

MINUTES
PEPB/BOR Subcommittee Meeting
Wednesday, May 19, 2004
Great Falls College of Technology
Heritage Hall
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; Regent Semmens; Regent Mercer; David Gibson; Pam Joehler, Legislative Fiscal Division; Eddy McClure, Attorney, Legislative Services Division.

Also present: Bob Person; Sheila Stearns, Commissioner of Higher Ed; Rod Sunsted, Associate Commissioner for Fiscal Affairs; Laurie Neils, Director of Budgeting and Accounting; Regent Richard Roehm; Regent Lynn Hamilton; Regent Christian Hur; Regent Mike Foster.

Senator Shea was absent.

Call to Order

Senator Barkus called the meeting to order on Wednesday, May 19, 2004 at 1:00 p. m. The secretary noted the roll.

Approve March 2004 Minutes

Rep. Dickenson moved the minutes of the March 24, 2004 meeting be approved. The motion carried unanimously.

Regent Semmens moved to approve the agenda. Agenda was unanimously approved.

Action Items Designed to Implement Shared Leadership for a Stronger Montana Economy

Senator Barkus acknowledged the work done by the many participants on the implementation of the shared leadership project.

David Gibson, Montana Chief Business Officer, provided the committee with a flow chart outlining the process for completing the project. (Exhibit 1) On the back of the handout are key questions for discussion. The report titled "Six Action Items Designed to Implement Shared Leadership for a Stronger Montana Economy" (Exhibit 2) lists the Leadership Group Members and the Project Team Members, discusses the background, action items, steps, and the six initiatives.

Subcommittee Discussion and Action

The following areas to be addressed are:

- o Two-Year Education
- o Distance Learning
- o MUS-Business Partnerships
- o MUS and Government Collaboration
- o Promote and Education Culture
- o MUS-Montana Promotion Partnership

Two-Year Education

Proposed Action Item: Bring business, industry, government, and higher education leaders together to develop a comprehensive strategic plan for the state's two-year college system including specific recommendations for:

- ☞☞Changes in organizational structure to meet the state's future needs,
- ☞☞Campus specialization,
- ☞☞Standardizing programs in high-demand occupational areas,
- ☞☞Creating career pathways systems for occupational training, and
- ☞☞Better integration into the state's myriad workforce programs.

Regent Semmens asked how extensively were the various components of the current two-year delivery institutions involved. Mr. Gibson said the whole spectrum of the two-year education community was not involved.

Rep. Dickenson expressed concern that if a specialized curriculum is assigned to a particular unit, other than through distance learning opportunity, you might isolate some students from that opportunity. Mr. Gibson said that workforce training in the two-year system is becoming more expensive and the source of very highly skilled workers in every economy. If you consider the kind of training to be provided in the next 10 or 20 years, and don't consider the issue, the individual campuses will be left figuring out how to provide the training. A system wide approach is needed to solve this problem.

Regent Hamilton expressed concern that the proposed action item calls for a change in the organizational structure of two-year education and asked if the proposal includes separating the two-year campuses from the Montana University System. Mr. Gibson said he feels this option should not be dismissed without careful consideration.

Senator Ryan expressed concern that the sentence at the bottom of paragraph 5 on page 1, "This has created a downward spiral..." implies that the two-year systems in the state are a downward spiral in the waste of money.

Regent Mercer said he would like to see the sentence referring to "downward spiral" deleted. Also under the Return on Investment he would like to see some examples.

Changes suggested by Regent Semmens are:

Changing the proposed action item to "...changes in operations, resources, and organizational structure to meet the state's future needs, campus programs and curricula..."

Change the fourth item under proposed solution options to curriculum and programs...

Under state investment change cost to resources and funding requirements

Add a bullet item as part of the proposed solution

- o Maintaining benefits and advantages of relationships with four-year institutions

Regent Hamilton suggested under current problem: strike the last sentence "...it was recognized that all of these shortcomings ...". Regent Mercer suggested changing the word "lack" to greater and not remove the whole sentence.

Regent Semmens moved to adopt yes/maybe to the two-year education initiative.
VOTE: The motion passed.

Distance Learning

Proposed Action Item: Create a Montana University On-line System to centralize and coordinate distance learning throughout the university system.

Regent Hamilton said the proposal indicates there are no apprenticeship programs available in Montana. The Board recently approved the apprenticeship program at Northern and is working on a couple more.

Regent Mercer moved to adopt the distance learning initiative. VOTE: The motion passed.

MUS – Business Partnerships

Proposed Action Item: Expand partnerships between the university system and Montana businesses.

Regent Semmens moved to adopt MUS – Business Partnerships initiative. VOTE: The motion passed.

MUS and Government Collaboration

Proposed Action Item: Develop a method of outreach to determine the needs of state, local, and tribal government leaders in Montana for resources available within the MUS. The university system will also develop a systematic process for prioritizing those needs and focusing available resources to solve them.

Rep. Dickenson expressed concern with the second proposed solution option and what will the leaders give up in order to provide enough time for this collaboration.

Regent Mercer said the proposed solution for the MUS to convene its own key leaders is not a necessary component.

Regent Hamilton would like the proposed item better refined to identify the commitment and where the resources are coming from.

Regent Mercer moved to adopt the MUS and Government Collaboration initiative.
VOTE: The motion passed.

Promote an Education Culture

Proposed Action Item: Promote an education culture that imparts the idea and supports the possibility of higher education for all Montanans.

Regent Semmens moved to adopt the Promote an Education Culture. VOTE: The motion passed.

MUS-Montana Promotion Partnership

Proposed Action Item: Establish a partnership between the Department of Commerce, Montana Travel Promotion Division and Montana University System to increase Montana promotion to out-of-state prospective students and alumni.

Regent Semmens moved to adopt the MUS-Montana Promotion Partnership. VOTE: The motion passed.

Sheila Stearns suggested adopting as a yes/maybe and continue to analysis and refine.
VOTE: The motion passed.

Report from Board of Regents Budget Subcommittee

Regent Semmens reported that the Budget Subcommittee discussed and endorsed adding Workforce Development initiative.

The Budget Committee talked about the need to address deferred maintenance issues on buildings and determined that could be a project taken on under the MUS and government collaboration. The Committee also discussed agricultural related initiatives and intends to include a request in the university system budget.

Mr. Gibson summarized what he thought should happen next.

- o Refine the initiatives
- o Present the initiatives to the leadership group for feedback
- o BOR meet in July with the details of the plan for the next six months to a year with names of the people involved

Pam Joehler stated that the full Committee will be expecting a report from the PEPB in September.

PEPB Subcommittee Business

The next meeting is set for July 7th in Pablo at the Salish Kootenai College.

Meeting was adjourned.

Approved by the Postsecondary Education Policy and Budget Subcommittee on

(Date)

Senator Greg Barkus, Chairman