



MONTANA LEGISLATIVE BRANCH

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DATE: May 30, 2002
TO: Legislative Finance Committee
FROM: Pamela Joehler, Senior Fiscal Analyst
RE: Postsecondary Education Policy and Budget Subcommittee Update

Policy Goals and Accountability

When the Joint Subcommittee on Postsecondary Education Policy and Budget (PEPB) was formed and organized midway through this fiscal year, it identified two major goals for its interim work:

1. Develop recommendations for statewide public postsecondary education policy goals, and
2. Identify meaningful accountability measures for the Montana University System that evaluate the attainment of statewide policy goals.

At the PEPB's March 2002 meeting, the following six statewide policy goals were identified:

1. Prepare students for success through quality education
2. Promote access and affordability
3. Deliver efficient, coordinated services
4. Be responsive to market and employment needs and opportunities
5. Contribute to Montana's economic and social success
6. Collaborate with K-12 school system and other postsecondary education systems

The PEPB identified 29 accountability measures at its May 2002 meeting that could be used to evaluate the attainment of statewide policy goals. In addition, the PEPB has requested input from the Montana University System regarding the availability of data for the identified accountability measures and for suggestions for alternative accountability measures. It is very likely that the number of accountability measures included in the PEPB's recommendation will be whittled down to a more manageable number.

Tentative Legislation Proposals

The Joint Subcommittee on Postsecondary Education Policy and Budget is also considering two legislation proposals. The proposals are summarized below. A final decision on the proposals will be made at the July 2002 meeting. If the PEPB approves the proposals, the draft bills would require review and approval by the Education and Local Government Committee this fall.

Proposal #1 – Statewide Policy Prologue

This bill includes a policy statement reflecting legislative acknowledgement that higher education in Montana is broader than just the Montana University System. The policy statement encourages the board of regents strive to the fullest extent possible to work cooperatively with all segments of higher education for the betterment of Montana's citizens.

As currently drafted, the PEPB recommendations for statewide public postsecondary education policy goals and accountability standards would also be included. However, the final determination of whether to include the policy goals and/or the accountability measures in the final bill draft will be made at the July 2002 meeting.

Proposal #2 – New Standing Committee Proposed

This bill creates a permanent committee to oversee Montana public postsecondary education, similar to the former Postsecondary Education Policy and Budget Committee. Primary responsibilities of the proposed committee include adoption and periodic review of statewide public postsecondary education policy goals and accountability measures to assess the success or failure of the university system in meeting the statewide policy goals. The proposed committee is also assigned the responsibility for budget review, addressing funding issues and alternatives, and communication with the Board of Regents.

The PEPB will decide the fate of this proposed legislation at the July 2002 meeting.

POLICY GOAL #1 – Prepare students for success through quality education

- Retention rates
- Completion rates
- Professional certification results
- Student faculty ratios/class size

POLICY GOAL #2 – Promote access and affordability

- Affordability compared to other states (tuition & fees, state financial aid provided)
- Participation rates (traditional and non-traditional students)
- State support as a percent of personal income
- Student debt load and default rate
- Distance education offerings and participation rates

POLICY GOAL #3 – Deliver efficient, coordinated services

- Transferability among institutions
- Expenditures per student FTE (compared to peers?)
- % Of expenditures in instruction, administration, athletics, etc.
- Degree productivity per year

POLICY GOAL #4 – Be responsive to market and employment needs and opportunities

- Job placement rates by college
- Average starting salaries of graduates by college
- % Of resident graduates who stay in the state
- # Of people participating in workforce training programs
- New programs tied to market employment needs
- Private sector-university financial partnership

POLICY GOAL #5 – Contribute to Montana’s economic and social success

- R&D receipts/expenditures
- Tech transfers (licensing and commercialization)
- Program Demand vs. capacity
- # Of business served by university system
- # Of community service programs

POLICY GOAL #6 – Collaborate with K-12 school system and other postsecondary education systems

- Average SAT or ACT scores of first time full time freshmen
- Demand for remedial classes by first time full time freshmen
- # Of first time full time freshmen that have taken advanced placement courses
- Aligning high school graduation requirements with public postsecondary education entrance standards
- Collaborative programs with other postsecondary education institutions