SENATE EDUCATION
EXHIBIT NO. 3
DATE 2/15/13
BILL NO. SJ 13

Independent Record

U-system budget hikes may be tied to performance measures

FRIDAY, FEBRUARY 8, 2013 • BY CHARLES S. JOHNSON IR STATE BUREAU

Part of the Montana university system's budget increase in fiscal 2015 likely will depend on whether it meets certain performance standards such as college completion rates, officials announced Thursday.

Gov. Steve Bullock and Higher Education Commissioner Clayton Christian signed a document Wednesday agreeing that the university system will establish performance measures in fiscal 2014. Then in fiscal 2015, half of the system's "present law" adjustment increase — or $7.5 million — will depend on the system meeting the standards. The agreement was an addition to a memorandum of understanding signed by Bullock and Christian Feb. 1 to freeze student tuition for the next two years. That deal is contingent upon the university system receiving a budget increase of a certain amount from the Legislature, plus enough money to cover pay increases for employees.

"The Legislature has been pushing hard to have performance measures," said Bullock's budget director, Dan Villa, later Thursday. "In response, the governor and commissioner worked out a reasonable and fairly aggressive performance funding agreement."

Sen. Llew Jones, R-Conrad, and Sen. Taylor Brown, R-Billings, have been working with higher education officials and the governor's office to come up with the plan. Jones commended university system officials for their willingness to work on it with them. He called the effort to reduce the time it takes students to get their degree "one of the single most effective things you can do to reduce student costs."

Brown, meanwhile, will be introducing **a joint resolution asking the university system to study and adopt goals and performance measures aimed at increasing college completion rates for students**. He suggested considering such factors as graduation rates, transfer rates, time to degree, enrollment in remedial education, success in remedial education, credit accumulation, student retention rates and course completion rates.

Performance standards, Brown said, are becoming increasingly standard in state university systems around the country, to say nothing of the private sector.

(excerpt)