

MINUTES OF THE MEETING
JOINT SUBCOMMITTEE ON EDUCATION
HOUSE OF REPRESENTATIVES
49th LEGISLATURE
SPECIAL SESSION III

June 13, 1986

The meeting of the joint subcommittee on education was called to order by Chairman Gene Donaldson at 8:45 A.M. on Friday, June 1986 in room 312-2 of the Capitol.

ROLL CALL: The roll call was called by the secretary, all members were present.

The purpose of the hearing was to hear testimony from the Vo-Techs regarding the proposed budget cuts.

VO-TECHS

Norm Rostocki, from the office of budget and planning stated the governor's office was asking for a 5% across the board cut for all five centers which would total \$317,882. He also said the proposed pay play reduction for the centers would total \$342,000.

Pam Joehler from the LFA office gave the report on the Vo-Tech Centers (4-1-A 4:06). She stated that page F-36, Table 1 shows the comparison of the appropriated FY 86 FTE compared to the actual enrollment, which is about a 3% decrease in actual enrollment vs. what was budgeted. She then reviewed page E-37 and said the fiscal impact to both the program and the tuition revenue is listed on that page. She submitted that there would be a \$173,060 expenditure decrease because of the enrollment decline, that includes \$122,655 of general fund and \$50,405 of tuition.

She then advised the committee that the next issue for their consideration is the utilization of a fund balance of the educational trust interest. She stated the educational trust fund interest is shared with the adult basic education program and the vo-techs. The LFA presented two options for the committee's consideration; Option A - reduce the 1987 general fund appropriation of the vo-tech centers \$115,467 and increase the educational trust interest appropriation by a like amount or Option B - Take no action. Rep. Moore inquired if there was any duplication in the LFA recommendations and those in the governor's 5% cut. Mrs. Joehler replied the enrollment reduction would be duplicated.

Chairman Donaldson then called upon the agencies to make their presentations. Gene Christiaansen, Assistant Superintendent, Department of Vocational Education Services (4-1-A 13:00),

said his presentation would consist of a brief statement by the office of public instruction followed by testimony from the five vo-tech centers. He said there are two issues before the committee, one is the shortfall of the anticipated FTE, and that he will concur with the LFA that they did not make the estimate, however, he pointed out that it was the first time since 1983 there has been a reduction in FTE growth. He continued with the second issue which deals with the coal tax money. He stated he thought Pam Joehler had come up with a good solution in terms of reducing the demand of the general fund by utilizing that surplus interest that had been generated from the coal tax fund. He spoke briefly on the maintenance of effort issue and said he would be meeting with the LFA and the governor's office to hammer out a compromise and propose some solutions. He then informed the committee there was one issue that did not appear in the LFA book and that is the impact on the local taxpayer, and the amount of money that has been generated at the local tax base relative to the support of the vo-tech centers.

Rep. Hand then inquired of the chairman if the educational trust fund and the coal tax fund were the same thing, to which Chairman Donaldson replied they were. However, there are two issues, one is there is a greater reserve and the second is the proposal to take the income to the educational trust out in FY 87. Chairman Donaldson then explained the federal government demands a maintenance of effort and there were some federal monies that have not been used by the vo-tech centers under the restraints of the federal regulations. He stated they didn't want to put themselves in a situation where they lose the federal money because they didn't maintain their effort.

Chairman Donaldson then called upon the Vo-Tech Centers to make their presentations.

Billings Vo-Tech

Jeff Dietz, Director of the Billings Vo-Tech Center (4-1-A 22:00) was the first to testify. He stated that the Billings Vo-Tech Center was granted a \$135,000 mill levy compared to \$269,000 for the last year or a 49.7% decrease. He said under the governor's proposal with the pay plan the center would lose \$133,000, with the LFA proposal it would be \$98,980. He said in order to maintain the budget they would need \$277,000 and only have a voted mill of \$135,000. There followed a question and answer period from the committee concerning the pay plan freeze, enrollment and programs.

Rep. Peck inquired about the maintenance of effort requirement, meeting it at the state level and questioned the inference that it was required at the local level. To which Gene Christiaansen replied that one is called matching funds, the other is maintenance of effort, and that under the Carl Perkins Act the maintenance of effort is entirely upon the state.

Rep. Bardanouve stated that before we finish this session he would like to have the budget office and the LFA have a report on where we are with the federal dollars, along with the OPI.

At this point in the hearing a new group of girls from Girls State joined the meeting and the Chairman asked Rep. Peck if he would welcome them and explain the purpose of this meeting.

Helena Vo-Tech

Alex Capdeville, Director, Helena Vo-Tech Center was the next witness. He stated that 86% of the graduates of the center are working in their areas and only 7% are unemployed. He said they have lost five full time employees. He said they need in excess of \$400,00 mill levy. There followed a question and answer period on using the Carl Perkins Act funds more effectively.

Mignon Waterman, trustee for school district # 1 spoke briefly in support of the Helena Vo-Tech Center.

Butte Vo-Tech

Harry Freeborn, Director of the Butte Vo-Tech testified before the committee next. He stated the proposed cuts including the pay plan would total \$57,000. He then said that \$278,117 was the amount they would receive from their mill levy. He reported what the impact of the cut would have on his programs.

Great Falls Vo-Tech

Will Weaver, Director of the Great Falls Vo-Tech Center was the next to give testimony. He stated the 5% cut plus the pay plan freeze would total \$113,588. He said the mill levy was passed for \$237,000 plus the district transferred \$100,000 for a total of \$337,000. He also noted the impact that would be felt relating to reducing instructors.

Missoula Vo-Tech

The last director to appear was Dennis Lerum, Director of the Missoula Vo-Tech Center. He reported on the matching effort that represented \$650,000 for the center for 1986. He said the amount for next year is almost equal \$327,000, but he was concerned because as the resources dwindle it becomes more difficult to write projects to capture the federal dollars. There followed a question and answer period concerning the matching dollar from the federal government.

Senator Hammond was then called upon by the Chairman to welcome the next group of girls from Girls State and to explain the purpose of hearing. The room was filled with chuckles when he reported he'd heard the rumor they were considering putting boys state and girls state together but he knew the girls would object to that.

Chairman Donaldson then opened the hearing for public testimony relating to the Vo-Tech Centers, none appearing the hearing was closed. He then stated there is a couple of issues he would like to review, one being the maintenance of effort and the other being what the impacts might be should they lose the educational trust money. He called for a 15 minute break at this point in the meeting.

Upon reconvening (4-1-B 9:50) Rep. Peck hand copies, see exhibit #1 and #2. R.C.M. 39-31-303 concerns the legal authority of cutting people under contract. He pointed out that item # 3 of the above reads as follows; "relieve employees from duties because of lack of work or funds or under conditions where continuation of such work be inefficient and nonproductive;" . He also referred to Chapter 2-18-103, refer to page 2 of handout # 1. Then on the third page, he stated that 2-18-106 spells out that there is no limitation on legislative authority in terms of transfer of funds or limiting funds. Rep. Peck then informed the committee that the legal people in the legislative council say that the vo-tech centers, the university systems, school districts, etc. have the authority to reduce force, even with those people under contract, when they can show a lack of funds. There followed a lengthy question and answer period on the above subject.

Rep. Moore was the next committee member to welcome a new group of girls from Girls State. He explained to them that they had finished the testimony on the Vo-Tech Centers and would be moving into executive action at this time.

OFFICE OF PUBLIC INSTRUCTION

Chairman Donaldson asked Pam Joehler from the LFA office to make a brief overview of decisions they will be making at OPI on the administration and the distribution. Mrs. Joehler pointed out that the governor's proposed cuts for 5% of the administration portion only in OPI totaled \$112,963. She said that the documents that the agency submitted in response to the governor's request indicated they would take those cuts in 3 of their 5 administrative programs. She stated the state special revenue fund reduction would total \$45,729. She reported the LFA policy options are as follows; No. 1 to reduce one extra curriculum specialist, No. 2 the AV library, No. 3 general reduction 2%, totaling \$42,420. And that the total LFA reduction is \$103,641. Relating to the distribution of schools, the governor's proposal for a 5% cut to the general fund totals \$1,789,637. The LFA options for distribution of schools total \$1,056,035.

EXECUTIVE ACTION

Rep. Hand moved to accept the governor's proposed 5% cut in administration in OPI totaling \$112,963. Sen. Jacobson stated she was reluctant to cut the administration again because the last two sessions they had cut the administration and she would rather look at the vo-ed funds which are distributed to the district, that it would be a lesser impact on a bigger budget than to go into the administration again. A discussion followed relative to the above motion. Sen. Jacobson then made a substitute motion to take 2% out of the administration and \$80,000 out of the vo-ed grants which would amount to \$120,000, and would be a little more than was needed in this area. Chairman Donaldson requested Pam Joehler to give a dollar amount on the motion. Mrs. Joehler informed the committee that would total \$46,420 for the 2% cut plus \$80,000 out of the vo-ed grant would total \$126,420. The question was called, motion CARRIED unanimously.

Chairman Donaldson then moved into the distribution area of the budget which deals with school lunch, transportation, etc. that totals \$1,789,637.

EXECUTIVE ACTION

Rep. Moore moved that the committee accept the governor's proposed cut of \$1,789,637 to the distribution program. There was a brief discussion whether if there was a 5% cut made in special education they would still be in compliance with federal law. The question was called for, motion CARRIED unanimously.

Chairman Donaldson called for a lunch break at 11:30 A.M. and stated they would move into the six university units, the ag. exp. station, the co-op ext. service, vo-techs and school for the deaf and blind in the afternoon.

The meeting was reconvened at 1:00 P.M., Chairman Donaldson handed out exhibit # 3 at this point, which were status reports in relationship to peer institutions in the university system. He then called on Pam Joehler to give an overview of the various proposals relative to the six units.

SIX UNIVERSITY UNITS

Pam Joehler of the LFA office reported that the governor's 5% reduction totals \$3.6 million, and that the state special revenue of the six mill levy was exempted from the governor's reduction so this is general fund only. She stated the LFA presented three options; the first issue was the matter of declining enrollments, the second issue was the matter of adjusting or not to adjust the formula support level, and the third issue was the matter of the fund balance of the six mill levy revenue account. She stated that the millage option is not an expenditure reduction, it would merely be using cash in that fund balance to offset the general fund. There followed a discussion relating to if the pay plan would go into effect whether the millage from the six mill levy could replace that money lost.

Sen. Jacobson informed the committee that she had another concern, that being if the committee takes 5% out of Montana Tech's budget and they also take the pay plan freeze, that there is an amount of money they can't go below without losing accreditation in some of their mining classes, which are the heart of their program. She then asked Jack Noble to review exhibit # 4, which is a proposal to cut only 2 1/2% from the budget at Montana Tech. Refer to exhibit # 4. There was a reference made to the \$360,000 let down money that had been appropriated to Montana Tech this year.

EXECUTIVE ACTION

Rep. Moore moved to accept the 5% cut from the general fund for the six unit university system totaling \$3,613,523. Sen. Jacobson made a substitute motion to take \$135,000 out of the millage and add it to Montana Tech. Rep. Peck objected to the substitute motion on the grounds that first the committee take the 5% cut for the university system, and then if it desires to determine whether they should use

some millage to restore the capital budget, as a separate item. Sen. Jacobson then withdrew her substitute motion. The question was called on Rep. Moore's motion, the motion CARRIED unanimously.

EXECUTIVE ACTION

Sen. Jacobson moved to reduce the millage by \$135,000 and to use that amount to reduce Montana Tech's 5% cut. There followed a brief discussion on the correct terminology for this action. The motion was reworded to increase the university appropriated amount for FY 87 millage level by \$135,000 and that increase to go to Montana Tech. There followed a lengthy question and answer period. The question was called, motion CARRIED with Sen. Hammond voting no.

Sen. Haffey moved to ask the fiscal analyst to prepare a draft that would call for the use of the revenue of the six mill levy to be appropriated and used by the university in FY 87 in the event that there is a pay freeze. And if there is no pay freeze then the money would not be appropriated to the university system. There followed a lively discussion over the appropriateness of the action. Rep. Peck questioned whether the motion was merely to draft the language or to approve the content. Sen. Haffey stated it was a motion on the substance of the use of the millage revenue. Sen. Hammond stated he would have difficulty voting on an idea before it was put into form. At this point Sen. Haffey withdrew his motion. Chairman Donaldson inquired if it were agreeable with the committee he would ask Pam Joehler to be researching how the language might be implemented.

Chairman Donaldson then asked if there were any further motions relative to the six units. Rep. Peck responded that there were a number of options in the LFA book which he thought would be considered, particularly the MBA in Billings.

EXECUTIVE ACTION

Rep. Peck moved that the MBA program in Billings be cancelled for FY 87 which would mean a savings of \$266,241. The question was called, motion CARRIED unanimously.

At this point Chairman Donaldson reviewed the action that had been taken by the committee, the 5% cut in the six units, the \$135,000 that was put back into Montana Tech, and the \$266,241 that was taken out of U of M. He stated they were not prepared to move any further

on the university system. He said that beyond the monetary issues there are several other issues that have been brought up, one being the consolidation of the ag. exp. station and the co-op ext. service. He then asked Jane Hamman to give a brief overview of the issues on the ag. exp. station.

AGRICULTURE EXPERIMENT STATION

Jane Hamman of the LFA office referred to page F-1 of the LFA book to find a summary. She stated under the governor's proposal the total amount would be \$297,112 and under the LFA issues for the Ag. Ex. Station there is \$861,741 or 14.5%. She reviewed the items that start on page F-23 comprised of research projects. She stated that those are duplicated cuts and the unduplicated amount was \$695,000.

EXECUTIVE ACTION

Sen. Haffey moved to approve the 5% governor's proposal to reduce the ag. exp. station by \$297,112. The question was called, motion CARRIED unanimously.

Rep. Moore asked Jane Hamman to briefly go over the six options on page F-27 table 2 of the LFA regarding the research projects. There followed a discussion on the projects.

CO-OPERATIVE EXTENSION SERVICE

Chairman Donaldson then asked Jane Hamman to review the co-operative extension service.

Jane Hamman of the LFA office referred to page F-1 in the LFA book and stated that the governor's recommendation is a 5% cut totaling \$109,433. Under the LFA's recommendation there are four issues listed; No. 1 Administration consolidation, which was removed from consideration, No. 2 extension specialists, \$318,800, No. 3 Classified personnel, reductions could total up to \$133,000 and No. 4 equipment, typewriters, totaling \$3,900.

EXECUTIVE ACTION

Sen. Jacobson moved to adopt the governor's 5% reduction for the co-op extension service totaling \$109,433. The question was called, motion CARRIED unanimously.

COMMISSIONER OF HIGHER EDUCATION

Chairman Donaldson asked Jane Hamman to review the Commissioner of Higher Education proposals.

Jane Hamman of the LFA office, again referring to the LFA book, page 1 stated the governor's proposed 5% cut totaled \$130,986. She said the revenue committee completed its projections of FY 86 and the revised figure for this ending fund balance is \$940,701 which could be use to reduce the general fund.

EXECUTIVE ACTION

Rep. Hand moved to accept the governor's 5% cut totaling \$130,986 out of the commissioner's office. The question was called, motion CARRIED unanimously.

Chairman Donaldson brought up the educational trust monies at this point in the meeting. He stated that it had generated \$940,000 plus in interest, or more than the committee had anticipated, and they also had to consider if they didn't put the \$7 million dollars in revenue into that account they would lose about \$127,000 in interest.

EXECUTIVE ACTION

Rep. Peck moved to reduce the FY 87 WAMI general fund appropriation in the amount of \$940,000. Jane Hamman advised the committee that on page F-9 of the LFA book they were increasing the state special revenue fund appropriation by an equal amount, so there is no reduction in the program by taking this action. The question was called, motion CARRIED unanimously.

Chairman Donaldson then requested Jane Hamman to review issue No. 3. Miss Hamman referred to page F-8 table 2 in FY 86 for the WAMI program. She stated the agency did not require \$40,320 of it's appropriation and it is likewise projected for FY 87 that it will not be needed. The chairman inquired of Jack Noble if he had any comment. Mr. Noble stated that that projected balance is on the assumption that the state of Washington will increase the tuition fees to the WAMI students beyond what they had originally estimated. He said he would like to call Washington to confirm that those tuition increases are going through.

EXECUTIVE ACTION

Rep. Moore moved that in view of the statements by Mr. Noble the committee not consider the \$40,420 at this time. Miss Hamman questioned Mr. Noble if he had some reason to believe those adjusted fees would not continue for FY 87. Mr. Noble replied that it had not been finalized by the state of Washington but in all probability it would be cleared. Sen. Jacobson questioned whether Rep. Moore would change his motion to a positive motion in light of Mr. Noble's response, and if there is any problem they could reverse it on Monday. Rep. Moore asked Sen. Jacobson to make the substitute motion. Sen. Jacobson then made a substitute motion to remove \$40,319 from the WAMI program contingent upon Mr. Noble confirming that it is available. The question was called, motion CARRIED unanimously.

DEAF AND BLIND SCHOOL

(4-3-B 17:30) Chairman Donaldson requested Jim Haubein of the LFA office to give an overview of the deaf and blind school at this time. Mr. Haubein referred to pages E-14 and E-15 of the LFA book. He stated on page E-14 are the governor's 5% issues, they are in two areas, the first being the education program of \$49,912 and the second being the \$85,637 reduction in the audiology contracts. He said on page E-15 are the three issues that the LFA raised, the first being the preschool teachers, the second, is reclassified positions, and the third issue is the audiology contract, which would duplicate item B in the governor's 5% cut. The difference between the two is \$101,929. Sen. Jacobson suggested that since the services are different, one being a school and the other being a service in the community to detect hearing problems perhaps the committee should take up both issues separately. Chairman Donaldson stated they are two separate programs and should be recognized as such.

EXECUTIVE ACTION

Rep. Peck moved that the deaf and blind school be reduced by 3% rather than 5%. The chairman questioned whether Rep. Peck was referring to the school itself or the school and the audiology program. To which Rep. Peck responded the school only as Sen. Jacobson had suggested. The Chairman then asked Mr. Haubein to present what the amount of a 3% budget cut would be. Mr. Haubein stated it would be \$61,140.

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Rep. Moore made a substitute motion that the committee do not reduce the current budget of the deaf and blind school. After a lengthy discussion on the substitute motion, the chairman restated the motion, that there be zero decrease for the deaf and blind school and the audiology program. The question was called, the motion FAILED by a 4 to 3 vote. The committee then reverted back to the original motion which was for a 3% decrease for the deaf and blind school. Following a discussion on vacancy savings, and interest and income shortfall the question was called, the motion PASSED on 4 to 3 vote.

Chairman Donaldson then asked Mr. Haubein to review the audiology program. Mr. Haubein stated that the LFA recommended a \$187,566 reduction to the \$673,000 appropriation based on the reduced number of children to be tested.

EXECUTIVE ACTION

Rep. Hand moved to take the 5% reduction out of the audiology program for a total of \$33,650. The question was called, the motion PASSED with Rep. Moore voting no.

A ten minute break was called at this point in the meeting.

Chairman Donaldson (4-4-A 28:32) called upon Pam Joehler to give the committee a brief report on the maintenance of effort problem. She stated she conferred with the governor's office and Mr. Christiaan from OPI and that the bottom line is that in FY 87 the state has to maintain fiscal effort that was at least equal to the FY 85 level which was 6.3 million dollars. After referring to several assumptions concerning OPI administration, general fund appropriation reductions to the post-secondary vo-tech centers, the removal of the pay plan and that the coal tax appropriation is increased, she stated they would still be short almost 100 thousand dollars for maintenance of effort. She then said it is the position of the LFA office, as it was during the last session that the funds the legislature appropriates for the school foundation program are state funds the OPI can utilize those funds as part of their maintenance of effort requirements. After a very lengthy discussion on the maintenance of effort situation it was decided that the committee would continue to assume they had maintenance of effort, and if not they would come back to it.

VO-TECHS

Chairman Donaldson requested Pam Joehler to review the issues for the vo-tech at this point. She stated the governor's recommendation of 5% reduction applied both to the general fund and state special revenue fund which was considered to be the coal tax and the millage. She said that on page E-22 under the summary sheet for the OPI you'll see the actual percentages, the general fund cut is higher than 5%. There followed a question and answer period regarding the various revenue sources that made up the current unrestricted fund. Mrs. Joehler explained that the 5% reduction proposed by the governor would be \$317,882 and if the pay plan was taken out of the vo-tech centers it would be \$235,000.

Rep. Moore questioned if the \$317,882 was the 5% of the \$4,831,278. Mrs. Joehler replied no, that it was 5% of the 4.8 million general fund, plus the \$868,000 county millage, plus the \$1,000,000 of education trust. They just happened to take it all out of the general fund. Rep. Moore emphasized that the general fund amount was \$4,831,278 and 5% of that is \$241,564. He contended that the committee's primary concern was with the general fund and that was what they should be considering. The Chairman stated that was what the committee had done consistently with the various agencies.

EXECUTIVE ACTION

Rep. Moore moved that the committee reduce the vo-tech centers 5% in the amount of \$241,564. The question was called, the motion CARRIED unanimously.

Chairman Donaldson said there was one more issue he would like to address concerning the vo-techs, and asked Pam Joehler to review it.

Pam Joehler referred to page E-39 of the LFA book which shows a balance of \$115,000 from the coal tax education trust interest.

EXECUTIVE ACTION

Sen. Haffey moved to replace the general fund with \$115,467 from the available coal tax education trust balance. The question was called, motion CARRIED unanimously.

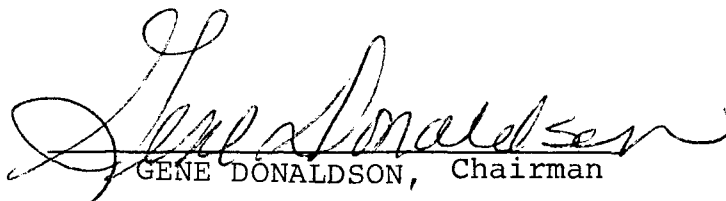
FIRE SERVICES TRAINING SCHOOL

Chairman Donaldson stated the next issue to be addressed was to see if they could change some costs to the film library. Pam Joehler reported she had met with the fire services training school to discuss proprietary funds and they determined they would begin to charge for their audio-visual films and tapes and slides and also for the mailing for the equipment that they loan out. They speculated they could generate some income by charging \$5.00 per item, since they had sent out 1947 pieces last year that would amount to over \$9,000.

EXECUTIVE ACTION

Rep. Moore moved that the general fund be reduced by \$9,000 and the proprietary fund for the fire services training school be increased by \$9,000. The question was called, motion CARRIED by a 5 to 2 vote.

Chairman Donaldson scheduled the next meeting for 8:00 A.M. Monday in room 312-2 in the Capitol. The meeting was adjourned at 5:00 P.M..


GENE DONALDSON, Chairman

SUB- COMMITTEE

Date June 13, 1986

[illegible]

49th LEGISLATURE
SPECIAL SESSION III

ROLL CALL VOTE

EDUCATION

SUBCOMMITTEE

DATE 6-13-86 AGENCY FIRE SERV. TRNS SCHOOL

NAME	AYE	NAY
DONALDSON, GENE, CHM.	✓	
HAFFEY, JACK	✓	
HAMMOND, SWEDE		✓
JACOBSON, JUDITH	✓	
HAND, BILL	✓	
MOORE, JACK K.		
PECK, RAY	✓	✓
TALLEY	—	—

SECRETARY

CHAIRMAN

MOTION: Jack Moore moved the General fund
be reduced by \$9000 and the Proprietary
fund be increased by \$9000.

49th LEGISLATURE
SPECIAL SESSION III

ROLL CALL VOTE

EDUCATION SUBCOMMITTEE
DATE 6-13-86 AGENCY My School for Deaf + Blind

NAME	AYE	NAY
DONALDSON, GENE, CHM.	✓	
HAFFEY, JACK	✓	
HAMMOND, SWEDE	✓	
JACOBSON, JUDITH	✓	
HAND, BILL	✓	
MOORE, JACK K.		✓
PECK, RAY	✓	
TALLEY	<u>6</u>	<u>1</u>

SECRETARY

CHAIRMAN

MOTION: Rep Hand moved to reduce the
audiology program of the Deaf and
Blind School by 5%

49th LEGISLATURE
SPECIAL SESSION III

ROLL CALL VOTE

EDUCATION		SUBCOMMITTEE	
DATE	<u>6-13-86</u>	AGENCY	<u>Ht School for Deaf + Blind</u>
NAME	AYE	NAY	
DONALDSON, GENE, CHM.	✓		
HAFHEY, JACK		✓	
HAMMOND, SWEDE		✓	
JACOBSON, JUDITH	✓		
HAND, BILL	✓		
MOORE, JACK K.		✓	
PECK, RAY	✓		
TALLEY	<u>4</u>	<u>3</u>	

SECRETARY

CHAIRMAN

MOTION:

Rep Peck moved to reduce the
budget for the Deaf and Blind School
by 30% rather than 5%.

49th LEGISLATURE
SPECIAL SESSION III

ROLL CALL VOTE

EDUCATION

SUBCOMMITTEE

DATE 6-13-86 AGENCY School for Deaf + Blind

NAME	AYE	NAY
DONALDSON, GENE, CHM.		✓
HAFHEY, JACK	✓	
HAMMOND, SWEDE	✓	
JACOBSON, JUDITH		✓
HAND, BILL		✓
MOORE, JACK K.	✓	
PECK, RAY		✓
TALLEY	<u>3</u>	<u>4</u>

SECRETARY

CHAIRMAN

MOTION: Representative Moore made a
substitute motion not to reduce the
current budget of Deaf + Blind School

49th LEGISLATURE
SPECIAL SESSION III

ROLL CALL VOTE

EDUCATION

SUBCOMMITTEE

DATE 6-13-86 AGENCY Montana Tech

NAME	AYE	NAY
DONALDSON, GENE, CHM.	✓	
HAFFEY, JACK	✓	
HAMMOND, SWEDE		✓
JACOBSON, JUDITH	✓	
HAND, BILL	✓	
MOORE, JACK K.	✓	
PECK, RAY	✓	
TALLEY	<u>6</u>	<u>1</u>

SECRETARY

CHAIRMAN

MOTION: Senator Jacobson moved to increase
the university appropriation amount
for FY 87 by \$155,000 and that increase
is to go to Montana Tech.

VISITORS' REGISTER

EDUCATIONS SUB - COMMITTEE

BILL NO. _____

DATE

JUNE 13, 1986

SPONSOR _____

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
	REPRESENTING		
Gene R. Christuansen	OPI		
SEFF Dritz	Billings VO-Tech		
WILL WEAVER	GREAT FALLS VO-TECH		
Sen Allen Kolstad	Chesler		
And Taylor	Missoula VO-Tech		
Dennis Leonard	— — —		
Bill Olfert	Mt. Council on the Ed.		
REP John D. Montez	BILLINGS HD 96		
Rep Dorothy Cody	House Dist #20		
Paul Carey	Trustee Dist #1 Helena		
Bill Anderson	O.P.I.		
Myron Waterman	Helena School Dist. #1		
JERRY NISBET	HD #35 Great Falls		
Sen. Patmy Sordover	Great Falls		
Terry Minow	MT Fed Teachers		

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

Education Sub - COMMITTEE

BILL NO. _____

DATE June 13, 1986

SPONSOR _____

No-Ed[illegible]

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

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

team, and to meet and confer with the board of regents regarding the terms of agreement prior to the execution of a written contract between the regents and the professional educational employees. The student observer is obliged to maintain the confidentiality of these negotiations.

History: En. Sec. 2, Ch. 441, L. 1973; amd. Sec. 1, Ch. 117, L. 1975; amd. Sec. 1, Ch. 384, L. 1975; R.C.M. 1947, 59-1602(part).

Cross-References

"Public employer" defined, 39-31-103.

"Board" defined, 39-31-103.

39-31-303. Management rights of public employers. Public employees and their representatives shall recognize the prerogatives of public employers to operate and manage their affairs in such areas as, but not limited to:

- (1) direct employees;
- (2) hire, promote, transfer, assign, and retain employees;
- (3) relieve employees from duties because of lack of work or funds or under conditions where continuation of such work be inefficient and non-productive;
- (4) maintain the efficiency of government operations;
- (5) determine the methods, means, job classifications, and personnel by which government operations are to be conducted;
- (6) take whatever actions may be necessary to carry out the missions of the agency in situations of emergency;
- (7) establish the methods and processes by which work is performed.

History: En. Sec. 3, Ch. 441, L. 1973; amd. Sec. 1, Ch. 244, L. 1974; R.C.M. 1947, 59-1603(2).

Cross-References

Veterans' and handicapped persons' public employment preference, Title 39, ch. 30.

39-31-304. Negotiable items for school districts. Nothing in this chapter shall require or allow boards of trustees of school districts to bargain collectively upon any matter other than matters specified in 39-31-305(2).

History: En. Sec. 2, Ch. 117, L. 1975; R.C.M. 1947, 59-1617.

39-31-305. Duty to bargain collectively — good faith. (1) The public employer and the exclusive representative, through appropriate officials or their representatives, shall have the authority and the duty to bargain collectively. This duty extends to the obligation to bargain collectively in good faith as set forth in subsection (2) of this section.

(2) For the purpose of this chapter, to bargain collectively is the performance of the mutual obligation of the public employer or his designated representatives and the representatives of the exclusive representative to meet at reasonable times and negotiate in good faith with respect to wages, hours, fringe benefits, and other conditions of employment or the negotiation of an agreement or any question arising thereunder and the execution of a written contract incorporating any agreement reached. Such obligation does not compel either party to agree to a proposal or require the making of a concession.

(3) For purposes of state government only, the requirement of negotiating in good faith may be met by the submission of a negotiated settlement to the legislature in the executive budget or by bill or joint resolution. The failure

to take effect. If requested by any of the affected parties, the department shall schedule a public hearing on proposed changes or additions to the personnel policies before the date they are to take effect.

History: En. Sec. 14, Ch. 440, L. 1973; R.C.M. 1947, 59-913; amd. Sec. 2, Ch. 568, L. 1979; amd. Sec. 2, Ch. 684, L. 1983.

Compiler's Comments

1983 Amendment: Inserted (1)(c).

2-18-103. Officers and employees excepted. Parts 1 and 2 do not apply to the following positions in state government:

- (1) elected officials;
- (2) county assessors and their chief deputy;
- (3) officers and employees of the legislative branch;
- (4) judges and employees of the judicial branch;
- (5) members of boards and commissions appointed by the governor, appointed by the legislature, or appointed by other elected state officials;
- (6) officers or members of the militia;
- (7) agency heads appointed by the governor;
- (8) academic and professional administrative personnel with individual contracts under the authority of the board of regents of higher education;
- (9) academic and professional administrative personnel and live-in houseparents who have entered into individual contracts with the state school for the deaf and blind under the authority of the state board of public education;
- (10) teachers under the authority of the department of institutions;
- (11) investment officer and assistant investment officer of the board of investments; and
- (12) four professional staff positions under the board of oil and gas conservation.

History: En. Sec. 2, Ch. 440, L. 1973; amd. Sec. 1, Ch. 256, L. 1974; amd. Sec. 1, Ch. 391, L. 1975; amd. Sec. 2, Ch. 488, L. 1977; amd. Sec. 1, Ch. 565, L. 1977; R.C.M. 1947, 59-904; amd. Sec. 2, Ch. 365, L. 1979; amd. Sec. 2, Ch. 412, L. 1979; amd. Sec. 2, Ch. 512, L. 1979; amd. Sec. 1, Ch. 176, L. 1983.

Compiler's Comments

1983 Amendment: In (9), inserted "and live-in houseparents".

2-18-104. Exemption for personal staff — limit. (1) Subject to the limitations in subsections (2) and (3), members of a personal staff are exempt from the application of 2-18-204, 2-18-205, 2-18-207, and 2-18-1011 through 2-18-1013.

(2) The personal staff who are exempted by subsection (1) may not exceed 10 unless otherwise approved by the department according to criteria developed by the department. Under no circumstances may the total exemptions of each elected official exceed 15.

(3) The number of members of the personal staff of the public service commission who are exempted by subsection (1) may not exceed 10.

History: En. Sec. 1, Ch. 440, L. 1973; amd. Sec. 1, Ch. 488, L. 1977; R.C.M. 1947, 59-903(part (3)); amd. Sec. 3, Ch. 512, L. 1979; amd. Sec. 1, Ch. 538, L. 1983.

Compiler's Comments

1983 Amendment: In (3), increased number of exempted staffers from 5 to 10 and at end

deleted "and must be approved by the department according to criteria approved by the department".

2-18-105. Merit system. The merit system, established in 1940 by certain state agencies of state government as a requirement for receipt of federal funds, shall continue to operate for those agencies under the policies and procedures established by the merit system council.

History: En. Sec. 16, Ch. 440, L. 1973; R.C.M. 1947, 59-914.

2-18-106. No limitation on legislative authority — transfer of funds. (1) Parts 1, 2, and 3 do not limit the authority of the legislature relative to appropriations for salary and wages. The budget director shall adjust his determinations in accordance with legislative appropriations.

(2) Unexpended agency appropriation balances in the first year of the biennium may be transferred to the second year of the biennium to offset the costs of pay increases.

History: (1) En. Sec. 13, Ch. 440, L. 1973; amd. Sec. 5, Ch. 181, L. 1975; R.C.M. 1947, 59-912; amd. Sec. 2, Ch. 678, L. 1979; (2) En. Sec. 10, Ch. 421, L. 1981; amd. Sec. 6, Ch. 710, L. 1983.

Compiler's Comments

1983 Amendment: In (2), substituted present language for "Appropriated funds not spent at

the end of the fiscal year shall revert to the fund from which appropriated."

2-18-107. Job-sharing positions — benefits. (1) Job sharing may be used, to the extent practicable, by each agency as a means of promoting increased productivity and employment opportunities. However, job sharing may be actively pursued to fill vacated or new positions and may not be actively pursued to replace current full-time employees. However, on request of a current employee, his position may be considered for job sharing. A position may be filled by more than one incumbent currently in a full-time position.

(2) Employees in a job-sharing status are entitled to holiday pay, annual leave, sick leave, and health benefits on the same basis as permanent part-time employees provided for in 2-18-603, 2-18-611, 2-18-618, and 2-18-703.

(3) Employees classified in a part-time status may not be reclassified to a job-sharing status while employed in the position classified as part-time.

History: En. Sec. 3, Ch. 684, L. 1983; amd. Sec. 1, Ch. 106, L. 1985.

Compiler's Comments

1985 Amendment: In (2) substituted present language for "Employee holiday pay, annual leave, sick leave, and health benefits for a full-time equivalent position filled by job sharing must be divided on a pro rata basis between the persons filling such position."

Cross-References

Administration of leave rules, 2-18-604.
Sick-pay plan, 2-18-605.
Annual leave, 2-18-611.
Sick leave, 2-18-618.
Group insurance for public employees, 2-18-702.

Part 2 Classification

2-18-201. Development of personnel classification plan. The department shall develop a personnel classification plan for all state positions and classes of positions in state service following hearings involving affected employees and employee organizations, except those exempt in 2-18-103 and 2-18-104.

History: En. Sec. 3, Ch. 440, L. 1973; R.C.M. 1947, 59-905; amd. Sec. 4, Ch. 512, L. 1979.

2-18-105. Merit system. The merit system, established in 1940 by certain state agencies of state government as a requirement for receipt of federal funds, shall continue to operate for those agencies under the policies and procedures established by the merit system council.
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History: En. Sec. 3, Ch. 684, L. 1983; amd. Sec. 1, Ch. 106, L. 1985.

Compiler's Comments

1985 Amendment: In (2) substituted present language for "Employee holiday pay, annual leave, sick leave, and health benefits for a full-equivalent position filled by job sharing be divided on a pro rata basis between the persons filling such position."

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History: En. Sec. 3, Ch. 440, L. 1973; R.C.M. 1947, 59-905; amd. Sec. 4, Ch. 512, L. 1979.

Exhibit 2

June 13, 1986

Rep. Pack

O.P.I.

PERSONNEL

Sub-Chapter 50

Reduction in Work Force

2.21.5001 INTRODUCTION (IS HEREBY REPEALED) (History: Sec. 2-18-102 MCA; IMP, 2-18-102 MCA; NEW, 1978 MAR p. 189, Eff. 2/25/78; REP, 1982 MAR p. 478, Eff. 3/12/82.)

2.21.5002 POLICY (IS HEREBY REPEALED) (History: Sec. 2-18-102 MCA; IMP, 2-18-102 MCA; NEW, 1978 MAR p. 189, Eff. 2/25/78; REP, 1982 MAR p. 478, Eff. 3/12/82.)

2.21.5003 PROCEDURES (IS HEREBY REPEALED) (History: Sec. 2-18-102 MCA; IMP, 2-18-102 MCA; NEW, 1978 MAR p. 189, Eff. 2/25/78; REP, 1982 MAR p. 478, Eff. 3/12/82.)

2.21.5004 CLOSING (IS HEREBY REPEALED) (History: Sec. 2-18-102 MCA; IMP, 2-18-102 MCA; NEW, 1978 MAR p. 189, Eff. 2/25/78; REP, 1982 MAR p. 478, Eff. 3/12/82.)

2.21.5005 SHORT TITLE (1) This sub-chapter may be cited as the reduction in work force policy. (History: Sec. 2-18-102 MCA; IMP, 2-18-102 MCA; NEW, 1982 MAR p. 478, Eff. 3/12/82.)

2.21.5006 DEFINITIONS (1) "Reduction in force" means a management action taken for non-disciplinary reasons in which an employee is laid off from his/her present position. The RIF may take place for reasons including, but, not limited to: elimination of programs; reduction in FTE's by the legislature; lack of work; lack of funds; expiration of grants; or reorganization.

(2) "Preference period" means a period of one calendar year from the effective date of lay-off.

(3) "Effective date of lay-off" means the date determined by the agency to be the end of employment for an employee, allowing adequate time for 30 working days advance notice of lay-off.

(4) "Termination date" means the date the employee is actually removed from the payroll. (History: Sec. 2-18-102 MCA; IMP, 2-18-102 MCA; NEW, 1982 MAR p. 478, Eff. 3/12/82.)

2.21.5007 POLICY (1) If it is necessary to achieve a reduction in the work force, consideration must be given to the programs to be carried out by the agency and the staff structure which, after the reduction, will most expeditiously achieve program objectives. Accordingly, employees will be retained giving consideration to the importance of the following qualities possessed by the work force: skill and length of continuous service in the agency.

(2) Skill means an assessment of qualifications and experience and consideration should be given to any or all of the following:

(a) Qualifications and experience to perform the duties of a specific position which will be retained.

(b) General qualifications and experience beneficial to future achievement of agency goals and objectives.

(c) The performance on specific, related tasks to those required by the position which will be retained.

(d) General performance history.

(3) Skill should be applied first and only if skill does not differentiate between employees should length of service in the agency be considered.

(4) An employee must be given written notice a minimum of 10 working days preceding the effective date of the lay-off. An employee should be counseled as much in advance of the anticipated action as possible regarding available options and reasons for lay-off.

(5) Agencies shall maintain a roster of employees who have been laid off and offer reinstatement on a "last-out/first-in" basis by skill match and job classification. An employee shall be reinstated to the same position or a position in the same class when such a position becomes vacant in the agency from which the employee was laid off if such vacancy occurs during the employee's preference period. Specific reinstatement offers shall be made to the employee in writing. The employee must accept or reject the reinstatement offer in writing within 5 working days following receipt of the offer. If a reinstatement offer is rejected by the employee, the employee loses all rights to the employment offered. An agency is no longer required to reinstate or grant preference to a laid off employee who has rejected a previous reinstatement offer. Such rejection ends the preference period.

(6) Each agency shall make a concerted effort to make other agencies aware of both the names of persons laid off and their job classifications, and agencies with vacancies shall give hiring preference over others of equal qualifications for a period of one calendar year from the effective date of lay-off to employees laid off from that agency or other agencies. It is the employee's responsibility to apply for those positions for which the employee wants to be considered and to make his eligibility for lay-off preference known to the agency.

(7) Acceptance of a permanent position with a state agency ends preference provided in (6) above; however, an employee retains reinstatement rights as provided in (5). If an employee is subsequently terminated for reasons other than lay-off as defined in this rule, the employee loses preference and reinstatement rights.

(8) All privileges and benefits extended by this rule end at the end of the one-year preference period.

(9) If the lay-off is anticipated to last longer than 15 working days, the employee shall be terminated. Upon termination due to reduction in work force, the employee shall cash out accumulated annual leave and sick leave and may cash out retirement contributions or the agency may allow the employee to maintain accumulated annual leave and sick leave for a period of one calendar year from the effective date of lay-off, even though terminated. An employee must receive cash out for accrued leave credits at the end of the preference period or if hired by another agency, unless the hiring agency agrees to assume the liability for the accrued leave credits. (Accumulated vacation credits may be used to delay the termination date in lieu of a lump sum payment. This delay is for employee convenience only and does not alter the effective date of lay-off or extend the preference period.)

(10) Upon recall from a lay-off or upon placement of an employee during the preference period necessitated by a lay-off, the employee's salary shall be determined as if the employee had never been laid off. If recall or placement is with another agency, pay plan rule employee initiated transfer between agencies shall apply. The employee need not serve the qualifying period for use of annual leave and sick leave.

(11) An employee who is reinstated to a grade lower than the one held at lay-off, should be treated as a voluntary demotion under the pay plan rules. The employee receives the same step as the position from which he was laid off at the grade assigned to the new position.

(12) An employee who is demoted as the result of a RIF, but who is not laid off, may, at the agency's discretion, receive up to a maximum of 180 days of salary protection, depending on budgetary constraints.

(13) In some cases, a demotion as the result of a RIF may be considered "exceptional circumstances" for purposes of a pay plan exception.

(14) If an individual re-enters state employment after the preference period has expired, that individual's salary shall be step 1 of the assigned grade. Further, the employee must begin anew earning time toward the qualifying period for annual leave and sick leave. A termination caused by lay-off shall not constitute a break in service for longevity purposes unless the employee has refused to accept a reinstatement offer. Only actual years of service count toward longevity.

(15) Lay-off shall not be used as an alternative to discharging an employee for cause or disciplinary purposes. Unsatisfactory employees should be terminated subsequent

to complete and appropriate evaluation, review and documentation. If an unsatisfactory employee is laid off without appropriate evaluation, review and documentation, the employee must be treated the same as any other laid off employee.

(16) In the process of achieving necessary reduction in the work force, an intra-department "bumping process" wherein individuals may be assigned to lower classifications within a series in lieu of a lay-off can be used. This "bumping process" policy must be described in writing, posted for employees to see and submitted to the personnel division, department of administration. Bumping is at the agency's discretion, not the employee's. If an agency chooses to allow bumping, the agency must have a written policy which must be applied consistently. The policy must identify work units and classes in which bumping may occur. The criteria used to bump must be as job specific as possible and the results of the bumping process should not have disparate impact on any protected group of employees, i.e. women, minorities, the handicapped.

(17) The lay-off policy described above will apply to permanent, full or part-time employees, and would not apply to seasonal employees whose employment is regularly interrupted by the seasonal nature of their work or to temporary employees with a specific employment period. (History: Sec. 2-18-102 MCA; IMP, 2-18-102 MCA; NEW, 1982 MAR p. 478, Eff. 3/12/82.)

Rules 03 through 10 reserved

2.21.5011 CLOSING (1) This policy should be followed unless it conflicts with negotiated labor contract or merit system rules which shall take precedence to the extent applicable. (History: Sec. 2-18-102 MCA; IMP, 2-18-102 MCA; NEW, 1982 MAR p. 478, Eff. 3/12/82.)

NEXT PAGE IS 2-1295



THE MONTANA UNIVERSITY SYSTEM

33 SOUTH LAST CHANCE GULCH
HELENA, MONTANA 59620-2602
(406) 444-6570

EXHIBIT 3
June 13, 1986
Rep. Donaldson
C-University
Units

COMMISSIONER OF HIGHER EDUCATION

TO: Representative Gene Donaldson

FROM: Jack Noble *JN*
Deputy Commissioner for
Management and Fiscal Affairs

DATE: June 11, 1986

SUBJECT: Status of the Montana University System Relative to
the Peer Institutions

While it is impossible to come up with a precise relationship to the peer institutions without a comprehensive study, I would estimate that we are in the following relative position.

Faculty Salaries (1985-86 Data)	93% of Peers
Instruction Program (Estimate)	93% of Peers

Support Programs	92% of Peers
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The support program estimate is based upon the 1983 survey of peer institutions by the LFA and our office. At that time we were about \$98 per FY FTE lower than our peer campuses for MSU and U of M. The LFA cost estimate of achieving the peer average for the current biennium was \$7 million. (Page 826 - Budget Analysis Book 1985)

Tuition	102% of Peers
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This relationship is based on an April, 1986 survey.

607T

MSU/UM PEERS
AVERAGE FACULTY SALARY COMPARISONS
FY 1985-86

<u>Total Faculty</u>	<u>Peer Institutions</u>	<u>Average Salary</u>
546	University of Wyoming	\$35,916
307	University of Nevada - Reno	\$33,986
326	University of Nevada - Las Vegas	\$33,501
554	New Mexico State University	\$31,535
494	Utah State University	\$31,930
354	University of Idaho	\$32,388
737	University of New Mexico	\$31,650
471	Northern Arizona University	\$31,562
413	North Dakota State University (Est.)	\$30,400
429	University of North Dakota	\$29,779
532	Montana State University	\$29,651
374	University of Montana	\$29,084
271	University of South Dakota	\$28,434
261	Idaho State University	\$27,706
332	South Dakota State University	\$26,993
Weighted Average Salary Excluding MSU/UM		\$31,539
MSU/UM Combined Weighted Average		\$29,420
Percentage of MSU/UM to Peers		93%
Average Dollar Difference		<u>\$ 2,119</u>

Source: REGIS reports as supplied by campuses to the federal government and the AAUP.

Data compiled by Steve Hample and Kathy Melcher,
Institutional Research Office, Montana State University.

UNIVERSITIES
RESIDENT UNDERGRADUATE TUITION SURVEY

Fiscal Years 1979 Through 1986

Academic Year Costs

<u>STATE/INSTITUTION</u>	<u>1979-80</u>	<u>1980-81</u>	<u>1981-82</u>	<u>1982-83</u>	<u>1983-84</u>	<u>1984-85</u>	<u>1985-86</u>
Northern Arizona University	\$ 503	\$ 600	\$ 650	\$ 710	\$ 850	\$ 950	\$ 990
University of Idaho	\$ 474	\$ 490	\$ 701	\$ 816	\$ 816	\$ 970	\$1,010
Idaho State University	\$ 463	\$ 470	\$ 680	\$ 805	\$ 811	\$1,011	\$1,040
University of Nevada - Reno	\$ 693	\$ 720	\$ 840	\$ 930	\$1,080	\$1,080	\$1,080
University of Nevada - Las Vegas	\$ 720	\$ 720	\$ 840	\$ 930	\$1,080	\$1,080	\$1,080
University of New Mexico	\$ 624	\$ 664	\$ 721	\$ 757	\$ 775	\$ 816	\$ 896
New Mexico State University	\$ 630	\$ 708	\$ 745	\$ 798	\$ 798	\$ 870	\$ 919
Utah State University	\$ 651	\$ 702	\$ 780	\$ 852	\$ 918	\$1,002	\$1,071
University of Wyoming	\$ 434	\$ 592	\$ 592	\$ 616	\$ 616	\$ 716	721
University of North Dakota	\$ 645	\$ 645	\$ 764	\$ 804	\$1,020	\$1,080	\$1,167
North Dakota State	\$ 622	\$ 633	\$ 732	\$ 732	\$ 948	\$1,008	\$1,095
University of South Dakota	\$ 704	\$ 712	\$ 912	\$1,056	\$1,250	\$1,244	\$1,418
South Dakota State University	\$ 739	\$ 775	\$ 995	\$1,139	\$1,131	\$1,244	\$1,344
Peer Group Average	\$ 607	\$ 648	\$ 765	\$ 841	\$ 930	\$1,005	\$1,064
Montana - MSU, U of M	\$ 600	\$ 604	\$ 710	\$ 782	\$ 850	\$ 910	\$1,086
Percent of Montana to Peers	99%	93%	93%	92%	91%	91%	102.1%

Sources:

- 1) Tuition and Fees in Public Higher Education in the West - Western Interstate Commissioner for Higher Education - 1985-86
- 2) The Chronicle of Higher Education, August 14, 1985.

UNIVERSITIES
NONRESIDENT UNDERGRADUATE TUITION SURVEY

Fiscal Years 1979 Through 1986

Academic Year Costs

<u>STATE/INSTITUTION</u>	<u>1979-80</u>	<u>1980-81</u>	<u>1981-82</u>	<u>1982-83</u>	<u>1983-84</u>	<u>1984-85</u>	<u>1985-86</u>
Northern Arizona University	\$1,860	\$2,100	\$2,500	\$2,750	\$2,995	\$3,200	\$3,244
University of Idaho	\$1,974	\$1,990	\$2,671	\$2,816	\$2,816	\$2,970	\$3,010
Idaho State University	\$1,760	\$1,770	\$2,550	\$2,705	\$2,711	\$2,911	\$2,940
University of Nevada - Reno	\$2,190	\$2,220	\$2,448	\$2,930	\$3,280	\$3,280	\$3,280
University of Nevada - Las Vegas	\$2,220	\$2,220	\$2,448	\$2,930	\$3,280	\$3,280	\$3,280
University of New Mexico	\$1,873	\$2,038	\$2,233	\$2,441	\$2,564	\$2,782	\$3,056
New Mexico State University	\$1,888	\$2,082	\$2,257	\$2,482	\$2,587	\$2,838	\$3,067
Utah State University	\$1,701	\$1,860	\$2,097	\$2,367	\$2,568	\$2,820	\$3,051
University of Wyoming	\$1,720	\$1,878	\$1,878	\$2,076	\$2,076	\$2,226	\$2,231
University of North Dakota	\$1,413	\$1,413	\$1,534	\$1,572	\$1,926	\$1,986	\$2,160
North Dakota State	\$1,390	\$1,401	\$1,500	\$1,500	\$1,794	\$1,854	\$2,088
University of South Dakota	\$1,514	\$1,592	\$1,939	\$2,021	\$2,435	\$2,429	\$2,656
South Dakota State University	\$1,540	\$1,576	\$1,790	\$2,005	\$1,972	\$2,085	\$2,582
Peer Group Average	\$1,772	\$1,856	\$2,141	\$2,353	\$2,539	\$2,666	\$2,818
Montana - MSU, U of M	\$1,967	\$1,972	\$2,078	\$2,222	\$2,398	\$2,602	\$2,850
Percent of Montana to Peers	111%	106%	97%	94%	94%	98%	101.1%

Sources

- 1) Tuition and Fees in Public Higher Education in the West - Western Interstate Commissioner of Higher Education - 1985-86
- 2) Chronicle of Higher Education, August 14, 1985.

Exhibit 4
June 13, 1986
Jack Noble

MONTANA TECH

1987 Budget Considerations

5% General Fund Reduction \$269,440

2 1/2% General Fund Reduction \$135,000

Restore Placement Position \$ 40,000

This position has been in existence at the college for many years and has been a vital key to the overall college success in placing graduates and seeking placement opportunities for our young people.

Partially Restore Capital Budget \$ 50,000

It is extremely difficult for a technical higher education institution to try to operate its scientific program with zero capital. This small amount would allow for only emergency replacement of obsolete and non-operative equipment.

Engineering Faculty Replacement \$ 45,000

Adding back this one position would help the college strengthen a department that would appear to have the most serious accreditation problem.



THE MONTANA UNIVERSITY SYSTEM

33 SOUTH LAST CHANCE GULCH
HELENA, MONTANA 59620-2602
(406) 444-6570

COMMISSIONER OF HIGHER EDUCATION

TO: Representative Gene Donaldson

FROM: Jack Noble *JN*
Deputy Commissioner for
Management and Fiscal Affairs

DATE: June 11, 1986

SUBJECT: Status of the Montana University System Relative to
the Peer Institutions

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The support program estimate is based upon the 1983 survey of peer institutions by the LFA and our office. At that time we were about \$98 per FY FTE lower than our peer campuses for MSU and U of M. The LFA cost estimate of achieving the peer average for the current biennium was \$7 million. (Page 826 - Budget Analysis Book 1985)

Tuition	102% of Peers
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This relationship is based on an April, 1986 survey.

607T

MSU/UM PEERS
AVERAGE FACULTY SALARY COMPARISONS
FY 1985-86

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MSU/UM Combined Weighted Average		\$29,420
Percentage of MSU/UM to Peers		93%
Average Dollar Difference		<u>\$ 2,119</u>

Source: REGIS reports as supplied by campuses to the federal government and the AAUP.

Data compiled by Steve Hample and Kathy Melcher,
Institutional Research Office, Montana State University.

UNIVERSITIES
RESIDENT UNDERGRADUATE TUITION SURVEY

Fiscal Years 1979 Through 1986

Academic Year Costs

<u>STATE/INSTITUTION</u>	<u>1979-80</u>	<u>1980-81</u>	<u>1981-82</u>	<u>1982-83</u>	<u>1983-84</u>	<u>1984-85</u>	<u>1985-86</u>
Northern Arizona University	\$ 500	\$ 600	\$ 650	\$ 710	\$ 850	\$ 950	\$ 990
University of Idaho	\$ 474	\$ 490	\$ 701	\$ 816	\$ 816	\$ 970	\$1,010
Idaho State University	\$ 460	\$ 470	\$ 680	\$ 805	\$ 811	\$1,011	\$1,040
University of Nevada - Reno	\$ 690	\$ 720	\$ 840	\$ 930	\$1,080	\$1,080	\$1,080
University of Nevada - Las Vegas	\$ 720	\$ 720	\$ 840	\$ 930	\$1,080	\$1,080	\$1,080
University of New Mexico	\$ 624	\$ 664	\$ 721	\$ 757	\$ 775	\$ 816	\$ 896
New Mexico State University	\$ 630	\$ 708	\$ 745	\$ 798	\$ 798	\$ 870	\$ 919
Utah State University	\$ 651	\$ 702	\$ 780	\$ 852	\$ 918	\$1,002	\$1,071
University of Wyoming	\$ 434	\$ 592	\$ 592	\$ 616	\$ 616	\$ 716	721
University of North Dakota	\$ 645	\$ 645	\$ 764	\$ 804	\$1,020	\$1,080	\$1,167
North Dakota State	\$ 622	\$ 633	\$ 732	\$ 732	\$ 948	\$1,008	\$1,095
University of South Dakota	\$ 704	\$ 712	\$ 912	\$1,056	\$1,250	\$1,244	\$1,418
South Dakota State University	\$ 739	\$ 775	\$ 995	\$1,139	\$1,131	\$1,244	\$1,344
Peer Group Average	\$ 607	\$ 648	\$ 765	\$ 841	\$ 930	\$1,005	\$1,064
Montana - MSU, U of M	\$ 600	\$ 604	\$ 710	\$ 782	\$ 850	\$ 910	\$1,086
Percent of Montana to Peers	99%	93%	93%	92%	91%	91%	102.1%

Sources:

- 1) Tuition and Fees in Public Higher Education in the West - Western Interstate Commissioner for Higher Education - 1985-86
- 2) The Chronicle of Higher Education, August 14, 1985.

UNIVERSITIES
NONRESIDENT UNDERGRADUATE TUITION SURVEY

Fiscal Years 1979 Through 1986

Academic Year Costs

<u>STATE/INSTITUTION</u>	<u>1979-80</u>	<u>1980-81</u>	<u>1981-82</u>	<u>1982-83</u>	<u>1983-84</u>	<u>1984-85</u>	<u>1985-86</u>
Northern Arizona University	\$1,863	\$2,100	\$2,500	\$2,750	\$2,995	\$3,200	\$3,244
University of Idaho	\$1,974	\$1,990	\$2,671	\$2,816	\$2,816	\$2,970	\$3,010
Idaho State University	\$1,769	\$1,770	\$2,550	\$2,705	\$2,711	\$2,911	\$2,940
University of Nevada - Reno	\$2,190	\$2,220	\$2,448	\$2,930	\$3,280	\$3,280	\$3,280
University of Nevada - Las Vegas	\$2,220	\$2,220	\$2,448	\$2,930	\$3,280	\$3,280	\$3,280
University of New Mexico	\$1,873	\$2,038	\$2,233	\$2,441	\$2,564	\$2,782	\$3,056
New Mexico State University	\$1,863	\$2,082	\$2,257	\$2,482	\$2,587	\$2,838	\$3,067
Utah State University	\$1,701	\$1,860	\$2,097	\$2,367	\$2,568	\$2,820	\$3,051
University of Wyoming	\$1,720	\$1,878	\$1,878	\$2,076	\$2,076	\$2,226	\$2,231
University of North Dakota	\$1,413	\$1,413	\$1,534	\$1,572	\$1,926	\$1,986	\$2,160
North Dakota State	\$1,399	\$1,401	\$1,500	\$1,500	\$1,794	\$1,854	\$2,088
University of South Dakota	\$1,514	\$1,592	\$1,939	\$2,021	\$2,435	\$2,429	\$2,656
South Dakota State University	\$1,540	\$1,576	\$1,790	\$2,005	\$1,972	\$2,085	\$2,582
Peer Group Average	\$1,772	\$1,856	\$2,141	\$2,353	\$2,539	\$2,666	\$2,818
Montana - MSU, U of M	\$1,967	\$1,972	\$2,078	\$2,222	\$2,398	\$2,602	\$2,850
Percent of Montana to Peers	111%	106%	97%	94%	94%	98%	101.1%

Sources

- 1) Tuition and Fees in Public Higher Education in the West - Western Interstate Commissioner of Higher Education - 1985-86
- 2) Chronicle of Higher Education, August 14, 1985.