

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 54th LEGISLATURE - REGULAR SESSION**

#### **JOINT SUBCOMMITTEE ON EDUCATION & CULTURAL RESOURCES**

**Call to Order:** By Chairman Royal C. Johnson, on January 30,  
1995, at 8:00 AM

#### **ROLL CALL**

##### **Members Present:**

Rep. Royal C. Johnson, Chairman (R)  
Sen. Daryl Toews, Vice Chairman (R)  
Rep. Don Holland (R)  
Sen. Greg Jergeson (D)  
Rep. Mike Kadas (D)  
Sen. Arnie A. Mohl (R)

**Members Excused:** None

**Members Absent:** None

**Staff Present:** Sandy Whitney, Legislative Fiscal Analyst  
Amy Carlson, Office of Budget & Program Planning  
Curtis Nichols, Office of Budget & Program  
Planning  
Paula Clawson, Committee Secretary

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

##### **Committee Business Summary:**

Hearing: Dawson Community College;  
Miles City Community College;  
Flathead Valley Community College  
Executive Action: None

#### **HEARING ON COMMUNITY COLLEGES: GENERAL**

*{Tape: 1; Side: A; Approx. Counter: 60}*

**Jeff Baker, Commissioner of Higher Education,** reported that the Board of Regents and community colleges had spent the past six months in discussion about merging community colleges with the Montana University System. On January 26, 1995, the Board of Regents voted to accept a merger agreement with the community colleges. **EXHIBIT 1**

**Rod Sundsted, Associate Commissioner of Higher Education for Fiscal Affairs,** explained the historical method for setting the

community colleges budgets. **EXHIBIT 2** This session a different approach has been used to calculate the budget for enrollment increases. An incremental amount of \$2,100 per additional student was added to the fiscal 1994 base expenditures (base expenditures totalled \$4,163 per student for the total number of students in fiscal 1994). The additional students were not budgeted at the \$4,163 full cost of education (COE) because students added at the margin are not as costly.

**CHAIRMAN ROYAL JOHNSON** asked what the dollar difference in the state share is between the original FY95 budget at 49.0% and the revised budget at 48.1%. **Mr. Sundsted** said it is about \$35,000 less.

**CHAIRMAN JOHNSON** asked if the state support of community colleges FTE is at the same rate as the four-year institutions. **Mr. Sundsted** said community colleges have less support because the four-year institutions' COE is approximately \$5,500, while the community colleges' COE is around \$4,100.

#### HEARING ON DAWSON COMMUNITY COLLEGE

*{Tape: 1; Side: A; Approx. Counter: 350}*

**Donald Kettner, President, Dawson Community College**, told the subcommittee that Dawson Community College (DCC) provides the "best bang for the buck" in higher education in Montana. **Mr. Kettner** reported that DCC has used the same FTE formula since 1981. This formula was meant to have state support at approximately 65%, but it has always been implemented at 49% - 53%. **EXHIBIT 3**

DCC has moved from being a school considered to be "Glendive's community college" to being an area-wide community college. In 1987, 24% of the students were out-of-district; in 1995, 54% of students were out-of-district. DCC offers courses through its fiber optics network in 13 communities. The law enforcement and agriculture programs attract the most out-of-district students. **EXHIBIT 4**

*{Tape: 1; Side: B}*

**Mr. Kettner** declared it is "unfair" to impose the 44 mill levy (which is 33%) on the DCC district taxpayers when such a large percentage of DCC students are out-of-district. **Mr. Kettner** finds the discrepancy between the actual FTE's and the funded FTE's "appalling." In the past six years actual FTE has increased 22% while there has been no increase in FTE funding. The last time FTE funding did increase, DCC was not given a pay plan increase. **Mr. Kettner** said, "It is imperative that we be funded at actual two year average of FTE." It would be "discriminatory" to fund increases at a cost per student less

than the Governor's recommendation. DCC should be funded at the same level as four-year institutions because community colleges serve different purposes than the four-year programs.

In-district tuition is 30% of COE, out-of-district tuition is 50% COE and out-of-state tuition is 100% COE. To meet its annual budget, DCC has exhausted its reserve account, increased tuition and used student fees to help fund deferred maintenance. It is anticipated that DCC will be 9% below budget in FY96. This "hole" in the budget would require DCC to close down programs and lay-off staff. Also, the community colleges have not been included in the pay plan since 1990. To solve this budget problem, DCC is asking the state to: 1) allocate a fair funding amount per FTE; 2) recognize DCC's actual FTE; 3) increase the state share to 53% - 65% as has been recommended in three different studies.

**Mr. Kettner** told the subcommittee that community colleges want to address the growth in demand for their programs, but can only do so with additional state support. He asked the subcommittee to not "overlook" rural areas and give community colleges the same respect and credibility that this subcommittee has always given.

*{Tape: 1; Side: B; Approx. Counter: 655}*

**SEN. GREG JERGESON** asked how many mills are dedicated to debt service. **Mr. Kettner** answered 38 mills for operation; 1 mill for adult education; 5 mills for debt service.

**SEN. JERGESON** asked what the comparison is between DCC tuition and four-year institutions tuition and between faculty salaries. **Paul Fasting, Dawson Community College**, said DCC is exactly one year behind for in-state resident tuition. **Mr. Kettner** said staff salaries on average are less than at four-year institutions, probably because they do not have many Ph.D.'s on staff.

**SEN. JERGESON** asked why tuition is only 17% of total budget. **Mr. Fasting** explained that fee waivers are disproportionately large at schools as small as DCC. Fee waivers are used in the athletic programs as well as academics. Students with fee waivers are counted as FTE but not counted in tuition dollars generated.

**SEN. ARNIE MOHL** asked why Richey (a Dawson County town) isn't included in the DCC district. **Mr. Kettner** explained that DCC was originally established by High School District 1, which does not include Richey, and subsequent efforts to annex Richey into the DCC district have not been successful.

*{Tape: 1; Side: B; Approx. Counter: 970; Comments: Continue on Tape 2, Side A}*

**SEN. DARYL TOEWS** asked why the legislature should be obligated to fund DCC at a certain percentage level rather than just a straight dollar amount. **Mr. Kettner** answered that more than 50%

of DCC students are out-of-district and if they didn't attend DCC they would attend other state institutions that are funded on a percentage basis.

**SEN. TOEWS** asked if DCC was created by the legislature or if it was created by the school district which then approached the state for funding. **Mr. Kettner** explained that community colleges were authorized by the legislature in 1939 as an extension of high school to the 13th and 14th grades. At this time funding was based on the average number belonging (ANB) to high school districts.

**SEN. ARNIE MOHL** asked if money generated from athletics goes back to the general fund or stays with the school. **Mr. Kettner** answered the money goes into DCC's general fund budget.

**CHAIRMAN JOHNSON** asked how DCC feels about merging into the Montana University System. **Mr. Kettner** said that the merger would make DCC a stronger participant in the higher education system of Montana. Community colleges are treated as "step children" and don't have much political clout on their own. The only concern about merging is with funding. DCC is waiting to see what unfolds with funding of the system in the second year of the biennium.

#### HEARING ON MILES COMMUNITY COLLEGE

*{Tape: 2; Side: A; Approx. Counter: 310}*

**Judson H. Flower, President, Miles Community College**, provided an overview of Miles Community College (MCC) and its funding history. **EXHIBIT 5**

The only year the pay plan was incorporated for MCC was in the 1985 biennium, and it was offset by other cuts. When budget cuts are taken, MCC takes the same percentage cuts as four-year institutions, but does not have the pay plan as a cushion. The cuts from the last special session were all taken in the second year of the biennium, which was in part an effort by the legislature to adjust for MCC's lack of pay plan.

MCC has far more students than it is funded for, which means there are fewer state dollars per student than the legislature intended. In 1985/86 the legislature cut off support of Indian campus enrollment through MCC. This cut funding by about 25% and created program and staff cuts. In 1992/93 approximately 25% of enrollment was not funded by the state because the enrollment projections had been based on the average of the two previous years but actual enrollment was 120 students over the projection.

{Tape: 2;; Side: B}

MCC in-district tuition is low because the in-district tax base is high. Prior to 1991 any additional funds taken in tuition were carried over to reduce the next year's tax base, so there was no incentive to increase tuition. In 1991 the law changed so excess tuition was added to the budget, which has served to reduce the state share percentage from 47% in 1991 to 42.6% in 1994. Since 1992 the mandatory levy has been at a flat rate because of Initiative-105 (I-105). MCC is not asking that I-105 be lifted unless the state share increases because I-105 is the only protection the tax payers have from increasing levies. MCC has no debt service. Other than the 1 mill for adult education, all mills go to operations. There are some student fees in certain technical areas because there is no other source of funding, but, in general, there are no student fees beyond tuition. The nursing program is the most expensive at MCC.

If MCC were still being funded on the ANB, funding would have been \$4,610 per FTE rather than the \$4,163 FTE currently budgeted. **Mr. Flower** asked that the subcommittee fund MCC at least at the level of the ANB. Other funding methods the subcommittee might consider are 53% state share or 49% state share for the average FTE from the past two years.

MCC's FTE has decreased in recent years, due mostly to the increase in out-of-district and out-of-state tuition costs. These increases are about equivalent to what these students would pay to go to the four-year institutions. The decrease is also attributed to the current housing shortage in Miles City. In 1994, 35 students were not able to enroll at MCC because they could not find housing.

**Mr. Flower** commented that the proposed merger with the Montana University System would be good for MCC. Most importantly the merger will decrease the tax burden on the district. Other positive results will be bringing MCC into the pay plan on a regular basis; increased political clout with the legislature; and the "enhancement of image" the students will have receiving degrees from the Montana University System.

{Tape: 3; Side: A; Approx. Counter: 12}

**SEN. JERGESON** asked what percentage of COE is paid from tuition. **Mr. Flower** said in-district tuition is not based on COE, but rather on what the Trustees feel the students can pay. Out-of-district is 50% COE and out-of-state is 100% COE.

**SEN. JERGESON** asked how many MCC students are in-district. **Frank Williams, Miles Community College**, reported the breakdown is 55% in-district; 40% out-of-district; 5% out-of-state.

**SEN. JERGESON** asked to be provided with a breakdown for all of the community colleges showing what tuition revenue is with fee

waivers versus revenue without fee waivers. **Mr. Flower** commented that MCC has fee waivers in both athletics and academics. Because enrollment is small, these fee waivers are disproportionate when compared with larger schools.

**SEN. MOHL** asked what the maximum student capacity is at MCC. **Mr. Flower** answered that the current enrollment of 625 is about all the school can accommodate. The state doesn't participate in funding of buildings, so MCC does not have a solid financial base for adding more class room space. Additional class room space is important as MCC continues its expansion into telecommunications, but at this time there are no plans for additional space.

**SEN. MOHL** asked how many MCC graduates stay in state. **Mr. Flower** answered basically 100%.

**REP. DON HOLLAND** asked the ratio of traditional to non-traditional students. **Mr. Flower** said that through the 1980's there was a surge in non-traditional students, particularly in the nursing program. In the past five years the trend has gone back to traditional students; approximately 75% are traditional. The nursing program still maintains about 80% non-traditional.

**SEN. KADAS** requested that MCC and the other community colleges provide a comparison of their FTE funding with the colleges of technologies. He and **SEN. TOEWS** suggest that this is a more viable comparison than to compare with high school ANB.

**CHAIRMAN JOHNSON** asked if MCC exercises enrollment limits. **Mr. Flower** answered that there are no caps, but MCC has scaled back on its "recruiting" now that it has 625 students.

*{Tape: 3; Side: A; Approx. Counter: 760}*

**Mr. Kettner**, in response to an early question from the subcommittee, reported that at DCC tuition accounts for 66% of total cash revenues and 34% of tuition is fee waivers.

#### HEARING ON FLATHEAD VALLEY COMMUNITY COLLEGE

*{Tape: 3; Side: A; Approx. Counter: 860; Comments: Continue on Tape 3; Side B}*

**David Beyer**, President, Flathead Valley Community College, presented an overview of issues facing community colleges nationwide as well as Flathead Valley Community College (FVCC).  
**EXHIBIT 6**

**Mr. Beyer** said that the driving force for today's student is not just getting a degree but is job preparation. It is predicted that 90% of new jobs in the next ten years will need some degree of technical expertise. These needs of the job market are contributing to the growing respect for community colleges.

Community colleges are focused on teaching, rather than research or outreach. In Montana 8% of post-secondary students attend community colleges, but only 2% of the state's higher education funding supports the community colleges. The COE at four-year institutions are, on average, \$1,500 more than COE at community colleges. The national average for two-year enrollment is 36%, while Montana's two year enrollment is 7.9%. If Montana's two-year enrollment were more in line with the national average, it would have saved the state approximately \$11 million since 1990.

Montana needs to reduced the funding gap between four-year and two-year institutions. FVCC is asking the subcommittee for: 1) full funding for actual FTE; 2) a larger state share; and 3) increase in funding.

**SEN. JERGESON** asked if debt service was included in the 42% of local funding and from where that local funding is generated.

**Mr. Beyer** said the debt service isn't included in this figure and 18% is local mill levy. The other locally generated funds are grants and contracts generated from the faculty that would not have otherwise come to the school.

**SEN. TOEWS** asked if any of FVCC's 21 administrators also teach.

**Mr. Beyer** answered that some do teach, and some of the administrators are funded through federal programs.

**CHAIRMAN JOHNSON** asked how FVCC feels about merging with the Montana University System. **Mr. Beyer** responded that the FVCC Board of Trustees has worked very hard and feel this is the best option for the school. A unified system of education in the state is important as well as lowering taxes on the district and having a more stable assurance of state funding. There is some concern that the "focus" of FVCC could be changed in the merger, but it is not a major issue.

**CHAIRMAN JOHNSON** commented that the merger talk seems to focus mostly on the savings to district tax payers, without much concern for the needs of the students. Also state funding may not be a better source of revenue than the district funding. **Mr. Beyer** agreed that the needs of the students are not emphasized in media reports on the merger, but student needs are a very important part of the considerations. It is important to keep some local support of FVCC, but the merger should bring a better balance with state support.

**CHAIRMAN JOHNSON** asked if any funds from the property tax increase in Flathead County came to FVCC. **Thomas Hardy, FVCC Trustee**, answered that the property tax increase took FVCC out from under the I-105 cap. Since 1986 FVCC has run \$250,000 short in its local budget because of the I-105 cap. With the property tax increase FVCC has for the first time been able to fully fund the budget set by the legislature.

{Tape: 4; Side: A}

**CHAIRMAN JOHNSON** invited **Mr. Hardy** to make additional comments to the subcommittee if he wished. **Mr. Hardy** told the subcommittee that community college education is a "fantastic buy" for the taxpayer. Taxpayers support about 75% of higher education costs in Montana; at a two-year institution students are getting out into the work force to become taxpayers much more quickly than at four-year institutions. Community colleges offer education in certificate and associate degree programs that make people employable in Montana. Montana just doesn't have the job base for many Masters Degree or Ph.D. graduates. **Mr. Hardy** is a "strong advocate" for a locally elected Board of Trustees as decision makers for the community colleges.

80% or more of FVCC students receive some financial aid. Each time tuition increases some of these students can no longer afford to continue their education. FVCC has no athletics and has about 13% fee waivers in academics.

**SEN. TOEWS** asked how many FVCC students would chose to go to a four-year institution if FVCC tuition became more expensive than four-year tuition. **Mr. Hardy** said that because many of FVCC students live at home, he did not believe many would leave despite that type of tuition increase.

**REP. KADAS** asked what the dollar amount and terms of FVCC's debt service were and what amount of that debt service would be assumed by the state if a merger takes place. **Larry Rasmussen, Flathead Valley Community College**, said 2.87 mills are used for the debt service of \$6.5 million. The debt is paid at \$600,000 per year and has 15 years still to pay. \$200,000 of these payments are subsidized from FVCC tuition, \$350,000 from the district mill. If merged with the Montana University System, the state will take over the entire debt service.

**REP. KADAS** asked Dawson Community College for the same information about their debt service. **Mr. Kettner** said DCC owes \$562,000 which is paid at \$70,000 per year. The state will not be asked to assume the dorm payment, so \$280,000 would be the total state obligation under a merger.

**REP. KADAS** asked why the state, under a merger, should take over the debt service of FVCC rather than just operational costs. **Mr. Hardy** responded that the state pays for buildings in all other units of the Montana University System. Flathead district taxpayers money goes to these buildings as well as the FVCC buildings. **Mr. Rasmussen** commented that FVCC students are paying a \$12/credit hour fee to pay for buildings. Students in the Montana University System do not have to pay these types of fees.

**Amy Carlson, Office of Budget & Program Planning (OBPP)**, said that OBPP developed the merger budget with the understanding that the state would take the \$350,000 of debt service paid by the



district mill. The budget does not allow for the \$250,000 debt service payment from tuition.

**CHAIRMAN JOHNSON** asked what understanding FVCC and the Commissioner of Higher Education Office had about the debt service payment. **Mr. Rasmussen** said FVCC understood the merger would take over the entire debt service of \$600,000. **Mr. Sundsted** said the Commissioner of Higher Education Office understood that the merger would take over the district mill levy of \$350,000.

**REP. KADAS** asked what funding formula OBPP would use for the community colleges if the merger is accomplished. **Ms. Carlson** said it would be the same formula used for all units of the Montana University System and would be included in the lump sum funding.

*{Tape: 3; Side: B; Approx. Counter: 901; Comments: Continue on Tape 4; Side B}*

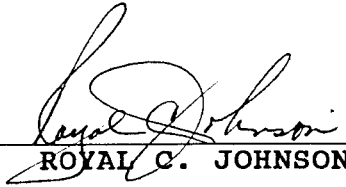
**REP. KADAS** asked what methodology the Commissioner of Higher Education Office would use with lump sum funding for community colleges. **Mr. Baker** said they would use the same methodology for community colleges as they use for all of the units and this would become effective for 1997. 1996 would remain with the traditional funding method for community colleges. Funds will be shifted from other units if it is necessary to insure equitable funding for the community colleges under the cost-of-education methodology.

**SEN. JERGESON** asked if the state assumption of the debt service obligation would require the 2/3 legislative vote needed for the state to assume general bond obligations. **Mr. Sundsted** answered that a similar debt obligation scenario was accomplished when the vocational-technical colleges came into the Montana University System. These obligations were assumed through a contract with the schools for reimbursement of the debt service and did not require the 2/3 legislative vote.

**CHAIRMAN JOHNSON** asked **Mr. Hardy** if, in his personal opinion, the loss of the local Board of Trustees will be detrimental. **Mr. Hardy** responded that he personally felt that would be a big detriment. Locally elected officials as the decision making body for the community college have a different commitment to the process than a state appointed advisory body.

ADJOURNMENT

**Adjournment:** This meeting adjourned at 12:15 PM.

  
\_\_\_\_\_  
ROYAL C. JOHNSON, CHAIRMAN

  
\_\_\_\_\_  
PAULA CLAWSON, SECRETARY

RJC/pc

[THIS MEETING WAS RECORDED ON FOUR 60-MINUTE TAPES]

## EDUCATION

### Joint Appropriations Subcommittee

ROLL CALL

DATE 1/30/95

NAME	PRESENT	ABSENT	EXCUSED
Rep. Royal Johnson, Chairman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Mike Kadas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Don Holland	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Daryl Toews	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Greg Jergeson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Arnie Mohl	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



**MONTANA UNIVERSITY SYSTEM**  
**OFFICE OF COMMISSIONER OF HIGHER EDUCATION**

EXHIBIT 1  
DATE 1/20/95  
SB \_\_\_\_\_

2500 BROADWAY • PO BOX 203101 • HELENA, MONTANA 59620-3101 • (406)444-6570 • FAX (406)444-1469

**ACTION TAKEN BY BOARD OF REGENTS DURING JANUARY 26, 1995  
CONFERENCE CALL MEETING:**

**MOTION 1:** Regent Pat Davison moved that the Board of Regents not accept the community college merger agreement and instead continue to encourage the development of articulation agreements with the community colleges and support continued, fair funding.

**MOTION 1** failed by a vote of 5 to 2.

**MOTION 2:** Regent Cordell Johnson moved that the Board of Regents support the merger of the three community colleges into the university system and accept the three-page community college merger agreement dated January 20, 1995, and the accompanying legislation.

**MOTION 2** passed by a vote of 5 to 2.

# **Community College Merger**

## **January 20, 1995**

---

### **Community College Mission**

The Board of Regents intends that Flathead Valley Community College (including the Libby campus), Miles City Community College, and Dawson Community College retain in whole the special characteristics that make them community colleges. A community college refers to a two-year institution whose primary mission is to provide credit courses that are generally transferable and that may lead to associate degrees or certificates. A community college also provides noncredit instruction for personal enrichment or community service. The potential for mission drift is a concern, but a strong commitment to the community college mission is to be maintained. The colleges will continue to operate in accord with the mission statements approved for them by their accrediting agencies.

### **Institutional Names**

Flathead Valley Community College will become "Flathead Community College of The University of Montana"; Miles Community College will become "Montana State University—Miles Community College"; and Dawson Community College will become "Montana State University—Dawson Community College."

### **Campus Executive Officer Titles**

The president at each community college will assume the title of "Campus Executive Officer." Other position titles will be evaluated in the context of consistency within the Montana University System.

### **Campus Endowments and Fundraising**

Endowment and fundraising activities will remain integral components of each campus. Endowments, bequests, and foundation monies now and hereafter in possession of the foundations—including athletic booster fundraising—will be retained as part of each community college and will be used in accordance with a campus' governing policies. Nothing will be done to modify or negate any trust or endowment created for the benefit of the community college or its students. The intent is to maintain the integrity of local control with respect to all endowment and fundraising activities.

### **Governance**

Community colleges are to be fully integrated into the Montana University System and subject to

Board of Regents management within the same context as other comparable units of the system. The University President, after consultation with the community college executive officer, shall appoint local advisory boards for the community colleges in Kalispell, Glendive, and Miles City. The appointments would also have to be approved by the Regents. A local advisory board shall be comprised of seven residents from the general area served by a community college, of which no less than four would have to be from the county in which the college is headquartered. In the case of the community college at Kalispell, at least one member shall be from Lincoln County. The Regents shall provide a local advisory board the opportunity for review prior to the Regents' adoption of a final budget for a community college, the approval of an educational program for a community college, or the appointment of a chief executive officer for a community college. Any member of a community college board of trustees as of June 30, 1996, shall serve as a member of a local advisory board until the date on which his or her term as trustee would have ended, notwithstanding the above limitation to five members. As the trustees' terms end, the President shall begin appointments as necessary to maintain membership at seven. The Regents intend to work with the local advisory boards to streamline the approval process for training programs and courses that respond to business and industry needs within the service areas.

### **Existing Community College Employees**

A person employed by a community college on June 30, 1996, becomes an employee of the Board of Regents on July 1, 1996, unless the employee has been informed by the community college that June 30, 1996, will be his or her last day of employment. The intent is that only the policies and management in place prior to July 1, 1996, will govern the conduct of employee/employer relations. Further, the community college—not the Board of Regents—makes personnel decisions prior to July 1, 1996.

The change of employer shall not result in a loss of accrued employee benefits, nor shall employees be deemed to have a break in service for purposes of benefit accrual. Employees newly eligible for the university system's optional retirement system shall have 90 days from the effective date of the legislation (expected to be July 1, 1996) to elect participation as specified in the act.

Collective bargaining units of community college employees in existence on June 30, 1996, shall continue to exist beyond the effective date of the legislation until modified or terminated by procedures consistent with the public employees collective bargaining act. A collective bargaining agreement in effect on July 1, 1996, shall be honored until the earlier of either its date of expiration or until June 30, 1997. The process of collaborative negotiations is the preferred means to discuss and resolve future labor/management issues, including matters of faculty rank and tenure.

### **Local Tax Levies**

The local mandatory levy, which now provides the lion's share of local funding for the colleges would be eliminated and replaced with state funding. Otherwise, with the exceptions noted in the following paragraphs, local tax levies will be consistent with other communities in which units of the

Montana University System are located. In allocating general fund and six-mill dollars, the Board of Regents will employ the same methodology used for all units of the Montana University System.

The board of county commissioners of each county that encompasses in whole or in part a community college district or service region in existence on June 30, 1996, shall levy a tax in each calendar year of 1½ mills on the dollar of all taxable property, real and personal, within the county to raise the amount appropriated by the legislature for the support and maintenance of community college education within the former community college districts or service regions. The tax is to be effective for property tax years beginning on or after January 1, 1996. The intent of this section is that the county commissioners shall levy the tax for fiscal year 1996 operation of the Montana University System campuses located within the counties that contained a community college district or service region prior to July 1, 1996.

Upon the request of the of Regents or by their own motion, the county commissioners of any county that constituted all or part of the community college district or service region as of June 30, 1996, shall place before the voters in that county a mill levy that if approved will be used to reduce, pro rata, the tuition and fees of residents of that county for attendance at the Montana University System campus located within the former community college district or service region. The total amount of tuition and fees reduced thereby shall not exceed the aggregate amount raised by such levy.

As outlined in the proposed legislation, the Regents may authorize the levy of a tax of not more than one mill for the operation of an adult education program when the superintendent of public instruction has approved the educational program to be supported by the levy.

### **Transfer of Community College Property to the Board of Regents**

All real and personal property of each community college in existence on June 30, 1996, is under the ownership, control, and supervision of the Board of Regents, which shall assume full responsibility for any community college real property, bond, and other indebtedness outstanding as of the act's effective date. Should the Regents at any time prior to June 30, 2026, cease to provide community college educational services within a former community college district, the real property transferred shall revert back to the county in which the property is located. This date was chosen because it is a rough estimate of the usable life of existing campus facilities built from non-state revenues. Some of the colleges presently have facilities which are used extensively by local residents. The merger would not in any way hamper a continuation of these practices.

### **Effective Date**

The proposed implementation date is July 1, 1996.

01/20/95 lhs

An act to merge the community colleges into the Montana university system.

**Section 1.** Section 17-7-102, MCA, is amended to read:

**"17-7-102. Definitions.** As used in this chapter, the following definitions apply:

(1) "Additional services" means different services or more of the same services.

(2) "Agency" means each state office, department, division, board, commission, council, committee, institution, university system unit, or other entity or instrumentality of the executive branch, office of the judicial branch, or office of the legislative branch of state government, except for purposes of capital projects administered by the department of administration, for which institutions are treated as one department and university system units as one system.

(3) "Approved long-range building program budget amendment" means approval by the budget director of a request submitted through the architecture and engineering division of the department of administration to transfer excess funds appropriated to a capital project within an agency to increase the appropriation of another capital project within that agency or to obtain financing to expand a project with funds that were not available for consideration by the legislature.



1           (4) "Approving authority" means:

2           (a) the governor or the governor's designated representative  
3 for executive branch agencies;

4           (b) the chief justice of the supreme court or the chief  
5 justice's designated representative for judicial branch agencies;

6           (c) the speaker for the house of representatives;

7           (d) the president for the senate;

8           (e) appropriate legislative committees or a designated  
9 representative for legislative branch agencies; or

10          (f) the board of regents of higher education or its  
11 designated representative for the university system.

12          (5) "Base budget" means that level of funding authorized by  
13 the previous legislature.

14          (6) "Budget amendment" means a legislative appropriation to  
15 increase spending authority for the special revenue fund,  
16 proprietary funds, or unrestricted subfund, contingent on total  
17 compliance with all budget amendment procedures.

18          (7) "Present law base" means that additional level of funding  
19 needed under present law to maintain operations and services at the  
20 level authorized by the previous legislature, including but not  
21 limited to:

22          (a) changes resulting from legally mandated workload,  
23 caseload, or enrollment increases or decreases;

24          (b) changes in funding requirements resulting from  
25 constitutional or statutory schedules or formulas;

26          (c) inflationary or deflationary adjustments; and

(d) elimination of nonrecurring appropriations..

(8) "Effectiveness measure" means a criterion for measuring the degree to which the objective sought is attained.

(9) "Emergency" means a catastrophe, disaster, calamity, or other serious unforeseen and unanticipated circumstance that has occurred subsequent to the time an agency's appropriation was made, that was clearly not within the contemplation of the legislature and the governor, and that affects one or more functions of a state agency and the agency's expenditure requirements for the performance of the function or functions.

(10) "Necessary" means essential to the public welfare and of a nature that cannot wait until the next legislative session for legislative consideration.

(11) "New proposals" means requests to provide new nonmandated services, to change program services, to eliminate existing services, or to change sources of funding. For purposes of establishing the present law base, the distinction between new proposals and the adjustments to the base budget to develop the present law base is to be determined by the existence of constitutional or statutory requirements for the proposed expenditure. Any proposed increase or decrease that is not based on those requirements is considered a new proposal.

(12) "Priority listing" means a ranking of proposed expenditures in order of importance.

(13) "Program" means a combination of resources and activities designed to achieve an objective or objectives.

1           (14) "Program size" means the magnitude of a program, such as  
2 the size of clientele served or the volume of service in relation  
3 to the population or area.

4           (15) "Program size indicator" means a measure to indicate the  
5 magnitude of a program.

6           (16) "Requesting agency" means the agency of state government  
7 that has requested a specific budget amendment.

8           (17) "University system unit" means the board of regents of  
9 higher education, office of the commissioner of higher education,  
10 the university of Montana at Missoula, with campuses at Missoula,  
11 Butte, Dillon, Helena, and Kalispell, Montana state university at  
12 ~~Bozeman, Montana college of mineral science and technology at~~  
13 ~~Butte, eastern Montana college at Billings, northern Montana~~  
14 ~~college at Havre, western Montana college of the university of~~  
15 ~~Montana at Dillen~~ with campuses at Bozeman, Billings, Havre, Great  
16 Falls, Miles City, and Glendive, the agricultural experiment  
17 station with central offices at Bozeman, the forest and  
18 conservation experiment station with central offices at Missoula,  
19 the cooperative extension service with central offices at Bozeman,  
20 the bureau of mines and geology with central offices at Butte, the  
21 fire services training school at Great Falls, ~~the vocational~~  
22 ~~technical centers at Billings, Butte, Great Falls, Helena, and~~  
23 ~~Missoula, or the community colleges at Miles City, Glendive, and~~  
24 ~~Kalispell.~~

25           **Section 2.** Section 20-7-702, MCA, is amended to read:

26           **"20-7-702.       Authorization to establish adult education**

1 **program.** The trustees of any district or ~~community college~~  
2 ~~district~~ the board of regents of higher education within counties  
3 containing all or part of a community college district or service  
4 region in existence as of June 30, 1996 may establish and operate  
5 an adult education program at any time of the day when facilities  
6 and personnel are available. An adult education program may  
7 provide both basic and secondary general education, vocational  
8 education, American citizenship education, including courses in the  
9 English language and American history and government, or any other  
10 areas of instruction approved by the trustees or the regents.

11 **Section 3.** Section 20-7-704 is amended to read:

12 **"20-7-704. Adult education tuition and fees.** The trustees of  
13 a district or ~~community college district~~ the regents shall have the  
14 authority to charge tuition for instruction and to charge fees for  
15 the use of equipment and materials. The amount of such tuition and  
16 fees shall be determined on a per-course basis or on the basis of  
17 the cost of the entire adult education program. All proceeds from  
18 tuition and fees shall be deposited in the adult education fund.

19 **Section 4.** Section 20-7-705 is amended to read:

20 **"20-7-705. Adult education fund.** (1) A separate adult  
21 education fund must be established when an adult education program  
22 is operated by a district or ~~community college district~~ the  
23 regents. The financial administration of the fund must comply with  
24 the budgeting, financing, and expenditure provisions of the laws  
25 governing the schools.

26 (2) Whenever the trustees of a district establish an adult

1 education program under the provisions of 20-7-702, they shall  
2 establish an adult education fund under the provisions of this  
3 section. The adult education fund is the depository for all  
4 district money received by the district in support of the adult  
5 education program. Federal and state adult education program money  
6 must be deposited in the miscellaneous programs fund.

7 (3) The trustees of a district may authorize the levy of a  
8 tax of not more than 1 mill on the district, except that trustees  
9 of a county high school district that is not unified with an  
10 elementary district or of a K-12 school district formed under the  
11 provisions of 20-6-701 may authorize a levy of not more than 2  
12 mills on the district, for the operation of an adult education  
13 program when the superintendent of public instruction has approved  
14 the educational program to be supported by the levy. Within the  
15 counties described in 20-7-702 the regents may authorize the levy  
16 of a tax of not more than one 1 mill for the operation of an adult  
17 education program when the superintendent of public instruction has  
18 approved the educational program to be supported by the levy. The  
19 trustees or the regents shall obtain the approval of the  
20 superintendent of public instruction before the fourth Monday of  
21 June in order to include the expenditures to be financed by the  
22 levy in the preliminary budget. The superintendent of public  
23 instruction shall promulgate rules and forms for the approval.

24 (4) Whenever the trustees of a district decide to offer an  
25 adult education program during the ensuing school fiscal year, they  
26 shall budget for the cost of the program in the adult education

1 fund of the preliminary budget. Any expenditures in support of the  
2 adult education program under the final adult education budget must  
3 be made in accordance with the financial administration provisions  
4 of this title for a budgeted fund.

5 (5) When a tax levy for an adult education program that has  
6 been approved by the superintendent of public instruction is  
7 included as a revenue item on the final adult education budget, the  
8 county superintendent shall report the levy requirement to the  
9 county commissioners on the fourth Monday of August and a levy on  
10 the district must be made by the county commissioners in accordance  
11 with 20-9-142.

12 **Section 5.** Section 20-7-712, MCA, is amended to read:

13 **"20-7-712. Adult basic education fund and its distribution.**

14 (1) To encourage adult basic education, the legislature may  
15 appropriate funds to the superintendent of public instruction for  
16 the support of adult basic education programs in any school or  
17 ~~community college district~~ Montana university system unit located  
18 within counties described in 20-7-702.

19 (2) the superintendent of public instruction shall direct the  
20 distribution of funds appropriated by the legislature for adult  
21 basic education. The trustees of any district or the regents may  
22 apply to the superintendent for funds for its adult basic education  
23 courses. The financial administration and accounting of adult  
24 basic education funds shall be the same as that of adult  
25 education."

26 **Section 6.** Section 20-9-134, MCA, is amended to read:

1           "20-9-134. Completion, filing, and delivery of final budgets.  
2 After the final budget of the elementary, or high school, ~~or~~  
3 ~~community college~~ district has been adopted by the trustees, the  
4 county superintendent shall complete all the remaining portions of  
5 the budget forms and shall:

6           (1) send the final budget information to the superintendent  
7 of public instruction, on the forms provided by the superintendent,  
8 on or before September 1; and

9           ~~(2) in the case of the community college districts, send the~~  
10 ~~final budget information to the board of regents, on the forms~~  
11 ~~provided by the community college coordinator, on or before~~  
12 ~~September 1; and~~

13          ~~(3)~~ (2) deliver a copy of the final budget for the district to  
14 the county treasurer on or before September 1."

15          **Section 7.** Section 7, 20-25-201, MCA, is amended to read:

16          **"20-25-201. Units constituting university system.** The  
17 Montana university system is composed of the following units, ~~each~~  
18 ~~designated by its legal name:~~

19          ~~(1) University of Montana, located at Missoula;~~

20          ~~(2) Montana state university, located at Bozeman;~~

21          ~~(3) Montana college of mineral science and technology,~~  
22 ~~located at Butte;~~

23          ~~(4) Western Montana college of the university of Montana,~~  
24 ~~located at Dillon;~~

25          ~~(5) Eastern Montana college, located at Billings; and~~

26          ~~(6) Northern Montana college, located at Havre.~~

1        (1) The university of Montana with campuses at the following  
2 locations:

3        (a.) Missoula,

4        (b.) Butte,

5        (c.) Dillon,

6        (d.) Helena,

7        (e.) Kalispell.

8        (2) Montana state university with campuses at the following  
9 locations:

10       (a.) Bozeman,

11       (b.) Billings,

12       (c.) Havre,

13       (d.) Great Falls,

14       (e.) Miles City,

15       (f.) Glendive.

16       **Section 8.** Section 8, 20-25-301, MCA, is amended to read:

17       **20-25-301. Regents' powers and duties.** The board of regents  
18 of higher education shall serve as regents of the Montana  
19 university system, shall use and adopt this style in all its  
20 dealings with the university system, and shall:

21       (1) have general control and supervision of the units of the  
22 Montana university system, which is considered for all purposes one  
23 university;

24       (2) adopt rules, not inconsistent with the constitution and  
25 the laws of the state, for its own government which are proper and  
26 necessary for the execution of the powers and duties conferred upon



1 it by law;

2 (3) provide, subject to the laws of the state, rules for the  
3 government of the system;

4 (4) grant diplomas and degrees to the graduates of the system  
5 upon the recommendation of the faculties and have discretion to  
6 confer honorary degrees upon persons other than graduates upon the  
7 recommendation of the faculty of the institutions;

8 (5) keep a record of its proceedings;

9 (6) have, when not otherwise provided by law, control of all  
10 books, records, buildings, grounds, and other property of the  
11 system;

12 (7) receive from the board of land commissioners, other  
13 boards, persons, or from the government of the United States all  
14 funds, incomes, and other property the system may be entitled to  
15 and use and appropriate the property for the specific purpose of  
16 the grant or donation;

17 (8) have general control of all receipts and disbursements of  
18 the system;

19 (9) appoint a president and faculty for each of the  
20 institutions of the system, appoint any other necessary officers,  
21 agents, and employees, and fix their compensation;

22 (10) confer upon the executive board of each of the units of  
23 the system authority that may be considered expedient relating to  
24 immediate control and management, other than authority relating to  
25 financial matters or the selection of the teachers, employees, and  
26 faculty;

1 (11) confer, at the regents' discretion, upon the president  
2 and faculty of each of the units of the system for the best  
3 interest of the unit authority relating to the immediate control  
4 and management, other than financial, and the selection of teachers  
5 and employees;

6 (12) prevent unnecessary duplication of courses at the units  
7 of the system;

8 (13) appoint a certified professional geologist or registered  
9 mining engineer as the director of the Montana state bureau of  
10 mines and geology, who is the state geologist, and appoint any  
11 other necessary assistants and employees and fix their  
12 compensation.

13 (14) supervise and control the agricultural experiment  
14 station, along with any executive or subordinate board or authority  
15 which may be appointed by the governor with the advice and consent  
16 of the regents;

17 (15) adopt a seal bearing on its face the words "Montana  
18 university system," which must be affixed to all diplomas and all  
19 other papers, instruments, or documents which may require it;

20 (16) assure an adequate level of security for data and  
21 information technology resources, as defined in 2-15-102, within  
22 the state university system. In carrying out this responsibility,  
23 the board of regents shall, at a minimum address the  
24 responsibilities prescribed in 2-15-114-1

25 (17) maintain community colleges at Kalispell, Glendive and  
26 Miles City. Community college means a two year institution whose

1 primary mission is providing credit courses which are generally  
2 transferable or which may lead to associate degrees or certificates  
3 and which also provides noncredit instruction for personal  
4 enrichment or community service. These colleges shall operate in  
5 accord with the mission statements approved from time to time by  
6 the applicable regional or national accrediting agency.

7 NEW SECTION.     **Section 9. Community College local advisory**  
8 **boards.**

9        Subject to the approval of the board of regents the president  
10 of each respective university shall, after consultation with the  
11 campus executive officer, nominate local advisory boards for the  
12 community colleges in Kalispell, Glendive and Miles City. A local  
13 advisory board shall be composed of seven persons. At least four  
14 shall be from the county in which the community college has its  
15 primary campus and the remainder may be from the general area  
16 served by the community college. In the case of the community  
17 college at Kalispell at least one member shall be from Lincoln  
18 County. The members shall hold office for 3 years beginning the  
19 third Monday in April of the year appointed. The term of office of  
20 one member shall expire each year. The regents shall provide the  
21 local advisory board the opportunity for review prior to the  
22 regents' adoption of a final budget for the community college, the  
23 approval of an educational program for the community college or the  
24 appointment of the chief executive officer for the community  
25 college. Any member of a community college board of trustees as of  
26 June 30, 1996 shall be a member of the local advisory board until

1 the date on which his term as trustee would have ended. As the  
2 trustee terms end the president shall begin nominations under this  
3 section.

4 NEW SECTION. **Section 10. Tax levy in former community**  
5 **college districts and service regions.**

6 The board of county commissioners of each county, which  
7 encompasses in whole or in part a community college district or  
8 service region in existence on June 30, 1996, shall levy a tax in  
9 each calendar year of 1 1/2 mills on the dollar of all taxable  
10 property, real and personal, within the county to raise the amount  
11 appropriated by the legislature for the support and maintenance of  
12 community college education within the former community college  
13 districts or service regions. The tax is to be effective for  
14 property tax years beginning on or after January 1, 1996. It is  
15 the intent of this section that the county commissioners shall levy  
16 this tax for fiscal year 1996 and thereafter for operation of the  
17 Montana university system campuses located within the counties  
18 which contained a community college district or service region  
19 prior to July 1, 1996.

20 NEW SECTION. **Section 11. Permissive tax levy for tuition**  
21 **reduction.** Upon the request of the regents or on their own motion  
22 the county commissioners of any county which constituted all or  
23 part of the community college district or service region as of June  
24 30, 1996 shall place before the voters in that county a mill levy  
25 which, if approved, will be used to reduce, pro rata, the tuition  
26 and fees of residents of that county for attendance at the Montana

1 university system campus located within the former community  
2 college district or service region. The total amount of tuition  
3 and fees reduced thereby shall not exceed the aggregate amount  
4 raised by such levy.

5 NEW SECTION. **Section 12. Existing community college**  
6 **employees.** (1) A person employed by a community college on June  
7 30, 1996 becomes an employee of the board of regents on the  
8 effective date of this act unless the employee has been informed by  
9 the community college that June 30, 1996 will be his last day of  
10 employment. The change of employer shall not result in a loss of  
11 accrued employee benefits, nor shall employees be deemed to have a  
12 break in service for purposes of benefit accrual. Employees newly  
13 eligible for the university system optional retirement system shall  
14 have 90 days from the effective date of this act in which to elect  
15 participation pursuant to 19-21-201.

16 (2) Collective bargaining units of community college  
17 employees in existence on June 30, 1996 shall continue to exist  
18 beyond the effective date of this act until modified or terminated  
19 by procedures consistent with the public employees collective  
20 bargaining act. A collective bargaining agreement in effect on  
21 July 1, 1996 shall be honored until the earlier of either its date  
22 of expiration or until June 30, 1997.

23 NEW SECTION. **Section 13. Transfer of community college**  
24 **property to the board of regents.** All real and personal property  
25 of each community college in existence on June 30, 1996 is under  
26 the ownership, control, and supervision of the board of regents,

1 which shall assume full responsibility for any community college  
2 real property, bond and other indebtedness outstanding as of this  
3 act's effective date. Nothing herein shall be construed to modify  
4 or negate any trust or endowment created for the benefit of the  
5 community college or its students. Should the regents at any time  
6 prior to June 30, 2026, cease to provide community college  
7 educational services within a former community college district,  
8 the real property transferred by this section shall revert back to  
9 the county within which the property is located.

10 **Section 13.** Title 20, Chapter 15 is repealed.

11 **Section 14.** (1) The code commissioner is instructed to  
12 delete the terms community college and all words related thereto  
13 from the following sections: 5-11-203, 18-8-202, 19-3-403, 19-20-  
14 605, 20-1-101, 20-1-204, 20-3-205, 20-5-402, 20-6-101, 20-9-101,  
15 20-9-134, 20-9-402, 20-9-501, 20-20-101, 20-20-107, 20-20-201, 20-  
16 32-101, 20-32-102, 20-32-103, 39-29-101, 39-30-103, 50-40-107, 50-  
17 40-201, 61-3-462.

18 (2) **Codification instructions.** Sections 9 through 12 are  
19 intended to be codified as part of Chapter 25 in Title 20.

20 **Section 15. Effective date.** This act is effective July 1,  
21 1996.

22 **Section 16. Contingency clause.** If House Bill 2 as adopted  
23 into law does not contain an appropriation for the community  
24 colleges merged into the university system by this bill for fiscal  
25 year 1997 of no less than \$1,705,018 in new state funding to  
26 supplant funding by the local mandatory mill levy previously

1 authorized in 20-15-313 this act is void and of no force and  
2 effect.

3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16

# MONTANA COMMUNITY COLLEGES

## HISTORICAL FUNDING INFORMATION

EXHIBIT 2  
DATE 1/30/95  
SB \_\_\_\_\_



# HISTORICAL FUNDING METHOD--LEGISLATURE

ENROLLMENT X FUNDING PER FTE X STATE SHARE = STATE APPROPRIATION \*

\* Audit costs are added separately

# MONTANA COMMUNITY COLLEGES

## HISTORICAL FUNDING INFORMATION

### ENROLLMENTS--FTE

	FY90	FY91	FY92	FY93	FY94	FY95
<b>DCC</b>						
Actual Enrollment	400	418	431	477	491	---
Budgeted Enrollment *	389	389	389	389	425	425
<b>FVCC</b>						
Actual Enrollment	1001	1081	1161	1185	1168	---
Budgeted Enrollment *	931	931	987	987	1121	1121
<b>MCC</b>						
Actual Enrollment	457	473	554	625	580	---
Budgeted Enrollment *	413	413	465	465	514	514

\* Based on the average of the prior two years actual enrollment

# MONTANA COMMUNITY COLLEGES

## HISTORICAL FUNDING INFORMATION

### FUNDING PER FTE

UNIT	FY90	FY91	FY92	FY93	FY94	FY95
DCC	\$3,907	\$3,907	\$4,031	\$4,163	\$4,163	\$4,163
FVCC	\$3,907	\$3,907	\$4,031	\$4,163	\$4,163	\$4,163
MCC	\$3,907	\$3,907	\$4,031	\$4,163	\$4,163	\$4,163

# MONTANA COMMUNITY COLLEGES

## HISTORICAL FUNDING INFORMATION

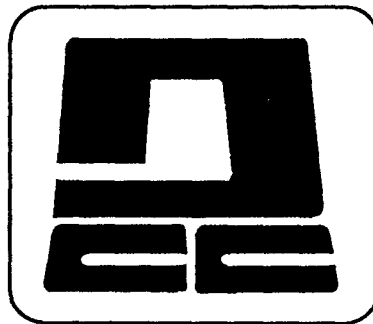
### STATE SHARE

FY90	FY91	FY92		FY93		FY94		FY95	
		Original	Revised	Original	Revised	Original	Revised	Original	Revised
47.0%	47.0%	51.0%	49.0%	55.0%	51.0%	49.0%	48.8%	49.0%	48.1%

EXHIBIT 8  
DATE 1-30-95

EXHIBIT 3  
DATE 1/30/95  
SB \_\_\_\_\_

# Dawson Community College



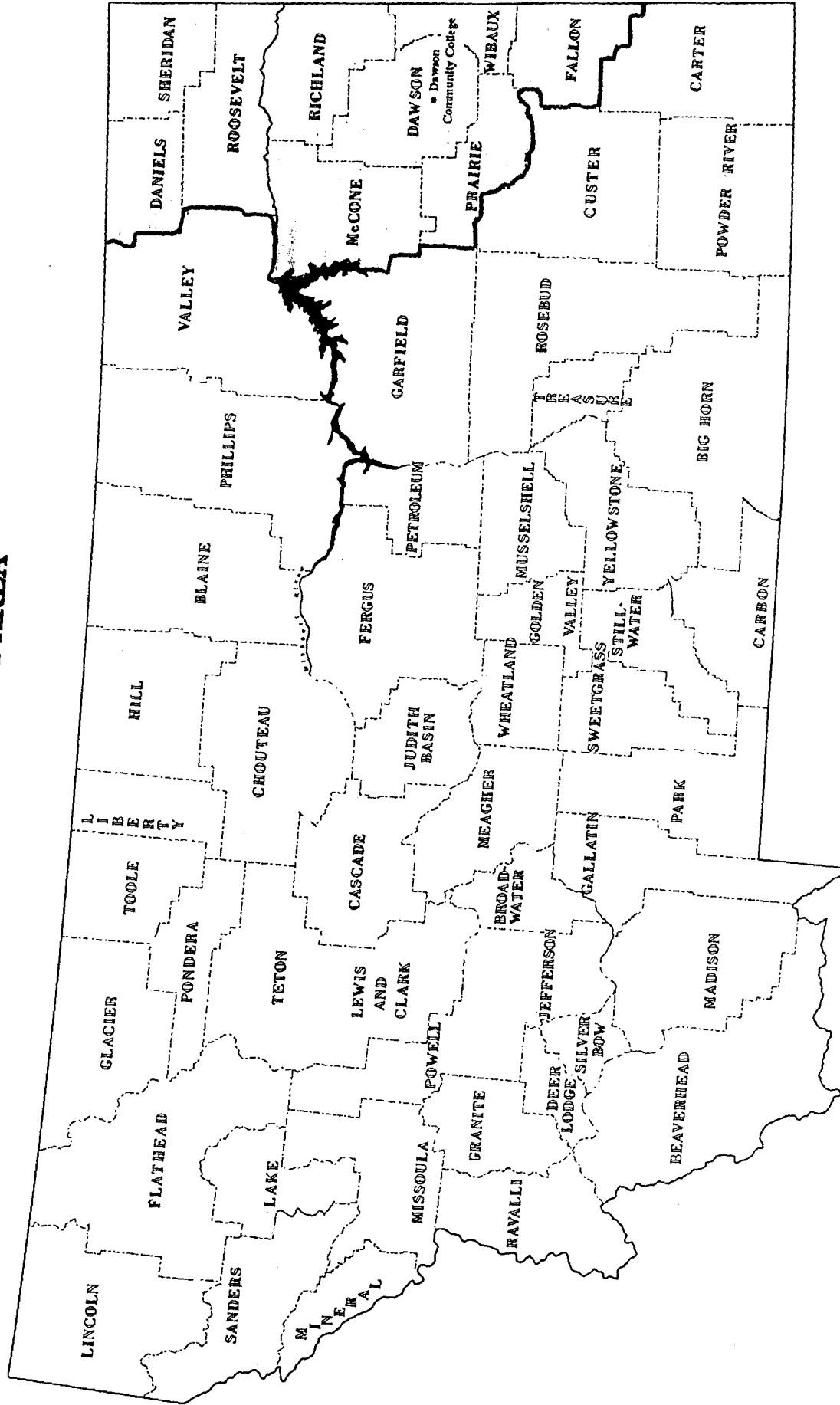
**Education Sub-Committee--January 30, 1995**

**Rep. Royal Johnson, Chr.  
Rep. Mike Kadas  
Rep. Don Holland**

**Sen. Daryl Toews, V. Chr.  
Sen. Greg Jergeson  
Sen. Arnie Mohl**

**LFA: Skip Culver, Sandra Whitney**

# DAWSON COMMUNITY COLLEGE SERVICE AREA



STATE OF MONTANA

# Dawson Community College

## Enrollment by residence, 1987-95

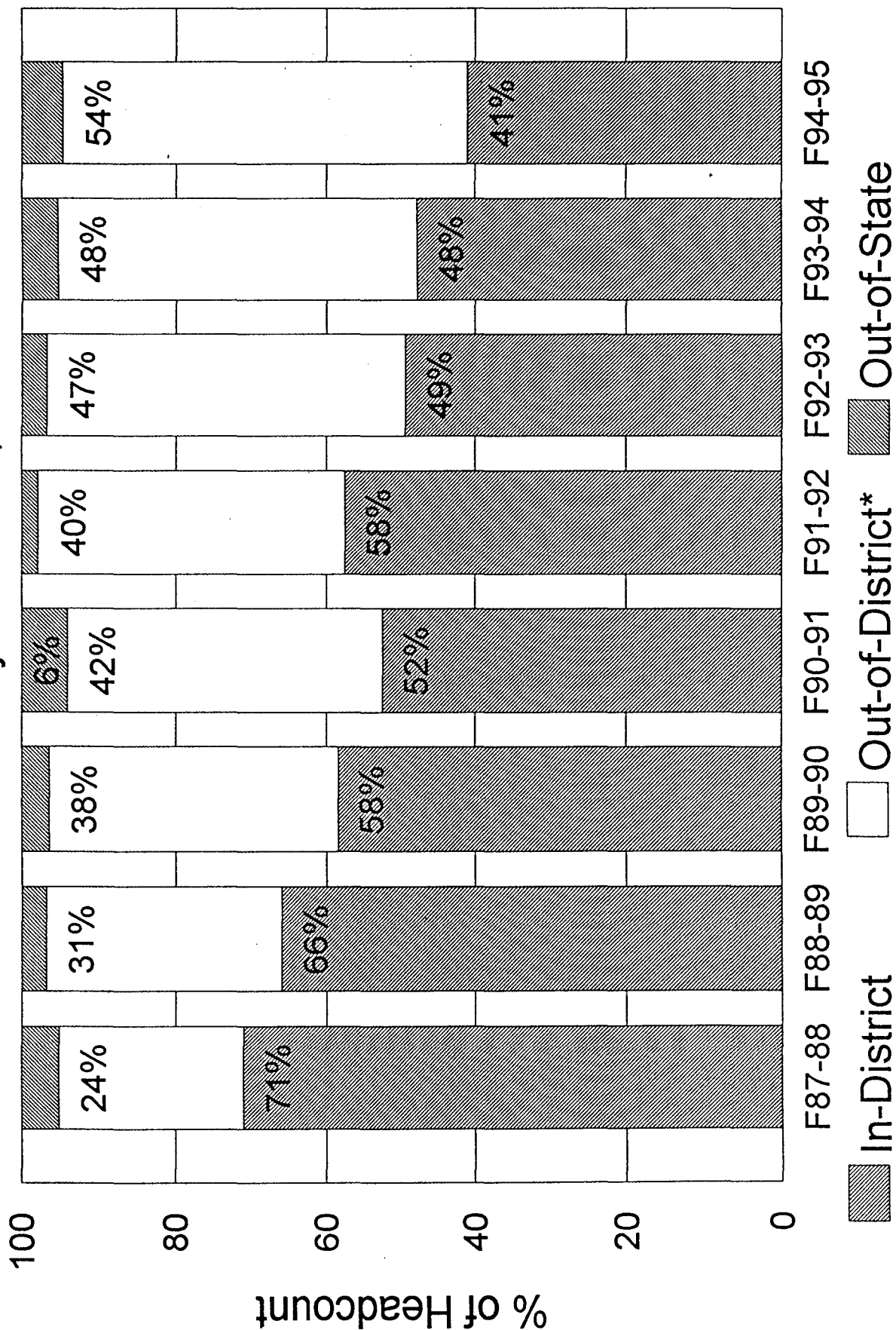
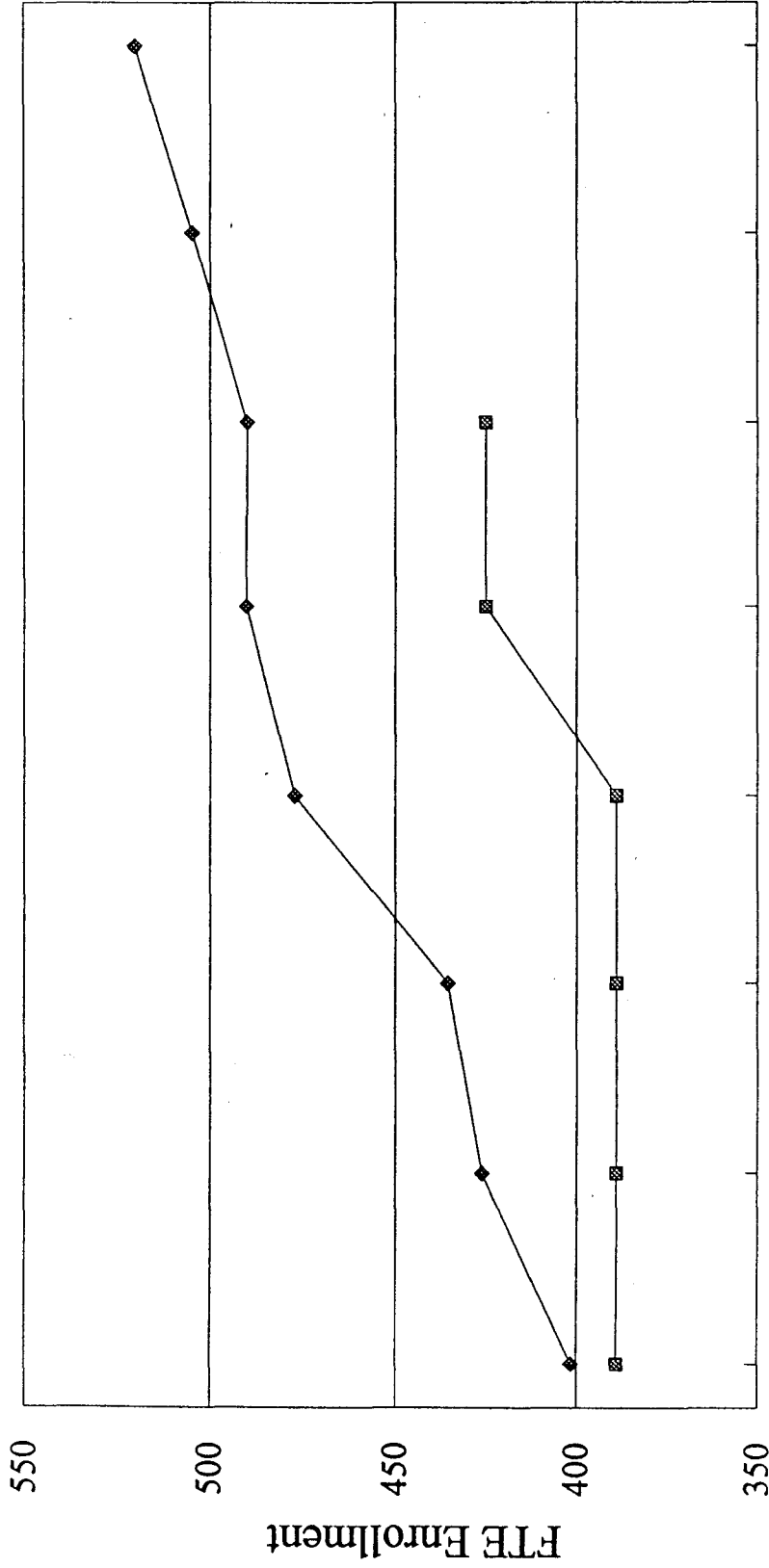


EXHIBIT 3  
DATE 1-30-95

# Dawson Community College

Funded vs. Actual FTE Enrollment



JWC 01/25/95

\* Estimated + Projected

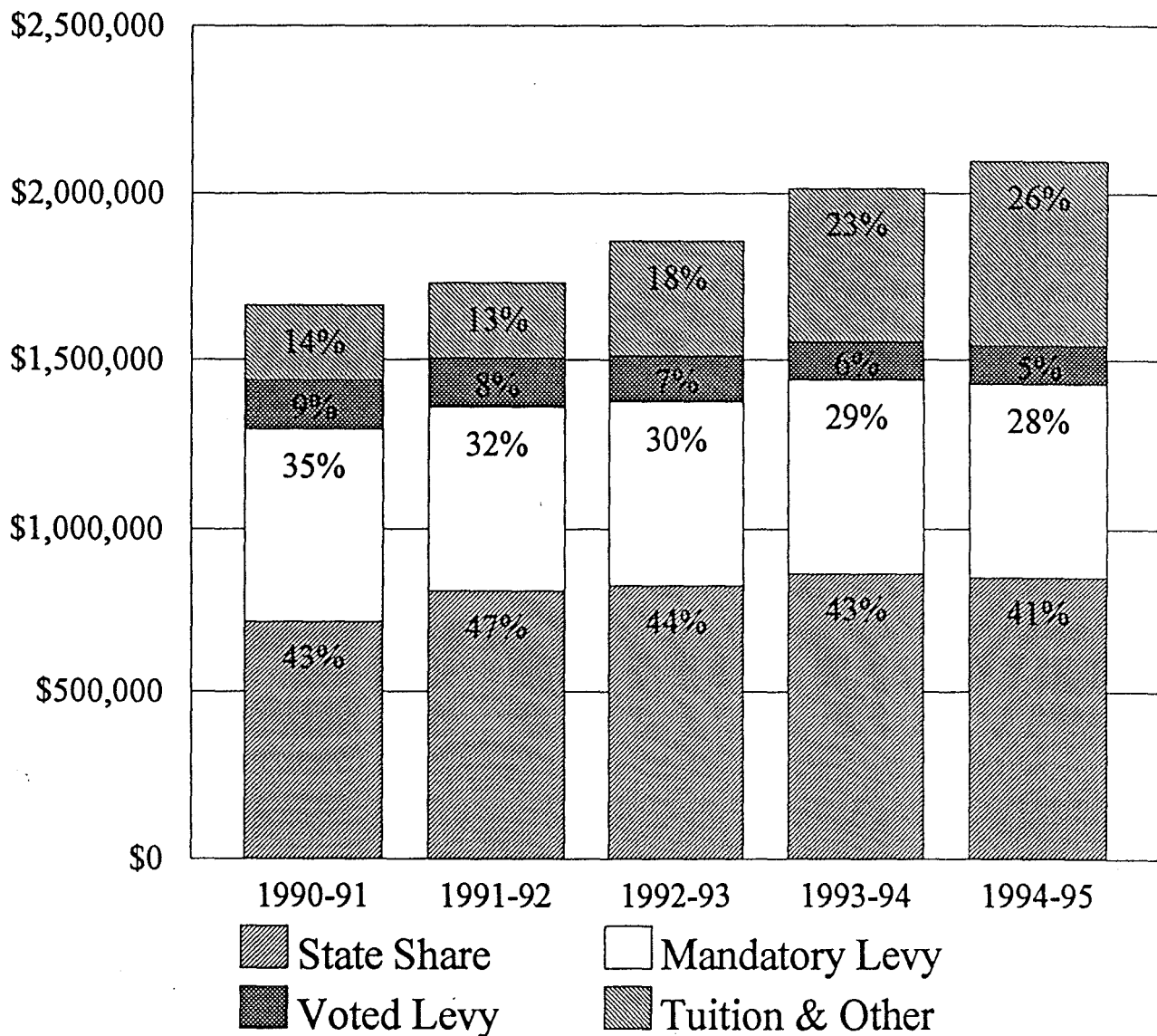


# Five Year Budget History Dawson Community College

EXHIBIT 3  
DATE 1-30-95  
1

	1990-91	1991-92	1992-93	1993-94	1994-95	
State Share	\$714,317	\$808,890	\$823,985	\$862,610	\$851,127	41%
Mandatory Levy	580,105	551,768	551,768	576,768 *	576,768 *	28%
Voted Levy	144,378	144,378	136,574	115,000	115,000	5%
Tuition	203,400	203,400	278,000	325,000	361,483	17%
Interest	22,001	22,001	15,435	10,488	10,000	0%
Reserve	0	0	49,000	49,000	74,440	4%
Tuition Carryover	0	0	0	75,000	50,797	2%
Cash Carryover	0	0	0	0	57,000	3%
<b>Total</b>	<b>\$1,664,201</b>	<b>\$1,730,437</b>	<b>\$1,854,762</b>	<b>\$2,013,866</b>	<b>\$2,096,615</b>	<b>100%</b>

\* 1993-95: Mandatory= \$466,768 Assessed Fees = \$110,000



# Dawson Community College

## COMPARATIVE DATA

Year	State Share		Adj S/S	DCC Budget		Explanations
	FTE	S/S		Percentage		
1989-90	\$3,907	47%	—	42%		
1990-91	3,907	47%	—	43%		
1991-92	4,031	51%	47%	46%		+\$124 (Kadas Pay Plan) -4% (Recisions)
1992-93	4,163	53%	49%	44%		+\$132 (Kadas Pay Plan) -4% (Recisions)
1993-94	4,163	48.75%	—	43%		
1994-95	4,163	48.75%	47.5%	41%		Recision
1995-96	(4,686)	(53%)	—	?		1.03% Inflation and P.P. Factor
1996-97	(4,686)	(53%)	—	?		(1992-1996) Plus Full FTE

\* C/C Request

Major Consideration: Since 1992-93, DCC has exhausted Reserve Funds to balance a frugal and reasonable budget.

### COMPARISONS

1994-95: ~~\$4,686~~ <sup>4,779</sup> Dawson County High School ANB  
 1995-96: \$4,972 Average of Projected College of Technology (5)  
 Cost-Per-Student (\$4,610-\$5,085)

### DCC COST-PER-STUDENT

1994-95: \$4,605 \$2,256,412 (with scholarships) + 490 FTE

\*(1995-96: \$4,931) Obligated \$160,000 Increases

Faculty Union two-year contract increases, plus no more Reserve Funds + Unfunded Liabilities (ITV—Early Retirement)

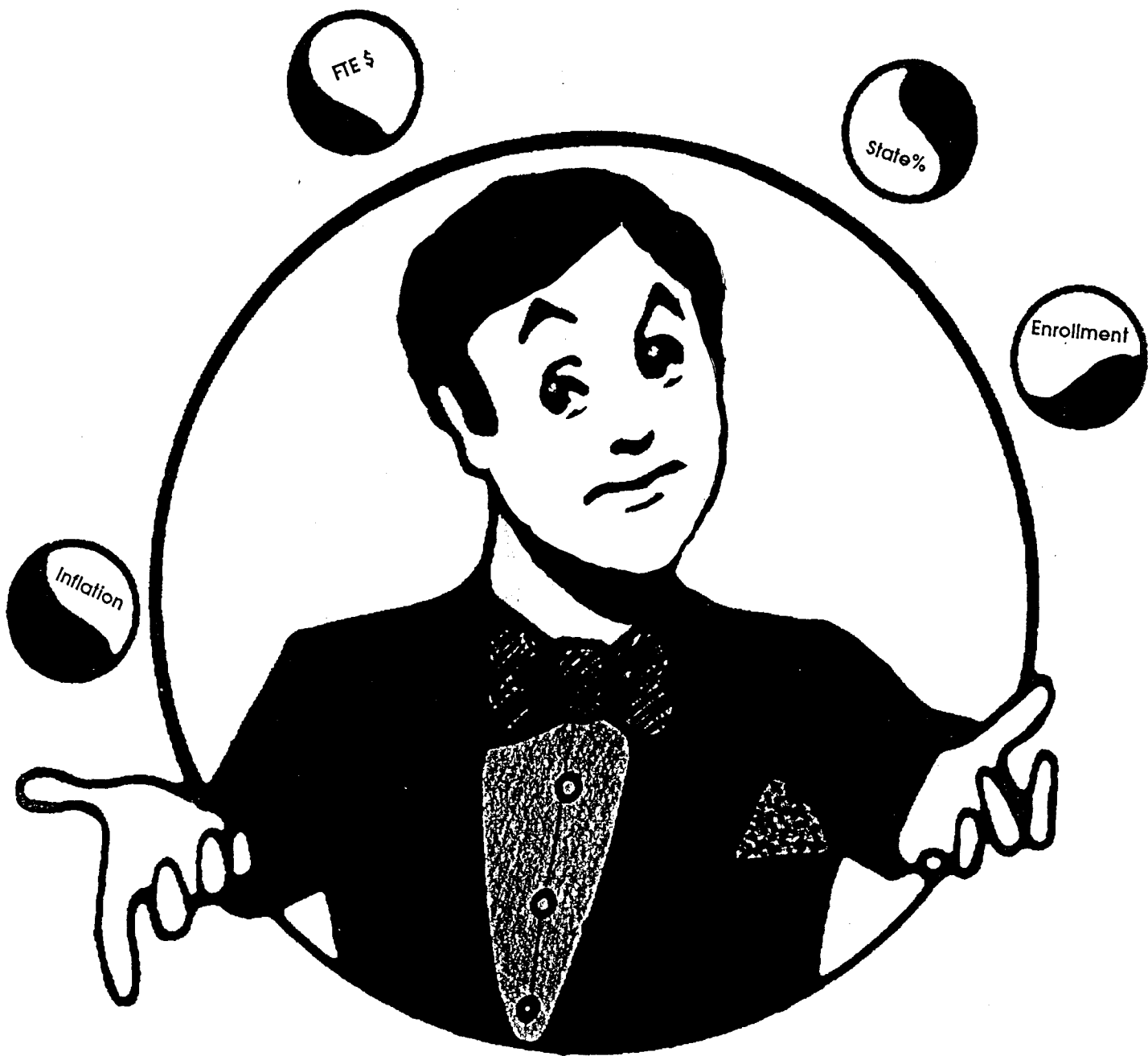
\$2,416,412 + 490 FTE

# Dawson Community College

## 1994-95 Tuition and Fees - Cost Per Semester

EXHIBIT 3  
DATE 1-30-95

In-District Students				Out-of-District Students				Out-of-State Students			
Credits	Tuition	Fees	Total	Tuition	Fees	Total		Tuition	Fees	Total	
01	30.00	18.00	48.00	51.50	18.00	69.50		124.75	18.00	142.75	
02	60.00	36.00	96.00	103.00	36.00	139.00		249.50	36.00	285.50	
03	90.00	54.00	144.00	154.50	54.00	208.50		374.25	54.00	428.25	
04	120.00	72.00	192.00	206.00	72.00	278.00		499.00	72.00	571.00	
05	150.00	90.00	240.00	257.50	90.00	347.50		623.75	90.00	713.75	
06	180.00	108.00	288.00	309.00	108.00	417.00		748.50	108.00	856.50	
07	210.00	126.00	336.00	360.50	126.00	486.50		873.25	126.00	999.25	
08	240.00	144.00	384.00	412.00	144.00	556.00		998.00	144.00	1142.00	
09	270.00	162.00	432.00	463.50	162.00	625.50		1122.75	162.00	1284.75	
10	300.00	180.00	480.00	515.00	180.00	695.00		1247.50	180.00	1427.50	
11	330.00	198.00	528.00	566.50	198.00	764.50		1372.25	198.00	1570.25	
12	360.00	216.00	576.00	618.00	216.00	834.00		1497.00	216.00	1713.00	
13	390.00	234.00	624.00	669.50	234.00	903.50		1621.75	234.00	1855.75	
14-18	420.00	252.00	672.00	721.00	252.00	973.00		1746.50	252.00	1998.50	
19	450.00	270.00	720.00	772.50	270.00	1042.50		1871.25	270.00	2141.25	
20	480.00	288.00	768.00	824.00	288.00	1112.00		1996.00	288.00	2284.00	
21	510.00	306.00	816.00	875.50	306.00	1181.50		2120.75	306.00	2426.75	
22	540.00	324.00	864.00	927.00	324.00	1251.00		2245.50	324.00	2569.50	
23	570.00	342.00	912.00	978.50	342.00	1320.50		2370.25	342.00	2712.25	
24	600.00	360.00	960.00	1030.00	360.00	1390.00		2495.00	360.00	2855.00	



The original of this document is stored at the Historical Society at 225 North Roberts Street, Helena, MT 59620-1201. The phone number is 444-2694.

(brochure)

EXHIBIT 3  
DATE 1-30-95  
1



*A Great Place to Start!*

## TUITION

DCC DISTRICT IN-DISTRICT	MONTANA RESIDENT OUT-OF-DISTRICT	OUT-OF-STATE
<u>COST</u> <u>Yearly/per credit</u>	<u>COST</u> <u>Yearly/per credit</u>	<u>COST</u> <u>Yearly/per credit</u>

14-18 CREDITS

1994-95	840 / 30.00	1,442 / 51.50	3,493 / 124.75
1993-94	840 / 30.00	1,176 / 42.00	3,493 / 124.75
1992-93	840 / 30.00	1,176 / 42.00	2,184 / 78.00

12-18 CREDITS

1991-92	576 / 24.00	864 / 36.00	1,440 / 60.00
1990-91	576 / 24.00	864 / 36.00	1,440 / 60.00
1989-90	576 / 24.00	864 / 36.00	1,440 / 60.00
1988-89	300 / 15.00	450 / 21.00	750 / 37.50

Tuition Increase over last six years by percentage:

<u>IN-DISTRICT</u>	<u>MONTANA RESIDENT</u>	<u>OUT-OF-STATE</u>
100%	145%	233%



# MILES COMMUNITY COLLEGE -- BUDGET/FUNDING HISTORY

1

## TOTAL BUDGETS

EXHIBIT 11/30/95

DATE

YEAR		BUDGET	ACTUAL # FTE	\$/FTE
1939-70	Note: Prior to 1971-72 the college was funded under the High School ANB formula, which did not allow funding of students over age 21. During those years the college was governed by the local High School District; very few records are available from that period.			
Final Year under High School ANB Formula: (no funding for students over age 21)				
1970-71		\$ 312,557	284	\$ 1,101
Beginning of State Appropriation to Community Colleges. Appropriation still based on \$/ANB formula, but allowed all enrolled students to be counted. Joint Governance shifted from OPI to Regents. Required a base 3-mill levy on college district. Provided for a local voted levy option.				
1971-72		\$ 345,200	298	\$ 1,158
1972-73		\$ 378,585	315	\$ 1,202
1973-74		\$ 406,504	326	\$ 1,247
1974-75		\$ 490,205	356*	\$ 1,377
Revised State Appropriation Method. After deducting estimated student tuitions and fees, the remainder of the General Fund Budget was divided. State - 65%. Local College District Tax - 35%				
1975-76		\$ 615,460	369*	\$ 1,668
1976-77		\$ 710,064	370*	\$ 1,919
1977-78		\$ 842,423	366*	\$ 2,302
1978-79		\$ 990,840	398*	\$ 2,490
1979-80		\$ 911,948	401*	\$ 2,274
1980-81		\$ 1,058,014	486*	\$ 2,177

\*Includes credits from extended campus operations on Indian Reservations.

# MCC BUDGET/FUNDING HISTORY: TOTAL BUDGETS, continued

2

New State FTE Funding Formula for Community Colleges following LFA Study. General Fund Budget determined by average of current year estimated and prior year actual Full-Time Enrollment x \$\$ per FTE set by Legislature. Total divided: State - 55%, Local District - 47%. After deducting estimated tuition & fee revenues, the remainder of the local 47% dollar amount became a Mandatory Levy on the college district. Any local dollar revenues above those required for the formula budget were required to be carried over to reduce the Mandatory District Levy the following year.

YEAR	LEGISLATIVE FORMULA			REVISIONS		ACTUAL		
	BUDGET	# FTE	\$/FTE	\$ AMOUNT	SOURCE	BUDGET	# FTE	\$/FTE
1981-82	\$ 1,470,230	466	\$ 3,155	\$ <1,966>	Tuition/Fees shortfall	\$ 1,468,264	581*	\$ 2,527
1982-83	\$ 1,545,750	466	\$ 3,317			\$ 1,545,750	617*	\$ 2,505
1983-84	\$ 1,954,020	580	\$ 3,369	\$ <109>	EOY did not zero out.	\$ 1,953,911	621*	\$ 3,146
1984-85	\$ 2,015,863	580	\$ 3,476			\$ 2,015,863	610*	\$ 3,305
1985-86	\$ 1,701,413#	464	\$ 3,578	\$ <17,653>	Gov. 2% reduction state funds	\$ 1,701,413#	424	\$ 3,970
	[Includes \$23,077 from State Pay Plan]			\$ +17,653	Backfilled with local revenues.			
1986-87	\$ 1,742,812	464	\$ 3,705	\$ <95,363> (Net)	Cancel PayPlan, reduce state share	\$ 1,699,119	401	\$ 4,237
	[Includes \$23,615 from State Pay Plan]			\$ +51,670	SPSess. 5% reduction state funds			
					Gov. 2% reduction state funds			
					Backfill with local revenues			
1987-88	(1987 Legislature changed enrollment base to prior two full academic years. MCC's 401 FTE factored into budget formula for four consecutive years)					\$ 1,510,264#	405	\$ 3,684
1988-89	\$ 1,510,264#	412	\$ 3,622			\$ 1,500,504	470	\$ 3,193
1989-90	\$ 1,500,504	412	\$ 3,642			\$ 1,631,591#	459	\$ 3,515
	\$ 1,631,591#	413	\$ 3,907					
1990-91	(1991 Legislature revised funding formula. Tuition/fee increases now added to FTE formula. Effective date upon passage included 90-91 fiscal year.)					\$ 1,738,428	473	\$ 3,675
	\$ 1,613,591	413	\$ 3,907	\$ +124,837	SPLevy-\$76,000; T/F-\$48,837			
1991-92	(Stated intent of 1991 Legislature was to increase state share: FY92 - 51%; FY93 - 55%; FY94 - 61%; FY95 - 65%. Fell far short of those targets.)					\$ 1,966,565#	554	\$ 3,517
1992-93	\$ 1,892,415#	465	\$ 4,031	\$ +74,150	T/F	\$ 2,272,158	625	\$ 3,635
1993-94	\$ 1,935,795	465	\$ 4,163	\$ +336,363	T/F + enrollment increases	\$ 2,332,834#	580	\$ 3,991
	\$ 2,157,782#	514	\$ 4,163	\$ +175,052	T/F			
1994-95	\$ 2,139,782	514	\$ 4,163	\$ <13,887>	SPSess reduction state funds	\$ 2,413,734	??	\$ ??
				\$ +287,839	T/F + other local sources			

\* Includes credits from extended campus operations on Indian Reservations.

# Includes \$18,000 for Audit, not factored into \$/FTE computations.



# MCC BUDGET/FUNDING HISTORY: STATE APPROPRIATION & PERCENTAGE SHARE 3

YEAR	-----LEGISLATIVE FORMULA-----		-----APPROPRIATIONS REVISIONS-----		-----ACTUAL-----	
	ORIGINAL BUDGET	STATE APPROPRIATION %	\$ AMOUNT	SOURCE	BUDGET	STATE APPROPRIATION %
Final Year under High School ANB Formula: (no funding for students over age 21)						
1970-71	\$ 312,557	32.99%			\$ 312,557	32.99%
Beginning of State Appropriation to Community Colleges. Appropriation still based on \$/ANB formula, but allowed all enrolled students to be counted.						
1971-72	\$ 345,200	58.34%			\$ 345,200	58.34%
1972-73	\$ 378,585	59.39%			\$ 378,585	59.39%
1973-74	\$ 406,504	60.72%			\$ 406,504	60.72%
1974-75	\$ 490,205	54.47%			\$ 490,205	54.47%
Revised State Appropriation Method. After deducting estimated student tuition and fees, the remainder of the General Fund Budget was divided: State = 65%; Local College District Tax = 35%. Special Levy Option.						
1975-76	\$ 615,460	56.97%			\$ 615,460	56.97%
1976-77	\$ 710,064	49.38%			\$ 710,064	49.38%
1977-78	\$ 842,423	57.60%			\$ 842,423	57.60%
1978-79	\$ 990,840	55.27%			\$ 990,840	55.27%
1979-80	\$ 911,948	56.18%			\$ 911,948	56.18%
1980-81	\$1,058,014	52.16%			\$1,058,014	52.16%

\*Includes \$25,000 one-time funds from Regents "pool."

# MCC BUDGET/FUNDING HISTORY: STATE APPROPRIATION & PERCENTAGE SHARE, continued

4

YEAR	-----LEGISLATIVE FORMULA-----		-----APPROPRIATIONS REVISIONS-----		-----ACTUAL-----	
	ORIGINAL BUDGET	STATE APPRO- PRIATION %	\$ AMOUNT	SOURCE	BUDGET	STATE APPRO- PRIATION %
New State Funding Formula following LFA study... FTE enrollment x \$\$ per FTE set by Legislature. State = 53%; Local = 47%.						
1981-82	\$1,470,230	53.00%	\$ <1,966>	Tuition/Fees shortfall-----	\$1,468,264	53.07%
1982-83	\$1,545,750	53.00%	-----	-----	\$1,545,750	53.00%
1983-84	\$1,954,020	53.00%	\$ <109>	EOY did not zero out-----	\$1,953,911	53.00%
1984-85	\$2,015,863	53.00%	-----	-----	\$2,015,863	53.00%
1985-86	\$1,701,413#	51.88%	\$ <17,653> \$+17,653	Gov. 2% reduction state funds Backfill with local revenues	\$1,701,413#	50.84%
1986-87	\$1,742,812	52.00%	\$ <35,000> \$ <43,563> \$ <16,800> \$+51,670	Cancel PayPlan; Reduce St. Share- SpSess 5% reduction state funds Gov. 2% reduction state funds----- Backfill with local revenues	\$1,699,119 Net \$95,363 reduction state funds	47.72%
1987-88	\$1,510,264#	48.00%	-----	-----	\$1,510,264#	48.00%
1988-89	\$1,500,504	48.00%	-----	-----	\$1,500,504	48.00%
1989-90	\$1,631,591#	47.00%	-----	-----	\$1,631,591#	47.00%
1990-91	(1991 Legislature revised funding formula. Tuition/Fee increases now added to FTE formula. Effective date upon passage included 90-91 fiscal year.)					
	\$1,613,591	47.00%	\$+124,837	SpLevy-\$76,000; T/F-\$48,837	\$1,738,428	43.62%
1991-92	(Stated intent of 1991 Legislature was to increase state share: FY92 - 51%; FY93 - 55%; FY94 - 61%; FY95 - 65%. Fell far short of those targets.)					
	\$1,892,415#	51.00%	\$ <38,605> \$+112,755	4% reduction (2%SpSess; 2%Gov) Backfill w/local taxes & T/F increase	\$1,966,565#	47.11%
1992-93	\$1,935,795	53.00%	\$ <40,982> \$+377,345	4% reduction (2%SpSess; 2%Gov) T/F rates + enrollment increase	\$2,272,158	43.35%
1993-94	\$2,157,782#	48.75%	\$+175,052	T/F rate increases	\$2,332,834#	45.10%
1994-95	\$2,139,782	48.75%	\$ <13,887> \$+287,839	SpSess. State funds reduction T/F increases + other local sources	\$2,413,734	42.64%

**MCC BUDGET/FUNDING HISTORY: LOCAL SHARE: TUITION/FEES -- TAXES -- OTHER**

**5**

YEAR	ACTUAL BUDGET	NET TUITION & FEES	T&F %	MAND. LEVY	SPECIAL LEVY	RETIRE LEVY*	TOTAL TAXES	TAX %	OTHER LOCAL \$	OTHER LOCAL %	TOTAL LOCAL \$	TOTAL LOCAL %	TOTAL MILLS
<u>Final Year under High School ANB Formula: (no funding for students over age 21)</u>													
1970-71	\$ 312,557	\$ 47,302	15.13%	\$ 156,078	\$ -----	\$ 12,071	\$ 168,149	53.80%	\$ 6,050	01.94%	\$ 221,501	70.87%	06.47
<u>First Year of State Appropriation. 3-mill Base Mandatory District Levy, plus Special Voted Levy Option.</u>													
1971-72	\$ 345,200	\$ 56,459	16.35%	\$ 43,323	\$ 40,030	\$ 9,215	\$ 92,568	26.82%	\$ 4,000	01.59%	\$ 152,937	44.30%	06.41
1972-73	\$ 378,585	\$ 58,802	15.53%	\$ 45,491	\$ 43,493	\$ 11,746	\$ 100,730	26.61%	\$ <4,544>	-0-	\$ 158,649	42.14%	06.68
1973-74	\$ 406,504	\$ 59,614	14.66%	\$ 47,700	\$ 49,404	\$ 34,175	\$ 131,279	32.29%	\$ 4,786	01.18%	\$ 188,604	48.13%	08.32
1974-75	\$ 490,205	\$ 61,290	12.50%	\$ 51,000	\$ 103,205	\$ 41,448	\$ 195,693	39.92%	\$ <20,739>	-0-	\$ 256,983	52.42%	11.20
<u>Revised State Appropriation Method. After deducting estimated student tuitions and fees, the remainder of the General Fund Budget was divided: State = 65%; Local College District Tax = 35%. Special Levy Option.</u>													
1975-76	\$ 615,460	\$ 62,035	10.08%	\$ 137,838	\$ 29,980	\$ 52,310	\$ 220,128	35.77%	\$ 34,965	05.68%	\$ 317,128	51.53%	12.80
1976-77	\$ 710,064	\$ 65,826	09.27%	\$ 147,058	\$ 103,250	\$ 96,140	\$ 346,448	48.79%	\$ 43,335	06.10%	\$ 455,609	64.16%	19.79
1977-78	\$ 842,423	\$ 101,721	12.07%	\$ 164,867	\$ 43,367	\$ 78,697	\$ 286,931	34.06%	\$ 47,218	05.60%	\$ 435,870	51.74%	14.82
1978-79	\$ 990,840	\$ 68,800	06.94%	\$ 249,439	\$ 51,500	\$ 81,694	\$ 382,633	38.62%	\$ 73,428	07.41%	\$ 524,861	52.97%	19.87
1979-80	\$ 911,948	\$ 65,780	07.21%	\$ 211,669	\$ 93,929	\$ 92,576	\$ 398,174	43.66%	\$ 28,220	03.09%	\$ 492,174	54.63%	20.43
1980-81	\$1,058,014	\$ 75,371	07.12%	\$ 222,658	\$ 91,426	\$ 101,235	\$ 415,319	39.25%	\$ 97,172	09.18%	\$ 587,862	55.56%	21.03

\*Note: Through 1980-81 the Retirement Levy was a separate levy outside the general fund. Its inclusion in the "total taxes" and "total local" computations, above, when added to the State Appropriation produce a dollar and percentage totals slightly higher than the General Fund Budget.

# MCC BUDGET/FUNDING HISTORY: LOCAL SHARE: TUITION/FEES -- TAXES -- OTHER, continued

YEAR	ACTUAL BUDGET	NET TUIT. & FEES	T&F %	MAND. LEVY	SPECIAL LEVY	TOTAL TAXES	TAX %	OTHER LOCAL \$	OTHER LOCAL %	TOTAL LOCAL \$	TOTAL LOCAL %	TOTAL MILLS
New State Funding Formula following LFA Study. FTE enrollment x \$\$ per FTE set by Legislature. State = 53%; Local = 47%												
1981-82	\$ 1,468,264	\$ 107,133	07.29%	\$ 546,825	\$ -----	\$ 546,825	37.24%	\$ 35,084	02.39%	\$ 689,042	46.93%	26.04
1982-83	\$ 1,545,750	\$ 109,108	07.06%	\$ 583,505	\$ -----	\$ 583,505	37.49%	\$ 33,890	02.19%	\$ 726,503	47.00%	27.79
1983-84	\$ 1,953,911	\$ 125,957	06.45%	\$ 669,683	\$ -----	\$ 669,683	34.27%	\$ 122,698	06.28%	\$ 918,338	47.00%	38.27
1984-85	\$ 2,015,863	\$ 129,953	06.44%	\$ 642,522	\$ -----	\$ 642,522	31.87%	\$ 174,981	08.68%	\$ 947,456	47.00%	35.16
1985-86	\$ 1,701,413	\$ 140,403	08.25%	\$ 622,358	\$ -----	\$ 622,358	36.58%	\$ 73,650	04.33%	\$ 836,411	49.16%	33.56
1986-87	\$ 1,699,119	\$ 125,440	07.38%	\$ 652,589	\$ -----	\$ 652,589	38.41%	\$ 110,191	06.48%	\$ 888,220	52.28%	38.04
(1987 Legislature changed enrollment base from current and prior year to prior two full academic years.												
1987-88	\$ 1,510,264	\$ 122,753	08.13%	\$ 642,838	\$ -----	\$ 642,838	42.56%	\$ 19,747	01.31%	\$ 785,338	52.00%	37.82
1988-89	\$ 1,500,504	\$ 139,000	09.33%	\$ 641,262	\$ -----	\$ 641,262	42.74%	\$ -0-	0.00%	\$ 780,262	52.00%	42.92
(1991 Legislature revised funding formula. Tuition/Fee increases now added to FTE formula. Effective date upon passage included 90-91 fiscal year.)												
1989-90	\$ 1,631,591	\$ 189,937	11.46%	\$ 636,598	\$ -----	\$ 636,598	39.02%	\$ 38,208	02.34%	\$ 864,743	53.00%	39.68
1990-91	\$ 1,738,428	\$ 199,431	11.47%	\$ 582,488	\$ 76,000	\$ 658,488	37.88%	\$ 122,121	07.02%	\$ 980,040	56.38%	44.22
1991-92	\$ 1,966,565	\$ 276,434	14.06%	\$ 611,971	\$ -----	\$ 611,971	31.12%	\$ 151,633	07.71%	\$ 1,040,038	52.89%	42.45
1992-93	\$ 2,272,158	\$ 376,530	16.57%	\$ 652,589	\$ -----	\$ 652,589	28.72%	\$ 258,000	11.35%	\$ 1,287,119	56.65%	44.75
1993-94	\$ 2,332,834	\$ 450,570	19.31%	\$ 652,589	\$ -----	\$ 652,589	27.97%	\$ 177,618	07.61%	\$ 1,280,777	54.90%	43.43
(Figures for 94-95 are as budgeted; actual tuition/fees and other local not yet known)												
1994-95	\$ 2,413,734	\$ 455,000	18.85%	\$ 652,589	\$ -----	\$ 652,589	27.04%	\$ 276,888	11.47%	\$ 1,384,477	57.36%	42.27

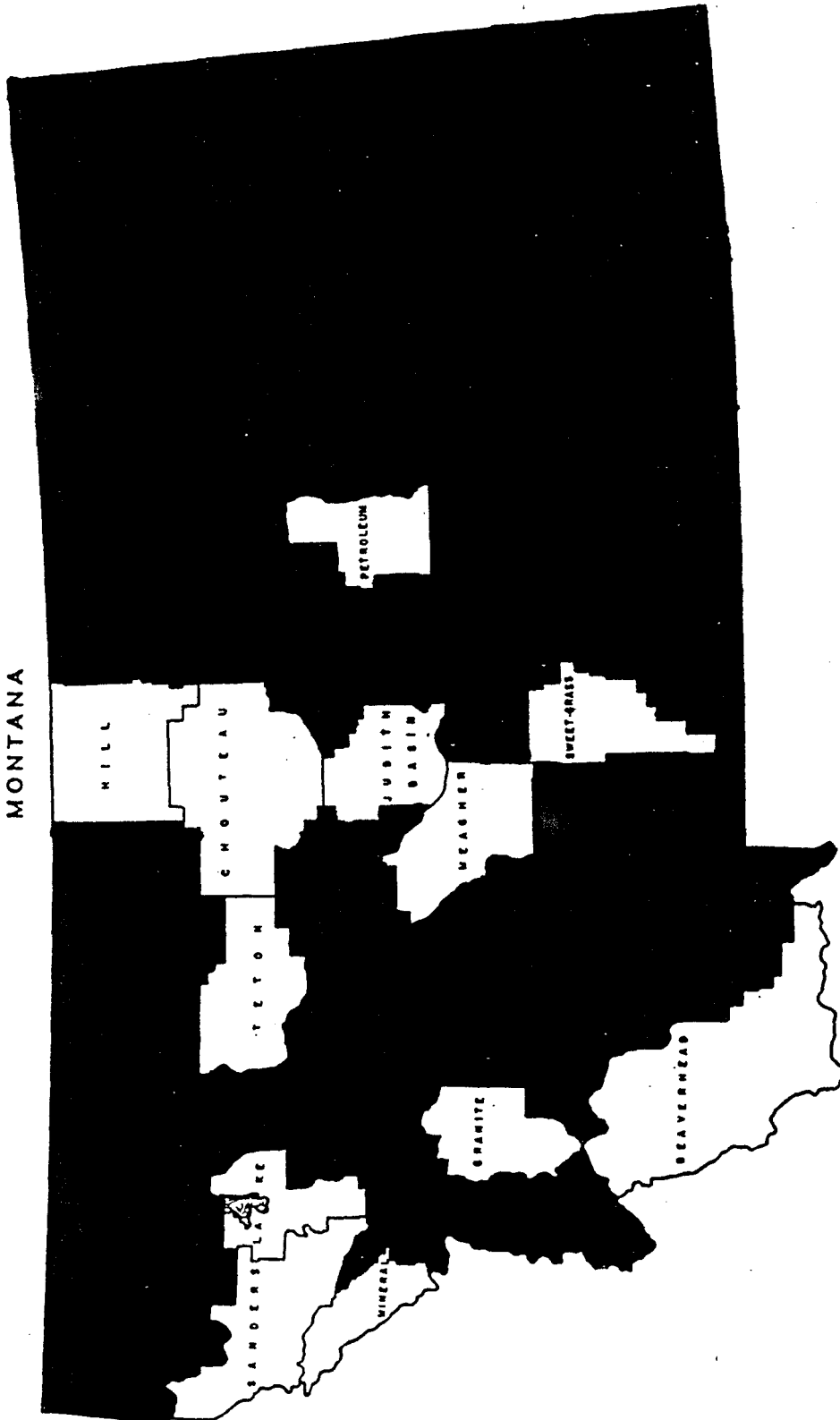
MILES COMMUNITY COLLEGE	1/26/95	
TUITIONS & FEES SCHEDULES----		(PER QUARTER/SEMESTER)
HISTORY		(TUIT&FEE.HIS)

EFFECTIVE FALL QTR/SEM ACTION	BOARD	TUITIONS				INSTRUCTIONAL FEES			ITV
		In-District	O-O-Dist	O-O-State	Part-Time	Auto Mech	Electronics	Welding	
Thru 70-71		40.00	70.00	120.00	6/8/10	15.00	15.00	25.00	
1971	3/24/71	60.00	100.00	200.00	8/10/12	"	"	"	
1979	2/19/79	75.00	"	"	"	"	"	"	
1981	12/15/80	"	125.00	250.00	8/12/25	25.00	25.00	40.00	
1983	1/17/83	"	150.00	"	8/15/25	"	"	"	
1985	3/18/85	100.00	"	"	10/15/25	"	"	"	
1989	2/27/89	150.00	235.00	400.00	15/23.50/40	"	"	"	
Semester Conversion		225.00	332.50	600.00	"	37.50	37.50	60.00	
1991	12/10/90	252.00	390.00	600.00	21/32.50/50	55.00	55.00	90.00	
1992	3/9/92	336.00	492.00	792.00	28/41/66	68.50	68.50	112.00	\$15/cr.
1993	3/8/93	392.00	721.00	1694.00	28/51.5/121	"	"	"	"
1994	2/14/94	"	"	"	(14 cr. +)	"	"	"	"
					(12 cr. +)				

-----RESTRICTED FEES-----												-----GENERAL FEES-----		
Student Activity		Building	Building Operations	Graduation	Computer	Media	Instruction Equip/Mat	TOTAL RESTRICTED	Application	Late Registration	Incidental	TOTAL GENERAL		
Thru	70-71													
1971	3/24/71	10.00	-----	-----	-----	-----	-----	10.00	-----	2.00	7.50	7.50		
1972	3/13/72	"	-----	-----	-----	-----	-----	10.00	-----	5.00	"	7.50		
1976	5/17/76	"	5.00	-----	-----	-----	-----	20.00	-----	"	"	7.50		
1979	12/17/79	"	"	-----	-----	-----	-----	30.00	-----	"	"	7.50		
1981	12/18/78	"	"	-----	-----	-----	-----	30.00	-----	"	"	7.50		
1981	12/15/80	"	"	10.00	-----	-----	-----	30.00	10.00	10.00	"	7.50		
1983	1/17/83	17.50	7.50	-----	-----	-----	-----	47.50	"	"	"	7.50		
1985	11/19/84	"	"	"	-----	-----	-----	47.50	"	15.00	"	7.50		
1985	7/15/85	"	"	"	12.00	-----	-----	59.50	"	"	"	7.50		
1987	2/16/87	"	17.50	"	"	-----	-----	69.50	"	"	"	7.50		
1987	3/16/87	"	"	20.00	"	-----	-----	69.50	"	"	"	7.50		
1988	4/18/88	18.00	24.00	"	"	12.00	-----	90.00	"	"	12.00	12.00		
Semester Conversion		27.00	36.00	"	18.00	18.00	-----	135.00	"	"	18.00	18.00		
1991	12/10/90	36.00	42.00	"	"	"	18.00	174.00	"	"	24.00	24.00		
1992	3/9/92	42.00	"	"	"	"	30.00	186.00	"	"	30.00	30.00		
1993	3/8/93	42.00	49.00	"	21.00	21.00	35.00	217.00	"	25.00	35.00	35.00		
1994	2/14/94	"	"	"	"	"	"	217.00	30.00	"	"	35.00		

\*Graduation, Application, and Late Registration Fees not included in Totals. Tuitions & Fees are pro-rated for part-time students.

## MONTANA



DURING THE FALL SEMESTER OF 1994, MILES COMMUNITY COLLEGE  
SERVED STUDENTS FROM 44 OF THE 56 COUNTIES IN MONTANA.

SCHOOL LAWS OF MONTANA, 1993

Section 20-9-306, MCA

(10) "Total per-ANB entitlement" means the district entitlement resulting from the following calculations:

(a) for a high school district, or a K-12 district high school program, a maximum rate of \$4,900 for the first ANB is decreased at the rate of 50 cents per ANB for each additional ANB of the district up through 800 ANB, with each ANB in excess of 800 receiving the same amount of entitlement as the 800th ANB;

(c) for an elementary school district of a K-12 district elementary program with an approved and accredited junior high school or middle school, the sum of:

(ii) a maximum rate of \$4,900 for the first ANB for grades 7 and 8 is decreased at the rate of 50 cents per ANB for each additional ANB for grades 7 and 8 up through 800 ANB, with each ANB in excess of 800 receiving the same amount of entitlement as the 800th ANB.

\*\*\*\*\*

If Miles Community College was an accredited high school or junior high school, its funding for 1993-94 would have been calculated as follows:

FTE Enrollment.....	580
1st FTE entitlement.....	\$ 4,900.00
580th FTE entitlement.....	\$ 4,610.00
Sub-Total	\$ 9,510.00
Average FTE entitlement.....	x <u>.50</u>
Adjusted FTE Entitlement....	<u>\$ 4,755.00</u>

# MCC/HIGH SCHOOL ANB EQUIVALENT OPTIONS

	<u>Past 2 Years</u> 603 FTE	<u>Actual, 93-94</u> 580 FTE	<u>Actual 94-95</u> 535FTE x 1.05%
MCC/ANB Equivalent (93-95 biennium)	\$ 4,755 x 603 \$ 2,867,265	\$ 4,755 x 580 \$ 2,757,900	\$ 4,755 x 562 \$ 2,672,310
-----	-----	-----	-----
<u>53% State Share</u>	x 53% \$ 1,519,650	x 53% \$ 1,461,687	x 53% \$ 1,416,324
<u>Less 94-95 Appropriation</u>	- 1,029,257	- 1,029,257	- 1,029,257
<u>Increase 95-96</u>	\$ 490,393	\$ 432,430	\$ 387,067
-----	-----	-----	-----
<u>49% State Share</u>	x 49% \$ 1,404,960	x 49% \$ 1,351,371	x 49% \$ 1,309,432
<u>Less 94-95 Appropriation</u>	- 1,029,257	- 1,029,257	- 1,029,257
<u>Increase 95-96</u>	\$ 375,703	\$ 322,114	\$ 280,175



# Mission & Programs <sup>6</sup>

EXHIBIT

DATE

1/30/95

SB

Flathead Valley Community College is committed to enhancing the educational, cultural, social and economic well-being of the people of northwest Montana. The College provides affordable opportunities for anyone to gain college-level skills, to complete a two-year college program, to complete the first two years of a four-year college program, to gain or upgrade job skills, and to learn for personal growth and enrichment. FVCC is committed to promoting cultural diversity and equity in employee and student population groups.

## Associate of Arts/Sciences Degree Transfer Programs

Art  
Aviation  
Biology  
Business Administration  
Computer Science  
Education  
Engineering  
English  
Geology  
History  
Political Science  
Human Services  
Mathematics  
Pre-Health Professions  
Pre-Nursing  
Pre-Wildlife Biology  
Sociology/Social Justice

## Associate of Science Degree Occupational Programs

**Business Education**  
*Executive Secretary,  
Word Processing & Medical Secretary*  
**Business Management**  
*Accounting, Computer  
Applications, Hospitality Management,  
Museum/Gallery Operations, Retail  
Management, Small Business Mgt.*  
**Human Services**  
*Child Development, Substance Abuse  
Counseling*  
**Natural Resources Management**  
*Forestry, Wildlife, Recreation*  
**Supervisory Management**  
**Surveying**  
One year certificate programs are  
offered in Clerical and Accounting

### National Note

Nearly half the students at community colleges are pursuing careers in the fields the Bureau of Labor statistics has projected among the fastest growing between now and 2005.

New occupational programs in varying stages of development include Medical Assistant, International Business, Paralegal, Local Area Network (computer) Management, Teacher's Aide, and Environmental Technology



# Flathead Valley Community College

777 Grandview Drive • Kalispell, Montana 59901 • 406-756-FVCC

# Students & Trends

## • 1993-94 Enrollments

Unduplicated Students (credit) ..... 3,400

Community Education Enrollments ... 4,049

Enrollments (credit) since 1967 ..... 48,527

## • FVCC students come from:

Flathead County ..... 75%

Lincoln County ..... 16%

Other Montana Counties ..... 6%

Out of State/Foreign ..... 3%

## • The average student age is 30.4 years.

• Increasing numbers of "traditional age" students are enrolling at FVCC directly after high school graduation. More students are attending full-time, fewer part-time.

• Class sizes at FVCC average 18 students for each professional faculty member.

• The General Fund cost per student is \$4,320.

• The overall placement rate for FVCC graduates seeking employment is 91%

• Most FVCC students plan to continue their education immediately or at some time in the future

## Montana Notes

Montana educates a much larger share (65.4%) of its students at the university level than other states do (35.1%). Second, Montana's two year enrollment, at 7.9% is smaller than in the rest of the country, which has a two-year enrollment of 36%.\*

FVCC's student tuition, at \$732 per semester is less than two-thirds that charged by the University of Montana and Montana State University.

## National Notes

More than five million students attend community colleges in courses leading toward a formal degree or certificate. The community college student is more likely to attend part-time (66%), be older than 22 years of age (63%), and work at least part-time (66%). Students who report a disability are almost twice as likely to be enrolled in a community college than a four-year institution.\*\*

\* *The Montana Professor*, Richard Barrett, University of Montana

\*\* American Association of Community Colleges, Kent Phillippe



# Flathead Valley Community College

777 Grandview Drive • Kalispell, Montana 59901 • 406-756-FVCC

# *Support & Enrichment*

EXHIBIT 6

DATE 1-30-95

## *The Learning Center*

The Center, largely supported by state and federal grants, provides a variety of coherent, continuous support services for FVCC students and staff:

- **Adult Basic Education** helps students finish GED's and prepare for college.
- The **Academic Reinforcement Center** provides remedial education classes, tutoring, counseling, advising and career exploration for disadvantaged students
- **Advocacy for Students with Disabilities** coordinates services for students with a variety of disabilities, including injured workers returning to college for retraining.
- The **Career Center** provides career counseling and job placement services to students, alumni and community members.
- The **Carl Perkins Program** provides additional support for disadvantaged vocational students, including counseling, tutoring and instruction.
- **Transfer Advising** helps smooth the student's transition from FVCC to a four year college or university.
- **Writing and Math Labs** provide individualized assistance for students taking such FVCC classes.
- **Upward Bound** helps disadvantaged high school students continue on to college. They receive tutoring during the year and a six-week motivational summer program.

## *Community Education*

The Community Education Center provides lifelong, non-credit learning opportunities for anyone seeking to gain or upgrade skills, as well as for those seeking personal enrichment. CEU's are available. Programs are self-supporting, with instructor salaries and instructional costs financed by student fees. Over 4,000 students take such classes each year, including:

- **Adult Noncredit Classes**, 70 classes each semester ranging from fly-tying, to dance and market investments.
- **Elderhostel/Senior Programs**, nationally designated as a "Super Site." Hosting 20 programs annually.
- **The Glacier Institute** outdoor education in Glacier National Park, in cooperation with five local organizations.
- **Small Business Development Center**, funded by the SBA through the Montana Dept. of Commerce and program revenues, offering workshops, seminars, counseling services, and business resources.
- **Contract Training**, customized designed, on-site services for businesses.
- **College for Kids**, providing challenges & new learning experiences for youngsters.
- **Community Lectures** on current cultural, political and economic themes.
- **Leadership Flathead**, co-sponsored with the Kalispell Area Chamber of Commerce for training emerging community leaders.



# *Flathead Valley Community College*

**777 Grandview Drive • Kalispell, Montana 59901 • 406-756-FVCC**

# Economics & Impacts

## Funding Sources

Total tuition & fees	\$2,044,849	28%
• Tuition & fees	\$1,215,922	
• Designated fees	290,628	
• Restricted fund fees	45,465	
• Plant fund fees	492,834	
State & federal grants	1,765,444	24%
State appropriation	2,244,974	30%
District Levy (base & retirement)	<u>1,305,164</u>	18%
 Total Funds	 \$7,360,431	

The FVCC District Levy assessment on a \$50,000 property valuation is \$22.58, and accounts for 2-3% of a typical tax statement.

Revenue sources from outside the district that contribute to the local economy total \$4,251,645.

Over \$1.7 million of the FVCC annual budget is spent locally for insurance, contracted services, personal services, supplies, printing, furniture and equipment.

## Full-time Semester Tuition and Fees

	<i>Flathead County Resident</i>	<i>Montana Resident, other counties</i>	<i>Non- Resident, Out-of- State</i>
FVCC	\$732.50	\$998.50	\$1586.50
U.M.	\$1125.65	\$1125.65	\$3155.65
M.S.U.	\$1426.40	\$1426.40	\$3456.20

Montana's three community colleges receive 2% of the state higher education budget and enroll 8% of all the state's college students.

If 2,000 students spend at least \$2,000 annually in the local economy, then \$4 million is spent by FVCC students every year in Northwest Montana.

## Employees and Payroll

- The college employs
- 44 full-time faculty
  - 82 part-time faculty
  - 21 administrators
  - 18 professional and exempt personnel
  - 45 classified staff.

The 1994-95 payroll is \$5,064,009.

Economists estimate that the financial impact upon a community from a college varies from 20-90 cents for every payroll dollar. The Montana "miscellaneous services" economic impact multiplier is 1.6.

Using the conservative Montana multiplier, FVCC's payroll creates an additional \$3,038,405 impact on the economy of Northwestern Montana.



# Flathead Valley Community College

777 Grandview Drive • Kalispell, Montana 59901 • 406-756-FVCC

# Fairness & Funding

EXHIBIT 6

DATE 1-30-95

1

## Present FVCC Funding Mix

- Locally generated funds including the district levy ..... 42%
- State appropriation ..... 30%
- Student tuition and fees ..... 28%

Total budget..... \$7.36 million.

## Notes & Issues

- During most of the previous decade, Montana's funding of higher education did rise slowly. But when considered against inflation, real student spending actually stagnated.
- FVCC's state funding per student is about 80% of the national average, according to the National Association of College and University Business Officers..
- Are Montanans paying too much? The state's funding gap between an FVCC freshman and a University of Montana freshman in 1997 could be \$1,990.

### 1990 Comparisons:

## Montana per student expenditures

University, full time ..... \$7,752  
K-12 ..... \$4,736  
Community College ..... \$3,640

## Recent State FTE Funding

	<u>FY93</u>	<u>FY94</u>	<u>FY95</u>
<i>Funded FTE</i>	997	1121	1121
<i>Dollars/FTE</i>	\$4031	\$4163	\$4163

<i>Actual FTE</i>	1185	1168	1168
<i>Actual \$/FTE</i>	\$3391	\$3995	\$3995

## Proposed State Support FY96 & 97

- Includes a three percent adjustment for each of the past three year's underfunding.
- Based on an additional three percent covering the next two fiscal years, reflecting the Consumer Price Index, which has been in the two to four percent range.
- Requests a 53% state share of the FTE over the next two fiscal years.

	<u>FY96</u>	<u>FY97</u>
<i>Funded FTE</i>	1176	1176
<i>Dollars/FTE</i>	\$4688	\$4688

\$5,510,736 budget/year  
X 53% (.53)

**State funding of \$2,920,690 each year.**



# Flathead Valley Community College

777 Grandview Drive • Kalispell, Montana 59901 • 406-756-FVCC

HOUSE OF REPRESENTATIVES  
VISITORS REGISTER

Education SUB-COMMITTEE DATE Jan 30, 1993  
BILL NO. 4132 SPONSOR(S) Community Colleges

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	Support	Oppose
Larry Rasmussen	FLCC	✓	
Frank Williams	MILES COMMUNITY COLLEGE	✓	
JUDSON H. FLOWER	MILES COMMUNITY COLLEGE	✓	
Bob Dezel	Dawson Community College	—	
Don Kettner	" " "		
Paul F. Hastings	" "	✓	
David Beyer	FVCC	✓	
Pete Joseph	MFT		
John Dunbar	MBMG		
Thomas K. Harding	FVCC	✓	
Clyde Carroll	MSU	✓	
Butch Weldon	MSU - Freshman	✓	

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

HR:1993

wp:visbcom.man

CS-14