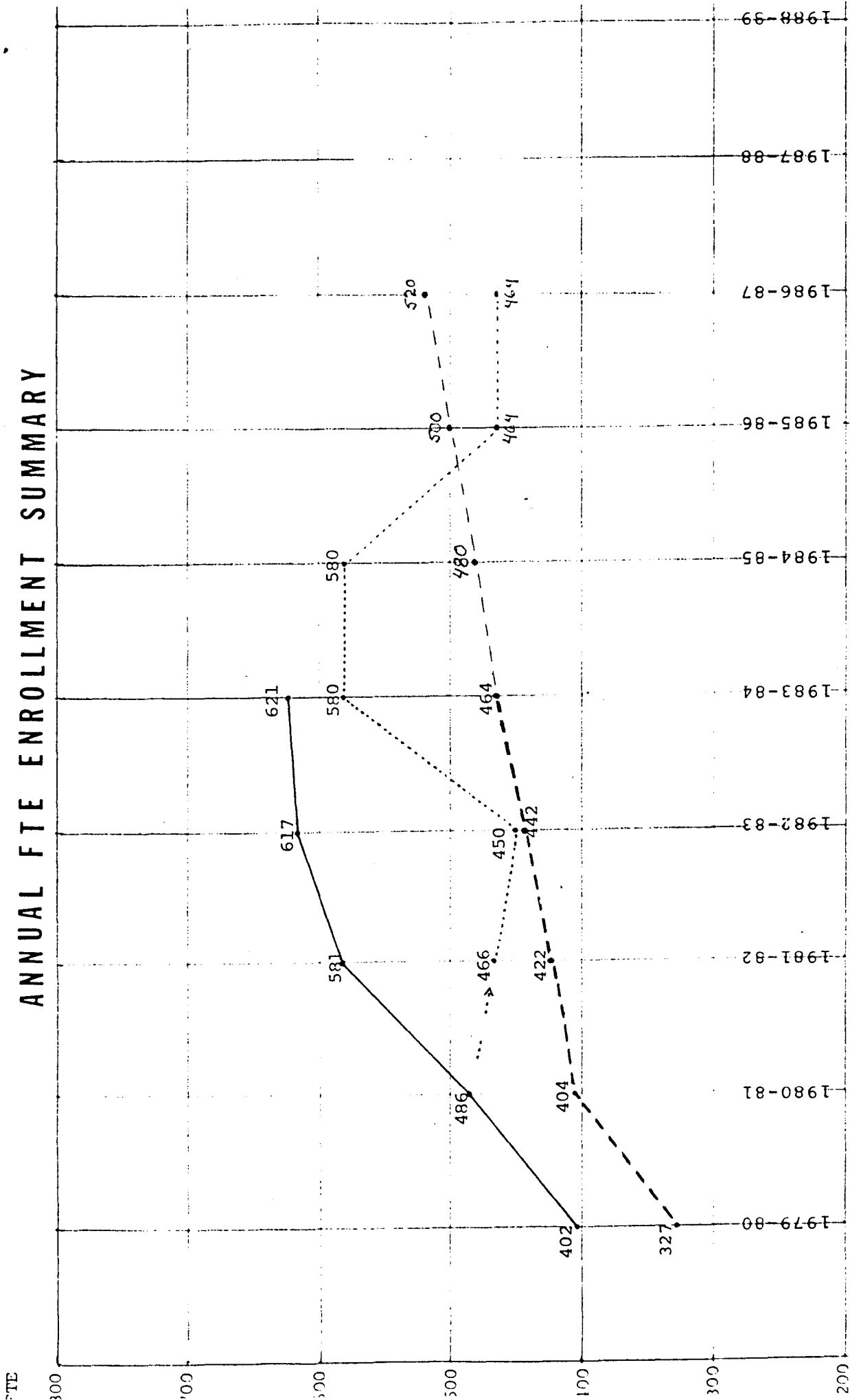
No magic about middle ground compromises, but they represent fairness in their treatment of both sides. This would result in 522 FTE (halfway point between 580 and 464) to be used as the base in computing projections. The college would still incur significant reductions in programs and staff, but at a level that is manageable without long-range harm.

3.) USE HISTORICAL UNRESTRICTED FTE GROWTH PATTERN FOR 1985-87 BIENNIUM PROJECTIONS.

At the very least, the clearly demonstrated and consistent growth in Unrestricted FTE Enrollment should be used as the base for projections. Using projected FTE for 1984-85 (which includes actual Summer, Fall, and Winter data) gives 480 FTE as the base for computing 1985-86 and 1986-87 projections at 500 and 520 respectively. These projections are considered to be conservative, as we expect enrollments in our developing Colstrip Center to increase more rapidly in the next two years before beginning to level off.

MILES COMMUNITY COLLEGE

ANNUAL FTE ENROLLMENT SUMMARY



LEGEND:

- LFA FUNDING FORMULA
- UNRESTRICTED CAMPUS/COLSTRIP CENTER
- TOTAL, INCLUDING INDIAN FTE'S
- (RED)--- PROJECTED

BACKGROUND OF MILES COMMUNITY COLLEGE
INVOLVEMENT WITH NORTHERN CHEYENNE AND CROW TRIBES

On November 10-11, 1977, a meeting was held on the campus of Montana State University in Bozeman, attended by representatives of the Commissioner's Office, University System Units, Community Colleges, and the Indian Tribes of Montana.

The focus of this meeting was an effort to improve higher education opportunities for the Indian peoples of the State. A major outcome of the meeting was the formal assignment given to the three community colleges to work with the Indian tribes to provide lower-division educational opportunities on the reservations.

Reasons for this action:

- 1.) Extremely low success rate for those Indian students who enrolled in higher education institutions off the reservations.
- 2.) Reluctance of Indian students to leave the reservation environment to attend higher learning institutions.
- 3.) Lower-division coursework available in the cultural environment of the reservation would result in a higher success rate and eventually a more effective transition to units of the University System.
- 4.) Community colleges, which by virtue of local governance and funding support did not have the self-supporting restrictions that apply to off-campus offerings by the University System Units, could address the needs of Indian students within approved budget operations.

With this newly assigned role Miles Community College moved actively to provide course offerings on the Northern Cheyenne and Crow Reservations and to a lesser extent on the Fort Peck College--the latter in cooperation with Dawson Community College where geographic overlapping was preferable to program duplication.

It should be noted that Miles Community College had already been working with the Northern Cheyenne since 1973, though on a less formal and smaller scale. Our work with the Northern Cheyenne has been continuous since that time. Our efforts with the Crow began in early 1977, but had their greatest development following the above described meeting in Bozeman.

It was not until the 1981-82 academic year that Miles Community College received any funding support for its efforts on the reservations--following the establishment of an FTE funding formula by the 1981 Legislature. Until that time the costly effort of traveling, meeting, planning, and operating programs on the reservations was not recognized in established funding processes. Beginning in 1981-82 Indian FTE's which met strict quality control requirements established by the Regents were included in our formula FTE count. These Indian FTE's were reported separately by reservation, and were clearly identifiable as required.

(NOTE: It is important to understand that these Indian FTE's are limited to those for which Miles Community College has a direct responsibility. They do not include those from programs and courses operated by the tribes which form the nucleus of the tribal community colleges.)

By the time the funding formula was put in place, our involvement with the Northern Cheyenne had peaked and begun to decline. As Dull Knife Memorial College grew and developed, it became increasingly responsible for its own operations and as a result of their achievements received "Candidate Status" (for accreditation) by the Northwest Association. For 1983-84 the Northern Cheyenne FTE included in our reports were reduced to 49, with a negligible number to be reported in 1984-85 and none continued into the upcoming 1985-87 biennium.

This experience with the Northern Cheyenne would seem to be close to the ideal. A need was recognized, addressed, the goals met, and the process phased out. Miles Community College is proud of its association with the Northern Cheyenne who have accomplished so much for themselves in doing what the Indian peoples have long been urged to do--to assume a greater responsibility for their own progress and well being.

Our involvement with the Crow Tribe would likely have followed the same pattern had it not been for the vagaries of tribal politics. In August, 1980 there was a severance in our association initiated by the Tribe in the erroneous expectation that it would speed the establishment and recognition by the federal government of their tribal institution--Little Big Horn Community College. When the error of that move was recognized, the relationship was reestablished in September, 1981, again at the initiative of the Tribe. Because of that interruption we were near a peak in the number of our Indian FTE's (91) on the Crow Reservation in 1983-84. Some modest decline from that peak would have occurred during 1984-85, but there would still have been a substantial number of MCC Indian FTE's generated in our work with the Crow during the next biennium.

However, two things occurred in the middle of the 1983-85 biennium which changed the situation abruptly:

- 1.) The Regents adopted a policy relating to the quality and control of Indian FTE's generated by the state-supported community colleges in which it is stated that such FTE's cannot be counted in the funding formula once the Indian Institution has attained "Candidate Status."

This action seemed to pose no imminent harm at the time it was taken, as the Northern Cheyenne FTE's were already reduced to a level having little significance, and the Crow attainment of "Candidate Status" was thought to be two or three years away, by which time our FTE numbers from the Crow would also be very low.

- 2.) The Crow were granted "Candidate Status" for Little Big Horn Community College in June, 1984. While this was unexpected, it was no doubt deserved, and reflects favorably upon the accomplishment of the Crow in so short a time.

The attainment of "Candidate Status" by the Crow, combined with the new Regent policy definition, works a sudden and severe hardship upon Miles Community College. Ironically, it is the result of our own success in filling the assignment given us to work with the Indian peoples of our service region and in assisting them to the accomplishment of a major milestone leading to full accreditation for their tribal institutions.

It would seem that our success in this endeavor should be rewarded with something other than an abrupt loss of budget resources at a level that would incur extreme and long-lasting harm to Miles Community College. Would not some phased process giving us opportunity to replace lost Indian FTE's with those to be gained in a growing operation at our Colstrip Center be more appropriate--and fair--and consistent with precedent?