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HB 754 MUS 2-Year Commission

66th Montana Legislature

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TO: MUS 2-Year Commission and Stakeholders
FROM: Pad McCracken, Research Analyst
RE: Draft report
DATE: August 1, 2020

At the June 22 meeting, the commission discussed and provided input on its final report of findings and recommendations to the 67th Legislature as required in [HB 754](#).

I have attempted to incorporate that input into the 4-page draft report accompanying this memo. We have blocked time at the commission's August 18 meeting for public comment on the draft report as well as commission work time to discuss and revise the draft report. I will then prepare a revised draft for final review at the September 28 meeting.

Where did the findings and recommendations in the draft report come from? They reflect the commission's discussion and direction from the January 26 meeting and input received from previous presenters to the commission. This direction and input was compiled in the April 24 memo that also accompanies this memo and which is, in a sense, an early outline of findings and recommendations. At the June meeting, the commission discussed this outline, made some additional suggestions, and asked that the presenter input be incorporated within that outline. I have highlighted these additions in the draft report and noted in brackets the source of the addition. The highlighting and bracketed material will be removed in the final version.

My suggestion would be to review the draft report and consider how it should be revised to be most useful for policymakers and implementers at multiple levels with the ultimate goal of strengthening Montana's 2-year postsecondary education system, and especially in terms of career and technical education and workforce development. It may work best on August 18, if commissioners offer suggestions in motion form with discussion and a vote following. If your suggestion is to strike certain recommendations under a finding or a finding in its entirety or to reorder the findings, that is pretty straightforward. If you want to add a new finding or recommendation or want to rewrite one, it would be great to have that drafted in advance. I am happy to work with you on that.

MUS 2-YEAR COMMISSION: **DRAFT** REPORT TO THE 2021 LEGISLATURE

THE COMMISSION'S WORK

The MUS 2-Year Commission was created by [House Bill No. 754](#) (Vinton; 2019) and technically is called the Montana University System 2-Year Restructuring Review Commission. The restructuring refers to the incorporation in 1995 of what were historically known as "vo-tech centers" into the Montana University System (MUS) and are now known by various names as 2-year campuses. See graphic on page 4.

The commission was tasked with reviewing the reasons for the 1995 restructure and considering whether a different structure might strengthen 2-year postsecondary education in Montana and, in particular, career and technical education (CTE).

At the beginning of the 2019-2020 interim, Montana's economy was generally thriving, and unemployment was at a near record low with the main economic concern being a shortage of skilled workers. Strengthening workforce training and better aligning industry and education were central in many policy conversations. While much in our world and economy changed in the Spring of 2020 with COVID-19 and unemployment increased dramatically, in many ways the need for a well aligned and nimble workforce development system is more vital than ever to ensure a strong Montana, and 2-year campuses will certainly play a central role.

The commission held seven meetings over the course of the interim, and heard from representatives of Montana's 2-year campuses as well as from the community and tribal colleges, the Office of the Commissioner of Higher Education, the Department of Labor and Industry, the Montana Chamber of Commerce, and multiple industry sectors. After reviewing the [history of vocational education in Montana and the 1995 restructuring](#) and hearing from 2-year campus leaders, the commission pivoted from considering changes to the governance structure to examining ways to strengthen 2-year programs and especially CTE programs within the current structure. This pivot is reflected in the commission's work and its findings and recommendations on pages 2-3.

This short report will focus on the commission's findings and recommendations; for a full record of the commission's work, including a list of commission members, links to documents and presentations, and meeting minutes and videos, please go to <https://leg.mt.gov/committees/other-groups/mus-2-year-commission/>.

In many ways the need for a well aligned and nimble workforce development system is more vital than ever to ensure a strong Montana, and 2-year campuses will certainly play a central role.

FINDINGS (NUMERALS) AND RECOMMENDATIONS (LETTERS)

1. **Students and 2-year campuses typically do not receive much financial support in pursuing/offering shorter duration and noncredit workforce training programs.**
 - a. Seek federal financial aid changes to allow Pell Grants and/or other forms of federal financial aid to support shorter duration credentials and noncredit workforce programs
 - b. Find a way to provide state support for noncredit workforce programs; **consider restructuring the funding model to incentivize community and 2-year colleges to participate in non-credit workforce training and acknowledge non-traditional students who attend part time as well as lifelong learners [presenter input]**
2. **Postsecondary CTE programs often cost more to start and operate than non-CTE programs.**
 - a. Create a grant program to provide start-up funds for 2-year campuses for new CTE programs that demonstrate industry need and support
 - b. Provide more state support for higher-cost CTE programs at 2-year campuses
3. **With a rapidly changing economy and workplace, education has become less aligned with workforce needs.**
 - a. **Encourage sector partnership/industry alliance approach in aligning workforce and education to develop skilled worker pipeline (like the Montana Photonics Industry Alliance); encourage the Department of Labor and Industry to utilize existing staff to support this effort; support industry recommendations for curriculum at K-12 and 2-year postsecondary programs [presenter input]**
 - b. Promote work-based learning opportunities for students
 - c. **Move to a postsecondary education system that includes and rewards credit and non-credit stackable, industry-recognized and other credentials, certificates, and degrees based on competency or proficiency standards; work-based learning; prior learning assessment; and learning, teaching, and assessment strategies using multiple technologies. [presenter input and Commissioner Quinlan]**
4. **Too few students are aware of or encouraged to pursue postsecondary CTE programs at 2-year campuses.**
 - a. Continue statewide outreach to increase postsecondary participation in associates degree programs, nondegree credential programs, and workforce training programs, including apprenticeship and military; focus on the existing 40% that isn't participating in postsecondary at all, rather than competing with 4-year campuses (grow the pie)
 - b. Consider the top 4 recommendations from the [Montana Chamber of Commerce Workforce Development Survey](#):
 - i. Incentivize school districts to emphasize all career pathways
 - ii. Require school districts to incorporate workforce readiness skills into curriculum
 - iii. Strengthen career advising in middle school and high school
 - iv. Require business and economics education in middle school and high school

- c. Request that the Board of Public Education examine the school counselor to pupil ratio
- d. Request that the Board of Public Education explore ways in which K-12 career counseling can be strengthened (can the model shared by Billings Public School be replicated in a way that strengthens career counseling while preserving or even enhancing school counselors' ability to provide noncareer counseling services?) [Commissioner Quinlan]
- e. Encourage industry to advertise, recruit, hire, and pay, graduates from two-year institutions, this will add value to the certificates. [presenter input]

5. Coordination between K-12 and the MUS could be improved, especially regarding CTE.

- a. Strengthen (or make independent) the Board of Education in its role for long-range planning, K-12 and MUS alignment, especially vocational ed/CTE
 - i. Via constitutional revision ([Article X, Section 9 \(1\)](#))
 - ii. Via statute ([20-2-101, MCA](#))
 - iii. Via rec to Governor
- b. Strengthen dual enrollment opportunities for high school students in pursuing a "running start at postsecondary CTE programs and certifications" [Commissioner Tuss]
- c. Highlight and continue efforts at coordination, especially those like the Perkins V effort that involved the Department of Labor and Industry, the Department of Commerce, and multiple private industry partners [Sen. MacDonald]

6. CTE programs may benefit if 2-year campuses have greater autonomy in terms of their governance.

- a. Examine and remove any statutory barriers that prevent 2-year campuses from changing their governance model
- b. Encourage the Board of Regents to:
 - i. afford 2-year campuses greater flexibility in terms of program creation/expansion
 - ii. hire a Deputy Commissioner of Two-Year Education so that the distinct missions of the 2-year and 4-year campuses each have strong advocacy [presenter input]
- c. In order to improve responsiveness to rapidly changing workforce needs and to ensure that 2-year programs are not overshadowed by 4-year programs, the Board of Regents and the Legislature should consider changes in governance that create greater separation and independence for the 2-year campuses from their respective "parent" campuses [Sen. Thomas]

7. Too often those with authority over money allocation undervalue investment in workforce development programs.

- a. Encourage appropriators (the Legislature, the Board of Regents, campuses) to see funding for workforce programs as an investment, "spending money to make/save money"

Public Postsecondary Education in Montana: Structure, Relationship, and Governance

Prepared for the MUS 2-Year Commission by Pad McCracken, Legislative Research Analyst, August 2019 (revised April 2020)

"Flagship" 4-year research university
Independent accreditation and budget

"Embedded" 2-year college
Dependent accreditation and budget
(Bitterroot College is in a sense twice-embedded)

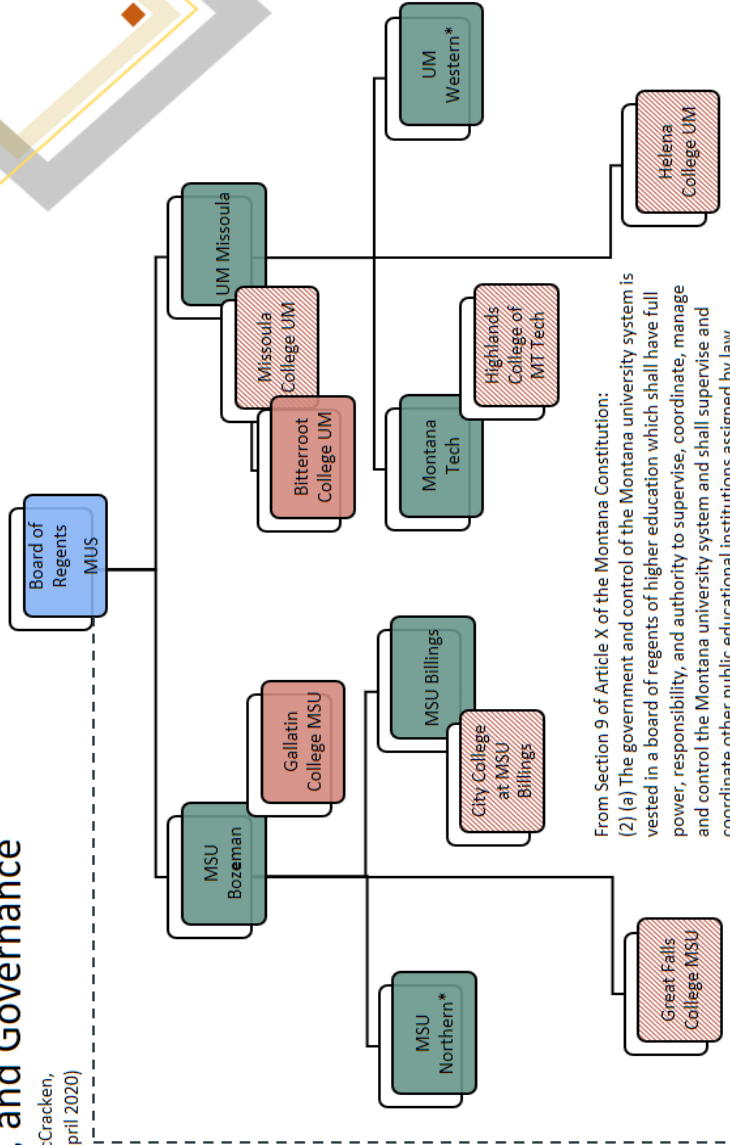
4-year regional/specialty university
Independent accreditation and budget
* Northern and Western offer 2-year programs

"Embedded" 2-year college
Dependent accreditation and budget

"Standalone" 2-year college
Independent accreditation and budget

2-year community college
Independent accreditation and budget
Receives state funding outside MUS "lump"
Supported by various local levies
Governed by locally elected trustees under supervision and coordination of the regents

2- and 4-year tribally controlled college
Independent accreditation and budget
Receives state funding only through reimbursement for resident nonbeneficiary students pursuant to [20-25-428, MCA](#)



From Section 9 of Article X of the Montana Constitution:
(2) (a) The government and control of the Montana university system is vested in a board of regents of higher education which shall have full power, responsibility, and authority to supervise, coordinate, manage and control the Montana university system and shall supervise and coordinate other public educational institutions assigned by law.

= historic vo-tech centers and statutory 1.5 mill levy on county (\$ to state general fund)

- Flathead Valley Community College
- Dawson Community College
- Miles Community College

- Blackfeet Community College
- Chief Dull Knife College
- Aaniih Nakoda College
- Fort Peck Community College
- Little Big Horn College
- Stone Child College
- Salish Kootenai College



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FRED THOMAS	BRADLEY HAMLETT	CASEY LOZAR		
	LLEW JONES			

TO: MUS 2-Year Commission
 FROM: Pad McCracken, Research Analyst
 RE: Possible recommendations and additional input from presenters
 DATE: April 24, 2020

At your January 26, 2020, meeting, you indicated that as you begin your discussion of possible recommendations, it would be helpful if staff assembled a list of possible findings and recommendations that have been suggested or discussed in previous commission meetings.

You also directed staff to reach out to previous presenters for any additional input they want to provide in addressing the question:

As the commission considers findings and recommendations, including possible legislation, in preparing its final report for submission to the 67th legislature, what suggestions do you have for enhancing 2-year education in Montana, especially for career and technical education programs?

This memo addresses those requests.

Previous presenters were provided a draft list of possible findings and recommendations and an asterisk * below indicates that a particular finding/rec was emphasized by a respondent; two ** means two respondents mentioned the finding/rec and so on.

Possible findings (numerals) and recommendations (letters):

1. Students and 2-year campuses typically do not receive much financial support in pursuing/offering shorter duration and noncredit workforce training programs.
 - a. Seek federal financial aid changes to allow Pell, etc. to support shorter duration credentials and noncredit workforce programs ***
 - b. Find a way to provide state support for noncredit workforce programs ¹***

¹ One respondent mentioned the [Incumbent Worker Training Program](#) as a good model that could be improved.

2. Postsecondary CTE programs often cost more to start and operate than non-CTE programs. **
 - a. Create a grant program to provide start-up funds for 2-year campuses for new CTE programs that demonstrate industry need and support **
 - b. Provide more state support for higher-cost CTE programs at 2-year campuses **

3. With a rapidly changing economy and workplace, education has become less aligned with workforce needs.
 - a. Encourage/support sector partnership/industry alliance approach in aligning workforce and education to develop skilled worker pipeline (like the Montana Photonics Industry Alliance) ***
 - b. Promote work-based learning opportunities for students**

4. Too few students are aware of or encouraged to pursue postsecondary CTE programs at 2-year campuses. **
 - a. Continue statewide outreach to increase postsecondary participation in associates degree programs, nondegree credential programs, and workforce training programs, including apprenticeship and military; focus on the existing 40% that isn't participating in postsecondary at all, rather than competing with 4-year campuses (grow the pie)² *
 - b. Consider top 4 recs from [chamber survey](#):³
 - i. Incentivize school districts to emphasize all career pathways
 - ii. Require school districts to incorporate workforce readiness skills into curriculum *
 - iii. Strengthen career advising in MS and HS*
 - iv. Require business and economics education in MS and HS
 - c. Request BPE examine school counselor ratio *

5. Coordination between K-12 and the MUS could be improved, especially regarding CTE.
 - a. Strengthen (or make independent) the Board of Education⁴ in its role for long-range planning, K-12 and MUS alignment, especially vocational ed/CTE
 - i. Via constitutional revision ([Article X, Section 9 \(1\)](#))
 - ii. Via statute ([20-2-101, MCA](#))
 - iii. Via rec to Governor

² One respondent emphasized the need to focus on the 40% not currently participating in postsecondary education, but rejected the notion of competition between 2- and 4- year campuses.

³ One previous presenter pointed out that this survey represented only a fraction of the business voices across the state and cautioned that the recommendations may not represent the whole.

⁴ The Board of Education is composed of the Board of Regents and the Board of Public Education. From Article X, Section 9: “[The Board of Education] is responsible for long-range planning, and for coordinating and evaluating policies and programs for the state's educational systems. It shall submit unified budget requests.”

6. CTE programs may benefit if 2-year campuses have greater autonomy in terms of their governance structure.
 - a. Remove statutory barriers that prevent 2-year campuses from changing their governance model
 - b. Encourage the Board of Regents to afford 2-year campuses greater flexibility
7. Too often those with authority over money allocation undervalue investment in workforce development programs.
 - a. Encourage appropriators (LEG, REG, campus level) to see funding for workforce programs as an investment, "spending money to make/save money" *

Additional input from previous presenters:

1. In creating a grant program to provide start-up funds for CTE programs at 2-years, link this effort to state economic development goals and strategies.
2. Recommend that OCHE have a Deputy Commissioner of Two-Year Education⁵. Right now, the Deputy Commissioner is pulled in a 4-year direction and a 2-Year Direction. These missions may often conflict.
3. Help "message" the value and importance of two-year and workforce education for state success. Labor market data demonstrates that 70% of our future workforce requires a 2-year certificate or less. We need to invest in this level of education.
4. Industry alliances could use staff support to keep their business strategies aligned and moving forward. Perhaps existing DLI staff could provide genuine staff support for these clusters.
5. Encourage industry to advertise, recruit, hire, and pay, graduates from two-year institutions, this will add value to the certificates. *
6. Restructure funding model to incentivize community and 2-year colleges to participate in non-credit workforce training.

⁵ As noted in a previous [memo](#), when the legislature transferred governance of the then "vo-techs" from the superintendent of public instruction to the Regents in 1987, the [legislation](#) included a requirement that the Regents appoint a deputy commissioner of vocational-technical education. This requirement and other duties pertaining to vocational-technical education were repealed in Senate Bill No. 156, the restructuring bill of 1995.

7. Funding model should acknowledge non-traditional students who attend part time. Additional funding allotted for career and technical programs, especially in rural areas, where it is important to local industry, but smaller numbers make operations less feasible.
8. Incentivize local/regional partnerships with high schools, community and 2-year colleges, economic development organizations, apprenticeships and workforce training, and industry to make recommendations for curriculum at K-12 and 2-year postsecondary programs.
9. Empower and support 2 -year colleges in self-determining, approving, and creating their own programs and classes as directed by local business, industry and community needs and demands.
10. Move to a postsecondary education system that includes and rewards credit and non-credit stackable, industry-recognized and other credentials, certificates, and degrees based on competency or proficiency standards; work-based learning; prior learning assessment; and learning, teaching, and assessment strategies using multiple technologies.
11. Build a robust technology network to address postsecondary education opportunity gaps in rural Montana to ensure we develop the potential of all Montanans and help rural communities not just survive, but thrive.⁶
12. As lifelong learning becomes an increasing necessity, educational structures and financial aid models will need to adapt to enable engagement at different points across an individual's lifetime.
13. Today's increasingly tech-driven economy calls for new skills and a new educational approach:
 - a. Educators need to interpret market signals and employer feedback and adjust curricula and learning experiences—and do so at an accelerated pace.
 - b. Bring the right employers to the table to co-create curricula and develop meaningful applied-learning opportunities.
 - c. Direct funding toward programs that are aligned with industry needs and have achieved proven results.
 - d. Provide incentives for educators and hold them accountable for graduate outcomes.
 - e. Replicate successful programs from other states

⁶ See <https://luminafoundation.org/resource/focus-magazine-fall-2019-a-dangerous-divide/>