

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

March 12, 1985

Tape 86 Side A

The meeting of the Education Subcommittee was called to order by Chairman Gene Donaldson at 7:00 A.M. on Tuesday, March 12, 1985, in Room 104 of the State Capitol.

ROLL CALL: All members were present.

The purpose of the meeting was hearing of House Bill 802 and further discussion and EXECUTIVE ACTION on the budget of the Office of Public Instruction (OPI), particularly in regard to the Secondary Vo-Ed program

Chairman Donaldson called the Subcommittee's attention to a handout from Mr. Christiaansen of OPI entitled "maintenance of Effort" (EXHIBIT 1), which he said would be discussed later.

HOUSE BILL 802: "AN ACT TO APPROPRIATE \$485,000 TO THREE UNITS OF THE UNIVERSITY SYSTEM FOR THE PURPOSE OF A COORDINATED EFFORT TO GRANT A MASTER OF BUSINESS ADMINISTRATION DEGREE FROM THE UNIVERSITY OF MONTANA AT EASTERN MONTANA COLLEGE."

Representative Kelly Addy (86:A:025), District 94, introduced House Bill 802, which contains a \$486,000 appropriation for a Masters of Business Administration program at Eastern Montana College in Billings. He said he views higher education as one of the industries of the state of Montana. It's a product that is available to people who live in the state or people who are thinking of re-locating businesses. It's a clean industry and one that is state-supported, he said.

One of the common complaints regarding higher education in the state is that everyone gets a great education in the state and then moves on, Representative Addy said. A uniquely attractive product of this industry is the Masters of Business Administration degree, which presently is offered only in Missoula at the University of Montana (UM). In today's society this particular product is viewed as something that will give those who consume it a uniquely valuable skill. There is a natural and untapped market for the product--the Billings area.

Education Subcommittee
Minutes
March 12, 1985

Representative Addy said he taught Business Law at Eastern Montana College (EMC) for two years. The classes were held in the evening, and there were 60 students in every class. At the end of each quarter, he said he would talk to the students about the school and the class and why they were in the class. At least 50 of the students in each class were taking what they thought were credits toward an MBA degree, he said. There is definitely a market in Billings at EMC for an MBA program.

Representative Addy said national companies locating regional headquarters see the ability for their middle management people to get MBA degrees as especially desirable. Nowadays Billings is regarded as a boom town, and he said he didn't want to disillusion people in that regard, but right now there is a surplus of office space in Billings. Rents are low, and this is a factor that will be considered by national companies that are making relocation decisions. If the personnel of these companies can also be offered an MBA degree, this is an additional incentive. Another incentive is that Billings is the marketing center for its region. There are a number of advantages that this program will offer all of south central Montana, he said. There will be no need to leave home to attend the program; it's a good reason for young Montanans to stay in state; and it may be possible to market the degree to another population center: Sheridan, Wyoming.

Representative Addy said the faculty associated with the MBA program will be exposed to a diverse business community. He said most of the students who were in his Business Law classes were working for downtown businesses, and those students were looking for practical knowledge. This student is typically a little older, between 26 and 27 years old. He said if the MBA degree were offered at EMC, it would result in theory challenging reality challenging theory. This is the kind of feedback that can lead to a richer program--at all of the campuses.

PROPOSERS:

Irving Dayton (86:A:138), Commissioner of Higher Education, said this proposal has been endorsed by the Board of Regents. He pointed out that the program is constructed in a way that is consistent with the Board's philosophy of the University System's serving the state, in that resources are used where they are available and used to solve specific problems or meet particular needs. In this case, there are resources from UM, including its degree, and faculty from Montana State University (MSU) and EMC. All of these resources will be brought together to meet the needs of the state's largest metropolitan area.

Education Subcommittee
Minutes
March 12, 1985

Under enrollment-driven budgeting, it's impossible to do anything new, Dr. Dayton said, because funding is always based on what has been done. In the case of a program like this, there is no way to move resources out of other parts of the institutions involved in order to start the program. Once in place, all the market research that has been done indicates that the enrollment will be substantial, and the student credit hours generated in the program will then carry the continuation of the program through the budgeting process. Dr. Dayton said if this doesn't happen, then the program should probably be discontinued.

Dr. Dayton said the Legislative Session has made apparent to everyone the sorry state of Montana's economy. Clearly, supporting existing industries, training their staffs, and bringing in new industries, for whom the presence of training opportunities is essential, is part of that. But it's not a free ride; it will take more than talk. An investment by the state is required, and he said the investment in the MBA program in Billings is an investment in the future of the entire state in terms of strengthening and broadening its economic base.

Bruce Carpenter (86:A:185), President, EMC, said this program has probably had more study and more interest than any other program that the University System has contemplated in recent years. The program is an example of a cooperative venture between UM, MSU and EMC. The people who will be served by the program are place-bound by their occupations, he said.

Neil Bucklew (86:A:211), President, UM, stated that this is the third time the proposal has been before the Legislature. The need for the program has been established, and it's time to give an answer to the people in Billings, he said.

Representative John Montayne (86:A:249), District 96, said he was speaking in support of House Bill 802 as a homeowner and a working person. He said he was also speaking in behalf of the people who were not able to send their children to other institutions and who would benefit by having this program at EMC.

Dave Doss (86:A:352), representing the Billings Area Chamber of Commerce (EXHIBIT 2), said the major reason a business will choose to locate in an area is marketplace. This is why there should be an MBA program in Billings: there is a very large market to be served. An MBA program at Billings will be an investment in the future of the business community of the area. He presented a packet of letters from people in the area who support the MBA program (EXHIBITS 3 - 14).

Education Subcommittee
Minutes
March 12, 1985

Senator Tom Towe (86:A:390), District 46, pointed out that Billings is becoming the business center of the state. The business community can be encouraged to participate in a program like this. The program will enrich education in Billings as well as the city itself.

Senator Esther Bengston (86:A:408), District 49, said this is a serious proposal, one that is for the future of Montana, and she urged support of the bill.

Representative Jerry Driscoll, District 92, supports House Bill 802.

Senator Pat Regan, District 47, supports House Bill 802.

OPPONENTS: None

COMMITTEE DISCUSSION:

Representative Hand asked what the cost difference would be if a person took the MBA program in Missoula, rather than in Billings. Representative Addy said if there were 100 people who had to quit their jobs and relocate in Missoula, and it cost \$5,000 per person, it would be a wash. He urged that the Subcommittee also consider the fact that the MBA program in Billings will encourage national companies to locate in Billings and said the income tax paid by those people should be considered.

Chairman Donaldson asked if this is a two-year program. Dr. Bucklew said a biennial start-up is being requested, and after the biennium, the enrollment would then be in the formula base; this plus the tuition will carry the program. He said about 100 students are needed. It's a difficult program to complete in two years and would probably take two and a half years, Dr. Bucklew said.

Representative Moore asked if there are any alternative methods for getting money for the program, or if anyone has considered reduction of other programs in order to have money for this program. Dr. Dayton stated that the Regents have consistently taken the position that the first priority is to fund the formula at 100 percent.

Representative Peck asked what happens if there are only 70 students at the end of a two-year period. Dr. Bucklew said there would have to be a surcharge for those students to cover the incremental cost above what the formula would generate and what their tuition would generate. It's possible that the issue would be presented to the Legislature at that point, he said.

Education Subcommittee
Minutes
March 12, 1985

Senator Jacobson asked what the bottom line for first year start-up would be, if the program were started in 1987. Dr. Bucklew said the bottom line figure is \$266,000.

Representative Addy (86:A:536) closed on behalf of House Bill 802. He said last year, for the first time in history, unemployment in Yellowstone County was higher than unemployment in Missoula County. He thanked Senator Jacobson for asking the question regarding starting the program in the second year of the biennium, and said this knocks \$220,000 off the request, and it might be possible to spread the start-up cost over two biennia.

Chairman Donaldson closed the hearing on House Bill 802. He assured the proponents of the bill that the Subcommittee would give the bill every consideration.

Chairman Donaldson (86:A:578) said he knows there are a couple of areas that have given the Subcommittee members a great deal of concern. One of these areas is Secondary Vo-Ed. He said changes can still be accommodated, but it's getting increasingly difficult to do this. He said he is reluctant to make too many changes at this point.

Representative Hand asked if there will be any other opportunities to make changes. Chairman Donaldson said there will not because the Education Subcommittee's report goes to the Appropriations Committee tomorrow morning at 8:00.

Pam Joehler, Legislative Fiscal Analyst's office, said the office can accommodate any changes that the Subcommittee makes.

Senator Hammond (86:A:625) moved that the Subcommittee reconsider its action to eliminate Secondary Vo-Ed money from the budget of OPI.

There was discussion of the motion.

Gene Christiaansen (86:A:641), OPI, discussed Exhibit 1. He explained that these are excerpts from the Carl Perkins Vocational Education Act. Before the Carl Perkins Act it was possible to use local and state monies for match purposes. The new law specifies "state funds", he said. There is a maintenance of effort problem between fiscal years 1986 and 1987 and also between 1985 and 1986. There is a concern, based upon the receipt of state funds only, he said, with regard to maintenance of effort.

Tape 86 Side B

Senator Jacobson said she would be more comfortable with telling the full Appropriations Committee that a change was made, however there are some problems with the federal

Education Subcommittee
Minutes
March 12, 1985

funding which should be considered. Representative Moore said if the \$750,000 is put back in the budget, in the first year the program will still be \$56,851 short of that maintenance of effort; and in the second year \$139,381 short. Therefore, to sustain maintenance of effort it will be necessary to add \$1.5 million plus about \$190,000. He said he does not know where there is money for this.

Senator Haffey said he supports the motion for reconsideration and the following motion. He said he prefers to give a clear signal to the Appropriations Committee on the issue. Senator Hammond said that 40 to 50 percent of the young people in Montana never get a second shot as far as work skills are concerned, and if this program is removed those people are hurt. He said a distinct signal should be sent to the Appropriations Committee.

Representative Hand stated that the federal pistol "is at our head", either the money is put back in the Secondary Vo-Ed program, or all the money for the program is lost. Chairman Donaldson said this is Mr. Christiaansen's interpretation, and that in fact it may be necessary to put a little more money into the program.

The motion to reconsider Subcommittee action in regard to the elimination of \$1.5 million for the Secondary Vo-Ed program passed 6 - 1 with Representative Hand dissenting (86:B:064).

Senator Hammond (86:B:066) made a motion that \$1.5 million be added to the budget of OPI for the Secondary Vo-Ed program.

There was discussion of the motion.

Representative Jim Schultz (86:B:074), District 30, said that many of the high schools that have secondary vo-ed programs have small enrollments, and they have problems with raising money on mill levies. It is often difficult for a small school to maintain an effort in the vocational program, he said.

Chairman Donaldson asked Representative Schultz if this secondary vo-ed money is used primarily for equipment. Representative Schultz said that is how the money is used. He said it's used for essential items that cannot be bought out of the school budget. Chairman Donaldson said that this money does not supplant a local effort.

Representative Hand asked if the maintenance effort is not 100 percent complete, does that mean all the money is lost? Mr. Christiaansen said in the past if effort was not main-

Education Subcommittee
Minutes
March 12, 1985

tained, the previous year's allocation is paid back to the federal government, and the next year's allocation is not available. Representative Peck asked if these rules are at this time tentative. Mr. Christiaansen said this is correct.

The motion to put \$1.5 million back into the budget of OPI for the Secondary Vo-Ed program passed 5 - 2 with Representative Hand and Representative Moore dissenting (86:B:131).

Chairman Donaldson stated that another area of concern is the budget cuts made to OPI.

Ed Argenbright (86:B:144), Superintendent, OPI, spoke to this issue. He said in 1970 the FTE count in his office was 136; the Governor's recommendation for the coming biennium is 134. During the last four years his office has cut back, he said, and the school systems of the state have been operated in a responsible manner. The actions that will further reduce OPI staff are the kinds of actions that will be felt by the school districts of the state-- and by the Legislature two years from now, he said. Mr. Argenbright said the reductions will cause OPI to change from an agency that assists to an agency that regulates. OPI will become a referee, he said. OPI serves as a buffer between the federal government and the local districts. He urged that the system be allowed to continue to function in the way that Montanans want it to function.

Mr. Argenbright answered questions from the Subcommittee (86:B:195).

In response to a question from Representative Moore, Mr. Argenbright said when 4 percent vacancy savings is taken from the agency's budget, his office is impacted by \$73,221.

Representative Peck asked if Mr. Argenbright will use his office to support a tax increase to fund education. Mr. Argenbright said he does not want to be involved in the political argument of who gets blamed for a tax increase. Representative Peck said across-the-board support is necessary in order to take care of education's funding. Mr. Argenbright said he doesn't care where the money comes from. If it takes a tax increase, that's fine; if it takes priority setting, that's fine, he said. He said he supports the 7 percent increase in foundation program funding because if this increase is not made, the onus is put back on the local property taxpayers. Representative Peck asked Mr. Argenbright if he does support additional funding and taxes. Mr. Argenbright said he is saying that education must be appropriately funded because it's an investment in the future.

Education Subcommittee
Minutes
March 12, 1985

Chairman Donaldson said this is an issue that can't be resolved right away and that a decision needs to be made as to whether or not more money can be put back into OPI. Senator Haffey said the Great Falls Tribune has stated that the Subcommittee has done its job, and that any more cuts would be irresponsible. The Montana Standard has said much the same thing. He noted that the Helena Independent Record published an editorial last week that said the Legislature should make further cuts; then that same newspaper came out with an editorial stating that the Subcommittee has been irresponsible to the University System. Senator Haffey said the point is that there are messages that say the funding problems have been solved and the budgets have been cut as far as possible. Now it's necessary to look toward revenue solutions, he said. In order to be fair and just to all of the programs in the state, revenue solutions are what must be made, he said. Representative Moore noted that there are 19 departments in state government which seem to be "sacred cows", and no one in state government wants to take any money away from those departments.

Senator Haffey (86:B:310) made a motion to reconsider action in regard to federal vo-ed money. The motion passed unanimously.

Representative Moore said it would be appropriate to discuss these items further later on. Chairman Donaldson said it will not be possible to make many decisions later on because the staff must have time to put things together.

Representative Moore (86:B:345) made a motion that the issue of federal vo-ed money for OPI be presented to the Appropriations Committee. The motion passed unanimously.

Chairman Donaldson suggested that those people who were at the meeting wishing to show their support for replacement of monies in the budget of OPI leave their names so that their support will be entered into the record.

Representative Jim Schultz supports replacement of funds for OPI.

Eric Feaver, Montana Education Association, supports replacement of funds for OPI.

Katie Williams, Hobson School Board, supports replacement of funds for OPI.

Esther Nelson, Executive Secretary, School Business Office Association, supports replacement of funds for OPI.

Education Subcommittee
Minutes
March 12, 1985

C. L. Robinett, Superintendent, Lame Deer Schools, also representing the Montana Independent Impact Aid Association, supports replacement of funds for OPI.

Mert McCluskey, Great Falls, particularly supports the Indian Education program of OPI.

Leonard Lombardi, Helena, supports appropriate staffing of OPI and funding of vocational education.

Jim Whealon, Helena, supports the OPI budget and funding of vocational education.

Ray Brown, Helena, supports the OPI budget and funding of vocational education.

Rod Johnson, Great Falls Public Schools, supports replacement of funds for OPI.

Ron Evenson, Cascade High School, supports replacement of funds for OPI.

Kathryn Penrod, State Vo-Ed Council, particularly supports funding of vocational education.

Chip Erdmann, School Board Association, supports replacement of funds for OPI.

Richard Trerise, Montana Association of County Superintendents, supports replacement of funds for OPI.

Ralph Godtland, Southwest Representative, Vo-Tech Committee, supports replacement of funds for OPI.

ADJOURN: The meeting adjourned at 8:30 A.M.


Gene Donaldson, Chairman

DAILY ROLL CALL

EDUCATION SUB COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date March 12, 1985

[illegible]

VISITOR'S REGISTER

HOUSE Education Sub COMMITTEEBILL HB 802DATE March 12, 1985SPONSOR Addy

NAME	RESIDENCE	REPRESENTING	SUP- PORT	OP- POSE
<u>Dean</u>	<u>Helena</u>	<u>MSA</u>		
<u>J. Schultz</u>	<u>Leavittown</u>	<u>District 30</u>		
<u>Leonard [unclear]</u>	<u>Helena</u>	<u>HEA</u>	<input checked="" type="checkbox"/>	
<u>Ken Heikes</u>	<u>Billings</u>	<u>EMC</u>	<input checked="" type="checkbox"/>	
<u>L. E. Dayton</u>	<u>Helena</u>	<u>Commissioner of Higher Ed</u>	<input checked="" type="checkbox"/>	
<u>Daniel Winter</u>	<u>Billings</u>	<u>Self</u>		
<u>Bon Evanson</u>	<u>Cascade</u>	<u>Cascade High School</u>	<input checked="" type="checkbox"/>	
<u>Judy Johnson</u>	<u>Helena</u>	<u>OPI</u>		
<u>Tom Chesbro</u>	<u>Helena</u>	<u>OPI</u>	<input checked="" type="checkbox"/>	
<u>Scott Jourdonna</u>	<u>Helena</u>	<u>UMP Presidents office</u>		
<u>K Paul Stahl</u>	<u>Helena</u>	<u>Self</u> (Self)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<u>Jim Fitzpatrick</u>	<u>Helena</u>	Self		
<u>Gene Christensen</u>	<u>Helena</u>	<u>Office of Public Inst</u>		
<u>W. Lukens</u>	<u>Helena</u>	<u>OPI</u>	<input checked="" type="checkbox"/>	
<u>Richard Mockler</u>	<u>MSLA</u>	<u>Montana College Coalition</u>	<input checked="" type="checkbox"/>	
<u>Sen Bengtson</u>	<u>MBA</u>	<u>SD49</u>	<input checked="" type="checkbox"/>	
<u>Mon Chaskey</u>	<u>Gr. Falls</u>	<u>Mont Adv. Bd. Ind. Ed.</u>	<input checked="" type="checkbox"/>	

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

WHEN TESTIFYING PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

HOUSE Ed Sub Committee COMMITTEE

DATE March 12, 1995

[illegible]

FORM CS-22

Maintenance of Effort

401.97 Federal Register Vol. 50, No. 17 Friday, January 25, 1985/
Proposed Rules

A state shall provide the non-Federal share of the cost of projects, services, and activities for handicapped individuals and for disadvantaged individuals under the Vocational Education Opportunities Program equitably from State and local sources, except that the State shall provide non-federal share of the cost from State sources if the State board determines that an eligible recipient cannot reasonably be expected to provide for such costs from local sources.

401.94 (c) Unless otherwise provided by regulations in this part, a State or eligible recipient may not use the value of in-kind contributions to satisfy a cost-sharing requirement under the State Vocational Education program.

Sec. 503 (a), Reg. 401.22 (a)

The Secretary may not make a payment under the Act to a State for any fiscal year unless the Secretary determines that the fiscal effort per student, or the aggregate expenditures of that State, from State sources, for vocational education for the fiscal year (or program year) for which the determination is made, at least equaled its effort or expenditures for vocational education for the second preceding fiscal year (or program year).

Funds that may be used for measuring the State effort are limited to:

1. General Funds
2. Coal Tax Interest
3. Secondary Vo-Ed Excess Costs

The table below illustrates the 1984 fiscal year values through projected fiscal 1987.

	General Fund	Coal Tax	Secondary VoEd	Total
Actual 1984	4,500,571	616,180	750,000	5,866,751
Projected				
1985	4,556,694	724,730	750,000	6,031,424
1986	4,329,573	895,000	-	5,224,573
1987	4,142,043	1,000,000	-	5,142,043

This table does not include replacement of federal fund loss in 1986 or 1987 and reflects subcommittee action to eliminate secondary voed.

Billings Area

CHAMBER OF COMMERCE



2
EXHIBIT 2
3-12-85

TESTIMONY SUPPORTING HB 802

A major reason that many businesses exist in a particular location is because there is a market to be served. It is for this reason that the Billings Area Chamber of Commerce believes a Masters of Business Administration program should be established at Eastern Montana College in Billings.

Because of Billings' role as a regional center for business, there is a large number of people employed in professional, financial, marketing and administrative positions. The number of these workers has been growing and will continue to grow in the future.

Many of the people that are and will be filling these positions are very education oriented. In today's complex business world, higher and continuing education plays a major role in an individual's ability to "move up" in business.

Therefore, it is obvious that there is a market for a MBA at Eastern Montana College. The proposal being considered would address this existing market by being designed in such a fashion as to allow people to continue their present employment while working towards their MBA.

The Chamber believes that the initial costs for establishing the MBA program should be viewed as an investment in Montana's future economy. If people are able to continue in their present employment while continuing their education, there will not be a reduction in tax revenue which will occur if people have to quit working to go to school or take lower paying part time jobs. And if people are able to obtain a higher education, this will often result in higher paying jobs which means more tax dollars to the state.

The Chamber urges you to meet the need of an existing market and invest in the future by approving House Bill 802.

Hart-Albin Company

BILLINGS, MONTANA 59103

February 18, 1985

3

EXHIBIT 3
3-12-85

HB802

Mr. Francis Bardanouve
House of Representatives
Montana Legislature
State Capitol
Helena, Montana

Dear Mr. Bardanouve:

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 two years ago, the response from interested persons was quite overwhelming. In less than one day all the interview times for an entire week were reserved. Over 200 people exhibited definite intentions of enrolling in the M.B.A. program for that fall. 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.

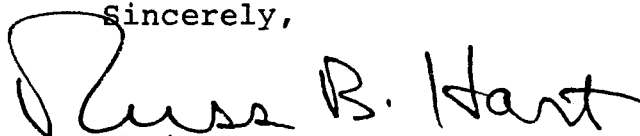
Some persons from as far away as Miles City said they would drive in twice a week to attend classes held at Eastern.

As you know, this program was not funded by the 1983 legislature. However, the need and the interest still exists.

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 for this geographical area.

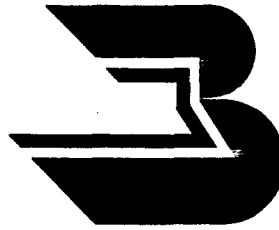
Sincerely,



Chairman
Hart-Albin Company

Billings Area

CHAMBER OF COMMERCE



4
EXHIBIT 4
3-12-85
HB802

Office of the President

February 19, 1985

Mr. Francis Bardanouve, Chairman
House Appropriations Committee
Montana State Legislature
Capitol Station
Helena, MT 59620

Dear Chairman Bardanouve:

For several years we in Billings have been keenly interested in providing for an advanced degree in Business at Eastern Montana College. House Bill 802 would answer the need as we see it. We urge your committee's favorable consideration for three key reasons:

1. Billings is growing in importance as the business-financial center for the State of Montana. A survey conducted several years ago showed over 1,000 persons interested in advancing their education and abilities by participating in an MBA program if such becomes available at Eastern.
2. Advanced degree possibilities are quite important in the recruitment of selected prospective employees for major Billings businesses.
3. The presence of graduate study possibilities would enhance Billings attractiveness to outside business firms considering Montana for expansion.

Again, please support House Bill 802 to put graduate business training in the place where it is most needed.

Sincerely,

David Baker, President
Board of Directors
Billings Area Chamber of Commerce

DB/pw

Western BUSINESS

Unicorn Communications
P.O. Box 31678
401 North Broadway
Billings, MT 59107
(406) 252-4788

5
EXHIBIT 5
3-12-85

HB802

February 14, 1985

Bruce Carpenter
President
Eastern Montana College
1500 No. 30th Street
Billings, MT 59101-0298

Dear Mr. Carpenter:

Billings, like many other cities across America, is trying to expand its economic base. I believe that the expansion effort is in the best interests of the State of Montana, not just the community of Billings. Like the manufacturing plants of the Midwest, Montana's historic industries are crumbling. Mining is essentially dead, agriculture and lumber are in serious trouble, and tourism cannot begin to fill the void.

Eastern Montana College can play a significant role in this economic expansion activity by continuing to provide quality educational opportunities to the community. Of particular importance is the addition of a Masters Program to the School of Business. How this is accomplished is not a major concern of the local business community, however, the timing is a major concern. The economic system in this country is going through a radical change. Education offers us the best hope of coping with that change. With that in mind, I would encourage you to do everything in your power to get approval for the M.B.A. Program during this legislative session.

This program is needed not just for the existing businesses, but also as a tool in drawing new businesses to our community. Billings is the business and economic center of the state. Billings is growing and has a positive national image. As every good businessman knows, you build on your strengths, not on your weaknesses, and since Billings is clearly the strongest city in the state economically, I believe this is where we should start to rebuild. The M.B.A. Program would not only serve to make existing Billings businesses more efficient, but serve as a signal to potential new businesses, either starting up or relocating here, that the resources will be available for them to grow and prosper.

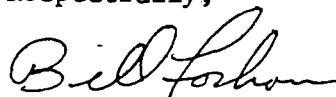
I could cite some statistics about how many of our 200 employees may take advantage of this program, however, that is a short term statistic that is not even relevant to the subject. As a company, we will support those that do both financially and otherwise. The important thing is to develop

Mr. Bruce Carpenter
February 14, 1985
Page Two

an environment in this state where businesses can succeed and grow.

As a taxpayer and native Montanan, I want to see us make the most of our scarce financial resources. I believe that Education is an investment. We need to convince the legislature that the M.B.A. Program is an investment in Billings and Montana's future.

Respectfully,

A handwritten signature in cursive script, appearing to read "Bill Forhan".

William E. Forhan
President
School of Business and Economics
Advisory Board

WEF:ds

The Billings Gazette



6
P.O. BOX 2507
BILLINGS, MONTANA 591
406-657-1200

GEORGE D. REMINGTON, Publisher

EXHIBIT 6
3-12-85
HB802

February 14, 1985

Dr. Bruce Carpenter
President
Eastern Montana College
Billings, Montana 59101

Dear Bruce:

This will confirm the long-standing support of The Billings Gazette for an MBA program at Eastern Montana College.

I am confident that several of our present employees would enroll in an MBA program if it were offered at Eastern and that the same would be true in future years.

The Gazette has a tuition-refund program that would offer financial support for employees who choose to enroll in both graduate and undergraduate programs provided they make passing grades.

I am sure other business leaders in Billings share my opinion that an MBA program at Eastern is needed to enhance Billings' position as the "Business Capital of Montana."

Sincerely,

A handwritten signature in cursive script, appearing to read "George D. Remington".

George D. Remington

GDR:vw



United States Department of the Interior

BUREAU OF RECLAMATION
Upper Missouri Region
P.O. Box 2553
Billings, Montana 59103

EXHIBIT 7
3-12-85
HB802

IN REPLY
REFER TO: UM-500

FEB 15 1985

Dr. Bruce H. Carpenter
President, Eastern Montana College
1500 North 30th Street
Billings, MT 59102

Dear Dr. Carpenter:

Last spring I had an opportunity to participate in a meeting concerning an initiative by Eastern Montana College to develop a graduate program in business administration.

As a prominent Federal agency and employer in the Billings community, we endorse Eastern's efforts to establish an MBA curriculum. We think the availability of such an educational resource would enhance our organization's management development endeavors. It would also serve well the individual career goals of our employees.

We are hopeful that Eastern's plans regarding an MBA program materialize in the near future.

Sincerely yours,

Donald R. Glaser, Assistant
Regional Director - Administration



Robert B. Blomeyer
Manager
Refining Department
Billings Refinery

Conoco Inc.
P.O. Box 2548
Billings, MT 59103
(406) 252-3841

5

EXHIBIT 8
3-12-85
HB802

February 14, 1985

President Bruce H. Carpenter
Eastern Montana College
1500 North 30th Street
Billings, MT 59101-0298

Dear President Carpenter:

Conoco, through its various support and grant programs, has been a long term friend of higher education. I want to take this opportunity to express my support to the development of a MBA Program at Eastern.

Conoco brings many professional employees to Billings for extended training periods. Many of these young men and women are enrolled in MBA Programs prior to their transfer. The absence of a MBA degree in Billings brings their educational advancement to a halt.

It is my hope that our legislators will find both the wisdom and the money to fund this degree at your fine school.

Very truly yours,

Robert B. Blomeyer
Robert B. Blomeyer

bjc

9

EXHIBIT 9
3-12-85
HB802

February 14, 1985

Dr. Bruce Carpenter, President
Eastern Montana College
Billings, MT 59101

Dear Dr. Carpenter:


This is a letter of support for an M.B.A. program at E.M.C. in Billings.

An M.B.A. program in Billings would be to our advantage, and to the benefit of the community. In the past, a health care manager could maintain his/her position with a minimum of marketing, finance, information systems, and management education. However, the entire health care delivery system has changed in the last three years. Our managers need, and they want, the skills offered by an M.B.A. program. At the present, our options are limited. We would like to have a situation where our people can continue to work full-time and take M.B.A. classes part time. Our indications here are that at least 10-12 people would enroll in the program.

An M.B.A. program at E.M.C. would also benefit the community. The program would attract quality people and provide a quality work force.

If I can be of further assistance please give me a call.

Sincerely,



Terry Radcliffe
Director of Education

TR/wmk



EXXON COMPANY, U.S.A.

POST OFFICE BOX 1163 • BILLINGS, MONTANA 59103-1163

REFINING DEPARTMENT
BILLINGS REFINERYEXHIBIT 10
3-12-85
February 19, 1985

HB802

The Honorable Francis Bardanouve
Chairman, Committee on House Appropriations
House of Representatives
Helena, Montana 59601

Dear Mr. Bardanouve:

Exxon employs 70 professional employees at the Billings Refinery. Many of our employees considered continuing their education but have found the choices to be limited at local colleges. One of the more frequent interests expressed by our professional employees is pursuing an MBA degree. In fact, we currently have an engineer on leave of absence pursuing an MBA degree out of state. We also find that prospective employees, especially recent graduates, are very interested in living in a community that offers an active continuing education program.

Therefore, we support HB 802 to provide an MBA program at Eastern Montana College. We feel this program would not only benefit Exxon but would be an asset to the entire community.

Sincerely,

H. H. Hubble
Tech/Admin Manager

HHH:caw



Norwest Bank Billings, N. A.
175 North 27th Street
Post Office Box 30058
Billings, Montana 59117
406/657-3400

11

February 15, 1985

EXHIBIT 11
3-12-85
HB802

Francis Bardanouve
Chairman, House
Appropriations Committee
State Capitol
Helena, Montana 59601

Dear Representative Bardanouve:

I am writing this letter as an individual and as a representative of Norwest Bank Billings, N.A. We employ a staff in excess of 160 people.

I want to express support for the MBA program proposed for Eastern Montana College in cooperation with the University.

Billings has need of such a program to attract and retain employees who want to pursue an advanced degree. Surveys conducted here estimate as many as 1,000 persons in the trade area desire this program. Similarly, an MBA program here would contribute significantly to attracting additional employers to Billings by demonstrating advanced education opportunities for their staffs.

Please give this legislation your favorable consideration.

Sincerely,

A handwritten signature in dark ink, appearing to read 'James A. Fougerson', is written over a circular stamp.

James A. Fougerson
Senior Vice President

JAF:me



Mountain Bell

214 N 30

Billings, MT. 59101

Billings, Montana
February 14, 1985

12
EXHIBIT 12
3-12-85
HB802

Francis Bardanouve
Chairman
House of Appropriations Committee

I am writing to request your favorable consideration of legislation that would fund an MBA program at Eastern Montana College here in Billings.

I am a lifelong Montanan and a graduate of the University System (MSU in Bozeman). Since moving to Billings however, I have become acutely aware of the problem caused by not having access to a full University program, especially in the area of advanced studies.

To continue to deprive the largest single employment base from this resource does not seem to be in Montana's best interests. Those hurt most are the already employed college graduates needing and desiring advanced degrees. Since these people are already in our employment base it follows that the likelihood of them remaining in Montana is great. This would seem to counter the argument that we sometimes hear in regard to educating our young people for export to other states.

As a local business manager and Billings Chamber of Commerce member, I thank you in advance for your consideration and support.

Sincerely,

Dan L. Walker
Area District Manager



Internationally
DUNWOODY ROBSON McGLADREY & PULLEN

February 15, 1985

13

Mr. Bruce Carpenter, President
Eastern Montana College
Billings, Montana

EXHIBIT 13
3-12-85
HB802

Dear President Carpenter:

At the request of JoAnn Sheridan, I am writing to express my support for an MBA Program at Eastern Montana College. As a business advisor to a diversified group of clientele, I am aware of the need for additional educational opportunities for people in the Billings community. A masters program could help supply the educational needs of full time students and working business people who require additional academic training. Properly structured and operated, a masters program could be a source of vitality for a more sophisticated and creative business community.

Very truly yours,

McGLADREY HENDRICKSON & PULLEN

A handwritten signature in dark ink that reads 'Bruce A. Cahill' in a cursive, slightly stylized script.

Bruce A. Cahill, Partner

SCW



Internationally
DUNWOODY ROBSON McGLADREY & PULLEN

February 14, 1985

EXHIBIT 14
3-12-85
HB802

Dear Reader:

As an employer and citizens of Montana, we are concerned about the quality of higher education in Montana. One of the primary requisites for quality is adequate funding to provide qualified instructors and to make the desired courses available.

One such course is the Masters of Business Administration (MBA) program proposed for Eastern Montana College in Billings. This city is the financial and business center of the state. As an employer, we try to attract the best people for employment. Having an institution of higher education for these people to continue with their advanced studies is imperative. There are more jobs in Billings to attract people but many other aspects of their needs for a quality life are lacking. Therefore, many of our best people must leave the state and take that energy and tax base with them. We are in favor of and would support an MBA program at Eastern Montana College.

The initial budget request for the program appears to be more than adequate. The actual additional out-of-pocket costs needed to provide this program should be determined and funded. It is better to have a program with limited funding than no program at all.

A related point is that a fee structure different from that of normal higher education courses should be explored. Since most of the participants will be employed full-time and attending classes on a part-time basis, a higher fee to recoup some of the costs unique to this program could be established.

It is the responsibility of us all to insure that everyone has the opportunity to pursue his objectives within our state. Montana has been an exporter of good people long enough. Your support for a cooperative MBA program in Billings can be a large part of stemming this tide. Thank you for your consideration of this worthwhile program.

Very truly yours,

McGLADREY HENDRICKSON & PULLEN

A handwritten signature in dark ink, appearing to read 'Monte R. Malnaa'.

Monte R. Malnaa, Partner

cc: President Bruce H. Carpenter
Eastern Montana College

First Federal Savings Bldg., Suite 428, P. O. Box 2020, Billings, Montana 59103, (406) 245-2020