

DRAFT MINUTES
PEPB/BOR Subcommittee Meeting
Wednesday, July 7, 2004
Salish-Kootenai College
Pablo, MT
1:00 p.m.

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed. Committee tapes are on file in the offices of the Legislative Services Division. **Exhibits for this meeting are available upon request. Legislative Council policy requires a charge of 15 cents a page for copies of the document**

Attending: Senator Barkus, Chair; Senator Ryan; Rep. Dickenson, Vice Chair; Senator Shea; Dave Gibson; Alan Peura, Associate Fiscal Analyst, Legislative Fiscal Division; Eddy McClure, Staff Attorney, Legislative Services Division.

Also present: Regent Mike Foster, Regent Kala French, Regent Lynn Morrison-Hamilton, Regent Richard Roehm, Bob Person, OCHE; Commissioner Sheila Stearns, OCHE.

Regents Semmens and Mercer were excused.

Call to Order

Senator Barkus called the meeting to order on Wednesday, July 7, 2004 at 1:00 p. m. The secretary noted the roll (Attachment 1).

Approve May 2004 Minutes

MOTION: **Senator Shea** moved the minutes of the May 19, 2004 meeting be approved as presented. **VOTE:** Motion carried unanimously.

Eddy McClure, LSD introduced Alan Peura, Associate Fiscal Analyst, Legislative Fiscal Division who is taking over as staff person for the subcommittee since the departure of Pam Joehler.

Tape 1; Side A

Economic Development Shared Leadership Project

Commissioner Sheila Stearns acknowledged the work done by Dave Gibson and Bob Person on the implementation of the shared leadership project.

David Gibson, Montana Chief Business Officer, Governor's Office referred to the report titled "Six Action Items Designed to Implement Shared Leadership for a Stronger Montana Economy" (Exhibit 1) This document started as a means to communicate all the initiatives originally prepared for the Project Teams at its May 4 meeting. It was revised after that meeting for the PEPB/Board of Regents May 19 meeting. Having been reviewed by the Board of Regents, Leadership Group, Project Team, and others, further

changes have been incorporated to prepare the document for the transition of the project to the beginning of the implementation steps. Major changes are:

- ?? In the Workforce Training and Education section, the overall proposal in the previous edition is slightly reworked and more specifically characterized to recognize its overall strategic character.
- ?? The Distance Learning section includes a description of an organizational structure proposed for implementation
- ?? Several new options for implementing the MUS and Governmental Collaboration piece are included to stimulate thought and discussion of how this initiative might be implemented.
- ?? The “Next Steps” piece is revised to reflect the current status of the project.

Subcommittee Discussion

?? Workforce Training and Education

Rep. Dickenson expressed concerns regarding the strategic planning proposed action item and asked if it is necessary in order to accomplish the next three steps. **Mr. Gibson** said the strategic planning action item has been changed considerably realizing that some issues are not as critical, but a piece is still missing on how to communicate as a two-year system. When there is an issue that crosses the two-year institutions it is difficult to coordinate specific policies and coordinate system-wide improvements.

Senator Ryan asked if workforce training and education is one of the initiatives chosen to focus on will all the aspects of it have to be dealt with equally or will the committee be able to determine what parts to fund. **Commissioner Stearns** said that the Committee should provide as much guidance as possible to the Board of Regents on prioritizing.

Regent Hamilton expressed continued concern with the language in the workforce development proposal that talks about the need for a separate two-year system.

Senator Ryan said that it is important to make sure that skills are related from K-12 to K-18 so career choices can be developed and to provide a more meaningful high school experience.

Tape 1; Side B

?? Distance Learning

Chancellor Sexton, MSU Billings said a system statewide approach to distance learning makes good sense; however, the difficulty is that every institution has already made considerable decisions about how they are going to invest and prioritize.

Regent Foster asked what would become of distance learning if it was not one of the initiatives chosen. **Chancellor Sexton** responded it would continue but at a relatively slow pace.

Senator Ryan said if a system is developed by one institution that works well others will model it and competition will create a better product.

Regent French commented as a student at MSU that point of entry is absolutely critical.

?? MUS – Business Partnerships

Chancellor Capdeville, MSU Northern commented that there is not enough money to implement the Workforce Training and Education programs without the MUS – Business Partnerships initiative.

Regent Hamilton asked what the response has been around the state from the business community to this proposal. Mr. Gibson responded that there is general agreement that there is a need for business partnerships.

Tape 2; Side A

?? MUS and Government Collaboration

Commissioner Stearns commented that Regent Mercer argued for this initiative from the beginning in terms of a more shared leadership for a better Montana.

Rep. Dickinson discussed the concerns about soliciting comments, input and expertise from the various university units in an open and safe environment.

?? Promote and Enhance Access to Postsecondary Education

Senator Ryan said that if Montana's best and brightest high schools students don't have access to Postsecondary Education they will leave and won't come back.

Senator Shea generally agreed with Senator Ryan but also said that if there isn't something to keep the students here in Montana they won't stay no matter how well they are educated.

Rep. Dickenson would like this initiative to be a priority for the reason that it will bring economic development to Montana.

?? MUS – Montana Promotion Partnership

David Gibson, Montana Chief Business Officer, Governor's Office said that Montana Travel Promotion Division (MTP) and MUS have well-developed promotion programs, but these efforts can be improved.

Senator Ryan asked Bill Johnston, Student Affairs, MSU-Bozeman how much of the \$1,000,000 is in targeted tuition waivers and assistance. Mr. Johnston responded that the committee didn't break down the percent for tuition waivers.

Tape 2; Side B

Senator Barkus asked President Dennison what the percentage rate of students that graduate stay in Montana. President Dennison said he didn't know.

PEPB Subcommittee Business

MOTION: Regent Foster moved to adopt Workforce Training and Education initiative as a top priority and Distance Learning as a second priority.

Senator Barkus agreed upon request to segregate the motion and vote on each priority separately.

MOTION: Regent Foster moved to adopt Workforce Training and Education initiative as a priority. **VOTE:** Motion passed unanimously.

MOTION: Senator Ryan moved to adopt initiative to Promote and Enhance Access to Postsecondary Education as a priority. **VOTE:** Motion carried.

MOTION ON THE FLOOR: Adopt Distance Learning initiative as third priority. **VOTE:** Motion carried.

Dave Gibson noted that making these three initiatives top priorities does not mean the others will be ignored, but the priorities give guidance for where to start.

?? Subcommittee Resolution Supporting Economic Development Shared Leadership Project

Eddy McClure, LSD explained the draft resolution LC1111 (Exhibit 2) is a Joint Resolution of the Senate and the House of Representatives urging the Legislature to support the efforts of the Board of Regents of Higher Education and the Montana University System to strengthen the state's economy by implementing the policy recommendations identified in the document entitled "Shared Leadership for a Stronger Montana Economy".

MOTION: Senator Shea moved to approve drafting resolution LC1111. **VOTE:** Motion carried.

?? Review and Discussion PEPB Subcommittee 2002 Report on Policy Goals, Accountability Measures and Reporting and Possible Renewal of 2002 Agreement

Eddy McClure, LSD explained the report on Public Postsecondary Education Policy Goals, Accountability Measures & Reporting. (Exhibit) The Education and Local Government Committee formed the Joint Subcommittee on Postsecondary Education Policy and Budget (Subcommittee) in November 2001 and charged it with “improving the relationship of the legislature and the Montana University System”. The Subcommittee decided to focus its efforts on identifying public postsecondary education policy goals and accountability measures that allow the evaluation of the attainment of the policy goals. The Subcommittee chose to examine state policy goals and accountability measures with the hopes of all parties developing a better understanding of the others’ roles and responsibilities.

Tape 3; Side A

Ms. McClure explained the Agreement between the Joint Subcommittee on Postsecondary Education Policy and Budget and the Montana University System, identifies the statewide public postsecondary education policy goals and related accountability measures that will be used as an assessment tool for policymakers, the university system, and the public in evaluating the achievement of the policy goals. This Agreement expires January 1, 2005.

Commissioner Stearns said she and staff are in favor of renewing the agreement and that a bi-annual report would be more useful to them.

MOTION: Senator Ryan moved to continue the agreement and amend to be bi-annual.

VOTE: Motion passed unanimously.

?? Subcommittee Report to Education and Local Government Committee

Eddy McClure, LSD stated that the Education and Local Government Committee will be expecting a report from PEPB on September 14th.

Meeting was adjourned at 4:30 p.m.

Approved by the Postsecondary Education Policy and Budget Subcommittee on

(Date)

Senator Greg Barkus, Chairman

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