

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 52nd LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON EDUCATION & CULTURAL RESOURCES

Call to Order: By CHAIRMAN PECK, on January 31, 1991, at 8:00 am

ROLL CALL

Members Present:

Rep. Ray Peck, Chairman (D)
Sen. Greg Jergeson, Vice Chairman (D)
Sen. Don Bianchi (D)
Sen. H.W. Hammond (R)
Rep. Mike Kadas (D)

Members Absent: Rep. Larry Grinde (R)

Staff Present: Pam Joehler, Senior Fiscal Analyst (LFA)
Mary Ann Wellbank, Budget Analyst (OBPP)
Doug Schmitz, Budget Analyst (OBPP)
Melissa Boyles, Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Announcements/Discussion: CHAIRMAN PECK stated that the subcommittee is having a breakfast meeting with the Regents February 1, 1991 at 7:00 a.m.

CHAIRMAN PECK said he asked OPI to give the subcommittee written documents on its arbitrage proposal before the meeting on February 1, 1991.

HEARING ON EASTERN MONTANA COLLEGE

Tape No: 1

CHAIRMAN PECK asked if anyone wanted to testify on behalf of the Fire Service Training School.

025

Lyle Nagel, Lobbyist, distributed and reviewed written testimony.
EXHIBIT 1

076

SEN. HAMMOND asked how people were chosen who take the classes and who then train other volunteer firefighters. Mr. Nagel said they volunteer to take the training.

084

Dr. Carpenter, President, Eastern Montana College (EMC), distributed and reviewed the Fact Book on EMC. EXHIBIT 2

135

Dr. Carpenter distributed and reviewed information on North and South Dakota peer data. EXHIBIT 3

169

Dr. Carpenter stated that the average age of EMC students is 28 years. It is a group of students with different expectations from the 18 to 22 year age group. They are not concerned with where the party is or which club they should join, but are more concerned where they can get day-care and how they can work and go to school. EMC is trying to adapt the program to the needs of this group of students. The instructional day now runs from 7:00 a.m. to 10:00 p.m. and Saturday mornings.

Dr. Carpenter stated that many students are at EMC to upgrade their education to get a job. Over the past eight years 73% of EMC graduates have been hired for jobs in Montana, and 95% of the graduates are placed. In the spring they have several days where school districts come and talk to the graduates. Superintendents come from all over Montana but more and more there are people from Arizona, Washington, Idaho, Utah and California to interview and hire students. They like the product that is coming out of EMC and the other states pay more than the Montana school districts.

Dr. Carpenter stated that there are difficulties dealing with handicap access. More and more handicapped people are coming to EMC, and additional support is needed to provide access to this increasing population. One EMC student who has a rare disability was highlighted on the Jane Pauley show January 27, 1991, discussing the accessibility of the campus. Another man who is in a wheelchair as a result of a car accident six years ago, came to see if there was any way EMC could help him. He wanted to be in the Olympics in Barcelona. **Dr. Carpenter** said that he would sponsor him but in return he would have to do something for EMC. He asked him to talk to the other handicapped students and make a list of barriers for them on campus.

Dr. Carpenter said that in October 1989, EMC had a visit from the National Council on the Accreditation of Teacher Education (NCATE). They said the teaching loads of 30% of the faculty in the unit exceeded the maximum load established by the institution, and many exceed the equivalent of 12 semester hours at the basic level and nine semester hours at the advanced level. The NCATE accreditation team stated in its report that they found a long standing relationship of EMC with the Native American population to be a strength. The relationship allows collaboration between the tribal college and the institution in providing educational opportunities to the Native American population, which may otherwise not be available. The

accreditation team extended EMC's accreditation for two years and will return in two years for another evaluation.

Dr. Carpenter stated that EMC doesn't have any vacancy savings and urges the committee not to look at funding salary increases out of vacancy savings because the vacancy savings will have to be created by layoffs.

505

Dr. Carpenter said that EMC has developed articulation agreements with every Community College and Tribal College in Montana so that a student going into Dawson Community College can know exactly what courses will transfer or won't transfer. EMC is working with the Vocational Technical Centers to increase the transferability of the appropriate courses. Not all Vo-Tech courses should transfer.

Dr. Carpenter distributed and reviewed a handout on EMC. EXHIBIT 4

Dr. Carpenter stated that EMC has two areas of public service on campus; one is the public radio station KEMC and the other is the Montana center for handicap children. Over the years the function of the Montana Center for Handicapped Children has changed from being primarily a teaching center to being more of an outreach program.

Dr. Carpenter stated that eight months ago the board put some plans in place to accumulate funds for future computer replacement. In the meantime Deck stopped making the equipment EMC uses. With the system, projects that have been undertaken EMC has run out of capacity on the current equipment. The second request would be to expand the services in Montana Center for Handicapped Children. Over the years those services have had to be reduced to the point that it is now a ten month operation. Because of the number EMC has, it is often five to six months after the family contacts them that they are able to get assistance. **Dr. Carpenter** asked the subcommittee to help EMC expand that service to a twelve month operation.

Dr. Carpenter stated that between FY85 and FY90 tuition and fees as a percentage of EMC total budget went from 18.6% to 26.6%. The general fund support over that same period of time increased by 1%, and the tuition and fees increased by 55%. The financial aid program for FY91 is already over \$7,000,000, most of that is in loans. It is not uncommon for a student to attend medical school and graduate with a sizable debt. The concept being that this person will make a good living and be able to pay it back. **Dr. Carpenter** said he feels we are saying to a young person, come to school and learn to be an elementary school teacher and graduate \$15,000 to \$20,000 in debt and get a job that pays \$18,000 per year. This is added on top of the tuition and fees that students pay. It seems the state is taxing a group of people that are losing their ability to pay. **Dr. Carpenter**

urged the committee to provide the support that is needed. One of the things Montanans pride themselves on is access to education. If we are not careful, access will be denied through our actions.

970

Kirk Lacey, Student Body President, EMC, spoke in support of faculty salaries, accreditation and conditions of the facilities. He urged the subcommittee to address these problems now.

067

Commissioner Hutchinson introduced Regent Tom Toppel from Billings and Regent Kermit Schwanki from Missoula. **CHAIRMAN PECK** welcomed the Regents and said they were welcome to address the committee.

Dr. Carpenter stated that **EMC** was finished with its formal presentation and are ready to answer any questions.

CHAIRMAN PECK asked **Dr. Carpenter** to explain the **EMC-Wyoming** connection. **Dr. Carpenter** stated that the majority of **EMC** non-resident students come from the northern Wyoming counties. Residents of Montana from Yellowstone County and Carbon County go to the Wyoming Community Colleges. There is a lot of movement across that boundary with Montana and Wyoming students going both ways. In the undergraduate tuition program, students pay half way between resident and non-resident tuition.

151

CHAIRMAN PECK asked if most of these were transfer students from the community college system in Wyoming. **Dr. Carpenter** said they receive a number of freshman. **CHAIRMAN PECK**, asked what good things would happen to **EMC** if they get the Regents budget. **Dr. Carpenter** stated that all of the problems would not go away overnight but **EMC** would address them in a meaningful way. **CHAIRMAN PECK** asked if **EMC** would remain seriously ill with the Executive Budget. **Dr. Carpenter** stated that with the Executive Budget and the commitment that they can begin to approach the average of their peers, it will take a while to get out.

227

SEN. HAMMOND asked if **EMC** can reach out of state libraries with its electronic system. **Dr. Carpenter** said yes, they are a part of the Washington Library Network (WLN). **SEN. HAMMOND** asked if the cost to get the material prohibits the use. **Dr. Carpenter** said yes.

253

SEN. BIANCHI asked **Dr. Carpenter** if he understood **CHAIRMAN PECK'S** question. What would happen if the Governor's Budget were accepted. **Dr. Carpenter** said there would be layoffs. **CHAIRMAN PECK** asked how heavy the layoff would be. **Dr. Carpenter** said he does not know to what extent the layoffs would be.

274

REP. KADAS asked what the Fall quarter FTE is for this year. Ken Heikes said they are up 26 over last year. REP. KADAS asked what was happening with the average student age. Dr. Carpenter said it is 28 and increasing. REP. KADAS asked how old their computer system is. Dr. Carpenter said it is six years old. REP. KADAS stated that the computer system modification is a tremendous amount of money for a system that is only six years old.

Dr. Carpenter agreed with REP. KADAS, but with the way things are changing now it is already outdated. REP. KADAS stated that he has not seen MODS that high for computers on any of the other campuses during this or the previous session. Ken Heikes stated that they had a reserve fund for this purpose and the Legislative Auditor office told them to deplete the fund. If this fund hadn't been depleted EMC wouldn't be asking for this money. REP. KADAS asked what would happen if they don't receive this MOD. Dr. Carpenter said they are at capacity now, things would have to be taken off the computer in order to continue to use it.

REP. KADAS stated that the Commission for the 90s and Beyond recommended that if the money was not available then enrollment would be reduced. What do you think about that? Dr. Carpenter stated that Montanans pride themselves on access and want more access not less. Dr. Carpenter stated that he does not favor limiting access. REP. KADAS asked if he would prefer to sacrifice quality in the name of access. Dr. Carpenter said he would prefer to maintain the quality that EMC has for the next couple of years. REP. KADAS asked if he disagrees with the state presumption that it is at a crossroads. Dr. Carpenter stated that there is not adequate support across the system in a variety of areas and cannot continue to provide the level of quality they are now. If limiting access is the only choice they have, then they should opt for doing a better job with fewer students. REP. KADAS asked what other choices there are. Dr. Carpenter stated that depending on the funds that are ultimately received, there are a variety of ways to achieve this goal.

REP. KADAS complimented Kirk Lacey on his work with the students and his polite speech. He asked Mr. Lacey about enrollment limitations. Mr. Lacey stated that by limiting enrollment they eliminate access for many students who could not go out of state for education. It is sad when the state is telling people that they no longer have the opportunity to get an education in this state. REP. KADAS asked if that were as sad as saying to them, you all have access to mediocre quality. Mr. Lacey said that neither is good but without access there's no quality at all. REP. KADAS said he sees two options. The first is to raise the revenue to begin to address funding at the peer levels or reduce the number of students. A dialogue needs to begin to come to a moderately reasonable decision to see what the consequence of the two possibilities is.

568

REP. KADAS asked Commissioner Hutchinson about enrollment limitations. He stated that the Regents are not inclined to let this deteriorate further. If the Executive budget is accepted, he will advise the Regents that they institute a program of retrenchment. Whatever is done it's going to reduce access.

REP. KADAS asked Commissioner Hutchinson what will be the Commissioners and the Regents response if funded at the Executive level. **Commissioner Hutchinson** said he would answer this question at a later date.

SEN. JERGESON stated feels the question that **REP. KADAS** is asking, needs to be addressed to the public. **Commissioner Hutchinson** said a survey was sent to the public. The public said they want quality preserved and would expend access to preserve that, and they are willing to pay additional money.

SEN. JERGESON asked Dr. Carpenter if Minot State was dropped as one of EMC peers, would it change the student faculty ratio. **Dr. Carpenter** said it would change it to 17.9. **SEN. JERGESON** asked what that would cost. **Dr. Carpenter** said he couldn't answer that question at this time. **SEN. JERGESON** asked how often standards change. **Dr. Carpenter** said the standards changed three years ago and doesn't anticipate another change for another decade.

863

SEN. HAMMOND asked Dr. Carpenter if he believes there is a great range in the quality of education among people that graduate from any institution. **Dr. Carpenter** said that what one takes away from an education in an institution is what one puts in. **Dr. Carpenter** feels we are making it more and more difficult for the better students to graduate with a quality education. **SEN. HAMMOND** stated that he feels the quality of the education is dependent upon the individual, but we need to give the greater access to availability in the of things they need to get the job done. **SEN. HAMMOND** asked if Dr. Carpenter feels that students should graduate without any indebtedness. **Dr. Carpenter** said that students should have the opportunity to get an education as inexpensively as possible.

CHAIRMAN PECK asked if there are any ACT scores for graduates. **Dr. Carpenter** said that they don't require standardized tests for graduates. The Education Commission for the 90s in several recommendations dealt with an assessment project. The Board of Regents has endorsed that and are looking at ways to do that. **Dr. Carpenter** stated there isn't a tool to measure the effectiveness of all graduates. **CHAIRMAN PECK** asked if the teachers exam is ever correlated with NCATE standards in saying those high meeting NCATE standards produce students who score higher on their teachers exam. **Dr. Carpenter** said they are trying to collect of that data nationally, but do not have those figures yet. **CHAIRMAN PECK** said he feels we make the claim of excellence based on the fact that we spend more money. This is a

poor measure, that it is not necessarily true there is a better program because more money is being spent. **Dr. Carpenter** said one thing to be sorted out in the assessment process is the level of knowledge a student arrives at the school with. There has to be more than a senior level exam assessment.

CHAIRMAN PECK opened the meeting for public testimony.

021

Terry Minow, Montana Federation of Teachers, distributed and reviewed a statement from the faculty of EMC. **EXHIBIT 5**

087

Heidi Leedy, Montana College Coalition, stated that the students of the University System urge the subcommittee to support the recommendations of the Regents.

Dr. Carpenter thanked the committee for their work and for the time given to EMC.

EXECUTIVE ACTION ON VOCATIONAL TECHNICAL CENTERS

Tape No. 3

CHAIRMAN PECK asked that it be noted that **REP. GRINDE** was absent during Executive Action on the Vocational Technical Center.

130

CHAIRMAN PECK stated that **Ms. Joehler** suggested the subcommittee look at several options received by the Commissioners Office. **EXHIBIT 6 & 7**

Jack Noble reviewed option 1 & 2 of **EXHIBIT 6 & 7**

376

REP. KADAS asked what drives the increase in Butte. **Mr. Noble** said Butte does not get penalized by the student faculty ratio in terms of their enrollment and number of faculty. They get one more faculty member than they currently have. Primarily it is the student faculty ratios that drive those numbers up and down.

383

Mr. Noble stated they have tried several options and reviewed them with the Vo-Tech Center Directors and have had an opportunity to express their viewpoints and concerns with the proposal.

414

Ms. Joehler stated that she used an approach that would utilize the same conversion ratio from contact hour FTE to credit hour FTE and maintain the number of faculty that was presented to the postsecondary study committee. Upon closer review she feels the commissioners office approach is the correct approach. Any further calculations to be made, would use the credit FTE among

the centers. She did not understand that the commissioners office could expand the expenditure base by utilizing the LFA millage.

461

Doug Schmitz stated that the commissioner's budget takes preference to Option 1, the OBPP calculations in the formula were considerably different. The OBPP used the 90s actual expenditures and because of vacancies in some institutions they, were reduced by three FTE.

Mary Ann Wellbank stated that this does include an increased millage. If OBPP had budgeted for an increased millage they would have increased the top at the general fund and not just expand the expenditure base. The funding does shift among the different Vo-Techs. That would not be a problem with the executive budget since it recommended the lump sum appropriation.

SEN. HAMMOND asked where the increased millage comes from. **Ms. Joehler** said that the difference occurs in how the non tax revenue was allocated to the counties. **SEN. HAMMOND** asked **Ms. Wellbank** if in the OBPP budget they displace other funds rather than increase expenditure. **Ms. Wellbank** said yes.

520

REP. KADAS asked if the Executive wants to go with an incremental base or with formula base. **Ms. Wellbank** said the Executive recommended a formula base. It was developed through incremental budgeting and then was broken down into formula components that were familiar to the University System. They would recommend a formula base for the future.

REP. KADAS asked if the Commissioner's Office had an opinion on what the millage level should be. **Jack Noble** said no.

REP. KADAS asked what will happen to the Missoula Vo-Tech under option one. **Dr. Lerum** said they would try to reduce the number of faculty and maintain the same number of students. **REP. KADAS** asked how difficult that will be. **Dr. Lerum** said the student faculty ratios suggest it will be difficult. **REP. KADAS** asked if it would help, in the long run, if they were phased in. **Dr. Lerum** said that given more time, they could find better ways to improve their ratio. **CHAIRMAN PECK** asked **Dr. Lerum** if he was saying that if there wasn't that big of a decrease in the first year, management decisions would allow them to handle it in the second year. **Dr. Lerum** said it would help them find their way if they didn't have that big impact.

REP. KADAS asked if softening the blow in the first year is really going to help in the second year. **Dr. Lerum** said to deal with change, it would help, whether they can realize the objective in the second year would be the big question. Given the mix of programs **Dr. Lerum** is not sure they could realize the faculty student ratio objective. The greater concern is, can

they maintain the ratio.

658

SEN. BIANCHI asked if Dr. Lerum could make an argument where the Missoula Vo-Tech has a need for a lower student faculty ratio. **Dr. Lerum** said that he feels there is some substance to the data that would provide an argument in that direction. The Missoula Vo-Tech is heavy in the health area.

CHAIRMAN PECK asked Jack Noble if he has analyzed the differences from center to center. **Mr. Noble** said he hasn't done it in depth but feel the ratios are not unreasonable. **CHAIRMAN PECK** asked **Mr. Noble** if he would like to reserve the idea that there are different student faculty ratios for budget purposes. **Mr. Noble** stated that they would present evidence of testimony as to what those should be. **REP. KADAS** asked if he anticipates finding those faculty ratios any further in this budgeting process. **Mr. Noble** said they can make the case that there is evidence that they should be different. They can give a matrix that would provide a better informed judgment. **CHAIRMAN PECK** asked if there were a national group that would prescribe standards relative to the different programs. **Mr. Noble** said that in some areas they have so many programs that there would be a requirement.

Alex Capdeville, Helena Vo-Tech, stated that the approach taken by the Commissioner's Office was done in everyone's best interest. The answer would be to put more money into the system.

Will Weaver, Director, Great Falls Vo-Tech, stated that the equity increase for Great Falls still won't meet the equity expenses for the biennium. **CHAIRMAN PECK** asked if moving them to equity would take more money than what they will realize in an increase. **Mr. Weaver** said yes.

Jack Noble stated that when cutting like this they also hope that there is some understanding of flexibility between accounts and programs within those program categories amongst the centers. **CHAIRMAN PECK** asked if he was talking about personal services stipulation. **Mr. Noble** said yes.

Ms. Wellbank stated that **SEN. HAMMOND** had asked whether the budget was developed incrementally or formula. **Ms. Wellbank** said it was developed incrementally, however, it was updated for the new averages did not support instruction and support. **Doug Schmitz** stated that plant and equipment was done incrementally and the support instruction programs were done with the formula.

REP. KADAS asked if the subcommittee would act on this today. **CHAIRMAN PECK** said it is up to the committee.

SEN. HAMMOND stated that, with the suggestion that **Mr. Noble** made to arrive at the numbers necessary for the different areas of instruction, it seems they should be adjusted somewhat. **CHAIRMAN**

PECK asked Brady Vardemann if there would be significant differences in the five centers. Ms. Vardemann said that she is not sure at this time. It would take approximately two weeks to get the data.

SEN. HAMMOND asked if the Commissioner's Office has the option to do something with that if one of these options is accepted. Would they still be able to correct mistakes made in this committee. Ms. Vardemann said she believes that is correct.

855

CHAIRMAN PECK reminded the committee that it could put something in place and those centers affected adversely will be back to do some corrective action.

Motion: REP. KADAS moved to adopt Option 1 as submitted by the Commissioner of Higher Education plus \$200,000 biennial appropriation as a contingency fund.

Roll Call Vote: MOTION CARRIED 3 to 2 with REP. PECK and SEN. HAMMOND voting no. REP. GRINDE absent and not voting.

Motion: REP. KADAS moved to allow more flexibility.

Discussion:

REP. KADAS asked Ms. Joehler if she had a better way of articulating his motion. Ms. Joehler asked REP. KADAS if it were his intent to provide a single dollar amount to each Vo-Tech. REP. KADAS said yes, but would like for them to report by line item how they spent the money. Ms. Joehler asked if he would like language developed to insert in the boiler plate to indicate the intent. REP. KADAS said yes. CHAIRMAN PECK asked if the report would be based on what is currently used to format. REP. KADAS said yes, he just doesn't want them to think they can get a lump sum forever.

CHAIRMAN PECK stated that he is opposing the motion on the basis that they are able to managerial transfer money under current conditions. This is a terrible precedent to set, and it would go throughout state government if this is done.

Role Call Vote: MOTION CARRIED 3 to 2 with SEN. HAMMOND and REP. PECK voting no. REP. GRINDE absent and not voting.

SEN. BIANCHI asked Pam Joehler if the boiler plate language would make it clear that this motion is for this biennium only and not something they can expect in the future. Ms. Joehler said she would write up a draft and bring it back for subcommittee consideration and the subcommittee can then vote on it.

SEN. JERGESON asked if the dollar figures have been established on the funding side. **Jack Noble** said it is not just tuition. **CHAIRMAN PECK** said the funding sources are shown in Option 1, as outlined at the top. **Jack Noble** said the prior two- year average enrollments were used to drive the formula, as the enrollment goes up those that are growing will have tuition increases and those that are shrinking won't be able to get to their tuition estimate. **CHAIRMAN PECK** said if there is anything further, the subcommittee could come back to it.

EXHIBIT 8 & 9 distributed for informational purposes.

ADJOURNMENT

Adjournment: 11:25 a.m.



REPRESENTATIVE RAY PECK, Chair



MELISSA J BOYLES, Secretary

RP/mjb

HOUSE OF REPRESENTATIVES
EDUCATION SUBCOMMITTEE

ROLL CALL

DATE 1-31-90

NAME	PRESENT	ABSENT	EXCUSED
REP. RAY PECK, CHAIRMAN	✓		
SEN. GREG JERGESON	✓		
REP. LARRY GRINDE		✓	
SEN. DON BIANCHI	✓		
REP. MIKE KADAS	✓		
SEN. H.W. "SWEDE" HAMMOND	✓		

EXHIBIT 1
DATE 1-31-91
HB

MONTANA STATE VOLUNTEER
FIREFIGHTER ASSOCIATION
LYLE P. NAGEL, LOBBYIST
P.O. BOX 93, SIMMS, MT. 59477
PHONE 264 5850

January 30, 1991

MSU EXTENSION-FIRE TRAINING SCHOOL

TO: Joint Appropriations
Education Subcommittee
Rep. Ray Peck, Chairman

RE: HB2

Rep. Peck and Committee:

Of the 7500 to 8000 firefighters in Montana less that 400 are paid firefighters. That means the remainder of them are volunteers. They are the people that provide the majority of the fire protection in this state. The Fire Training School plays a very big part in the success of the volunteer firefighters.

Presently it necessary for a fire department or fire company to subscribe to the school for use of the resources in the resource library. This library is a very valuable tool for the training programs for the firefighters. Because of the fee for the library some of the departments have ceased to use the resources because of the cost. That amount of money may cover the cost of responding to a fire for a department. This presents two problems. 1. Those not using the library do not have the necessary resources for quality education that they could have. 2. The cost of the library must be shared by those that do decide to use it, thereby cutting into their firefighting budget.

The school provides the firefighters with the means to keep up on the new methods of fire suppression due to the development of new apparatus and equipment. They develop new techniques for better use of the equipment we presently have. This is a big benefit for all firefighters because this is probably the only way that some would find out about the changes.

There was a time when a department could call on the school for assistance with training by having one of the staff come to the department to present a class on a topic that their training officer did not feel capable of presenting. Due to budget constraints this service had to be curtailed. Now the training has been patterned as a "train the trainer" pogram. That means that the departments must now send a representative to the school to be trained to train the rest of the department members.

Some training programs presented by the school require the payment of a fee to participate to cover the costs. This, in a lot of cases, requires the firefighter to pay for the fee because the department does not have the money to cover it. It is not right to ask a firefighter to pay for training to supply a service that is performed free of charge.

At the 1990 convention of our association a resolution was submitted and passed unanimously to support the budget of the school and that the Fire Training School remain with MSU and remain in its present location. I urge your support for the school.

Exhibit 2 consists of a 60 page study. The entire exhibit is available at the Montana Historical Society, 225 North Roberts, Helena, MT 59601. (Phone 406-444-4775)

HIBIT 3
TE 1-31-91
Ed. & Curr. Div. Ad.

EXCLUDING NORTH AND SOUTH DAKOTA FROM PEER DATA

The following is a comparison by unit of the effect of eliminating North and South Dakota Schools from our peer data. The comparison is based on total expenditures per FTE.

	<u>All Peers</u>	<u>Percentage of Peers Excluding</u>		
		<u>ND.</u>	<u>SD.</u>	<u>Both</u>
Montana State University	78%	72%	78%*	72%
University of Montana	75%	70%	75%*	70%
Eastern Montana College	87%	82%	84%	78%
Montana Tech	60%	60%**	51%	51%
Northern Montana College	92%	92%**	92%*	92%
Western Montana College	92%	87%	92%*	87%***

* These units do not have peer institutions in South Dakota.

** These units do not have peer institutions in North Dakota.

*** Western would have only one remaining peer institution.

NOTE: Eastern is the only institution that has peer institutions in both North and South Dakota.

SUMMARY: THE PERCENTAGE OF PEERS FOR ALL UNITS BASED ON TOTAL EXPENDITURES PER FTE WOULD CHANGE FROM THE CURRENT RATE OF 82% TO 76% IF NORTH DAKOTA WAS ELIMINATED, 81% IF SOUTH DAKOTA WERE ELIMINATED, AND 74% IF BOTH WERE ELIMINATED.

THE EASTERN MONTANA COLLEGE
LIBRARY EXCELLENCE PROJECT

Eastern Montana College, the third largest unit of the Montana University System, is a comprehensive state college dedicated to providing lifelong learning experiences for all ages. Serving more than 4000 students, undergraduate degrees are offered in education, business and the arts and sciences, with graduate programs in education and related fields.

At the heart of Eastern Montana College lies the library, home to a diverse collection of books, periodicals and government documents. As the College's central repository of information, the Library is critical to education and a focal point for the campus and the community it serves.

The Need for Library Excellence

Eastern's Library exists to provide the information required by students and faculty to fulfill their curricular and research interests and needs. Unfortunately, current budget and space constraints have made impossible the goal of having a truly comprehensive collection of all recorded information. The effectiveness and efficiency of the current library facility is limited by the extent of its holdings coupled with the manual operation of most functions.

In 1987, library consultant Jasper Schad was commissioned to evaluate Eastern's Library. In his report entitled, "A Visit to Eastern Montana College's Library," Mr Schad noted that the Library was underfunded due to state budget limitations, and consequently understaffed, yet library use rates were above state and national levels. Mr. Schad discussed automation as a means for improving service and operating efficiency.

Mr. Schad's remarks are illustrated through statistics which demonstrate the overall decline in state appropriations for Eastern's Library. The library book and subscription budget for the last five years has declined 33 percent. During the same period, the average journal subscription price has increased 44 percent. Consequently, the actual number of journals available to students and faculty has been reduced by 16 percent during this period, and the number of books being purchased is decreasing steadily.

The Solution

On August 1, 1989, an anonymous challenge gift of \$600,000 was committed to the EMC Foundation, establishing the Library Excellence Endowment. Ultimately, the interest earned from the endowment will be used to expand holdings and fund areas of particular need within the Library.

At present, however, the earned interest, coupled with funds generated through the Library Excellence Campaign, will allow the College to move through a series of phases which will result in an integrated, comprehensive automated library information system.

Eastern's computerized library referencing system will be "user friendly". The terminal will give very simple guidance and instruction on screen and lead the user through its functions. Books will be indexed (and cross-indexed) by subject, author and title. When a book is selected by the user, the screen

will list the book's call number, the author, publisher, and subject terms. It will also indicate if the book is checked out, and if so, when it is due to be returned. The user will be able to reserve the book if it is out. The screen will also advise if the book is available in any other form, such as video or audio cassette. Each terminal will be connected to a printer for immediate print out of the references.

Computers will also manage book check-out. A scanner will read a barcode on the book and on the library patron's card. Thus, the book's title, due date and patron's name are automatically entered into the system.

Once installed, this computerized library system will be available to users on and off campus 24 hours a day. Access is available to any individual or business with a computer, modem, and phone line. If a reference is found that is desired but not at the college, an interlibrary loan can be arranged.

Currently, the EMC Library houses approximately 118,000 books, 1,400 journals and 650,000 microforms. Automation will not only improve access to library holdings, but also expand holdings by cataloging of special collections not cataloged at this time. Examples include federal and state documents, geographical maps, musical scores and newspaper indexing.

Sharing Resources Through Outreach

Automation will also enable the EMC Library to establish an interactive link with the Parmly Billings Public Library and other libraries within the Montana University System. Networking with these libraries will enable Eastern to reference all holdings as if they were in the EMC Library. These holdings can easily be retrieved through interlibrary loan. With today's limited state budgets, resource sharing and cooperative collection development is critical for library enhancement.

Completion of library automation as currently planned will also enable the College to share library resources with rural Montana. The College will soon be capable of linking individuals, businesses, agencies, and community and tribal colleges in Eastern Montana with EMC's Library. Locally, School District II, the Billings Vo-Tech Center and Rocky Mountain College will also have the opportunity to access Eastern's system easily.

Discussions have been initiated with Dawson Community College in Glendive and Miles Community College in Miles City to insure system compatibility with both campuses. Both colleges received a Title III grant some two years ago which is allowing them to automate their libraries. These two campuses, along with most of the public schools in far Eastern Montana are being connected by fiber optic cable which will be extended to EMC. This will allow interactive communication with most of the schools in Eastern Montana, both for the purposes of instruction and training as well as library access.

However, in the shorter term, by July of 1991, any school, business, or individual with a computer and a modem can dial the college library and access our entire collection and any other collections that are part of the system. If a printer is available, printouts can be made directly from the screen. If full text is desired, a request for a copy can be made or for large numbers of pages, an interlibrary loan can be arranged.

This system will greatly enhance information access for tribal colleges, community colleges, public schools, businesses and individuals throughout

Eastern Montana. With this type of cooperation, schools and colleges will be better able to utilize their limited resources for the maximum benefit of the entire region by reducing duplication of journal subscriptions, for example, while at the same time ensuring access to the needed materials.

The Implementation of Library Automation

Eastern's first entry into library utilization of computer systems came in 1981 with the installation of the Western Library Network System. Since then, the manual operation of some components of the library's technical services have been computerized and several CD-ROM automated indexes have been installed.

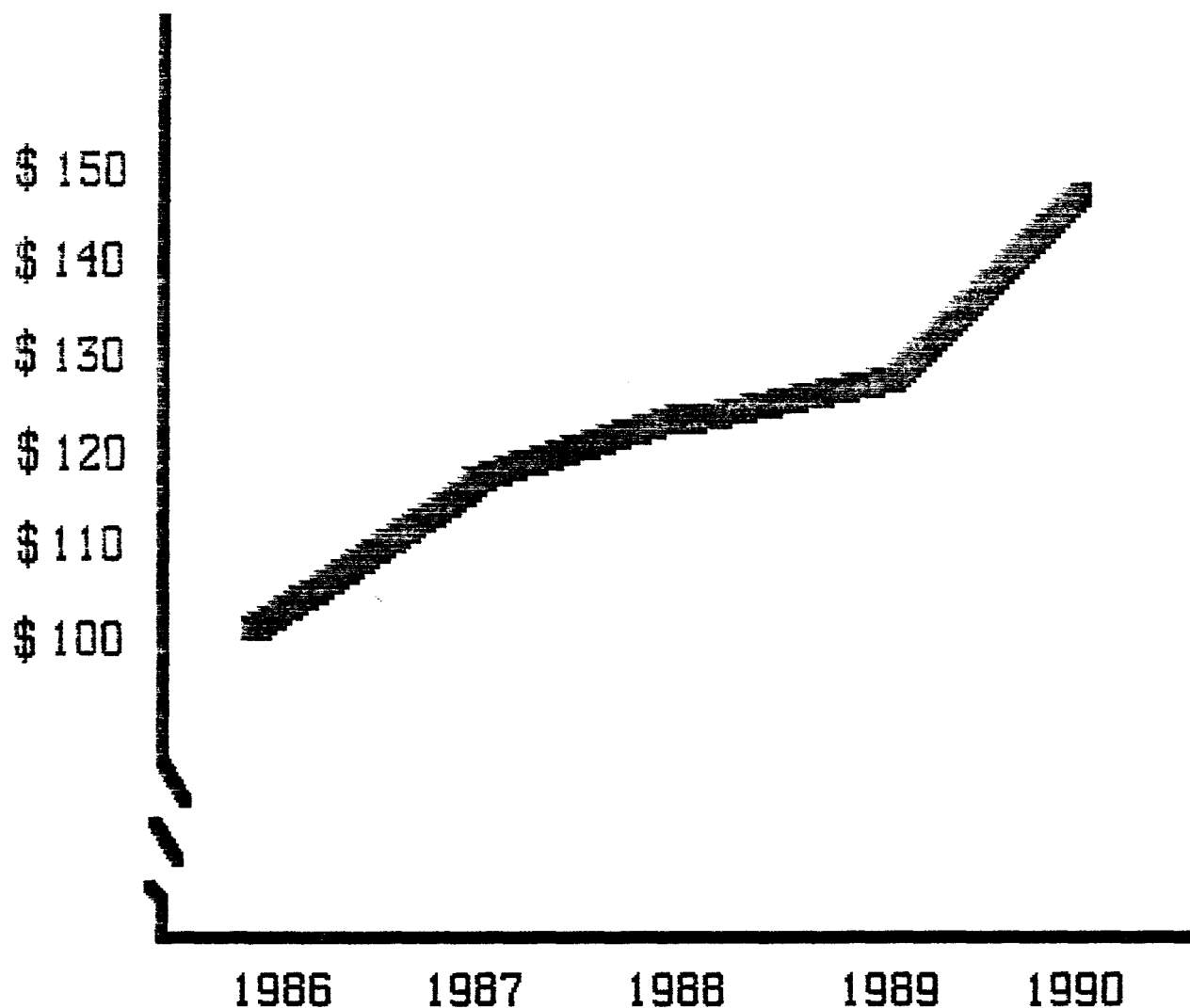
During the College's 1988 accreditation review, the Northwest Association of Schools and Colleges' evaluation team remarked that "The Library has done a commendable job of taking advantage of technology and has moved aggressively in positioning itself to take advantage of computer based solutions to library needs when resources are available." The report went on to say that "the next logical move is to an on-line catalog and circulation system.....which will require a major commitment of funds well beyond the continuing budget of Eastern Montana College. This investment coupled with acquisitions funding adequate to build library collections, can give Montana the information resources needed to build and diversify the economy of the State."

The College is now moving forward with the recommendations of consultant Jasper Schad and the Northwest Association of Schools and Colleges' evaluation team. In January of 1990, a library automation specialist was hired to research and implement the process of totally automating Eastern's Library. Following an extensive evaluation of equipment needs, the software and hardware selections were made. Beginning in 1991 through 1993, various modules of the automation process will be acquired and installed. The total cost for the automation process is estimated to be \$400,000-\$450,000. By 1993, the Library will be prepared to network with existing libraries and offer access to remote areas of Montana.

Summary

The Campaign for Library Excellence will require a minimum of \$1.2 million in order to implement and maintain a library system which achieves the standards of academic excellence critical for Montana's future. \$600,000 has already been committed toward this project. The \$600,000 balance, to be generated through donors committed to quality educational experiences for Eastern's students, will insure completion of the automation process and build the existing endowment to a level which will guarantee superior library resources for future generations.

Average Journal Subscription Price



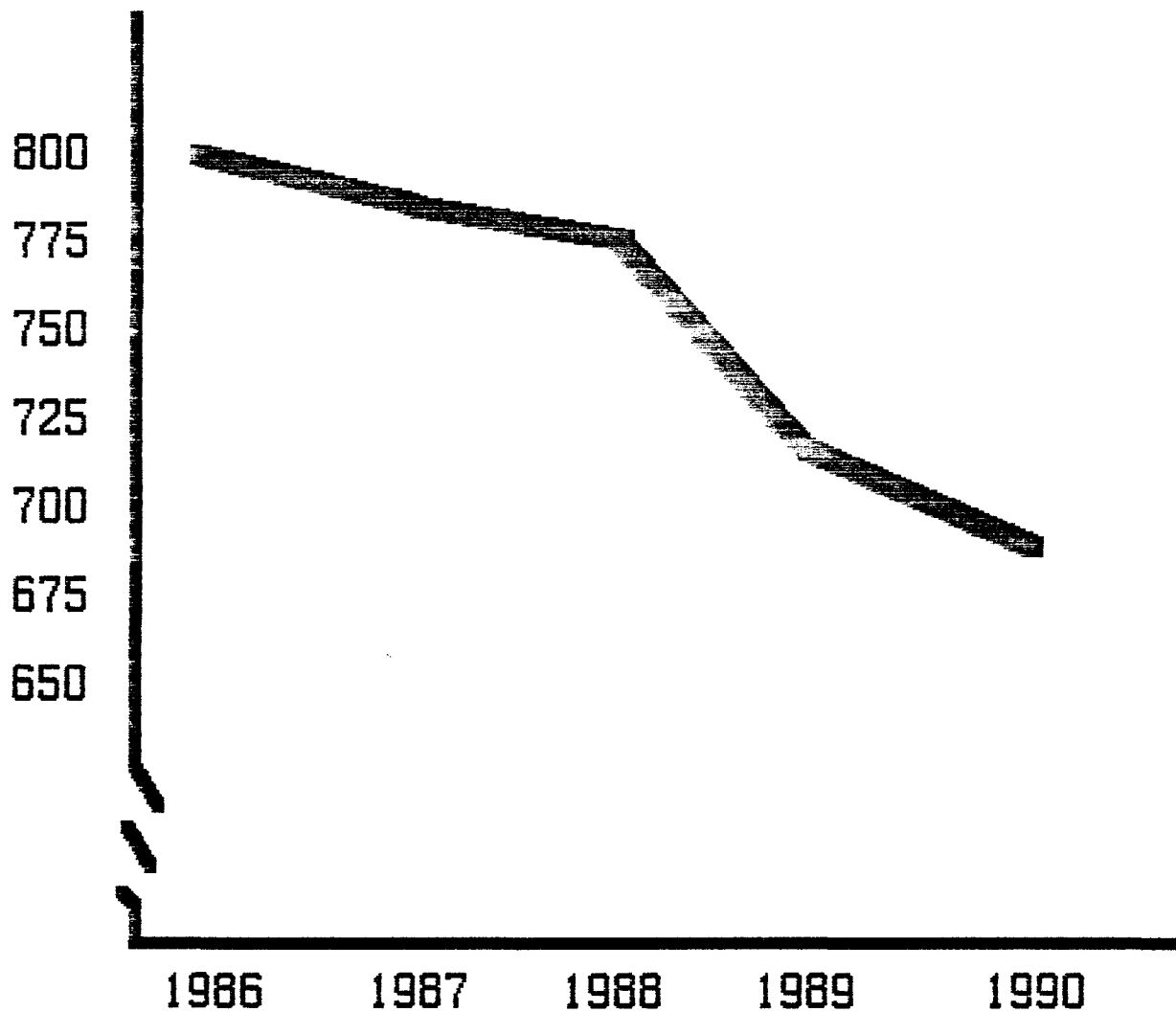
\$	104.69	117.75	125.87	130.15	149.67
%		+12.5%	+7%	+4%	+15%

1986 - 1990 → +44%

FY 91 Estimate → +12 - 23%

EXHIBIT 4
DATE 1-31-91
HB Ed. + Cur. 42. Sub.

Number of Journal Subscriptions



1986 - 1990 → $-15\frac{1}{2}\%$ Total Number of Subscriptions

EMC Subscriptions Management

FY	# of Subscriptions Cancelled	Cost Savings	# of Subscriptions Added	Cost of New Subscriptions
86	1	\$ 100.00	0	\$ 0
87	17	13,691.67	3	95.00
88	8	407.00	1	40.00
89	73	17,037.10	11	820.00
90	35	5,033.06	15	1,628.00
Totals:	134	\$ 36,268.83	30	\$ 2,583.00

Library Books and Subscriptions Budget

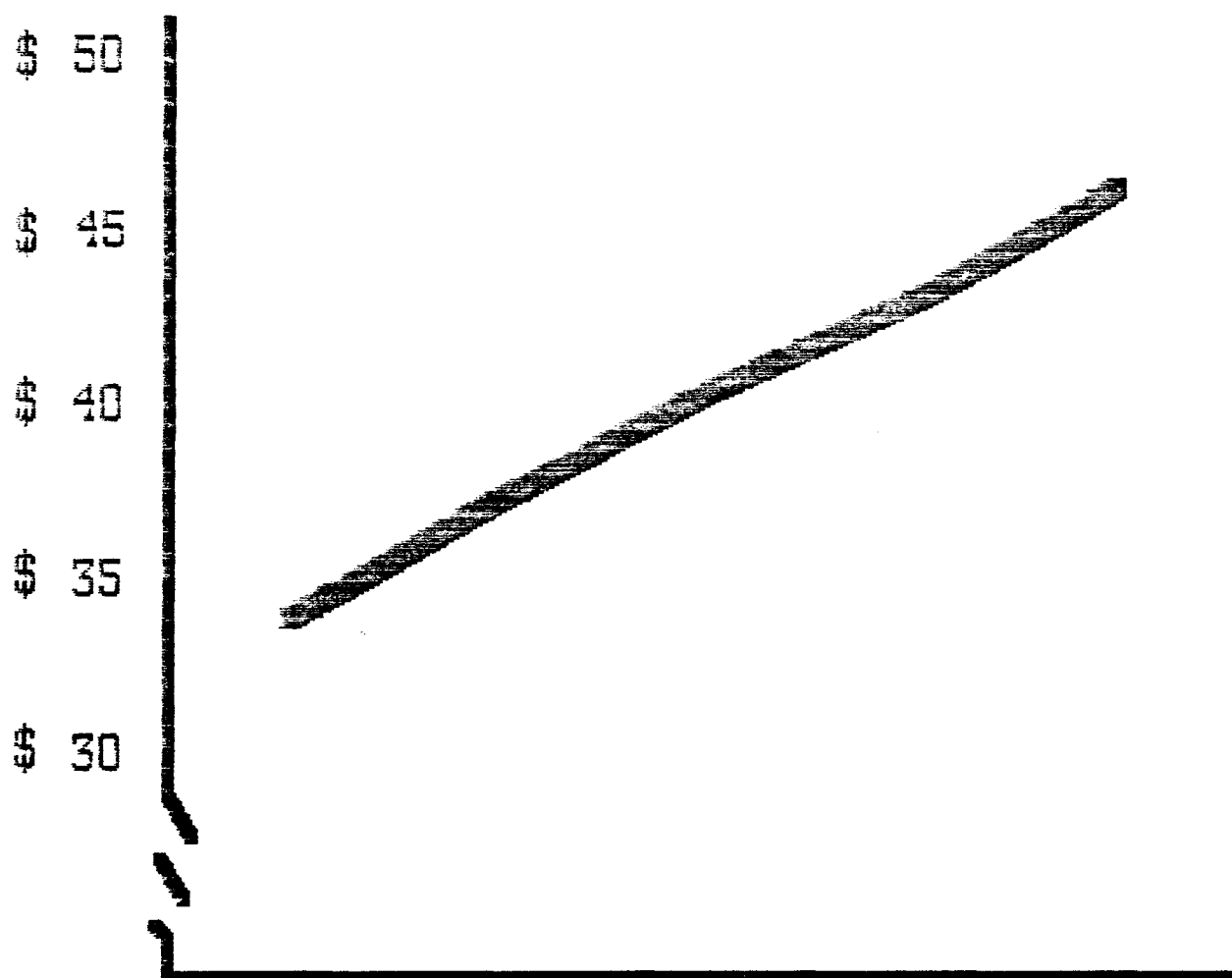
FY	Books	Subscriptions	# of Subscriptions	Total Materials Budget
86	\$ 70,583	\$ 87,919	799	\$ 158,502
87	\$ 76,904	\$ 86,537	785	\$ 163,441
88	\$ 49,730	\$ 97,335	778	\$ 147,065
89	\$ 77,967	\$ 104,739	716	\$ 182,706
90	\$ 12,702	\$ 93,815	696	\$ 106,517

Fy 86 ----- Fy 90

\$ 158,502 \$ 106,517

-33 %

Average Academic Book Price



1986 1987 1988 1989 1990

\$ 34.10 37.23 40.65 43.47 46.05

% +10% +9.5% +6% +6%

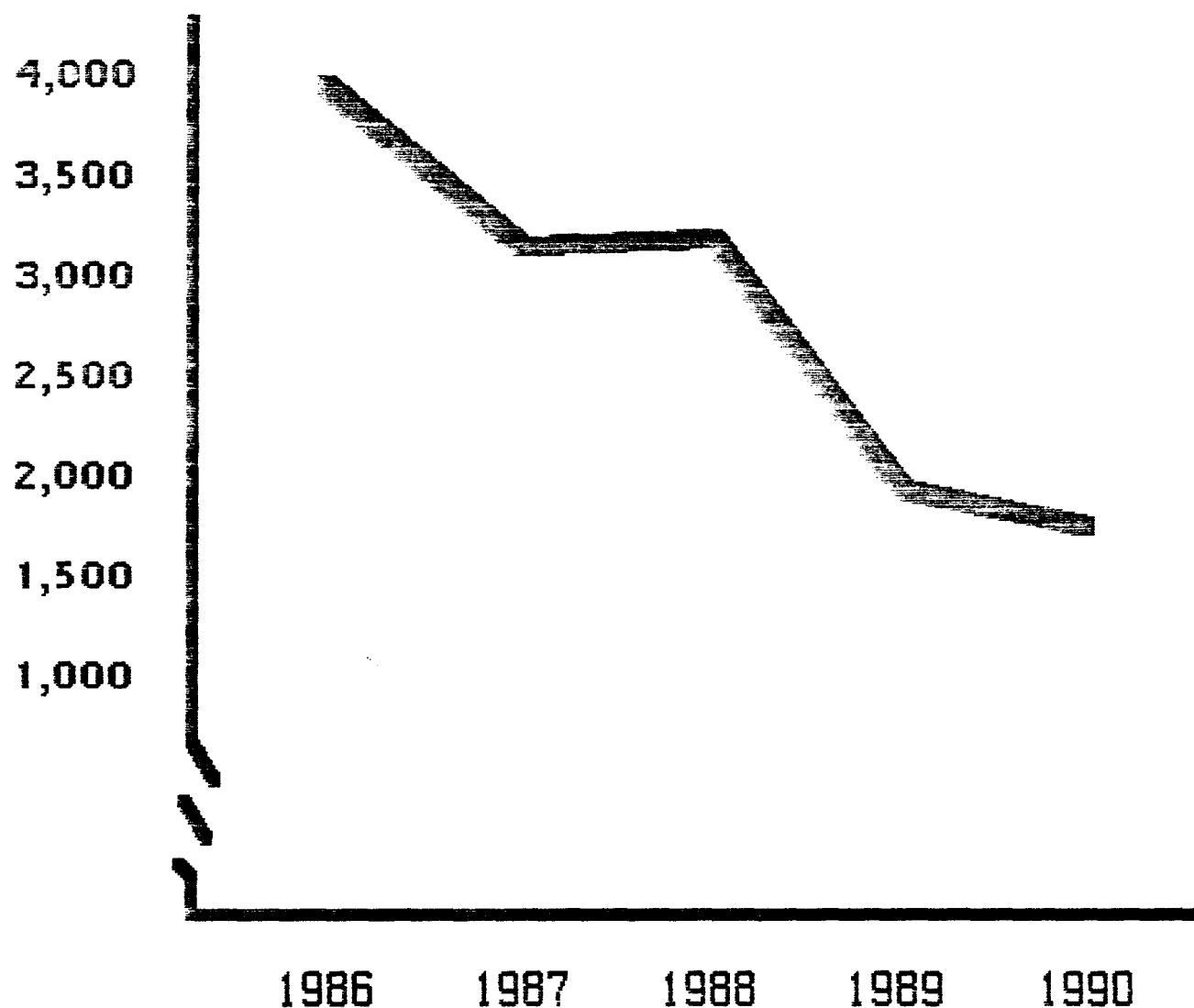
1986 \$1,000 = 29 Books

1990 \$1,000 = 22 Books

1986 - 1990 → + 35%

FY 91 Estimate → + 6%

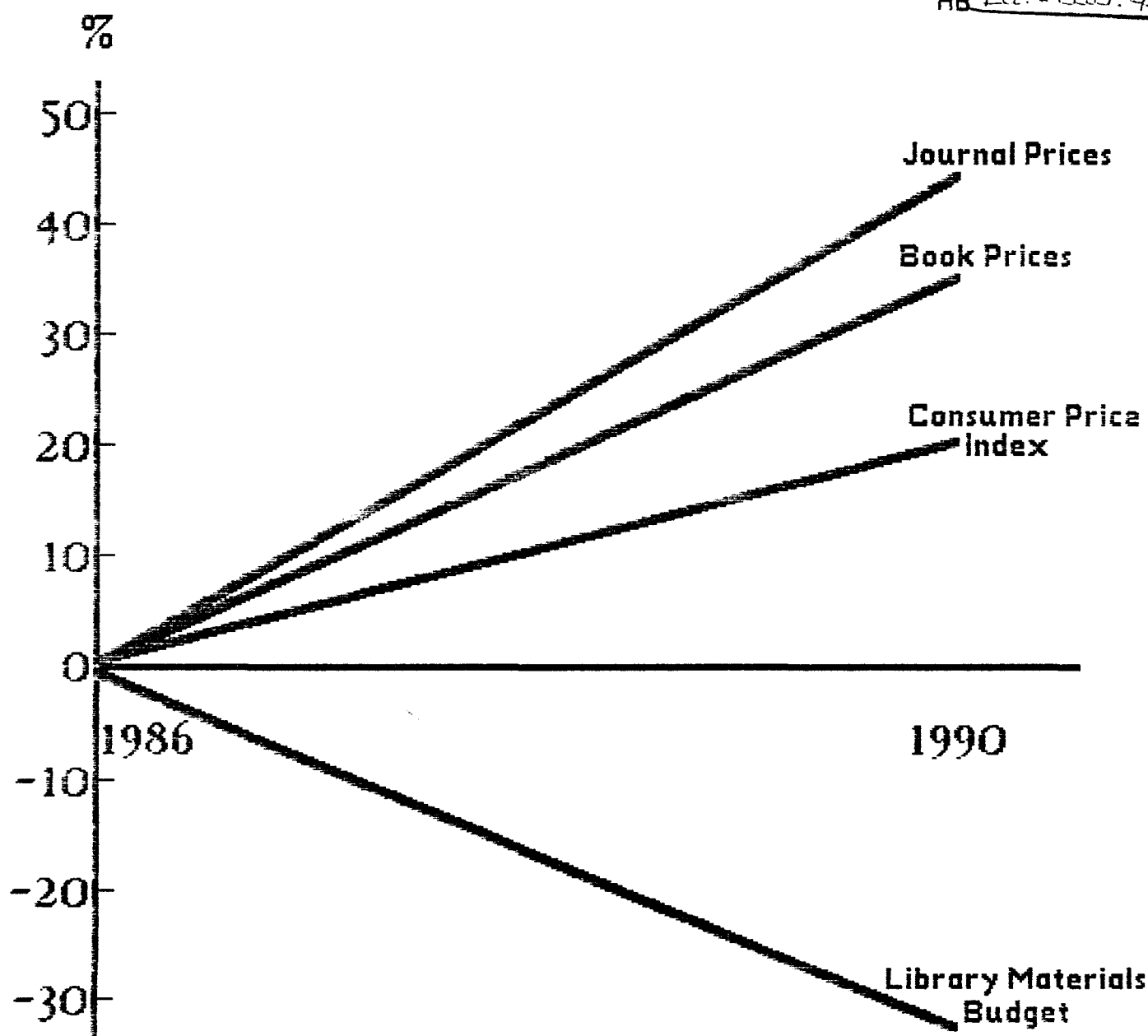
Number of Books Purchased



1986.....	3973
1987.....	3112
1988.....	3122
1989.....	1919
1990.....	1845

During FY 90, the EMC Library purchased .45 of a book for each student.

1986 - 1990 → - 50% Purchasing of Books



Journal Prices.....+44%
Book Prices.....+35%
Consumer Price Index.....+21%
Library Materials Budget.....-33%

Prepared by
Kathleen A. Hall
December 1990

EXHIBIT

DATE

HB

5
1-31-91
EASTERN MONTANA COLLEGE FACULTY BUDGET TESTIMONY
APPROPRIATIONS JOINT SUBCOMMITTEE ON
EDUCATION AND CULTURAL RESOURCES
JANUARY 31, 1991

Members of the Committee, thank you for the opportunity to speak today on behalf of Eastern Montana College. This statement was jointly prepared by the EMC Faculty Association and the Budget Committee of the Academic Senate, whose members are unable to attend due to commitments on campus.

Eastern Montana College faces critical funding needs in many areas. These funding needs are vital to the ability of the College to meet its mission, to the needs of students in pursuit of their degrees, and to the needs of the faculty, staff, and administrators who daily strive to meet that mission and serve those students. As you pursue your task of making difficult financial decisions we ask that you bear in mind the following facts and comments about Eastern and remember that similar facts and comments apply to the whole of the Montana University System.

Faculty salaries at Eastern are the lowest of any of our peer institutions, as defined by the Legislative Fiscal Analyst (LFA). Salaries across the System are 49th in the nation. Please remember, however, that rankings alone do not tell the whole story. Finishing dead last in a footrace is no disgrace if everyone reaches the finish line within a stride of one another. Quite the contrary is true if the field crosses the finish line while the last-place runner is but three-fourths of the way down the track.

Worse yet, the average faculty salaries proposed by the Governor and LFA will mean the following: two years from now the average EMC faculty salary will be only 75-85% of what will then be four-year-old national and regional averages. We will not just be losing the race to recruit and retain faculty, we will not even be showing up at the track on race day.

Our library is another area of great concern. As noted in our most recent accreditation report, the library is "clearly understaffed . . . [and its] budget is inadequate . . . to support even a teaching mission." In support of that conclusion, please note that in the past four years journal

prices, book prices and the Consumer Price Index have risen some 20-45% while the library materials budget has decreased by 33%. One result: less than one-half of one library book is now purchased annually per student enrolled.

This past summer, the Academic Senate Budget Committee faced the extremely difficult task of recommending that about 6% of anticipated expenses for this academic year, almost \$900,000, be cut in order to meet the level of appropriated funds.

We recommended that funding of anticipated external increases for such things as postage and mileage be cut in half. We recommended cutting over half of worthy internal increases for such things as the library book budget and faculty professional development. Our Vice Presidents were asked to cut over \$500,000 from their areas of responsibility.

Members of the Committee, there is no fat in the budget of Eastern Montana College. Quite frankly, there is very little healthy tissue. If either the Governor's or the LFA's funding proposal is accepted this legislative session there will remain only a skeletal budget, a budget insufficient for faculty, staff, and administrators to do their jobs, a budget inadequate for students to receive the educations they deserve, a budget lacking in even minimum sustenance for the College's mission.

As we reviewed these funding proposals, we were struck by the observation that resident student tuition has been approximately equal to the average of our legislative peers over the past five years, while expenditures per student have been only in the 85-90% range. The difference results from inadequate state funding, as do our 85-90% of peer average salaries, our library shortages, and our continuing need to cut away the healthy tissue of Eastern Montana College.

We ask that you endorse the findings of the Governor's Education Commission of the 90's and Beyond, that at a minimum you fully fund the Board of Regents budget recommendations, and that you begin to restore the ability of Eastern Montana College to properly fulfill its mission. Thank you.

Comm. Off.

EXHIBIT 10
DATE 7-31-91
HB Ed. & Curr. Aff. Sub.

OPTION 1

SCHEDULE A
SCHEDULE OF AVAILABLE RESOURCES

	FY92	FY93
Stephens' Total Vo-Techs	\$11,216,388	\$11,215,403
Decrease Federal Funds	(807,474)	(807,474)
Increase Regents' allocation	570,000	570,000
Decrease OBPP millage	(798,675)	(818,108)
Increase LFA Millage	965,005	981,481
Total Funds Available	\$11,145,244	\$11,141,302
FY90 EXPENDITURE BASE	\$10,740,238	\$10,740,238
INCREASE OVER FY90 BASE	\$405,006	\$401,064
% INCREASE OVER FY90 BASE	3.77%	3.73%
TOTAL FUNDS AVAILABLE	\$11,145,244	\$11,141,302
TOTAL FUNDS USED	11,174,463	11,111,941
BALANCE AVAILABLE	(\$29,219)	\$29,361

Assumptions:
Carl Perkins funds backfilled with general funds \$570,000 per year;
Adjust student/faculty ratios both years;
center-specific average salary equity;
LFA current level for benefit rates, instructional support, and equipment;
support at FY90 actual rate per student; FY93 at 16.7% of target;
plant at LFA current level

OPTION 1

SCHEDULE B
STUDENT/FACULTY RATIO

CENTER	FY90 FYFTE		FY90 FACULTY	FY90 RATIO	FY92 FACULTY		FY92 RATIO	COST	
	CREDIT STUDENTS				AT FY90 S/F RATIO			DIFFERENCE 90 ACTUAL	
BILLINGS	426		27.12	15.71	25.76	17.00	27.88	(73,632)	
BUTTE	375		22.00	17.05	23.66	17.96	24.93	(48,986)	
GREAT FALLS	591		35.10	16.84	35.53	17.00	35.87	(11,212)	
HELENA	518		37.34	13.87	35.00	16.00	40.37	(212,169)	
MISSOULA	525		38.82	13.52	36.40	15.00	40.37	(145,555)	
	2,435		160.38	15.18	156.36	16.46	169.43	(491,553)	

CENTER	93 BIENNIUM CREDIT FYFTE	FY93 FACULTY	FY93 RATIO	COST DIFFERENCE 92 RECOMMEND
BILLINGS	438	25.03	17.50	(25,577)
BUTTE	425	23.66	17.96	0
GREAT FALLS	604	34.51	17.50	(33,214)
HELENA	560	32.94	17.00	(81,381)
MISSOULA	546	34.13	16.00	(83,351)
	2,573	150.27	17.12	(223,523)

EXHIBIT 6DATE 1-31-97HB Ed. & Cur. Dec. 96.

OPTION 1 SCHEDULE C
VOCATIONAL TECHNICAL CENTERS
FYFTE CALCULATIONS
92/93 BIENNIUM

	FY90 CREDIT FTE	FY90 CONTACT FTE	RATIO
Billings	426	334	1.275
Butte	375	280	1.339
Great Falls	591	503	1.175
Helena	518	436	1.188
Missoula	525	446	1.177
	2,435	1,999	1.218
	=====	=====	=====

	FY90 CREDIT/CONTACT HOUR RATIO	FY89 CONTACT FTE	FY89 CONTACT HOUR FTE CONVERTED TO CREDIT HOURS
Billings	1.275	353	450
Butte	1.339	354	474
Great Falls	1.175	525	617
Helena	1.188	506	601
Missoula	1.177	482	567

	FY90 CREDIT FTE	FY89 CREDIT FTE	AVERAGE
Billings	426	450	438
Butte	375	474	425
Great Falls	591	617	604
Helena	518	601	560
Missoula	525	567	546

			2,573
			=====

OPTION 1

SCHEDULE D
SUPPORT FORMULA

SUPPORT FORMULA	% OF FY89 TOTAL BUDGET	FY90 ACTUAL SUPPORT/FTE	\$ DISTANCE FROM FORMULA TARGET	(2) 16.7% OF DISTANCE/ FTE	FY93 SUPPORT/ FTE	% INCREASE
-----	-----	-----	-----	-----	-----	-----
PEER SURVEY	35.0%	\$1,516	(1)			
BILLINGS	30.7%	\$1,309.24	\$90,561	\$34.53	\$1,343.77	2.6%
BUTTE	26.1%	1,075.44	187,238	73.57	1,149.01	6.8%
GREAT FALLS	20.5%	844.91	405,336	112.07	956.99	13.3%
HELENA	23.7%	1,165.03	196,546	58.61	1,223.64	5.0%
MISSOULA	29.9%	1,451.22	35,371	10.82	1,462.04	0.7%

			\$915,052			

- (1) Based on 35% of targeted budget limit (\$11,141,302) divided by the budgeted FTE total of 2,573.
- (2) Balance available (\$153,193) divided by total target distance (\$915,052).

OPTION 1

SCHEDULE E
VOCATIONAL TECHNICAL CENTER BUDGET COMPARISON
93 BIENNIUM VS 1991 BIENNIUM

DATE 1-31-91
HB Ed & Cur. No. 4

CENTER	FY90 ACTUALS	FY91 BUDGETED	FY92 RECOMMEND	FY93 RECOMMEND	\$ INCREASE	% INCREASE
BILLINGS	\$1,839,042	\$1,907,623	\$1,909,160	\$1,900,566	\$63,061	1.7%
BUTTE	1,631,604	1,740,009	\$1,798,094	\$1,830,428	256,909	7.6%
GREAT FALLS	2,076,518	2,065,269	\$2,197,113	\$2,232,820	288,146	7.0%
HELENA	2,461,424	2,569,522	\$2,560,938	\$2,513,474	43,466	0.9%
MISSOULA	2,731,650	2,751,922	\$2,709,158	\$2,634,653	(139,762)	-2.5%
TOTAL ALL CENTERS	\$10,740,238	\$11,034,345	\$11,174,463	\$11,111,941	\$511,821	2.4%
	=====	=====	=====	=====	=====	=====
INSTRUCTION	\$6,311,402	\$6,416,341	\$6,764,078	\$6,540,555	\$576,891	4.5%
SUPPORT	3,097,686	3,056,008	3,049,542	3,202,356	98,204	1.6%
PLANT	1,331,150	1,561,996	1,360,843	1,369,030	(163,273)	-5.6%
TOTAL ALL PROGRAMS	\$10,740,238	\$11,034,345	\$11,174,463	\$11,111,941	\$511,821	2.4%
	=====	=====	=====	=====	=====	=====
GENERAL FUND	\$6,694,105	\$7,492,801	\$8,293,008	\$8,214,010	\$2,320,112	16.4%
TUITION & FEES	1,772,568	1,934,070	1,914,450	1,914,450	122,262	3.3%
MANDATORY MILLAGE	863,590	796,000	965,005	981,481	286,896	17.3%
ED TRUST-INTEREST	604,872	0	0	0	(604,872)	-100.0%
FEDERAL FUNDS	799,563	807,474	0	0	(1,607,037)	-100.0%
OTHER	5,540	4,000	2,000	2,000	(5,540)	-58.1%
TOTAL ALL FUNDING	\$10,740,238	\$11,034,345	\$11,174,463	\$11,111,941	\$511,821	2.4%
	=====	=====	=====	=====	=====	=====

OPTION 1

SCHEDULE F
VOCATIONAL TECHNICAL CENTER BUDGET COMPARISON
93 BIENNIUM VS LFA CURRENT LEVEL

EXHIBIT 6

DATE 1-31-97

HB Ed & Curr. Ver. 4.0

CENTER	FY92 LFA	FY93 LFA	FY92 RECOMMEND	FY93 RECOMMEND	\$ INCREASE	% INCREASE
BILLINGS	\$1,782,680	\$1,780,249	\$1,909,160	\$1,900,566	\$246,797	6.9%
BUTTE	1,663,302	1,660,157	\$1,798,094	\$1,830,428	305,063	9.2%
GREAT FALLS	1,998,797	1,994,525	\$2,197,113	\$2,232,820	436,611	10.9%
HELENA	2,457,884	2,453,073	\$2,560,938	\$2,513,474	163,455	3.3%
MISSOULA	2,661,682	2,658,065	\$2,709,158	\$2,634,653	24,063	0.5%
TOTAL ALL CENTERS	\$10,564,345	\$10,546,069	\$11,174,463	\$11,111,941	\$1,175,990	5.6%
INSTRUCTION	\$6,253,593	\$6,234,103	\$6,764,078	\$6,540,555	\$816,938	6.5%
SUPPORT	2,949,909	2,942,936	3,049,542	3,202,356	359,053	6.1%
PLANT	1,360,843	1,369,030	1,360,843	1,369,030	0	0.0%
TOTAL ALL PROGRAMS	\$10,564,345	\$10,546,069	\$11,174,463	\$11,111,941	\$1,175,990	5.6%
GENERAL FUND	\$7,018,306	\$6,983,555	\$8,293,008	\$8,214,010	\$2,505,157	17.9%
TUITION & FEES	1,770,229	1,770,229	1,914,450	1,914,450	288,442	8.1%
MANDATORY MILLAGE	965,005	981,480	965,005	981,481	1	0.0%
ED TRUST-INTEREST	0	0	0	0	0	
FEDERAL FUNDS	805,544	805,544	0	0	(1,611,088)	-100.0%
OTHER	5,261	5,261	2,000	2,000	(6,522)	-62.0%
TOTAL ALL FUNDING	\$10,564,345	\$10,546,069	\$11,174,463	\$11,111,941	\$1,175,990	5.6%

OPTION 1

FISCAL YEAR 1992

Center	FTE	S/Y	# FACULTY	AVG FACULTY SALARY	FACULTY SALARIES	LFA BENEFITS	FY92 TOTAL FACULTY COMPENSATION
Billings	438	17.00	25.76	28,479	733,753	1.22	895,179
Butte	425	17.96	23.66	31,625	748,364	1.22	913,005
Great Falls	604	17.00	35.53	26,819	952,863	1.22	1,162,493
Helena	560	16.00	35.00	32,400	1,134,000	1.22	1,383,480
Missoula	546	15.00	36.40	30,031	1,093,128	1.22	1,333,617
	2,573						

Center	TOTAL FACULTY COMPENSATION	LFA INSTRUCTIONAL SUPPORT	LFA MINOR EQUIPMENT	LFA MAJOR EQUIPMENT	FY92 TOTAL INSTRUCTION
Billings	895,179	87,162	24,528	84,038	1,090,907
Butte	913,005	84,575	23,800	84,038	1,105,418
Great Falls	1,162,493	120,196	33,824	84,038	1,400,551
Helena	1,383,480	111,440	31,360	84,038	1,610,318
Missoula	1,333,617	108,654	30,576	84,038	1,556,885
	5,687,773	512,027	144,088	420,190	6,764,078

Center	FY90 ACTUAL SUPPORT RATE	AUDIT	FY92 TOTAL SUPPORT
Billings	573,447	12,785	586,232
Butte	457,062	13,496	470,558
Great Falls	510,328	12,785	523,113
Helena	652,414	13,496	665,910
Missoula	792,365	11,364	803,729
	2,985,616	63,926	3,049,542

Center	LFA TOTAL PLANT
Billings	232,021
Butte	222,119
Great Falls	273,449
Helena	284,710
Missoula	348,544
	1,360,843

Center	FY92 TOTAL BUDGETS
Billings	1,909,160
Butte	1,798,094
Great Falls	2,197,113
Helena	2,560,938
Missoula	2,709,158
	11,174,463

OPTION 1 FISCAL YEAR 1993

Center	FTK	S/F	# FACULTY	AVG FACULTY SALARY	FACULTY SALARIES	LFA BENEFITS	FY93 TOTAL FACULTY COMPENSATION
Billings	438	17.50	25.03	28,479	712,789	1.22	869,602
Butte	425	17.96	23.66	31,625	748,364	1.22	913,005
Great Falls	604	17.50	34.51	26,819	925,639	1.22	1,129,279
Helena	560	17.00	32.94	32,400	1,067,294	1.22	1,302,099
Missoula	546	16.00	34.13	30,031	1,024,808	1.22	1,250,266

Center	TOTAL FACULTY COMPENSATION	LFA INSTRUCTIONAL SUPPORT	LFA MINOR EQUIPMENT	LFA MAJOR EQUIPMENT	FY93 TOTAL INSTRUCTION
Billings	869,602	87,162	24,528	84,038	1,065,330
Butte	913,005	84,575	23,800	84,038	1,105,418
Great Falls	1,129,279	120,196	33,824	84,038	1,367,337
Helena	1,302,099	111,440	31,360	84,038	1,528,937
Missoula	1,250,266	108,654	30,576	84,038	1,473,534
	5,464,250	512,027	144,088	420,190	6,540,555

Center	RECOMMENDED SUPPORT	AUDIT	FY93 TOTAL SUPPORT
Billings	588,571	12,785	601,356
Butte	488,331	13,496	501,827
Great Falls	578,019	12,785	590,804
Helena	685,237	13,496	698,733
Missoula	798,272	11,364	809,636
	3,138,430	63,926	3,202,356

Center	LFA TOTAL PLANT
Billings	233,880
Butte	223,184
Great Falls	274,679
Helena	285,804
Missoula	351,483
	1,369,030

Center	FY93 TOTAL BUDGETS
Billings	1,900,566
Butte	1,830,428
Great Falls	2,232,820
Helena	2,513,474
Missoula	2,634,653
	11,111,941

EXHIBIT 4
DATE 1-31-91
HR Ed & CURR. W. J. L.B.

OPTION 2

SCHEDULE A
SCHEDULE OF AVAILABLE RESOURCES

EXHIBIT 7
DATE 1-31-91
HB Ed. & Committee Lab.

	FY92	FY93
Stephens' Total Vo-Techs	\$11,216,388	\$11,215,403
Decrease OBPP millage	(798,675)	(818,108)
Increase LFA Millage	965,005	981,481
Total Funds Available	\$11,382,718	\$11,378,776
FY90 EXPENDITURE BASE	\$10,740,238	\$10,740,238
INCREASE OVER FY90 BASE	\$642,480	\$638,538
% INCREASE OVER FY90 BASE	5.98%	5.95%

TOTAL FUNDS AVAILABLE	\$11,382,718	\$11,378,776
TOTAL FUNDS USED	11,382,672	11,378,555
BALANCE AVAILABLE	\$46	\$221

Assumptions:
 Carl Perkins funds backfilled with general funds \$807,474 per year;
 Adjust student/faculty ratios both years;
 center-specific average salary equity;
 LFA current level for benefit rates, instructional support, and equipment
 support increased 16.6%/19.5% of FY92/FY93 targets respectively;
 plant at Regents' request

SCHEDULE B
STUDENT/FACULTY RATIO

CENTER	93 BIENNIUM CREDIT FYFTE	FY93 FACULTY	FY93 RATIO	COST DIFFERENCE 92 RECOMMEND
BILLINGS	438	25.03	17.50	(25,577)
BUTTE	425	23.66	17.96	0
GREAT FALLS	604	34.51	17.50	(33,214)
HELENA	560	32.94	17.00	(81,381)
MISSOULA	546	34.13	16.00	(83,351)
	2,573	150.27	17.12	(223,523)

EXHIBIT 17

DATE 1-31-91

HB Ed & Cur. Div. 4.6.

OPTION 2 SCHEDULE C
VOCATIONAL TECHNICAL CENTERS
FYFTE CALCULATIONS
92/93 BIENNIUM

	FY90 CREDIT FTE	FY90 CONTACT FTE	RATIO
Billings	426	334	1.275
Butte	375	280	1.339
Great Falls	591	503	1.175
Helena	518	436	1.188
Missoula	525	446	1.177
	2,435	1,999	1.218
	=====	=====	

	FY90 CREDIT/CONTACT HOUR RATIO	FY89 CONTACT FTE	FY89 CONTACT HOUR FTE CONVERTED TO CREDIT HOURS
Billings	1.275	353	450
Butte	1.339	354	474
Great Falls	1.175	525	617
Helena	1.188	506	601
Missoula	1.177	482	567

	FY90 CREDIT FTE	FY89 CREDIT FTE	AVERAGE
Billings	426	450	438
Butte	375	474	425
Great Falls	591	617	604
Helena	518	601	560
Missoula	525	567	546
			2,573
			=====

OPTION 2

SCHEDULE D
SUPPORT FORMULA

SUPPORT FORMULA	% OF FY89 TOTAL BUDGET	FY90 ACTUAL SUPPORT/FTE	\$ DISTANCE FROM FORMULA TARGET	(2) 16.6% OF DISTANCE/ FTE	FY92 SUPPORT/ FTE	% INCREASE
PEER SURVEY	35.0%	\$1,548	(1)			
BILLINGS	30.7%	\$1,309.24	\$104,577	\$39.63	\$1,348.87	3.0%
BUTTE	26.1%	1,075.44	200,838	\$78.44	1,153.88	7.3%
GREAT FALLS	20.5%	844.91	424,664	\$116.71	961.63	13.8%
HELENA	23.7%	1,165.03	214,466	\$63.57	1,228.60	5.5%
MISSOULA	29.9%	1,451.22	52,843	\$16.07	1,467.28	1.1%

			\$997,388			

- (1) Based on 35% of targeted budget limit (\$11,382,718) divided by the budgeted FTE total of 2,573.
 (2) Balance available (\$165,613) divided by total target distance (\$997,388).

SUPPORT FORMULA	% OF FY89 TOTAL BUDGET	FY92 ACTUAL SUPPORT/FTE	\$ DISTANCE FROM FORMULA TARGET	(2) 19.5% OF DISTANCE/ FTE	FY93 SUPPORT/ FTE	% INCREASE
PEER SURVEY	35.0%	\$1,548	(1)			
BILLINGS	30.7%	\$1,348.87	\$87,217	\$38.83	\$1,387.70	2.9%
BUTTE	26.1%	1,153.88	\$167,499	\$76.85	1,230.74	6.7%
GREAT FALLS	20.5%	961.63	\$354,170	\$114.34	1,075.97	11.9%
HELENA	23.7%	1,228.60	\$178,865	\$62.28	1,290.88	5.1%
MISSOULA	29.9%	1,467.28	\$44,071	\$15.74	1,483.02	1.1%

			\$831,822			

- (1) Based on 35% of targeted budget limit (\$11,378,776) divided by the budgeted FTE total of 2,573.
 (2) Balance available (\$162,380) divided by total target distance (\$831,822).

SCHEDULE E
VOCATIONAL TECHNICAL CENTER BUDGET COMPARISON
93 BIENNIUM VS 1991 BIENNIUM

EXHIBIT

DATE

FED. ED. AID

CENTER	FY90 ACTUALS	FY91 BUDGETED	FY92 RECOMMEND	FY93 RECOMMEND	\$ INCREASE	% INCREASE
BILLINGS	\$1,839,042	\$1,907,623	\$1,919,902	\$1,920,511	\$93,748	2.5%
BUTTE	1,631,604	1,740,009	\$1,835,159	\$1,877,158	340,704	10.1%
GREAT FALLS	2,076,518	2,065,269	\$2,270,730	\$2,317,798	446,742	10.8%
HELENA	2,461,424	2,569,522	\$2,618,547	\$2,584,555	172,156	3.4%
MISSOULA	2,731,650	2,751,922	\$2,738,333	\$2,678,532	(66,707)	-1.2%
TOTAL ALL CENTERS	\$10,740,238	\$11,034,345	\$11,382,672	\$11,378,555	\$986,643	4.5%
INSTRUCTION	\$6,311,402	\$6,416,341	\$6,764,078	\$6,540,555	\$576,891	4.5%
SUPPORT	3,097,686	3,056,008	3,215,108	3,377,314	438,728	7.1%
PLANT	1,331,150	1,561,996	1,403,485	1,460,686	(28,975)	-1.0%
TOTAL ALL PROGRAMS	\$10,740,238	\$11,034,345	\$11,382,672	\$11,378,555	\$986,643	4.5%
GENERAL FUND	\$6,694,105	\$7,492,801	\$8,501,217	\$8,480,624	\$2,794,934	19.7%
TUITION & FEES	1,772,568	1,934,070	1,914,450	1,914,450	122,262	3.3%
MANDATORY MILLAGE	863,590	796,000	965,005	981,481	286,896	17.3%
ED TRUST-INTEREST	604,872	0	0	0	(604,872)	-100.0%
FEDERAL FUNDS	799,563	807,474	0	0	(1,607,037)	-100.0%
OTHER	5,540	4,000	2,000	2,000	(5,540)	-58.1%
TOTAL ALL FUNDING	\$10,740,238	\$11,034,345	\$11,382,672	\$11,378,555	\$986,643	4.5%

SCHEDULE F
VOCATIONAL TECHNICAL CENTER BUDGET COMPARISON
93 BIENNIUM VS LFA CURRENT LEVEL

CENTER	FY92 LFA	FY93 LFA	FY92 RECOMMEND	FY93 RECOMMEND	\$ INCREASE	% INCREASE
BILLINGS	\$1,782,680	\$1,780,249	\$1,919,902	\$1,920,511	\$277,484	7.8%
BUTTE	1,663,302	1,660,157	\$1,835,159	\$1,877,158	388,858	11.7%
GREAT FALLS	1,998,797	1,994,525	\$2,270,730	\$2,317,798	595,207	14.9%
HELENA	2,457,884	2,453,073	\$2,618,547	\$2,584,555	292,145	5.9%
MISSOULA	2,661,682	2,658,065	\$2,738,333	\$2,678,532	97,118	1.8%
TOTAL ALL CENTERS	\$10,564,345	\$10,546,069	\$11,382,672	\$11,378,555	\$1,650,812	7.8%
INSTRUCTION	\$6,253,593	\$6,234,103	\$6,764,078	\$6,540,555	\$816,938	6.5%
SUPPORT	2,949,909	2,942,936	3,215,108	3,377,314	699,577	11.9%
PLANT	1,360,843	1,369,030	1,403,485	1,460,686	134,298	4.9%
TOTAL ALL PROGRAMS	\$10,564,345	\$10,546,069	\$11,382,672	\$11,378,555	\$1,650,812	7.8%
GENERAL FUND	\$7,018,306	\$6,983,555	\$8,501,217	\$8,480,624	\$2,979,979	21.3%
TUITION & FEES	1,770,229	1,770,229	1,914,450	1,914,450	288,442	8.1%
MANDATORY MILLAGE	965,005	981,480	965,005	981,481	1	0.0%
ED TRUST-INTEREST	0	0	0	0	0	
FEDERAL FUNDS	805,544	805,544	0	0	(1,611,088)	-100.0%
OTHER	5,261	5,261	2,000	2,000	(6,522)	-62.0%
TOTAL ALL FUNDING	\$10,564,345	\$10,546,069	\$11,382,672	\$11,378,555	\$1,650,812	7.8%

						FY92	
er	FTK	S/Y	# FACULTY	AVG FACULTY SALARY	FACULTY SALARIES	LFA BENEFITS	TOTAL FACULTY COMPENSATION
ings	438	17.00	25.76	28,479	733,753	1.22	895,179
e	425	17.96	23.66	31,625	748,364	1.22	913,005
t Falls	604	17.00	35.53	26,819	952,863	1.22	1,162,493
na	560	16.00	35.00	32,400	1,134,000	1.22	1,383,480
oula	546	15.00	36.40	30,031	1,093,128	1.22	1,333,617

	2,573						

		LFA	LFA	LFA	FY92
ter	TOTAL FACULTY COMPENSATION	INSTRUCTIONAL SUPPORT	MINOR EQUIPMENT	MAJOR EQUIPMENT	TOTAL INSTRUCTION
lings	895,179	87,162	24,528	84,038	1,090,907
te	913,005	84,575	23,800	84,038	1,105,418
at Falls	1,162,493	120,196	33,824	84,038	1,400,551
ena	1,383,480	111,440	31,360	84,038	1,610,318
soula	1,333,617	108,654	30,576	84,038	1,556,885
	-----	-----	-----	-----	-----
	5,887,773	512,027	144,088	420,190	6,764,078
	=====	=====	=====	=====	=====

	RECOMMENDED SUPPORT	AUDIT	FY92 TOTAL SUPPORT
llings	590,807	12,785	603,592
tte	490,401	13,496	503,897
eat Falls	580,822	12,785	593,607
lena	688,015	13,496	701,511
ssoula	801,137	11,364	812,501
	-----	-----	-----
	3,151,182	63,926	3,215,108
	=====	=====	=====

	REGENTS' TOTAL PLANT
illings	225,403
utte	225,845
reat Falls	276,572
elena	306,718
issoula	368,947

	1,403,485
	=====

	FY92 TOTAL BUDGETS
illings	1,919,902
utte	1,835,159
reat Falls	2,270,730
elena	2,618,547
issoula	2,738,333

	11,382,672
	=====

EXHIBIT 1-3/91
10 Ed Miller 4/8/91

OPTION 2 FISCAL YEAR 1993

Center	FTE	S/F	# FACULTY	AVG FACULTY SALARY	FACULTY SALARIES	LFA BENEFITS	FY93 TOTAL FACULTY COMPENSATION
Billings	438	17.50	25.03	28,479	712,789	1.22	869,602
Butte	425	17.96	23.66	31,625	748,364	1.22	913,005
Great Falls	604	17.50	34.51	26,819	925,639	1.22	1,129,279
Helena	560	17.00	32.94	32,400	1,067,294	1.22	1,302,099
Missoula	546	16.00	34.13	30,031	1,024,808	1.22	1,250,266

2,573

Center	TOTAL FACULTY COMPENSATION	LFA INSTRUCTIONAL SUPPORT	LFA MINOR EQUIPMENT	LFA MAJOR EQUIPMENT	FY93 TOTAL INSTRUCTION
Billings	869,602	87,162	24,528	84,038	1,065,330
Butte	913,005	84,575	23,800	84,038	1,105,418
Great Falls	1,129,279	120,196	33,824	84,038	1,367,337
Helena	1,302,099	111,440	31,360	84,038	1,528,937
Missoula	1,250,266	108,654	30,576	84,038	1,473,534
	5,464,250	512,027	144,088	420,190	6,540,555

Center	RECOMMENDED SUPPORT	AUDIT	FY93 TOTAL SUPPORT
Billings	607,814	12,785	620,599
Butte	523,063	13,496	536,559
Great Falls	649,885	12,785	662,670
Helena	722,894	13,496	736,390
Missoula	809,731	11,364	821,095
	3,313,388	63,926	3,377,314

Center	REGENTS' TOTAL PLANT
Billings	234,582
Butte	235,181
Great Falls	287,791
Helena	319,228
Missoula	383,904
	1,460,686

Center	FY93 TOTAL BUDGETS
Billings	1,920,511
Butte	1,877,158
Great Falls	2,317,798
Helena	2,584,555
Missoula	2,678,532
	11,378,555

EASTERN MONTANA COLLEGE
COMPUTER
QUESTIONS AND ANSWERS

'' WHEN WAS THE DEC 8650 ORDERED?

Ordered in 1985 - Installed 1986
It has served its useful life

'' HOW MANY DEVICES (PC'S, PRINTERS, TERMINALS) ARE CURRENTLY SUPPORTED ON THE DEC 8650?

Devices currently in service	350
Lines available for devices	352
New devices (terminals) proposed	50
New lines proposed	128
Number of active devices supported simultaneously	124
Number of active devices proposed to be simultaneously supported	500 (over time)

'' HOW MUCH DO THE MAINTENANCE CONTRACTS COST?

Old equipment - DEC 8650 CPU only - annual cost	\$22,344
New equipment - DEC 4000 CPU only - annual cost	\$13,000

The new equipment will provide four times the "power" of the old equipment for about one-half the cost for maintenance. Maintenance costs for the first year are included in the purchase price. DEC indicates that maintenance costs for the 8650 will undoubtedly increase rapidly since the equipment has not been manufactured since 1988.

'' WHAT IS THE APPROXIMATE DISTRIBUTION OF COSTS BY PERCENTAGE OF USAGE?

Academic use (including network)	46%
Administrative use	54%

Network portion is all academic since the administrative network is already in place and operational.

'' WHAT ARE THE DIRECT INSTRUCTIONAL BENEFITS INCLUDED IN THE PROPOSAL?

Changing the MicroVax for a RISC machine. The MicroVax is "out of gas" just like the 8650. It cannot handle the student load. Maintenance costs are high for the MicroVax and it needs more disk space. The RISC is much faster and less expensive to operate. The RISC uses newest technology and provides a better learning opportunity for students.

EASTERN MONTANA COLLEGE
MODIFIED REQUEST
EMC COMPUTER EQUIPMENT

	<u>FY 1992</u>	<u>FY 1993</u>	<u>Total</u>
EMC Computer Equipment	\$ 881,400	\$ 100,150	\$ 981,550

Eastern Montana College's current central computer system, the VAX 8650 is no longer manufactured. User demand is now beginning to outstrip the current capabilities of the system. Within two years, the demand for computer resources will increase by 50 percent. Not only is usage skyrocketing, but also the need to have total up-time for the required state on-line applications is putting great demands on the current system. The new statewide networking system will completely tax the existing system. Further instructional and administrative computer applications by the users will be severely limited on the current computer.

The central computer system at Eastern Montana College serves the administrative, student services, and academic functions. Instructional computer needs have been greatly increased because of the need to train individuals to use computers in their discipline areas in order to be properly trained for future employment. Administrative computer need have increased because of items such as required state on-line applications and the future Regents Employee Reporting System (RERS).

One of the requirements of the new system would be to have a backup when the computer goes down. Our current computer system does not provide for redundancy. If the computer goes down while fee payment or any other application is in process, everything must be put on hold until the computer can be brought back up. The new computer must also have an uninterruptable power source. The electrical power supply at Eastern is very unstable. We frequently experience power surges and power shutoffs.

The new required state applications along with the increased instructional use, administrative use, and office automation require more personnel in the computer center. Three additional Full Time Equivalent Employees are needed to handle the additional work.

(over)

1-31-91
Ed & Cur. 42-A

WHY FUNDS WERE NOT PREVIOUSLY ACCUMULATED:

Eastern was accumulating funds in order to replace its computer. The 1986 Legislative Audit stated that EMC should not be accumulating these funds. Eastern responded that these funds were necessary for repair and replacement of the computer equipment. The auditors continued to believe this was an improper accumulation of funds and recommended that Eastern deplete their fund balance. Eastern followed the audit recommendation and depleted this fund balance by adjusting its recharge rates.

Since the Fiscal Year 1986 audit report, Eastern has complied with the Legislative Auditor's request and not accumulated funds for the repair and replacement of the computer equipment. This has put us in a very difficult situation at the present time. The computer needs to be replaced, however, we do not have the funds to replace it.

PLANS TO ACCUMULATE FUNDS FOR FUTURE REPLACEMENT OF COMPUTER:

The Board of Regents has recently adopted a policy for the renewal and/or replacement of equipment in recharge centers. Eastern Montana College will follow this policy in order to accumulate funds for future renewal and/or replacement of equipment in recharge centers so it will not have to approach the legislature in the future for these funds.

WHY EMC NEEDS A NEW COMPUTER:

The current equipment is outdated. The need for repair and maintenance of the computer is greatly increasing and the maintenance costs are rising. It would be more efficient use of our resources if we spent our funds on implement technology, rather than maintaining old technology that is no longer adequate.

User demand is exceeding the capacity of the current equipment. User demand is increasing drastically due to items such as; 1.) On-line applications mandated by the State, 2.) The state-wide network, 3.) academic computing requirements due to need to teach new technology, 4.) administrative computing requirements (including Regents Employee Reporting System).

There is a critical need for redundancy, to provide access to vital applications in the event of failures. Currently, if the computer goes down during one of the applications (example, Registration), there is no backup. The students would just have to wait until the computer could be brought back up.

WHAT SERVICES WILL BE PROVIDED WITH THE NEW COMPUTER:

- ~Increased student access to computing resources
- ~Improved administrative applications
- ~Improved information to the State
- ~Enhance cooperative efforts between units of the Montana University System
- ~Apply technology to keep costs as low as possible, while providing the best possible education to students.
- ~Implement a backup system that will provide greatly improved system availability.
- ~Provide additional user workstations for student, faculty, and staff use.
- ~Provide additional data storage capacity to allow for better on-line access.
- ~Provide technological tools to obtain higher productivity from technical staff.

HOW LONG WILL THE NEW COMPUTER LAST:

The new equipment is anticipated to serve EMC's computing need for approximately five years.

ADVANTAGE OF PURCHASING THE PROPOSED COMPUTER:

After much research, Eastern has found that the equipment listed on Attachment C would be the best computer for its value. If we were to go any smaller than the proposed equipment, it would not be able to handle the load placed on it. If we go larger, we would have to go to a different technology. The cost per performance factor is much greater with the different technology. Eastern chose the most economical equipment that will do the job dependably.

(Over)

EXHIBIT 7
DATE 1-31-91
43 Ed. + Cur. Dev. Div.

Office

Vocational-Technical Education

When financial circumstances make it necessary for decision-makers to look at program enrollments in the vocational-technical area of education, a number of unique circumstances must be considered.

- Vocational-technical education programs are very often equipment intensive, and require extensive numbers of laboratory/clinical/shop hours;
- For these same reasons, enrollments in these programs must be maintained at the level at which the faculty/student ratios are consistent with educational and safety concerns; in a number of programs such as health occupations, aviation maintenance, etc., the faculty/student ratio is dictated by accreditation or certification standards;
- In a number of currently established programs within the Vocational-Technical System, only one faculty member is employed to teach the core courses which constitute the curriculum; related education coursework is taught by faculty employed in a separate department designed to deliver the various support courses for several programs; and
- Given these circumstances, very often the decision to reduce the number of faculty employed in an institution necessitates consideration of cutting entire programs. In those one-faculty programs which have sustained adequate enrollments, such action seriously affects the institution's enrollments (and therefore, the budget) in a dramatic way.

HOUSE OF REPRESENTATIVES

EDUCATION SUBCOMMITTEE

ROLL CALL VOTE

DATE 1-31-91 BILL NO. _____ NUMBER _____

MOTION: Move to allow more flexibility
within the instructional budgets

NAME	AYE	NO
REP. LARRY GRINDE		
SEN. DON BIANCHI	✓	
REP. MIKE KADAS	✓	
SEN. H.W. "SWEDE" HAMMOND		✓
SEN. GREG JERGESON, VICE CHAIRMAN	✓	
REP. RAY, PECK, CHAIRMAN		✓
TOTAL	3	2

HOUSE OF REPRESENTATIVES

EDUCATION SUBCOMMITTEE

ROLL CALL VOTE

DATE 1-31-91 BILL NO. _____ NUMBER _____

MOTION: Adopt Option 1 as presented
by the Commissioner of Higher Ed
presented & add \$200,000 as a Contingency
Biannual Appropriation

NAME	AYE	NO
REP. LARRY GRINDE		
SEN. DON BIANCHI	✓	
REP. MIKE KADAS	✓	
SEN. H.W. "SWEDE" HAMMOND		✓
SEN. GREG JERGESON, VICE CHAIRMAN	✓	
REP. RAY, PECK, CHAIRMAN		✓
TOTAL	3	2

**HOUSE OF REPRESENTATIVES
VISITOR REGISTER**

Education SUBCOMMITTEE DATE 1-31-91
DEPARTMENT(S) Ho-Tech Centers DIVISION _____

PLEASE PRINT

PLEASE PRINT

NAME	REPRESENTING	
Don Sexton	Southern MT College	
Ken Heikes	- - -	
Terrie Iverson	- - -	
Dwight H Carpenter	ELUC	
KIRK LACY	EMC Montana Associated Students	
Terry Minow	MT Fed of Teachers	
Tom Tapp	Bd of Regents	
Kenneth Schrock	" "	
Heide Leighty	Montana College Coalition	
John Dolan	ASM SU	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.