

MINUTES

**MONTANA HOUSE OF REPRESENTATIVES
59th LEGISLATURE - REGULAR SESSION**

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

Call to Order: By **CHAIR EVE FRANKLIN**, on January 25, 2005 at 8:05 A.M., in Room 455 Capitol.

ROLL CALL

Members Present:

Rep. Eve Franklin, Chairman (D)
Sen. Don Ryan, Vice Chairman (D)
Sen. John Esp (R)
Rep. Bill E. Glaser (R)
Rep. Verdell Jackson (R)
Sen. Carol Williams (D)

Members Excused: Rep. Carol C. Juneau (D)

Members Absent: None.

Staff Present: Mark Bruno, OBPP
Alan Peura, Legislative Branch
Diana Williams, Committee Secretary
Britt Nelson, Transcriber

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed. Tape counter notations refer to material preceding.

Committee Business Summary:

Hearing & Date Posted: Board of Regents; Office of the
Commissioner of Higher Education
Executive Action: None

Alan Peura, Legislative Fiscal Division, handed out an agenda for the meeting.

[EXHIBIT\(jeh19a01\)](#)

Pam Joeehler, Director of Accounting and Budget for the Office of the Commissioner of Higher Education (OCHE), had an exhibit to follow up on a request from REP. JUNEAU on the previous day. This handout was a chart giving the average annual tuition and mandatory fees for undergraduate residents.

[EXHIBIT\(jeh19a02\)](#)

{Tape: 1; Side: A; Approx. Time Counter: 0 - 3}

LFD Comment:

Alan Peura discussed the minor changes between the Schweitzer Budget and their goal to make some revisions. He prepared a spreadsheet on the Montana University System's budget request and how it compares to the Schweitzer and Martz recommended budgets. The second page of the spreadsheet was the revised appropriation recommendations.

[EXHIBIT\(jeh19a03\)](#)

OFFICE OF COMMISSIONER OF HIGHER EDUCATION (OCHE)
STAFF

Sheila Stearns, Commissioner of Higher Education, briefly discussed a handout provided by the Office of the Commissioner of Higher Education. She introduced herself and provided a brief history of her life.

[EXHIBIT\(jeh19a04\)](#)

{Tape: 1; Side: A; Approx. Time Counter: 3 - 12.4}

The staff members of the Office of the Commissioner of Higher Education introduced themselves giving their names, titles, and a brief description of their lives and duties. The last presenter provided a handout on what she does, as well as an updated web page for her Department's website.

[EXHIBIT\(jeh19a05\)](#)

[EXHIBIT\(jeh19a06\)](#)

{Tape: 1; Side: A; Approx. Time Counter: 12.4 - 46.2}

{Tape: 1; Side: B; Approx. Time Counter: 0 - 9}

Ms. Stearns stated that Montana's difference from other states is that the Board of Regents is not just a coordinating board but

also a governing board. She stressed that the Board of Regents was aware of its growing responsibilities. She claimed that this awareness is why they were requesting permanent funding for two additional full-time equivalents (FTE), for the half FTE in one of the packages and an increase in their ability to manage and understand data and technology.

{Tape: 1; Side: B; Approx. Time Counter: 9 - 13.7}

STATEWIDE PROGRAMS

PROGRAM 1 ADMINISTRATION

BUDGET REQUESTS

Rod Sundsted, Associate Commissioner for Fiscal Affairs, Office of the Commissioner of Higher Education, discussed some of the Decision Packages (DP) associated with OCHE.

DP 2--Potential Increases for OCHE (Restricted)

Mr. Sundsted discussed DP 2, page E-89 of the Legislative Fiscal Budget Analysis. The DP was a request for an increase in funding in order to allow OCHE to find a new location.

[EXHIBIT \(jeh19a07\)](#)

{Tape: 1; Side: B; Approx. Time Counter: 13.7 - 19.4}

DP 1--Family Education Savings Staff

Mr. Sundsted addressed DP 1, page E-90 of the Legislative Fiscal Budget Analysis. This DP was a request for an additional .5 FTE.

{Tape: 1; Side: B; Approx. Time Counter: 19.4 - 22.4}

DP 3--Data Warehouse--OCHE

Laura Neils, Director of Budget and Accounting for OCHE, addressed DP 3. This DP was a request for funding for one FTE for the position of Data Warehouse Administrator.

[EXHIBIT \(jeh19a08\)](#)

{Tape: 1; Side: B; Approx. Time Counter: 22.4 - 26.4}

DP 29--Required Statewide FTE Reuction

Mr. Sundsted addressed DP 29. The reduction would amount to approximately .5 of an FTE.

{Tape: 1; Side: B; Approx. Time Counter: 26.4 - 29}

**DP 40--Shared Leadership--Business and Economic Development
Outreach Position - OTO**

Ms. Stearns covered DP 40, page E-91 of the Legislative Fiscal Budget Analysis. She provided a handout covering the state need, market reality, current problems, proposed solutions, required investment, and the expected return on the investments.

[EXHIBIT \(jeh19a09\)](#)

[EXHIBIT \(jeh19a10\)](#)

{Tape: 1; Side: B; Approx. Time Counter: 29 - 32.9}

CHAIR FRANKLIN noted that one of the decisions which the Committee would have to make concerned the fact that DP 40 and DP 77 were not in the Schweitzer Budget.

**DP 77--Shared Leadership--Workforce System Data Collection and
Management - OTO**

Ms. Stearns commented that each of the three Steering Committees formed three subcommittees which each wanted to see OCHE do a better job of workforce development, access for students and for distance education. She asserted that they need better data in order to do this. The committees also asked for support for additional data management, which she claimed was a piece of DP 40 and DP 77.

[EXHIBIT \(jeh19a11\)](#)

{Tape: 1; Side: B; Approx. Time Counter: 32.9 - 37.8}

PROGRAM 2 STUDENT ASSISTANCE
BUDGET REQUESTS

DP 4--WWAMI/WICHE/MN Dental

Laurie Tobol, State Certifying Officer for the Western Interstate Commission for Higher Education/Wyoming Washington Alaska Montana Idaho/Minnesota (WICHE/WWAMI/MN) Dental Student Assistance

Programs, provided a brief overview of the WICHE exchange program. DP 4 was covered on page E-96 of the Legislative Fiscal Division Budget Analysis. She discussed the programs, goals and function in Montana. The request was to maintain current levels of funding for the program.

[EXHIBIT \(jeh19a12\)](#)

{Tape: 1; Side: B; Approx. Time Counter: 37.8 - 43.6}

{Tape: 2; Side: A; Approx. Time Counter: 0 - 3.5}

QUESTIONS FROM SUBCOMMITTEE

SEN. ESP wanted to know if Governor Schweitzer recommended placing DP 4 into the budget. **Ms. Tobol** replied that he had.

PUBLIC COMMENT

WWICI/WWAMI

Dr. Rebecca Mattix, Preveterinary Advisor and Adjunct Professor from Montana State University, wanted to discuss the importance of the veterinary program and the access for students to attend and afford veterinary school.

Tristan Arrington, provided a handout which contained her testimony, as well as the testimony of Jessica Malberg and Jesse Olsen, all of whom are pre-veterinary students at Montana State University. They all spoke in support of the WICHE Veterinary Medical Schools. She provided a brief history of the WICHE program and the advantages which it allowed students.

Jessica Malberg discussed the economic implications of the WICHE Program.

EXHIBIT (jeh19a13)

Jesse Olsen talked about the need for veterinarians in Montana.

EXHIBIT (jeh19a14)

{Tape: 2; Side: A; Approx. Time Counter: 3.5 - 19.6}

Travis Ganje, a First Year WWAMI Student from Great Falls, told of his experience with the doctor in his life and the help which WWAMI provided him in achieving his dreams. He explained it as an investment in continuing practice.

{Tape: 2; Side: A; Approx. Time Counter: 19.6 - 26.7}

Ashley Siders, Pre-Veterinary and Biotechnology Student from Montana State University, discussed her history and thanked the Committee for supporting the WICHE Program.

{Tape: 2; Side: A; Approx. Time Counter: 26.7 - 29.3}

QUESTIONS FROM SUBCOMMITTEE

SEN. RYAN wanted a clarification on whether an individual had to graduate from a Montana institution or just be a Montana resident in order to qualify for the WICHE/WWAMI Program.

Coral Dickey, WICHE Veterinary Student, clarified that WICHE and WWAMI were two separate programs. She responded that a student did not have to be a graduate of a Montana school, they only had to be a Montana resident in order to qualify for either of the programs.

SEN. ESP was curious about the demographics of the WICHE/WWAMI Program based on gender. He wondered if it had changed over the years.

Dr. Mattix replied that the demographics for the pre-veterinary program at Montana State University has gradually changed over the years to predominantly female. She noted that every year there were a number of qualified males who were interested in large animal practices. She mentioned that there were problems with large animal veterinarians that would only be increasing in the next five to ten years.

{Tape: 2; Side: A; Approx. Time Counter: 29.3 - 33.5}

CHAIR FRANKLIN asked for someone to discuss the primary care medical aspect of the programs. She wanted someone to talk about what the benefits and purposes WWAMI served and the economics of the program.

Dr. Jay Erickson, Clinical Coordinator for WWAMI in Montana, explained that the WWAMI Program provided the only medical school in Wyoming, Washington, Alaska, Montana, and Idaho. He explained how the program worked, with students beginning their first year at Montana State University then moving to Seattle for their second year and finishing their third and fourth years throughout the WWAMI region. There is a 44 percent return rate for the students after school.

{Tape: 2; Side: A; Approx. Time Counter: 33.5 - 38.9}

CHAIR FRANKLIN asked if he had an idea of what kind of investment it would take Montana to build a medical college.

Dr. Erickson replied that capitol costs would be anywhere from \$50-\$100 million for a medical school and at least \$10-\$15 million a year for upkeep.

Linda Hyman, Director of the First Year Program at Montana State University, stated that the purpose of the WWAMI Program is to train and provide medical education for Montana students. She noted that the relationship with University of Washington provided much more than that. It has resulted in multi-million dollar research grants and many outreach activities to the community. She made the point that the relationship with the University of Washington helps with the economic development in the state.

{Tape: 2; Side: A; Approx. Time Counter: 38.9 - 44.1}

The Subcommittee took a 15-minute break, reconvening at 9:45.

PROGRAM 2 STUDENT ASSISTANCE
BUDGET REQUESTS CONTINUED

Bruce Marks, Director of the Montana Guaranteed Student Loan Program, discussed the grant programs that the State funds, which he classified as the other half of student assistance. The grants are the best mechanism for access to education in Montana. He mentioned the Montana Higher Education Grant (HEG), the Montana Tuition Assistance Program (Baker Grant), the Supplemental Educational Opportunity Grant, and work study.

{Tape: 2; Side: B; Approx. Time Counter: 0 - 6.9}

Trudi Paaso, Student at the University of Montana College of Technology in Helena, talked about what she was doing in school and how she was able to achieve what she had. She used two grants; the Baker Grant and the Montana Tuition Assistance Grant. She explained that she was able to go to school full time, as well as work part time through work study. For her to work is very important because she is a single mother. She stated that if she was not allowed to go to school and continue her education she would not survive as a mother. She reiterated that it was extremely important for her to receive the grants. She claimed that her biggest goal was to graduate in May and remain in Montana with her son.

{Tape: 2; Side: B; Approx. Time Counter: 6.9 - 11.3}

Mr. Bruno asked if the OCHE staff wanted to address the Schweitzer changes to Program 02, New Proposal 101--Need Based Student Aid and New Proposal 102--Best and Brightest Scholarship Program. He informed the Committee that these proposals were not in the Legislative Fiscal Budget Analysis but had been provided in a handout on Friday.

Ms. Stearns responded that she thought it would be a good idea to address the proposals at least briefly. She stated that they had recommended some of the funds for need-based aid and for any increase which it might require. She noted that the Best and the Brightest would be a piece of legislation on its own. She also claimed that he had placed a \$470,000 increase for the biennium into the MHEG Program.

PROGRAM 3 IMPROVING TEACHER QUALITY

Jan Clinard, Co-Director Gear up/Special Project Manager for OCHE, gave a brief overview of Program 3, Improving Teacher Quality. This program is part of the No Child Left Behind Program. The Program is explained on Page E-104 of the Legislative Fiscal Budget Analysis.

[EXHIBIT \(jeh19a15\)](#)

{Tape: 2; Side: B; Approx. Time Counter: 11.3 - 18.8}

QUESTIONS FROM SUBCOMMITTEE

SEN. RYAN wanted to know if OCHE expected the federal money to continue at the level necessary.

Ms. Clinard replied that the allocation was provided through a formula. She claimed that they expected the funding to continue at the current levels, if not increase, in the future.

PROGRAM 5 MONTANA UNIVERSITY SYSTEM GROUP INSURANCE PROGRAM

Glen Leavitt, Director of Benefits for OCHE, addressed Program 5. Page E-112 of the Legislative Fiscal Budget Analysis covers the description of the program. He gave a brief outline of the program.

[EXHIBIT \(jeh19a16\)](#)

{Tape: 2; Side: B; Approx. Time Counter: 18.8 - 26.1}

Mr. Bruno informed the Committee that there was a decision by a county division to classify the benefits plan as an enterprise fund instead of an internal service fund. This decision had something to do with the University System's earlier component unit. He explained that the Budget Office decided that they did not need the rate in HB 2 because the rates only encompass internal service funds and not enterprise funds.

QUESTIONS FROM SUBCOMMITTEE

SEN. ESP commented that he hoped that OCHE was working towards offering the option of high deductibles and health savings accounts for employees.

Mr. Leavitt replied that they were exploring the high deductible plan with the health savings account. He believes that one thing that needs to be in place before this occurs is an educational process and resources available to employees, so they make good decisions.

{Tape: 2; Side: B; Approx. Time Counter: 26.1 - 30.4}

Mr. Sundsted discussed the Montana University Self Funded Workman's Compensation Program. He provided an update on the program. He stated that the most important thing when self-insured is the development of a culture of safety and a commitment to safety from all of the managers and employees.

EXHIBIT (jeh19a17)

{Tape: 2; Side: B; Approx. Time Counter: 30.4 - 34.3}

PROGRAM 6 TALENT SEARCH/GEAR UP

Renee Dubay, Director of Partnerships for Access, introduced Program 6. She spoke to the first program, Talent Search. She explained that Talent Search was a federal program under TRiO Programs. She made a few quick comments about Talent Search. She indicated that the TRiO Programs were focused on low income first generation students. She provided three handouts about the program.

EXHIBIT (jeh19a18)

EXHIBIT (jeh19a19)

EXHIBIT (jeh19a20)

{Tape: 2; Side: B; Approx. Time Counter: 34.3 - 46.3}

Sandy Merdinger, Perkins Specialist and Director of the Montana Gear Up Program, explained that GEAR UP was an acronym for Gaining Early Awareness and Readiness for Undergraduate Programs. She indicated that the program encourages and supports students from low-income backgrounds to set high expectations, complete a vigorous college preparation curriculum, graduate from high school, and pursue post-secondary education. She explained that the program was unique because of its scholarship opportunities, as well as for the fact that it requires a dollar-for-dollar match. She handed out a pamphlet on the program.

EXHIBIT (jeh19a21)

{Tape: 3; Side: A; Approx. Time Counter: 0 - 6.8}

BUDGET REQUESTS (GEAR UP)

Pam Joebler explained New Proposal 20 on Page E-118 of the Legislative Divisions Budget Analysis. They were asking for a half-time FTE accountant for the GEAR UP Grant Program. She stated that the employee has been employed for three years, and they were requesting that the position finally be recognized and budgeted for properly.

EXHIBIT (jeh19a22)

{Tape: 3; Side: A; Approx. Time Counter: 6.8 - 10.2}

PROGRAM 8 WORKFORCE DEVELOPMENT

Arlene Parisot, Director for the Work Force Development, focused on the one major responsibility she had which was the management of the Carl D. Perkins Fund for applied technology education.

{Tape: 3; Side: A; Approx. Time Counter: 10.2 - 13.9}

QUESTIONS FROM SUBCOMMITTEE

REP. JACKSON expressed concern about the coordination with the Department of Labor and the Department of Education. He thought that many of the funds were directed towards social programs and were not concentrating on unemployed individuals. He wanted Ms. Parisot to comment on anything that could be done to have better coordination.

Ms. Parisot asked if **REP. JACKSON** was referring to the Perkins Funds or the funds that come down from the State Work Force investment portfolio.

REP. JACKSON answered that the Perkins Funds were used for vocational endeavors, so he was not concerned with those funds but was concerned with the funds which go through the Department of Labor.

Ms. Parisot thought they needed to work closely with other work force partners. She explained that there were representatives from the two-year institutions on the two local boards which the Work Force Development Program has. She also works closely with the Department of Labor in terms of some cooperative partnerships. She noted that she had worked with a hospital and with the Governor's Discretionary Funds in developing non-tradition apprenticeship programs. They have also had projects with the Department of Public Health.

{Tape: 3; Side: A; Approx. Time Counter: 13.9 - 22.2}

REP. JACKSON asked if there were other individuals working with the University System.

Ms. Parisot responded that it was her job was to coordinate the work force development opportunities.

David Gibson, Office of the Commissioner of Higher Education, stated that many of the partnerships were not good, though the current administration understood these difficulties and would be able to accomplish many things. He claimed that the University System plays a major role in the partnerships as well. In order to have individuals work together, they need to have consistent data that runs across the existing forty plus programs.

{Tape: 3; Side: A; Approx. Time Counter: 22.2 - 28}

CHAIR FRANKLIN asked if Mr. Gibson's experience in the Governor's Office had given him a cross-cultural perspective on the issue.

Mr. Gibson replied that being in the Governor's Office allows one to have access to many different people. He was unsure if it was his experiences or just his personality which made him feel the way he does.

REP. JACKSON wanted to know if Mr. Gibson saw duplications between the Department of Labor and the Department of Education or if he saw that things were improving as far as client assistance.

Mr. Gibson did not believe there was duplication or too much overlap. However, he did agree there was confusion because it is complicated to balance between the departments.

Ms. Parisot added that she thought that many of the providers are community-based. She thought that the complications arose because of the difference in the fact that one is short term and one is long term. She did not think there was duplication because of this difference. She indicated that the two-year institutions were required to use these organizations in the community.

{Tape: 3; Side: A; Approx. Time Counter: 28 - 35.5}

SEN. WILLIAMS commented that she served on the Work Force Investment Board (WFIB). One of the problems which she sees with coordination is the intention of the WFIB to get communities involved.

PROGRAM 9 APPROPRIATION DISTRIBUTION

Ms. Stearns introduced Program 9. She mentioned a few issues which she felt were very important. She informed the Committee that the Budget Office had made a decision which was contained in DPs 42 and 43. She appreciated the Governor's Office using the appropriate ratio for present law adjustments. Related to this, she commented that there should be a similar adjustment of the ratio to the overall appropriation in the Pay Plan. The ratio of 43 percent to 57 percent is still being applied to the Pay Plan. She provided some history on the Pay Plan. She discussed the affect on student tuition when there is a Pay Plan increase.

EXHIBIT (jeh19a23)

{Tape: 3; Side: A; Approx. Time Counter: 35.5 - 46.2}

{Tape: 3; Side: B; Approx. Time Counter: 0 - 4.8}

ALLOCATION MODEL

Rod Sundsted talked about the allocation model and the collecting process from the University System. He gave a brief history of how the process had come to the point it is. He explained that each institution provided a target fund request. OCHE would then allocate as much of it as they could, spreading it in equal percentages across the board. Within the last year, they have decided that this process does not work as well as it could. He provided the Committee with a handout concerning budget planning activities. The first sheet of the handout is a look at how the OCHE budgets. The second sheet is a spread sheet for the university System's budget. The third page is a spread sheet of the Montana University System's tuition summary. He thought that an issue which needs to be addressed is a system to allocate funds in the future. He thinks there needs to be a way to meet all of the objectives and maintain incentives.

EXHIBIT (jeh19a24)

{Tape: 3; Side: B; Approx. Time Counter: 4.8 - 27.4}

PROGRAM 12 MONTANA GUARANTEED STUDENT LOAN

Bruce Marks, Director of the Montana Guaranteed Student Loan Program, referred to the handout he provided for the presentation. The information on this program is contained on pages E-152 to E-154 of the Legislative Fiscal Division's Budget Analysis. He discussed some of the important points and then moved on to talk about the Decision Packages. The first page he addressed was Page 4 of the handout. He specifically addressed the fourth bullet on the page. He discussed an essay contest which they run in order to provide scholarships to students

across Montana. He wanted to discuss specifically the Decision Packages which would impact the Guaranteed Student Loan Program.

[EXHIBIT\(jeh19a25\)](#)

[EXHIBIT\(jeh19a26\)](#)

DP 9--GSL Increased Claim Payments

Mr. Marks indicated that the program has increased 300 percent over the last four years. In order for them to operate the program, they have to have the federal authority to pay claims if a loan defaults. The large increase in the anticipated claim payments is a calculation they use on their outstanding portfolio.

{Tape: 3; Side: B; Approx. Time Counter: 27.4 - 38.6}

DP 10--GSL Collection Recoveries

Mr. Marks continued to discuss the Decision Packages associated with Program 12.

{Tape: 3; Side: B; Approx. Time Counter: 38.6 - 39.7}

DP 11--GSL Default Reduction and Outreach

Mr. Marks indicated that this was a fund request. They were asking for authority to spend this money in order to help low income students remain out of default.

{Tape: 3; Side: B; Approx. Time Counter: 39.7 - 41.3}

DP 12--Add 9 FTE to GSL

Mr. Marks clarified that they had reduced their request to eight FTE. The remaining positions he classified as necessary or wanted to provide services to Montana. The necessary positions were an information technologist, the default prevention specialists and the collection position. The remaining positions fall under the category of services which they want to offer to Montana.

{Tape: 3; Side: B; Approx. Time Counter: 41.3 - 45.2}

QUESTIONS FROM SUBCOMMITTEE

SEN. RYAN wanted to know what the penalty was on students who have defaulted in their student loans.

Mr. Marks replied that students are not eligible for title four when they are in default. This means that a student would not be able to go to school if he or she were in default if that student needed financial aid.

SEN. ESP wondered where the funds came from for their partnership with the contracted information technology specialist.

Mr. Marks answered that they share office space with the Student Assistance Foundation and are on their computer and networking system. They share a variety of computer hardware, software and personnel. He noted that all of their funds are federal funds.

{Tape: 4; Side: A; Approx. Time Counter: 0 - 1.5}

SEN. ESP followed up asking if they were asking to re-prioritize the federal funds for the information technologists.

Mr. Marks replied that there would be additional funds.

SEN. ESP followed up wondering if Mr. Marks could provide the rationale behind the funding, showing where the funds came from, and how they want to redirect them.

CHAIR FRANKLIN asked what kind of activities Mr. Marks found helpful and what their default reduction activities were.

Mr. Marks responded that simply discussing personal finances and ways of paying for college are the most effective means of preventing a student from defaulting. He stated that too many students wind up not preparing for college, so if they can make the students aware before they begin, there is a better chance of keeping them from defaulting.

CHAIR FRANKLIN followed up by asking if he could clarify the types of activities the default reduction represents.

Mr. Marks explained that there were a variety of activities such as on-site counseling and informal functions.

PROGRAM 13 BOARD OF REGENTS

Pam Joehler reported that this was the last program in the Commissioner's Office. It accounts for the funds that are used for the Board of Regents. The program is covered on page E-155 and E-156 of the Legislative Fiscal Division's Budget Analysis.

EXHIBIT (jeh19a27)

DP 14--Restore Regents Budget to FY04 Authorized Levels

Ms. Joehler explained that the FY04 authority was underspent. She informed the Committee that the Board has reorganized, and they think that there is going to be a need to add back the General Fund authority.

{Tape: 4; Side: A; Approx. Time Counter: 1.5 - 8}

DP 15--Restore Base--Per Diem

Ms. Joehler indicated that the per diem is a zero-based item in the budget preparation process. They were asking for restoration of the actual amount that was expended.

{Tape: 4; Side: A; Approx. Time Counter: 8 - 8.9}

Ms. Stearns expressed appreciation for her staff and made some closing statements. With regard to the information technology specialist, **Ms. Stearns** reiterated OCHE has had a good deal with the Student Assistance Foundation. She also commented on the WICHE/WWAMI and Rural Position Incentive Program. She asserted that she never wanted to see these programs tied to 100 percent return because students need assistance and their families might never live in Montana if the programs did not exist.

{Tape: 4; Side: A; Approx. Time Counter: 8.9 - 20}

Kayla French, Student Regent and Intern at OCHE, claimed that the programs made a difference for the students. She thanked the Committee and the Office of the Commissioner of Higher Education's staff.

Ms. Stearns discussed a booklet on investments entitled, "The Montana University System: An Investment in Montana's Future." The first three pages of this booklet are maps of Montana. She covered Page 7, which discussed the Investment Thesis of OCHE. She closed by talking about Page 29. They also provided a booklet entitled Montana Investments.

[**EXHIBIT \(jeh19a28\)**](#)

[**EXHIBIT \(jeh19a29\)**](#)

{Tape: 4; Side: A; Approx. Time Counter: 20 - 33.5}

SEN. ESP suggested that Mr. Marks consider continuing a long-distance relationship with the Student Assistance Foundation in regards to their information technologists.

{Tape: 4; Side: A; Approx. Time Counter: 33.5 - 47}

There were a few handouts which did not get discussed during the hearing. The first was catalogue which was the Deans Report for the University of Washington Medical School. The second was a booklet about the WWAMI Program, the Montana State Report for 2004. There was also a folder handed out which contained a number of pamphlets and handouts.

[EXHIBIT \(jeh19a30\)](#)

[EXHIBIT \(jeh19a31\)](#)

[EXHIBIT \(jeh19a32\)](#)

ADJOURNMENT

Adjournment: 11:20 A.M.

REP. EVE FRANKLIN, Chairman

for DIANA WILLIAMS, Secretary

EF/dw

Additional Exhibits:

EXHIBIT ([jeh19aad0.PDF](#))