MINUTES

MONTANA HOUSE OF REPRESENTATIVES
53rd LEGISLATURE - SPECIAL SESSION

JOINT SUBCOMMITTEE ON EDUCATION & CULTURAL RESOURCES

Call to Order: By **CHAIRMAN ROYAL JOHNSON**, on November 18, 1993, at 8:00 A.M.

ROLL CALL

Members Present:
Rep. Royal Johnson, Chairman (R)
Sen. Don Bianchi, Vice Chairman (D)
Sen. Tom Beck (R)
Rep. Mike Kadas (D)
Rep. Ray Peck (D)
Sen. Chuck Swysgood (R)

Members Excused: None

Members Absent: None

Staff Present: Taryn Purdy, Legislative Fiscal Analyst
Skip Culver, Legislative Fiscal Analyst
Curt Nichols, Office of Budget & Program Planning
Amy Carlson, Office of Budget & Program Planning
Claudia Johnson, Committee Secretary

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

Committee Business Summary:
Hearing: School Foundation Program, and the University System
Executive Action: None

HEARING ON THE SCHOOL FOUNDATION PROGRAM

CHAIRMAN JOHNSON opened the meeting by saying that the committee would hear an overview of education funding and a presentation from Superintendent Nancy Keenan. They would make a decision on what direction this committee should go after hearing the suggestions on the foundation program.

Andrea Merrill, Legislative Council Researcher, presented overheads on the BASE funding program. She also presented an exhibit on the BASE amount for school equity funding program or the general fund structure under HB 667. This included the base funding program with funding sources, caps and voter approval.

Maximum general fund budget was included as was the maximum budget funding. **EXHIBIT 1**

SEN. BECK asked the effect on poorer districts of taking away one-half% of some of the BASE figures.

Ms. Merrill said that everyone in the state will take a 1.5% cut in entitlement. It could be said that equity is still intact because everyone is taking the amount regardless of size.

SEN. BIANCHI said there is a consideration of not including the special education children in the ANB count. How much of a savings will result from this?

Ms. Merrill said the savings will be $4.5 million. The special ed student was to go into effect next year.

Nancy Keenan, Superintendent of Public Instruction, said before HB 667, the state's share of funding all students was $2,710 per student. After HB 667 the figure is $2,407 per student. That is a reduction of $303 per student. That is two years of instructional supplies and textbooks for every student in this state. There are 164 districts that have requested that the Board of Public Education exempt them from the current class size standards. These school districts have been given permission by the Board to revert back to 1989 class size standards. The focus on integrity of the school day is the important item. She then presented a summary of HB 667 which includes the average number belonging for each school district; the basic entitlement and per-ANB entitlement; special education funding; the minimum and maximum general fund budgets; funding of the general fund budget; the guaranteed tax base aid; the distribution of direct state aid and GTB payments; the state reimbursement for debt service expenditures; the expansion of school bond debt limits; the federal impact aid; the budget amendments; the electronic funds transfer required for state aid; the K-12 districts; and related topics. **EXHIBIT 3** She then said to look at the items she had presented seriously and make good decisions.

QUESTIONS:

SEN. BIANCHI remarked on the $9.1 million shortage for 1994 and whether there would be that shortage in 1995.

Ms. Keenan yes.

REP. SIMPKINS questioned the teacher ratio. He said schools in Great Falls had requested a waiver to count those specialty teachers they use within the system into the teacher/pupil ratio and OPI denied this request. He then said that Montana was number one in the nation for the number of employees in the K-12 system per 1,000 people.

REP. PECK questioned the waivers to accreditation standards.

Ms. Keenan said this was through the Board authority.

REP. JOHNSON asked if OPI made the accreditation recommendations to the Board of Public Education.

Ms. Keenan stated that was part of Project Excellence.

SEN. BECK questioned the consolidation of schools. He then asked if the county superintendents of schools should be eliminated.

Ms. Keenan said that whatever was in the best interests of a particular community for population.

SEN. BIANCHI said that the integrity of the school day should be maintained and cut some of these other programs and there would still be the option through a mill levy vote to reinstate those programs.

SEN BECK stated in Gallatin County there were three rural schools within a distance of about 7 or 8 miles of the city schools. Under the suggested consolidation would these schools be closed or eliminate the school boards.

Ms. Keenan suggested that the counties be directed to consult with the county commissioners, superintendents of schools and decide where their children should attend school. Those individual school boards should make the decision.

REP. PECK asked why is there no provision in the executive budget to take care of the $18 million hole.

Mr. Nichols said he was not aware of the $18 million figure. One of the problems that existed with the model during the session was the amount of re-appropriated funds and problems with the estimates of non-levy revenues. In review of the budgets it seemed that state cost might exceed projection in the range of $1-$3 million.
REP. PECK asked **Mr. Nichols** if he was not ready to confirm the $9 million annual GTB demand above what was appropriated? He said he was of the understanding that the Department of Revenue has been producing this number for two or three days. A list from **Mr. Lewis** should be produced even though he is reluctant to do so because there is $18 million and there seems to be no disagreement in terms of what has been coming out of the Department of Revenue via rumor. The Legislative Auditor is also in agreement with this figure. Is the Budget Office not in agreement with these people. OPI has indicated to this committee that there were discussions relative to the suspected shortfall as early as May. He asked if **Mr. Nichols,** as the education analyst in OBPP is aware of these increased GTB figures between OPI and the Budget Office?

Mr. Nichols said that he had just now seen that number. There were no figures as of Monday or Tuesday. It is a serious problem

if this figure was not provided to his department. He has made calls daily to the OBI asking for information and when it will be available.

REP. KADAS said an error has been made in the projected cost of GTB and that affects the overall state funding balance and as a consequence the problem needs to be resolved in the context of the overall balance. It is not just a school problem. Because the error happened in the school budgets it is not a problem that should be entirely resolved within school budgets.

Bob Anderson, Montana School Board Association, said one cause of the increase was a miscalculation on how impact aid schools would need GTB aid. That figure is $5 million. The other issue is that districts are coming up to 80% faster than anticipated. **Mr. Anderson** stated his unhappiness with the comments made by **Nancy Keenan** regarding the consolidation of K-12. The inclusion of the special education students in the ANB count should not be delayed.

REP. KADAS questioned whether to eliminate the gifted and talented and vocational education programs or take a light reduction in the entitlements.

Mr. Anderson said the reduction in the schedules is his preference.

REP. KADAS said he did not understand his point because what that does is restrict the flexibility because you have to spend the certain amount in gifted and talented and vocational education. The legislature is offering you more flexibility with regard to those programs and you are saying no do not do that, cut the foundation program.

Mr. Anderson said that schools are looking for alternative ways to meet the demands of these schools. The school districts in general have tried to look at innovative ways to still get the job done.

Eric Feaver, Montana Education Association, said that transportation could be cut. Schools cannot meet accreditation anymore than they did before 1989. They cannot make cuts across the board.

Ernie Jean, Superintendent of Schools, Florence, stated we are approaching this without the benefit of data. There is an excellent system of education in Montana. Any measure of quality that we have in education shows us to be extremely favorable. He believes that consolidation may be a factor to address a perception that there are too many of everything in Montana but at the same time believe that the local school districts need that opportunity to make that decision.

Don Waldron, Montana Rural Education Association, stated that HB 667 needs more time to work. Most of the children in his school districts are transported to schools by bus.

George Bailey, Superintendent of Schools, Target Range Schools, stated that consolidation does not save money.

Conrad Stroebe, Billings School District #2, discussed the current enrollment in Billings; the history of enrollment; percentage rates of student attendance in high schools, high school completion rates; ethnicity; low income students; gender; educational programs; non-academic student programs/services and the public school districts. **EXHIBIT 4 and 5**

CHAIRMAN JOHNSON stated that **Mr. Anderson** had made a comment about an OPI meeting this past Monday where no one had heard the status of the particular problems that came up today.

Mr. Anderson said the meeting was of the educational community. He said Curt Nichols was present and went through the budget proposals the Governor was proposing. At that time no one was aware of the GTB increase. It was not supplied to any member there.

Gregg Groepper said he had attended the meeting. Many people are involved in this problem. There were 200 letters sent out to school board members in mid-October asking for their reports. Part of the problem goes back to the school districts and their submitting of the financial reports. We did not know if the problem existed because of the lack of information from the school districts or data received from the County Superintendent of Schools. On Friday, it was determined that something did not add up and there was a discrepancy.

REP. PECK stated that someone should have reported to the Ed. Forum on Monday when OPI knew that the legislature was coming and starting meetings on Wednesday and needed a responsible figure for that. The difficulty that OPI is having in giving a hard figure is that some of the GTB payments are not controllable. It depends on what the local districts do in terms of cash reappropriated. There is evidence there was a marked change in this year's budget from what had been done the previous year. To say that this was discussed last May and it is not in the pipe line is a complete puzzle.

Mr. Groepper said there was a bill in the last session which extended the reporting dates for school districts to get their information into the county superintendent. In the middle of October after they had talked to those schools whose reports had still not arrived, there were still 200 school districts who were late.

CHAIRMAN JOHNSON asked if **Mr. Stroebe** had seen the Governor's budget and seeing the selection of items they had suggested which

should have been cut out of the budget. The question is should the $4.6 million then not be cut?

Mr. Stroebe commented that he would accept those spending cuts as long as you allow districts to decide how to make spending cuts. It is the legislature's responsibility to make spending cuts, cut funding if need be. As far as the special education that cannot be dealt with. Those children should be mainstreamed and if funding is taken away from them that would not work. The $4.2 million should not be cut.

HEARING ON THE UNIVERSITY SYSTEM

Curt Nichols, OBPP stated the executive budget recommends a $12 million reduction in the University System General Fund appropriation. The University System is under the control of the Board of Regents and while there will be specific suggestions and it is their job to make the final decision on how the cuts are allocated. These are presented to illustrate where the reductions can be taken. The only primary consideration other than the request for $12 million is that none of the costs be passed along in terms of resident tuition increases. The specific recommendation is a $6 million from the six mill levy account.

Amy Carlson, OBPP stated the next recommendation is to eliminate the state funding for credits taken in excess of those necessary graduates. The regents passed a rule that is similar to this. There is between $4-$5 million that could be saved in the long run per year if this were a recommendation of the Regent. The total cost for 1991 graduates was $8.4 million which was credits taken in excess. The next item is the reduction of state funding for university/college athletics. This is taken from the Commissioners recommendation on restructure that 10% reduction in these budgets be taken each year. Increase of the non-resident tuition which includes both universities and Tech. $3.5 million from that increase which is based upon the market rate is for tuition not relative to peers. Increase faculty work loads is another consideration. There is significant information which leads them to believe that faculty workloads can be increased in the Montana University System. There is an estimate of $8-$10 million dollars available in this area.

Mr. Nichols then said the final item $100,000 of the exchange of funding within the Bureau of Mines. There is $100,000 appropriated for the ground water characterization program would be used in lieu of the General Fund within the Bureau of Mines. **REP. PECK** said he did not feel the exclusion of questions about any cut is improper.

Dr. Jeff Baker, Commissioner of Higher Education, distributed a list of the number of projected graduates in the high school level and the FY FTE enrollment for the Montana University System

and the total funding and the funding of real dollars adjusted by higher education price index plus a percent of the total funding by source. **EXHIBIT 6**

SEN. SWYSGOOD questioned the $6.67 million in reduction instead of the $11 or $12 which was proposed by the executive.

Dr. Baker said the $6.67 million is the correct figure.

SEN. BECK questioned the out-of-state tuition. He said if you did receive out-of-state tuition too high to some of the students would they be able to take up residency in Montana and actually be eligible for residents tuition.

Dr. Baker stated that only if they met the residency requirements which have been modified by the Board of Regents.

George Dennison, President, University of Montana, clarified the residency requirements.

CHAIRMAN HANSON questioned the one unit which was 17% short of the out-of-state fees and 37% of the University of Montana's student body is out-of=state. How close if the University of Montana to the cost.

Dr. Baker stated that the University of Montana has just over 98%.

SEN. SWYSGOOD said that if we were at 98.7% of the total cost of education now at a 20% increase this totals makes the out-of-state student at the University paying more than the actual total cost including fiscal cost, maintenance, etc. is costing. We are subsidizing to a point.

Dr. Baker said that is the wrong signal to send. He said he was not offering up as a recommendation as much as he was saying with an increase of tuition to simply single out the out-of=state student and raise that tuition based upon the percentage of 40%.

REP. WYATT questioned the $3 million of under funding or not being funded by the General Fund for the students when the come to the University System unit. What is the ramification to the University?

Dr. Baker said there are tough decisions to make. What the increase demand means is that many of the students are not ready for different kinds of education.

SEN. SWYSGOOD questioned the executive figures for the first year of FY 94 of $4.5 million and the reappraisal.

Rod Sunstade said the $3.2 million that was in the accounts currently is composed of $1.8 million which is the collection in 1993 which is the appropriated amount. $1.4 million is not

capped but receivable. By appropriating that money the acquisition of a loan would be necessary to distribute.

Fran Buell, Montana 4-H Volunteers, presented a Montana 4-H youth development program summary. **EXHIBIT 7** She also presented a MSU Extension Service 4-H youth program policy.

Ed Ruppel, Director and State Geologist, Montana Bureau of Mines and Geology, presented a funding of the Butte and Billings area analysis. **EXHIBIT 8**

REP. PECK said that the Budget Office is saying there is time which has gone by where expenditures have not been made so that there is a buildup of excess of funds there that can reasonably be taken out of this. Is this not correct.

Marvin Miller, Bureau of Mines and Montana Tech, said that when running any kind of program that is field oriented the expenditures are always will start off very slowly particularly when you are hiring new people.

James R. Stimson, Chairman, Ground Water Assessment Steering Committee, said it was disconcerting that this funding issue has arisen again, especially in light of the legislature's strong support for the Act during two previous sessions, and in light of the fact that the programs are now fully staffed and operational. **EXHIBIT 9**

Marcus Cody, Associated Students of the University of Montana, said he is opposed to any reductions in the higher education spending because those cuts result in increased costs and poorer quality.

Alan Nicholson, Montana for Responsible Citizens, presented a state higher education profile **EXHIBIT 10**

Theo Smith, Joint Committee on Secondary Education, said a tuition increase is really not acceptable to her. There are other ways of finding money other than tuition increases.

SEN. SWYSGOOD asked if in-state tuition would be raised also and also cuts in the graduate courses.

Dr. Baker said there were similarities in the two proposals. In the proposal from the budget office the figure is $3.5 million decrease raised exclusively in the out-of-state tuition. In his proposal he would go above that $6.7 million to $5.3 million by spreading this across the bigger base. No one wants to raise tuition.

REP. PECK presented a comparative schedule of program expenditures for the current unrestricted operating funds for FY 93 and FY94. **EXHIBIT 11.**

ADJOURNMENT

Adjournment: 4:40 P.M.

ROYAL JOHNSON, Chairman

CLAUDIA JOHNSON, Secretary

RJ/cj

HOUSE OF REPRESENTATIVES

EDUCATION AND CULTURAL RESOURCES SUB-COMMITTEE

ROLL CALL DATE 11-18-93

NAME	PRESENT	ABSENT	EXCUSED
REP. ROYAL JOHNSON, CHAIRMAN	✓		
SEN. DON BIANCHI, VICE CHAIRMAN	✓		
REP. MIKE KADAS	✓		
SEN. TOM BECK	✓		
REP. RAY PECK	✓		
SEN. CHUCK SWYSGOOD	✓		

HR:1993
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4.

BASE AMOUNT FOR SCHOOL EQUITY (BASE) FUNDING PROGRAM
GENERAL FUND STRUCTURE UNDER HB 667

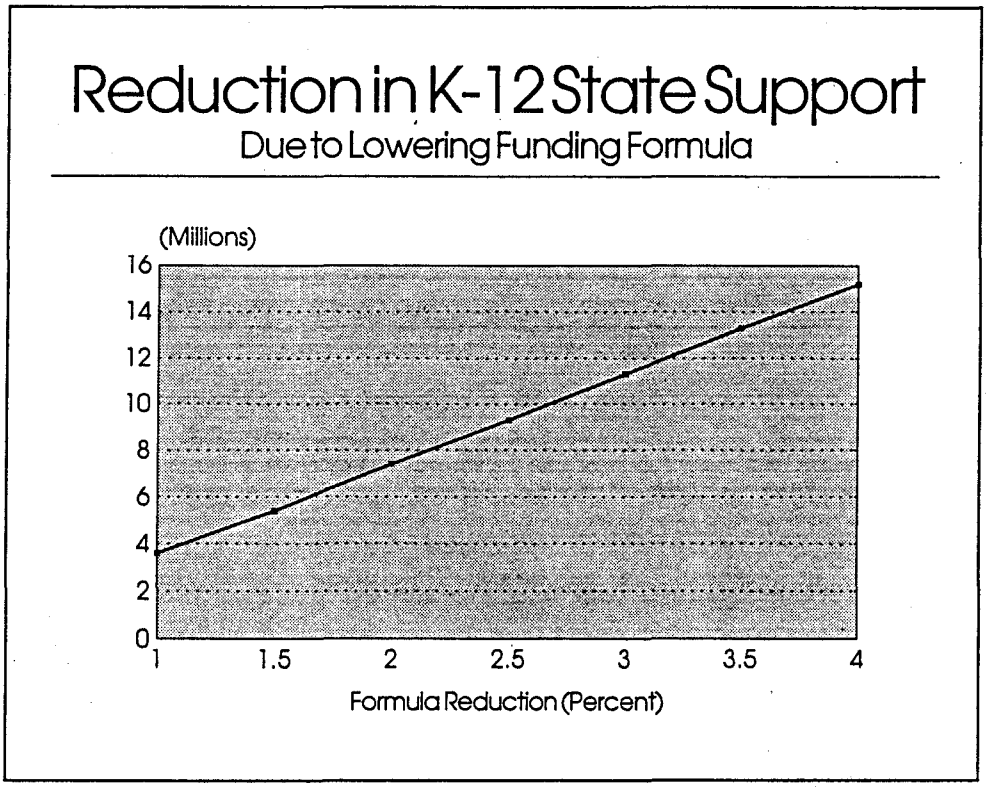
EXHIBIT 1
EDUCATION
11/18/93

BASE FUNDING PROGRAM	FUNDING SOURCES	CAPS & VOTER APPROVAL
GENERAL FUND BUDGET OVER MAXIMUM	OVER-MAXIMUM FUNDING DISTRICT VOTED LEVY NONLEVY REVENUE VEHICLE FEES, INTEREST, TUITION, FLAT TAX, LGST, CASH REAPPROPRIATED	BUDGET FROZEN AT: PRIOR GF BUDGET OR PRIOR GF PER-ANB NO VOTE FOR FY 94 AND 95 VOTE REQUIRED FOR FY 96 ON
MAXIMUM GF BUDGET CALCULATED ON 100% OF ENTITLEMENTS	MAXIMUM BUDGET FUNDING 20% DISTRICT OVER-BASE LEVY NONLEVY REVENUE	BUDGET GROWTH LIMITED TO: * 104% OF PRIOR GF BUDGET * 104% OF PRIOR GF BUDGET PER-ANB MAY NOT EXCEED LIMITS FOR FY 94 VOTE REQUIRED TO EXCEED LIMITS FOR FY 95 ON
BASE BUDGET MANDATORY FUNDING LEVEL BASED ON 80% OF ENTITLEMENTS & 140% SPECIAL ED PAYMENT BASIC ENTITLEMENT $200,000 HIGH SCHOOL DISTRICT $18,000 ELEMENTARY DISTRICT PRORATED FOR 7TH & 8TH GRADE PER-ANB ENTITLEMENT $4,900 minus $.50, UP TO 800 H.S. ANB $3,500 minus $.20, UP TO 1,000 ELEMENTARY ANB $4,900 minus $.50, UP TO 800 FOR 7TH & 8TH GRADE ANB	BASE BUDGET FUNDING 40% IN DIRECT STATE AID FROM SEA UP TO 40% FROM BASE BUDGET LEVY, NONLEVY REVENUE WITH GTB AID IF GTB RATIO LESS THAN STATE GTB RATIO RATIOS: DISTRICT'S TAXABLE VALUATION DIRECT STATE AID + 40% SPECIAL ED $ STATE TAXABLE VALUATION X 175% ALL DIRECT STATE AID + 40% ALL SPECIAL ED $ STATE EQUALIZATION AID ACCOUNT (SOURCE FOR DIRECT AID AND GTB) 40 MILL LEVY NET LOTTERY REVENUE COAL SEVERANCE TAX U.S. MINERAL ROYALTIES SCHOOL TRUST INCOME CO. EQUALIZATION SURPLUS DIRECT APPROPRIATIONS* COUNTY EQUALIZATION 33 MILLS FOR ELEMENTARY 22 MILLS FOR HIGH SCHOOL VEHICLE FEES, FEDERAL FOREST, TAYLOR GRAZING, MISC. REVENUES	5 YEARS TO INCREASE TO BASE BUDGET LEVEL BY: * MINIMUM OF 20% OF RANGE BETWEEN CURRENT AND BASE BUDGET FOR FY 94; OR * 104% OF PRIOR GF BUDGET * 104% OF PRIOR GF BUDGET PER-ANB MAY NOT EXCEED LIMITS OR 20% MINIMUM FOR FY 94 VOTE REQUIRED TO EXCEED LIMITS FOR FY 95 ON OTHER COMPONENTS OCT. & FEB. ENROLLMENT COUNT FOR ANB—ONLY OCT. FOR FY 94 COORDINATED WITH NEW SPECIAL ED FUNDING IN SB 348 P.L. 81-874 FUNDS MOVED TO NEW IMPACT AID FUND

Office of Legislative Fiscal analyst
November 18, 1993

Reduction in K-12 State Support due to Reduction in Funding Formula, Fiscal 1995			
Level of Reduction in Funding Formula	Direct State Support Reduction	GTB Reduction	Total Reduction in State Support
1 percent	2.8	.8	3.6
1.5 percent	4.2	1.2	5.4
2 percent	5.7	1.7	7.4
2.5 percent	7.1	2.2	9.3
3 percent	8.6	2.7	11.3
4 percent	11.4	3.8	15.2

Each one percent reduction in funding formula produces approximately $3.9 million reduction in state support.



Ex 2
EDUCATION
11/18/93 PG 1

OFFICE OF PUBLIC INSTRUCTION
STATE CAPITOL
HELENA, MONTANA 59620
(406) 444-3095

Nancy Keenan
Superintendent

November 17, 1993

To: Nancy Keenan
State Superintendent

From: Madalyn Quinlan
Revenue Analyst

Subject: GTB Aid to School Districts and Counties for Fiscal 1994

The cost of guaranteed tax base aid to school districts and counties for fiscal 1994 is now calculated to be $129,686,700. This cost represents $111,658,400 for district GTB subsidies and $18,028,300 for county retirement GTB aid. The cost of GTB aid for county retirement is on target compared to the $18.1 million cost projected during the 1993 regular session. The cost of GTB aid for district general fund budgets is $9.158 million more than the $102.5 million estimate contained in the LFA appropriation's report, published at the end of the session. The current cost projection is also $4.0 million more than the amount projected in May 1993 when the OLA model was adjusted to include cost estimates for districts with growing enrollments that chose to increase their budgets by 4% of the previous year's per ANB cost multiplied by the fiscal 1994 ANB.

The Office of the Legislative Fiscal Analyst and the Office of Budget and Program Planning were aware of the increased cost projections in May 1993. The Office of the Legislative Fiscal Analyst noted in the Appropriations Report 1995 Biennium (p. 104) that "The OLA estimate did not include the cost of a large number of districts choosing to increase their budgets by 4 percent of the previous year's per ANB general fund budget multiplied by the current year's ANB. State costs could increase by over $5.0 million during the 1995 biennium if many districts make this choice." Based on assumptions used in the OLA model in May 1993, the state GTB cost for district general fund support was estimated at $107.6 million.

The additional $4.0 million cost for GTB aid is explained by an underestimation by the OLA model of transfers of PL 874 monies to the Federal Impact Aid fund. The OLA model projected that several of the large PL 81-874 districts would need no BASE budget levies to support their general fund budgets. The model assumed that these districts would have enough "fund balance

reappropriated" (i.e., funds remaining at the end of a school year that are available to reduce property taxes in the next school year) to avoid imposing property tax levies to fund the district's BASE budget. Lodge Grass High School, Browning Elementary and High School, Rocky Boy High School, and Poplar Elementary were all assumed to need no levy when in fact these districts have significant levies for fiscal 1994. The reason that these districts had BASE budget levies in fiscal 1994 is because of the fund balances transferred to the newly-created PL 874 fund at the beginning of fiscal 1994.

For example, the OLA model assumed that the Browning Public Schools would have $4.224 million available as fund balance reappropriated to fund the fiscal 1994 elementary and high school budgets. In actuality, the districts did not reappropriate any balances. Therefore, where the model estimated no GTB aid for the Browning district, the actual GTB subsidy is $2.4 million. While Browning is the most extreme example, the situation for the Poplar, Ronan, and Rocky Boy school districts is similar.

In total, the projected cost of House Bill 667 was built on the assumption that districts would reappropriate $38.064 million to fund their fiscal 1994 budgets. The fiscal 1994 budget data shows that districts only reappropriated $26.5 million. Unreserved fund balances were $11.5 million lower than previously estimated, consequently mill levies and GTB aid were higher. (The absence of reappropriated dollars in 5 school systems-- Browning, Poplar, Lodge Grass, Ronan, and Rocky Boy-- explains $9.1 million of the $11.5 million shortfall.)

The unpredictability created for state GTB costs by the transfer of these fund balances is unique to fiscal 1994. However, the additional costs are ongoing. From this point forward, districts must deposit federal impact aid monies in the federal impact aid fund. The state will no longer need to estimate the amount of P.L. 874 monies that will be available to fund a district's BASE budget because federal impact monies can no longer be used to fund a district's general fund budget.

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Nancy Keenan
Superintendent

Summary of House Bill 667

AVERAGE NUMBER BELONGING

Calculation of ANB under HB 667

• For the 1993-1994 school year, the average number belonging (ANB) for each school district is derived from the October 1, 1992 enrollment count as reported on the Fall Report. Pre-kindergarten and full-time special education students are excluded from the ANB calculation and kindergarten students are included as one-half. To calculate ANB, the enrollment count is multiplied by the sum of 180 plus the district's pupil instruction-related (PIR) days. The result is then divided by 180.

• Beginning in the 1994-1995 school year, ANB will be based on the average of two enrollment counts, one on October 1 and a second count on February 1. Full-time special education students will be included in the district's ANB calculation. To calculate ANB, the average of the two enrollment counts is multiplied by the sum of 180 plus the district's pupil instruction-related (PIR) days. The result is then divided by 180.

• House Bill 667 provides for grouping pupils into separate budget units for funding purposes when schools within a district are at least 20 miles apart or when conditions exist that would create an unusual hardship for transporting students to another school.

BASIC ENTITLEMENT AND PER-ANB ENTITLEMENT

ANB count generates basic and per-ANB entitlements

House Bill 667 creates basic and per-ANB entitlements for each school district. The per-ANB entitlement varies based on the total number of ANB in the district. The basic entitlement is a fixed amount of $18,000 for an elementary district and $200,000 for a high school district. When an elementary district has an approved 7th-8th grade program, the district adjusts its basic and per-ANB entitlements to reflect the portion of its ANB funded at the high school funding rates. The basic and per-ANB entitlements, along with the district's special education funding, define the maximum general fund budget that a school district may adopt. The budget building process begins with the calculation of a district's basic and per-ANB entitlements.

Formula for computing *basic entitlement:*

Elementary district: $18,000 x [(K-6 ANB)/(K-8 ANB)] + $200,000 x [(7-8 ANB)/(K-8 ANB)]

High school district: $200,000

Formula for computing *per-ANB entitlement:*

- Elementary districts with 1000 ANB or less:
$3,500 x Elem ANB - [.20 x (Elem ANB/2) x (Elem ANB-1)]

- Elementary districts with greater than 1000 ANB:
$3,400,100 + [(Elem ANB - 1000) x $3,300.20]

- High school districts or accredited 7th-8th grade programs with 800 ANB or less:
$4,900 x HS ANB - [.50 x (HS ANB/2) x (HS ANB - 1)]

- High school districts or accredited 7th-8th grade programs with greater than 800 ANB:
$3,760,200 + [(HS ANB - 800) x $4,500.50]

- An elementary district without an accredited 7th-8th grade program has a *basic entitlement* of $18,000 plus a *per-ANB entitlement* of $3,500 decreased at a rate of $.20 per-ANB for each additional elementary ANB up to 1,000 ANB. For each ANB over 1,000, the district per-ANB entitlement is $3,300.20.

Computation of a district's entitlements

- For an elementary district or K-12 district with an accredited 7th-8th grade program, the *basic entitlement* is $18,000 times the ratio of the K-6 ANB to the total K-8 ANB plus $200,000 times the ratio of the 7-8 ANB to the total K-8 ANB. The *per-ANB entitlement* is $3,500 for each K-6 ANB decreased at a rate of $.20 per-ANB for each additional K-6 ANB up to 1,000 ANB. For each K-6 ANB over 1000, the district per-ANB entitlement is $3,300.20. For 7th-8th grade ANB, the district per-ANB entitlement is $4,900 per-ANB decreased at a rate of $.50 per-ANB for each additional 7th-8th grade ANB up to 800. For each 7th-8th grade ANB over 800, the district per-ANB entitlement is $4,500.50.

- A high school district's *basic entitlement* is $200,000. Its *per-ANB entitlement* is $4,900 decreased at a rate of $.50 per-ANB for each additional high school ANB up to 800 ANB. For each ANB over 800, the district per-ANB entitlement is $4,500.50.

Separate Budget Units

Additional budget authority for rural schools

When a school is 20 miles or more from another school of the same district and more than 20 miles beyond the incorporated limits of a city located in the district, the school is funded as a separate budget unit. Separate budget units are established with the approval of the Office of Public Instruction.

Districts having a school 20 miles or more from another school of the district must budget an additional "basic entitlement." The state pays the first 40% of the addi-

tional entitlement through direct state aid. If the district is eligible for GTB aid, the state will also provide a GTB subsidy for the next 40% of the entitlement.

The provisions in House Bill 667 for separate budget unit status should not be confused with "isolated" elementary schools with 9 or fewer ANB. If a school or district was previously approved for isolation for 1993-94, the isolation status will still apply.

SPECIAL EDUCATION FUNDING

Calculation of special education budget

In addition to its basic and per-ANB entitlements, a district's budget limit is determined by its special education funding needs. A district may include in its general fund budget the special education allowable cost payment that it receives from the state plus an additional 53% of its special education allowable cost payment plus prorated special education cooperative costs. The state will provide GTB aid for that portion of the special education budget up to 40% of the district's special education allowable cost payment plus prorated coop costs. The portion of the budget above 40% and up to 53% of the state special education allowable cost payment is funded from district revenues with no state support. For calculating its budget limits, a district may not include more than 153% of its special education allowable cost payment plus prorated coop costs.

Beginning in 1994-1995, each district will be required to provide $1 of local revenue to match every $3 in allowable special education block grant funding that it receives from the state.

Prior to House Bill 667, if a district received an *increase in its special education allowable cost payment* over the previous year's payment, the district could deposit the increase in the miscellaneous program fund. Beginning in 1993-1994, the full amount of a district's special education allowable cost payment will be deposited in the general fund.

MINIMUM AND MAXIMUM GENERAL FUND BUDGETS

House Bill 667 establishes minimum and maximum general fund budget ranges for each school district based upon the district's basic and per-ANB entitlements and its special education allowable costs. A low-spending school district has 5 years to bring its budget up to the minimum spending level. A district that is presently budgeting in excess of the statutory maximum must freeze its budget at the 1992-1993 budget level.

Definition of minimum and maximum general fund budget

The *minimum* general fund budget, or *BASE budget*, of a district is 80% of the district's basic entitlement, 80% of the district's per-ANB entitlement, and up to 140% of the district's special education allowable cost payment, including prorated coop costs.

The *maximum* general fund budget of a district is the sum of the district's basic entitlement, per-ANB entitlement and up to 153% of special education allowable cost payments, including prorated coop costs.

- If a district's 1992-1993 general fund budget is in excess of its 1993-1994 maximum budget, the district's general fund budget is frozen at its 1992-1993 level.

• The general fund budget of a district with a budget below the minimum must be brought up to the minimum by the 1997-1998 school year.

FUNDING THE GENERAL FUND BUDGET

A district may fund its general fund budget from the following sources:

Sources of funding for general fund budget

a) Direct state aid equal to 40% of the district's basic and per-student entitlement;
b) Special education allowable cost payments from the state;
c) Non-levy revenue and fund balance reappropriated;
d) Local levies subsidized with GTB aid to fund up to 40% of its basic and per-student entitlement and 40% above its special education allowable cost payment; and
e) Local levies with no GTB aid for that portion of the general fund budget above 80% of the basic and per-student entitlement and 140% of allowable special education payments, including pro-rated coop costs, up to the maximum.

Non-levy Revenue

House Bill 667 requires a district to use actual *1991-1992* receipts from non-levy revenue sources to calculate its 1993-1994 general fund levy requirement. The Office of Public Instruction has provided each district with a list of actual receipts from non-levy revenue sources for the 1991-92 school fiscal year. This listing was extracted from the 1991-1992 Trustee Financial Summaries.

1993-1994 budget built with 1991-1992 revenue amounts

Non-levy revenue sources include motor vehicle fees, recreational vehicle fees, out-of-state equipment fees, local government severance taxes and net proceeds taxes paid on oil and gas production, coal gross proceeds taxes, personal property tax reimbursements, corporation license taxes paid by financial institutions, state impact aid, tuition, and investment earnings, and any other non-levy revenue received that year.

Operating and Excess Reserves

10 % operating reserve

At the end of the school fiscal year, a district may reserve a portion of its fund balance as an *operating reserve* for the following school year. The amount reserved may not exceed 10% of the final general fund budget for the following school year. For example, at the end of the 1992-1993 school year, a district may establish an operating reserve up to 10% of its 1993-1994 general fund budget.

Excess reserves

A district may exceed the 10% reserve limit if the source of the *excess reserves* is the unexpended balance of any amount received from a protested tax settlement, tax audit, or delinquent taxes. *Bonus payments* received for consolidation of school districts may also be placed in excess reserves.

Federal impact aid monies are no longer deposited in the district general fund. A district with impact aid monies in its general fund excess reserves must transfer the balance to the newly established Impact Aid Fund. (See the section on Impact Aid Fund Transfer.)

Budget Growth Limits

"Frozen" districts

For a district with a general fund budget above the statutory maximum, the budget is frozen under House Bill 667. Although the budget may not increase, House Bill 667

allows the school board to levy without an election to fund the entire general fund budget in school years 1993-1994 and 1994-1995.

"80% to 100%" districts

For a district with a general fund budget between the 1993-1994 BASE budget level and the maximum, a school board may levy without an election to fund an increase in the general fund budget of a) up to 4% of the 1992-1993 general fund budget, or b) up to 4% of the 1992-1993 general fund budget per-ANB times the 1993-1994 ANB. A district may not increase its general fund budget (overall or per-ANB) by more than 4 percent for the 1993-1994 school year. Beginning for school year 1994-95, a school board may, with voter approval, increase its budget by more than 4%. In no case, may a district that is presently below the maximum budget level adopt a budget that exceeds the maximum general fund budget.

"Below 80%" districts

For a district with a general fund budget below the 1993-1994 BASE budget level, the school board may levy without an election to fund an increase of a) up to 4% of the 1992-1993 general fund budget, b) up to 4% of the 1992-1993 general fund budget per-ANB times the 1993-1994 ANB, or c) 20% of the range between the 1992-1993 budget and the district's 1993-1994 BASE budget level. In order to reach the BASE budget level within five years, a district must increase its budget by at least 20% of the range between the 1992-1993 budget and the 1993-1994 BASE budget level.

Budget Authority vs. Property Tax Levies

Voter approval of spending authority

For fiscal 1995 and thereafter, if a district's general fund budget is below the maximum and school board wishes to increase its district general fund budget by more than 4% of the prior year's general fund budget or general fund budget per-ANB, the board must hold an election for the *additional budget authority* necessary to meet the budget requirements. Prior to House Bill 667, the district only needed to seek voter approval for the portion of the general fund budget funded by property taxes. Under House Bill 667, the district must receive voter approval for the increased spending authority regardless of the source of revenue proposed to fund the higher spending level.
If a district's budget is at or above the maximum, the budget continues to be frozen and, beginning in 1995-1996, voter approval is required for any amount of budget authority in excess of the maximum general fund budget.

GUARANTEED TAX BASE AID

State subsidy for GTB budget area

Each school district receives direct state aid for the first 40% of its basic and per-ANB entitlements. The district may also receive a special education allowable cost payment to fund a portion of the district's special education program. The next 40% of the basic and per-ANB entitlements plus up to 40% above the special education allowable cost payment and prorated coop costs is the *GTB budget area.* The GTB budget area is funded by fund balance reappropriated from the prior year, non-levy revenues (i.e. motor vehicle fees, local government severance taxes, coal gross proceeds, investment earnings, etc.), district property taxes, and state guaranteed tax base aid.

A district is eligible for guaranteed tax base aid if its GTB ratio is less than the statewide elementary or high school GTB ratio.

Statewide elementary and high school GTB ratios

The statewide guaranteed tax base ratio for 1993-1994 is calculated as follows:

175% x Statewide taxable valuation (Tax Year 1992) +
(Total direct state aid + 40% of total special education allowable cost payments)

The statewide GTB ratio is calculated separately for elementary and high school programs.

A district's guaranteed tax base ratio for 1993-1994 is calculated as follows:

District taxable valuation (Tax Year 1992) +
(District direct state aid + 40% of the district's special education allowable cost payments)

Calculation of district subsidy per mill

To calculate a district's GTB subsidy per mill, the Office of Public Instruction uses the following steps:

1) Multiply the state guaranteed tax base ratio for the elementary or high school district by the sum of the district's direct state aid and 40% of its special education allowable cost payment;
2) Subtract the district's taxable valuation; and
3) Divide the result by 1000 to calculate the GTB subsidy per mill.

If a district is eligible for GTB aid, then for every mill levied to fund the GTB budget area, the district will receive a subsidy from the state. A district must fund its budget with funds available for reappropriation and non-levy revenues before it levies property taxes to fund the GTB budget area. (See worksheet on Funding the General Fund Budget.)

DISTRIBUTION OF DIRECT STATE AID AND GTB PAYMENTS

Under House Bill 667, each district receives 10% of its direct state aid payment each month in August through October, December through April, June and July. The July payment will be the last payment for the school year. In November and again in May, eligible districts will receive one-half of their annual guaranteed tax base aid.

State Aid Distribution Schedule

The final foundation program and special education allowable cost payments for the 1992-1993 school year will be sent on July 15, 1993.

The first direct state aid and special education allowable cost payments for the 1993-1994 school year will be sent in August 1993.

Direct state aid, guaranteed tax base aid, and special education allowable cost payments for 1993-94 will be paid on the following schedule:

	Direct State Aid and Special Education	Guaranteed Tax Base Aid
August 93	10%	
September 93	10%	
October 93	10%	
November 93		50%
December 93	10%	
January 94	10%	
February 94	10%	
March 94	10%	
April 94	10%	
May 94		50%
June 94	10%	
July 94	10%	
Totals	100%	100%

State payments to districts

An advice sheet similar to the one sent with the foundation program payments will be sent monthly to each district and county superintendent.

STATE REIMBURSEMENT FOR DEBT SERVICE EXPENDITURES

State aid for debt service payments on bonds sold after July 1, 1991

For the 1993-94 and 1994-95 school years, the state will reimburse districts for a portion of their debt service payments on school bonds sold after July 1, 1991. A district's eligibility for the state reimbursement is determined by the district's mill value per ANB compared to the statewide mill value per ANB. In 1993-1994, a district will set the mill levy necessary to meet its debt service payment as if no reimbursement were available. The Office of Public Instruction will then compute the amount of state reimbursement the district would receive if the state reimbursement were fully funded.

$1 million state appropriation

House Bill 667 limits the school facility entitlement to $220 per elementary ANB, $270 per 7th-8th grade ANB if the district has an approved 7th-8th grade program, and $330 per high school ANB. Therefore, the state reimbursement for debt service payments is limited to the lesser of the district's current year debt service obligation for bonds issued after July 1, 1991 or the district's school facility entitlement. If districts qualify for more state reimbursement than the $1 million appropriation provided in each of fiscal years 1994 and 1995, OPI will pro-rate the distribution of the available funds to the eligible districts. The district will use its state reimbursement for school facilities to reduce the property tax levy for the debt service fund in the next school year.

Pro-ration of state aid to eligible districts

For 1993-1994, the state reimbursement to a district is calculated as follows:

State Share
x Reimbursement Limit for the district
x State Appropriation ÷ Total Costs Eligible for Reimbursement
State Reimbursement to District

Definitions:

State Share= [1- (District mill value per ANB/ Statewide mill value per ANB)]

Reimbursement Limit= the lesser of the district's 1993-1994 debt service obligation or its school facility entitlement

State Appropriation= $1,000,000, for 1993-1994

Total Costs Eligible for Reimbursement= the sum for all districts in the state of the state share times the reimbursement limit for each district

EXPANSION OF SCHOOL BOND DEBT LIMITS

Debt limit increased to 45% of statewide average for low-wealth districts

Prior to HB 667, a district's outstanding indebtedness was limited to 45 percent of the district's taxable valuation. This meant that if two districts had equivalent school enrollments, but one district had twice the taxable valuation of the other, the wealthier district could build a school building that was twice as expensive, presumably twice as nice.

Effective July 1, 1993, a district may, with voter approval, indebt itself up to at least 45 percent of the average statewide taxable valuation per pupil of $17,990 for an elementary district and $45,820 high school district. The state reimbursement for school facilities will help a district meet the higher debt service payments associated with increasing a district's debt limit.

FEDERAL IMPACT AID (P.L. 81-874)

Impact aid fund

Effective July 1, 1993, Federal Impact Aid monies must be accounted for in a new, non-budgeted "Impact Aid Fund," (Fund 26) regardless of the purpose for which the monies will be expended. Unexpended impact aid monies in a district's general fund balance at the close of 1992-1993 must also be transferred to the Impact Aid Fund. (See Impact Aid Fund Transfer worksheet.)

Budget growth calculation for impact aid districts

Federal impact aid received during the 1992-1993 school year is included in a district's 1992-1993 general fund budget for the purposes of calculating permissive budget growth of up to 4%. Actual impact aid receipts received for 1992-1993 must be subtracted from the 1992-1993 general fund budget before comparing it to the 1993-1994 BASE budget for purposes of deciding how a district's budget compares to the minimum/maximum limits.

BUDGET AMENDMENTS

School trustees may pass a resolution to amend a district's budget for reasons provided in section 20-9-161, MCA. These reasons were not changed by HB 667.

Budget amendment for unanticipated enrollment increase

If a school board proposes a budget amendment for an unusual enrollment increase, the trustees must submit a petition to OPI before approving the resolution to adopt a budget amendment. A resolution to adopt a budget amendment for any other legal reason may be approved by the school trustees without OPI approval. A district must meet the public notice requirements provided in 20-9-164, MCA, in any case, and the adopted budget amendment resolution must be sent to the Office of Public Instruction.

ANB and budget adjustments

House Bill 667 authorizes the state superintendent to adjust a district's maximum general fund budget when an increase in ANB is approved. A budget amendment for an unusual enrollment increase may not cause the district's budget to exceed the adjusted maximum budget. Other budget amendments are not subject to the budget limits.

The state will pay additional direct state aid for a portion of a budget amendment for an unusual enrollment increase if a district's ANB increase is greater than 6%. This provision did not change under House Bill 667.

The provision for base-building budget amendments was eliminated by House Bill 667. On-going costs associated with a budget amendment must be included within the regular budget limits in the next school year. Base-building budget amendments previously approved by OPI for the 1992-93 school year may be used for determining the 1993-1994 budget. No base-building amendments will be approved for subsequent years.

ELECTRONIC FUNDS TRANSFER REQUIRED FOR STATE AID

Electronic funds transfer by August 1993

Beginning in August 1993, all payments of direct state aid, special education allowable costs, and guaranteed tax base aid MUST be made by electronic transfer through a bank or using the state's Short-Term Investment Pool (STIP). Paper warrants will no longer be issued.

County treasurers should contact a local bank or the Montana Board of Investments immediately to process the necessary paper work. Processing must be completed by August 1, 1993 to allow electronic payment at the end of August as required by law.

K-12 DISTRICTS

The per-ANB entitlement for a K-12 district must be calculated by applying the funding formulas to the number of K-8 ANB and 9-12 ANB the same as is done for separate elementary and high schools districts.

Pro-rated elementary and high school funding

The BASE budget levy must be prorated based on the ratio of the BASE funding amounts (i.e., direct state aid payments and special education allowable cost payments) for elementary programs to the BASE funding amounts for high school programs. The proration will be used to determine GTB aid separately for the

elementary and high school programs of eligible districts.

The retirement obligations of K-12 districts are funded through the county high school retirement levy. This is not a change from current law.

RELATED TOPICS

The rate used for paying tuition in 1993-94 for pupils who attended school outside of their resident districts in 1992-93 will be calculated the same as in the past. (See ARM 10.10.301.)

HB 469 changes tuition calculations

Under HB 469, tuition paid in 1994-1995 for pupils attending school outside of their resident districts in 1993-94 will be based on a schedule of rates established by OPI for various district size categories. The preliminary rates will be set and distributed by June 30, 1993. (See the summary of HB 469 in the last section of this booklet.)

The funding system for county retirement was not changed by the 1993 legislature. The system for calculating the county mill value and GTB aid for retirement purposes is the same in 1993-1994 as it was in 1992-1993.

Changes in reporting dates

Dates for submitting the Final Budget Form (FP-1E/H/K) and Trustees' Financial Summary (FP-3) have been changed:

Trustees submit Trustees' Financial Summary to the county superintendent — August 15. (Joint district reports due by Sept. 1)

Final budget adopted by trustees — 2nd Monday in August. (May extend no later than the 4th Monday in August).

Levy requirements reported to county commissioners by county superintendent — 4th Monday in August.

Levies fixed by county commissioners — 4th Monday in August.

County superintendent sends the Trustees' Financial Summary to OPI — 2nd Monday in September.

No "deconsolidation" allowed

A school district may not initiate the creation of a new elementary or high school district after July 1, 1993. Districts may consolidate, annex territory or form K-12 districts, but districts may not "de-consolidate."

OFFICE OF PUBLIC INSTRUCTION
PUBLIC SCHOOL FUNDING GLOSSARY

ANB (Average Number Belonging) - A student count for each school district that is used for school funding purposes. For the 1993-1994 school year, ANB is calculated using the October 1, 1992 enrollment count and approved PIR days. Pre-kindergarten and full-time special education students are not included in the ANB calculation and kindergarten students are included in the calculation as one-half.

BASE - Acronym for Base Amount for School Equity.

BASE Budget- Minimum budget of a district equal to 80% of the district's basic entitlement, 80% of the district's per-ANB entitlement, up to 140% of the district's special education allowable cost payment, and up to 40% of the district's prorated special education cooperative costs.

BASE Budget Levy - District levy in support of the BASE budget. This levy may be supported with GTB aid if the district's GTB ratio is less than the statewide GTB ratio.

Basic Entitlement - Minimum amount each School District will receive if in operation; $18,000 for elementary districts and $200,000 for high school districts. Elementary schools having both a K-6 and accredited 7th-8th grade program receive a prorated basic entitlement.

Direct State Aid - Public school equalization aid paid to each district. The amount paid is equal to 40% of the district's basic and per-ANB entitlements.

District GTB Ratio - The taxable valuation in the previous year of all property in the district divided by the sum of the district's current year direct state aid, 40% of the district's special education allowable cost payment and 40% of its prorated special education cooperative costs.

District Mill Value per ANB - The taxable valuation in the previous year of all property in the district divided by 1,000, with the quotient divided by the ANB count of the district used to calculate the district's current year total per-ANB entitlement.

GTB (Guaranteed Tax Base) Aid - Public school equalization aid provided to subsidize general fund levies in school districts with a GTB ratio less than the statewide GTB ratio. GTB aid is also provided to subsidize county retirement levies in counties with a county mill value less than the statewide mill value and to reimburse eligible districts for mills levied in the debt service fund.

GTB Budget Area - The portion of a district's general fund budget below its BASE budget and above its direct state aid plus special education allowable cost payment. Within the GTB budget area, guaranteed tax base aid is provided to subsidize mills levied by GTB eligible districts.

Maximum General Fund Budget - Sum of the district's basic entitlement, per-ANB entitlement, up to 153% of its special education allowable cost payments and up to 53% of the district's prorated special education cooperative costs.

Non-Levy Revenue - Revenue available to a district from sources other than property taxes. Non-levy revenue includes motor vehicle fees, recreational vehicle fees, out-of-state equipment fees, local government severance taxes and net proceeds taxes paid on oil and gas production, coal gross proceeds taxes, personal property tax reimbursements, corporation license taxes paid by financial institutions, state impact aid, tuition, investment earnings and any other revenue received during the school fiscal year that may be used to finance the general fund, excluding any guaranteed tax base aid.

Per-ANB Entitlement - Amount of general fund budget authority each school district receives per ANB. Each elementary ANB generates $3,300-3,500 of budget authority depending on the size of the district. Each high school ANB generates $4,500-4,900 of budget authority again depending on the size of the district. The per-ANB entitlement for 7th-8th grade student in an accredited 7th-8th grade, middle school, or junior high program is computed at the high school rates.

PI (Pupil Instruction) Days - Days when school districts provide organized instruction for pupils enrolled in public schools while under the supervision of a teacher. 180 PI days are required to meet the accreditation standards. No more than 180 PI days may be used for calculation of ANB.

PIR (Pupil Instruction Related) Days - Days of teacher activities, approved by the Office of Public Instruction, which are devoted to improving the quality of instruction. PIR days may not exceed 7 days for the calculation of ANB.

Prorated Special Education Cooperative Costs - The district's share of the special education allowable cost payment paid directly to the cooperative in which the district participates. The total payment made to the cooperative is prorated to participating districts for budgeting purposes only.

Special Education Allowable Cost Payment - The amount of the state special education appropriation distributed to each district for its special education program, which is based on special education instructional costs, as defined in statute.

Statewide GTB Ratios -

Statewide elementary GTB ratio is the sum of the taxable valuation in the previous year of all property in the state, multiplied by 175%, and divided by the sum of the elementary districts' direct state aid, 40% of elementary districts' special education allowable cost payments and 40% of elementary districts' prorated special education cooperative costs.

Statewide high school GTB ratio is the sum of the taxable valuation in the previous year of all property in the state, multiplied by 175%, and divided by the sum of the high school districts' direct state aid, 40% of high school districts' special education allowable cost payments and 40% of high school districts' prorated special education cooperative costs.

Statewide Mill Value-

Statewide mill value per elementary ANB is the sum of the taxable valuation in the previous year of all property in the state, multiplied by 121% and divided by 1,000, with the quotient divided by the total elementary ANB count used to calculate the elementary school districts' current year total per-ANB entitlement amounts.

Statewide mill value per high school ANB is the sum of the taxable valuation in the previous year of all property in the state, multiplied by 121% and divided by 1,000, with the quotient divided by the total high school ANB count used to calculate the high school districts' current year total per-ANB entitlement amounts.

HB 667

I. Building Your District's MGFB (Maximum General Fund Budget)

Local Revenue

20% x Basic Entitlement

20% x Per ANB Entitlement

Up to 13% x Special Education Allowable Cost Funding

- **MGFB** (100% Basic + ANB Entitlements + Special Ed.)

Local Revenue + GTB

40% x Basic Entitlement

40% x Per ANB Entitlement

Up to 40% x Special Education Allowable Cost Funding (optional)

- **BASE** (80% Basic Entitlement and ANB Entitlement plus up to 140% Special Ed. Allowable Cost Funding (including prorated coop. costs)

Basic Entitlement

High School = $200,000
Elementary District
w/o Junior High or approved 7 and 8 = $18,000
w/Junior High or approved 7 and 8 = $(18{,}000 \times \frac{\text{K-6 ANB}}{\text{K-8 ANB}}) + (200{,}000 \times \frac{\text{7-8 ANB}}{\text{K-8 ANB}})$

Direct State Aid

40% x Basic Entitlement

40% x Per ANB Entitlement

100% x Special Education Allowable Cost Funding

(40% Basic Entitlement and ANB Entitlement plus 100% Special Education Allowable Cost Funding)

Per ANB Entitlement

Elementary District with less than 1000 ANB
$3,500 less .20 per additional student, or 3,500 x ANB - $(.20 \times \lfloor \frac{\text{ANB} \times (\text{ANB} - 1)}{2} \rfloor)$

Elementary District with greater than 1000 ANB
Same as above with stop loss at 1000, or
$3,400,100 + ($3,300.20 x |ANB - 1,000|)

High School District with less than 800 ANB
$4,900 less .50 per additional student, or
$4{,}900 \times \text{ANB} - (.50 \times \lfloor \frac{\text{ANB} \times (\text{ANB} - 1)}{2} \rfloor)$

High School District with more than 800 ANB
Same as above with stop loss at 800, or
$3,760,200 + ($4,500.50 x |ANB - 800|)

II. Determine your budget authority: 1992-1993 General Fund Budget Relationship to you MGFB.

Compare FY 1992-1993 GF Budget less actual FY93 P.L. 81-874 Receipts to the Base and MGFB

III. Determine your 1993-1994 general fund budget cap:

A. Districts Below Base Budget Authority

May Adopted Greater of:

104% of 92-93 GF Budget
104% of 92-93 GF Budget per ANB x Current ANB

Must grow at least:

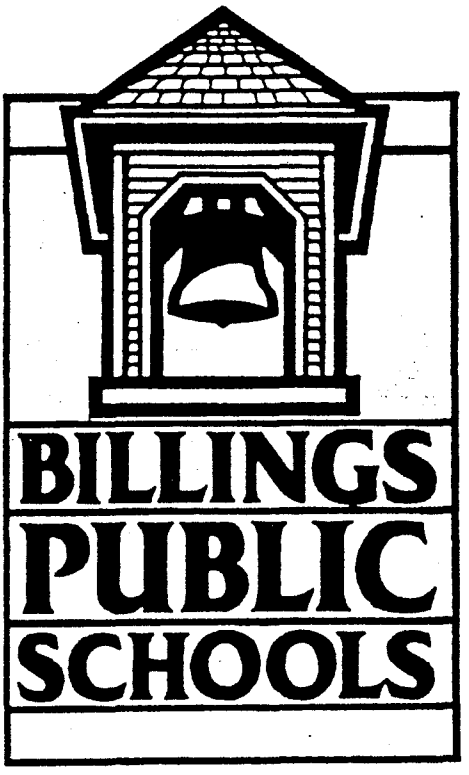
20% of Range between FY 1992-1993 Budget and the BASE

B. Districts Between Base and Max Budget Authority Range

104% of 92-93 GF Budget, or
104% of 92-93 Budget per ANB x Current ANB

C. District Above Maximum
No Increase Allowed

EXT
EDUCATION
SUBCOMMIT
11-18-93



November 18, 1993

1992-93

REPORT CARD

Prepared by:
Dr. Gary Steuerwald,
Associate Superintendent
and
Nancy Coe,
Administrative Specialist

EX 5
EDUCATION
SUBCOMMITTEE
11-18-93

Public School Districts

Administrative Districts:	1993-94	1992-93	1991-92
K-12 Districts	31	16	
Combined Districts (joint boards)	128	140	155
Independent Districts	190	208	217
Non-operating Districts	8	10	7
Total Administrative Districts:	357	374	379
Budgeting & Fiscal Districts:			
Elementary	331	350	371
High School	133	148	164
K-12	31	16	
Total Budgeting & Fiscal Districts	495	514	535

Enrollment

Elementary Schools	1992-93	1991-92
Grades:		
Kindergarten (head count half-day program)	11,929	11,995
1-6	77,266	75,745
7-8	24,800	23,766
Pre-K & Ungraded	1,157	1,437
Total Elementary	115,152	112,743
High Schools		
9-12	44,342	42,506
Ungraded	266	273
Total High School	44,608	42,779
TotalPublic School Enrollment	159,760	155,522

*State-Funded Schools	1992-93	1991-92
Elementary (PreK-8)	68	74
High School (9-12)	150	183
Total	218	257

School names used in this directory that refer to middle school and junior high school do not necessarily indicate that schools are accredited in those categories.

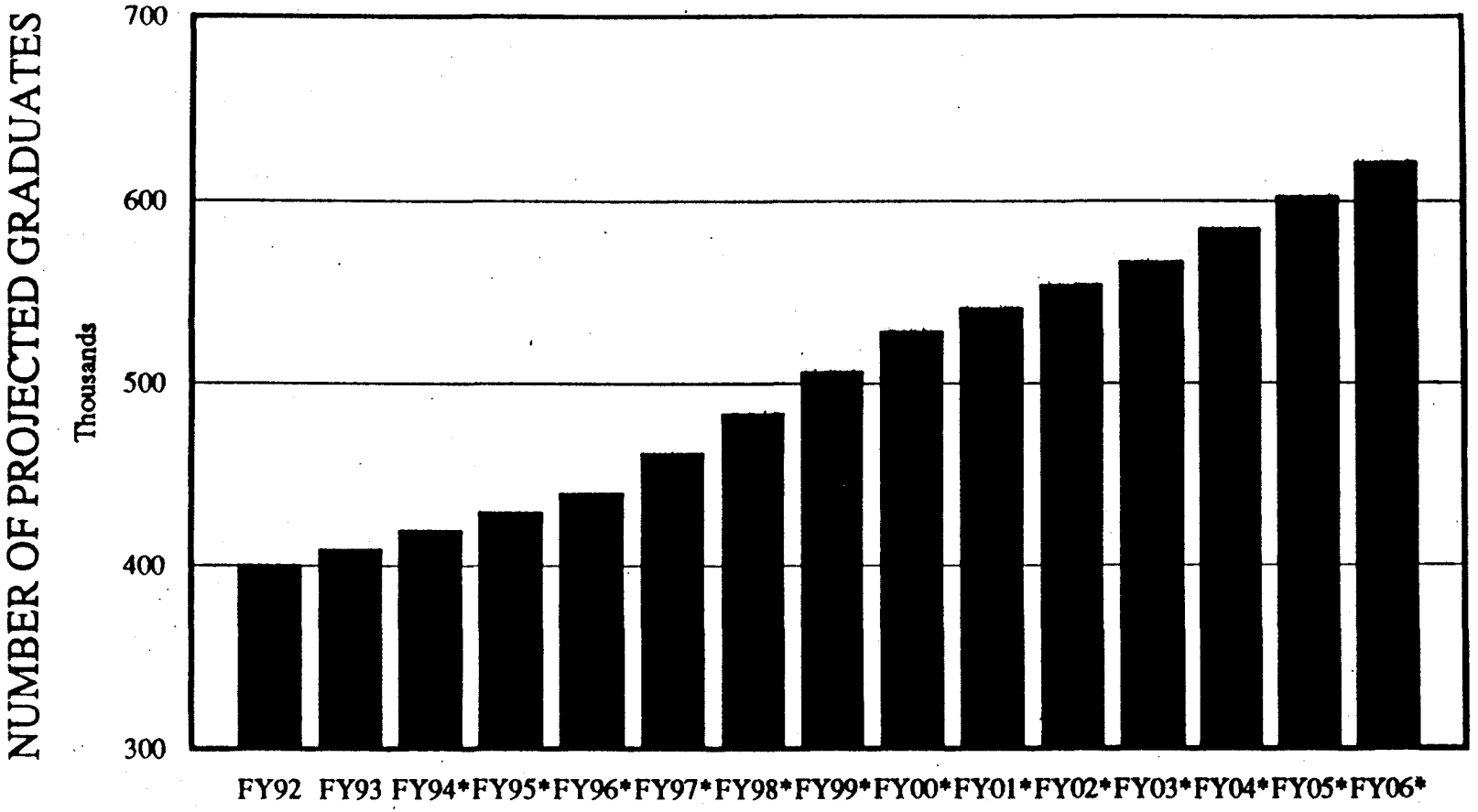
*Mountain View, Pine Hills, and the School for the Deaf & Blind

DIRECTORY OF MONTANA

Ex 6
EDUCATION SUBCOMMITTEE
11-18-93

HIGH SCHOOL GRADUATES-SELECTED WESTERN STATES

WA, OR, NV, ID, CO & CA*

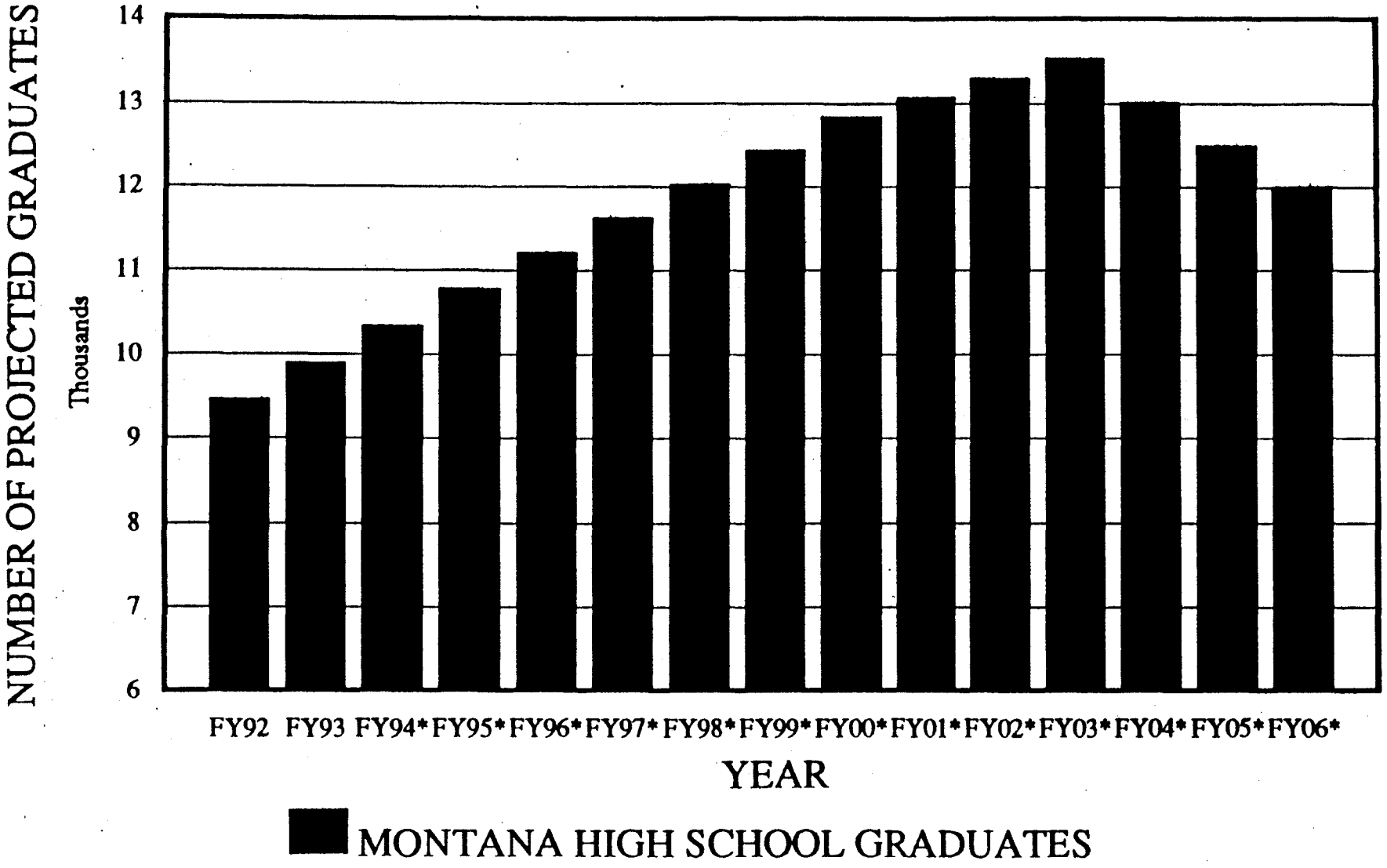


* PROJECTED

EX 9
EDUCATION
SUBCOMM
11-18-93

MONTANA HIGH SCHOOL GRADUATES

PROJECTED NUMBER OF GRADUATES



* PROJECTED

EXHIBIT 6
ED & CUL RESOU
11-18-93

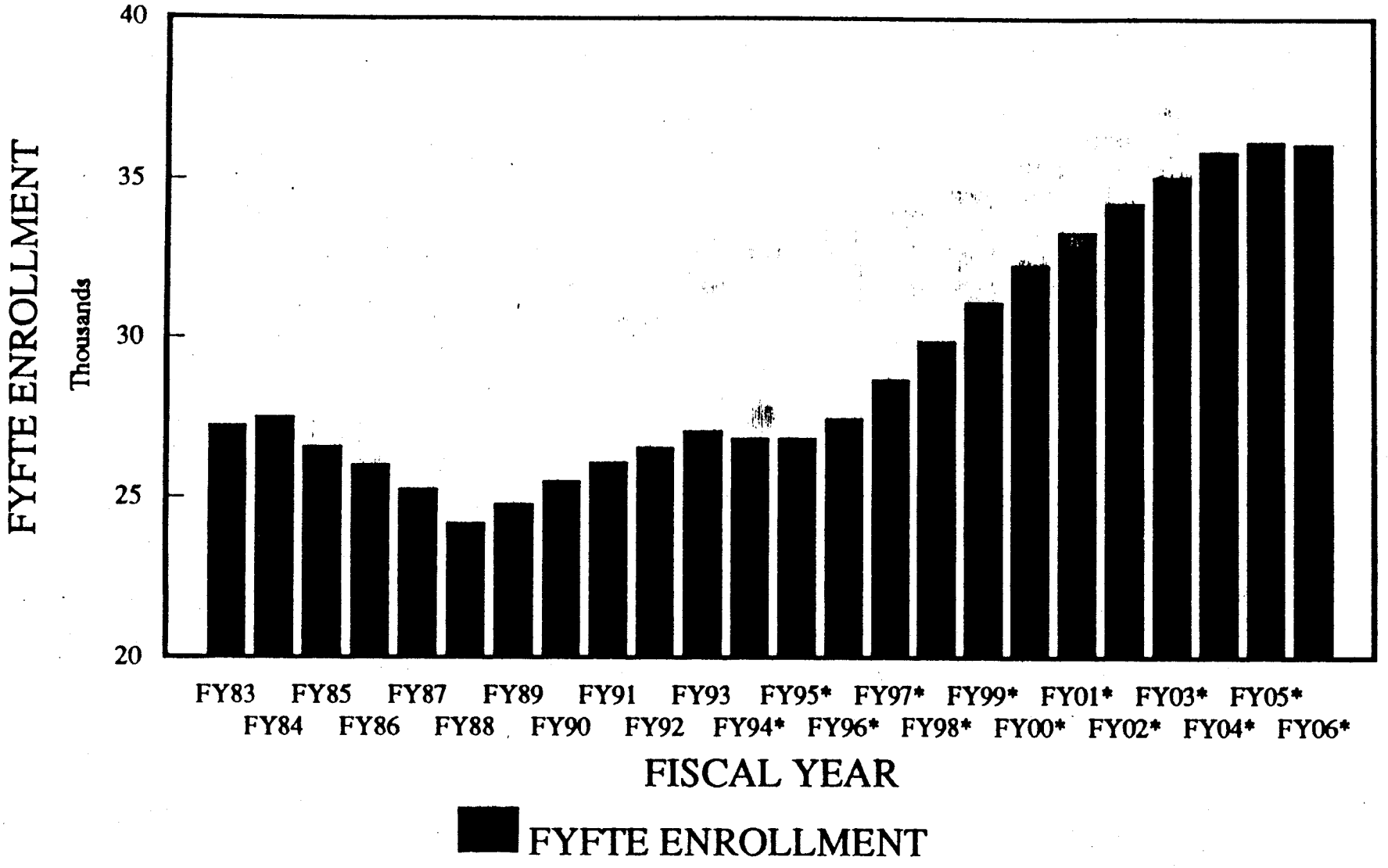
PROJECTED CHANGE IN THE NUMBER OF HIGH-SCHOOL GRADUATES, 1992 TO 2009*

State	1991-92 Actual	1995-96	1999-00	2002-03	2005-06	2007-08	2008-09	Change 1992-09	% Change
California	267,960	289,558	346,721	375,343	427,039	490,704	485,151	217,191	81.1 %
Colorado	32,420	35,766	43,375	45,839	47,238	43,596	43,957	11,537	35.6 %
Idaho	13,484	15,618	18,405	18,602	15,268	15,162	15,902	2,418	17.9 %
Montana	9,523	11,201	12,836	13,309	11,978	11,899	11,829	2,306	24.2 %
Nevada	9,133	12,006	16,238	18,672	21,307	25,358	27,184	18,051	197.6 %
Oregon	27,045	30,852	35,359	36,353	36,787	39,394	39,317	12,272	45.4 %
Washington	47,689	55,312	67,183	70,789	72,133	78,848	75,348	27,659	58.0 %
Western States	407,254	450,313	540,117	579,307	631,750	705,161	698,688	291,434	71.6 %
United States	2,475,001	2,618,157	2,900,700	3,003,665	3,124,851	3,323,296	3,264,572	789,571	31.9 %
US - West	2,067,747	2,167,844	2,360,583	2,424,358	2,493,101	2,618,135	2,565,884	498,137	24.1 %
North Dakota	7,849	8,503	9,115	8,515	7,370	6,748	6,614	-1,235	-15.7 %
Wyoming	5,846	6,300	6,768	6,478	5,327	5,307	4,648	-1,198	-20.5 %

*The Chronicle of Higher Education, October 13, 1993
Source: Western Interstate Commission for Higher Education

MONTANA UNIVERSITY SYSTEM-SIX UNITS

FYFTE STUDENT ENROLLMENT



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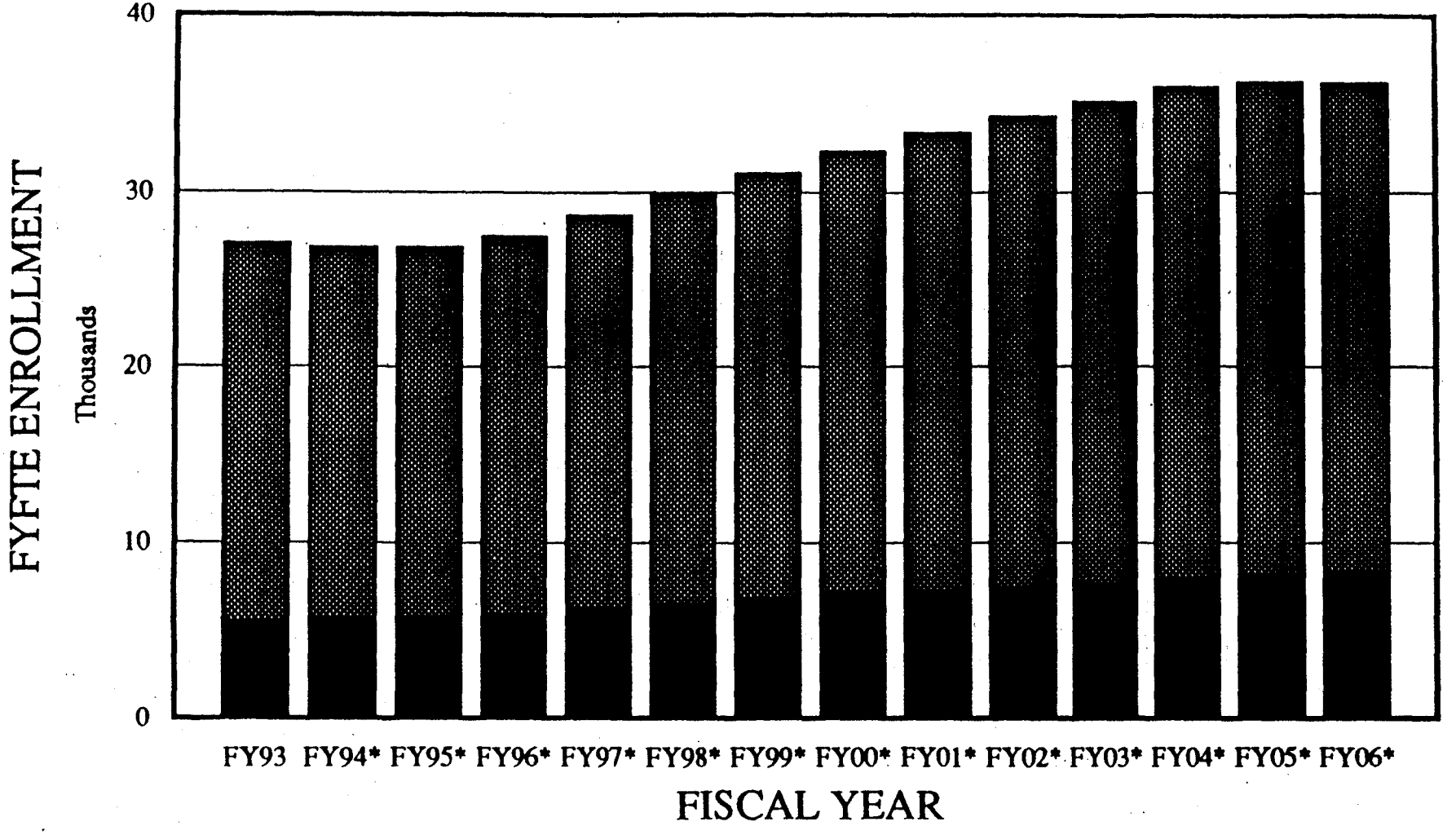
MONTANA UNIVERSITY SYSTEM-SIX UNITS

PROJECTED FYFTE ENROLLMENT



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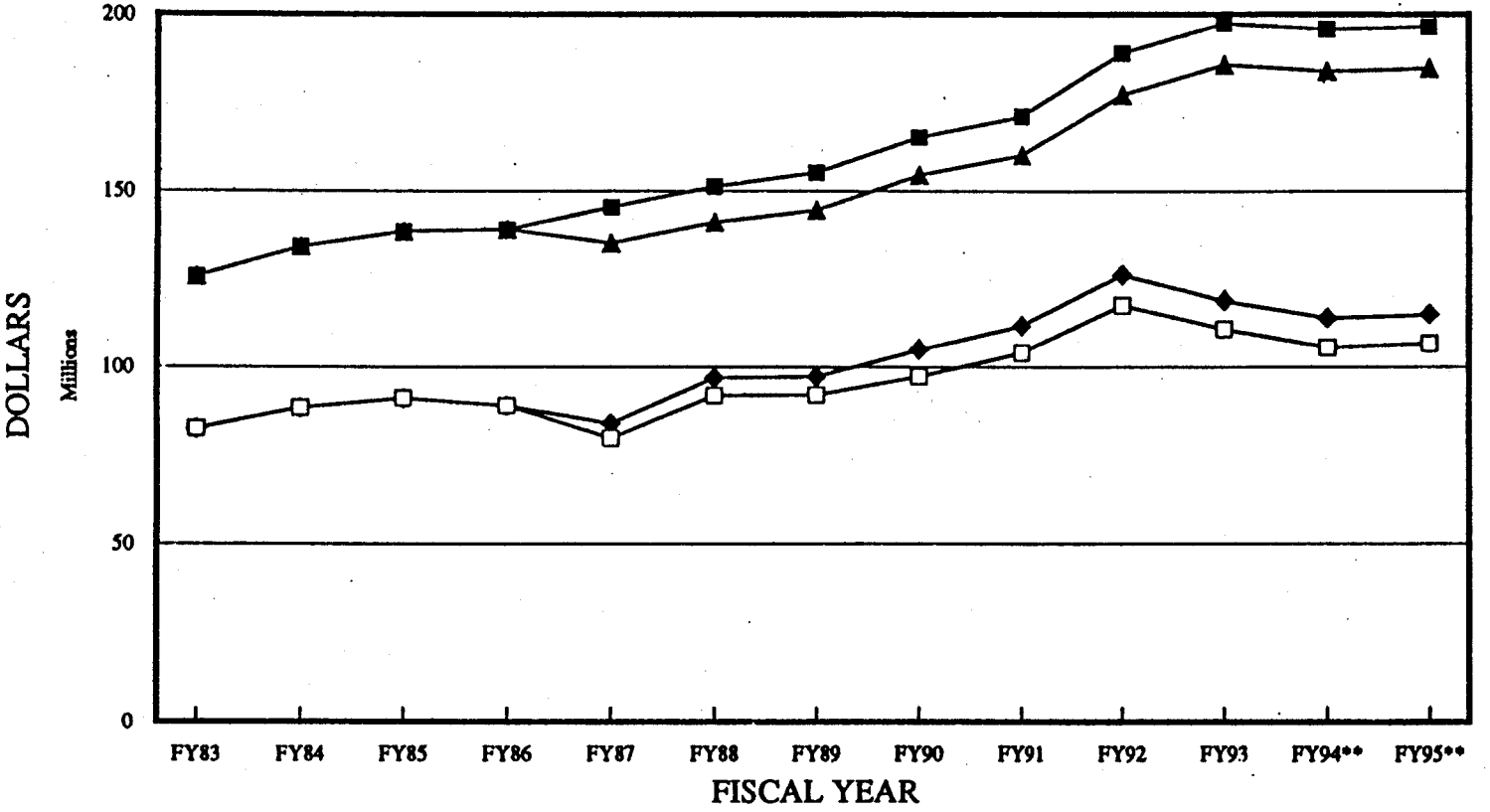
MONTANA UNIVERSITY SYSTEM

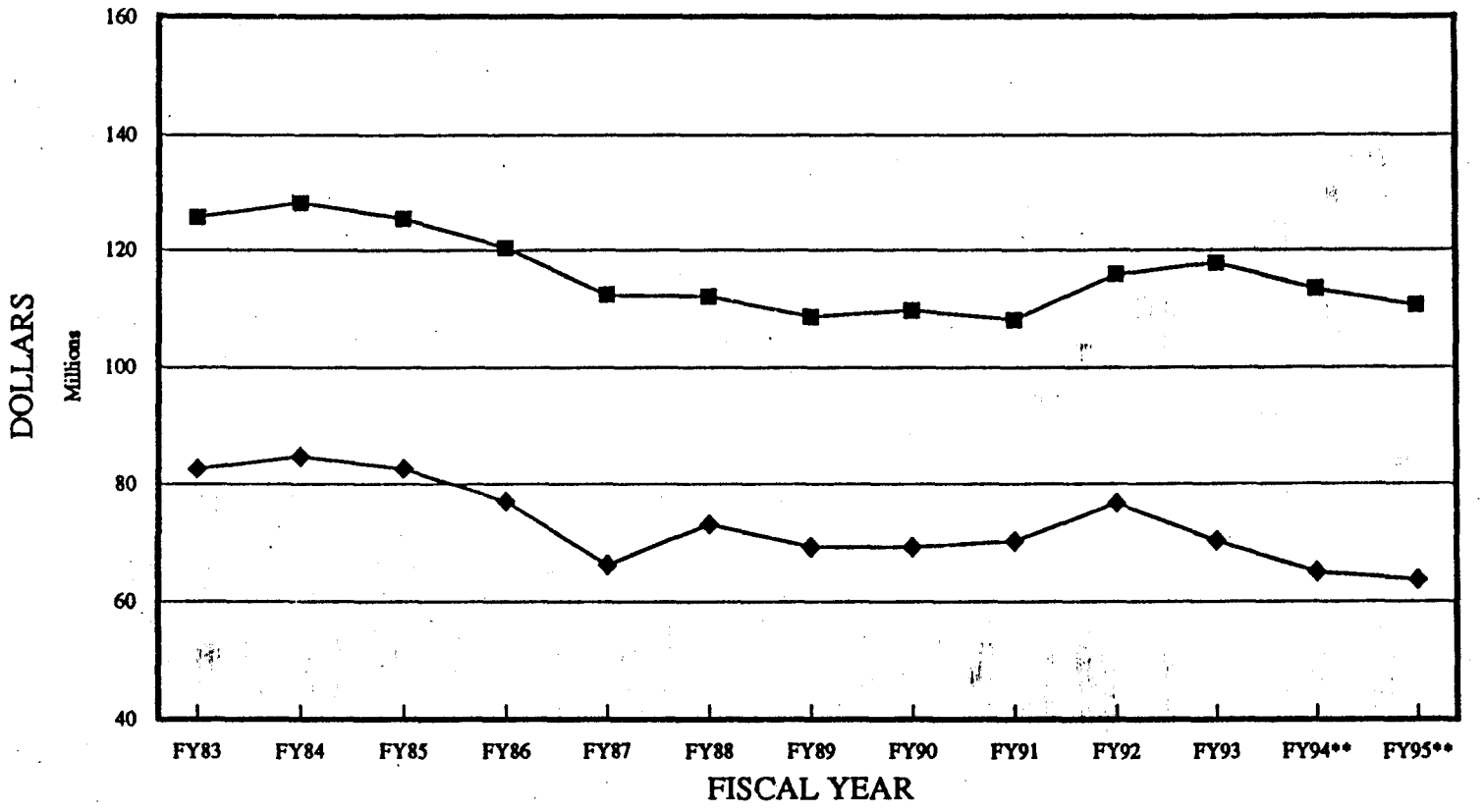
TOTAL FUNDING



** APPROPRIATED

MONTANA UNIVERSITY SYSTEM

FUNDING-REAL DOLLARS-ADJUSTED BY HIGHER EDUCATION PRICE INDEX



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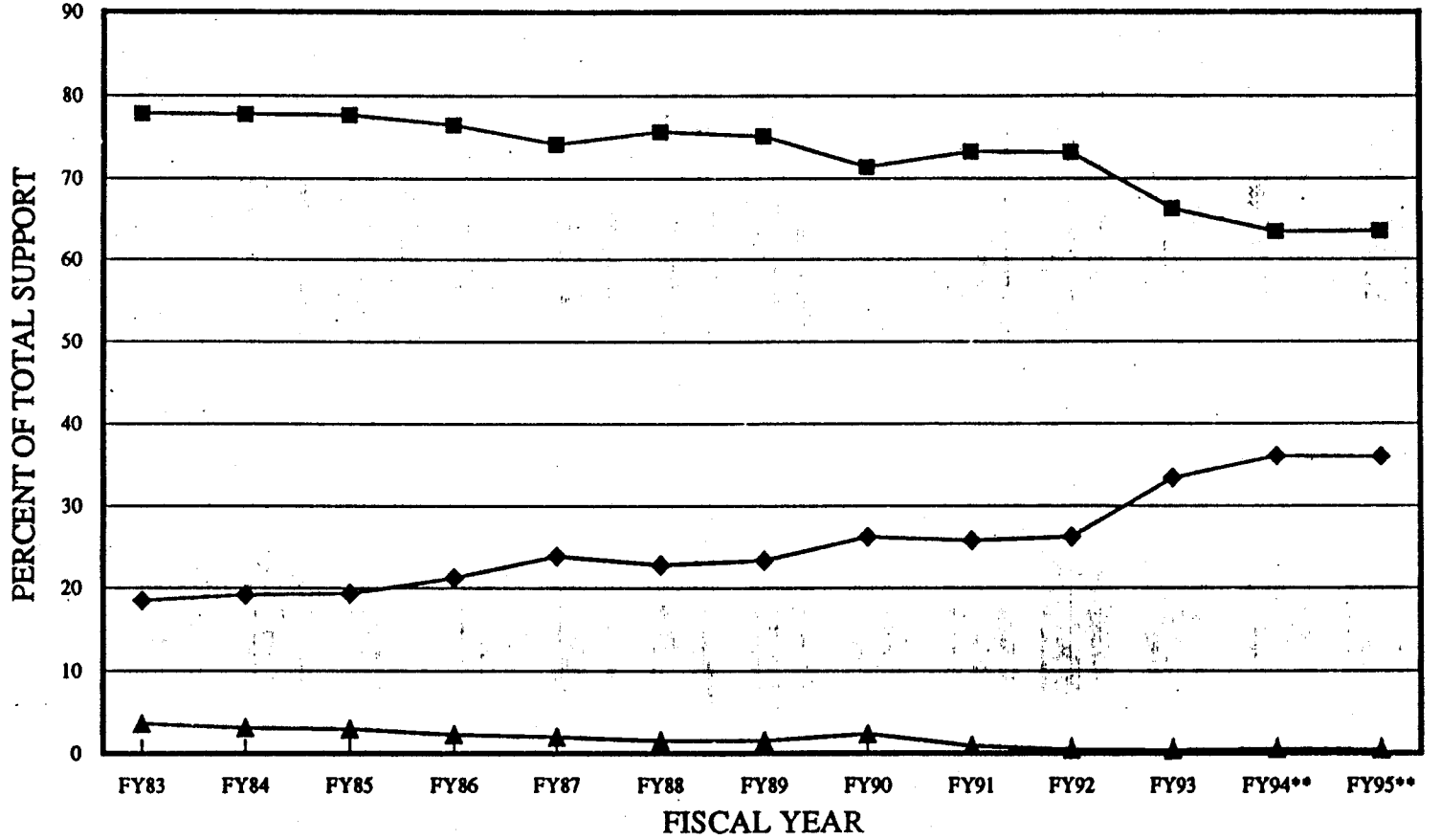
11-18-93

MONTANA UNIVERSITY SYSTEM-SIX UNITS

PERCENT OF TOTAL FUNDING BY SOURCE



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EX 7
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11-18-93

MSU EXTENSION SERVICE 4-H/YOUTH PROGRAM POLICY

The following policies are in effect for all persons associated with the Montana State University Extension Service 4-H/Youth program. The purpose of this policy statement is to ensure that the Montana 4-H program is inclusive rather than exclusive.

Discrimination in the 4-H/Youth program because of race, creed, color, religion, national origin, sex, or handicap is contrary to the purposes and policies of the Extension Service, Montana State University, and the United States Department of Agriculture and violates the spirit and intent of civil rights laws.

WHAT IS 4-H ?

4-H is the youth education program of the Montana State University Extension Service cooperating with the U.S. Department of Agriculture and your local county government. Leadership in 4-H is provided at the national, state, and county levels by Extension faculty members with emphasis on involving parents and volunteer leaders. 4-H has a unique link with an extensive knowledge and research base through its cooperative partnership with all land-grant universities, county governments, and the U.S. Department of Agriculture.

Participation in Montana 4-H and its programs is open to all interested youth regardless of race, creed, color, religion, national origin, sex, or handicap. However, participating in some parts of the 4-H program may require certain age requirements, specific enrollment deadlines, or ownership deadlines. Such specific requirements are not to keep boys and girls from joining and participating in other parts of the 4-H program at any time during the year.

The goal of Montana 4-H is to educate youth and adults for living in a global and ever-changing world by using the resources of Land-Grant Universities and the U.S. Department of Agriculture.

Montana 4-H uses educational, learning-by-doing projects, club meetings, community service projects, events, and activities for young people and adults as they work toward attaining these five **LIFE SKILLS**:

- o Fostering positive self-concept
- o Learning decision-making and responsibility for choices
- o Developing an inquiring mind
- o Relating to self and others
- o Acquiring a concern for communities--local and global.

The emblem of the 4-H program is a green four-leaf clover with a white "H" in each leaf.

The four "H's" stand for Head, Heart, Hands, and Health and represent the ways 4-H develops the five life skills.

HEAD: Learning to think, make decisions, understand the "whys," gain new and valuable insights and knowledge.

HEART: Being concerned with the welfare of others, accepting the responsibilities of citizenship in our local and global communities, determining values and attitudes by which to live, and learning how to work with others.

HANDS: Learning new skills, improving skills already developed, instilling pride in work, and respect for work accomplished.

HEALTH: Practicing healthful living, protecting the well-being of self and others, making constructive use of leisure time.

This four-fold development is vital to every individual. All four of the "H's" should be an important part of the goals youngsters identify as the participate in 4-H sponsored programs and educational activities.

GUIDING PRINCIPLES OF MONTANA 4-H

Any young person who participates in an Extension sponsored youth educational program is a 4-H member.

4-H is a human development program that teaches life skills.

4-H uses a variety of delivery methods such as clubs, special interest groups, activities and events, newsletters, satellite programs, camps, enrichment programs or individual participation (refer to the Montana 4-H Continuum of Education).

A youth enrolling in any 4-H program is considered a 4-H member and is eligible to take part in other 4-H programs.

4-H relies on local determination of programs to fit specific needs of youth to be involved.

4-H is a family centered program.

The 4-H program is carried out by salaried Extension staff, volunteers, teen leaders, and members.

4-H strives to provide programs that appeal to diverse audiences.

MEMBERSHIP

1. Youth who turn 9 years of age during the Montana 4-H program year (beginning October 1) and those who have not passed their 21st birthday during the program year (before September 30) may be 4-H club members. 4-H members whose 19th birthday comes before January 1 of the 4-H year for which enrollment is made are ineligible to compete in any state or national contest, awards or recognition program.

2. Youth ages 6 - 8 years old are eligible to enroll in a mini-4-H type program conducted at the county or club level. All mini-4-H (sometimes called Cloverbud) activities are to be non-competitive in nature and shall be designed to encourage youth to explore their world.

3. Marriage and parenthood shall not disqualify individuals from 4-H membership and participation.

4. Members are allowed to transfer their membership in 4-H from counties or from states any time during the year and to complete their 4-H year in their new location. However, a member may be enrolled in only one state and one county at any given time. While a member cannot be enrolled in more than one county at a time,

EXHIBIT 1
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11-18-93

a project may need to be completed in another county because of changing family situations.

5. Report 4-H membership by--
   * completing an enrollment card; or
   * completing a group report form. (i.e. EFNEP, camps)

ORGANIZATION

1. The types of 4-H enrollment are defined as:

   ORGANIZED 4-H Club - an organized group of youth with volunteer leaders, officers, and a planned program that is carried out throughout all or several months of the year. These may be single project clubs or multi-project (community) clubs. In most cases, organized clubs have a constitution, bylaws, and a charter.

   SPECIAL INTEREST - a group of youth participating in educational programs organized and/or coordinated by Extension, meeting for specific learning experiences and not part of the school curriculum. This includes EFNEP and Cloverbuds.

   ENRICHMENT PROGRAMS - a group of youth receiving learning experiences not involving organized club activities coordinated by Extension in cooperation with other community agencies (schools, churches, youth centers, youth programs, recreation departments or instructional television).

   INDIVIDUAL STUDY - a method of allowing a young person to pursue individual interests yet still participate in the county and/or state 4-H program.

   INSTRUCTIONAL TELEVISION - youngsters who participate in 4-H through instructional televsion programs aired over a wide area. In general, support materials, study guides and evaluations are provided to assist with learning.

2. The 4-H program year is October 1 through September 30.

3. Funds raised in the name of 4-H must be carefully accounted for and used only in direct support of the 4-H program.

4. The use of the 4-H name and emblem is governed by congressional action and is subject to approval by the Montana state 4-H program leader.

EXTENSION SALARIED STAFF AND VOLUNTEERS

1. The role of the salaried Extension 4-H staff is to educate youth and adults, and to develop and manage a system through which Extension and non-Extension volunteers provide educational programs that enhance subject matter knowledge and life skills development in youth. Extension staff serve as educators, change agents, leaders and program managers.

2. The role of the volunteer staff is to assist the salaried staff in any or all aspects of the 4-H program including leadership and support. Adult volunteers must be at least 21 years of age. Youth volunteers (teen leaders) are persons under 21 years of age, may be 4-H members, and must be under the supervision of an adult.

3. All new adult volunteers must be approved by a 4-H staff member and will complete a 4-H Leader application and/or leader enrollment card with the County Extension office.

4. There are several categories of volunteers including:

4-H Resource Leader. A special person or group of people including parents, relatives or friends who listen, question, and respond in helpful ways to children. These leaders could also judge at 4-H events. Resource leaders may be those who want only a limited role in 4-H and prefer not to become involved in other parts of the program.

4-H Organizational Leader. The adult who is responsible for the proper functioning of the 4-H club.

4-H Project Leader. The adult or teen leader responsible for a given project area in the 4-H club.

4-H Activity Leader. The adult, teen leader, or youth volunteer responsible for designated 4-H activity(ies) in the 4-H Club.

Middle Managers or Key Leaders. Adults who assist local 4-H club leaders and/or Extension agents in a specific 4-H project or activity area.

Enrichment Program Volunteer. An adult who leads a special interest or enrichment program.

Teen Leaders. Youth can be actively involved as leaders and should be viewed as assets to the 4-H program. Montana 4-H encourages the use of youth as volunteers and leaders.

5. **Volunteer Liability - 4-H volunteers acting in an official capacity for the MSU Extension Service are, in part, carrying out the business of the Extension Service. To that extent they are covered by Section 2-9 -305, MCA 1983, which provides them with liability protection (not accident or medical insurance) while acting within the course of their official capacity as a 4-H leader unless the claim is based upon intentional tort or felonious act.**

6. Volunteers are expected to act in good faith and without negligence in the performance of their duties in order to minimize any chance of creating a University liability.

SUPPORTING STRUCTURE

1. 4-H programs are more effective when there is a support structure. County Extension Advisory Committees, County 4-H Councils, statewide committees, county 4-H foundations, and the Montana 4-H Foundation are all designed to support the local 4-H program.

2. The overall Montana Extension Advisory Council (MEAC) ensures that Extension programs are addressing relevant social issues and concerns consistent with the research and staff available through Montana State University. The Council acts as an advocate for the Extension organization and its programs. 4-H representation should be included in the Council membership.

3. The 4-H Council is an important partner of the county Extension office in carrying out 4-H programs. County 4-H councils assess the needs, interests, concerns of the county's children and youth, and assist the agent in responding with educational programs relevant to those needs. 4-H council membership includes, but is not limited to, all 4-H leaders and teen leaders in the county. Membership may include parents, school personnel, youth workers, and others with an interest in the development of young people.

   The primary purpose of the county 4-H council is to provide guidance and assistance to the county Extension staff in

planning and conducting educational programs. In addition, the 4-H Council advises the county Extension staff in the establishment of county 4-H policies that are not in conflict with this policy statement.

The council is the 4-H leader's voice in county 4-H program direction and decisions.

Since rules tend to restrict rather than expand educational opportunities for young people, councils and Extension staff are encouraged to adopt the simplest and least number of rules necessary to conduct 4-H programs.

4. The Montana 4-H Foundation's mission is to secure private funds to support Montana 4-H educational programs for youth and adults which are delivered by the MSU Extension Service. The Foundation works closely with 4-H staff, leaders and 4-H youth.

5. University faculty and staff lend expertise in subject matter areas through a cooperative effort with the state 4-H office.

PROJECTS AND ACTIVITIES

1. State and local projects, activities and events are open to all youth who meet eligibility requirements for the specific project, activity or event. Requirements and regulations shall be clearly stated in the support materials for each project, activity or event.

   The State 4-H office, in conjunction with the sponsoring group, board, or committee, shall be responsible for developing these requirements and regulations and resolving conflicts for state projects, activities and events.

   The local Extension agent in conjunction with the local sponsoring group, board, or committee shall be responsible for developing these requirements and regulations and resolving conflicts for local projects, activities and events.

2. Participants in any part of the 4-H program (project, activity, event, etc.) are encouraged to achieve the goals and objectives for that specific part of the 4-H program. A 4-H member who does not attain the goals and objectives that have been set for any one part of the 4-H program shall not be excluded from participating in other parts of the 4-H program (including projects) nor from re-enrolling in 4-H.

CHILD ABUSE/NEGLECT

Montana 4-H has developed a policy statement on child abuse and neglect because we are concerned about the safety and welfare of children. As a youth development program, we must take a firm stand to ensure that children are treated with respect and that their safety is guaranteed while participating in our programs. In an effort to clarify Montana 4-H's position on this critical issue, the following policies have been adopted for use in all counties.

Corporal Punishment

Montana 4-H, as a division of the MSU Extension Service, abhors violence against children in all its forms. Montana 4-H expressly prohibits the use of corporal punishment in settings where children are cared for or educated by 4-H volunteers and supports the use of appropriate disciplinary alternatives. Montana 4-H reaffirms its position that children have a right to a healthy and nurturing environment at all times. Appropriate disciplinary or corrective action will be taken when a volunteer or staff member's use of corporal punishment is identified and confirmed.

Reporting Suspected Child Abuse/Neglect
Sexual, physical, or emotional abuse of children is antithetical to the goals and values of 4-H and will not be tolerated nor condoned in this organization. Child abuse in any form affects a child's life during the abusive period but also affects the child long after he/she has become an adult. It is of utmost importance that suspected child abuse and neglect be reported to appropriate officials so that families have an opportunity to receive assistance in developing healthier family patterns. It is the policy of this organization that all volunteers who suspect that child abuse or neglect is occurring will make a report to the local Department of Family Services.

Issued in furtherance of cooperative extension work in agriculture and home economics, acts of May 8 and June 30, 1914, in cooperation with the U. S. Department of Agriculture, Dr. Andrea Pagenkopf, Acting Director, Extension Service, Montana State University, Bozeman, MT 59717.

Revised and Approved: March 10, 1993

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Special Edition:

Montana 4-H Youth Development Program Summary

This document provides an overview of the Montana 4-H Program. The outside "wrap" is a summary of the program's 1993-97 Strategic Plan. The insert sheets summarize specific program activities and give examples of educational efforts scheduled for the next program year.

The Montana State 4-H Staff:
Betty McCoy, Mike Cavey, Kirk Astroth, and Terry Wolfe

Mission Statement

Participants say that the goal of the Montana 4-H Program is to:

"Educate youth and adults for living in a global and everchanging world by using the resources of Land-Grant Universities and the U.S. Department of Agriculture."

4-H Values

Along with the mission statement are a set of values or beliefs from which we in Montana 4-H operate. They are:

- Any young person who participates in an Extension-sponsored youth educational program is a 4-H member.
- 4-H is a human development program that teaches live skills.
- 4-H uses a variety of delivery methods such as clubs, special interest groups, activities, camps, TV, enrichment programs, and individual participation.
- A youth enrolling in any 4-H program is considered a 4-H member and is eligible to take part in other 4-H programs.
- 4-H relies on local determination of programs to fit specific needs of youth to be involved.
- 4-H is a family-centered program.
- The 4-H program is carried out by salaried Extension staff, volunteers, teen leaders, and members.
- 4-H strives to provide programs that appeal to diverse audiences.

Montana 4-H Life Skills

Everything we do in 4-H must be building life skills in young people. Montana 4-H has identified five life skills on which to focus:

- ✔ Fostering positive self-concept
- ✔ Learning decision-making and responsibility for choices
- ✔ Developing an inquiring mind
- ✔ Relating to self and others
- ✔ Acquiring a concern for communities -- local and global

Future Focus: 1993-1997

Last October, some of you may have attended a program planning meeting conducted just before the State Leaders' Forum in Great Falls. The purpose of that meeting was to build upon the last strategic plan, and to set new direction and program emphasis for the state from 1993-1997. Five focus areas were identified.

The following areas are the expectations you and your representatives expressed:

- ▸ Volunteerism
- ▸ Life Skill Education
- ▸ Delivery of Life Skill Education
- ▸ Youth as Resources
- ▸ Image

Volunteerism

The ***objectives*** for this area of concentration are:

* To develop and implement a comprehensive educational plan for volunteers and parents with emphasis on leadership, participation, communications, and instruction skills.
* To build strong and positive relationships between adults and youth.
* To develop a 4-H program that meets the needs of diverse youth in the local community.
* To create a positive image of 4-H that communicates program strengths and beliefs, demonstrates youth are resources, and encourages new ideas for program content.

* * * *

Some of the ***strategies*** to accomplish these objectives include:

* The development of leader application and screening process.
* Providing education for conducting needs assessments at the club and county level and using them for program content.
* Providing information about involving parents in the program (workshops, sharing fairs, etc.).
* Providing training programs for leaders and parents through a variety of methods (compressed video to workshops).
* Designing and implementing a recognition program for volunteers.

EDUCATION SUBCOMMITTEE

11-18-93

Curriculum Update

This year in Montana 4-H, there will be no new projects added, and only a few changes in literature. You will want to note the changes so you can advise your members about new materials:

Food Guide Pyramid Leader's Guide
So...You're the Treasurer of Your 4-H Club
Guide to Demonstrations and Illustrated Talks
4-H Public Speaking

In addition, the old 4-H Secretary's Book has been revised and updated, but the order number remains the same. We have given more room for the minutes, and have also eliminated the costly perforated pages throughout the book. Finally, the treasurer's responsibilities have been taken out of the Secretary's Book, and our new publication for treasurers should be a welcome addition to our 4-H Club Officer materials.

Also the Sheep Option Activity Forms 1 and 2 have been incorporated into the Sheep Options Book. These single sheets are no longer available through our Extension Publications Office, but can be duplicated, if necessary, from the project manual.

After requests from several counties, new project guidelines were developed for each unit of the Photography Project. We hope that these guidelines meet some of the needs counties expressed.

Curriculum Review Process

Other new 4-H club officer materials are being developed. Separate manuals for 4-H club presidents, vice-presidents, reporters and recreation leaders are being written. As a result, we have removed all the outdated 4-H officer correspondence leaflets from Extension Publications. No one seemed to be ordering them anyway.

Continuing committees include the following:

- Forestry
- Beef/Dairy
- Camp Counselor's Manual
- Environmental Stewardship
- Swine
- Food Preservation

New areas for review include:

- Weeds
- Horse
- Entomology
- Family Adventures
- Child Development
- Leadership

International Opportunities

There are ways for 4-H members and leaders to have an international experience through the program. The IFYE Representative Program has been in Montana since 1948, and is still going strong. You can host a young person from a foreign country for approximately three weeks and learn about his or her lifestyle and customs right in your own home. A young person from you family can apply to be an IFYE and travel abroad to stay with host families and learn that way. Either way, it is a super experience. Ask your county agent for information.

The LABO program offers a month-long experience with Japan, either in that country or at home. If you would like to host a Japanese young person next year, please let your county office know.

Project Review Committees

Project review committees are made up of agents, leaders, youth, donors, and professionals in the field. If you would like to serve on a committee or know of someone who would be good, please submit their names on a nomination form, available in your county office.

Montana Enrichment Programs

Enrichment of school curriculum or other educational efforts being conducted by groups or institutions other than Extension has put us in contact with audiences not generally touched by 4-H. In many cases, these programs have lead to the formation of new clubs while in others, groups or individuals will pursue an interest for as long as they wish. It is a fast-growing part of Montana 4-H, with nearly 17,000 young people involved.

Following is a list of current enrichment programs and the goal of each.

Body Power:

Curriculum Application: Nutrition and Health; **Primary Audience:** Middle School Students; **Purpose:** To sharpen the knowledge and skills of middle school adolescents regarding weight management.

Insect Awareness and Collection:

Curriculum Application: Science, Social Studies, Mathematics; **Primary Audience:** 7-12 year olds; **Purpose:** To increase awareness of the participants regarding insects and their place in the environment.

Blue Sky Below My Feet:

Curriculum Application: Space Technology, Science, Nutrition, Health; **Primary Audience:** Grades 3-6; **Purpose:** To teach youth how various aspects of space technology relate to life on earth.

Bread in a Bag:

Curriculum Application: Food and Nutrition; **Primary Audience:** Elementary Students; **Purpose:** To teach the skills of bread making.

Project Lead:

Curriculum Applications: Social Studies, Language Arts, Citizenship; **Primary Audience:** Grades 4-7; **Purpose:** To help youth understand the need for laws, the role of the legal system in our society, and their rights and responsibilities as juveniles.

International Travelogue:

Curriculum Applications: Geography, Social Studies; **Primary Audience:** Grades 4-8; **Purpose:** To help youth develop positive cross-cultural attitudes and skills that enhance understanding and acceptance of people from other ethnic, social, or economic backgrounds.

Skulls:

Curriculum Applications: Science, Language Arts, Social Studies; **Primary Audience:** Grades 3-6; **Purpose:** To help young people understand and appreciate what they can learn from a skull if they practice their observation skills.

Project Western Range:

Curriculum Application: Science, Social Studies; **Primary Audience:** Grades 3-5; **Purpose:** To encourage young people to understand and appreciate their rangeland environment.

Project WET Montana:

Curriculum Application: Science, Math, Social Studies, Language Arts, Natural Resources; **Primary Audience:** Grades K-12; **Purpose:** To help youth develop an awareness of, appreciation for, and knowledge about Montana's water resources.

Project Food Safety:

Curriculum Application: Food and Nutrition, Science; **Primary Audience:** Grades 6-8; **Purpose:** Students will learn effects of temperature, pesticides, biological control of pests, and irradiation and microbial growth on our food supply.

4-H Leadership in Volunteerism and Human Development

The Montana 4-H Program and Community Development Program will be giving leadership to an Extension wide effort to recruit and educate volunteers to be teachers. Currently, Extension has several model programs involving volunteers, including the Master Gardener Program and 4-H, which has nearly 4,000 adult volunteers serving as teachers.

In addition, the Developing Capable People program will build the interaction skills of people who work with youth. This Stephen Glen program is video-based, and provides plenty of interactive opportunities to assess how best to impact youth in a positive way.

TAXI

Volunteer Management Program

Developed nationally, it can be adapted to fit any stage of county management. This year, TAXI will take the place of the WRLF with a national dissemination program in Albequerque on March 22-25, 1994. Montana will send eight volunteers and interested staff to the national dissemination. To prepare for implementing in Montana, we will also do Montana the week of February 7, 1994, in two locations.

Talking with T.J.

A national collaborative effort by: Hallmark Corporate Foundation, 4-H and Youth Development - Extension Service, National 4-H Council, Boys and Girls Clubs of America, and Girl Scouts.

Goal: to help children learn skills in teamwork and cooperation.

Target Audience: boys and girls in 2nd to 4th grades.

Each county office has a training kit and a program kit.

Program kit includes: *Talking with T.J.* Leader's Guide, brochure describing the development of the program, videotape with self-training information for leaders, comic books for group, and set of four posters.

Refills and additional program kits are available.

Uses teens as teaching partners.

National promotion begins October 15th.

Computer Networking

The computer networking capabilities will make it easier for youth to serve in a resource capacity to the State 4-H Program. For example, the Montana 4-H Congress planning group will be able to interact on a regular basis through the use of the computer network. The Teen Ambassador Officers will be able to share plans and ideas, and the University 4-H group can communicate about implementing the SERIES project. It is a new technology being tested to enhance 4-H programming.

Who's Who in Montana 4-H

Montana 4-H Council

We wanted to bring you up-to-date about the Montana 4-H Council and let you know how valuable your officers are in carrying forward your concerns. They truly have your best interest at heart!

Here is a list of sample items which the council has done over the past years. They are responding to needs they know you, as leaders, have.

- ☞ Sponsor Leader trip to National Congress
- ☞ Loan to University 4-H for new trading pin
- ☞ Meeting with District 6 Superintendents
- ☞ Family Handbook
- ☞ Opportunities Booklet

So, it is important for you to participate in your District Meeting, help elect your officers, and then support them by letting them know your wants and needs.

Don't forget! The annual meeting will be in Sidney at the State Leaders' Forum along with new state officer elections.

Ambassadors

- **Job is to serve as an envoy for 4-H**
- **A resource to counties**
- **Provide opportunities to promote 4-H:**
  - Schools
  - National 4-H Week
  - Civic Groups
  - Radio
  - Newspaper
  - Achievement Programs
  - ... and more
- **Catalysts to involve other teens:**
  - Teen Councils
  - Action Groups
  - County Ambassadors
- **Identify Ambassador Key Leader**
- **Leadership Training:**
  - Utah
  - State Leadership Forum
  - Washington Focus
  - Spring Training
  - Congress Weekend
  - Congress
- **Action Plans due October 1**

Collegiate 4-H

The Montana State University 4-H Club is nearly 50 strong this year. They have just hosted the regional meeting at which training was received on the SERIES project. One of the activities of the Collegiate 4-H group is giving leadership to the Teen Ambassador committees that put on Montana 4-H Congress. This past year, the Collegiate 4-H group handled the entire planning process for Congress.

The excitement for Collegiate 4-H is so great that two other post-secondary schools (Northern Montana College and Dawson Community College) have asked about starting collegiate groups.

EDUCATION
SUBCOMMITTEE
11-18-93

Grants

National 4-H Council Grants

Homemade Jam- and Jelly-Making Projects
- Partner: Sure-Jell Fruit Pectin
- Grants of $200-$1,000 available to clubs, counties, and states
- For program to support innovative jam- and jelly-making projects

Youth in Action/Community Service
- Partner: Metropolitan Life Foundation
- Grants of $500-$1,000 awarded to youth groups
- For youth groups who are taking leadership roles and working with adult 4-H volunteers and/or county Extension agents

Fleischmann's Yeast Bread Baking
- Partner: Fleischmann's Yeast
- Grants of $500-$1,000 awarded to community, county, multi-county, and state 4-H
- For development of 4 to 6 curriculum lessons
- Youth are to be involved in development of the lessons

National 4-H Photography Exhibit is available for county use.

Foundation Grants

Innovative programming grants for 1994
- Applications due December 10
- County or counties may apply
- Grants are a minimum of $500 each

People Partner
- Applications due February 1, 1995
- Approximately $4,000 awarded to clubs and individuals
- For community improvement

Staff-Development
- Applications due December 10
- For assistance to staff in training related to 4-H programming

Foundation pays for the *Montana 4-H Clover*.

Fund-raising Assistance Available

Training package, a product of the Executive Institute on Fund Development, produced nationally, including videos, is available.

Three Montana people trained through participation in four weeks of national training:

Terry Wolfe
Walt Adams
Betty McCoy

Programs are available for all groups, including 4-H programs and community groups.

'94 MT Ag Calendar Project

Two calendars now available
- Agriculture Calendar with prints and event dates
- -AND-
- Calendar with prints only

Counties, clubs, and councils may order either or both from Foundation (994-5911).

Selling price is $10, of which $2.50 stays in county, $3.50 goes to Don Greytak for printing and artwork, and the remainder (less expenses) is split between Foundation and Aggies.

Collaborations and Linkages

Working cooperatively with agencies and other groups that have similar concerns has provided 4-H new avenues to impact youth development. We believe it also increases our educational effectiveness. The list of networks and collaborations includes:

Environmental Stewardship: Focused on the development of curriculum in the area of environmental stewardship.

- Project Learning Tree
- Project Wild
- Project WET
- USFS
- SCS
- MT Dept of Fish Wildlife & Parks
- Rocky Mountain Elk Foundation
- NRA
- Office of Public Instruction
- Montana Advisory Council for Indian Education
- Montana Environmental Education Association
- North American Environmental Education Association
- Montana Trappers Association
- Nature Conservancy

School Enrichment: Focused on materials that supplement formal education for youth.

- Office of Public Instruction
- Montana Education Association
- Montana Vocational Association
- Western Montana College/UM Outdoor Education Center
- Big Sky Telegraph
- METNET
- Association of Gifted and Talented Educators
- Museum of the Rockies

Children, Youth and Families: Focused on Prevention Programs.

- Montana Council for Families
- Children's Trust Fund
- Department of Family Services
- Department of Justice
- MSU Early Childhood Collaboration Project
- Office of Public Instruction
- Department of Health and Environmental Sciences
- Montana Prevention Caucus
- Montana Board of Crime Control
- Healthy Mothers/Healthy Babies
- Attorney General's Office

Montana 4-H Foundation: Collaborative Funding Projects.

Idaho
Wyoming
North Dakota
South Dakota
Colorado

General: Focused on programmatic concerns; for example, Rocky Mountain Association of Fairs.

Life Skill Education

The ***objectives*** for the program emphasis of life skill education are:

- Life skills will be basis for education and decision-making.
- Participation opportunities will be balanced between competitive and non-competitive activities.

The ***strategies*** include:

- Producing "fact sheets" about life skills that will include how to teach them effectively, and then measuring success in helping kids develop these skills.
- Plan educational experiences which will enhance life skill development for every participant and learn to evaluate.
- Implement the *Montana Model of Recognizing 4-H members.*

Delivery of Life Skills Education

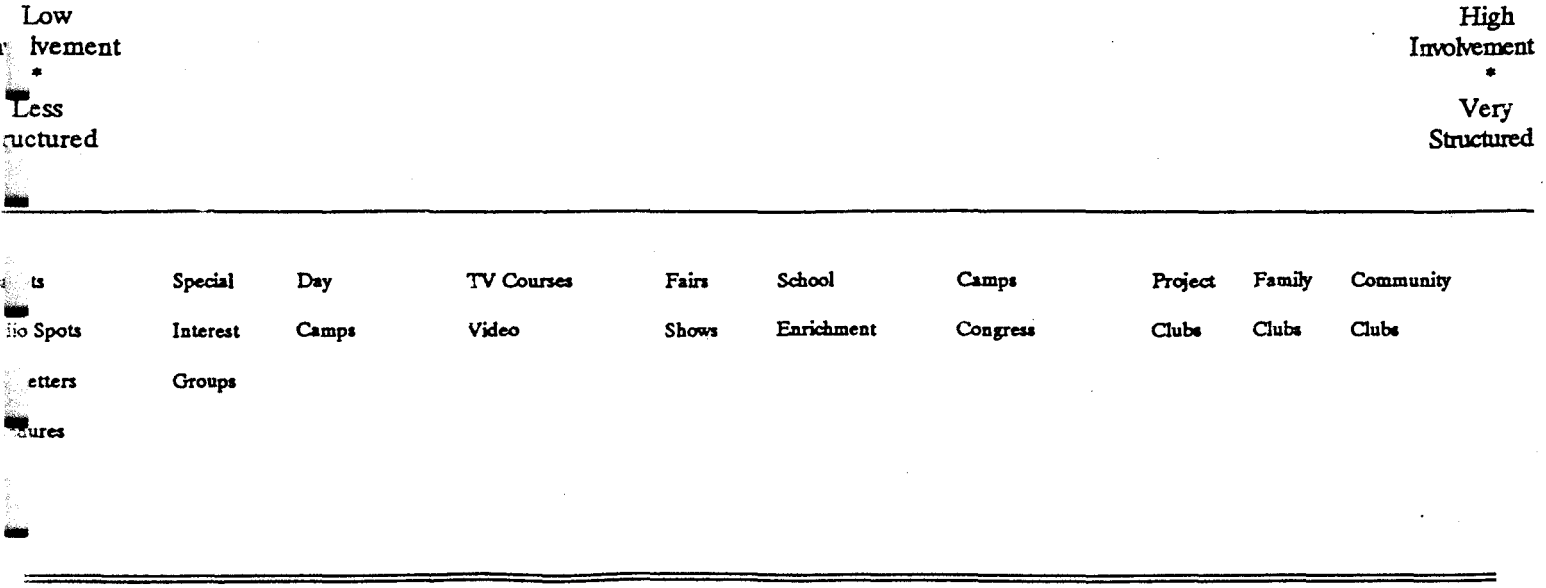
Objectives are:

- To establish collaborations with schools and other groups in communities to coordinate educational experiences.
- Design and implement a variety of methods through which youth can be involved in 4-H and develop life skills.
- Technology will be used in teaching when appropriate.

Sample ***strategies*** include:

- Establishing local youth councils or boards to review youth needs and services.
- Establishing working relationships with school administrators and teachers.
- Use a variety of ways to teach youth life skills -- technology, workshops, etc. skills.

Montana Curriculum Delivery Methods: The Continuum of Education



Youth as Resources

Objectives are:

- Youth will be involved in every aspect of the 4-H program (councils, committees, etc.).
- The 4-H organization will be recognized as a method of teaching life skills.
- Youth and adults will form partnerships to accomplish goals (coaching posture).
- Adults will be able to successfully coach youth in their learning experiences.

Sample ***strategies*** include:

- Youth will serve on committees and councils.
- Ambassador program will be enhanced at local level.
- A mentorship program on teaching will be started for youth.

Image

Objectives are:

- A marketing program will target audiences will specific messages.
- An accurate image of 4-H will be presented.

Strategies (examples):

- Marketing and promotional activities will be planned and carried out at local and state levels.
- A variety of methods will be used to communicate about 4-H.

EX 1
ED + CUL RE
11-18-93

Montana 4-H

WHY SHOULD 4-H EXIST?

On occasion, someone raises the question about the need for 4-H. "Why should 4-H exist?" "Why should 4-H receive public support when other youth programs like Scouts don't?" These are good questions--for which we should be ready with some responses. There are a number of ways 4-H is different from othr youth development programs. Knowing these reasons may help us understand why we "need" 4-H.

A national task force on out-of-classroom education suggested that 4-H embodies a certain genius and demonstrated effectiveness, causing it to be worthy of expansion to more youth (USDA/ES, 1980).

The genius of 4-H was summarized by these educators:

1) 4-H provides learning experiences for boys and girls together which contribute to both personal and social development for both youth and adults.
2) 4-H uses real life work experiences, letting youth set their own goals for achievement rather than prescribing goals that must be met for recognition.
3) 4-H encouraged individual initiative and provides opportunities for young people to experience success, which in turn raises the level of their aspirations and contributes to a feeling of positive self-worth.
4) 4-H incorporates the techniques of "learning by doing" directed toward personal development.
5) 4-H provides laboratory situations for individual learning in practical projects and activities.
6) 4-H provides opportunities for young people to practice democratic group action and social development through group experiences.
7) 4-H provides for safe, nurturing relationships between youth and adults which help integrate youth into society and keeps adults in tune with the needs and interests of youth.
8) 4-H extends the influence of homes, schools, and churches through its complementary relationships.

But, what about our funding? Isn't 4-H just another drain on government funds? It should be remembered that 4-H programs are only about 18% publicly assisted--with the remaining 82% privately supported coming through volunteers, in-kind contributions, and donations. 4-H is far from "government supported." On the average, a Montana county taxpayer pays about $3.00 per year to support of all county Extension programs--less than the cost of renting a video movie.

4-H is also a part of the publicly-assisted educational program of Montana. Just as there are many private colleges which don't receive public monetary support, so, too, are there other privately funded youth programs like Scouts, Big Brothers/Big Sisters, Girls, Inc. and YMCA/YWCA. 4-H plays an important role in education just as our state colleges and universities do. As a result, 4-H bridges the gap between public and non-profit organizations.

EDUCATION SUBCOMMITTEE 11-18-93

But how is 4-H unique or different from other youth programs? A number of people have pointed out several ways in which 4-H is unique and stands apart from other youth development programs:

Land Grant University Affiliation. As a part of each land-grant university and the Cooperative Extension System, 4-H provides informal, off-campus, research-based educational programs to the people of Montana. These programs are based on youth development research from the entire land-grant university system. Thus, 4-H is an off-campus laboratory of learning and might be considered a part of the university's student services. The 4-H "student body" is often several times the size of the on-campus student body, and the "faculty" are comprised of volunteers dedicated to enhancing technical and life skills for today's young people.

The cooperative relationship that exists between 4-H, state and local governments, together with the U.S. Department of Agriculture, provide a unique foundation for the 4-H program. The resources and versatility of these entities are availabel to 4-H clubs. **No other youth program can lay claim to such a unique and powerful relationship, or call upon so many resources, as 4-H.**

Home Orientation. The 4-H experience is centered in the home and in the family. In 4-H, the family is the basic social institution for learning. 4-H effectively puts education back into the hands of parents.

Availability in All Counties. 4-H is made available to youth in every county of the nation. Its presence is ubiquitous. The 4-H and Extension network is the envy of many organizations and this system has been copied by numerous countries around the world.

Co-educational Program. 4-H, unlike many other nonformal youth programs, is co-educational and fully integrated. Believing that positive youth development occurs in natural social groups, 4-H encourages both boys and girls to interact in healthy, respectful environments with caring adults of both genders. 4-H membership is open to all youth regardless of race, sex, color, national origin, or handicap.

Link to University Research. 4-H youth development programs are based on university, research-based knowledge. No other youth program has this foundation for what it does. This knowledge base includes principles of youth development as well as subject matter knowledge offered through the variety of 4-H projects. For example, this knowledge base includes:

- o sonograms for livestock evaluation
- o feeding rations
- o crop varieties
- o range management principles
- o ages and stages of youth development
- o leadership principles

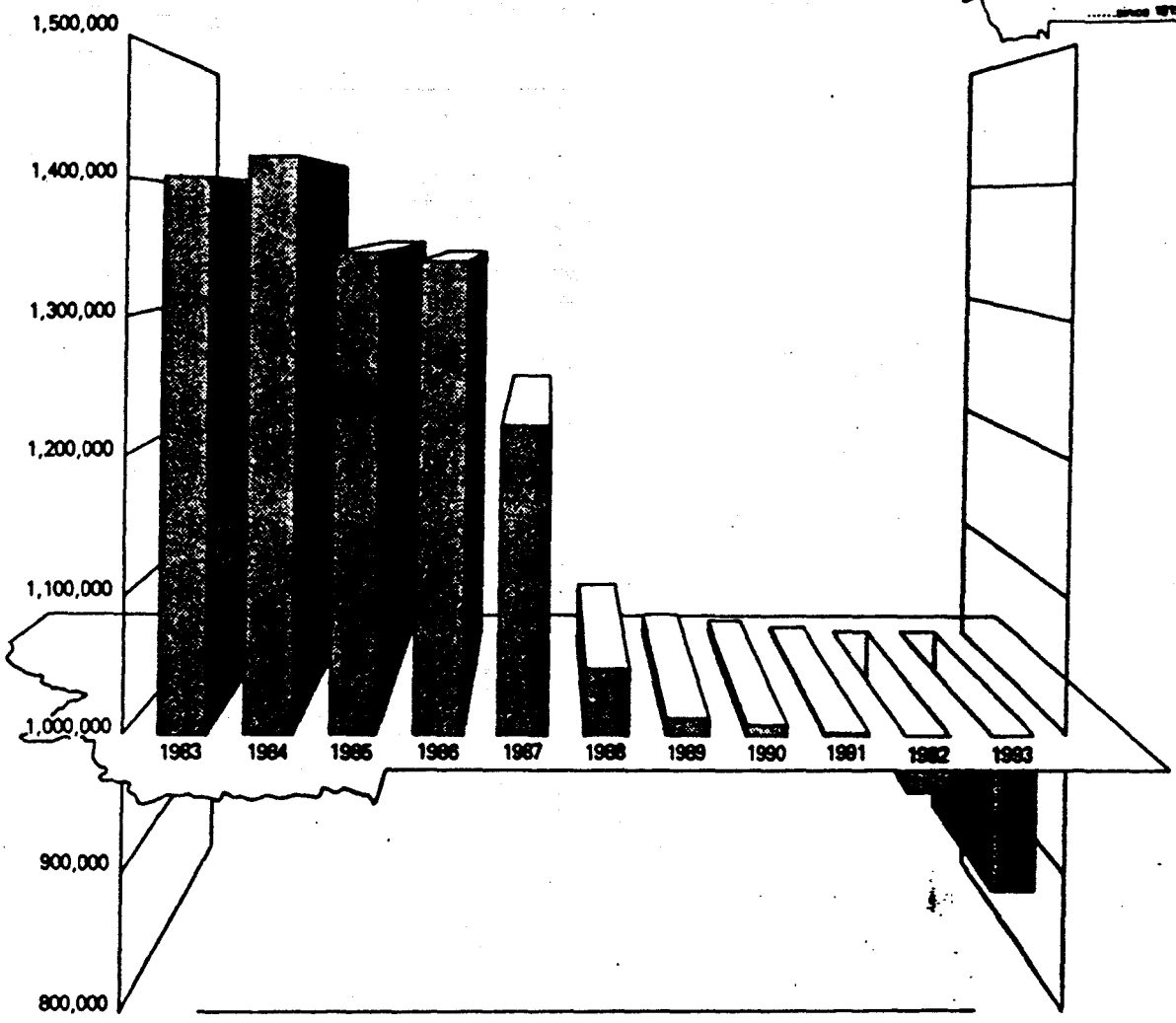
Professionally Trained Staff. Unlike many other nonformal youth programs, 4-H retains a small cadre of professionally trained university faculty members to manage and direct 4-H's youth development efforts. These professionals in turn recruit, orient, train and support a large volunteer force who form the backbone of 4-H youth development programs. The relationship between our volunteers and salaried staff is cooperative in nature and essential to keeping 4-H programs on a sound educational foundation.

Ex 8
EDUCATION
SUBCOMM
11-18-93

Montana Bureau of Mines and Geology, Funding

Butte and Billings

Allowing for 3% yearly inflation.



	Actual $ Funded	3% Yearly Inflation	$ Funded Allowing For Inflation	% Of Change
FY83	1,402,562	-0-	1,402,562	-0-
FY84	1,456,909	−3%	1,413,202	+.8
FY85	1,433,821	−6%	1,347,792	−4.6
FY86	1,474,042	−9%	1,341,387	−.5
FY87	1,390,651	−12%	1,223,773	−8.8
FY88	1,232,850	−15%	1,047,923	−15.1
FY89	1,233,523	−18%	1,011,489	−3.5
FY90	1,274,915	−21%	1,007,183	−.4
FY91	1,318,925	−24%	1,002,383	−.5
FY92	1,317,759	−27%	961,964	−4.0
FY93	1,270,043	−30%	889,030	−8.0

Net decrease for decade is −36.9%.

Graph showing decline in Bureau budget, 1983 - 1993 (adjusted for inflation).

Effects of Proposed $100,000 Reduction in FY94 on Montana Ground-Water Assessment Program

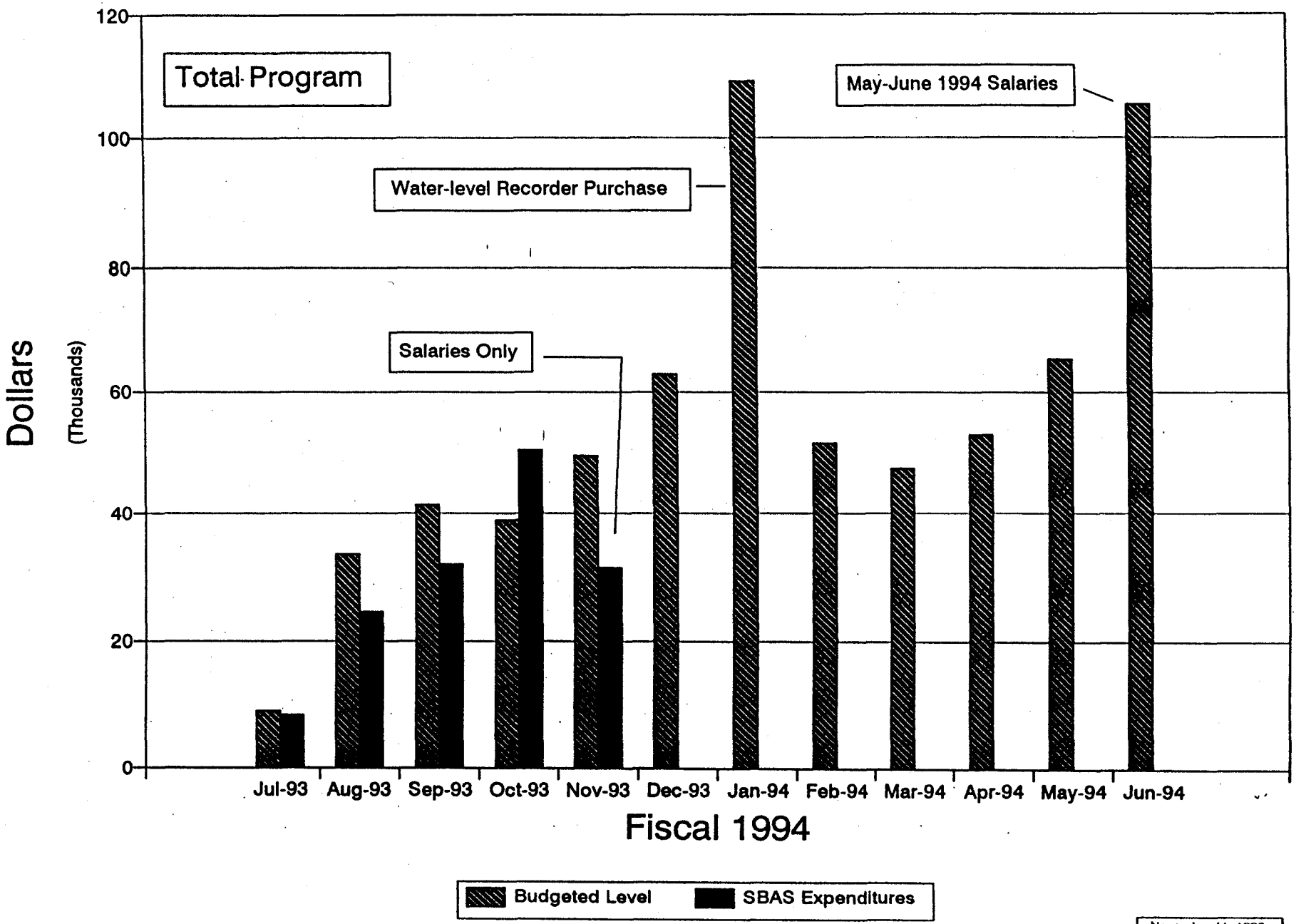
- 23 percent reduction in budgeted expenditures for January through June 1994.
- Delay drilling and sampling in the first ground-water characterization study in the Lower Yellowstone River Area (Dawson, Fallon, Prairie, Richland, and Wibaux Counties) until FY95.
- Delay start of the second characterization study (Flathead and Lake Counties) by six months.
- Delay completion of the Flathead Lake Area by nearly one year.
- Delay field work needed to establish the statewide ground-water monitoring network.
- Delay database preparation for the ground-water characterization studies.
- Delay entry of new data into Ground-Water Information Center (GWIC) database -- the central repository for information on the ground-water resources of Montana.

Montana Bureau of Mines and Geology
Expenses to date - Montana Ground-Water Assessment Act
November 11, 1993

		Personnel		Operations		Equipment		Program	
	Actual FTE's	Budget Total	Expenses Total	Budget Total	Expenses Total	Budget Total	Expenses Total	Budget Total	Expenses Total
Jul-93	5.25	$0.00	$0.00	$3,745.00	$3,414.65	$5,272.00	$4,940.34	$9,017.00	$8,354.99
Aug-93	7.75	$24,013.00	$19,863.43	$4,245.00	$2,584.32	$5,372.00	$2,081.38	$33,630.00	$24,529.13
Sep-93	10.25	$26,113.00	$24,332.62	$4,995.00	$4,857.39	$10,272.00	$2,822.89	$41,380.00	$32,012.90
Oct-93	11.75	$30,813.00	$30,318.00	$6,495.00	$7,013.15	$1,522.00	$13,012.66	$38,830.00	$50,343.81
Nov-93	11.75	$32,763.00	$31,566.03	$9,995.00	$0.00	$6,522.00	$0.00	$49,280.00	$31,566.03
Dec-93	11.75	$36,287.00	$0.00	$12,015.00	$0.00	$14,580.00	$0.00	$62,882.00	$0.00
Jan-94	12.75	$34,113.00	$0.00	$4,120.00	$0.00	$70,572.00	$0.00	$108,805.00	$0.00
Feb-94	12.75	$36,313.00	$0.00	$2,995.00	$0.00	$12,022.00	$0.00	$51,330.00	$0.00
Mar-94	12.75	$36,313.00	$0.00	$6,895.00	$0.00	$4,022.00	$0.00	$47,230.00	$0.00
Apr-94	12.75	$36,313.00	$0.00	$15,495.00	$0.00	$1,022.00	$0.00	$52,830.00	$0.00
May-94	12.75	$36,813.00	$0.00	$28,140.00	$0.00	$522.00	$0.00	$65,475.00	$0.00
Jun-94	12.75	$72,176.00	$0.00	$32,541.00	$0.00	$522.00	$0.00	$105,239.00	$0.00
TOTAL		$402,030.00	$106,080.08	$131,676.00	$17,869.51	$132,222.00	$22,857.27	$665,928.00	$146,806.86

EXHIBIT 6
11-18-93

Montana Ground-Water Assessment Act
Budget/SBAS Expenditures



EX 8
ED+CUL RE
11-18-93

MONTANA BUREAU OF MINES AND GEOLOGY
MONTANA COLLEGE OF MINERAL SCIENCE AND TECHNOLOGY
BUTTE, MONTANA 59701
(406) 496-4180

Office of the Director

November 5, 1993

Mr. Curtis M. Nichols
Governor's Office
Office of Budget and Program Planning
Rm. 237 State Capitol
P.O. Box 200802
Helena, MT 59620-0802

Dear Curt:

The continuing but significantly modified proposal to reduce RIT funds in the Bureau of Mines and Geology, included on pages E4 and E6 of the Executive Budget, is seriously flawed by incorrect or misleading information. On page E4, the RIT funding for the Groundwater Characterization and Monitoring Program is shown as part of the Bureau appropriated budget; the funding actually is Restricted, and the authorizing legislation stresses the absolute requirement that the funds not be mixed. We treat the funds separately, as we do any Restricted account.

On page E6, the words "dramatically expanded" overstate what happened. The program was deliberately funded at a lower level for two years, to allow for careful planning and preparation. On July 1, 1993, we moved to full implementation as planned, and could proceed with staffing and field work as quickly as possible. In short, the budget was increased as had long been planned--and planned for.

Expenditures in July and August were expected to be low, as staffing proceeded and field preparations were made. Since then, project scientists have been in the field almost continuously, as you will note on the attached budget sheet. During this period, too, and during the earlier planning phases, we have been selecting appropriate monitoring wells and sites for new wells to be drilled. Costs for instrumenting those wells and for associated water chemistry analyses are scheduled for the next few months and for early Spring.

Finally this project, like virtually all Bureau projects, is a field project. The major expenditures always are from early Spring to late Fall, when we can do field work. This project missed the early part of the field season--it was not funded for field work until July 1, 1993, and then had 6-8 weeks of start up staffing, training and other preparations, all as planned. Next field season will start in March, and we preserve funds to cover that work. Next Spring will begin the first full field season on the project, and that work is critical to the continued success of the Groundwater Characterization Program.

In summary, expenditures are on schedule and as approved by the Steering Committee. There are no "savings", as suggested in the Executive Budget.

In closing, I would note that under the restrictions of the authorizing legislation the Bureau cannot use these RIT funds to "offset general fund costs" for unspecified (or any) ground water activities. These unquestionably are Restricted funds and must be accounted for that way. To propose shifting these Restricted funds from the Bureau, which by Statute is the groundwater research agency for the State of Montana, to offset costs in DNRC, on projects that do not contribute in any way to the Groundwater Characterization Program, seems unconscionable.

Sincerely yours,

Edward T. Ruppel
Director and State Geologist

ETR/blm
Attachment
cc: Dr. Lindsay D. Norman, President, Montana Tech
Dr. Jeffrey D. Baker, Commissioner of Higher Education
Taryn L. Purdy, Legislative Fiscal Analyst

EX 6
ED & CUL RES
11-18-93

MONTANA GROUND-WATER ASSESSMENT ACT

The Montana Ground-Water Assessment Act will improve the quality of ground-water management, protection, and development decisions within the public and private sectors by systematically characterizing and monitoring the State's ground water and by improving access to ground-water information.

The Assessment Act was enacted in response to recommendations developed by a Ground-Water Task Force established by the Environmental Quality Council in 1989. The Montana Ground Water Assessment Act was passed by the Legislature on April 25, 1991, signed by Governor Stephens, and became effective on July 1, 1991. In the Assessment Act, the Legislature made the following conclusions:

> "Montana's citizens depend on ground water for a variety of uses...";
>
> "ground-water supplies and quality are threatened by a variety of contaminant sources";
>
> "there is insufficient information characterizing the volume, quality, and flow patterns of the state's ground water";
>
> "ground-water information deficiencies are hampering the efforts...to properly manage, protect, and develop ground water";
>
> "government policies and programs should focus on preventing ground-water contamination and depletion, but...better ground-water information is required"; and
>
> "there is a need for better coordination among those numerous units of state, federal, and local government with responsibility for ground-water management, protection, and development."

The Ground-Water Assessment Act established a comprehensive approach to address ground-water information needs in Montana.

The Ground-Water Assessment Steering Committee coordinates ground-water management, protection, development, and research functions among units of State, federal, and local government. The Steering Committee includes water agencies in State and federal government, and representatives of local government and water-user groups.

The Ground-Water Monitoring Program will provide a long-term record of water quality and water levels for the State's major aquifers. This information will allow land users, policy makers, and regulatory agencies to determine whether changes through time in ground-water quality or water levels are the result of short- or long-term changes in climate, or are a result of changes in ground-water or land use.

The **Ground-Water Characterization Program** will map the distribution and document the water quality and physical properties of individual aquifers in 21 areas, one to five counties in size. The report for each area will discuss overall water quality, potential water-related problems, interactions between ground water and surface water, the availability of ground water, and the potential for future development. Each report will include a number of maps showing the location, depth, and thickness of aquifers, ground-water flow directions, the principal recharge areas for the aquifers, and the relative vulnerability of the aquifers to contamination.

The results of the characterization program will be useful in more completely answering questions such as

How deep will I have to drill? Will the water be suitable for drinking?

Is there any chance of using ground water as a new public water supply?

Where is the best place to look for a new landfill site?

What is the contribution of ground water to in-stream flows?

Are ground-water withdrawals in excess of recharge to the aquifer?

The **Ground-water Information Center** provides readily accessible information on ground water to land users, well drillers, and local, State, and federal agencies. Well-inventory data, results of water-quality analyses, well logs, and static water-level data are available through a computerized database. The Information Center receives about 65 requests each month.

During the 1993 biennium, Assessment Act programs are funded by changes in several fees assessed to water users and the water-well industry, including:

- Increasing licensing and renewal fees for water-well drillers, water-well contractors, and monitoring-well constructors.
- Increasing fees for Notices of Completion for Certificates of Water Rights for wells or springs using less than 35 gallons per minute or 10 acre-feet per year.
- Attaching a $1.00 per acre-foot fee to water-permit applications to withdraw ground water in excess of 35 gallons per minute or 10 acre-feet per year.
- Obligating a part of the hook-up fee for water-supply systems.

In the 1995 and later bienniums, Montana will fund Assessment Act programs by depositing into the Assessment Act Account up to $666,000 per year of the proceeds from the Resource Indemnity Trust Tax. This funding mechanism will not delay the capping of the Resource Indemnity Trust Account and will only slightly reduce increases in interest earnings used to fund other state programs.

For More Information: Contact the Montana Bureau of Mines and Geology, West Park Street, Butte, Montana 59601. Phone 406-496-4153 or 496-4279.

THE MONTANA GROUND-WATER CHARACTERIZATION PROGRAM

The Montana Ground-Water Characterization Program will, during the next 21 years, map the distribution and document the water quality and physical properties of the state's aquifers. The Montana Ground Water Assessment Act of 1991 established the characterization program and a complementary program to conduct long-term statewide monitoring of ground-water quality and water levels. A statewide steering committee will establish policy and coordinate the entire Ground-Water Assessment Program.

Protect, manage, and develop ground-water resources

The primary purpose of the characterization program is to provide information to help the public and private sectors make decisions on how to manage, protect, and develop Montana's ground-water resources. Staff of the Montana Bureau of Mines and Geology will work closely with representatives of local governments, agricultural and mining interests, conservation groups, and planning and economic development agencies to identify important local issues related to ground water. The results of the ground-water characterization program will be useful in answering questions, such as

- If I drill a new well, how deep will I have to go? Will the water be suitable for drinking?
- Is there any chance of using ground water as a new public water supply?
- Where is the best place to look for a new landfill site?

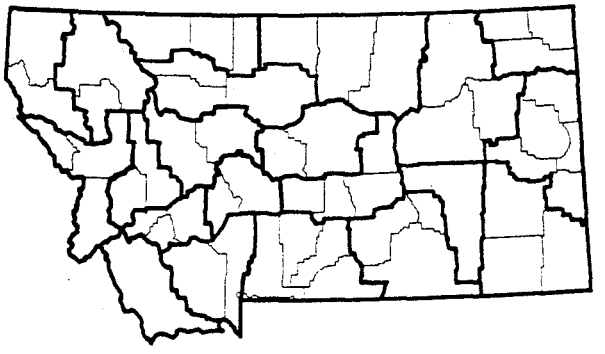
Map and evaluate ground water

Scientists from the Montana Bureau of Mines and Geology, in cooperation with local, state, and federal agencies, will characterize individual aquifers in 21 areas -- one to five counties in size. Each investigation will take three years to complete. Bureau scientists will compile information on the geology and ground-water resources of each study area and conduct additional drilling and testing to more accurately map the geology and determine the distribution and properties of the aquifers. They will also collect and analyze ground-water samples to evaluate water quality and to better understand ground-water flow systems.

Assess ground-water availability and vulnerability

The report for each area will discuss the availability of ground water, the potential for further development, overall water quality, and the interaction between ground water and surface water. Each report will also address issues related to ground-water management, protection, and development. The most important product of each study will be a series of maps showing the location, depth, and thickness of aquifers. Other maps will show ground-water flow directions and identify the principal recharge areas for the aquifers. This information will be used to evaluate the relative vulnerability of aquifers to contamination. The aquifer vulnerability map will be important not only for use in avoiding sensitive areas, but also for identifying areas where the potential for contamination of ground-water resources is low.

For more information contact the Montana Bureau of Mines and Geology, West Park Street, Butte, Montana 59701. (406) 496-4279



Ground-water characterization areas

EX 8
ED + CUL RE
11-18-93

Montana Ground-Water Monitoring Program

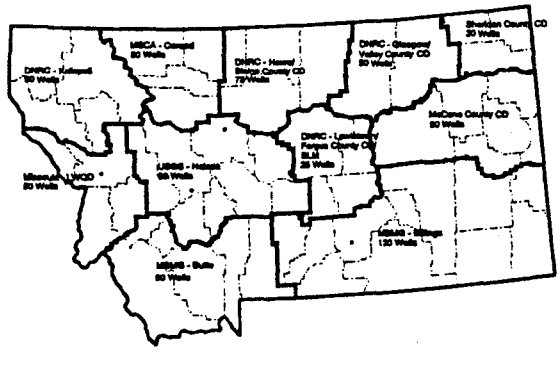
The Montana Ground-Water Monitoring Program is part of the Montana Ground-Water Assessment Act (2-85-901 et seq. MCA), which established a comprehensive approach to evaluate Montana's ground-water resources. The Monitoring Program is administered by the Montana Bureau of Mines and Geology under the guidance of a statewide Steering Committee. The Monitoring Program provides:

** A long-term record of water-quality at different points in Montana. Water-quality data will be collected at about 70 different locations annually.

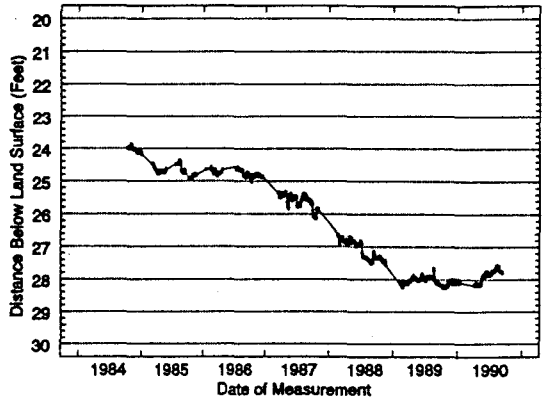
** A long-term record of water levels from a network of about 730 wells which will be measured quarterly.

** Easy access to water-level and water-quality information in the Ground-Water Information Center databases at the Montana Bureau of Mines and Geology.

Local, State, and federal agencies and organizations will be asked to collect water-level information and forward the data to the Bureau. The Bureau will hold the information and make it accessible.



Ground-water monitoring regions.



Water levels at Giant Springs, Montana.

Long-term sampling of wells and springs will be useful in answering questions about water-quality changes in Montana's aquifers.

** Is an aquifer's recharge-zone water quality changing?

** Is land use affecting water quality in shallow aquifers?

Water levels in wells fluctuate in response to changes in air pressure, precipitation events, climatic change, land-use practices, and ground-water use. A long-term record is necessary to accurately determine whether observed water-level changes indicate a trend or a normal fluctuation. Questions that can be answered by collecting water-level information include:

** Are shallow wells failing due to drought?

** Is increased use of ground water causing water-levels to decline?

For More Information: Contact, Montana Bureau of Mines and Geology, West Park Street, Butte, Montana 59701. 406-496-4153

December 1992

EX 8
EDUCATION
SUBCOMMIT
11-18-93

Montana Ground-Water Information Center

The Montana Ground-Water Information Center at the Montana Bureau of Mines and Geology is a central repository for information on the ground-water resources of Montana. The Center receives new ground-water data from driller's logs and from the Monitoring and Characterization programs of the Montana Ground Water Assessment Act. The Ground-Water Information Center contains:

** Results of 9,800 water-quality analyses representing 8,500 locations from different aquifers in Montana.

** Well logs for about 120,000 locations. Total depth, driller's static water level, and yield information are included.

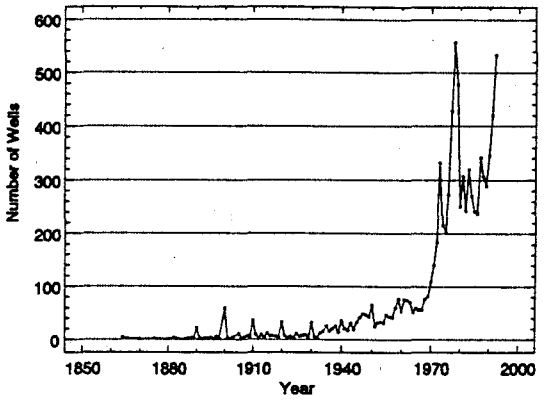
** Descriptions of formation materials for more than 18,000 wells.

** Long-term static, water-level information for 55 wells. This data base is expected to grow rapidly as the Monitoring and Characterization programs produce data.

** Depths to the top of important geologic units for 2,100 wells in eastern Montana.

WELL NO.	LOCATION..	SITE NAME.....	TOTAL DEPTH FEET....	STATIC WATER LEVEL (FT)	YIELD GPM..	YEAR
M:10627	01N 26E 01	THEURER HARRY	98.0	80.00	6.0	1976
M:10629	01N 26E 01	CATTNACH MELVIN	282.0	120.00	10.0	1977
M:10632	01N 26E 01	FERDERER PAT + ERNIE	158.0	68.00	20.0	1978
M:10631	01N 26E 01	NEWMAN DOUGLAS J	162.0	67.00	12.0	1978
M:10630	01N 26E 01	DAVISON DAVID & C	182.0	66.00	12.0	1978
M:10628	01N 26E 01	MCCRUM ROBERT &CATHY	75.0	41.00	25.0	1977
M:10634	01N 26E 01	BROUGH KEN	139.0	38.00	20.0	1979
M:10636	01N 26E 01	NESS DUANE	181.0	47.00	20.0	1979
M:10639	01N 26E 01	BERGER CHRISTOPHER	142.0	76.00	12.0	1977
M:10641	01N 26E 01	GREEN ALLEN	180.0	80.00	15.0	1973
M:10643	01N 26E 01	PENNING DOUG	184.0	95.00	10.0	1974
M:10646	01N 26E 01	WHEELER FRANCIS	100.0	60.00	20.0	1973
M:10648	01N 26E 01	ACHTEN JEFF	185.0	12.0		1981
M:10650	01N 26E 01	BOLLER HATTIE	170.0	116.00	7.0	1963
M:10653	01N 26E 01	KOFFMAN KENNETH	76.0	40.00	30.0	1972
M:10656	01N 26E 01	NAGEL TIM	171.0	48.00	12.0	1980
M:10658	01N 26E 01	RENO ARTHUR & MARY	110.0	35.00	20.0	1978
M:10663	01N 26E 01	ROOKHUIZEN CARL	117.0	29.00	30.0	1984
M:10667	01N 26E 01	SIMS MIKE	116.0	58.00	14.0	1963

Selected water-well data for Township 01N, Range 26E, Yellowstone County, Montana.



Number of water wells drilled in Ravalli County, Montana, 1865-1992.

The databases are designed to provide basic ground-water information useful in describing conditions of ground-water occurrence. Well construction data help provide potential drilling depths, water-level data provides information about aquifer response to climatic or other changes, and water-quality data describe the usefulness of ground water for various purposes. The database can also be used to describe general patterns of ground-water use in different parts of the State.

Information can be obtained from the data system in a variety of formats. Data listings on paper, photocopies of documents, and files on diskette are all routinely provided.

In addition to basic data, the information center offers interpretative services. Hydrogeologists at the Montana Bureau of Mines and Geology are available to make preliminary evaluations of basic data. Questions frequently answered by staff at the Information Center include:

** How deep does the well need to be?

** Are water levels reacting to the drought?

** Can the water be used for stock?

For More Information: Contact Ground-Water Information Center, Montana Bureau of Mines and Geology, West Park Street, Butte, Montana 59701. 406-496-4156

December 1992

MONTANA
GROUND WATER ASSESSMENT STEERING COMMITTEE

STATE OF MONTANA

EX 9
ED + CUL RESOURCES
11-18-93

November 16, 1993

Mr. David Lewis
Director
Office of Budget and Program Planning
Room 237 State Capitol Building
Helena, MT 59620-0802

Dear Mr. Lewis,

The Ground Water Assessment Steering Committee asked me to contact you again concerning the proposal to reduce funding for the Ground Water Assessment Act programs. The Ground Water Assessment Steering Committee strongly opposes any proposal which will result in reduced funding for Montana's Ground Water Assessment effort. On two separate occasions, the Legislature thoroughly examined the Ground Water Assessment Act, its funding mechanism, and its two ground water programs; and moved to provide full funding. This examination included consideration of a similar proposal by the DNRC during the 1992 Special Session to divert Assessment Act funds to offset General Fund reductions. The opinion of the Steering Committee is that diverting any funds from the Ground Water Assessment Account would be inappropriate. Furthermore, the work of the Steering Committee and Montana's Ground Water Assessment programs are seriously compromised if funding is diverted for activities that are unrelated to the Ground Water Assessment Act.

In addition, the Executive Budget Item is misleading in stating, "Though the program was begun in the previous biennium, it is dramatically expanded in FY94." The Ground Water Assessment Act programs were not dramatically expanded but were implemented as specified in the Ground Water Assessment Act and as directed by the Legislature. It is also erroneous to state that the "expenditures in the early part of the year were below the level in the proposed budget." Full funding authority was only recently established according to the Assessment Act (July 1, 1993). Staffing of the programs was scheduled to coincide approximately with the establishment of the budget authority and was part of the advanced planning by the Montana Bureau of Mines and Geology (MBMG) and the Ground Water Assessment Steering Committee. Expenditures increased, as scheduled, when full staffing was achieved in September, 1993.

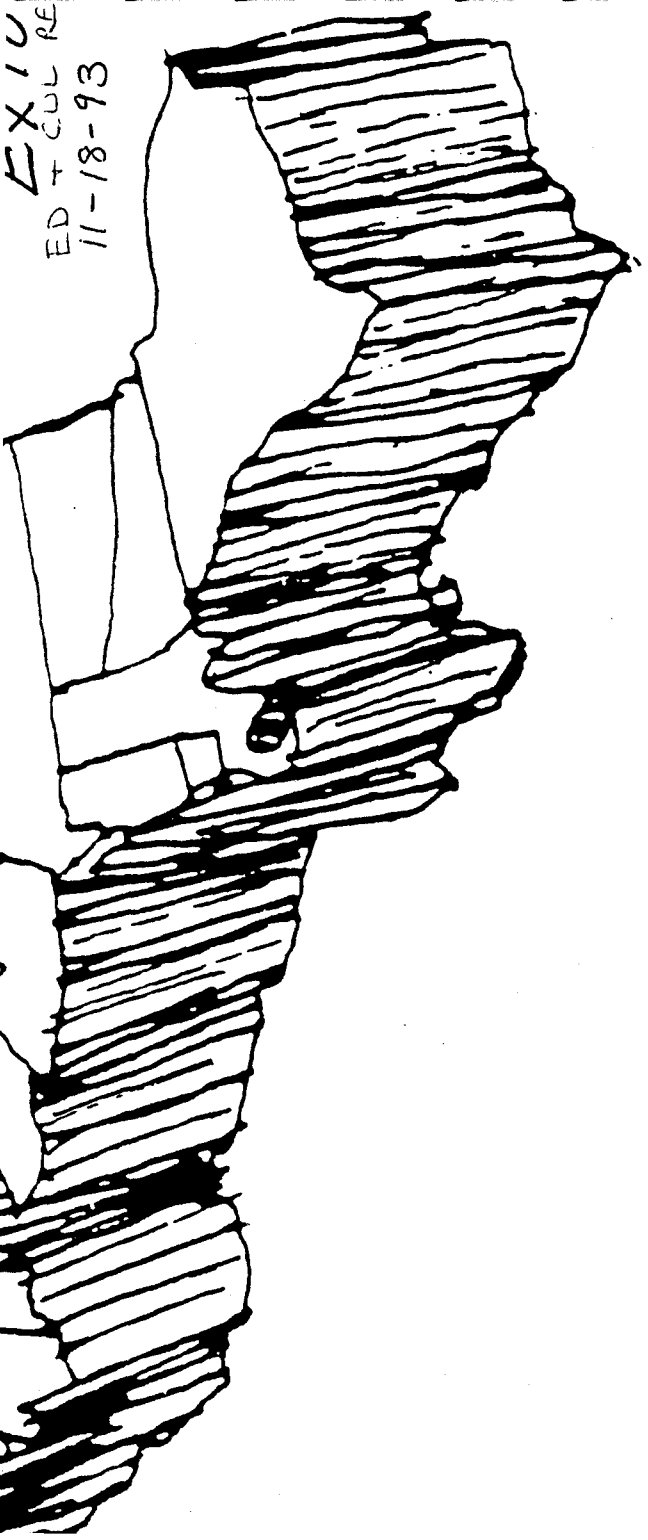
It is disconcerting that this funding issue has arisen again, especially in light of the Legislature's strong support for the Ground Water Assessment Act during two previous sessions, and in light of the fact that the programs are now fully staffed

and operational. I request an opportunity to meet with you to discuss this issue further. Thank you for your time and consideration of this matter.

Sincerely,

James R. Stimson - Chairman
Ground Water Assessment Steering Committee

cc
Senator Thomas Beck, Sponsor, Ground Water Assessment Act
Representative Hal Harper, Chair, Legislative Water Policy Committee
Senator William P. Yellowtail, Chair, Environmental Quality Council
Mr. Glen Marx, Natural Resources Policy Advisor, Governor's Office



STATE HIGHER EDUCATION PROFILES

COMBINED FIFTH AND SIXTH EDITIONS

A Comparison of State Higher Education Data for Fiscal Year 1989 and Fiscal Year 1990

Samuel F. Barbett
Roslyn A. Korb
MacKnight Black
Martha L. Hollins

National Center for Education Statistics
Postsecondary Education Statistics Division
Cross-Sectional Studies Branch

U.S. Department of Education
Richard W. Riley
Secretary

Office of Educational Research and Improvement
Emerson J. Elliott
Acting Assistant Secretary

National Center for Education Statistics
Emerson J. Elliott
Commissioner

National Center for Education Statistics

"The purpose of the Center shall be to collect, analyze, and disseminate statistics and other data related to education in the United States and in other nations."—Section 406(b) of the General Education Provisions Act, as amended (20 U.S.C. 1221e–1).

April 1993

For sale by the U.S. Government Printing Office
Superintendent of Documents, Mail Stop: SSOP, Washington, DC 20402-9328
ISBN 0-16-041742-2

Total, all institutions

Rank	State	Amount	Index
1	District of Columbia	$7.826	81
2	Connecticut	6.006	39
3	Maryland	5.990	39
4	Vermont	5.632	30
5	New York	5.316	23
6	Massachusetts	5.191	20
7	North Carolina	5.045	17
8	Missouri	4.853	12
9	Delaware	4.831	12
10	Pennsylvania	4.711	9
11	Alaska	4.587	6
12	California	4.511	4
13	Tennessee	4.476	4
14	New Jersey	4.444	3
15	Washington	4.336	0
16	Georgia	4.332	0
17	New Hampshire	4.331	0
18	Ohio	4.301	-0
19	Indiana	4.249	-2
20	Iowa	4.243	-2
21	Arkansas	4.171	-3
22	Minnesota	4.163	-4
23	South Carolina	4.159	-4
24	Hawaii	4.122	-5
25	Nebraska	4.098	-5
26	Colorado	4.049	-6
27	Rhode Island	4.043	-6
28	Oregon	4.024	-7
29	Wisconsin	4.020	-7
30	Virginia	4.013	-7
31	Illinois	3.984	-8
32	Wyoming	3.983	-8
33	Texas	3.878	-10
34	Maine	3.876	-10
35	Michigan	3.744	-13
36	Kansas	3.641	-16
37	Idaho	3.636	-16
38	Utah	3.613	-16
39	Kentucky	3.612	-16
40	Florida	3.582	-17
41	New Mexico	3.574	-17
42	Louisiana	3.567	-17
43	North Dakota	3.515	-19
44	Nevada	3.483	-19
45	Mississippi	3.377	-22
46	Oklahoma	3.327	-23
47	Alabama	3.279	-24
48	South Dakota	3.226	-25
49	Arizona	3.180	-26
50	West Virginia	2.876	-33
51	Montana	2.687	-38
	U.S. average	4.321	0

Total public

Rank	State	Amount	Index
1	District of Columbia	$6.880	76
2	Delaware	5.226	34
3	Hawaii	4.831	24
4	Iowa	4.702	20
5	Alaska	4.678	20
6	North Carolina	4.539	16
7	Vermont	4.439	14
8	New York	4.391	12
9	South Carolina	4.390	12
10	Arkansas	4.359	11
11	Washington	4.357	11
12	Ohio	4.314	10
13	Tennessee	4.294	10
14	Indiana	4.262	9
14	New Jersey	4.262	9
16	Maryland	4.241	8
17	California	4.219	8
18	Pennsylvania	4.146	6
19	Minnesota	4.141	6
20	Idaho	4.106	5
21	Wisconsin	4.054	4
22	Virginia	4.015	3
23	Wyoming	3.983	2
24	Oregon	3.951	1
25	Colorado	3.936	1
26	Michigan	3.906	-0
27	Georgia	3.901	-0
28	Kentucky	3.726	-5
29	Maine	3.719	-5
29	Texas	3.719	-5
31	Kansas	3.709	-5
32	Utah	3.668	-6
33	North Dakota	3.574	-9
34	Connecticut	3.567	-9
35	New Mexico	3.560	-9
36	Missouri	3.535	-10
37	Nebraska	3.511	-10
38	Nevada	3.484	-11
39	Mississippi	3.451	-12
40	Rhode Island	3.438	-12
41	New Hampshire	3.366	-14
42	Florida	3.275	-16
43	Alabama	3.264	-17
44	South Dakota	3.262	-17
45	Arizona	3.241	-17
46	Oklahoma	3.196	-18
47	Louisiana	3.134	-20
48	Illinois	3.121	-20
49	Massachusetts	2.993	-23
50	West Virginia	2.907	-26
51	Montana	2.718	-30
	U.S. average	3.910	0

Total private nonprofit

Rank	State	Amount	Index
1	Maryland	$14.754	159
2	Connecticut	9.858	73
3	District of Columbia	7.949	39
4	Missouri	7.860	38
5	Vermont	7.223	27
6	North Carolina	6.826	20
7	Massachusetts	6.720	18
8	Nebraska	6.636	16
9	New York	6.582	15
10	Illinois	6.306	10
11	California	6.253	10
12	Louisiana	6.056	6
13	Georgia	5.955	4
14	Pennsylvania	5.529	-3
15	New Hampshire	5.523	-3
16	New Jersey	5.177	-9
17	Colorado	5.094	-11
18	Texas	5.037	-12
19	Tennessee	5.017	-12
20	Florida	4.992	-13
21	Rhode Island	4.615	-19
22	Oregon	4.446	-22
23	Maine	4.303	-25
24	Ohio	4.256	-25
25	Minnesota	4.234	-26
26	Oklahoma	4.217	-26
27	Washington	4.211	-26
28	Indiana	4.205	-26
29	New Mexico	4.062	-29
30	Virginia	4.002	-30
31	Wisconsin	3.839	-33
32	Alabama	3.399	-40
33	Nevada	3.380	-41
34	South Carolina	3.216	-44
35	Iowa	3.213	-44
36	Alaska	3.170	-44
37	South Dakota	3.067	-46
38	Kansas	3.033	-47
39	Kentucky	3.007	-47
40	Arkansas	2.925	-49
41	Michigan	2.912	-49
42	Delaware	2.887	-49
43	Mississippi	2.686	-53
44	North Dakota	2.675	-53
45	West Virginia	2.656	-53
46	Montana	2.424	-58
47	Idaho	2.170	-62
48	Utah	1.959	-66
49	Arizona	1.874	-67
50	Hawaii	1.293	-77
	Wyoming	0	-100
	U.S. average	5.707	0

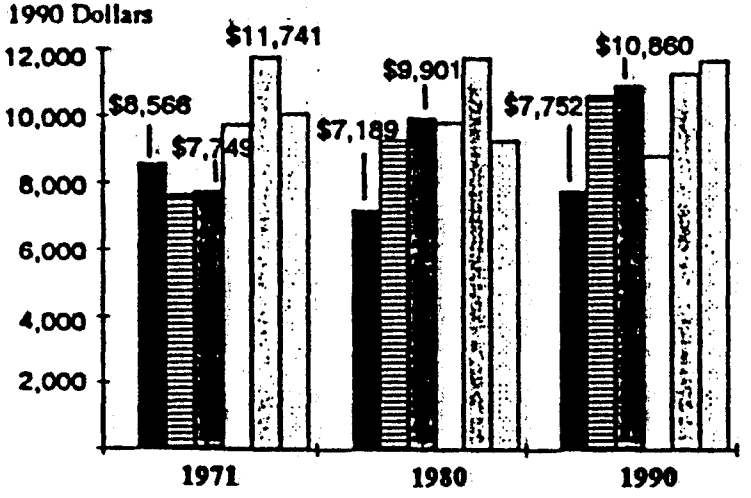
Table C.— Average salary of all full-time faculty on 9-month contracts, by control and level of institution: 1989-90

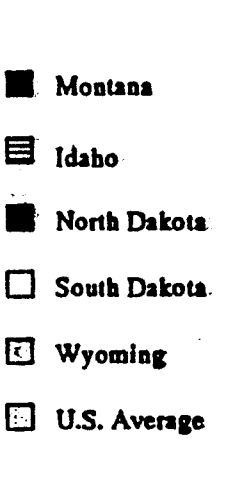
Total, all institutions				Total public				Total private nonprofit			
Rank	State	Amount	Index	Rank	State	Amount	Index	Rank	State	Amount	Index
1	California	$47,702	19	1	California	$48,647	20	1	Massachusetts	$47,453	20
2	Connecticut	47,090	17	2	Connecticut	47,397	17	2	Connecticut	46,737	18
3	Massachusetts	46,110	15	3	New York	46,766	16	3	Rhode Island	45,566	15
4	New Jersey	44,968	12	4	Alaska	45,280	12	4	District of Columbia	45,490	15
5	District of Columbia	44,967	12	5	New Jersey	45,069	12	5	New Jersey	44,729	13
6	Alaska	44,789	12	6	Massachusetts	43,846	9	6	California	43,851	11
7	New York	44,681	11	7	Virginia	43,328	7	7	New York	42,678	8
8	Rhode Island	43,971	10	8	Michigan	42,820	6	8	Illinois	41,446	5
9	Maryland	41,877	4	9	Rhode Island	42,442	5	9	Maryland	41,077	4
10	Michigan	41,270	3	10	Ohio	42,333	5	10	New Hampshire	41,045	4
11	Pennsylvania	41,203	3	11	District of Columbia	42,195	4	11	Colorado	40,380	2
12	Virginia	40,984	2	12	Maryland	42,087	4	12	Pennsylvania	40,376	2
13	Arizona	40,964	2	13	Pennsylvania	41,930	4	13	Louisiana	38,664	-2
14	Delaware	40,682	1	14	Arizona	41,448	3	14	Texas	38,339	-3
15	Illinois	40,540	1	15	Delaware	41,248	2	15	Alaska	37,976	-4
16	Ohio	40,150	0	16	Iowa	41,229	2	16	Indiana	37,874	-4
17	Hawaii	39,917	-1	17	Minnesota	41,204	2	17	Maine	36,828	-7
18	Nevada	39,414	-2	18	Hawaii	40,847	1	18	Delaware	36,537	-7
19	Minnesota	39,376	-2	19	Illinois	40,065	-1	19	Wisconsin	36,133	-8
20	New Hampshire	38,783	-3	20	Nevada	39,483	-2	20	Florida	35,873	-9
21	Wisconsin	38,498	-4	21	Wisconsin	39,016	-3	21	Oklahoma	35,598	-10
22	Colorado	38,450	-4	22	Vermont	38,796	-4	22	Washington	35,097	-11
23	Iowa	38,028	-5	23	North Carolina	38,753	-4	23	Minnesota	34,952	-11
24	Florida	37,975	-5	24	Florida	38,557	-5	24	Ohio	34,794	-12
25	Texas	37,608	-6	25	Colorado	38,216	-5	25	Georgia	34,371	-13
26	Indiana	37,513	-7	26	Texas	37,441	-7	26	Missouri	34,357	-13
27	North Carolina	37,207	-7	27	Indiana	37,357	-8	27	Oregon	34,257	-13
28	Maine	36,794	-8	28	Tennessee	37,160	-8	28	North Carolina	34,050	-14
29	Washington	36,667	-9	29	New Hampshire	37,116	-8	29	Tennessee	33,857	-14
30	Georgia	36,259	-10	30	Washington	37,024	-8	30	Virginia	33,743	-14
31	Tennessee	36,126	-10	31	Georgia	36,898	-9	31	Michigan	33,502	-15
32	Vermont	36,018	-10	32	Maine	36,780	-9	32	Vermont	33,397	-15
33	Missouri	35,625	-11	33	Missouri	36,274	-10	33	Arizona	32,987	-16
34	Nebraska	34,745	-13	34	Kansas	36,013	-11	34	Iowa	32,406	-18
35	New Mexico	34,661	-14	35	Nebraska	35,827	-11	35	Nebraska	31,236	-21
36	Oklahoma	34,491	-14	36	South Carolina	35,312	-13	36	Mississippi	29,510	-25
37	Wyoming	34,438	-14	37	New Mexico	34,913	-14	37	Alabama	29,305	-26
38	Oregon	34,342	-14	38	Wyoming	34,438	-15	38	New Mexico	29,226	-26
39	Kansas	34,185	-15	39	Oregon	34,362	-15	39	Nevada	29,110	-26
40	South Carolina	34,050	-15	40	Oklahoma	34,214	-15	40	South Carolina	29,096	-26
41	Utah	34,003	-15	41	Utah	34,181	-15	41	Arkansas	28,044	-29
42	Alabama	33,308	-17	42	Alabama	34,151	-15	42	Utah	28,003	-29
43	Louisiana	33,275	-17	43	Kentucky	34,018	-16	43	Kentucky	27,895	-29
44	Kentucky	32,687	-19	44	Idaho	33,784	-16	44	West Virginia	26,303	-33
45	Idaho	32,118	-20	45	Arkansas	32,194	-20	45	South Dakota	26,227	-34
46	Arkansas	31,588	-21	46	Louisiana	32,114	-21	46	Hawaii	25,466	-35
47	North Dakota	31,110	-22	47	North Dakota	31,696	-22	47	Montana	25,415	-36
48	Mississippi	30,605	-24	48	South Dakota	31,339	-22	48	Idaho	25,042	-37
49	South Dakota	30,085	-25	49	Mississippi	30,747	-24	49	North Dakota	24,897	-37
50	Montana	29,780	-26	50	West Virginia	30,426	-25	50	Kansas	23,871	-40
51	West Virginia	29,758	-26	51	Montana	30,351	-25		Wyoming	0	-100
	U.S. average	40,129	0		U.S. average	40,408	0		U.S. average	39,458	0

By contrast, the state's per capita funding for higher education did not increase between 1970 and 1990 (Figure 7). Montana's level of spending in 1990 is lower than any of its neighbors and 66 percent below the national average. This results from both a relatively low level of expenditure per capita (78 percent of the national average), and from a relatively high number of students per capita.

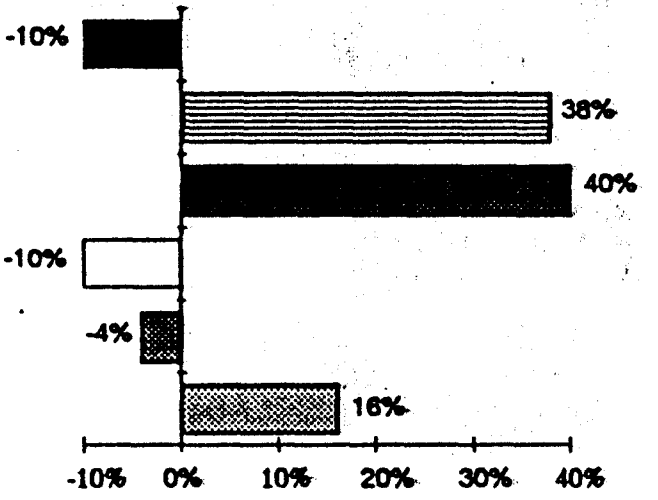
Figure 7

Higher Education in Public Institutions
Current Expenditure Per Full-Time Student





Percentage Change in Expenditures Per Student, 1971-1990



Source: U.S. Department of Education, *Digest of Educational Statistics*, 1992.

Note: Full-time equivalent enrollments for 1971 and 1980 are estimated from data on total enrollment and the ratio of full-time to total enrollment in 1988 and 1989.

e two versions of the bill agreed
ks ago to give $640-million to the

House members, angered that the
es had ignored their position, sent
back to conferees with specific in-
ons to kill the collider.
have spoken," declared Mr. Boeh-
bilantly after the vote. "This project
mmarily be killed."

NED SCIENTISTS

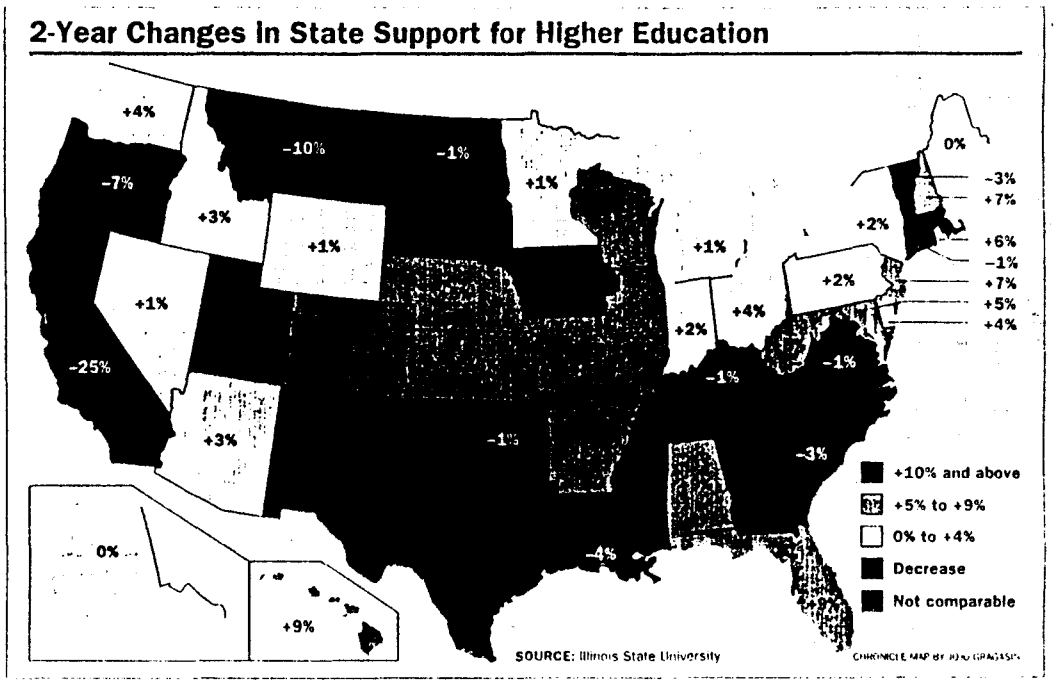
sudden reversal of the collider's for-
stunned scientists at the SSC Labora-
which employs 2,100 people, half of
n moved to the Dallas region in recent
s to participate in the collider's con-
tion.
People here are shocked," said Russ
ie, a spokesman for the laboratory.
e're depressed."
awmakers who fought to keep the colli-
alive were also amazed by their oppo-
nts' overwhelming margin of victory.
ey had assumed that most of their col-
gues would not risk tying up or losing
propriations for bridges, dams, and oth-
water projects in their own Congression-
districts by returning the bill to confer-
es.
Rep. George E. Brown, Jr., a California
Democrat who chairs the House Commit-
ee on Science, Space, and Technology,
called the vote "a serious blow to the fu-
ture of high-energy physics and to the fu-
ture of basic research in the United
States."
"Today is a sad day for science," said
Senator Johnston, a Louisiana Democrat

"How can this country begin another big science project if this successful project is terminated 10 years and $2-billion after its inception?"

who chairs the Senate appropriations sub-
committee that oversees energy and water
programs.
"The House was wrong," he added,
"but they have a right to be wrong. Their
message on deficit reduction and the SSC
was clear and unmistakable."
In terminating the collider, Mr. Johnston
said, the Energy Department should be al-
lowed to make the best use of the facilities
that have already been constructed by con-
verting them to other uses. The project's
opponents agreed, but only after the con-
ferees included language in the bill stipulat-
ing that the collider could not be somehow
revived in the future.

HIGH SHUT-DOWN COST

The cost to shut the collider down could
far exceed the $640-million that Congress
appropriated. Officials at the Energy De-
partment, which so far had spent $1.7-bil-
lion on the collider's construction, estimat-
ed that terminating the project would cost
about $1-billion.
Rep. Joe Barton, Republican of Texas,



CRAWLING TOWARD RECOVERY

State Support for Public Colleges Up 2% This Year

By Kit Lively

PUBLIC HIGHER EDUCATION appears to be crawling toward a recovery: States are providing their colleges and student-aid programs with 2 per cent more money in 1993-94 than they did two years ago.

In dollars, this year's increase is the highest this decade, according to the Center for Higher Education at Illinois State University, which compiles the figures each year. But the growth rate is much smaller than in the 1980's, when two-year increases often exceeded 10 per cent. Also, concealed within this year's overall gain are states that are still struggling with budget cuts.

State appropriations for higher education in 1993-94 reached almost $40.8-billion, passing the previous high of $40.1-billion for 1991-92.

CHANGES OVER 2 YEARS

This year's total is about $1.3 billion higher than last year's, when state dollars dropped for the first time on record.

The study, which has been conducted for 35 years, calculates percentage changes over two-year periods to avoid over-emphasizing the effect of single-year budget or political crises.

The figures include state tax dollars only. They do not count revenues from tuition, lotteries, local governments, or other sources.

Thirty-six states gave higher education more money for 1993-94 than two years ago, with the increases reaching double digits in nine states. But public colleges in 11 states are receiving less state money this year than two years ago. The biggest drops were in California and Montana, where appropriations have slid 25 and 10 per cent, respectively, since 1991-92.

California's large drop skewed the national data. Its 1993-94 higher-education appropriation is $4.4 billion, about 11 per cent of the national total. If California were removed from the national total, the two-year gain for the country would exceed 6 per cent – about the two-year rate of inflation.

Edward R. Hines, the Illinois State higher-education professor who compiled the figures, doesn't expect this year's gain to restore fat course catalogues or to end political pressure for accountability.

"One of the things higher education is trying to do is shift priorities to the basics—areas involving basic courses that students must take to graduate on time," he said. Electives and courses with low enrollments will continue to be scrutinized, Mr. Hines said.

When the 1993-94 figures are adjusted for inflation, colleges in 29 states have less buying power than two years ago, while those in four others have no increase.

In states where increases were substantial, the extra money will probably provide long-awaited salary raises, equipment purchases, maintenance, and expanded course offerings. Where gains were small, colleges may still face budget cuts.

The biggest increases were in Georgia and Tennessee, each of which appropriated 18 per cent more this year than for 1991-92.

GROWTH IN TENNESSEE

An improving economy made Tennessee's big boost possible. Much of the added money will pay for enrollment increases and salary raises. The growth in enrollment has been sharpest at community colleges—55 per cent over the last five years—compared with 16 per cent at regional universities and 5 per cent at the University of Tennessee.

The 18-per-cent increase will help restore losses from the late 1980's, when the recession hit Tennessee, said Arliss L. Roaden, executive director of the Tennessee Higher Education Commission.

The biggest loser was California, where crushing economic problems have forced deep state budget cuts in the last two years. Among its three higher education systems, the California State University system has been the hardest hit, because it gets the biggest portion of its funds from the state.

The system has offered early retirement, raised its tuition, and cut its course offerings. As a result, classes are bigger and students often have a hard time getting the ones they need, said

"How are we going to get to be nationally eminent if we face a situation that calls for continuous restructuring, re-engineering, and downsizing?"

Continued on Page A32

Ex 11
ED + CUL RESOURCE
11-18-93

MONTANA UNIVERSITY SYSTEM
COMPARATIVE SCHEDULES OF PROGRAM EXPENDITURES
CURRENT UNRESTRICTED OPERATING FUNDS
FISCAL YEAR 1993-94

Program	Actual 1992-93	Budgeted 1993-94	Dollar Increase/ (Decrease)	Percent Increase/ (Decrease)
Instruction	$81,605,674	$83,459,523	$1,853,849	2%
Research	11,266,171	11,173,549	(92,622)	-1%
Public Service	5,650,318	5,606,698	(43,620)	-1%
Academic Support	16,789,726	16,468,338	(321,388)	-2%
Student Services	13,821,855	12,703,152	(1,118,703)	-8%
Institutional Support	14,962,790	13,925,236	(1,037,554)	-7%
Plant Maintenance	18,650,589	18,882,016	231,427	1%
Scholarships and Fellowships	4,852,638	5,510,334	657,696	14%
Other	7,482,425	8,539,181	1,056,756	14%
TOTAL SYSTEM	$175,082,186	$176,268,027	$1,185,841	1%

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

Ed & Cultural Res SUBCOMMITTEE DATE 11-18-93

DEPARTMENT(S) _____ DIVISION _____

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NAME	REPRESENTING	
Ernie Jean	MT Superintendents Flowener - Schools	
Bob Odermann	Butte Schools	
Norma Bixby	MACIE/N.C. Tribe	
Bob Anderson	MSBA	
Conrad Stroebe	Billings School Dist. #2	
Don Waldron	DLREA Missoula	
Mary Vagner	Msla. Co. High Schls	
Bruce Moyer	"	
Lynda Brannon	MASBO / Indian Impact Schools	
[illegible]	S Asst.	
[illegible]	MEA	
[illegible]	M.F.F.	
[illegible]		
[illegible]	AFSCME	
[illegible]	GFPS	
Sheri Uniack		
[illegible]	MFT	

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HOUSE OF REPRESENTATIVES
VISITOR REGISTER

Education & Cultural Resource SUBCOMMITTEE DATE 11-18-93

DEPARTMENT(S) University System DIVISION

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NAME	REPRESENTING	
FRAN BUELL, GILDFORD MT	MONT. 4-H VOLUNTEERS & LEADERS	
Marvin Miller	MT Tech - MT Bur of Mines & Geol	
Andrea Pagenkopf	MSU Extension	
Laurie Nill	CHE	
Norma Bixby	MACIE/N. C Tribe	
Richard Nisbet	City of Helena - League of Cities	
Tim Nelson	House Dist. 95	
Alan Nicholson	Self	
Jim Thomas	GWAEC (GW Committee)	

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