

MONTANA UNIVERSITY SYSTEM



ANALYSIS OF PROPOSED BITTERROOT VALLEY COMMUNITY COLLEGE

OFFICE OF THE COMMISSIONER OF HIGHER EDUCATION

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LIST OF ATTACHMENTS

- Attachment A – May 8, 2007, Ballot Measure for Approval of New Community College District
- Attachment B – May 8, 2007, Abstract of Votes for Proposed Community College District of the Bitterroot Valley
- Attachment C – Responses of BVCC Trustees-Elect to the Information Requests of the BOR
- Attachment D – UM Responses to Information Requests from the Board of Regents
- Attachment E – Information Provided by BVCC in Telephone Conference with OCHE
- Attachment F – Needs Assessment for the Gallatin Valley 2005

LIST OF ACRONYMS

AA	Associate of Arts
AAS	Associate of Applied Science
BOR	Board of Regents
BVCC-E	Bitterroot Valley Community College Effort
BVCC-EC	Bitterroot Valley Community College Exploratory Committee
CC	Community College
CE	Continuing Education
COT	College of Technology
EOCM	Educational Opportunities for Central Montana
FTE	Full-Time Equivalent Enrollment
FVCC	Flathead Valley Community College
HC	Head Count
HHEC	Hamilton Higher Education Center
MCA	Montana Code Annotated
MUS	Montana University System
OCHE	Office of the Commissioner of Higher Education
UM	University of Montana

INTRODUCTION

Montana law (Title 20, Ch. 15, Part 2, Montana Code Annotated (MCA)) establishes a three-step process for the creation of a new community college district in Montana:

1. the approval of the electorate in the proposed district;
2. the recommendation of the Montana Board of Regents of Higher Education to the Montana Legislature; and
3. the approval of the Montana Legislature.¹

The first step of the process for the establishment of a new community college district in Ravalli County has been completed. Following a petition drive that resulted in 5,175 registered voters in Ravalli County requesting a ballot measure on the issue, an election on the organization of a new community college district was conducted in Ravalli County on May 8, 2007. A majority of those voting approved the measure. (The ballot measure and election results are appended as **Attachments A** and **B**) In the same election, seven trustees were elected to guide the planning and implementation processes for a new community college. These trustees will not be seated until legislative approval has been secured and the regents issue an organization order.

The second step of the process is now underway. The Montana Board of Regents (BOR) must make a recommendation to the 2009 session of the Montana Legislature on the authorization of the new community college district. A 2007 Montana Attorney General's Opinion concluded that the recommendation from the regents can be "positive, negative, or otherwise," noting that ultimately the legislature has the final authority to approve the creation of the new community college district.² Some have construed the Attorney General's Opinion to minimize the importance of the regents' recommendation on this issue. Others believe the regents' recommendation has major long-term significance because of the BOR's pivotal role in guiding and governing public post-secondary education in Montana.

The government and control of the Montana University System (MUS) is vested in the BOR, which has full power, responsibility and authority to supervise, coordinate, manage and control the System and to supervise and coordinate community college districts created by the Montana Legislature. Specifically, with respect to Montana's community colleges, the Board has the express authority to:

- approve a community college's mission, including its academic, occupational and adult education programs (§ 20-15-105, MCA);
- approve the operating budgets of community college districts (§ 20-15-312; MCA);
- approve community college student tuition and fees (§ 20-15-105, MCA); and
- generally supervise Montana's community college districts (§ 20-15-225, MCA).

The BOR has been given the responsibility of coordinating all public postsecondary programs and services in Montana in the best interests of the citizens of the state. Through ongoing strategic planning, assessment, and allocation of resources, the Board must ensure the quality and integrity of academic programs, the adequacy and efficacy of policies and practices related to postsecondary services, and cost-effective use of taxpayer dollars statewide.

The statutory process for establishing a new community college in Montana was adopted in 1971. It was the culmination of several legislative sessions' efforts to align the governance and funding of Montana's community colleges with higher education models, rather than their original school district orientation.³ The statutes were crafted specifically to ensure greater state-level control over the additions of new community college districts at a time when the recent additions of a community college and several vocational-technical centers raised concerns about the impacts of locally focused and managed postsecondary institutions on statewide priorities, resources, and capacity.⁴ Since its creation 37 years ago, the statutory process has never been applied. Therefore, no precedent guides either the BOR in its recommendation criteria or the Montana legislators in their approval options.

With these contexts in mind, the Office of the Commissioner of Higher Education (OCHE) makes this report to the Montana BOR of Higher Education in order to inform the Board's recommendation(s) to the legislature on the approval of the organization of a new community college district in Ravalli County.

Organization of Report

OCHE suggests the criteria listed below as the critical areas of consideration for the BOR in making its recommendation to the legislature pursuant to this statute. These are the criteria the BOR has regularly used to evaluate proposed additions to the academic offerings of the MUS, and they are appropriate measures by which to assess the current proposal for the creation of a new higher education institution in Montana.

- I. The evidence of need for a new community college in the proposed district;
- II. The adequacy of the assessment of educational needs and local demand related to the two-year mission in the proposed district;
- III. The feasibility of the preliminary implementation plan, academically and fiscally;
- IV. The ancillary benefits and negative impacts likely to accrue to the proposed district and the State of Montana as a result of a new community college district; and
- V. The relative merits of other alternatives for responding to the need for two-year postsecondary education in Ravalli County.

Having requested and assimilated information related to these criteria and appended it to this report, OCHE provides this analysis for the Board's consideration.

Throughout this report, the advocates for, and the trustees-elect of, the proposed Bitterroot Valley Community College will be collectively referred to as their preferred description, the Bitterroot Valley Community College Effort (BVCC-E).

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1.0 EVIDENCE OF NEED FOR A COMMUNITY COLLEGE DISTRICT IN RAVALLI COUNTY

1.1 Summary of BVCC-E Statement of Need

The information related to this issue submitted by BVCC-E is included as **Attachment C** to this report. In their response to Question 1.a, Statement of Need, BVCC-E cites the following as evidence of the need for a community college in the Bitterroot Valley:

- Voters in the proposed district affirmed the need by signing a petition for a ballot measure on the creation of a new community college district in the Bitterroot Valley and by approving that ballot measure by a 52-48% margin.
- Population in the Bitterroot Valley has increased by 14,000 in the last 25 years, making Ravalli County the largest population base in Montana without a local public postsecondary institution.
- The economy in the Bitterroot Valley has shifted from extraction and agriculture to services, and the service workforce requires postsecondary education.
- The Bitterroot Valley is underserved in terms of access to adult learning opportunities.
- Attempts by other postsecondary providers – primarily, the University of Montana (UM) – to provide higher education opportunities in the Bitterroot Valley have been unsatisfactory and unsuccessful.
- The relatively short distance between Ravalli County and the higher education opportunities available in Missoula does not mitigate the need for a postsecondary institution in Ravalli County.
- The new community college is the best response to Ravalli County's interest in committed, accountable, affordable, and comprehensive adult learning opportunities.

1.2 OCHE Analysis of the Evidence of Need for BVCC District

1.2.1 Demand Evidenced by Electorate

Advocates for a community college in Ravalli County have notched a remarkable achievement, gathering 5,175 signatures for the petition requesting an election on a local community college district and generating enough interest and support to pass the proposal in a duly authorized election. They should be justly proud of the success of their grassroots effort. These advocates believe strongly that only a locally managed community college can respond to the needs of Ravalli County for “committed,

accountable, affordable, and comprehensive” higher education opportunities. On May 8, 2007, a majority of those voting on the issue agreed that this was an investment in the best interests of Ravalli County.

The question before the regents, and ultimately the legislature, however, is whether a new community college in Ravalli County is a local need compelling enough for the rest of Montana to address at an investment level that is more than double and very nearly triple the investment made by Ravalli County taxpayers for the operation of the new college – not just now, but into perpetuity. **Figure 1-1** demonstrates the implications over time.

Figure 1-1. Community College Revenues and State/Local Share FY92-FY09

	FY1992 Revenues	FY2009 Budgeted Revenues	Increase Rate	State Share of FY09 Budgeted Rev.	Local Share of FY09 Budgeted Rev.
Dawson CC	\$1,672,291	\$3,591,855	2.15 x	57.7%	22%
Miles CC	\$2,218,442	\$5,118,807	2.3 x	44.1%	16.5%
FVCC	\$4,084,250	12,198,068	2.99 x	45.2%	20.5%

Source: MUS Operating Budgets

If authorized, a new community college district will require the State of Montana to assume 44%-58% of the college’s operational budget – using the current state/local/student funding formula. The trends of the last 17 years demonstrate that over time the budget is likely to increase significantly. (To be fair, these trends are true of all MUS affiliated campuses, not just the community colleges.)

1.2.2 Ravalli County Demographics

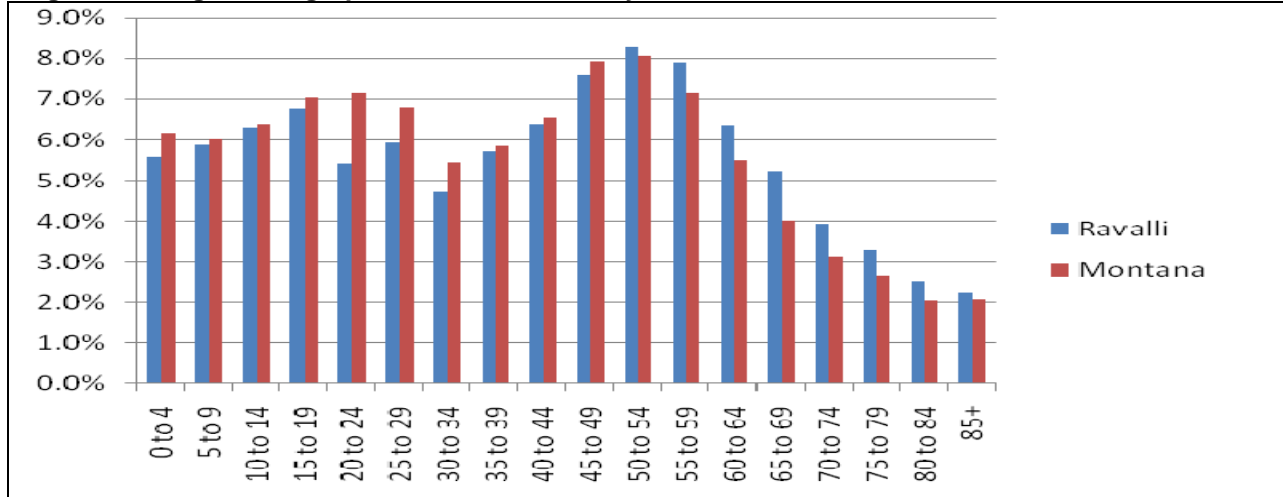
The population in the Bitterroot Valley is the seventh-largest in Montana. Even without the approximately 4,000 residents of Florence-Carlton, which is not included in the proposed community college district, Ravalli County has a population of 36,324, a size comparable to Silver Bow County or Lake County. Setting aside at this point the presence of UM’s Hamilton Higher Education Center, the proximity of Ravalli County to UM, and the online offerings now abundantly available no matter where a Montana student lives, Ravalli County is the largest county in Montana without a local postsecondary institution funded primarily by the State of Montana.

Some additional features of the population should be taken into account when population size is advanced as evidence of need:

1.2.2.1 Educational Attainment Levels. The educational attainment levels in Ravalli County do not support the conclusion that Ravalli County has been disproportionately disadvantaged by the absence of a local unit of the Montana University System (MUS). When compared to the educational attainment levels of other Montana counties, Ravalli County measures up favorably. Ravalli County ranks 18th among Montana’s 56 counties both in the percentage of population with a high school diploma and in the percentage of population with an associate degree or higher.⁵

1.2.2.2 Age Demographics. The age demographics of Ravalli County (**Figure 1-2**) suggest a population less likely than the average Montana population to engage in postsecondary education opportunities.

Figure 1-2. Age Demographics of Ravalli County/Montana



Source: US Census Bureau, 2006 Estimates

Ravalli County has a lower percentage of residents in both the traditional and the nontraditional student age groups than the Montana average. Specifically, Ravalli County has fewer residents in the 15- to 50-year-old categories than the Montana average; these are the age groups typically encompassing the college-going demographic. The only age groups in Ravalli County exceeding the state average are those least likely to attend college, residents over 50 years of age. Of course, even with these smaller-than-average college-going age sectors, Ravalli County may have a population large enough to produce college-going numbers justifying a greater investment in higher education in that area by the State of Montana.

1.2.3 Workforce Demographics

Like the rest of Montana and the nation, the workforce needs in Ravalli County are shifting from jobs requiring little if any postsecondary education to jobs requiring training and/or education beyond high school. However, the Ravalli County employment sectors that most exceed the Montana average are construction, real estate, and manufacturing. Of these three, only two have experienced job growth in recent years – construction and real estate. In fact, between 2001 and 2006, 39% of Ravalli County’s total job growth was accounted for by these two related industries. (See **Figure 1-3.**)

Figure 1-3. Industries and Job Growth in Ravalli County

Industry	Percent of MT Employment (2006)	Percent of Ravalli Employment (2006)	Ravalli Job Growth, 2001-2006
Farm employment	5.0%	6.4%	-8
Forestry, fishing, and related activities	1.3%	NA	NA
Mining	1.4%	NA	NA
Utilities	0.5%	0.2%	-1
Construction	8.5%	11.9%	624
Manufacturing	3.7%	6.3%	-90
Wholesale trade	2.9%	2.7%	218
Retail trade	11.8%	10.5%	11
Transportation and warehousing	3.0%	2.3%	-23
Information	1.5%	0.9%	2
Finance and insurance	3.6%	2.9%	15
Real estate and rental and leasing	4.1%	6.8%	575
Professional and technical services	5.4%	5.9%	318
Management of companies and enterprises	0.2%	0.2%	NA
Administrative and waste services	4.2%	4.5%	NA
Private Educational services	1.2%	1.1%	37
Health care and social assistance	10.1%	7.2%	87
Arts, entertainment, and recreation	3.0%	3.4%	207
Accommodation and food services	8.0%	6.2%	233
Other services, except public administration	6.0%	7.6%	337
Government and government enterprises	14.6%	10.9%	156

Source: Bureau of Economic Analysis

1.2.4 Access to Higher Education Opportunities

It does not appear that Ravalli County is underserved in terms of access to higher education opportunities.

1.2.4.1 Educated Populace. As noted earlier, Ravalli County ranks in the top third of Montana counties for the percentage of its population with high school diplomas and the percentage with an associate degree or higher. In other words, Ravalli County has a more educated populace than most Montana counties.

1.2.4.2 College-Going Rates. The percentage of Ravalli County high school graduates going on to a college in the MUS (35%) slightly exceeds the Montana average (34%) and is comparable to the “capture rates” of Missoula, Flathead, and Cascade Counties.⁶ In other words, college-going rates of Ravalli County’s traditional students do not make a compelling case for a disadvantage created by the lack of a local community college.

1.2.5 Student Demand for Higher Education Opportunities in Ravalli County

Are residents of Ravalli County seeking two-year education opportunities provided locally?

1.2.5.1 Enrollment Patterns of Recent High School Graduates in the MUS. The enrollment patterns indicate Ravalli County graduates prefer the university experience to the two-year college experience. As **Figure 1-4** below demonstrates, the percentage of Ravalli County high school graduates going to the UM College of Technology (COT) is substantially less than high school graduates “captured” by the local colleges of technology in Cascade and Lewis and Clark Counties. However, the raw numbers of Ravalli County graduates going to UM are remarkably similar to the numbers going to the University from Cascade County and surpass those going to UM from Lewis and Clark County, in spite of the fact that the latter two counties have much larger numbers of high school graduates – and much farther to travel to attend a public university. Judging from the substantial difference between Ravalli County graduates who go to MSU, as opposed to UM, it appears that proximity matters.

Figure 1-4. Comparative County “Capture” Rates

Cascade County	Total in MUS from County	To MSU	To UM	To MSU-GF	% of Total at MSU-GF
2007	299	95	84	77	25.8%
2006	293	86	76	72	24.5%
2005	262	83	69	67	25.6%
Lewis & Clark County	Total in MUS from County	To MSU	To UM	To UM-H	% of Total at UM-H
2007	253	92	70	52	20.5%
2006	248	80	59	55	22.2%
2005	232	74	74	59	25.4%
Ravalli County	Total in MUS from County	To MSU	To UM (w/o COT)	To UM-COT	% of Total at UM-COT
2007	153	27	77	21	13.7%
2006	149	32	67	19	12.7%
2005	150	52	73	9	6.0%

Source: Montana University System Data Warehouse

It would appear that high school graduates in Ravalli County prefer the university experience to the two-year college experience, especially when it is as close to home as Missoula is to Ravalli County.

1.2.5.2 Historical Lack of Demand for Programming Offered Locally. Efforts over an extended period of time by UM and its COT to identify and address higher education needs in Ravalli County have failed to generate significant enrollments there (**Attachment D**).

- Prior to 2003, computer literacy courses and general education courses were offered in the evenings; only the computer courses filled. Associate of Arts programming was also introduced; enrollments were insufficient to sustain the effort.
- In 2003-2004, computer labs in Hamilton High School were set up to accommodate Ravalli County residents' ability to take courses online. No one used this service and it was discontinued.

- In Fall 2006, Lab Tech courses were offered to support local industry in Ravalli County. Although initially well-subscribed, demand dwindled. In 2008, the industry indicated its needs had been met and the courses were discontinued.
- Since Summer 2007, UM has offered 33 courses at Hamilton Higher Education Center. Of those 33 courses:
 - only 1 course has enrolled more than 11 students;
 - 9 classes had to be canceled for insufficient enrollment; and
 - 7 classes were offered even though there were fewer than 5 Ravalli County students in the class.

This under-enrollment in higher education courses offered in Ravalli County, especially when contrasted with the disproportionate number of Ravalli County students traveling to UM in Missoula for courses, suggests that the demand in Ravalli County for higher education courses and programs is overestimated.

1.2.6 Need for Transfer & Workforce Programming

The establishment of a new community college should be predicated on two primary needs:

- the need for “ladder up” programming into higher education through effective, culturally responsive and affordable transfer programs, and
- the need for career/technical programs giving students a recognized college credential and addressing local economic needs.

The other “non-credit” prongs of the two-year mission (customized training, community/personal enrichment, and adult basic education) can be and frequently are met through other means. There may be efficiencies to be gained by combining these latter components to the primary emphases when the need for the first two are evident, but the need for another higher education institution in Montana must be grounded in a compelling need for higher education – primarily credit-bearing, degree-granting academic programs providing credentials for transfer and for entry into high-wage, high-demand workforce programs.

1.2.6.1 Need for “Ladder-up” General Education Programming. Is there a compelling need for “ladder-up” general education programming in Ravalli County? Probably not. Average educational attainment levels exceed state averages. Enrollment levels of Ravalli County residents in courses historically provided by UM (**Attachment D**) and the abundance of transfer coursework now available online do not support the contention that there is an unmet need in Ravalli County.

1.2.6.2 Need for Workforce Development Programs. Is there a compelling need for workforce development programs in Ravalli County? Maybe. Ravalli County has experienced significant population growth in the past quarter-century, but its economy

has not enjoyed the optimal benefits of such growth. That may be because a slightly larger percentage of its residents than the Montana average are ending or have ended their participation in the workforce. Or, as **Figure 1-3**, presented earlier, indicates, it may be because the high-growth areas of its economy are in sectors supporting the population growth itself – construction, real estate, and amenities-related services – sectors not requiring a two-year degree. Professional and technical services, which typically do require a postsecondary degree, is a growing sector in Ravalli County, but the demographics in that sector don't significantly exceed the Montana average. A notable proportion of the Ravalli County economy is devoted to manufacturing, but the workforce needs of that sector appear to have been met and job growth in that sector is not significant.

It would be unusual for a population of the size of Ravalli County *not* to have specific needs for workforce development, but without a comprehensive needs assessment, those needs cannot be weighed by the regents or the legislature. As the next section of this report explains, the proximity of the proposed Bitterroot Valley Community College to Missoula County makes the identification of appropriate workforce development programming particularly challenging for BVCC-E.

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2.0 ADEQUACY OF NEEDS ASSESSMENT & ENROLLMENT PROJECTIONS TO GUIDE PLANNING

In order to create a business plan that is productive and sustainable, BVCC-E must rely on data that gives them, their community of service, the regents, and the Montana Legislature confidence that they have identified current and future needs and likely enrollments and that they have used this information to develop a feasibility plan for the proposed community college.

BVCC-E describes its efforts to identify programming needs related to the two-year college mission in its responses to Questions 1.b and 1.d (**Attachment C**). Its enrollment projections were provided in the response to Question 1.c (**Attachment C**). BVCC-E provided additional information in a telephone conference with Office of the Commissioner of Higher Education (OCHE) on November 6, 2008 (**Attachment E**). Updated enrollment projections were submitted on November 9, 2008. (See http://www.bvcc-edu.org/documents/regentinfo/BVCCBusinessPlan_11-08-08Update.pdf)

2.1 BVCC-E Summary of Programming Needs Assessment

2.1.1 Pre-Election Activities Identifying Needs

BVCC-E cited the following pre-election activities as efforts to identify needs for the new community college:

- reports of need from Darby Adult Education, Literacy Bitterroot, and Ravalli County Economic Development Authority
- research into the community college model conducted by Victoria Clark of Darby Adult Education
- a critique of the recent efforts of the University of Montana (UM) in Ravalli County
- a meeting with the Flathead Valley Community College (FVCC) Libby Branch Campus Director
- the formation of an exploratory committee (BVCC-EC) dedicated to educating the community about community colleges and the process for establishing a community college in Ravalli County
- an extensive BVCC-EC education campaign with community groups in Ravalli County
- the various procedural steps described earlier in this document to meet statutory requirements for establishing a community college (petition drive, election, etc.)

2.1.2 Post-Election Needs Assessment Activities Cited by BVCC-E

2.1.2.1 Two-Day Community Conversation Using the World Café Model. Post-election needs assessment activities cited by BVCC-E include a two-day community conversation, using the World Café model, to identify community expectations for the

community college and initial course offerings. Of the 109 individuals invited, 40 individuals attended the first session and 27 attended the second (including many trustees-elect). The activity culminated with the identification of the following top three programming priorities for the proposed community colleges:

- transfer programs,
- for-credit workforce development programs, and
- non-credit community cultural and economic development programming.

2.1.2.2 “Tell Us What You Want” Campaign. A “Tell Us What You Want” Campaign” was begun in August 2008 and continuing past the date of this report. As of October 19, 2008, 142 individuals had made suggestions for credit and non-credit courses through this online survey. Respondents did not indicate that they themselves would take these courses. Initial results of the online survey indicate that:

- Requests for credit-bearing courses are approximately double the requests for non-credit offerings.
- Courses in the sciences are the most-requested transfer courses (24 requests), followed by English (11) and the arts (9).
- Healthcare (24) is the most-requested area for occupational courses, followed by business courses (22), and agriculture/ resources (21).
- Non-credit offerings in the arts (21) are most requested in personal enrichment offerings, followed by life skills (9) and recreation (8).
- Non-credit offerings in computers (27) are the most frequent workforce development request.

2.1.2.3 Meetings between Trustees-Elect & Specific Local Employers. The interest of the local hospital in a certification course on medical billing/insurance and an Associated of Science in Nursing (ASN) program has been identified.

2.2 BVCC-E Enrollment Projections

2.2.1 Capture Rates

BVCC-E enrollment projections are based on the needs identified through the assessments described above and historic student capture rates of Montana’s three existing community college districts, as applied to Ravalli County. Once the proposed institution is fully operational, BVCC-E projects that the college will enroll:

35% of recent high school graduates	131 students
10.2% of traditional age students	334 students*
1.5% of non-traditional students	324 students

**including recent high school graduates*

2.2.2 Noncredit Priorities

In the noncredit sector, BVCC-E is planning around workforce development offerings, adult education services, and foundational developmental services as priority needs. Their projections in these areas are based in large part on the participation in these services at Montana's three existing community college districts, but they emphasize that projections are preliminary until further research can be conducted.

2.2.3 Start-up Enrollments

For the start-up years, BVCC-E projects that the college will operate at over 25% of capacity in FY2010 and at over 33% of capacity in FY2011 (**Figure 2-1**). The most specific projections are:

Figure 2-1. BVCC-E Enrollment Projections

Type of Programming	FY2010 Enrollments	FY2011 Enrollments
For-credit transfer and occupational	119 FTE	194 FTE
Noncredit workforce development	236 HC	473 HC
Noncredit developmental	180 HC	312 HC
Total Noncredit Enrollment	426 HC	785 HC

Source: BVCC Response to Regents' Request for Information

In the November 6, 2008, telephone conference, BVCC-E participants emphasized that, as they rework their budget, the enrollment projections "keep changing." They indicated that the budget documents they were preparing at that time for a November 14, 2008, submission to the legislature would increase enrollment projections to 160 full-time equivalent enrollment (FTE) for FY2010 and 240 for FY2011. The update posted on November 9, 2008, project enrollments at 157.5 for FY2010 and 248.5 for FY2011.

2.3 OCHE Analysis of Assessment of Needs

The needs assessment and enrollment projections completed so far to guide planning for the proposed college, taken in conjunction with the data compiled by OCHE, raise serious concerns.

2.3.1 Concerns about Needs Assessments Guiding Planning

2.3.1.1 Methodology. There appears to be uncertainty about the kind of needs assessment that informs academic planning. The pre-election activities presented by BVCC-E as needs assessment would be more appropriately characterized as advocacy efforts. Similarly, the post-election community input methods used in the World Café model and the online survey are excellent tools for open and inclusive community-building around an issue, but they do not result in data-driven measurements of specific workforce and education needs related to the two-year mission.

The results of the World Café assessment are as general as the two-year college mission itself. The online survey focuses on courses, rather than programs. Because

no environmental scanning informs the survey, the results do not provide helpful information on how local interest aligns with local workforce needs or high school students’ plans – crucial pieces of academic and fiscal planning for a community college.

Using these methods, BVCC-E has identified general interests of a small, self-selected sample of the population, rather than compelling needs in the community’s economic and educational environments that require the local presence of a new postsecondary institution. It is laudable to continue to engage community college advocates with the community through these ongoing communication efforts, but it is crucial to the success of the proposed community college that specific needs related to the two-year mission be identified, quantified, and prioritized.

2.3.1.2 Need for More Comprehensive, Data-Driven Measures. An environmental scan using data-driven measures to identify current and potential workforce shortages, growth areas by industry sector, and occupational/educational goals of prospective students in the service area is absolutely essential to the development of a solid academic and business plan for a community college. (A sample of such an assessment is provided as **Attachment F**.) It was conducted by MSU-Great Falls as part of its program planning for its extension in Bozeman. Even with that level of needs assessment, as BVCC-E noted in its materials, MSU-Great Falls has found it difficult to sustain their modest business plan.)

2.3.1.3 Complicating Factor of Proximity to Missoula County. Because Ravalli County is so close to Missoula County, where workforce opportunities and incentives may surpass those currently available in Ravalli County, it is important to identify the workforce programs that will truly serve Ravalli County industry. **Figure 2-2** helps to illuminate the challenge:

Figure 2-2. Missoula County vs. Ravalli County 2007 Wages by Sector

Industry Sector	Missoula	Ravalli
Agriculture, Forestry, Fishing & Hunting	42,432	26,624
Mining	50,804	34,944
Utilities	62,816	62,400
Construction	36,608	31,356
Manufacturing	42,640	35,932
Wholesale Trade	43,316	43,836
Retail Trade	22,724	19,656
Transportation and Warehousing	36,244	28,392
Information	41,080	23,816
Finance and Insurance	46,800	37,648
Real Estate and Rental and Leasing	24,232	19,240
Professional and Technical Services	42,744	46,436
Management of Companies and Enterprises	62,452	40,560
Administrative and Waste Services	26,468	22,256
Private Educational Services	19,448	19,708
Health Care and Social Assistance	37,336	28,080
Arts, Entertainment, and Recreation	15,340	15,756
Accommodation and Food Services	12,584	11,024
Overall	32,233	28,236

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Only four industry sectors (indicated by bold print in **Figure 2-2** above) have higher wages in Ravalli County than in Missoula County. Of these, only one sector, professional/ technical services, appears to require a postsecondary degree. (Private education also requires postsecondary education, but that sector is very small in Ravalli County.) On the whole, wages are likely to pull educated people from Ravalli County to Missoula County, especially in industries like healthcare, finance, and information. It would be unfortunate if the residents of Ravalli County pledged their local taxes to enhance support from the State of Montana in provision of education for local needs only to have their dollars and efforts ultimately serve a larger workforce and population 50 miles to the north. With careful environmental scanning, that need not happen; without this important exercise, it very well could.

2.3.1.4 Summary. In short, without (1) a data-driven understanding of the needs of the citizens, communities, and industries in Ravalli County and (2) an data-driven understanding and a unique approach to the challenges of a community college close to, but not funded by, a major workforce and population center, the academic and business plans for the Bitterroot Valley Community College are frameworks without a foundation.

2.3.2 Concerns about Enrollment Projections

2.3.2.1 BVCC-E Capture Rate Projections. Projecting enrollments on the basis of the enrollments at Montana's three existing community college districts ignores a distinct difference between Ravalli County and Dawson, Custer, and Flathead Counties: the proximity of another public higher education institution to Ravalli County. Certainly, a community college in Ravalli County will capture some of the enrollments going elsewhere in the university system now and some enrollments not currently being captured, but we can expect UM in particular to continue to draw enrollments from Ravalli County in a way that no county neighboring Custer, Dawson, and Flathead Counties does.

2.3.2.2 BVCC-E Projections for Recent High School Graduates. A capture rate of 35% of Ravalli County's recent high school graduates is unrealistic. That would require the proposed institution to capture *all* the Ravalli County graduates currently attending some unit of the Montana University System (MUS) – or to capture a substantial number of high school graduates currently going out of state to college or not going to college at all. The latter might happen with careful planning and strong collaboration between K-12 and the proposed institution, but the former probably won't. The strong preference of Ravalli County's recent high school graduates for Montana's four-year colleges (evident in **Figure 1-4**) may be mitigated by a local two-year college, but it will never disappear entirely. A certain percentage of recent high school graduates will continue to choose four-year colleges. (That's why data on postsecondary plans of Ravalli County high school students is so important to acquire.)

2.3.2.3 Noncredit Enrollment Projections. BVCC-E's projections for noncredit enrollments are quite speculative, yet the planning around these enrollments is extensive. The emphasis of BVCC-E on noncredit enrollments is surprising on at least three counts:

- Adult basic education and personal enrichment programming can be provided and currently are provided throughout Montana (and Ravalli County) without the presence of a postsecondary institution.
- Only 2 of the 142 respondents to the online survey requested noncredit developmental services, yet the business plan indicates that the proposed community college plans to increase current developmental enrollments by 30% in 2009-2010 and to serve 180 students in 30 developmental courses. This area of the two-year mission ranked last in the priorities established through the World Café process.
- The strong preference of respondents for credit-bearing offerings, expressed in both the World Café exercise and the online survey, is not reflected in the projections or planning emphases.

2.3.2.4 BVCC-E Start-Up Enrollment Projections. The analysis that led to the projection that enrollments would be at 25% of capacity in the first year of operation is not clear and could jeopardize successful start-up. Given the compressed timeframe between possible legislative authorization of the college, various regental approvals, and Fall 2009, planning to have 45 transfer courses, 45 occupational courses, 45 noncredit workforce development courses and 30 noncredit developmental courses developed, approved, and staffed to serve over 500 students by late August 2009 creates a heavy burden for the college if the students do materialize and a worse one if they don't. It's crucial to have realistic projections and to manage enrollments such that students, even if few in number, are well-served.

2.3.2.5 Methodology for Projecting Enrollments. Enrollment projections have repeatedly changed and are still in flux as the regents prepare to make their recommendation. For example, BVCC-E projected 67.5 FTE (corrected calculation) for FY2010 in September. In October, as reported in this document, the projection was for 119 FTE. By November, it was reportedly 160 FTE. When asked to explain these changes, BVCC-E acknowledged that it was "a bit of a crystal ball," but that they were projecting their enrollments based on their budget request. The number of courses to be offered, the number that would have enrollments sufficient to run, and the average number of students in a class were described as factors that could be adjusted. (**Attachment E**). Ideally, before the state commits itself and the taxpayers of the Bitterroot Valley to a permanent, mandatory, significant, financial commitment, data-driven enrollment projections should guide planning.

2.4 Conclusion

It is important to recognize that the trustees-elect in Ravalli County have had to engage in these planning activities without two critical assets: the expertise of an administrative team of community college professionals directed to do this work and a budget to support environmental scanning and data-driven planning. Given the voluminous and detailed documents prepared by BVCC-E on this and a number of issues, it is not a lack of dedication or effort, but a lack of resources, that no doubt accounts for the shortcomings in their assessments of need and demand. At this point, however, both the needs assessments and the enrollment projections fail to give the confidence and clarity needed for solid planning at the community level and for wise investment at the state level. These deficiencies can be remedied but not within the timeline required to inform the regents' recommendation and probably not within the timeline required for a Fall 2009 start-up of the proposed new community college.

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3.0 FEASIBILITY & FISCAL FEASIBILITY OF THE IMPLEMENTATION PLAN

Planning and implementing academic programs requires careful identification and coordination of curriculum to ensure that it reflects assessed needs and projected enrollments, meets accreditation standards, and identifies and allocates resources effectively. A carefully crafted implementation plan is especially important for new or extended programming because an established infrastructure is not in place.

BVCC-E's planning documents for FY 2010 and FY 2011 can be found in BVCC-E's Response to Questions 2.a – 2.c. (Academic Program Plan), Questions 3.a – 3.f (Business Plan), Question 4 (Annual Budgets) and Question 6 (Accreditation) in **Attachment C**. BVCC-E provided additional information in a telephone conference with Office of the Commissioner of Higher Education (OCHE) on November 6, 2008 (**Attachment E**). Updated enrollment projections and budgets were posted on BVCC's website on November 9, 2008 (See http://www.bvcc.edu/documents/regentinfo/BVCCBusinessPlan_11-08-08Update.pdf) Unfortunately, this information was not received by OCHE in time to be the basis for this analysis.

Planning beyond FY 2011 has not occurred. Although the Academic Program Plan is very brief, the other documents are quite detailed, so only broad areas are summarized and analyzed in this section. OCHE concerns, if any, are expressed at the end of each numbered subsection, and an overall analysis of the feasibility of the preliminary planning, academically and fiscally, is provided as a conclusion to this section.

3.1 Accreditation

3.1.1 BVCC-E Plans for Accreditation

Board of Regents (BOR) Policy 320.2 specifies that “The campuses of the Montana University System (MUS) and the community colleges under the supervision of the BOR must maintain accreditation by the Northwest Commission on Colleges and Universities (NWCCU).” To attain accreditation as an independent institution, BVCC-E will need to seek recognition as a Candidate for Accreditation and meet a set of twenty Eligibility Requirements.

BVCC-E plans to seek independent accreditation. Until independent accreditation can be secured, BVCC-E hopes to establish an agreement with Flathead Valley Community College (FVCC) whereby FVCC would be the accreditation sponsor for the proposed institution. BVCC-E chose FVCC, recognizing that the intent of the sponsorship is to be guided by an institution that has achieved what BVCC-E hopes to achieve. BVCC-E believes the sponsorship of FVCC, if secured, will allow BVCC-E to offer FVCC courses and programs in the Bitterroot Valley within the envisioned timeframe.

3.1.2 OCHE Response

If authorized as a community college district, BVCC-E must seek independent accreditation. In the interim, FVCC is a fine two-year college and may be appropriate for the sponsorship role. The role the BOR might play in these arrangements does not appear to have been considered.

3.2 Academic Program Plan

3.2.1 BVCC-E Plans for Academic Programming

BVCC-E was asked to provide the following information on their plans for academic programming:

- What programs are envisioned for the start-up year?
- When will additional programs be introduced and what will they be?
- How does the academic program plan relate to the results of the needs assessment activities described above?

BVCC-E has not yet answered these questions. Instead, BVCC-E provides as an academic program plan the principles trustees-elect will use to guide their planning:

- programming responsive to the community's needs and interests
- programming sufficiently comprehensive to meet eligibility requirements for accreditation candidacy
- programming sufficiently extensive to provide students with the opportunity to meet minimum financial aid course load requirements
- programming sufficiently extensive to enable students to complete their general education core requirements or earn one of two Associate of Applied Science degrees during the college's first two years of operation.

At this point in the planning process, with respect to the transfer mission of a two-year college, BVCC-E is reviewing online offerings in general education and studying the general education core requirements and curricula in order to formulate their own general education core. With respect to the workforce development component of the two-year education mission, they are soliciting local input and reviewing other two-year degree programs in the state. They believe programs in computer/ information services, construction/ trades, business management, and/or healthcare fields are most likely. BVCC-E plans to have a more refined program plan by late autumn. (As of November 6, 2008, academic planning was not complete and does not appear to differ substantially from the level of planning presented to the Postsecondary Education Planning and Budget Committee in March 2008.)

The business plan and supporting budgets provide more detail on the academic program plan. Although the specific courses, programs, and degrees have not been identified, BVCC-E plans to offer the following academic program in the next biennium,

with the corresponding projected enrollments (noted in the previous section as **Figure 3-1**):

Figure 3-1. BVCC-E Enrollment Projections

Type of Programming	FY2010 Enrollments	FY2011 Enrollments
For-credit transfer and occupational	119 FTE	194 FTE
Noncredit workforce development	236 HC	473 HC
Noncredit developmental	180 HC	312 HC
Total Noncredit Enrollment	426 Head Count	785 Head Count

Source: **Attachment C**

Enrollment projections are based on the following assumptions:

- 75% of the for-credit courses will fill; average students per course will be 15.
- 75% of the noncredit workforce courses will fill; average students per course 15.
- 100% of noncredit developmental courses will fill; average students per course 6.

3.2.2 OCHE Concerns about the Academic Program Plan

3.2.2.1 Vagueness. The academic program plan is too vague to guide the business plan. The number and kinds of courses the proposed community college will need, the number of faculty and their staffing patterns, and the facilities and equipment in two-year programs vary widely, depending on the programs offered, so it is critical to identify the programs before developing the business plan. For example, science is the most frequently requested transfer course on BVCC-E online survey currently guiding planning. Science courses typically require laboratory space, which will be difficult to find and more expensive than the current BVCC-E’s budget reflects. The construction and healthcare programs being considered for the start-up year also require staffing patterns and facilities that more classroom-based programs do not.

3.2.2.2 Lack of an In-Depth Needs Assessment as a Foundation. This concern was raised in the previous section, but a few examples of the role of needs assessment in solid academic programming planning follow:

- Will the occupational programs prepare students for local workforce needs? (Will graduates get jobs in Ravalli County?) Other than construction, none of the cited occupational programs align with a growing workforce sector in Ravalli County. As for construction, it hasn’t surfaced as a need in BVCC-E’s assessments to date.
- Will the academic program appeal to high school students in Ravalli County? Without data on the postsecondary education interests and plans of area high school students, enrollment projections will be difficult to meet.
- Will the academic program be able to compete with other easily accessible postsecondary programming? The University of Montana (UM) College of Technology (COT) offers Associate of Applied Science degrees in all four of the

cited occupational programs being considered for Fall 2009, with expensive equipment and laboratories already in place. UM also offers the general education transfer core, and it is available online as well. These competing options may erode enrollments at the proposed institution.

3.2.2.3 Ability to Generate Projected Enrollments. The academic program plan is not likely to generate the enrollments needed to sustain the staffing model. Apart from the competitive/duplicative factors cited above, two other factors suggest enrollments are over-projected:

- **Historic lack of demand.** As noted earlier (**Section 1.2.5.2**), UM has been offering courses of the type envisioned by BVCC-E for many years in Ravalli County and has repeatedly experienced insufficient demand. In the past year, the demand for general education and computer/business courses at the Hamilton Higher Education Center has not been sufficient to sustain 33 courses, yet the most recent BVCC-E plans submitted to OCHE call for twice that many in the first year of operations. Moreover, of the 33 courses offered by HHEC since Summer 2007 (**Attachment D**), only one course has met the average enrollment level (15 students/course) projected in BVCC-E's written submission materials. There is speculation, but no clear evidence, that UM's marketing efforts were insufficient to generate the needed enrollment.
- **Occupational program limitations.** The start-up plan submitted in October calls for two occupational program choices offering 45 courses in FY 2010 (20 in the fall, 20 in the spring, and 5 in the summer). It is difficult to imagine a construction or healthcare program that could offer 10 courses each semester to a cohort of students; multiple cohorts require additional faculty and facilities. Although BVCC-E's plan calls for approximately even numbers of transfer and occupational courses (45 courses in each area in FY 2010 and 72.5 in each area in FY 2011), it is unclear whether the plan projects that two occupational programs will generate approximately half of the projected full-time equivalent enrollment (FTE). Especially in healthcare, quality instruction usually requires a class size under the projected average. When asked to clarify the workforce projections, BVCC-E was unable to provide a definitive response (**Attachment E**).

3.2.2.4 Noncredit Program Plan. The noncredit program plan is more extensive than the for-credit program plan. The numbers of courses to be offered and the projections for students to be served suggest a stronger emphasis on continuing education and particularly on developmental education than on the degree-granting functions so central to a community college – and to state funding. Because some developmental courses are eligible for state funding, it is not clear why they have not been designated in that fashion, which might improve the fiscal soundness of the plan. In addition, as noted in the previous section, this emphasis does not reflect the priorities of the community evidenced in BVCC-E needs assessment thus far. K-12 school

superintendents in the Bitterroot Valley express pride in the array of noncredit adult education courses they are currently providing in their school districts.

3.2.2.5 Timeline. The timeline for implementation of the for-credit academic program is unrealistic. BVCC-E recognizes that administrative professionals are needed to conduct a solid academic plan, but the earliest those professionals could come on board would be May 2008. That does not leave sufficient time to conduct the planning needed to submit academic programs for approval to the regents in May, and all degree-granting academic programs require approval by the BOR. Even if somehow programs could be developed and regental approval were given, BVCC-E would only have three months to recruit and hire faculty, who would have even less time to develop curriculum and appropriately equip and prepare facilities for instruction in Fall 2009.

3.3 Personal Services.

3.3.1 BVCC-E Plan for Personal Services

BVCC-E's staffing plans for the start-up years are summarized in **Figure 3-2**.

Figure 3-2. BVCC-E Staffing Projections

	FY 2009	FY 2010	FY 2011
Faculty (full-time)		4.0	6.0
Faculty (part-time)		3.9 (9 – 32 HC)	6.9 (15 – 57 HC)
Administration	5.0	5.0	5.0
Professional	1.0	3.0	4.0
Classified (full-time)	1.0	1.0	5.0
Classified (part-time)		2.0 (4 HC)	

Source: BVCC Business Plan

BVCC-E plans to use a full complement of administrative personnel from the outset of operations. In the start-up year, two full-time general education faculty, in disciplines as yet unspecified, and two full-time occupational faculty, in occupational areas as yet unspecified, will be responsible for the development and delivery of the academic program. They will be assisted in the delivery of instruction by a cadre of adjunct faculty paid an average of \$1,800 per course without benefits. With the exception of the executive administrative assistant, the support staff of five will work half-time without benefits during the start-up year, moving to full-time the subsequent year.

In order to be fully operational by Fall 2009, plans call for the college president to begin work in April 2009. The remaining four administrators and the executive administrative assistant will begin work in May 2009. The library/media director will begin employment in June 2009. It is not clear when the professional staff compensated with restricted funds will begin employment. The remaining faculty and staff supported with unrestricted funds will begin employment sometime after July 1, 2009.

3.3.2 OCHE Response to BVCC-E Plan for Personal Services

3.3.2.1 Staffing Model. The staffing model is top-heavy, especially for the start-up years. The number of administrators exceeds the number of full-time faculty during the start-up year and the ratio of administrators to faculty far exceeds other two-year campuses affiliated with the MUS. As **Figure 3-3** demonstrates:

Figure 3-3. Montana Two-Year College Staffing Ratios

Campus	Faculty	Administration	Administrator to Faculty Ratio
UM – Helena FY 08 Actual	33.5	3.0	1 to 11.2
MSU-Great Falls FY 08 Actual	61.14	6.0	1 to 10.2
Dawson CC FY 08 Actual	21.5	4.0	1 to 5.3
FVCC FY 08 Actual	75.7	3.0	1 to 25.2
Miles CC FY 08 Actual	33.5	5.0	1 to 8.4
BVCC-E FY 2010 Projected	7.9	5.0	1 to 1.6
BVCC-E FY 2011 Projected	12.9	5.0	1 to 2.6

Source: MUS Operating Budgets, websites of FVCC, DCC, and MCC.

In creating its staffing model, BVCC-E appears to have assumed that the full array of administration an institution might need at full capacity is desirable upon start of operations. BVCC-E should reconsider. Administrative lines typically begin with a few individuals with multiple areas of expertise, and as student enrollments grow, the administrative lines grow to respond to more specialized and expanded student demands. MSU-Great Falls had only 3 administrators until recent years when its enrollment exceeded 1000 FTE and the demand for distance learning and specialized students services could not be met without additional expertise. UM- Helena, with enrollments much larger than those projected by BVCC-E, has fewer administrators. By investing so heavily in administration during the start-up years, BVCC-E adds significantly to the expense of its business plan.

3.3.2.2 Full-Time Faculty. The number of full-time faculty is low. Faculty members are the heart of the academic enterprise. Part-time faculty, while an important component of two-year college staffing, are typically responsible only for instruction in the courses they teach. BVCC-E's plan does not envision extra duties for part-time faculty, and in any event, some duties simply must be assumed by full-time faculty. The burden placed on the four full-time faculty budgeted for in BVCC-E's plan for the start-up year will be a heavy one, and more than any other classification of personnel.

3.3.2.3 Part-Time Support Staff. The number of part-time support staff during the start-up year is also a concern. Administrators, professional staff, and faculty come and go during the work day, attending meetings in the community and throughout the state and in BVCC-E's plan, using classrooms in various locations across the valley. The administrative assistants are the only ones who are there throughout the work day and work week to deal with walk-in traffic, answer the phones, help students and faculty, run the copiers, and generally perform the hundreds of tasks that make the institution effective and efficient. In the start-up year, only one administrative assistant – the executive assistant – is full-time. This level of under-staffing could jeopardize the

continuity of operations and the consistency of service. Also, recruiting for high-quality support staff under this business model will be difficult.

3.3.2.4 Timeline for Recruiting and Hiring. The timeline for recruiting and hiring for these positions is problematic. To have the new president of Bitterroot Valley Community College on board by April 1, 2009, recruiting would need to begin no later than February 1, 2009. (Even then, the recruiting timeline is extremely ambitious, and the required April 1, 2009, start date is likely to restrict the pool of highly qualified applicants.)

To meet the February 1, 2009, deadline, the Montana Legislature would have to authorize the creation of a new community college district in Ravalli County, after which the legislature and, subsequently, the governor, would have to authorize funding both for the new college and for the one-time-only allocation requested by BVCC-E – in the first month of the 2009 legislative session. Moreover, the regents are statutorily directed to approve budgets for the community colleges. There is no time for regents to perform this duty within this timeframe. It would appear that the earliest the regents could act on this matter would be at its March meeting, which would make the earliest date the president could assume duties, under the most ambitious scenario, mid-May.

The recruitment cycle would then begin anew for two new stages of hiring. With the same ambitious timeframe for the searches (two months), those administrators essential for the start-up year (possibly only an academic dean, depending upon the qualifications of the president), would be hired by mid-July at the earliest, and they in turn would then conduct the searches for their faculty and professional staff, completing the hiring process in mid-September at the earliest. There is simply not enough time to get this staffing model in place by Fall 2009.

Finally and most importantly, faculty would not have sufficient time to prepare for the work that is central to the mission: teaching and learning. Even if faculty could be hired by late July (which does not seem possible and is not envisioned in the budget), faculty would have just over a month to develop curriculum and instructional materials, order textbooks and equipment, guide the preparation of facilities for instruction, develop advising tools ... and much more. Moreover, they must do all these things without an established infrastructure in place and within the constraints of a staffing model that does not provide enough faculty hands to do the work.

3.4 Facilities, Equipment, & IT Support

3.4.1 BVCC-E Plan for Facilities, Equipment, & IT Support

The following are the major aspects of BVCC-E planning in these areas for the start-up years:

- 5,000 square feet of commercial space, probably in Hamilton, will be leased for administrative and student services (including faculty offices) and a library/media

center comprised of two computer labs and a lobby/study area. Typical office furnishings and equipment for these spaces are included in the budget, as is \$75,000 for remodeling.

- Instructional spaces will be leased in clubhouses, churches, and libraries throughout Ravalli County. Furnishings, equipment, and remodeling funds are not included in the budget.
- Three interactive video sites, with appropriate equipment and technology, will be established in Darby, Hamilton, and Stevensville to maximize student access to coursework.
- BVCC-E is still researching their options for IT support, tentatively planning to align their information management system with that of their institutional accreditation sponsor. In the alternative, BVCC-E has included line items for licensing and information management needs in its budget.

3.4.2 OCHE Response to Plan for Facilities, Equipment, & IT Support

3.4.2.1 Central Administration. BVCC-E has planned appropriately for the facilities and equipment needs of personnel: 5,000 square feet of commercial space should be adequate to provide a central office, staff offices, and appropriate administrative and student services functions. However, the staffing increase BVCC-E plans for the second year of the plan cannot be accommodated in the space envisioned. Moreover, if BVCC-E were to correct the administrative imbalance noted in the previous subsection (replacing two administrators with two full-time faculty and two support staff), space may not be adequate. Space could be freed up for faculty and professional staff offices if support staff were moved out of private offices and into unenclosed “help desks.” This configuration may serve students and the public better as well.

3.4.2.2 IT Support. An important consideration is that the BOR expects IT and data systems of MUS campuses, including community colleges, to increasingly mirror each other for the sake of generating common system-wide course transfer, budget, and enrollment data.

3.4.2.3 Instructional Facilities & Equipment. The plan focuses more on administrative and support functions of the community college than on instruction. The allocation of space in the central offices is sufficiently specific and detailed, but the availability, design, and equipping of classroom space seems to be assumed. As examples:

- The projections for credit and non-credit classes suggest that during Academic Year 2009-10, the proposed community college will schedule 15 credit-bearing classes, 3 continuing education classes, and 4 developmental classes every day, five days a week for 6-16 weeks at a stretch. In addition, the use of multiple sites to deliver the same course adds to the amount of classroom space that will be

used. Minimally, then, 20 classrooms a day must be found, leased, and equipped to support instruction. This requires careful planning.

- Although the business plan assumes that 25% of the proposed classes will not have enrollments sufficient to be offered, in the unlikely event enrollment levels are sufficient in more than 75% of the proposed classes, administrators must have identified spaces to conduct the classes. A central criticism BVCC-E has made of UM's efforts in Ravalli County has been lack of institutional commitment, so BVCC-E must be prepared for the unexpected (demand higher than projected).
- The for-credit classes must be large enough to support an average enrollment of 15 students, so leasing classroom spaces large enough to accommodate 25 would be prudent.
- Most instructional space requires some specialized equipment, and the quality of learning experiences is definitely enhanced by various instructional technologies.

Planning that identifies specific locations in Ravalli County that could be leased and equipped to meet all the above contingencies has not occurred. BVCC-E believes that ample spaces in clubhouses, churches, and libraries are available, but arrangements on the extensive scale required to support BVCC-E's business plan are problematic for lessor and lessee alike. Churches, clubhouses, and libraries may have space that is occasionally available for classroom use, but such spaces may be difficult to secure within the constraints mentioned above and the other priorities the lessors have for their facilities' use. Whether instructional equipment and technology can be provided and secured in spaces used only partially as classrooms, for instance, is a concern.

3.4.2.4 Connection to Academic Program Plan. As noted earlier in this section, without a clearer idea of the specific courses and degree programs that will be offered, identifying facilities and equipment needs with the precision needed to prepare a budget is virtually impossible. Because the budget is needed to advance the proposal to the regents and to the legislature, and because the needs assessment and other planning activities have not been completed prior to the creation of a budget, the danger is that the programming ultimately offered will be selected on the basis of the budget projected, rather than the other way around.

3.4.2.5 Information Management System. The choice of an information management system is a very important choice that affects the ability of the community college to deliver its services reliably and to interface with the MUS optimally. The choice of a sponsoring institution, therefore, may have implications that go beyond the five-year term (typically) of the sponsorship. In addition, budget projections for acquiring a separate system seem low.

3.4.2.6 Timeline. As with various aspects of the business plan, the timeline for creating the appropriate facilities, equipment, and information technology support may be unrealistic. Without the one-time-only funding, it is virtually impossible.

3.4.2.7 Regental Approval. Because funding for facilities is usually generated locally for community colleges, the BOR does not typically approve facilities plans and capital construction budgets of the community colleges. However, because the State of Montana is being requested for one-time-only money to lease and remodel facilities for the proposed institution, regental approval may be required. If so, that requirement must also be accommodated in the timeline.

3.5 Budget

3.5.1 BVCC-E Proposed Budget

Because budgets are best scrutinized at the detail level, they are not summarized here. The budget documents prepared by BVCC-E are comprehensive and detailed (Section 4 of **Attachment C**). Regents are encouraged to study them directly, with the caveat that BVCC-E indicated on November 6, 2008, that the budgets submitted by BVCC-E to inform the regents' recommendation in October have since been revised. The most recent version of BVCC-E budget was posted to their website November 8, 2008, and electronically received by OCHE on November 9, 2008. The following link will take you to the November 8, 2008, revised budget. (See http://www.bvcc.edu/documents/regentinfo/BVCCBudgetsFY2010andFY2011_11-08-08UpdateExplanation.pdf)

3.5.2 OCHE Response to the Proposed Budget

3.5.2.1 Expenses – Unrestricted Funds

- Even though part-time faculty and staff are not benefits-eligible, employers are still responsible for federal and state payroll taxes and workers compensation insurance. Although it is not possible to compute the exact percentage to be applied toward these salaries, a projected payroll tax burden of 10% of total budgeted salaries for part-time employees is approximate.
- Without the part-time employees, total salaries come to \$670,000, but the amount shown for 34% of benefits would only cover \$585,500 in salaries so some corrections are needed.
- The budget for part-time faculty is calculated at \$1,800 per course, but the courses in the business plan are approximately evenly divided between 3-credit and 4-credit courses. Assuming that the \$1,800 figure is for a 3-credit course, the budget for 4-credit courses should be increased by 25%.

- Setting aside the timeline challenges for hiring faculty by Fall 2009, if faculty could be available by July 1, 2009, they would need at least that much time to develop curriculum, etc., prior to the start of classes. The budget should reflect an extended contract or stipend arrangement to provide compensation for that important function.
- Many of the projections for operating expenses seem low:
 - Even if data management is outsourced, it is unlikely that the cost of a data management system would be less than \$100,000.
 - With a new community college to market and ambitious enrollment projections to meet, the marketing budget should be at least \$100,000. If the Fall 2009 start-up date remains the plan, marketing should begin no later than March 2009, so a marketing budget should be added to the one-time-only request (assuming that request can indeed be processed by March and that programs could be marketed in advance of regental approval).
 - There is no remodeling budget for classroom space. As noted earlier, classroom space is under-projected, given the multiple-site interactive video plan and the need to deliver what is offered. The specific needs for classroom space and equipment are also undefined, given the lack of a specific academic program plan, and are therefore not in the budget.
 - Scholarship projections are difficult to understand. Previous budgets submitted by BVCC-E to OCHE and the legislature projected scholarships at approximately \$51,000; they are now projected at approximately 6.5 times that amount. During the November 6 interview, BVCC-E clarified that these were not scholarships, but tuition waivers and were based on the FVCC scale of 14% of total tuition. Since they are tuition waivers, they would be more appropriately categorized as expenses. It should be noted that two-year colleges with small enrollments are more reliant on fee waivers than the 14% figure indicates (**Figure 3-4**).

Figure 3-4. Fee Waiver Comparison

	Dawson CC	Flathead Valley CC	Miles CC	Great Falls COT	Helena COT
Gross Tuition & Fees	\$826,223	\$3,543,014	\$1,242,154	\$4,048,162	\$1,859,337
Cost of Waivers	\$423,460	\$480,000	\$487,550	\$212,419	\$124,471
Waivers as a % of Gross Tuition	51.3%	13.5%	39.3%	5.2%	6.7%

Source: FY09 MUS Operating Budgets FY09

3.5.2.2 Expenses – Designated & Restricted Funds. The amount calculated for benefits for full-time employees only covers two administrators, probably because the other employees are part-time. The same need to budget for certain benefits for part-

time employees using unrestricted funds applies to part-time employees using designated funds.

3.5.2.3 Revenues. As noted earlier in **Section 2.2.2** the enrollment projections seem unrealistic, based on past demand and current enrollment trends, and unduly ambitious, given the various challenges of program start-up.

3.5.2.4 One-Time-Only Funding for Program Start-Up. In order to be fully operational for the Fall 2009 semester, BVCC-E plans to hire the entire complement of administration and one director, lease and remodel the commercial space for the central office, and purchase supplies prior to the end of the current fiscal year. To fund this plan, BVCC-E will ask for a legislative one-time-only allocation of \$125,000 for program start-up and to use this allocation to establish a line of credit or secure a short-term loan to pay expenses they accrue before July 1, 2009. OCHE concerns:

- Can legislative and gubernatorial approval of the one-time-only request, as well as regental approval, if appropriate, be accomplished prior to February 1, 2009? As noted in III.C.(2)d of this document, the timeline is problematic.
- The amount of the request seems under-projected, given the marketing initiative advisable to meet enrollment projections, and the need for faculty to have sufficient time to do their work.

3.6 OCHE Analysis of the Soundness of the Implementation Plan

It is the duty of this Office to apprise the BOR of concerns about the academic and fiscal soundness of any proposal coming before the Board. OCHE has attempted to fulfill that duty in this crucial section for the regents' and the legislature's consideration as they decide whether to recommend, authorize, and fund a new community college in Montana.

Raising concerns on a proposal can be perceived as casting aspersions on those who advance it, and nothing could be further from the intent of the OCHE. The materials submitted to OCHE by BVCC-E document how much thought, investigation, discussion, and effort have gone into their planning activities. Various deficiencies in planning have been identified throughout this section. Although some of these specific deficiencies appear to have been addressed in BVCC-E's updated documents, our overall concerns remain. Four general themes resound again and again in the planning documents and lay the foundation for the concluding remarks in this section.

1. The enrollment projections driving the business plan have no basis in needs assessment of any data-driven kind. Projections are ambitious and, because they drive staffing, facilities, and budget commitments, they have the potential to seriously undermine the feasibility of the project.

2. There is no academic vision guiding an academic program plan. The degrees offered at a two-year college drive every other aspect of planning, yet the academic planning evident in BVCC-E materials focuses on course work, not degrees. In the November 6, 2008, conference (**Attachment E**), BVCC-E indicated that their program planning was based upon offering enough courses to allow students to take a courseload sufficient to qualify for financial aid.
3. The planning for staffing and facilities fails to recognize and honor the fact that teaching and learning are the heart of a successful postsecondary institution. Recruiting and hiring highly qualified faculty in sufficient numbers and under optimal conditions to do their work are absolutely essential to the culture of quality and student-centeredness that a community college should emphasize from the start. Giving faculty little more than a month, if that, to assume enormous tasks with no existing infrastructure and too few colleagues to rely on, is unrealistic.
4. The timelines for start-up of the proposed community college do not allow the time that is needed to lay the foundation and build the framework that must be in place for a community college of quality to exist.

In sum, the vagueness of key aspects of the current plan and the ambitiousness of its scope should give the trustees-elect pause. Although BVCC-E apparently feels pressure to open the doors of the proposed institution in Fall 2009 (**Attachment E**), if a compelling need exists in Fall 2009, it still will be there in Fall 2010. If the legislature authorizes a new community college district in Ravalli County, all the parties charged with making it a success – the trustees-elect, the new community college administration, OCHE, and the Board of Regents – should take the time needed to do just that.

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4.0 POTENTIAL BENEFITS OR NEGATIVE IMPACTS OF THE PROPOSED COMMUNITY COLLEGE

4.1 Potential Benefits of the Bitterroot Valley Community College

The benefits of community colleges are considerable. If the proposed community college in the Bitterroot Valley is authorized and effectively implemented, the State of Montana could gain another provider of high-quality, student-centered “ladder-up” academic programs, including developmental education programs, in a high-density population. Additionally, with careful planning and implementation, Ravalli County could expect to enjoy at least the following benefits and perhaps more.

4.1.1 Just-in-Time Responsiveness to Local Workforce Needs

Two-year colleges are known for their local responsiveness, especially to the workforce needs of local industry. Typically, the two-year college CEO serves on the boards of the local Chamber of Commerce, economic development organizations, and other boards serving major sectors of the local economy. National networks allow that CEO to bring ideas, innovations, and resources to the local community. The combination of the nimble two-year college mindset, the workforce emphasis of the two-year mission, and access to a national network of two-year colleges will be powerful tools for partnership with local high-wage, high-demand industries to build the local economy.

4.1.2 Powerful Recruitment Tool for New Business and Industry

When businesses and industries consider relocating to Montana, the first question they ask community leaders is, “How can you address my workforce needs, now and in the future?” The best answer is, “We have a community college.”

4.1.3 More Fully Developed Pathways between High School & College

Two-year colleges lead the way in providing a bridge to college for high school students through dual-credit and early college programming. Two-year colleges are especially engaged in building that bridge for students who don’t think of themselves as “college material,” and these are the students higher education especially needs to attract.

4.1.4 Center for Community Development & Source of Community Pride

Carefully planned and implemented, two-year colleges can transform their communities. Through their networks with higher education in and beyond Montana, they bring the intellectual, cultural, and economic resources and amenities of the higher education world to the local community. Through knowledge, they inform community change. Through art, they broaden community perspective. Through innovation, they instill

entrepreneurship. Through all of these things, they make a community aware and proud of the fact that they are a community.

4.2 Potential Negative Impacts of the Bitterroot Valley Community College

The benefits of a community college in Ravalli County may come, literally and figuratively, at a cost to the community and the state. Anticipating and weighing potential negative impacts of the new community college is a component of due diligence.

4.2.1 Potential Erosion of Public Support for Locally Funded Public Services

Locally, the community college will compete for funding with other important services, and local budgets are already tight. With a growing population and few new revenue sources, Ravalli County department heads have had to cut their budgets by 11.5% recently. According to the local sheriff, these cuts erode officer safety and public safety.⁷ County Commissioners told state lawmakers recently that local taxpayers don't want additional levy and bond measures.⁸

School districts in Ravalli County would probably agree with the County Commissioners' assessment. Last year, school levies in Corvallis, Hamilton, and Lone Rock failed. The year before, two school levies failed in Stevensville. In the past decade, of the 12 school levies submitted to Hamilton voters (multiple levies in some years), only 2 passed. (The ballot measure on the proposed community college also failed there, but the vote in other school districts was substantial enough to offset the Hamilton results.) Since 2002 school levies in Stevensville have failed as often as they've passed.

In addition, BVCC-E's plans for adult education may compete for funding and for students with successful programming already provided by school districts in Ravalli County.

4.2.2 Community Concerns

On May 8, 2006, a majority of Ravalli County citizens voted for organization of a community college district. In doing so the citizens agreed to a mandatory local tax for support of the new college district, the fact and amount of which was not provided to the voters on the ballot. Given the general economic downturn, the competition for scarce public resources for education in Ravalli County, and the fact that the mandatory levy has yet to be computed and assessed, some erosion of public support for this project may occur.

In conversations with community leaders, several concerns repeated. First, some citizens still believe that the best alternative to meet post-secondary education needs in Ravalli County is extended programming from the University of Montana (UM). They

are unaware of the proposals for facilities and programs that UM has offered in the past. Moreover, once the four-lane highway between Missoula and Hamilton is complete, they believe that even more students will commute to Missoula for post-secondary education. These perceptions, too, could undermine support for an ongoing levy.

4.2.3 State-Level Impacts

4.2.3.1 Budget Considerations. The citizens of the State of Montana are being asked to dedicate new resources to the establishment of a new community college district in Ravalli County. They are being asked to add a 9th two-year college to the Montana University System's (MUS) existing two-year education framework and a 15th public institution of higher education, bringing the total number of colleges with a physical campus in Montana to 25. Given the competing demands for state dollars, the current crisis in healthcare, and the financial uncertainties of the time, the request for funding for a new community college must be based on a truly compelling need.

4.2.3.2 System-Wide Impacts. At a time when enrollments for most MUS campuses have already stabilized, adding an additional campus whose primary enrollments, if they come, will come from students now attending other campuses is a difficult business proposition to support.

4.3 Conclusion

No one can predict with certainty that the community college model that benefited so many communities and states in the 20th century will benefit this particular community or state throughout the 21st century. Conversely, no one can say with certainty that the addition of a 15th postsecondary institution funded in major part by the State of Montana will intensify the competition for local resources or add unnecessarily to the already extensive infrastructure Montanans now support in higher education. What we all know, however, is that, at this point in Montana's history, the competition for resources at the state and local levels is intense, and the multiple campuses of the MUS are regarded by many Montanans as "too many already."

A group of government, education, and business leaders in Montana is currently exploring 21st century solutions to Montana's historic difficulty in providing higher education opportunities to areas without an MUS campus in a project called The Making Opportunity Affordable initiative. The initiative has garnered national interest and funding from the Lumina Foundation. The initiative is not yet developed sufficiently to offer as a viable alternative to the people of Ravalli County and the State of Montana in Spring 2009. Hopefully, the dilemma posed to the MUS and the state by the request to authorize a new community college in Ravalli County will help policy-makers see how important a different alternative is.

Forty years ago, when the community colleges became aligned with the MUS, and twenty years ago, when the former vo-techs followed suit, Montanans could not envision

other alternatives to meet emerging demands for postsecondary education in communities under-served by the MUS. Today, we can and we must.

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5.0 ADVANTAGES & DISADVANTAGES OF OTHER ALTERNATIVES

Two long-term trends in particular require that other alternatives to a new community college be carefully weighed by the Board of Regents (BOR) and the Montana Legislature. First, high school enrollments in Montana have been declining for some time and are projected to continue to decline in the coming decade. In fact, by 2017 projections indicate that there will be 1,300 fewer graduates from Montana high schools than there were in 2007, a decrease of 13%. Because these “traditional” students comprise the largest share of college enrollments, the Montana University System (MUS) must either prepare for decreased demand or innovate to increase it.

Enrollments aside, the primary motivation for considering alternatives to another public postsecondary institution in Montana is expense. As with all of the units of higher education in the MUS, operating budgets in Montana’s community colleges have increased significantly since 1992, even on campuses where enrollments have flattened or declined. As **Figure 5-1**, below, demonstrates, at the institutions with flattening enrollments, the State of Montana has assumed a larger share of the funding. As school funding and other pressures on local community budgets have intensified, the percentage of total community college revenues generated by local levies has substantially decreased during that same period.

Figure 5-1. Community College Enrollments, Revenues, and State/Local Share FY 92 vs. FY 09 (Budgeted for Operations)

	FY1992 FTE	FY1992 Revenues	State/Local Share	FY2009 Budgeted FTE	FY2009 Budgeted Revenues	State/Local Share
Dawson CC	389.0	\$1,672,291	46.5/33.0	346	\$3,591,855	57.7/22
Miles CC	549.4	\$2,218,442	41.8/27.6	451	\$5,118,807	44.1/16.5
FVCC	1189.1	\$4,084,250	48/29.7	1485	12,198,068	45.2/20.5

Source: MUS Operating Budgets

Although community colleges and colleges of technology are more affordable postsecondary choices for students in Montana, two-year education can be costly to provide. **Figure 5-2** presents the available costs per full-time equivalent student at Montana’s public two-year colleges in FY 2009:

Figure 5-2. Direct and Indirect Costs of Education

COSTS	Integrated COT	Stand Alone COTs		Community Colleges		
	UM-COT	UM-H	MSU-GF	Dawson CC	FVCC	Miles CC
Direct	\$3,984	\$4,952	\$5,507	\$6,060	\$4,475	\$5,839
Indirect	1,694	2,725	2,401	3,887	3,733	5,511
Total	\$5,678	\$7,677	\$7,908	\$9,948	\$8,208	\$11,350

Note: direct costs = instruction, academic support, & fee waivers; indirect costs = student support, institutional support, & O&M

Source: MUS Operating Budgets, FY09

Collectively, these costs per full-time equivalent enrollment (FTE) are higher than the regional average for two-year colleges. At some two-year campuses, the costs per FTE are approaching the level of our research universities. Three factors appear to contribute to higher cost per FTE in Montana’s two-year colleges:

- the “stand-alone” infrastructure (as opposed to integrated colleges of technology)
- the size of the physical plant and investment in information technology
- low enrollments relative to capacity

The start-up budget request of BVCC Trustees-elect is a relatively modest one, but, as noted in the introduction to this report, the consequences of adding an additional unit affiliated with the MUS are significant– today and well into the future. Most of the statutes on Montana’s community colleges were crafted over 30 years ago, in an era when higher education structures (college, university, community college) seemed distinct, the economy seemed stable, and our concept of change was more incremental than has been proved to be the case in the past 15 years. In today’s flat world, technological frontier, and troubled economy, exploring alternatives to the substantial and ever-growing investment Montana would make in a new community college is an important consideration.

In evaluating alternatives, the Office of the Commissioner of Higher Education (OCHE) suggests the following criteria:

- Will the alternative address the needs driving the proposal for a new community college?
- Will the quality of the educational product and support services compare favorably to the quality provided by a new community college?
- Will the alternative be less expensive for students and taxpayers?

Background materials related to this discussion are provided by BVCC Trustees-elect in their responses to the Information Requests of the BOR, Questions 5.a, 5.b, and 5.c, (**Attachment C**) and by the University of Montana (UM) in the UM Responses to Information Requests from the BOR (**Attachment D**).

5.1 Higher Education Center or Extension Campus in Ravalli County

The BOR has no formal policy on extension campuses or extended programming of an institution affiliated with the MUS. However, such extension programming does exist, and an excellent example can be found in Lewistown at the Central Montana Education Center. In collaboration with Educational Opportunities for Central Montana (EOCM) and the Lewistown School District, MSU-Northern extends programs to the Center. An HUD grant and local donations throughout Central Montana provided \$1.2 million for the remodel of a vacant BLM office building. Currently, the Center enrolls 60 students in MSU-Northern’s nursing program, 15 students in an associate degree business program, and 8 students in an associate of arts degree program. In addition, nearly 900 area residents have participated in training opportunities provided by the Center. Adult education programming, including an innovative GED preparation program online, is also provided there.⁹

In 1980 the BOR adopted Policy 220, to create a more formal arrangement for extension programming through the higher education center model. Although differing

in interpretation and application, the consistent intent of the regents' policy on higher education centers has been to deploy existing MUS resources to meet postsecondary education needs in regions of Montana without a local MUS institution. With a population the size of Ravalli County's and the proximity of Ravalli County to Missoula, extension programming from UM, whether informal or formalized through a higher education center, is an alternative to a new community college in Ravalli County that should be carefully considered.

5.1.1 UM Extension Programming & Hamilton Higher Education Center

UM has attempted to meet the postsecondary education needs of Ravalli County through extension programming for over 20 years (**Attachment D**). In 2006, the university offered to collaborate with BVCC-EC in a legislative request for a facility in which to house an extension of UM in Hamilton. The exploratory committee was not interested in a collaborative project, possibly viewing it as an attempt to circumvent the local campaign for a community college. In May 2007, the university presented a plan to the regents for a higher education center in Hamilton. As reported earlier, enrollments since Summer 2007 have been modest, but have increased in the center's short period of operation (**Attachment D**).

5.1.2 BVCC-E Evaluation of UM's Initiatives in Ravalli County

In its Response to Question 5.a. (**Attachment C**), BVCC-E provides these criticisms of the extension efforts of UM in Ravalli County prior to the higher education center initiative:

- UM has failed to commit to Ravalli County in a way that provides comprehensive, affordable, accountable programming.
- There has been no sustained physical presence of UM in Ravalli County building credibility in a real program there. UM offerings have been "hit or miss."
- UM course offerings have been insufficient in scope, unresponsive to real community interests, and delivered through undesirable methodologies (online).
- Marketing for extension programming has been poor.

In evaluating the relative advantages of a higher education center/extension campus and a community college, BVCC-E asserts that a community college is preferable because:

- The local community absorbs a significant proportion of the cost of education and is able to pull in local, state and federal dollars for adult education.

- Montana's two-year college tuition is the least expensive of postsecondary options.
- Because extension programming is not subsidized by local taxpayers, the added cost must be absorbed by students or other non-tax sources.
- Ravalli County must rely on the accredited offerings of the UM for its programming and cannot initiate programs of its own.
- A higher education center or extension campus is managed by UM and governed solely by the regents, whereas a community college is managed and controlled by a local board and supervised and coordinated by the BOR.
- Once the local community and the legislature have approved the new community college, the result is a "permanent community college district with local taxing authority." A higher education center or extension campus can be discontinued by the BOR and has "no legal charter and no local taxing authority."

It is important to correct some of the assumptions apparent in BVCC-E's evaluation of the higher education center/extension campus alternative:

- The tuition at a higher education center, especially one as close to the delivering institution as Ravalli County is to UM, can be comparable to on-campus rates. Because BOR Policy 303.7 allows for the waiving of some fees, the cost for student could actually be less than it would be on the UM campus.
- The offerings and mission at a higher education center are typically generated in collaboration with the local community.
- The higher education center or extension site can initiate programs that are not currently part of the institution's academic offerings by having the institution seek regental approval for the new program at the center or extension (e.g., the AAS degree in Aviation at MSU Great Falls' extension in Bozeman).
- All community college academic programs and all community college budgets require regental approval.

5.1.3 OCHE Evaluation of UM's Initiatives in Ravalli County

5.1.3.1 Potential of the Alternative. As noted in **Section 2.0**, no comprehensive needs assessment has documented the nature of the two-year college needs of Ravalli County. The experience of UM's extension efforts raises serious questions as to whether demand among students for local programming exists. UM would also benefit from a more comprehensive needs analysis before continuing programming in Ravalli County.

5.1.3.2 Quality of the Alternative. In terms of educational product and support services, it may well be that academic programming of UM in Ravalli County prior to the creation of the Hamilton Higher Education Center was “hit or miss,” insufficient in scope, unresponsive to community needs, poorly marketed, and delivered through undesirable methodologies. In fairness, however, the same criticism could be made of the current academic plan of BVCC Trustees-elect for FY 2010 and 2011. There’s a reason for that, and it is completely unrelated to hearts and minds of the people responsible for providing the programming. Whether offered through extension of an existing campus or through a new community college, initial offerings are always vulnerable to these defects, especially where no pre-existing infrastructure exists. Recognizing that frailty, Northwest Association of Colleges and Universities requires that a new community college be “sponsored” by an established higher education institution. That relationship typically lasts for at least five years, and it will help ensure that the proposed institution, if approved, offers educational products and support services of quality.

On the other hand, UM has already demonstrated the quality of its academic programs and services to Northwest. The range of its programming in the two-year sector provides a far broader range of academic options than the proposed community college could provide for the foreseeable future. What UM (and perhaps the entire MUS) needs to develop, though, is the kind of community responsiveness that gives non-MUS communities the sense that when a significant destination for higher education has been identified in their region, the UM has a vehicle to get there and the local community is not just along for the ride. That balance between reasonable allocation of resources and local direction and accountability in a new model for regional responsiveness is a major focus of the new statewide initiative, Making Opportunity Affordable, currently being funded by the Lumina Foundation.

In short, the Hamilton Higher Education Center, or some less formal extension programming, if supported by the residents of Ravalli County, could provide a broader range of academic programs and support services of proven quality than the fledgling community college will be able to do for many years. More direction from and accountability to Ravalli County residents would appear to be crucial to winning their support.

5.1.3.3 Expense to Student and Taxpayer

- As the tables in the opening portion of this section establish, integrated institutions have a lower cost per student than “stand-alone” operations. The primary reason is that the collaborating institution can provide the administrative expertise and technological infrastructure that small institutions find so expensive. Thus, with sufficient enrollments, the Hamilton Higher Education Center would be likely to operate at a lower cost per student than a new community college, particularly under the current business plan for the proposed community college.

- Tuition and fees for students in Montana’s two-year colleges, whether a COT or a community college, are approximately the same (e.g., Flathead Valley CC, \$1,540 per semester; Miles CC, \$1,710; UM COT, \$1,661), so if UM COT programming is brought to the Hamilton Higher Education Center, it need not be more expensive than it is in Missoula. Because BOR Policy 303.7 allows some fees to be waived for off-campus programming, attending a higher education center or extension campus might actually be even more affordable for students.
- Higher education centers and extension campuses need not be more costly to operate than a community college, or than programming provided on the campus of the delivering institution. The proximity of Ravalli County to Missoula should minimize costs if demand is sufficient, since the sharing of resources, particularly human resources, would be much easier to arrange.
- BVCC-E believes that the new community college is more affordable for Montana taxpayers than any alternative because part of the cost of education is assumed by local taxpayers. However, a new community college in Ravalli County will require additional state funding and will require taxpayers throughout the State of Montana to assume at least 44% of the new costs associated with the new college. Based on past trends, Montana taxpayers can assume that the costs of the new college will increase over time and the local taxpayers’ portion of the tab will decrease as shown in **Figure 3-4**.
- Unlike the higher education center, the creation of a new community college is likely to be a permanent claimant to a portion of the budget of the State of Montana. Whatever challenges with enrollment or local support the future holds, neither the regents, nor the legislature is likely ever to close the doors of a unit affiliated with the MUS. That is why assurances of need, demand, and cost-effectiveness are so important to the deliberations of both regents and legislators. This permanent commitment from the state is one of the primary interests of the proponents of the proposed institution. As the state struggles to support higher education institutions Montana committed to decades ago, when higher education centers, online learning, and other 21st century innovations were undreamed of, making this additional commitment will be difficult for many Montanans to justify.

5.2 Community College Service Region

Montana law allows a local school district or a community governing body, such as Ravalli County, to request that an existing community college district in another location broaden its service area to include the service region of the school district or community.

As an example, Flathead Valley Community College (FVCC) established a service region in Lincoln County in 1984. According to FVCC President Jane Karas, Lincoln County residents are levied, albeit at a lower level than Flathead County residents, for

funding of the service region. The Board of Trustees of FVCC manages and controls the service region; an advisory board appointed by Lincoln County Commissioners assists in the identification of Lincoln County interests and concerns and communicates these regularly to the FVCC administration. The service region is fully integrated into the operations and academic offerings of FVCC. The Associate of Arts and Associate of Sciences degrees can be completed there, as well as 8 Associate of Applied Science degrees and four certificate programs. The primary location is in Libby, although programming is also available in Eureka and Troy.

As a variation on the extended campus/higher education center model, the service region has the distinct advantages of local funding, a more formalized arrangement with the local community and more formalized local input into program offerings. This alternative would require, of course, the willingness of one of Montana's existing community college districts to undertake this role. BVCC-E's evaluation of this alternative is provided in **Attachment C**, Response to Question 5.b.

5.2.1 Potential of Alternative to Meet Two-Year College Needs of Ravalli County

As noted, no comprehensive needs assessment has clarified the nature of the need for two-year education in Ravalli County, and there is some question as to whether there is truly student demand. As a result, evaluation of this alternative is speculative at best.

BVCC Trustees-elect point out that each of the existing community college districts is a considerable distance from Ravalli County, complicating the ability to coordinate programs and services. The closest campus, FVCC, is 165 miles distant and already has a large service region, both in area and in population. These factors do indeed complicate the alternative, although they may be manageable.

5.2.2 Quality of Alternative in Terms of Educational Product & Support Services

FVCC has incorporated the Lincoln County Service District into its operations. In collaboration, they provide academic programming and support services, primarily in Libby but also in Troy and Eureka, as needed. The Libby center also heads up the Outreaching and Distance Learning programming for all the FVCC locations. All prongs of the two-year mission are available in Lincoln County through this arrangement, although equipment-intensive programming may require travel to the FVCC campus. Such travel would obviously be more difficult for a Ravalli County resident.

5.2.3 Expense to Student & Taxpayer

- Students in the service region pay the same tuition that students pay at the "parent" community college.

- This alternative offers a middle ground between the funding sources available to a community college, requiring substantial additional state funding, and a higher education center, which does not have the fiscal advantage of local funding. The service region continues to have the advantage and responsibility of local funding, while additional state funding accrues to the “parent” community college through the state funding formula. However, the level of state funding would not be as high as it would be for an additional community college.
- This alternative also provides a mechanism for discontinuing the arrangement in the event that needs are unmet or demand is simply not sufficient. The local electorate can vote to rescind the service district. BVCC Trustees-elect find this mechanism a defect because they view a community college as statutorily permanent and able, once established, to continue programming whether there is demand for it or not and to tax local citizens whether they continue to support it or not. On the other hand, we at OCHE believe the service region model strikes a reasonable balance between (a) a permanent commitment, with all its implications, (b) governing board needs, and (c) local interests and demand over time.
- BVCC-E notes that, although the local community is taxed for the service region, there is no local board managing and controlling the operations. This alternative has worked well in Lincoln County, however, due to the effective collaboration between residents, leaders, and administrators in both locations.

5.3 Distance Education

Over the past decade, various institutions in the MUS have invested heavily in distance education. As a result, a broad range of both state-supported and self-supported courses is available throughout the state. The MUS.EDU/Online web site lists the current educational programs available by campus or by program area, including:

- over 800 state-supported online courses (unduplicated) delivered each year,
- approximately 400 self-supporting courses,
- 34 certificate programs,
- 2 specialized endorsements,
- 9 bachelor’s degrees,
- 15 master’s degrees,
- one doctoral program, and
- 26 associate degrees in both transfer and workforce areas.

The quality and accessibility of these offerings have made them extremely popular to students of all ages. More than 6,000 students enroll each semester in a distance-delivered course in the MUS – an increase of 4,000 students each semester since 2001. Every student who graduated from MSU-Billings in June 2008 had taken at least one online academic course while there. In fact, in many instances online courses are the instructional modality of choice for Montana students. As an example,

approximately 35% of the FTE at MSU – Great Falls is in online courses. Two-thirds of the students taking online courses at MSU-Great Falls also take courses on campus, so these students are not “distant” geographically. They prefer the convenience and cost-savings of taking courses online.

Thus, distance education would appear to be an alternative to a new community college worth considering. BVCC Trustees-elect have provided their evaluation of that alternative in their response to Question 5.c in **Attachment C**.

5.3.1 Potential of Alternative to Meet Two-Year College Needs of Ravalli County

Again, no comprehensive needs assessment has clarified the nature of the need for two-year education in Ravalli County, and there is some question as to whether there is truly student demand. As a result, evaluation of this criterion is speculative at best.

Last Fall 124 residents of Ravalli County took at least one online course from a MUS campus. With a more focused effort at responding to higher education needs through this format, virtually all of the needs identified thus far in BVCC-E needs assessment could be met. Notably, the medical coding/billing program request reported by BVCC-E in its needs assessment can be completed through a nationally accredited program available entirely online through MSU-Great Falls. (See <http://www.mus.edu/online/> for the range of offerings available through all MUS institutions.)

BVCC Trustees-elect point out that there are significant barriers to distance education that limit its potential to serve Ravalli County well. They believe that populations which have no access to high-speed internet access, limited language arts and/or computer skills, little familiarity with postsecondary education, little self-discipline or little academic confidence are disadvantaged in their ability to access and succeed in distance education. It should be noted, however, that these same populations are disadvantaged in their ability to access and succeed in face-to-face environments, and one advantage of online coursework is that it prompts these at-risk students to seek the kinds of support they often don't seek when they are engaged in face-to-face instruction. That said, it is true that online education as an alternative should be provided in a facility and through an infrastructure that provides high-speed internet access, develops computer and literacy skills, and provides the kinds of academic and personal support that helps these populations succeed.

A key question before the regents and the legislature is, Can the appropriate facility and infrastructure be provided more economically and as effectively by extension from one of the MUS units, rather than through the creation of a new community college?

5.3.2 Quality of Alternative in Terms of Educational Product & Support Services

- Most of the courses and programs currently being considered for start-up programming at the proposed institution are already available online. The general education core can be completed entirely online. Associate degrees in business management and computer technology can be completed online. Some healthcare degrees can be completed online and an innovative nursing program is being provided in Northcentral Montana through the regional telehealth network. The only program area being explored by BVCC-E that is not available online is construction, and their business plan does not reflect a serious consideration of construction as a start-up program.
- The quality of academic offerings and support services are constantly improving and in some cases they rival the quality found in face-to-face environments. Do they compare favorably with the full range of educational products and support services at a community college? Axia, the two-year college component of Phoenix University, is demonstrating rather convincingly that, if you build it right, the students will come. New technologies allow for the face-to-face connection all of us seek *and* the asynchronicity working adults need.
- In short, the distance alternative should not be quickly dismissed. As noted earlier, however, it is not for everyone (yet) and should be incorporated in an academic vision that includes well-considered student support services and local technology access.

5.3.3 Expense to Student & Taxpayer

- Providing the appropriate infrastructure in Ravalli County for a high-quality, well-coordinated distance learning alternative would require many of the same resources required for a higher education center there: a physical presence; administrative, professional, and support staff; technology and technical support; marketing, etc. Although less costly to the taxpayer than a community college, there would be costs. With the higher education center, the costs are borne primarily by UM. With this alternative, a different institution could assume the costs, but local or state funding would probably be required to provide the infrastructure.
- Tuition and fees for distance-delivered coursework at the MUS campuses are comparable to the student costs for face-to-face coursework on those campuses – and sometimes tuition and fees in distance-delivered courses are lower than their face-to-face counterparts. Moreover, students also save money on gas and childcare.

5.4 Authorization with Restrictions

Four central facts at the heart of this issue are indisputable:

- The BOR has extensive supervisory authority over Montana’s community colleges. Regents must approve the scope of the community college mission, each and every academic program to be offered at the community college, and annual and biennial budgets dedicating state and local resources to the community college’s needs.
- Ravalli County is a large population base avidly seeking a postsecondary institution that they themselves manage and control. To get that level of local control, the citizens of Ravalli County are willing to subsidize somewhere between 16.5 – 22% of the total cost of education.
- Community colleges, effectively planned for and supported, can transform lives and life in their communities of service.
- The cost of higher education in Montana is significant, and the approval of an additional community college has the potential to add significantly to that cost in the years to come.

Given these facts, one alternative that should be given serious consideration is the approval of the new community college district in Ravalli County with the understanding that the BOR will proceed cautiously with the authorization of each prong of the community college mission, with the approval of academic programming, and with the approval of local decisions on the allocation of resources. This alternative also assumes that the coordinator of community colleges at OCHE would be actively engaged with BVCC trustees to develop a community college in the Bitterroot Valley that is innovative, collaborative, cost-effective, and successful.

5.4.1 Potential of Alternative to Meet Two-Year College Needs of Ravalli County

Because this alternative recognizes the commitment Ravalli County residents are willing to make in their community college, it has perhaps the greatest potential to meet the two-year college needs in that populous county. Because this alternative recognizes the authority of the regents to exercise appropriate controls over the shape the new community college takes, it has perhaps the greatest potential of ensuring that the needs met in Ravalli County are compelling needs that are addressed with careful planning to avoid duplication of resources in K-12 and higher education and negative impacts on other public services in the area. Because the coordinator of community colleges would be charged with assisting BVCC trustees with the development of a community college that is not only responsive to local needs, but also well-coordinated with the higher education goals and resources of the system, this alternative has

potential to lead the way to a two-year college system that truly is coordinated, efficient, collaborative, and cost-effective.

5.4.2 Quality of Alternative in Terms of Educational Product & Support Services

A community college, with its emphases on the learning experience and community responsiveness, has tremendous potential in Ravalli County. It need not and should not be built in a day. Both Miles Community College and Flathead Valley Community College operated developed very incrementally for nearly two decades before becoming the campuses with the range of programs they have today. The regents have the responsibility and authority to control that growth to ensure the quality of programming there and the coordination of efforts throughout the Montana University System. That coordination could begin by identifying and deploying many of the more desirable components of the previous alternatives to the development of Bitterroot Valley Community College. The difference would be that, instead of the Montana University System saying, Here's what we are willing to do for Ravalli County, the county, through its elected trustees, would be saying, here are the faculty, courses, curriculum, equipment, online offerings, etc., that we would like to contract with the system to support our programming here.

As examples, through a coordinated approach, BVCC could:

- Contract with MSU-Great Falls to bring its AHIMA-accredited program, available entirely online, to meet the identified need for medical coding and billing specialists in Ravalli County;
- Tap into the interactive video capacity of FVCC to bring the broad range of transfer and occupational courses available through that channel;
- Share faculty with UM College of Technology (COT) to provide degree programs and customized training for the professional and technical services sector in Ravalli County
- Tap into the information management system and technical support personnel of either MSU or UM to reduce its costs in this very expensive area;

Working together, BVCC trustees, the coordinator of community colleges, and the BOR may be able to craft a solution that addresses the needs and concerns of all.

5.4.3 Expense to Student & Taxpayer

As noted earlier, the addition of a new community college is an additional expense, both for the taxpayers of Ravalli County and for Montana taxpayers as a whole. Ultimately, the regents and the legislature will determine whether that additional expense is justified in the case of Ravalli County – and whether it might be justified in other locations as

well, since other communities will almost certainly seek the same level of state support for the postsecondary opportunities they are providing. However, the alternatives advanced so far also require additional resource allocations, whether in the form of a building to house the Hamilton Higher Education Center, the faculty to deliver courses online or through interactive video, the dedication of UM personnel to Ravalli County programming, etc. It may be that the only real difference – and the one that clearly means the most to the residents of Ravalli County – is that they are in the driver’s seat.

The community college model is more affordable for students but is not necessarily less costly to provide. Great care needs to be taken to ensure that affordability for students is maximized and inefficiencies and duplication in the system are minimized. That level of care begins with very clear regental guidelines for the parameters of programming and resource allocation that will secure their approval.

The trends of the past, of course, could continue into the future. Costs for the new community college could increase exponentially with the local taxpayers’ share decreasing over time. Over time, regental restrictions loosen and duplicative programs, uncoordinated approaches, and inefficiencies at the institutional level occur. More innovative approaches that require sacrifices but reap rewards are never explored. Adding a new community college without changing the paradigm for higher education in Montana, particularly two-year education, is unwise. Done right, however, it might be a risk worth taking.

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CONCLUSION

This report has been a difficult one to write. The passion and commitment of the proponents of a new community college in Ravalli County are inspiring. The avid interest of state leaders in a better-utilized, better-coordinated system of two-year colleges in Montana is gratifying. Concerns about the outreach of the University of Montana to Ravalli County, real and perceived, must be addressed with more openness, energy, and effectiveness than have occurred in recent years.

At the same time, concerns about unnecessary duplication of programming and institutions in Montana higher education have justification as well. In the current financial uncertainty, concerns about the impacts of a new community college on local and state resources, now and in the future, deserve consideration. And the efforts of higher education innovators to develop 21st century solutions to cutting costs in higher education and making college opportunities more affordable for all Montanans, have merit as well. Inevitably, one group or another will be disappointed by the decisions on this matter that now fall to the regents and to the legislature.

OCHE's role is to provide the regents and the state they serve with information and analyses that reflect analysis that reflects our collective experience in developing academic programs and administering postsecondary institutions. In preparing this report, we have attempted to be inclusive of all stake-holders, comprehensive in information-gathering, even-handed in analysis, and candid in our evaluation of the many factors entering into the regents' recommendation, the legislature's approval, and the regents' ultimate decision-making about the scope, programming, and allocation of resources for a new community college in Ravalli County.

The task now falls to the BOR to assimilate this information from the citizen's perspective and to make a recommendation to the legislature they believe to be in the best interests of the students and citizens of Montana. The legislature will decide whether or not to add another community college to the set of campuses affiliated with the Montana University System. We understand well the difficulty of the task and whatever the decision is, we will support it.

Should the choice be to authorize a new community college, quality and viability should become primary considerations. Ideally, start-up could be delayed to allow a thorough planning process. BVCC-E wants to build something permanent. All stakeholders must take care to ensure, if the effort is found to have merit, that the proper foundation is put in place.

REFERENCES

¹ 20-15-209 MCA

² McGrath, M. (February 15, 2007). Attorney General's Opinion, Vol. 52: 1

³ McClure, E. (September 2007). "A Historical Perspective on 2-Year Postsecondary Education in Montana: 'Where Do We Go from Here?'"

⁴ Senate Bill No. 236 (1971) as introduced on January 25, 1971.

⁵ Data on Ravalli county educational attainment levels. Applied Geographic Solutions (based on U.S. Census Bureau data)

⁶ Capture rates of Ravalli County, Cascade County, and Lewis & Clark County, MUS Data Warehouse.

⁷ Cramer, J. (October 1, 2008). "Commissioners Reviewing Budget Cuts." *Ravalli Republic*.

⁸ Cramer, J. (October 13, 2008). "Commission Presents Wish List to Lawmakers." *Ravalli Republic*.

⁹ Heintz, D. (October 25, 2008). "Making Progress in Central Montana: Central Montana Education Center has made huge impact in its first year." *Lewistown News-Argus*.

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**ATTACHMENT A – MAY 8, 2007, BALLOT MEASURE FOR APPROVAL
OF NEW COMMUNITY COLLEGE DISTRICT**

ATTACHMENT B – MAY 8, 2007, ABSTRACT OF VOTES FOR PROPOSED COMMUNITY COLLEGE DISTRICT OF THE BITTERROOT VALLEY

Abstract of Votes

Proposed Community College District of the Bitterroot Valley, Montana
Organization Proposition And Trustee Election, May 8, 2007

School District	For Organization	Against Organization
Lone Rock School District #13	173	224
Corvallis School District #1	772	679
Victor School District #7	277	240
Darby School District #9	475	426
Hamilton School District #3	848	881
Stevensville School District #2	492	387
TOTALS	3037	2837

ATTACHMENT C – RESPONSES OF THE BVCC TRUSTEES-ELECT* TO THE INFORMATION REQUESTS OF THE BOR

**they are unseated as yet*

BVCC SUMMARY STATEMENT OF NEED

The Premise: *The Bitterroot Valley needs local access to adult learning services due to significant population growth and economic restructuring*

For the greater part of the twentieth century the Bitterroot Valley of Montana was an area of modest population with the local workforce primarily engaged in logging and agriculture. However, during the last two decades of the century, life in the Bitterroot witnessed dramatic change. Forestry jobs were lost to automation, over-supply, and regulation; farm earnings slumped and agricultural land was subdivided and sold to a seemingly endless supply of New West migrants who moved in to enjoy the area's natural beauty and recreational opportunities (Selfa, 2004; Swanson, 2002). While the valley's economy strained and restructured, the populace mushroomed. Between 1970 and 2007, the population of the Bitterroot Valley nearly tripled, growing from 14,000 to 40,000 in just over 25 years (US Census, 1995, 2001b). During the same time frame, area jobs shifted from extraction and agriculture to services. In fact, by the late 1990s, the employment shift in the Bitterroot Valley was nearly complete with 70 percent of local jobs in various private and government services, 10 percent in construction, 9 percent in manufacturing, and only 8 percent remaining in farming and 3 percent remaining in forestry (BEA, 2008a). Where once a low-skill job could feed a family, now few were to be had, and rather, jobs requiring postsecondary instruction and skills became the norm.

Notably, the economic restructuring of the Bitterroot Valley accompanied by the area's newfound need for adult learning opportunities was a story repeating itself across much of America:

In generations past, low-skill, but high-paying manufacturing jobs paved the way into the middle class for a large percentage of working class Americans. In today's global economy, industrial jobs are moving overseas at an ever-increasing pace in search of lower labor costs. High-paying blue collar jobs in manufacturing or natural resources available to workers with only a high school diploma are rapidly disappearing. . . . Meanwhile. . . the increase in "knowledge jobs" that require at least some college, as well as technical skills, has been dramatic. These structural shifts in the American economy make postsecondary education necessary for anyone who wants to compete in and command a living wage in today's labor market. (Boswell, 2004, p. 24)

Open now on the present. The Bitterroot Valley has experienced twenty-plus years of rapid demographic and economic change. While the area's new residents expect learning services, its long-time residents require learning opportunities. Yet, unfortunately for the Bitterroot, there is no existing local postsecondary institution to turn to. Having a history of low population and low-skill jobs coupled with its relative proximity to Missoula, home of the University of Montana (UM) and the University of Montana College of Technology (UM-COT), the residents of the old Bitterroot Valley had little need of higher education and when they did, they relied on leaving the valley for a trip (or move) to Missoula or beyond. But now things have changed. In order for local residents, whether new or old, to participate and progress in the area's new economy and simultaneously build a sustainable and dynamic community, access to local adult learning services has become critical.¹

Importantly, not only is the Bitterroot Valley's need for local postsecondary education evident in the above premise, it has also manifested itself in fact. Numbers confirm that

¹ For a more in-depth exploration of the Bitterroot Valley's demographic and economic situation and how it relates to the area's need for local adult learning services, refer to [Bitterroot Valley Community College? An Analysis, Clark, V. \(2006\).](#)

Ravalli County (the Bitterroot Valley's jurisdictional designation) is underserved when it comes to access to local adult learning services, and actions show that the need has reached a level critical enough to provoke local residents to act.

The Data: *When compared to other areas of the state, the Bitterroot Valley is underserved in terms of local access to adult learning opportunities*

While some may claim that the Bitterroot Valley already has local access to postsecondary services via its proximity to Missoula's UM-COT (the Bitterroot's county seat of Hamilton is only 50 miles south of Missoula), data do not bear this out. If the UM-COT were truly functioning as the Bitterroot's local provider of postsecondary education, one would expect the UM-COT's capture rate (percent of local residents enrolling in classes) of Ravalli County residents to be generally comparable to the capture rates enjoyed by other areas of the state with community institutions, however such is not the case. Table 1 below compares the UM-COT's capture rate of Ravalli County residents to the local capture rates associated with Montana's three community colleges. Notably, the UM-COT's Ravalli County capture rate is markedly lower than the capture rates of areas genuinely served by a community institution. Viewing the data in terms of real students, if the UM-COT were really serving Ravalli County, one would expect it to enroll nearly 700 Bitterroot Valley residents annually, rather than its current 197 (numbers calculated from Fall 2007 enrollment data).

County	Community Institution	Local Capture Rate
Custer	Miles Community College	4.16%
Dawson	Dawson Community College	5.35%
Flathead	Flathead Valley Community College	2.38%
<i>Average local capture rate for Montana's community colleges</i>		<i>2.80%</i>
Ravalli	UM-COT	0.79%

Table 1. Capture rate of Montana's community institutions (percent of local residents enrolled in local institutions) with respect to UM-COT's Ravalli County capture rate. (percentages calculated from Fall 2007 enrollment data)

Alternatively, if mere distance between communities is considered to be significant in the assignment of community institutions, it is noted that Butte, Helena, and Great Falls all have their own local COTs, yet the respective distances between these communities, especially when one factors in that they are all three connected by four-lane interstates (compared with Hamilton's US Highway 93 artery to Missoula), is not much greater than the distance between Hamilton and Missoula, with 64 miles separating Butte and Helena and 89 miles separating Helena and Great Falls. Eastern Montana's two thriving community colleges—Dawson Community College and Miles Community College—are likewise separated by only 78 miles of federal interstate (Travel Montana, 2007).

Finally, in terms of community size, Ravalli County has the distinction of being the only county in the state of Montana with significant population which lacks a local institution of higher education (see Table 2 below).

County	2006	2006 Rank	Postsecondary Institution
Yellowstone	138,213	1	MSU-Billings; Billings COT; Rocky Mt. College
Missoula	101,417	2	UM-Missoula; Missoula COT

County	2006	2006 Rank	Postsecondary Institution
Flathead	85,314	3	Flathead Valley CC
Gallatin	80,921	4	MSU-Bozeman; Great Falls COT Bozeman Extension
Cascade	79,385	5	Great Falls COT; University of Great Falls
Lewis & Clark	59,302	6	Helena COT; Carrol College
Ravalli	40,582	7	
Silver Bow	32,801	8	UM-Montana Tech; Montana Tech COT
Lake	28,606	9	Salish Kootenai College (Tribal)
Lincoln	19,226	10	Flathead Valley CC - Libby Branch Campus
Hill	16,403	11	MSU-Northern; Stone Child College (Tribal)
Park	16,084	12	
Glacier	13,578	13	Blackfeet CC (Tribal)
Big Horn	13,035	14	Little Bighorn College (Tribal)
Fergus	11,496	15	MSU-Northern – Lewistown Higher Education Center
Custer	11,151	17	Miles CC
Roosevelt	10,496	19	Fort Peck CC (Tribal)
Rosebud	9,261	22	Chief Dull Knife College (Tribal)
Beaverhead	8,743	24	UM-Western
Dawson	8,624	26	Dawson CC
Blaine	6,615	30	Fort Belknap College (Tribal)

Table 2. Ravalli County is the only Montana county with measurable population which lacks a local institution of higher education.

The Actions: *Local advocates seek services and identify needs*

Trumping both premise and data in demonstrating the Bitterroot Valley's need for access to adult learning services, however, are the recent actions taken by concerned Ravalli County residents on behalf of securing local access to adult educational opportunity. Recognizing that the area's extraordinary growth and dramatic economic transformation had changed the postsecondary equation and that without adult learning services the area and its residents were suffering and would continue to suffer, local residents took it upon themselves to address the need and drive a solution.

Starting in 2001 Bitterroot Valley workforce, educational, and economic development professionals began actively advocating for expanded local adult learning opportunities. Organizations represented in the initial advocacy effort included Authentic Computer Training, Bitterroot Job Service, Darby Adult Education, Hamilton School District, Literacy Bitterroot, and Ravalli County Economic Development Authority. By 2005 the [Bitterroot Workforce System](#), which includes the above organizations as well as an additional 30 county-wide partners, had taken up the cause. Interestingly, while each organization came to the table representing the educational interests of its client base, as the organizations began to coalesce into a unified group it became clear that the community required the gamut of adult learning services, with existing non-credit services identified as inadequate and for-credit services distinguished as nonexistent. In short, the valley's need for **comprehensive** adult learning services was quickly apparent.

With respect to non-credit services—specifically, workforce development training, personal enrichment programming, and developmental education such as Adult Basic Education (ABE) and GED completion—it was soon realized that there were current structural barriers to improved services. Namely, without a consolidated, countywide school district or a countywide community college district, the Bitterroot Valley lacked a **lead education agency** to effectively and efficiently fund and administer quality, responsive non-credit services. While other areas in the state with significant population densities either had consolidated school districts or community college districts which could subsidize non-credit programming via the adult education levy and, with said subsidy, could administer the delivery of quality and responsive non-credit services via a community-wide adult learning center or community college, the Bitterroot Valley had no such district.² Although each of the Bitterroot Valley's seven school districts generally provided some annual non-credit offerings (mainly personal enrichment courses and some funding earmarked for the local ABE/GED provider Literacy Bitterroot), services were uneven, unpredictable, and lacked coordination. In comparison to Missoula County Public Schools' Dickinson Lifelong Learning Center which served 9,500 students in 2006-07 (with Missoula County's population at 100,000), the Bitterroot Valley's adult education programs served only 1,400 students in 2006-07 (with Ravalli County's population at 40,000) (Chaney, 2006; [BVCC Enrollment Projections for PEPB Subcommittee](#)). Similarly, in Flathead County (population 85,000), Flathead Valley Community College offered 579 continuing education courses in 2006-07, meanwhile Ravalli County (population 40,000) offered only 160 continuing education courses in 2006-07 ([BVCC Enrollment Projections for PEPB Subcommittee](#)). Concerned Bitterroot Valley residents were coming to the understanding that in order to significantly enhance their non-credit programming, they would need a **lead education agency** to subsidize, manage, and control the delivery of services.

On the for-credit front, these same concerned Bitterrooters were gradually drawing a similar conclusion, i.e., the need for a **lead education agency** to subsidize, manage, and control the delivery of for-credit services. Initially, as Ravalli County workforce and education professionals acted on their community's need for locally available higher education offerings, leaders did turn to the area's neighboring postsecondary institution—Missoula's UM-COT—for the delivery of such programming. However, after four years of disappointing results,³ local advocates stepped back to reevaluate the UM-COT's service attempts and the nature of the local-nonlocal partnership. The advocacy group wondered why the UM-COT's efforts failed and why the partnership wasn't effective.

After much dialogue among colleagues and clients, the local group concluded that the UM-COT's efforts in Ravalli County failed to attract students because of: 1) *a lack of permanence*—students needed to be assured that what they started could be finished (if a student started the general education core in Ravalli County, was the student going to be able to finish the general education core in Ravalli County?); 2) *a lack of sufficient course offerings*—enough local courses needed to be offered to allow students to meet minimum credit load requirements for financial aid; 3) *a lack of appropriate offerings*—classes were not responsive to local needs, an emphasis on online instruction was not appropriate for the targeted student population, and no non-credit classes or developmental classes were offered; 4) *a lack of a physical presence*—students required locally available face-to-face interaction with the sponsoring institution; and 5) *poor marketing*—notices in local papers did not reach the majority of the population, absence of a catalogue detailing offerings and

² For a greater understanding of the non-credit services' issues refer to [An Open Letter to All Concerned and Interested Parties, Clark, V. \(2006\)](#).

³ Between 2001 and 2005 the UM-COT provided the following for-credit services in Ravalli County: four UM-COT courses offered in Hamilton in 2001, a part-time UM-COT Ravalli County outreach coordinator lasting from 2003 to 2005 (with the position then left vacant for nearly a year), and outreach which consisted primarily of the limited promotion of online course offerings (UM's Virtual College).

explaining admissions procedures and enrollment costs left locals uniformed. In a word, the UM-COT simply failed to commit to serving Ravalli County and without **commitment** student numbers would never be significant. In order for students to invest their time and money in education they needed evidence that the educational provider was equally vested in them. When local services failed to be sufficient, responsive, or accessible, the provider was rightly perceived by the majority as uncommitted and student trust (and therefore enrollment) was low.

Not surprisingly, in terms of the partnership with the UM-COT, the local advocacy group found the UM-COT to be unreliable, with the UM-COT's allocation of resources to Ravalli County summarized as undependable. Interestingly, when the advocacy group examined older, past relationships between Ravalli County and the UM, it discovered a similar pattern:

. . . the UM's involvement in the delivery of adult learning services in Ravalli County has been variously marked by a sense of entitlement, unmet promises, apathy, and low priority—none of which has resulted in accountable or committed local adult programming.

During the 1970s an effort to establish a community college in the Bitterroot (led by Rocky Mountain Laboratory scientist, Dr. Bob Smith) was suspended after assurances from the UM that services would be forthcoming. However, after a few years of hit or miss classes, the UM's presence in the Bitterroot Valley evaporated.

Next, in the 1980s, the UM initiated an extension campaign. Representatives from communities surrounding Missoula were assembled to discuss the delivery of local postsecondary services. Corvallis resident Allen Bjergo was selected to represent the Bitterroot. During a recent interview with Bjergo, who still resides in the Corvallis area, Bjergo remarked that once the UM received funding for an extension building on the UM campus in Missoula the meetings of regional representatives became fewer and farther between, until at last the council no longer met at all. No services in Ravalli County ever resulted from the UM extension campaign of the 1980s.

A review of the 1990s reveals no significant effort on the part of the UM to bring adult learning services to the Bitterroot. Notably, the 1990s was a period of considerable economic restructuring and demographic growth in the Bitterroot Valley. (Clark, 2007, p. 4)

In the end, the local higher education advocacy group concluded that due to current structural barriers, Ravalli County residents had no way of guaranteeing a productive, lasting partnership with the UM-COT (Notably, current structural barriers were also found to be hampering the Bitterroot's improvement of local non-credit services). The barriers in the for-credit instance involved leverage, or rather, a lack thereof. Simply put, Ravalli County had no way to compel the UM-COT (or the UM) to be answerable to its needs, and without such authority the area would never be able to secure, let alone guarantee, the long-term delivery via the UM-COT of sufficient, responsive, and accessible local adult learning services. In the absence of **accountability**, the residents of Ravalli County could not rely on the UM-COT or the UM for **committed** services.⁴ As with non-credit programming, the need for a **lead education agency** dedicated solely to the subsidy, management, and

⁴ It is interesting to note that this past summer (2008), after a decade of serving the Bozeman area, MSU-Great Falls COT requested to withdraw its Bozeman extension program asserting that it no longer had the resources to subsidize the effort. While clearly MSU-Great Falls proved a better partner for the Bozeman area than the UM-COT did for the Bitterroot Valley, the end result appears to be the same – commitment could not be guaranteed. For more on this topic refer to [Montana Board of Regents Minutes, July 8-9, 2008, p. 4, Temporary Authorization for MSU-Bozeman to Award Existing Two-Year Degrees](#).

control of local for-credit services was becoming manifest. However, before embracing this idea completely, local advocates considered two additional higher education options.

During the summer and fall of 2005 Bitterroot Workforce System representatives explored the possibility of contracting with Flathead Valley Community College to provide local for-credit programming via interactive television (ITV). This in turn prompted a general discussion on the potential of distance education, or, more particularly, of online learning. While the group agreed that both the ITV and online ideas had merit and could be responsive to the needs of some local students, neither were deemed adequate to solving the area's need for **comprehensive** services. Certain skills and certain students just were not easily adaptable to distance education delivery methods. Skills taught in healthcare training or trades instruction often required hands-on learning. Students new to the postsecondary environment or with poor language arts skills often required face-to-face interaction and instruction before becoming successful in the distance education environment. **Affordability** also entered the equation. While controlling student costs had always been a concern of the advocacy group⁵, it became particularly topical when distance education was assessed. Concerns were raised that distance education technology fees along with related internet access and computer costs would price some students out of the distance education market. Finally, questions of guaranteeing **accountable** and **committed** services came into play. How could Ravalli County be sure its residents had permanent access to relevant and timely programming if it were entirely dependent on outside distance education providers? In the end, the local advocacy group found that although distance education might be ideal for certain students, it was not a panacea when it came to meeting a range of community-wide educational needs. Ravalli County's higher education advocates again found themselves returning to the **lead education agency** idea.

The Conclusion: *Montana's public community college model addresses all local concerns*

In summarizing their assessment of the adult learning needs of Ravalli County, the local advocacy group concluded that the Bitterroot Valley required **affordable**, **comprehensive**, **accountable**, and **committed** educational services. As to how such services could be most effectively and efficiently provided, advocates concluded that the community would be best served via the establishment of a single, valley-wide, community-controlled **lead education agency** which would be responsible for subsidizing, coordinating, and administering the gamut of local adult learning services.

Fortuitously for the Bitterroot Valley, just such an institutional model was and is available to the citizens of Montana. Montana state statute provides for the organization of a **community college district** wherein:

- a community college district "means a body corporate and a subdivision of the state of Montana organized under a single board of [locally elected] trustees" ([MCA 20-15-101](#) and [221](#)) ~ **accountable and committed**
- a community college district may "levy and collect taxes" ([MCA 20-15-102](#)) ~ **affordable**
- a community college district "provides instruction in academic, occupational, and adult education" ([MCA 20-15-105](#)) ~ **comprehensive**

⁵ Relative to its population ranking, Ravalli County is one of the poorest of Montana's counties. For Montana counties with significant population (over 30,000), Ravalli County ranks 8 out of 8 in terms of per capita income, with the top seven counties ranging from a low of \$31,535 to a high of \$35,021 while Ravalli County per capita income equals only \$26,672 (BEA, 2008b). Too, poverty rates (individuals below poverty level) in Ravalli County's three municipalities are relatively high with Darby at 24%; Hamilton at 18%, and Stevensville at 13% (US Census, 2001a).

Moreover, Montana state statute provides for the organization of a community college district when a proposed community college district's taxable value exceeds \$10 million and its secondary school population is in excess of 700 students ([MCA 20-15-201](#)). Notably, adult learning services advocates in Ravalli County have proposed the Bitterroot Valley Community College District wherein:

- the proposed BVCC District's taxable value surpasses \$63 million and
- the proposed BVCC District's secondary population exceeds 1700 students⁶

Ultimately, the Bitterroot Valley adult learning services advocacy group found that with respect to all existing options for the delivery of affordable, comprehensive, accountable, and committed local adult learning services, a public community college in Ravalli County provides the greatest good for the greatest number. The community college funding structure which allows for both state and local subsidies ensures that all college programming is *affordable*. The broad mission of a community college, where the institution provides general education, occupational education, continuing education, and developmental education, means that services are *comprehensive*. A community college's governance by a locally elected board of trustees means that the institution would be *accountable* to the students and community it serves. The establishment of a permanent, legally recognized community college district means that there is an enduring *commitment* to the delivery of services.

Affordable, comprehensive, accountable, and committed are the qualities the Bitterroot Valley needs in adult learning services. Affordable, comprehensive, accountable, and committed characterize the types of services guaranteed by a Montana public community college.

⁶ It is remarked that the proposed BVCC District significantly exceeds the statutorily set minimum taxable value and student population requirements for a community college district. This is further evidence that Ravalli County has been appreciably underserved with regard to access to local adult learning services for a considerable period of time.

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BVCC AND ESTABLISHING DEMAND/IDENTIFYING NEEDS

The BVCC Exploratory Committee (BVCC-EC), founded in February of 2006, was the local grassroots organization which initially recognized that Ravalli County was underserved with respect to the entire gamut of adult learning services and went on to determine that the entirety of this deficit could be addressed via the mission of a comprehensive community college. Coming to this understanding, the BVCC-EC then led the charge in establishing the local demand for a community college via a wide-range of educational outreach activities and services culminating in the local ratification by popular vote of the BVCC District organization proposition.

Events leading to the formation of the BVCC-EC date back as far as 2001 and start with the tale of a community recognizing its need for occupational and postsecondary education and end with a community concluding that the only way accountable and committed local adult learning services could be guaranteed was through the establishment of a local community college. The following is a timeline of events documenting how area educational and workforce professionals initially looked to existing postsecondary institutions for the local delivery of occupational and postsecondary education:

Ravalli County and Missoula UM-COT	
2001	Hamilton HS and UM-COT collaborate to offer 4 for-credit courses: courses include Acting for Non-Drama majors, Basic Algebra, English Composition, and Introduction to Computers; only the computer course fills
2002	Hamilton HS and the Bitterroot Job Service hold a roundtable discussion with UM-COT; group requests a UM-COT outreach coordinator for Ravalli County
2003	UM-COT hires a part-time outreach coordinator
2004	UM-COT promotes for-credit offerings in Ravalli County through Virtual College (web-based instruction); few Ravalli County adults utilize Virtual College; computer lab services offered at two area high schools
2005	UM-COT part-time outreach coordinator resigns; position is vacant for nearly one year Authentic Computer Training (ACT) in Hamilton initiates collaboration with UM-COT; UM-COT offers to provide instructors; UM-COT asks ACT to provide space and marketing; no collaboration results
Ravalli County considers higher education institutions beyond Missoula UM-COT	
August 2005	Bitterroot Workforce System (BWS) investigates collaboration with Flathead Valley Community College (FVCC) Libby Branch Campus
November 2005	BWS considers interactive television as delivery system for collaboration with FVCC

As the above events were unfolding, it was becoming more and more clear to area workforce and educational professionals that Ravalli County had no means of holding outside postsecondary educational providers accountable to the community. How could responsive and committed services be guaranteed? Too, the group of players was growing: the area's local Adult Basic Education(ABE)/GED provider (Dixie Stark with [Literacy Bitterroot](#)) voiced her struggles for adequate funding and her clients' need for local post-GED training opportunities; the [Darby Adult Education](#) director (Victoria Clark) expressed her clients' desire for higher quality and greater variety of local noncredit workforce development and personal enrichment programming,

and [Ravalli County Economic Development Authority](#) executive director Julie Foster entered the higher education conversation.

Seeing the needs expand and curious about community colleges after meeting with the FVCC Libby Branch Campus director, the Darby Adult Education director volunteered to research community colleges on behalf of the Bitterroot Workforce System (BWS).¹ [Clark's study](#) explored the reasons behind Ravalli County's lack of a local institution of higher education, provided demographic and economic data showing that Ravalli County was now in need of a local institution of higher education, and concluded that, of all the higher education options, the public community college model best met the needs of Ravalli County's adult learners. Clark's research was presented to a Community Management Team (CMT) meeting of the BWS in January of 2006. The following month the BVCC-EC was created as a BWS subcommittee, with its mission "to educate Ravalli County residents about the services, benefits, and costs of a public community college and the process of establishing a public community college."

The BVCC-EC spent the spring of 2006 presenting to numerous local groups,² gauging the local interest in the community college proposition. By the end of May, the BVCC-EC believed area support was significant enough to warrant contacting OCHE about the area's interest in pursuing the establishment of a public community college pursuant to [Montana Code Title 20, Chapter 15, Part 2](#).³ The BVCC-EC continued its education campaign throughout the summer of 2006 with more presentations and the launching of an informational website ([bvcc-edu.org](#)). The BVCC-EC also spent the summer of 2006 fine-tuning its analysis of why earlier attempts at higher education in Ravalli County had failed and why now a local community college was both needed and would succeed ([BVCC-EC fall 2006 presentation](#)).

By the fall of 2006, the BVCC-EC had taken the first official procedural step to establishing a new public community college in Montana—the group launched a petition drive to gather the 20 percent of local voter signatures (amounting to 4,920 signees) needed to put the organization of a community college district to a local vote. The signature gathering process lasted three months and involved over 40 local volunteers from up and down the valley interacting with community residents about the services, benefits, and costs of the proposed BVCC.

In March 2007 the Board of Regents certified the BVCC petition, effectively placing the BVCC proposition on the May 2007 local school district ballots. During the spring of 2007 the BVCC-EC worked continuously on its educational campaign, presenting to numerous local groups ([BVCC-EC spring 2007 presentation](#)), holding informational forums throughout the valley, and conducting a professionally moderated town hall meeting in Hamilton.⁴ Moreover, the area's two local newspapers (*Ravalli Republic* and *Bitterroot Star*) wrote numerous articles and featured multiple opinion pieces on the BVCC issue.

Finally, on May 8, 2007 the local electorate had its chance to weigh in on the matter. The BVCC organization proposition was passed by a 52 percent majority vote. The second procedural hurdle to the organization of a community college district in Montana had been overcome. The area's need for affordable, comprehensive, accountable, and committed local adult learning services had been identified; the demand for a community college to address these needs had been established, and the community advanced to the final procedural step of the community

¹The [Bitterroot Workforce System](#) is a group of over 35 local programs, businesses, and organizations dedicated to assisting local workers in attaining self-sufficiency and local businesses in having a skilled workforce.

²During the spring and summer of 2006 the BVCC-EC presented to the Ravalli County Commissioners, Bitterroot Chamber of Commerce, Stevensville Main Street Association Economic Development Committee, Florence Civic Club, Mule Team (Democrats), Pachyderms (Republicans), Kiwanis, and Lyons.

³[Montana Code 20.15.2](#) stipulates the requirements for a community college district (based on proposed district's boundaries, taxable value, and secondary-age population) and details the three primary procedures required for community college district organization: 1) local petition, 2) local vote, and 3) legislative approval following the non-binding recommendation of the Board of Regents.

⁴The BVCC-EC spring 2007 presentation calendar included forums in all Bitterroot Valley communities (Darby, Corvallis, Hamilton, Lone Rock, Stevensville, Sula, and Victor); information sessions for Hamilton High School, Darby Public Schools, Bitterroot Women's Club, Corvallis Civic Club, Soroptomists, Democratic Mule Team, Republican Women's Club, South Valley Pachyderms (Republicans), North Valley Pachyderms (Republicans), Kiwanis, and Lyons; an informational booth at the Hamilton Farmers Market; and fundraisers at the Bitterroot Brewery (Hamilton), Roxy Theater (Hamilton), and Majestic Mountain (Stevensville).

college organization process—approval of the BVCC District by the State Legislature following the non-binding recommendation of the Board of Regents.

BVCC ENROLLMENT PROJECTIONS

For-credit Enrollment Projections

The BVCC Trustees-elect gauged the present and future demand for for-credit local adult learning services in Ravalli County by calculating the local student capture rates of Montana's three existing community college districts and then applying these rates to Ravalli County. To estimate how many students the MUS was likely to gain due to the establishment of the BVCC, the number of Ravalli County residents currently enrolled at the UM-COT was subtracted from the number of projected BVCC students. Using these methodologies, the BVCC Trustees-elect project that once the college is fully operational (perhaps within five years), enrollments should equal:

Local student cohort	Projected BVCC capture rate	Projected BVCC student enrollment	MUS enrollment gain due to BVCC
Recent high school graduates (19 yr olds)	35.0%	131	99
Traditional age students (18-24 yr olds)	10.2%	334	239
Non-traditional age students (25-64 yr olds)	1.5%	324	222
All students (18-64 yr olds)	2.8%*	695	498

*Notably, a local capture rate of 2.8 percent would put Ravalli County two-tenths of a percent above the regional average capture rate for 2-year institutions (see discussion in BVCC Steering Committee's [Fifth Open Letter to the Board of Regents](#)), thereby aligning the BVCC with the Regents' interest in significantly increasing 2-year enrollment.

Non-credit Enrollment Projections

The BVCC Trustees-elect gauged the present and future demand for non-credit local adult learning services in Ravalli County by comparing and contrasting the breadth and depth of non-credit services at Montana's three existing community colleges with the breadth and depth of non-credit services currently available in Ravalli County (being namely adult education courses provided by local school districts and ABE/GED services provided by the local nonprofit Literacy Bitterroot). The Trustees-elect analysis shows Ravalli County to be underserved at all levels of non-credit services. While Flathead County has twice the adult population of Ravalli County, its residents enjoy more than three and a half times the number of adult education offerings (personal enrichment and workforce development programming) than Ravalli County residents. While Custer County has less than one third of the population of Ravalli County, its residents enjoy more than two and a half times the number of workforce development courses than Ravalli County residents. While Dawson County has only a quarter of the population of Ravalli County, its ABE program serves more students, graduates more GEDs, and places more students in the MUS than Ravalli County's local ABE program.

Given the above data analysis, combined with the BVCC needs assessment establishing that Ravalli County residents desire workforce development programming and foundational developmental services (see subsequent section [Question 1.d.] in Regents' Request for Information), the Trustees-elect determined to initially focus on increasing workforce development offerings and expanding ABE/GED enrollment and success. For FY2010 the Trustees-elect project offering 45 workforce development courses, with 34 courses filling and with 238 students served (75 percent of classes fill with class size averaging seven students). For FY2011 the Trustees-elect look to offer 90 workforce

development courses, with 68 courses filling and with 473 students served (75 percent of classes fill with class size averaging seven students). As to the long-term enrollment goal for workforce development, the Trustees-elect require further comparative research (more complete statewide data, as well as western states' regional data, are needed) to determine enrollment targets which are reflective of a successful local workforce development program.

Regarding ABE/GED services, the Trustees-elect plan to work on gradually increasing ABE enrollment (up about 30% in FY2010), while more significantly increasing the number of GED graduates (doubling in FY2010) and MUS placements (tripling in FY2010). For FY2011, the Trustees-elect look to increase overall developmental enrollment by expanding class offerings (from 10 per semester to 14 per semester) as demand for all levels of remedial education is likely to rise as the college becomes more established. BVCC developmental enrollment for FY2011 is projected to number 312 students (52 classes averaging 6 students per class). Again, as to long-term enrollment targets which would be indicative of ABE/GED program success, more comparative research needs to be conducted.

The following table provides comparative highlights from the Trustees-elect non-credit enrollment analysis:

Cohort/Category	Custer County–Miles CC	Dawson County–Dawson CC	Flathead County–Flathead Valley CC	Ravalli County–Current	Ravalli County–BVCC Projections (FY2010)
18-64 yr old population (2006)	6,616	5,329	54,596	24,860	24,860
AE* courses offered (2006-07)			579	160	
AE courses filled (2006-07)			464	NA	
Total AE students served (2006-07)			4316	1419	
Workforce courses offered (2006-07)	25			10	45
Workforce courses filled (2006-07)	23			NA	34
Total workforce students served (2006-07)	174			NA	238
Served by ABE (2006-07)		159		144	180
GED graduates (2006-07)		30		23	67
GED MUS placements (2005-07)		15		6	18
*AE=Adult Education courses, including both workforce development and personal enrichment offerings.					

For a more in-depth look at all the BVCC for-credit capture rate data and non-credit cohort and category data, see [excerpt from the BVCC's March 2008 PEPB Subcommittee presentation](#).

BVCC NEEDS ASSESSMENTS

The BVCC Trustees-elect conducted two needs assessments during 2008. The first needs assessment comprised one full-day conversation and one half-day conversation with selected community representatives. The second needs assessment comprised a survey open to the general public combined with targeted conversations with key local employers. While the first needs assessment was completed in April, the second needs assessment is still in progress.

First BVCC Needs Assessment ~ Overall Expectations and Initial Offerings

The first BVCC needs assessment had two main objectives: understanding overall community expectations of the BVCC and identifying the college's initial course and programming offerings. The BVCC Trustees-elect chose to address these concerns using the World Café model—a "process for leading collaborative dialogue and knowledge-sharing" (www.theworldcafe.com). Local professional facilitator Chris Love (Chris Love Associates, LLC, Corvallis, Montana) was hired by the BVCC Trustees-elect to guide the Trustees-elect through the World Café process and to facilitate the World Café discussions.

As noted above, this first needs assessment was held over two days, with the first full-day conversation dealing with expectations (March 30) and the second half-day conversation dealing with offerings (April 2). A total of 109 community representatives were invited to the BVCC World Café conversations, with the expectation that perhaps one third of the invitees would actually be able to make the two-day commitment. Aware that the conversations needed to be representative of the greater Bitterroot Valley community, the Trustees-elect designed an invitee grid to ensure that the group of participants would be balanced with respect to gender, age, community of origin, and professional affiliation. The Trustees-elect were pleased with the final number and balance of the World Café turnout, as 40 community members from across the invitee grid spectrum attended the first day of the assessment and an equally diverse group of 27 community members attended the second day of the assessment. For an enumeration of who was invited and who attended the BVCC World Café conversations please refer to the [BVCC World Cafe Invitee Grid](#).

As to the findings, the Trustees-elect learned that regarding expectations (first day of assessment) the World Café participants believed that the BVCC would act as a "tremendous potential source of 'value-added' benefit to the valley community" by addressing local needs for employable skills, remedial education, continuing education, and lifelong education as well as helping younger residents, particularly those at-risk, successfully transition from high school to college. Notably, without being prompted as to the specific prongs of the community college mission, event participants essentially identified the functions of a community college as the very needs the community hoped to address via the founding of the BVCC. Concerns regarding the establishment of the BVCC included ensuring the initial success of the college, developing effective marketing, accessibility to services, accreditation, and funding. For a more in-depth look at the first day of the BVCC World Café conversation, please refer to the facilitator's [first day executive summary](#) of the event.

Findings from the second day of the assessment, wherein participants were asked to identify specific BVCC initial offerings and were explicitly educated as to the main prongs of the community college mission (namely, workforce development programs, transfer programs, developmental education/Adult Basic Education, high school completion/GED, dual enrollment opportunities for high school students, and community cultural and economic development), included the following top three programming priorities (in order of interest): 1) transfer programs, 2) for-credit workforce development programs, and 3) non-credit community cultural and economic development programming. Notably,

developmental programming was seen as foundational to all programming, ensuring the success of both the student and the college. For a more in-depth look at the second day of the BVCC World Café conversation, please refer to the facilitator's [second day executive summary](#).

Second BVCC Needs Assessment ~ "Tell Us What You Want" Campaign

In August of 2008 the BVCC Trustees-elect began soliciting the general public for programming ideas. In businesses up and down the valley, at various community events, and online, Bitterroot Valley residents are being given the opportunity to voice their interests with respect to BVCC offerings. Although this type of sampling is not scientific, scores of people have responded to date, and the data are expected to be compiled and analyzed late in the fall (for a tabulation of results through October 19, 2008, refer to ["Tell Us What You Want" Initial Results](#)) For an example of the survey, please visit the ["Tell Us What You Want"](#) page of the BVCC website.

In conjunction with the "Tell Us What You Want" survey, the BVCC Trustees-elect have been indentifying specific local employers to target for help in isolating the for-credit occupational programs the college hopes to offer in its first years of operation. Once identified, employers will be interviewed by a Trustee-elect with data compilation again scheduled for late fall. Initial interview results indicate that the area's local healthcare facility, Marcus Daly Memorial Hospital, is interested in a certification course on medical billing/insurance claim filing and a 2-year RN degree.

Following the completion of these two final components of the BVCC needs assessment, the BVCC's for-credit and non-credit programming plan for the college's first two years of operation should be on solid footing.

BVCC World Café First Day – Executive Summary

Presented to BVCC Trustees-Elect
by Chris Love Associates, LLC
March 30, 2008

Bitterroot Valley Community College World Café, March 27, 2008

On March 27, 40 key community members gathered in a “World Café” format at the First Presbyterian Church in Hamilton to begin a discussion of overall expectations of BVCC and its initial offerings in the fall of 2009. Participants who attended were among 80 diverse men and women in the community invited to attend the World Café from a cross section of business, government, education and other sectors, as well as a variety of age groups. Businesses represented included major biomedical employers such as Glaxo Smith Kline Biomedicals, Rocky Mountain Laboratories, Marcus Daly Hospital and Discovery Care Center. Chamber of Commerce and Ravalli County Economic Development and Bitterroot National Forest leaders were also in attendance, as were representatives from small business, ranging from computer training to automotive repair. All Bitterroot Valley school systems from Stevensville to Darby were represented either by principals, board members or staff and, in some cases, by students. Trapper Creek Job Corps sent by both executive staff and students. Members of banking, judicial, media and civic organizations, as well as local citizenry, also attended.

Participants were invited to participate in two series of small group conversations around key questions: What possibilities should BVCC create for students, employers and the community? What kinds of needs will draw students to BVCC? What are the curriculum implications of answers to these questions? Key insights were recorded after each series of conversations.

Executive Summary of BVCC World Café Insights

1. Many participants see BVCC as a tremendous potential source of “value-added” benefit to the valley community. The following benefits were mentioned in particular:
 - agent for positive change in the valley
 - close-to-home opportunity for educational transition
 - economic resource
2. Different voices called for various curriculum offerings, including the following:
 - employable skills
 - transition from high school to higher learning or degrees
 - remedial educational opportunities
 - continuing education
 - lifelong learning and humanities offerings.
3. Others focused on the challenge to create a viable initial curriculum in view of multiple needs and expectations, including accreditation. Some saw a need to narrow the curriculum enough to create initial success.
4. Participants recognized the importance of marketing BVCC to the right target audiences. They recommended identifying target markets and building relationships with intermediaries with access to at-risk and other potential students:

5. Rocky Mountain Laboratory and Glaxo Smith Kline Biologicals agreed to support an employee educational needs survey within their organizations, and the Bitterroot Valley Chamber of Commerce volunteered its website as a survey site accessible to these and other intermediaries.

6. Participants suggested several “Great Ideas” for BVCC. These ideas included:

- Respond to community needs.
- Address social/educational needs of at-risk students.
- Offer transition in and out of community college.
- Create accessibility for students with differing needs.
- Begin without a building and see what is needed where.
- Identify and create sources of financial support/costs savings.

7. Some also pointed out the need for quality instructors and related instructional issues.

BVCC World Café
Second Day – Executive Summary
April 2, 2008

Presented by Chris Love Associates, LLC

Twenty-seven diverse community participants from business, education, federal government, health care, social services and other sectors participated in a second day of BVCC Community Needs Assessment April 2, 2008. The program opened with Victoria Clark showing a PowerPoint program called "[The What and How of Community Colleges.](#)" The program summarized typical community college offerings (see p. 2), explained the difference between for-credit and non-credit courses in terms of funding sources and explained the accreditation process for community colleges in Montana. Participants were also given a written summary of key learnings from the World Café process used in the previous BVCC Community Needs Assessment session March 27.

Identifying Course/Program Selection Criteria

In groups of four, participants then suggested criteria they thought would be important in selecting initial programs and courses for BVCC. Each group put forward its top three criteria, and like criteria were clustered together before the whole group. Criteria regarding qualifying for accreditation and transfer were offered by most table groups. After reviewing each cluster, the whole group identified the criteria below as being most important to them in making initial BVCC course and program selections:

- Does the course/program contribute to accreditation?
- Is the course/program transferable to another institution?
- Does the course/program contribute to a degree?
- Will the course/program be offered for-credit and therefore be eligible for partial state reimbursement to BVCC?
- Will the course/program meet community needs?
- Does the course/program utilize unique local resources (human and otherwise)?
- Will the course/program attract students?
- Can BVCC afford to offer the course/program?
- Can students afford to take the course/program?
- Will the course/program enrich a variety of ages?
- Will the course/program require higher education or community faculty?
- Does the college have a location for the course or will it be distance learning?
- Does the course/program provide incentive to students to start at BVCC? To go on?

Participants were not asked to prioritize these criteria. They were given the complete list to use for their next task, which was to suggest specific *initial* BVCC course and program offerings they thought were most important to the community. To aid in the task, they were given seven service areas that are typical for community colleges across the country. These service areas coincided well with the service areas that community participants had already identified March 27 as being important to them.

The two tables below show the seven typical community college service areas (and how they mesh with those suggested by March 27 participants). The services are divided into For-Credit and Non-Credit offerings. To suggest initial course and program recommendations, participants were divided into seven groups based on their interest in specific service areas below.

Typical Community College Services

Parentheses indicate general curriculum areas that March 27 participants suggested would be important as initial offerings.

FOR-CREDIT COURSES	Montana community colleges are partially reimbursed by the State for For-Credit Courses.
(Employable Skills) Vocational-Technical Education	Students earn occupational certificates & licenses and associate degrees in the applied arts and sciences.
(Transition) General Education	Students earn up to two years of transferable credits in general/core requirement areas. Associate degrees in arts and sciences awarded.
(Transition) Dual Credit for High School Students	High school students take college courses and earn college credit while simultaneously earning high school credit.

NON-CREDIT COURSES	Non-credit courses are funded locally.
(Employable Skills & Lifelong Learning) Continuing Education	Students will be able to take noncredit courses for workforce training, professional development, and personal enrichment — from basic computers to business workshops to cooking and flyfishing.
(Remedial Education) GED and Adult Literacy	Students earn high school equivalency diplomas (GED) ; beginning literacy services available.
(Transition) College Preparatory Coursework	Students take refresher courses in reading, writing, and math to ensure success at the college level.
(Employable Skills) Community Outreach	College collaborates with local businesses, agencies, organizations, and public schools to meet specific training and educational needs, such as contract training and youth camps.

The next several pages of tables show course selections that participants thought were most important for BVCC to offer *initially* in each service. Recommendations for each service were reviewed by the large group, and all comments and suggestions were incorporated. The whole group then ranked the seven services by priority *as initial BVCC offerings*. **General Education** and **Vo-Tech Education**, which are For-Credit services, and **Continuing Education/Lifelong Learning**, a Non-Credit service, were

ranked as the three top priority services. They appear in pink below. Service seen as lesser priority appear in yellow.

**BVCC 4/2/08 Community Needs Assessment
Recommended For-Credit Offerings (p. 1 of 1)**

General Education # 1 Priority Program (Stand-alone as well as transferable program)	
<u>Core Classes:</u> 1. English 2. Mathematics /Business 3. Mathematics 4. Humanities 5. General Science 6. Government	a. Writing proficiency b. communicating a. Basic business management b. Economics 101 a. General knowledge/education b. Probability/Statistics c. Science-associated math a. Sociology b. Philosophy c. Psychology d. Foreign Language a. Chemistry b. Biology c. Environmental Science d. Physics a. U.S. government/Civics
Vo-Tech Education #2 Priority Program (Certificates and/or degrees that focus on Valley needs)	
1. Computer Technology 2. Medical 3. Trades 4. Soft Skills 5. Basic Office Programs	a. COMPTIA b. Microsoft c. Other a. Dental b. Nursing c. Other a. Construction b. Automotive c. Forestry d. Other a. Resumes b. Customer Service c. Job Search d. Other Excel, etc.
Dual High School/College Credit Courses # 6 Priority Program	
1. Chemistry 2. Advanced Math 3. English (Writing/Lit) 4. Zoology/Botany/Biology 5. Physics 6. American History 7. American Government	

8. Foreign Languages	
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**BVCC 4/2/08 Community Needs Assessment
Recommended Non-Credit Offerings (p. 1 of 2)**

<p style="text-align: center;">Continuing Education and Lifelong Learning # 3 Priority Program (Expected to build community, have broad appeal, create bridge to for-credit courses, draw best Adult Ed faculty)</p>	
1. Computer classes	Basic employable skills
2. Arts	Crafts, music, dance, etc.
3. Environmental Awareness	Ethics, issues, philosophy, and practical applications
4. Fitness, Exercise, Recreation	For variety of ages
5. Family/Parenting Skills/Personal Development	
6. Home Improvement, Landscaping	
7. Holistic Health, Medicine	
8. Culture, Language, Humanities	
<p style="text-align: center;">College Preparatory Classes # 4 Priority Program (Explore the possibility of offering these as for-credit courses)</p>	
1. Screening/testing for placement at enrollment	Study skills, time management, organizational skills, testing skills, typing and composition skills, reading skills, and library/reference skills
2. Basic Skills refresher	Reading: Fluency and comprehension Writing: Grammar, spelling, composition Math: Basic preparedness
<p style="text-align: center;">Community Outreach # 5 Priority Program (Seen as a source of financial support for other courses)</p>	
1. Renewable education credits	Teachers, Accountants, Real Estate, etc.
2. Starter Courses in basic trades	What does it take to pursue this trade? Soft skills
3. "Clerkship" (retail stores)	

**BVCC 4/2/08 Community Needs Assessment
Recommended Non-Credit Offerings (p. 2 of 2)**

Remedial Education (Foundation for all other curriculum, builds faculty awareness of student needs, ensures success.)			
Refresher Classes Specific to Trades Ex: Medical Math	Pre-Session Study Skills	Basic Computer Skills Basic Typing	GED Classes (For entry)
College Prep, General Education and Vo-Tech Education			
Developmental Education	Math	English	

Affordability: Faculty Overlap

BVCC Trustees-Elect "Tell Us What You Want" Survey – Initial Results

Results as of October 19, 2008

142 responses, many with multiple program type/course type answers

Credit Type	Count
For-credit	213
Non-credit	106

Credit Type	Program Type	Count
For-credit	Dual Credit	2
For-credit	General Education Core	85
For-credit	Occupational	126
Non-credit	<i>Not Specified</i>	3
Non-credit	Developmental Education	2
Non-credit	Personal Enrichment	65
Non-credit	Workforce Development	36

Credit Type	Program Type	Course Type	Count
For-credit	Dual Credit	<i>Not specified</i>	2
For-credit	General Education Core	Science	24
For-credit	General Education Core	<i>Not specified</i>	16
For-credit	General Education Core	English	11
For-credit	General Education Core	Arts	9
For-credit	General Education Core	Foreign Languages	7
For-credit	General Education Core	Math	7
For-credit	General Education Core	Humanities	5
For-credit	General Education Core	History	2
For-credit	General Education Core	Psychology	2
For-credit	General Education Core	Social Science	2
For-credit	Occupational	Healthcare	24
For-credit	Occupational	Business	22
For-credit	Occupational	Agriculture/Resources	21
For-credit	Occupational	Computers	13
For-credit	Occupational	Arts	12
For-credit	Occupational	Education	11
For-credit	Occupational	Repair	8
For-credit	Occupational	Health Research	5
For-credit	Occupational	Legal	3
For-credit	Occupational	Transportation	3

Credit Type	Program Type	Course Type	Count
For-credit	Occupational	<i>Not specified</i>	2
For-credit	Occupational	Engineering	1
For-credit	Occupational	Trades	1
Non-credit	Developmental Education		2
Non-credit	<i>Not specified</i>		3
Non-credit	Personal Enrichment	Arts	21
Non-credit	Personal Enrichment	Life Skills	9
Non-credit	Personal Enrichment	Recreation	8
Non-credit	Personal Enrichment	Cooking	5
Non-credit	Personal Enrichment	<i>Not specified</i>	4
Non-credit	Personal Enrichment	Agriculture	4
Non-credit	Personal Enrichment	Geology	4
Non-credit	Personal Enrichment	Health	4
Non-credit	Personal Enrichment	Computers	2
Non-credit	Personal Enrichment	Other	2
Non-credit	Personal Enrichment	Repair	2
Non-credit	Workforce Development	Computers	27
Non-credit	Workforce Development	Business	4
Non-credit	Workforce Development	Repair	3
Non-credit	Workforce Development	<i>Not specified</i>	1
Non-credit	Workforce Development	Agriculture	1

BVCC ACADEMIC PROGRAM PLAN

After reviewing the research effort of the BVCC Exploratory Committee and evaluating their own needs assessment work to date, the BVCC Trustees-elect determined four primary principles to guide their academic plan:

- 1) programming and services will be responsive to the community's needs and interests
- 2) programming and services will be sufficiently comprehensive as to allow the college to meet eligibility requirements for accreditation candidacy¹
- 2) programming will be sufficiently extensive as to provide students with the opportunity to meet minimum financial aid course load requirements
- 4) programming will be sufficiently extensive as to enable students to complete their general education core requirements or earn one of two applied associates degrees during the college's first two years of operation

As to identifying specific course offerings regarding general education or to identifying specific applied associates degrees to offer, the BVCC Trustees-elect are in the process of finalizing their needs assessment efforts and intend to have further refined their program plan by late fall.

Notably, the Trustees-elect are reviewing MUS online general education offerings, on-site general education programming at the state's other 2-year institutions, Regent policy on the general education core, and the results of local input as they formulate their general education curriculum.

Regarding choosing appropriate initial applied associates degrees for the college to offer, again the Trustees-elect are soliciting local input and reviewing the gamut of 2-year applied degrees offered across the state. At this point in time, it seems most likely that the Trustees-elect will select applied degrees from the computer/information services, construction/trades, business management, and/or healthcare fields.

¹ There are twenty eligibility requirements for institutions desiring to become applicants for accreditation candidacy via the Northwest Commission on Colleges and Universities (NWCCU). Of these twenty requirements, two are directly applicable to a college's academic plan, namely: 1) the institution must offer at least one associate degree and 2) an associate degree for transfer must offer a substantial component of general education. For a complete listing and detailed understanding of the NWCCU's eligibility requirements please refer to the [NWCCU's Eligibility Requirements documentation](#).

BVCC BUSINESS PLAN

BVCC Business Plan – Opening Statement

(3.f.: business plan in relation to needs assessment and academic program plan)

Knowing the community to be eager for the BVCC to begin operations, the Trustees-elect are proposing that the new college open its doors beginning in the fall of 2009. As prescribed by their academic program plan and recommended by their needs assessment efforts, the Trustees-elect intend that the BVCC's initial course offerings and institutional services are comprehensive in scope, generous in number, and contribute to accreditation candidacy.

Addressing first their programming objective, the Trustees-elect propose to offer 90 for-credit courses (divided approximately equally between general education and occupational courses and resulting, after two years of study, in an associate degree for transfer or one of two occupational associate degrees), 45 non-credit workforce development courses, and 30 developmental education courses during FY2010, with projected enrollments numbering 119 student FTEs, 236 non-credit workforce development students, and 180 developmental students. For FY2011, the Trustees-elect plan on increasing the number of all offerings, with for-credit courses totaling 145 (194 student FTEs; and, again, divided approximately equally between general education and occupational courses and resulting, after two years of study, in an associate degree for transfer or one of two occupational associate degrees), non-credit workforce development courses totaling 90 (473 students), and developmental education courses totaling 52 (312 students).

Considering that full capacity for-credit enrollment is anticipated to be approximately 700 students (or about 450 student FTE¹) (see enrollment projections in earlier section [Question 1.c.] of the Regents' Request for Information), the BVCC will be operating at over one quarter capacity in FY2010 and over one third capacity in FY2011. For an in-depth look at the process behind the Trustees-elect course and enrollment projections refer to the BVCC's proposed budgets for FY2010 and FY2011 provided in the subsequent section (Question 4) of the Regents' Request for Information.

Turning next to their institutional services objective, the Trustees-elect plan to provide academic counseling, admissions counseling, career counseling, financial aid counseling, and access to a media center. Providing these services relates directly to the success of the Trustees-elect programming objectives. Finally, considering their concern for accreditation, the Trustees-elect note that by offering such a range and quantity of courses and services, BVCC staffing, operations, and facility levels will be sufficient to enable the BVCC to meet many of the 20 Northwest Commission on Colleges and Universities (NWCCU) eligibility requirements for applicants for accreditation candidacy, particularly with respect to administration, faculty, educational programming, and library and learning resources.²

In the following sections on personal services, facilities, equipment, information technology, and other operations/activities, the Trustees-elect describe and quantify the resources they believe will be needed to ensure the successful implementation of their business plan as it relates to their academic program plan and needs assessment efforts regarding the commencement and continuance of BVCC operations.

Note: detailed planning beyond the proposed new college's first two years has not yet commenced in earnest, as the Trustees-elect await a positive recommendation for the organization of the BVCC District from the Board of Regents as well as final approval for the organization of the BVCC District from the State Legislature.

¹A student FTE to student headcount ratio of 1:1.55 is anticipated; BVCC's student FTE to student headcount ratio for Fall 2006 was 1:1.6 and 1:1.5 for the Fall of 2007.

²Refer to [NWCCU Eligibility Requirements](#) for further accreditation candidacy details.

Personal Services (3.a.)

In order for the BVCC to meet its programming, services, and accreditation objectives, the Trustees-elect will need to initiate the operation of the new college with nearly a full compliment of administrative, student services, and instructional staff. Hiring such a compliment of staff from the onset will allow the BVCC to meet its for-credit transfer and occupational education functions and its non-credit workforce development and developmental education functions. Moreover, by filling the proposed staff positions, the BVCC will be meeting several of the 20 Northwest Commission on Colleges and Universities (NWCCU) eligibility requirements for applicants for accreditation candidacy.³ Finally, such staffing will enable the new college to meet its enrollment projections (119 FTE projected for FY2010 and 194 FTE projected for FY2011).

In designing an organizational structure with corresponding staffing titles and salaries, the BVCC Trustees-elect were guided by existing state and regional models for community college personnel organization and compensation.

BVCC proposed staffing with titles and salaries for FY2010

(or view [BVCC Organizational Chart for FY2010](#))

Administrators

BVCC President - \$90,000 to \$100,000 annually, plus benefits

Dean of Administrative Services - \$60,000 to \$70,000 annually, plus benefits

Dean of Information Technology - \$60,000 to \$70,000 annually, plus benefits

Executive & Administrative Assistant - \$25,000-\$30,000 annually, plus benefits

Faculty and Academic Support

Dean of Academic Services - \$70,000 to \$80,000 annually, plus benefits

Continuing Education Director - \$40,000 to \$50,000 annually, plus benefits

Developmental Education Director - \$40,000 to \$50,000 annually, plus benefits

Library/Media Center Director - \$40,000 to \$50,000 annually, plus benefits

2 General Education Faculty - \$30,000 to \$45,000 annually, plus benefits

2 Occupational Education Faculty - \$30,000 to \$45,000 annually, plus benefits

Adjunct Faculty for 32 courses (not yet specified by discipline) - \$1,800 per course, no benefits

Continuing Education Instructors for 408 hours - \$20 to \$25 per hour, no benefits

Developmental Education Instructors for 2000 hours - \$20 to \$25 per hour, no benefits

Academic Services Assistant - ½ time, \$12,500 to \$15,000 annually, no benefits

Continuing Education/Developmental Education Assistant – ½ time, \$12,500 to \$15,000 annually, no benefits

Library/Media Center Assistant - ½ time, \$12,500 to \$15,000 annually, no benefits

Student Support

Dean of Student Services - \$60,000 to \$70,000 annually, plus benefits

Student Services Assistant - ½ time, \$12,500 to \$15,000 annually, no benefits

BVCC proposed staffing additions with titles and salaries for FY2011

(or view [BVCC Organizational Chart for FY2011](#))

Faculty & Academic Support

1 additional General Education Faculty - \$30,000 to \$45,000 annually, plus benefits

1 additional Occupational Education Faculty - \$30,000 to \$45,000 annually, plus benefits

Adjunct Faculty for 25 additional courses (not yet specified by discipline) - \$1,800 per course, no benefits

Continuing Education Instructors for an additional 408 hours - \$20 to \$25 per hour, no benefits

Developmental Education Instructors for an additional 1100 hours - \$20 to \$25 per hour, no benefits

Academic Services Assistant – fulltime, \$25,000 to \$30,000 annually, plus benefits

Continuing Education/Developmental Education Assistant – fulltime, \$25,000 to \$30,000 annually, plus benefits

Library/Media Center Assistant – fulltime, \$25,000 to \$30,000 annually, plus benefits

³Specifically, the Trustees-elect will be addressing NWCCU eligibility requirements for Chief Executive Officer (no. 5), Administration (no. 6), Faculty (no. 7), and Library and Learning Resources (no. 10) (for further details refer to [NWCCU Eligibility Requirements](#)).

Student Support

Financial Aid Director - \$40,000 to \$50,000 annually, plus benefits

Student Services Assistant – fulltime, \$25,000 to \$30,000 annually, plus benefits

Facilities (3.b.)

To meet their programming and accreditation objectives, the Trustees-elect estimate that the new college will need approximately 5,000 square feet of administrative and student services space as well as instructional space for tens of courses. Following the recommendation of the BVCC World Café participants, the Trustees-elect plan to rent existing commercial and community space for these purposes for the foreseeable future. The college's 5,000 square foot location (which will include 1,500 square feet dedicated to two student computer labs and a media center; see space use breakdown in table below) is expected to be in the greater Hamilton area (which is geographically central to Ravalli County) and will serve as the main offices for the college. Currently, commercial space in the Hamilton area is running at about \$1.25 per square foot. Too, depending on the actual configuration of the space rented, it is likely that the space will need to be at least minimally remodeled and rewired (phone system setup and networking/internet setup) to match staffing and technology requirements. Remodeling and rewiring costs have been estimated at \$75,000.

With respect to instructional space, the Trustees-elect are planning on offering classes in Darby, Hamilton, and Stevensville, as the need for accessibility was another concern raised during the Trustees-elect World Café conversation. Classroom space in community buildings such as local clubhouses currently rents for about \$15 per meeting, while meeting space at libraries and churches can often be had for less or even free of charge. For total projected classroom rent costs refer to the BVCC's proposed budgets for FY2010 and FY2011 provided in the subsequent section (Question 4) of the Regents' Request for Information.

Regarding long-range building plans, the BVCC Trustees-elect believe that although purchasing or constructing buildings is undoubtedly in the BVCC future, speculating on such an undertaking at this time is premature. As to the location and extent of such a campus, the BVCC Trustees intend to be guided by the service requirements and interests of the community as they unfold in the college's initial years of operation. It is remembered that participants from the BVCC World Café suggested that the BVCC "begin without a building and see what is needed where." Notably, Flathead Valley Community College existed for over 20 years before any facilities were purchased or constructed by the college.

BVCC proposed use of 5,000 sq ft of rented commercial space for FY2010 and FY2011

Space use	Square footage	Quantity	Total square footage
Administrative and Student Services			
President and Dean offices	10 x 15 sq ft	5	750
Director, Faculty, and Assist. offices	10 x 10 sq ft	14*	1400
Lobby	20 x 25 sq ft	1	500
Resource Room	15 x 20 sq ft	1	300
Conference room	20 x 25 sq ft	1	500
Library/Media Center			
Computer Labs	20 x 25 sq ft	2	1000
Lobby/study area	20 x 25 sq ft	1	500
Total			4950
*Three 100 sq ft offices will be added in FY2011 due to an increase in contract personnel. FY2011 sq ft needs will then total 5250 sq ft.			

Equipment (3.c.)

The Trustees-elect based their equipment estimates on their staffing and student projections. Regarding equipment for staff, the Trustees-elect plan to provide all staff with the appropriate computer, computer software, telephone, and office furniture for individual use as well as copiers, printers, and faxes for shared use. Regarding equipment for students, the Trustees-elect plan to equip a media center with 40 individual computers (including appropriate software) and desks as well as a copier, printers, and faxes for shared use.

The purchase of three interactive television (ITV) units is also budgeted for the college's first year of operation. The Trustees-elect plan to link classrooms in Darby, Hamilton, and Stevensville via ITV to increase student accessibility to courses (a recommendation borne of the Trustees-elect needs assessment work).

BVCC proposed equipment needs for FY2010

Equipment	Quantity	Cost per unit	Budgeted expense
Staff computers	17	\$1,300	\$22,100
Staff office furniture	17	\$500	\$8,500
Shared staff equipment			
Copier	2	\$4,000	\$8,000
Printer/FAX	5	\$400	\$2,000
Telephone	17	\$30	\$510
Media Center computers	40	\$1,300	\$52,000
Media Center furniture	40	\$500	\$20,000
Media Center shared equipment			
Copier	1	\$4,000	\$4,000
Printer/FAX	2	\$400	\$800
Telephone	2	\$30	\$60
ITV unit	3	\$10,000	\$30,000
Total			\$147,970

BVCC proposed additional equipment needs for FY2011

Equipment	Quantity	Cost per unit	Budgeted expense
Staff computers	3	\$1,300	\$3,900
Staff office furniture	3	\$500	\$1,500
Shared staff equipment			
Telephone	3	\$30	\$90
Total			\$5,490

Information Technology Support (3.d.)

The Trustees-elect plan to align the new college's information technology (IT) support of admissions, registration, and enrollment processes for students, instructional and instruction-related functions, business operations, and student records with its institutional accreditation sponsor.⁴ Whether an information management system will need to be purchased and maintained outside of the costs associated with the institutional accreditation sponsor contract is still unclear (although the Trustees-elect plan to have this question resolved by early November 2008). For the time being, in the event such an expense is outside the accreditation sponsorship agreement, the Trustees-elect, after researching data management systems (including Banner's

⁴Prior to the BVCC obtaining independent accreditation status, the BVCC will offer for-credit instruction, certificates, and degrees through a contract with a NWCCU accredited postsecondary institution (e.g., UM or FVCC). Credits, certificates, and degrees earned at BVCC will appear on transcripts issued by the contracted institution and will be transferable to four-year institutions, subject to the specific policies of those institutions.

SunGuard and Sonis used by Miles Community College), have budgeted \$60,000 for initial data management licensing and \$25,000 for annual data management subscription costs.

Other Operations/Activities (3.e.)

Other operational and activity costs which the Trustees-elect believe will be required for the BVCC to meet its initial objectives include expenses associated with office supplies and materials, communications, utilities, staff travel, insurance, an annual audit, accreditation, and marketing. Except where noted, these are all considered recurring expenses and are itemized below (for a more in-depth breakdown of these costs please refer to the BVCC's proposed budgets for FY2010 and FY2011 provided in the subsequent section [Question 4] of the Regents' Request for Information).

Operation/Activity	Quantity	Rate	Budgeted expense
Supplies and Materials			
Office Supplies (per month)	12	\$700	\$8,400
Printing*	3	\$7,000	\$21,000
Postage*	3	\$2,200	\$6,600
Communications			
Wireless & internet access (per month)	12	\$1,050	\$12,600
VisionNet (per month)	12	\$150	\$1,800
Telephone (per month)	12	\$550	\$6,600
Utilities			
Electric (per month)	12	\$200	\$2,400
Water (per month)	12	\$200	\$2,400
Heat (per month)	12	\$700	\$8,400
Marketing			
Travel**			\$15,367
Insurance		\$20,000	\$20,000
Audit		\$3,500	\$3,500
Accreditation			
NWCCU Annual Fee		\$2,070	\$2,070
NWCCU Application Fee (FY2010 only)		\$2,500	\$2,500
NWCCU Evaluation Fee (FY2011 only)	3	\$1,200	\$3,600
Accreditation Sponsor Fee (FY2010)		\$48,000	\$48,000
Accreditation Sponsor Fee (FY2011)		\$80,000	\$80,000
Total FY2010			\$181,637
Total FY2011			\$214,737
*Printing and postage expenses reflect the production and mailing of college catalogues to all BVCC district residents each semester.			
**Travel expenses reflect required staff travel to Regents' and other state meetings as well as travel for professional development.			

One-time-only (OTO) Funding Request

In addition to the recurring other operations/activities funds needed to implement the BVCC business plan, the Trustees-elect will also be requesting approximately \$125,000 in one-time-only (OTO) funds from the Legislature. The Trustees-elect believe that in order for the BVCC to be fully and successfully operational by the start of the Fall 2009 semester, some personnel will need to be hired, some supplies will need to be purchased, and the main offices space will need to be leased prior to the start of FY2010. To finance these costs, the BVCC

Trustees-elect will be asking for state OTO funds. Understanding that the requested OTO funds will not be released until FY2010, the BVCC Trustees-elect will establish a line-of-credit or secure a short-term loan with a local bank to pay expenses which come due prior to the start of FY2010. The credit/loan balance (with interest) will be paid in full upon release of the OTO funding. For an itemized accounting of the BVCC's OTO funding request, refer to the BVCC's proposed budget for FY2010 provided in the subsequent section (Question 4) of the Regents' Request for Information.

				quantity	rate/unit price	Budgeted FY2010	Percent
For-credit							
Unrestricted							
Personal Services							
Faculty							
		Contract Faculty	4	\$37,500	\$	150,000	
		Adjunct Faculty (per course) (no benefits)	32	\$1,800	\$	57,600	
Contract Administration							
		President	1	\$95,000	\$	95,000	
Deans							
		Academic Services	1	\$75,000	\$	75,000	
		Administrative Services	1	\$65,000	\$	65,000	
		Information Technology	1	\$65,000	\$	65,000	
		Student Services	1	\$65,000	\$	65,000	
Directors							
		Library/Media Center	1	\$45,000	\$	45,000	
		Support Staff	1	\$27,500	\$	27,500	
		Support Staff half-time (no benefits)	3	\$13,750	\$	41,250	
		<i>Total Salaries</i>			\$	686,350	
		Employee Benefits		34%	\$	199,750	
		Total Personal Services			\$	886,100	61.1%
Operating Expenses							
Contracted Services							
		Accreditation Sponsor Contract			\$	48,004	
		Data Management System		\$20,000	\$	20,000	
		Annual Audit		\$3,500	\$	3,500	
		Marketing		\$20,000	\$	20,000	
Supplies and Materials							
		Office Supplies (per month)	12	\$500	\$	6,000	
		Printing	3	\$7,000	\$	21,000	
		Postage	3	\$2,200	\$	6,600	
Communications (per month)							
		Wireless & internet access	12	\$1,000	\$	12,000	
		VisionNet	12	\$150	\$	1,800	
		Telephone	12	\$500	\$	6,000	
Travel							
					\$	12,945	
Facilities							
		Admin & Student Services lease (per month)	12	\$5,563	\$	66,750	
		Admin & Student Services remodelling		\$50,000	\$	50,000	
		Classrooms			\$	38,880	
Utilities							
		Electric (per month)	12	\$150	\$	1,800	
		Water (per month)	12	\$150	\$	1,800	
		Heat (per month)	12	\$650	\$	7,800	
Other							
Accreditation							
		Annual Fee (NWCCU)		\$2,070	\$	2,070	
		Application Fee (NWCCU)		\$2,500	\$	2,500	
		Insurance		\$20,000	\$	20,000	
		Total Operating Expenses			\$	349,449	24.1%
Equipment & Capital							
		ITV	3	\$10,000	\$	30,000	
		Institutional Support Equipment			\$	125,080	
		Data Management System Initial Licensing		\$60,000	\$	60,000	
		Total Equipment & Capital Expenses			\$	215,080	14.8%
		Total For-Credit Unrestricted Expenditures			\$	1,450,629	100.0%
		Scholarships	14%	\$326,646	\$	45,730	
Restricted							
One-time-only Expenses							
		Pre FY2010 costs			\$	124,508	
		Total For-Credit Restricted Expenditures			\$	124,508	

Non-credit						
	Restricted					
		Personal Services				
		Instructors (<i>no benefits</i>)				
		Continuing Education			\$ 9,113	
		Developmental Education			\$ 45,000	
		Contract Administration	2	\$45,000	\$ 90,000	
		Support Staff (<i>no benefits</i>)	0.5	\$27,500	\$ 13,750	
		<i>Total Salaries</i>			\$ 144,113	
		Employee Benefits		34%	\$ 30,600	
		Total Personal Services			\$ 174,713	82.5%
		Operating Expenses				
		Contracted Services				
		Data Management System		\$5,000	\$ 5,000	
		Supplies and Materials (per month)	12	\$200	\$ 2,400	
		Communications (per month)	12	\$100	\$ 1,200	
		Travel			\$ 4,208	
		Facilities				
		Admin & Student Services lease (per month)	12	\$625	\$ 7,500	
		Classrooms			\$ 15,038	
		Utilities (per month)	12	\$150	\$ 1,800	
		Other			\$ -	
		Total Operating Expenses			\$ 37,146	17.5%
		Equipment & Capital				
		Institutional Support Equipment			\$ 9,890	
		Total Equipment & Capital Expenses			\$ 9,890	4.5%
		Total Non-credit Restricted Expenditures			\$ 221,748	100.0%
		Total For-credit & Non-credit Total Expenditures			\$ 1,672,377	

BVCC Projected Budget FY2010 *Income*

Based on 2007 state legislature community college funding formula, dollar amounts, and percentages

			<i>percent</i>	<i>quantity (FTE/rate)</i>	Budgeted FY 2010	<i>Mills needed</i>
For-credit						
	Unrestricted funds					
		state appropriation	49.30%	119.0	\$ 658,515	
		cc district levy	30.70%		\$ 410,069	5.81
		student tuition	20.00%	\$2,245	\$ 267,146	
		student fees (per FTE)		\$500	\$ 59,500	
		other				
		Total Unrestricted Revenue			\$ 1,395,230	
		<i>difference between expenses and revenue</i>			\$ (55,399)	
				<i>expenditures per FTE</i>	\$ 11,725	
	Restricted funds					
		BVCC Foundation			\$ -	
		grants			\$ -	
		one-time-only assistance (state appropriation)			\$ 124,508	
		Total For-Credit Restricted Revenue			\$ 124,508	
		<i>difference between expenses and revenue</i>			\$ -	
		Total For-credit Revenue			\$ 1,519,738	
Non-credit						
	Restricted funds					
		adult education levy			\$ 108,785	1.54
		student fees			\$ 7,796	
		federal ABE grant			\$ 78,975	
		state ABE grant			\$ 26,325	
		BVCC Foundation			\$ -	
		other			\$ -	
		Total Non-credit Restricted Revenue			\$ 221,881	
		<i>difference between expenses and revenue</i>			\$ 133	
		Total For-credit and Non-credit Revenue			\$ 1,617,111	

base year amount used for BVCC FY2010 Revenue Projections = \$1,450,629
 (equal to the Total Unrestricted Expenditures for BVCC FY2010*)
 variable cost of education per FTE = \$2,082
 state percent share FY2009 = 49.3%

Note: percents and variable cost of education subject to change each legislative session
 *base amount subject to change, fluctuates with respect to base amounts from state's other CCs

State appropriation formula for funding unrestricted budget at community colleges

[(Student FTE x Variable Cost of Education) + Fixed Cost of Education] x State Percent Share = State Share

Example: [(100 FTE x \$2,082) + (.75 x \$1,500,000)] x .493 = \$657,268

Expenditures - Detail

Travel:

Hotel	No. of trips	No. of travelers	No. of nights	Total hotel nights	Hotel cost per night		
					In-state	Out-of-state	
<i>Unrestricted</i>							
In-state							
Regents meetings	6	2	2	24	\$100		\$ 2,400
In-state meetings	8	1	1	8	\$100		\$ 800
Out-of-state	5	1	3	15		\$150	\$ 2,250
					Total Unrestricted Hotel Costs		\$ 5,450
<i>Restricted</i>							
In-state	6	1	1	6	\$100		\$ 600
Out-of-state	2	1	3	6		\$150	\$ 900
					Total Restricted Hotel Costs		\$ 1,500

Meals	No. of trips	No. of travelers	No. of meal days	Total meal days	Meal cost per day		
					In-state	Out-of-state	
<i>Unrestricted</i>							
In-state							
Regents meetings	6	2	3	36	\$23		\$ 828
In-state meetings	8	1	2	16	\$23		\$ 368
Out-of-state	5	1	4	20		\$34	\$ 680
					Total Unrestricted Meal Costs		\$ 1,876
<i>Restricted</i>							
In-state	6	1	2	12	\$23		\$ 276
Out-of-state	2	1	4	8		\$34	\$ 272
					Total Restricted Meal Costs		\$ 548

Transportation	No. of trips	Av. miles per		Cost per mile	Airfare		
		trip	trip				
<i>Unrestricted</i>							
In-state							
Regents meetings	6	460		\$0.49			\$ 1,339
In-state meetings	8	330		\$0.49			\$ 1,280
Out-of-state	5				\$600		\$ 3,000
					Total Unrestricted Transportation Costs		\$ 5,619
<i>Restricted</i>							
In-state	6	330		\$0.49			\$ 960
Out-of-state	2				\$600		\$ 1,200
					Total Restricted Transportation Costs		\$ 2,160
					Total Unrestricted Travel Costs		\$ 12,945
					Total Restricted Travel Costs		\$ 4,208

Printing: 18,000 catalogues printed three times per year (fall, spring, summer semesters)

Postage: \$2,200 in postage to mail 16,500 catalogues three times per year (fall, spring, summer semesters)

Facilities:

Main Offices		Sq. ft.	Quantity	Total sq. ft.	Rate		
<i>Unrestricted</i>							
Administrative and Student Services							
	Offices (pres&dean)	150	5	750	\$1.25		\$ 938
	Offices (other)	100	12	1200	\$1.25		\$ 1,500
	Lobby	500	1	500	\$1.25		\$ 625
	Conference room	500	1	500	\$1.25		\$ 625
Library/Media Center							
	Computer Labs	500	2	1000	\$1.25		\$ 1,250
	Lobby/study area	500	1	500	\$1.25		\$ 625
Total Monthly Unrestricted Main Offices Cost							\$ 5,563
<i>Restricted</i>							
Administrative and Student Services							
	Offices	100	2	200	\$1.25		\$ 250
	Resource Room	300	1	300	\$1.25		\$ 375
Total Monthly Restricted Main Offices Cost							\$ 625

Classroom space		No. of courses meeting:			No. of weeks	Cost per meeting		
		Twice per week	Three times per week	Four times per week				
<i>Unrestricted</i>								
	Fall	15	15		16	\$15		\$ 18,000
	Spring	15	15		16	\$15		\$ 18,000
	Summer I			8	6	\$15		\$ 2,880
Total Unrestricted Classroom Costs							\$ 38,880	

Classroom space		No. of courses meeting:		No. of weeks	Cost per meeting		
		Once per week	Twice per week				
<i>Restricted</i>							
Continuing Education							
	Fall	15		6	\$15		\$ 1,350
	Spring	15		6	\$15		\$ 1,350
	Summer I	4		6	\$15		\$ 338
Developmental Education							
	Fall		10	17	\$15		\$ 5,100
	Spring		10	17	\$15		\$ 5,100
	Summer I		10	6	\$15		\$ 1,800
Total Restricted Classroom Costs							\$ 15,038

Institutional Support Equipment:

		Quantity	Unit Price				
<i>Unrestricted</i>							
	Administrative computers	14	\$1,300				\$ 18,200
	Administrative equipment						
	Copiers	1	\$4,000				\$ 4,000
	Printers/FAX	4	\$400				\$ 1,600
	Telephones	14	\$30				\$ 420
	Administrative furniture	14	\$500				\$ 7,000
	Media Center computers	40	\$1,300				\$ 52,000
	Media Center equipment						
	Copiers	1	\$4,000				\$ 4,000
	Printers/FAX	2	\$400				\$ 800
	Telephones	2	\$30				\$ 60
	Media Center furniture	40	\$300				\$ 12,000
	Initial Computer Wiring						\$ 15,000
	Initial Phone System Set-up						\$ 10,000
Total Unrestricted Institutional Support Equipment Costs							\$ 125,080
<i>Restricted</i>							
	Administrative computers	3	\$1,300				\$ 3,900
	Administrative equipment						
	Copiers	1	\$4,000				\$ 4,000
	Printers/FAX	1	\$400				\$ 400
	Telephones	3	\$30				\$ 90
	Administrative furniture	3	\$500				\$ 1,500
Total Restricted Institutional Support Equipment Costs							\$ 9,890

Faculty:

Semester	No. of Courses Offered	No. of Courses Filled (75%)	No. of Credits Per Course	No. of Courses taught by Contract Faculty	No. of Courses taught by Adjunct Faculty	Figuring No. of Contract Faculty	Figuring No. of Adjunct Faculty FTE
Fall	20	15	3	12	3	36	9
Fall	20	15	4	6	9	24	36
Spring	20	15	3	12	3	36	9
Spring	20	15	4	6	9	24	36
Summer I	5	4	3		4		12
Summer I	5	4	4		4		16
Total Courses Filled Per Annum		68		36	32		
Total Course Credit Taught by Faculty Type						120	118
Total Faculty FTE* by Faculty Type						4.0	3.9

*1 Annual Faculty FTE = 30 credits

Continuing Education Instructor Hours:

	No. of courses	Av. instructor hours per course	Hourly wage				
Fall	15	12	\$22.50				\$ 4,050
Spring	15	12	\$22.50				\$ 4,050
Summer I	4	12	\$22.50				\$ 1,013
Total Continuing Education Instructor Costs							\$ 9,113

Developmental Education Instructor Hours:

	No. of courses	Weeks per course	Av. instructor hours per week	Hourly wage			
Fall	10	17	5	\$22.50			\$ 19,125
Spring	10	17	5	\$22.50			\$ 19,125
Summer I	10	6	5	\$22.50			\$ 6,750
Total Developmental Education Instructor Costs							\$ 45,000

Income - Detail

Restricted - Student Fees

	No. of courses	Av. class hours per course	Fee per course hour		Av. no. of students per course	Percent student type		
			Regular	Senior (60+)		Regular	Senior	
Fall	15	12	\$3	\$2	7	75%	25%	\$ 3,465
Spring	15	12	\$3	\$2	7	75%	25%	\$ 3,465
Summer I	4	12	\$3	\$2	7	75%	25%	\$ 866
Total Restricted Revenue from Student Fees								\$ 7,796

BVCC Proposed Budget FY2010

Estimating Annual Accreditation Sponsor Contract Fee

Known:

Oregon's Columbia Gorge Community College (CGCC) budgeted \$267,365 in FY2009 to meet its accreditation sponsor contract fee with Oregon's Portland Community College (PCC). Fee was based on a percentage of faculty wages. During the Spring of 2008, CGCC had 20 fulltime faculty and 120 part time faculty.

Accreditation Sponsor Contract Fee Estimation Method:

contract fee = faculty FTE x dollar amount per faculty FTE
CGCC faculty FTE = 20 + (120 divided by 5)
CGCC faculty FTE = 44
\$267,365 = 44 x dollar amount per faculty FTE
\$6,076 equals dollar amount per faculty FTE

BVCC faculty FTE FY2010 = 7.9
contract fee = 7.9 x \$6,076
contract fee = \$48,004

BVCC Proposed Budget FY2010 *One-time-only Funding Request*

One-time-only (OTO) funding request is for costs the BVCC will accrue prior to the start of FY2010.

In order for the BVCC to be fully and successfully operational by the start of the Fall 2009 semester, some personnel costs and operating expenses will accumulate during FY2009. To finance these costs, the BVCC Trustees-elect request OTO funds from the Legislature. Understanding that the requested OTO funds will not be released until FY2010, the BVCC Trustees-elect will establish a line-of-credit or secure a short-term loan with a local bank to pay expenses which come due before the start of FY2010. The credit/loan balance (with interest) will be paid in full upon release of the OTO funding.

		Apr-09	May-09	Jun-09	Budgeted expense
<i>Unrestricted</i>					
Personal Services					
	President	\$10,608	\$10,608	\$10,608	\$ 31,825
	Dean of Academic Services		\$8,375	\$8,375	\$ 16,750
	Dean of Administrative Services		\$7,258	\$7,258	\$ 14,517
	Dean of Information Technology		\$7,258	\$7,258	\$ 14,517
	Dean of Student Services		\$7,258	\$7,258	\$ 14,517
	Executive & Administrative Assistant		\$3,071	\$3,071	\$ 6,142
	Library/Media Center Director			\$5,025	\$ 5,025
		Total Personal Services			\$ 103,292
Operating Expenses					
Facilities					
	Admin. & Student Services	\$400	\$6,188	\$6,188	\$ 12,375
Utilities					
	Electric (per month)		\$200	\$200	\$ 400
	Water (per month)		\$200	\$200	\$ 400
	Heat (per month)		\$700	\$700	\$ 1,400
Communications					
	Wireless & internet access	\$50	\$1,050	\$1,050	\$ 2,100
	Telephone (per month)	\$50	\$550	\$550	\$ 1,100
Supplies and Materials					
	Office Supplies	\$300	\$500	\$500	\$1,300
		Total Operating Expenses			\$ 19,075
Total Expenses Accrued Prior to FY2010					\$ 122,367
Interest Due on Short Term Loan at 7% APR					\$ 2,141
Total Unrestricted One-time-only Funding Request					\$ 124,508

BVCC Projected Enrollment FY2010

Projecting For-credit Enrollment - FTE (fulltime equivalent enrollment)

Semester	No. of Courses Offered	No. of Courses Filled (75%)	No. of Credits Per Course	No. of Students Per Course	Total Credits Earned Per Semester		
Fall	20	15	3	15	675		
Fall	20	15	4	15	900		
Spring	20	15	3	15	675		
Spring	20	15	4	15	900		
Summer I	5	4	3	15	180		
Summer I	5	4	4	15	240		
90					68	Total Credits Earned Per Annum	3570
						Total Annual Student FTE*	119

*1 Student FTE = 30 credits

Projecting Non-credit Enrollment - Continuing Education

Semester	No. of Courses	Number of Students
Fall	20	105
Spring	20	105
Summer I	5	26
		236

Per course average enrollment = 7 students
75% of courses fill

Projecting Non-credit Enrollment - Developmental Education

Semester	No. of Courses	Number of Students
Fall	10	60
Spring	10	60
Summer 1	10	60
		180

Per course average enrollment = 6 students
100% of courses fill

BVCC District Projected Mill Value FY2010

Aug-07

BVCC District Taxable Value

School District

Corvallis	\$12,635,575
Stevensville (elem)	\$10,949,923
Hamilton	\$20,922,154
Victor	\$5,821,330
Darby	\$8,812,892
Lone Rock (elem)	\$3,997,639

\$63,139,513

\$7,500,000 (potential increase by Aug-09)

\$70,639,513 projected BVCC District Taxable Value for Aug-09

\$70,639.51 projected value of one BVCC District mill for Aug-09

BVCC Projected Budget FY2010 Budget Summary
for-credit services only

Description of Activity			Budgeted FY2010	Percent
	Contract Faculty		4.0	24.4%
	Contract Professional & Administration		6.0	36.6%
	Support Staff		2.5	15.2%
	Other Employees (adjunct faculty - no benefits)		3.9	23.8%
	Total FTEs		16.4	100.0%
Personal Services				
	Contract Faculty		\$ 150,000	10.3%
	Contract Professional & Administration		\$ 410,000	28.3%
	Support Staff		\$ 68,750	4.7%
	Other Employees (adjunct faculty - no benefits)		\$ 57,600	4.0%
	Total Salaries		\$ 686,350	47.3%
	Employee Benefits		\$ 199,750	13.8%
	Total Personal Services		\$ 886,100	61.1%
Operating Expenses				
	Contracted Services		\$ 91,504	6.3%
	Supplies and Materials		\$ 33,600	2.3%
	Communications		\$ 19,800	1.4%
	Travel		\$ 12,945	0.9%
	Facilities		\$ 155,630	10.7%
	Utilities		\$ 11,400	0.8%
	Repair and Maintenance			
	Other		\$ 24,570	1.7%
	Total Operating Expenses		\$ 349,449	24.1%
Equipment and Capital			\$ 215,080	14.8%
Grants				
			Total Expenditures	\$ 1,450,629
				100.0%
Scholarships			\$ 45,730	
			Total Expenditures by Object	\$ 1,496,360
Program Summary				
	Instruction		\$ 500,632	34.5%
	Academic Support		\$ 203,924	14.1%
	Student Services		\$ 144,210	9.9%
	Institutional Support		\$ 601,863	41.5%
	Operation and Maintenance of Plant			
			Sub-total	\$ 1,450,629
				100.0%
	Scholarships		\$ 45,730	
	Total Expenditures by Program		\$ 1,496,360	

BVCC Projected Budget FY2010 Expenditures by Instruction
for-credit services only

Description of Activity					Budgeted FY2010	Percent
	Contract Faculty				4.00	42.6%
	Contract Professional & Administration				1.00	10.6%
	Support Staff				0.50	5.3%
	Other Employees (adjunct faculty - no benefits)				3.90	41.5%
	Total FTEs				9.40	100.0%
Personal Services						
	Contract Faculty				\$ 150,000	30.0%
	Contract Professional & Administration				\$ 75,000	15.0%
	Support Staff (no benefits)				\$ 13,750	2.7%
	Other Employees (adjunct faculty - no benefits)				\$ 57,600	11.5%
	Total Salaries				\$ 296,350	59.2%
	Employee Benefits				\$ 76,500	15.3%
	Total Personal Services				\$ 372,850	74.5%
Operating Expenses						
	Contracted Services					
	Supplies and Materials				\$ 1,980	0.4%
	Communications				\$ 8,820	1.8%
	Travel				\$ 3,236	0.6%
	Facilities				\$ 68,068	13.6%
	Utilities				\$ 2,850	0.6%
	Repair and Maintenance					
	Other					
	Total Operating Expenses				\$ 84,954	17.0%
Equipment and Capital					\$ 42,828	8.6%
Grants						
	Total Expenditures				\$ 500,632	100.0%
Scholarships						
	Total Expenditures by Instruction				\$ 500,632	100.0%

BVCC Projected Budget FY2010 Expenditures by Academic Support
for-credit services only

Description of Activity				Budgeted FY2010	Percent
	Contract Faculty				
	Contract Professional & Administration			1.00	66.7%
	Support Staff			0.50	33.3%
	Other Employees				0.0%
	Total FTEs			1.50	100.0%
Personal Services					
	Contract Faculty				
	Contract Professional & Administration			\$ 45,000	22.1%
	Support Staff			\$ 13,750	6.7%
	Other Employees				
	Total Salaries			\$ 58,750	28.8%
	Employee Benefits			\$ 15,300	7.5%
	Total Personal Services			\$ 74,050	36.3%
Operating Expenses					
	Contracted Services				
	Supplies and Materials			\$ 1,020	0.5%
	Communications			\$ 6,660	3.3%
	Travel			\$ 1,618	0.8%
	Facilities			\$ 43,781	21.5%
	Utilities			\$ 4,275	2.1%
	Repair and Maintenance				
	Other				
	Total Operating Expenses			\$ 57,354	28.1%
Equipment and Capital				\$ 72,520	35.6%
Grants					
Total Expenditures				\$ 203,924	100.0%
Scholarships					
Total Expenditures by Academic Support				\$ 203,924	100.0%

BVCC Projected Budget FY2010 Expenditures by Student Services
for-credit services only

Description of Activity				Budgeted FY2010	Percent
	Contract Faculty				
	Contract Professional & Administration			1.0	66.7%
	Support Staff			0.5	33.3%
	Other Employees				0.0%
	Total FTEs			1.5	100.0%
Personal Services					
	Contract Faculty				
	Contract Professional & Administration			\$ 65,000	45.1%
	Support Staff			\$ 13,750	9.5%
	Other Employees				
	Total Salaries			\$ 78,750	54.6%
	Employee Benefits			\$ 22,100	15.3%
	Total Personal Services			\$ 100,850	69.9%
Operating Expenses					
	Contracted Services				
	Supplies and Materials			\$ 1,980	1.4%
	Communications			\$ 2,160	1.5%
	Travel			\$ 1,618	1.1%
	Facilities			\$ 29,188	20.2%
	Utilities			\$ 2,850	2.0%
	Repair and Maintenance				
	Other				
	Total Operating Expenses			\$ 37,796	26.2%
Equipment and Capital				\$ 5,564	3.9%
Grants					
Total Expenditures				\$ 144,210	100.0%
Scholarships					
Total Expenditures by Student Services				\$ 144,210	100.0%

BVCC Projected Budget for FY2010 Expenditures by Institutional Support
for-credit services only

Description of Activity				Budgeted FY2010	Percent
	Contract Faculty				
	Contract Professional & Administration			3.0	75.0%
	Support Staff			1.0	25.0%
	Other Employees				0.0%
	Total FTEs			4.0	100.0%
Personal Services					
	Contract Faculty				
	Contract Professional & Administration			\$ 225,000	37.4%
	Support Staff			\$ 27,500	4.6%
	Other Employees				
	Total Salaries			\$ 252,500	42.0%
	Employee Benefits			\$ 85,850	14.3%
	Total Personal Services			\$ 338,350	56.2%
Operating Expenses					
	Contracted Services			\$ 91,504	15.2%
	Supplies and Materials			\$ 28,620	4.8%
	Communications			\$ 2,160	0.4%
	Travel			\$ 6,473	1.1%
	Facilities			\$ 14,594	2.4%
	Utilities			\$ 1,425	0.2%
	Repair and Maintenance				
	Other			\$ 24,570	4.1%
	Total Operating Expenses			\$ 169,345	28.1%
Equipment and Capital				\$ 94,168	15.6%
Grants					
Total Expenditures				\$ 601,863	100.0%
Scholarships					
Total Expenditures by Institutional Support				\$ 601,863	100.0%

BVCC Projected Budget FY2010 *Percentage of expenditure attributed to each program (for-credit services only)*

Program	Supplies & Materials	Communications		Travel	Rent of Admin/Student Services Facility	Utilities	Equipment
		Wireless & Internet	Telephone				Admin. Copiers/Printers/ FAX
Instruction	33.0%	25.0%	67.0%	25.0%	25.0%	25.0%	33.0%
Academic Support	17.0%	50.0%	11.0%	12.5%	37.5%	37.5%	
Student Services	33.0%	12.5%	11.0%	12.5%	25.0%	25.0%	34.0%
Institutional Support	17.0%	12.5%	11.0%	50.0%	12.5%	12.5%	33.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

BVCC ~ budget reconciliation matrix FY2010

Program			Budgeted FY 2010	Percent	FTEs	Personal Services	Operating Expenses	Equipment
Instruction			\$ 500,632	34.5%	9.40	\$ 372,850	\$ 84,954	\$ 42,828
Academic Support			\$ 203,924	14.1%	1.50	\$ 74,050	\$ 57,354	\$ 72,520
Student Services			\$ 144,210	9.9%	1.50	\$ 100,850	\$ 37,796	\$ 5,564
Institutional Support			\$ 601,863	41.5%	4.00	\$ 338,350	\$ 169,345	\$ 94,168
Operation and Maintenance of Plant								
Total For-Credit Expenditures by Program			\$ 1,450,629	100.0%	16.40	\$ 886,100	\$ 349,449	\$ 215,080
Totals from Expenses Worksheet:			\$ 1,450,629		16.40	\$ 886,100	\$ 349,449	\$ 215,080
Differences:			\$ -		0.00	\$ -	\$ -	\$ -

				quantity	rate/unit price	Budgeted FY2011	Percent
For-credit							
Unrestricted							
Personal Services							
Faculty							
		Contract Faculty	6	\$37,500	\$	225,000	
		Adjunct Faculty (per course) <i>(no benefits)</i>	57	\$1,800	\$	102,600	
Contract Administration							
		President	1	\$95,000	\$	95,000	
Deans							
		Academic Services	1	\$75,000	\$	75,000	
		Administrative Services	1	\$65,000	\$	65,000	
		Information Technology	1	\$65,000	\$	65,000	
		Student Services	1	\$65,000	\$	65,000	
Directors							
		Library/Media Center	1	\$45,000	\$	45,000	
		Financial Aid Director	1	\$45,000	\$	45,000	
Support Staff							
			4	\$27,500	\$	110,000	
<i>Total Salaries</i>						\$	892,600
		Employee Benefits		34%	\$	268,600	
Total Personal Services Expenses						\$ 1,161,200	76.2%
Operating Expenses							
Contracted Services							
		Accreditation Sponsor Contract			\$	78,387	
		Data Management System		\$20,000	\$	20,000	
		Annual Audit		\$3,500	\$	3,500	
		Marketing		\$20,000	\$	20,000	
Supplies and Materials							
		Office Supplies (per month)	12	\$500	\$	6,000	
		Printing	3	\$7,000	\$	21,000	
		Postage	3	\$2,200	\$	6,600	
Communications (per month)							
		Wireless & internet access	12	\$1,000	\$	12,000	
		VisionNet	12	\$150	\$	1,800	
		Telephone	12	\$500	\$	6,000	
Travel							
					\$	12,445	
Facilities							
		Admin & Student Services lease (per month)	12	\$5,938	\$	71,250	
		Classrooms			\$	60,600	
Utilities							
		Electric (per month)	12	\$150	\$	1,800	
		Water (per month)	12	\$150	\$	1,800	
		Heat (per month)	12	\$650	\$	7,800	
Other							
Accreditation							
		Annual Fee (NWCCU)		\$2,070	\$	2,070	
		Evaluation Fee (NWCCU)	3	\$1,200	\$	3,600	
		Insurance		\$20,000	\$	20,000	
Total Operating Expenses						\$ 356,652	23.4%
Equipment & Capital							
		Institutional Support Equipment			\$	5,490	
Total Equipment & Capital Expenses						\$ 5,490	0.4%
Total For-credit Unrestricted Expenditures						\$ 1,523,342	100.0%
Scholarships							
			14%	\$ 537,105	\$	75,195	

Non-credit							
	Restricted						
		Personal Services					
		Instructors (<i>no benefits</i>)					
			Continuing Education		\$ 18,225		
			Developmental Education		\$ 69,750		
			Contract Administration	2	\$45,000	\$ 90,000	
			Support Staff (<i>includes benefits</i>)	1	\$27,500	\$ 27,500	
			<i>Total Salaries</i>			\$ 205,475	
			Employee Benefits		34%	\$ 39,950	
			Total Personal Services Expenses			\$ 245,425	84%
		Operating Expenses					
		Contracted Services					
			Data Management System		\$5,000	\$ 5,000	
			Supplies and Materials (per month)	12	\$200	\$ 2,400	
			Communications (per month)	12	\$100	\$ 1,200	
			Travel			\$ 4,008	
		Facilities					
			Admin & Student Services lease (per month)	12	\$625	\$ 7,500	
			Classrooms			\$ 24,675	
			Utilities	12	\$150	\$ 1,800	
			Other			\$ -	
			Total Operating Expenses			\$ 46,583	16%
		Equipment & Capital					
			Total Equipment & Capital Expenses			\$ -	
			Total Non-credit Restricted Expenditures			\$ 292,008	
			Total For-credit & Non-credit Total Expenditures			\$ 1,815,350	

BVCC Projected Budget FY2011 *Income*

Based on 2007 state legislature community college funding formula, dollar amounts, and percentages

			percent	quantity (FTE/rate)	Budgeted FY 2011	Mills needed
For-credit						
	Unrestricted funds					
		state appropriation	49.30%	194.0	\$ 735,497	
		cc district levy	21.20%		\$ 316,279	4.25
		student tuition	29.50%	\$2,269	\$ 440,105	
		student fees (per FTE)		\$500	\$ 97,000	
		other				
	Total Unrestricted Revenue				\$ 1,588,880	
	difference between expenses and revenue				\$ 65,538	
	expenditures per FTE				\$ 6,620	
	Restricted funds					
		BVCC Foundation grants			\$ -	
		one-time-only assistance (state appropriation)			\$ -	
	Total For-Credit Restricted Revenue				\$ -	
	difference between expenses and revenue				\$ -	
	Total For-credit Revenue				\$ 1,588,880	
Non-credit						
	Restricted funds					
		adult education levy			\$ 146,547	1.97
		student fees			\$ 15,593	
		federal ABE grant			\$ 97,538	
		state ABE grant			\$ 32,513	
		BVCC Foundation			\$ -	
		other			\$ -	
	Total Restricted Revenue				\$ 292,190	
	difference between expenses and revenue				\$ 182	
	Total For-credit and Non-credit Revenue				\$ 1,881,070	

base year amount used for BVCC FY2011 Revenue Projections = \$1,450,629
 (equal to the Total Unrestricted Expenditures for BVCC FY2010*)
 variable cost of education per FTE = \$2,082
 state percent share FY2009 = 49.3%

Note: percents and variable cost of education subject to change each legislative session
 *base amount subject to change, fluctuates with respect to base amounts from state's other CCs

State appropriation formula for funding unrestricted budget at community colleges

[(Student FTE x Variable Cost of Education) + Fixed Cost of Education] x State Percent Share = State Share

Example: [(100 FTE x \$2,082) + (.75 x \$1,500,000)] x .493 = \$657,268

Expenditures - Detail

Travel:

Hotel		No. of trips	No. of travelers	No. of nights	Total hotel nights	Hotel cost per night		
						In-state	Out-of-state	
<i>Unrestricted</i>								
	In-state							
	Regents meetings	6	2	2	24	\$100		\$ 2,400
	In-state meetings	8	1	1	8	\$100		\$ 800
	Out-of-state	5	1	3	15		\$150	\$ 2,250
						Total Unrestricted Hotel Costs		\$ 5,450
<i>Restricted</i>								
	In-state	6	1	1	6	\$100		\$ 600
	Out-of-state	2	1	3	6		\$150	\$ 900
						Total Restricted Hotel Costs		\$ 1,500

Meals		No. of trips	No. of travelers	No. of meal days	Total meal days	Meal cost per day		
						In-state	Out-of-state	
<i>Unrestricted</i>								
	In-state							
	Regents meetings	6	2	3	36	\$23		\$ 828
	In-state meetings	8	1	2	16	\$23		\$ 368
	Out-of-state	5	1	4	20		\$34	\$ 680
						Total Unrestricted Meal Costs		\$ 1,876
<i>Restricted</i>								
	In-state	6	1	2	12	\$23		\$ 276
	Out-of-state	2	1	4	8		\$34	\$ 272
						Total Restricted Meal Costs		\$ 548

Transportation		No. of trips	Av. miles per trip	Cost per mile	Airfare			
	In-state							
	Regents meetings	6	460	\$0.49				\$ 1,339
	In-state meetings	8	330	\$0.49				\$ 1,280
	Out-of-state	5			\$500			\$ 2,500
						Total Unrestricted Transportation Costs		\$ 5,119
<i>Restricted</i>								
	In-state	6	330	\$0.49				\$ 960
	Out-of-state	2			\$500			\$ 1,000
						Total Restricted Transportation Costs		\$ 1,960
						Total Unrestricted Travel Costs		\$ 12,445
						Total Restricted Travel Costs		\$ 4,008

Printing: 18,000 catalogues printed three times per year (fall, spring, summer semesters)

Postage: \$2,200 in postage to mail 16,500 catalogues three times per year (fall, spring, summer semesters)

Facilities:

Main Offices		Sq. ft.	Quantity	Total sq. ft.	Rate		
<i>Unrestricted</i>							
Administrative and Student Services							
	Offices (pres&dean)	150	5	750	\$1.25		\$ 938
	Offices (other)	100	15	1500	\$1.25		\$ 1,875
	Lobby	500	1	500	\$1.25		\$ 625
	Conference room	500	1	500	\$1.25		\$ 625
Library/Media Center							
	Computer Labs	500	2	1000	\$1.25		\$ 1,250
	Lobby/study area	500	1	500	\$1.25		\$ 625
Total Monthly Unrestricted Main Offices Cost							\$ 5,938
<i>Restricted</i>							
Administrative and Student Services							
	Offices	100	2	200	\$1.25		\$ 250
	Resource Room	300	1	300	\$1.25		\$ 375
Total Monthly Restricted Main Offices Cost							\$ 625

Classroom space	No. of courses meeting:			No. of weeks	Cost per meeting		
	Twice per week	Three times per week	Four times per week				
<i>Unrestricted</i>							
	Summer II			8	6	\$15	\$ 2,880
	Fall	23	22		16	\$15	\$ 26,880
	Spring	23	22		16	\$15	\$ 26,880
	Summer I			11	6	\$15	\$ 3,960
Total Unrestricted Classroom Costs							\$ 60,600

Classroom space	No. of courses meeting:		No. of weeks	Cost per meeting			
	Once per week	Twice per week					
<i>Restricted</i>							
Continuing Education							
	Summer II	4		6	\$15		\$ 338
	Fall	30		6	\$15		\$ 2,700
	Spring	30		6	\$15		\$ 2,700
	Summer I	4		6	\$15		\$ 338
Developmental Education							
	Summer II		10	6	\$15		\$ 1,800
	Fall		14	17	\$15		\$ 7,140
	Spring		14	17	\$15		\$ 7,140
	Summer I		14	6	\$15		\$ 2,520
Total Restricted Classroom Costs							\$ 24,675

Institutional Support Equipment:

		Quantity	Unit Price				
<i>Unrestricted</i>							
	Administrative computers	3	\$1,300				\$ 3,900
	Administrative equipment						
	Telephones	3	\$30				\$ 90
	Administrative furniture	3	\$500				\$ 1,500
Total Unrestricted Institutional Support Equipment Costs							\$ 5,490

Faculty:

Semester	No. of Courses Offered	No. of Courses Filled (75%)	No. of Credits Per Course	No. of Courses taught by Contract Faculty	No. of Courses taught by Adjunct Faculty	Figuring No. of Contract Faculty	Figuring No. of Adjunct Faculty FTE
Summer II	5	4	3		4		12
Summer II	5	4	4		4		16
Fall	30	23	3	18	5	54	15
Fall	30	23	4	9	14	36	56
Spring	30	23	3	18	5	54	15
Spring	30	23	4	9	14	36	56
Summer I	8	6	3		6		18
Summer I	7	5	4		5		20
Total Courses Filled Per Annum		111		54	57		
Total Course Credit Taught by Faculty Type						180	208
Total Faculty FTE* by Faculty Type						6	6.9

*1 Annual Faculty FTE = 30 credits

Continuing Education Instructor Hours:

	No. of courses	Av. instructor hours per course	Hourly wage				
Summer II	4	12	\$22.50				\$ 1,013
Fall	30	12	\$22.50				\$ 8,100
Spring	30	12	\$22.50				\$ 8,100
Summer I	4	12	\$22.50				\$ 1,013
Total Continuing Education Instructor Costs							\$ 18,225

Developmental Education Instructor Hours:

	No. of courses	Weeks per course	Av. instructor hours per week	Hourly wage			
Summer II	10	6	5	\$22.50			\$ 6,750
Fall	14	17	5	\$22.50			\$ 26,775
Spring	14	17	5	\$22.50			\$ 26,775
Summer I	14	6	5	\$22.50			\$ 9,450
Total Developmental Education Instructor Costs							\$ 69,750

Income - Detail

Restricted - Student Fees

	No. of courses	Av. class hours per course	Fee per course hour		Av. no. of students per course	Percent student type		
			Regular	Senior (60+)		Regular	Senior	
Summer II	4	12	\$3	\$2	7	75%	25%	\$ 866
Fall	30	12	\$3	\$2	7	75%	25%	\$ 6,930
Spring	30	12	\$3	\$2	7	75%	25%	\$ 6,930
Summer I	4	12	\$3	\$2	7	75%	25%	\$ 866
Total Restricted Revenue from Student Fees								\$ 15,593

BVCC Proposed Budget FY2011

Estimating Annual Accreditation Sponsor Contract Fee

Known:

Oregon's Columbia Gorge Community College (CGCC) budgeted \$267,365 in FY2009 to meet its accreditation sponsor contract fee with Oregon's Portland Community College (PCC). Fee was based on a percentage of faculty wages. During the Spring of 2008, CGCC had 20 fulltime faculty and 120 part-time faculty.

Accreditation Sponsor Contract Fee Estimation Method:

$$\begin{aligned} \text{contract fee} &= \text{faculty FTE} \times \text{dollar amount per faculty FTE} \\ \text{CGCC faculty FTE} &= 20 + (120 \text{ divided by } 5) \\ \text{CGCC faculty FTE} &= 44 \\ \$267,365 &= 44 \times \text{dollar amount per faculty FTE} \\ \$6,076 &\text{ equals dollar amount per faculty FTE} \end{aligned}$$

$$\begin{aligned} \text{BVCC faculty FTE FY2010} &= 12.9 \\ \text{contract fee} &= 12.9 \times \$6,076 \\ \text{contract fee} &= \$78,387 \end{aligned}$$

BVCC Projected Enrollment FY2011

Projecting For-credit Enrollment - FTE (fulltime equivalent enrollment)

Semester	No. of Courses Offered	No. of Courses Filled (75%)	No. of Credits Per Course	No. of Students Per Course	Total Credits Earned Per Semester
Summer I	5	4	3	15	180
Summer I	5	4	4	15	240
Fall	30	23	3	15	1035
Fall	30	23	4	15	1380
Spring	30	23	3	15	1035
Spring	30	23	4	15	1380
Summer II	8	6	3	15	270
Summer II	7	5	4	15	300
	145	111	Total Credits Earned Per Annum		5820
			Total Annual Student FTE*		194.0

*1 Student FTE = 30 credits

Projecting Non-credit Enrollment - Continuing Education

Semester	No. of Courses	Number of Students
Summer II	5	26
Fall	40	210
Spring	40	210
Summer I	5	26
		473

Per course average enrollment = 7 students
75% of courses fill

Projecting Non-credit Enrollment - Developmental Education

Semester	No. of Courses	Number of Students
Summer II	10	60
Fall	14	84
Spring	14	84
Summer I	14	84
		312

Per course average enrollment = 6 students
100% of courses fill

BVCC District Projected Mill Value FY2011

Aug-07

BVCC District Taxable Value

School District

Corvallis	\$12,635,575
Stevensville (elem)	\$10,949,923
Hamilton	\$20,922,154
Victor	\$5,821,330
Darby	\$8,812,892
Lone Rock (elem)	\$3,997,639

\$63,139,513

\$11,250,000 (potential increase by Aug-10)

\$74,389,513 projected BVCC District Taxable Value for Aug-10

\$74,389.51 projected value of one BVCC District mill for Aug-10

BVCC Projected Budget FY2011 Budget Summary
for-credit services only

Description of Activity			Budgeted FY2011	Percent
	Contract Faculty		6.0	25.1%
	Contract Professional & Administration		7.0	29.3%
	Support Staff		4.0	16.7%
	Other Employees (adjunct faculty - no benefits)		6.9	28.9%
	Total FTEs		23.9	100.0%
Personal Services				
	Contract Faculty		\$ 225,000	14.8%
	Contract Professional & Administration		\$ 455,000	29.9%
	Support Staff		\$ 110,000	7.2%
	Other Employees (adjunct faculty - no benefits)		\$ 102,600	6.7%
	Total Salaries		\$ 892,600	58.6%
	Employee Benefits		\$ 268,600	17.6%
	Total Personal Services		\$ 1,161,200	76.2%
Operating Expenses				
	Contracted Services		\$ 121,887	8.0%
	Supplies and Materials		\$ 33,600	2.2%
	Communications		\$ 19,800	1.3%
	Travel		\$ 12,445	0.8%
	Facilities		\$ 131,850	8.7%
	Utilities		\$ 11,400	0.7%
	Repair and Maintenance			
	Other		\$ 25,670	1.7%
	Total Operating Expenses		\$ 356,652	23.4%
Equipment and Capital			\$ 5,490	0.4%
Grants				
		Total Expenditures	\$ 1,523,342	100.0%
Scholarships			\$ 75,195	
		Total Expenditures by Object	\$ 1,598,536	100.0%
Program Summary				
	Instruction		\$ 640,284	42.0%
	Academic Support		\$ 137,379	9.0%
	Student Services		\$ 212,438	13.9%
	Institutional Support		\$ 533,240	35.0%
	Operation and Maintenance of Plant			
		Total Expenditures by Program	\$ 1,523,342	100.0%

BVCC Projected Budget FY2011 Expenditures by Instruction
for-credit services only

Description of Activity				Budgeted FY2011	Percent
	Contract Faculty			6	40.3%
	Contract Professional & Administration			1	6.7%
	Support Staff			1	6.7%
	Other Employees (adjunct faculty - no benefits)			6.9	46.3%
	Total FTEs			14.9	100.0%
Personal Services					
	Contract Faculty			\$ 225,000	35.1%
	Contract Professional & Administration			\$ 75,000	11.7%
	Support Staff			\$ 27,500	4.3%
	Other Employees (adjunct faculty - no benefits)			\$ 102,600	16.0%
	Total Salaries			\$ 430,100	67.2%
	Employee Benefits			\$ 111,350	17.4%
	Total Personal Services			\$ 541,450	84.6%
Operating Expenses					
	Supplies and Materials			\$ 1,980	0.3%
	Communications			\$ 8,820	1.4%
	Travel			\$ 3,111	0.5%
	Facilities			\$ 78,413	12.2%
	Utilities			\$ 2,850	0.4%
	Repair and Maintenance				
	Other				
	Total Operating Expenses			\$ 95,174	14.9%
Equipment and Capital				\$ 3,660	0.6%
Grants					
Total Expenditures				\$ 640,284	100.0%
Scholarships					
Total Expenditures by Instruction				\$ 640,284	100.0%

BVCC Projected Budget FY2011 Expenditures by Academic Support
for-credit services only

Description of Activity				Budgeted FY 2011	Percent
	Contract Faculty				
	Contract Professional & Administration			1	50.0%
	Support Staff			1	50.0%
	Other Employees				0.0%
	Total FTEs			2	100.0%
Personal Services					
	Contract Faculty				
	Contract Professional & Administration			\$ 45,000	32.8%
	Support Staff			\$ 27,500	20.0%
	Other Employees				
	Total Salaries			\$ 72,500	52.8%
	Employee Benefits			\$ 24,650	17.9%
	Total Personal Services			\$ 97,150	70.7%
Operating Expenses					
	Contracted Services				
	Supplies and Materials			\$ 1,020	0.7%
	Communications			\$ 6,660	4.8%
	Travel			\$ 1,556	1.1%
	Facilities			\$ 26,719	19.4%
	Utilities			\$ 4,275	3.1%
	Repair and Maintenance				
	Other				
	Total Operating Expenses			\$ 40,229	29.3%
Equipment and Capital					
Grants					
Total Expenditures				\$ 137,379	100.0%
Scholarships					
Total Expenditures by Academic Support				\$ 137,379	100.0%

BVCC Projected Budget FY2011 Expenditures by Student Services
for-credit services only

Description of Activity				Budgeted FY 2011	Percent
	Contract Faculty				
	Contract Professional & Administration			2	66.7%
	Support Staff			1	33.3%
	Other Employees				0.0%
	Total FTEs			3	100.0%
Personal Services					
	Contract Faculty				
	Contract Professional & Administration			\$ 110,000	51.8%
	Support Staff			\$ 27,500	12.9%
	Other Employees				
	Total Salaries			\$ 137,500	64.7%
	Employee Benefits			\$ 46,750	22.0%
	Total Personal Services			\$ 184,250	86.7%
Operating Expenses					
	Contracted Services				
	Supplies and Materials			\$ 1,980	0.9%
	Communications			\$ 2,160	1.0%
	Travel			\$ 1,556	0.7%
	Facilities			\$ 17,813	8.4%
	Utilities			\$ 2,850	1.3%
	Repair and Maintenance				
	Other				
	Total Operating Expenses			\$ 26,358	12.4%
Equipment and Capital				\$ 1,830	0.9%
Grants					
Total Expenditures				\$ 212,438	100.0%
Scholarships					
Total Expenditures by Student Services				\$ 212,438	100.0%

BVCC Projected Budget for FY2011 Expenditures by Institutional Support
for-credit services only

Description of Activity				Budgeted FY2011	Percent
	Contract Faculty				
	Contract Professional & Administration			3.0	75.0%
	Support Staff			1.0	25.0%
	Other Employees				0.0%
	Total FTEs			4.0	100.0%
Personal Services					
	Contract Faculty				
	Contract Professional & Administration			\$ 225,000	42.2%
	Support Staff			\$ 27,500	5.2%
	Other Employees				
	Total Salaries			\$ 252,500	47.4%
	Employee Benefits			\$ 85,850	16.1%
	Total Personal Services			\$ 338,350	63.5%
Operating Expenses					
	Contracted Services			\$ 121,887	22.9%
	Supplies and Materials			\$ 28,620	5.4%
	Communications			\$ 2,160	0.4%
	Travel			\$ 6,223	1.2%
	Facilities			\$ 8,906	1.7%
	Utilities			\$ 1,425	0.3%
	Repair and Maintenance				
	Other			\$ 25,670	4.8%
	Total Operating Expenses			\$ 194,890	36.5%
Equipment and Capital					
					0.0%
Grants					
Total Expenditures				\$ 533,240	100.0%
Scholarships					
Total Expenditures by Institutional Support				\$ 533,240	100.0%

BVCC Projected Budget FY2011 *Percentage of expenditure attributed to each program (for-credit services only)*

Program	Supplies & Materials	Communications		Travel	Rent of Admin/Student Services Facility	Utilities	Equipment Admin.
		Wireless & Internet	Telephone				Copiers/Printers/FAX
Instruction	33.0%	25.0%	67.0%	25.0%	25.0%	25.0%	33.0%
Academic Support	17.0%	50.0%	11.0%	12.5%	37.5%	37.5%	
Student Services	33.0%	12.5%	11.0%	12.5%	25.0%	25.0%	34.0%
Institutional Support	17.0%	12.5%	11.0%	50.0%	12.5%	12.5%	33.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

BVCC ~ budget reconciliation matrix FY2011

Program			Budgeted FY 2011	Percent	FTEs	Personal Services	Operating Expenses	Equipment
Instruction			\$ 640,284	42.0%	14.90	\$ 541,450	\$ 95,174	\$ 3,660
Academic Support			\$ 137,379	9.0%	2.00	\$ 97,150	\$ 40,229	\$ -
Student Services			\$ 212,438	13.9%	3.00	\$ 184,250	\$ 26,358	\$ 1,830
Institutional Support			\$ 533,240	35.0%	4.00	\$ 338,350	\$ 194,890	\$ -
Operation and Maintenance of Plant								
Total For-Credit Expenditures by Program			\$ 1,523,342	100.0%	23.90	\$ 1,161,200	\$ 356,652	\$ 5,490
Totals from Expenses Worksheet:			\$ 1,523,342		23.90	\$ 1,161,200	\$ 356,652	\$ 5,490
Differences:			\$ -		0.00	\$ -	\$ -	\$ -

BITTERROOT VALLEY COMMUNITY COLLEGE VERSUS A HIGHER EDUCATION CENTER OR MUS UNIT

As shown in the following matrix, a higher education center, as currently defined by Regents policy, would not meet the Bitterroot Valley need for access to affordable, comprehensive, accountable, and committed adult learning services (Note: example below assumes UM administration of a higher education center in Ravalli County). For an in-depth analysis of the relationship between the proposed BVCC and the proposed Hamilton Higher Education Center, please reference the [BVCC Steering Committee's response to the UM's Higher Education Center Proposal](#).

As to how the BVCC would compare against "an extension site of some unit of the Montana University System" this would be entirely dependent on the governance, funding, and programming structure of the proposed unit. In the absence of any such details concerning such an entity, a comparison is not possible. At present, there is neither Regent policy nor state statute describing such a unit or its process of establishment.

	<i>Affordable</i>		<i>Comprehensive</i>	<i>Accountable</i>	<i>Committed</i>
	Funding	Tuition	Mission	Governance	Establishment
BVCC	State Local Student Able to levy adult education tax for non-credit education Eligible for state and federal dollars for adult literacy & GED (ABE)	<u>Least expensive</u> of public higher education options	<u>For-credit</u> Vo-tech Education General Education <u>Non-credit</u> Continuing Education Developmental Education Adult Literacy GED College Prep. <u>Independently accredited</u> , can initiate courses, programs, and degrees	<u>Dual governance</u> between a seven member locally elected board of trustees and the Board of Regents <u>Local Board:</u> <i>manages and controls</i> <u>Board of Regents:</u> <i>supervises and coordinates</i>	Vote of the people Vote of the legislature Results in the establishment of a <u>permanent community college district with local taxing authority</u>
HEC	State Student	No local investment leaves for-credit tuition dependent on state appropriation* No local investment leaves non-credit services dependent on student fees	<u>For-credit:</u> authorized UM or HEC partner programs leading to a degree <u>NOT independently accredited</u> , all programming must be pre-existing at the UM or at one of the HEC's partners	<u>Single governance</u> by Board of Regents: <i>supervises, coordinates, manages, and controls</i> Under UM direction with a UM designated local coordinator	UM President plans & proposes Regents authorize Commissioner may recommend to discontinue Results in the establishment of a UM HEC with <u>no legal charter and no local taxing authority</u>

*Center cannot be run at a loss. If enrollment is not sufficient, a self-sustaining funding model may be pursued, whereby the state appropriates NO funds, and all costs must be absorbed by students, grants, contracts, or other non-state sources.

Bitterroot Valley Community College Steering Committee's Response to the University of Montana's Higher Education Center Proposal

July 19, 2007

The University of Montana's Higher Education Center Proposal

On Wednesday, May 30, 2007, University of Montana (UM) President George Dennison informed the Montana State Board of Regents of Higher Education that the UM has initiated plans to establish a Higher Education Center in Hamilton, Montana. Dennison's announcement came in the form of an information item during the meeting of the Regents' Academic and Student Affairs Committee in conjunction with the Regents' May meeting in Miles City. The Higher Education Center item was also briefly introduced and discussed during the Regents' full board meeting the following day, Thursday, May 31, 2007, at which time Dennison also announced the designation of Hamilton resident Frank Laurence as the Higher Education Center's local coordinator.

The written text of Dennison's Higher Education Center information item stated that a Hamilton Higher Education Center is being pursued as the result of a Spring 2007 UM telephone survey conducted in "the region south of Missoula" from which it was determined that the population was interested in evening classes in the postsecondary fields of business, education, and health care. The ultimate goal of the Hamilton Higher Education Center was purported to be to offer coursework via the University of Montana, Missoula which would:

be applicable to Certificate, Certificate of Applied Science (CAS), Applied Science (AS), Associate of Applied Science (A.A.S.), Bachelor of Applied Science (B.A.S.), Associate of Arts (AA), Associate of Science (AS), Bachelor of Arts (BA), Bachelor of Science (BS), and other appropriate degrees. Other course, seminar, and workshop offerings will respond to regional and community workforce needs. Additional offerings could include, based upon identified need, college preparatory courses; dual credit – i.e., for high school as well as college -- for high school students; developmental coursework in reading, writing, and mathematics; adult basic education; professional development and continuing education; community education non-credit offerings; and selected graduate program offerings. Courses will be offered during time periods identified as traditional, evening, weekend, and summer. (*Information Item: Higher Education Center, p. 2*)

Dennison was careful to note in both his spoken and written statement that the establishment of a Hamilton Higher Education Center was compatible with the recent, local effort on the part of Bitterroot Valley residents to establish a public community college. On this topic the information item read:

The two initiatives do not conflict. The University proposal to establish a Higher Education Center has the capacity to accommodate the contributions of a locally funded and controlled community [college] and those of all other higher education institutions in Montana wishing to participate. The design of a MUS [Montana University System] Higher Education Center calls for collaboration as the most appropriate and efficient means to respond to the range of local needs. Therefore, the University proposes to establish a Center that will welcome all institutions that wish to and can contribute, much as the existing Centers in Great Falls and Helena do. (*Information Item: Higher Education Center, p. 1*)

Finally, with regards to time frame, Dennison noted that the UM has already requested a substantive change in accreditation to the Northwest Commission on Colleges and Universities in order for the UM to provide services at a remote site. Moreover, Dennison stated that the UM has entered into an agreement with the Hamilton School District for the use of facilities through June of 2009. Notably, the text of the information item concludes with the following, "At the appropriate time, following the initial start-up but no later than May 2008, the University will request authorization by the Board of Regents of the Hamilton Higher Education Center" (*Information Item: Higher Education Center*, p. 2).

Click here for the full text of the UM's [Information Item: Higher Education Center \[pdf\]](#)

Regents' Response to the UM's Higher Education Center Proposal

During the May 2007 Board of Regents meeting in Miles City only Regent Lynn Morrison-Hamilton (who is also the current Chair of the Board of Regents) commented on the UM's Hamilton Higher Education Center proposal. Regent Morrison-Hamilton noted during the Academic and Student Affairs Committee meeting that successful Higher Education Centers already exist in Great Falls and Helena in conjunction with local Colleges of Technology and that an independent Higher Education Center exists in Lewistown. Regarding the situation between Bitterroot Valley Community College advocates and the UM, she suggested continued collaboration. Too, she indicated that the people of the Bitterroot ought to be grateful for the UM's willingness in the past to hire a part-time outreach coordinator for Ravalli County, for the residents of Lewistown had no such offer and had to hire such a coordinator on their own.

BVCC Steering Committee's Response to the UM's Higher Education Center Proposal

Bitterroot Valley Community College Steering Committee (BVCC-SC) members Victoria Clark and Dixie Stark were present at the May Board of Regents meeting in Miles City . The BVCC advocates raised several issues with respect to the details of the proposal as well as the general intent of the proposal. BVCC-SC members also raised concerns as to whether Board of Regent Policy on Higher Education Centers was being followed both in letter and in spirit by UM administrators.

As preliminarily expressed during the meeting of the Regents' Academic and Student Affairs Committee and as more fully elaborated herein, the following account details the BVCC-SC's concerns with respect to the UM's Hamilton Higher Education Center proposal.

Issues of Accuracy and the UM's Higher Education Center Proposal

1. The telephone survey referenced by the UM as its supporting documentation for pursuing a Higher Education Center in Hamilton was actually conducted in the Spring of 2006, not in the Spring of 2007 as referenced in the UM's information item document. A copy of this survey document was given to the BVCC Exploratory Committee (precursor to the BVCC-SC) in August of 2006 by UM administrators, and at that time was being used as justification for the establishment of an UM-COT extension facility in Hamilton. This same

survey was referenced by the UM during the September 2006 Board of Regents meeting in Butte, once again, as justification for a UM-COT extension facility in Hamilton.

After reviewing the UM survey documentation in August of 2006, BVCC Exploratory Committee (BVCC-EC) members Victoria Clark, Patti Furniss, and Dixie Stark concluded that the survey had in no way been designed to address the adult learning needs of Bitterroot Valley residents, but rather that it had targeted working residents of the greater Missoula area with respect to whether or not such residents would be interested in taking for-credit evening or weekend courses at the UM-COT Missoula campus, and if so, what types of coursework would most interest them. The number of Ravalli County residents who actually responded was minimal, especially when compared to the number of survey respondents living in Missoula County (see Figure 1). Clark, Furniss, and Stark all found the survey lacked relevance to the adult learning needs of Bitterroot Valley residents. During a December 2006 meeting in Hamilton with Higher Education Commissioner Sheila Stearns, Clark and Stark made their dissatisfaction with the survey known, giving one of their copies of the UM survey to Stearns—thereby allowing Stearns to draw her own conclusions.

Figure 1. UM Night and Weekend Degree Program Survey (actual survey title)
Survey method: Telephone (landlines only)

Place of Residence	Number of Respondents	% of Respondents (Respondents = 852) ¹	% of Sample (Sample = 1698)
Missoula County Respondents	613	72%	36%
Ravalli County Respondents ²	239	28%	14%

¹As enumerated in the Program Survey Detailed Table
²Limited to Ravalli County residents "from Hamilton north to the Missoula County boundary"

The BVCC-SC finds it of considerable interest that the UM is now touting this same survey as justification for a UM Higher Education Center in Hamilton. Although BVCC-EC research strongly indicates that Hamilton and its surrounding communities are in need of comprehensive adult learning services, the UM's telephone survey can hardly be taken as valid or reliable research with respect to this issue.

2. The UM's Higher Education Center proposal document reads the UM "has submitted a substantive change proposal to the Northwest Commission on Colleges and Universities requesting authorization for the delivery of coursework to a new remote site." This statement confuses the BVCC Steering Committee on one particular account.

According to an article about accreditation in the *Ravalli Republic* dated April 10, 2007, UM Executive Vice President Jim Foley indicated that in order for the UM to establish an UM-COT extension facility in Ravalli County, accreditation was essentially a non-issue, with a "new off-campus site usually fall[ing] under the definition of a minor change so [the only necessary paperwork] would be a simple piece of correspondence." Foley's statement in the *Ravalli Republic* seems to conflict with what is presented in the UM's Higher Education Center proposal, whereby the need for a substantive accreditation change, presumably requiring some time to earn, is deemed necessary to provide programming at a "remote site." The BVCC-SC wonders where the truth lies with respect to this issue.

3. The UM's Higher Education Center proposal finds no conflict between the establishment of a Higher Education Center in Hamilton and the local community's current effort to establish a public community college. Following this assertion, the UM's Higher Education Center document then proceeds to list the programming scope of the center, which includes certificates, associates degrees, bachelor degrees, selected graduate offerings, professional

development and continuing education, developmental education, and adult basic education.

Barring bachelor degrees and selected graduate offerings, the services of a comprehensive community college exactly duplicate the offerings of the UM's proposed Hamilton Higher Education Center. The UM statement that the two institutions do not conflict is inexplicable and begs clarification.

Issues of Intent and the UM's Higher Education Center Proposal

Given the UM's past and most recent history regarding the provision of higher education services in the Bitterroot Valley, it is hard for the BVCC-SC not to view this latest proposal without a degree of skepticism and cynicism. As the following summary attests, the UM's involvement in the delivery of adult learning services in Ravalli County has been variously marked by a sense of entitlement, unmet promises, apathy, and low priority—none of which has resulted in accountable or committed local adult programming.

During the 1970s an effort to establish a community college in the Bitterroot (led by Rocky Mountain Laboratory scientist, Dr. Bob Smith) was suspended after assurances from the UM that services would be forthcoming. However, after a few years of hit or miss classes, the UM's presence in the Bitterroot Valley evaporated.

Next, in the 1980s, the UM initiated an extension campaign. Representatives from communities surrounding Missoula were assembled to discuss the delivery of local postsecondary services. Corvallis resident Allen Bjergo was selected to represent the Bitterroot. During a recent interview with Bjergo, who still resides in the Corvallis area, Bjergo remarked that once the UM received funding for an extension building on the UM campus in Missoula the meetings of regional representatives became fewer and farther between, until at last the council no longer met at all. No services in Ravalli County ever resulted from the UM extension campaign of the 1980s.

A review of the 1990s reveals no significant effort on the part of the UM to bring adult learning services to the Bitterroot. Notably, the 1990s was a period of considerable economic restructuring and demographic growth in the Bitterroot Valley.

By the turn of the millennium employment and educational professionals in Ravalli County were awakening to the fact that the absence of adult learning services, specifically with respect to workforce development and continuing education, was negatively affecting the area's economic and social infrastructure. Starting in 2001 and continuing through the summer of 2005 local leaders from the Hamilton School District and the Bitterroot Job Service met with UM-COT officials requesting local access to for-credit programming. A series of ineffective and inadequate attempts at delivering services (wherein sufficient enrollment minimums were never reached) followed – four UM-COT courses offered in Hamilton in 2001, a part-time UM-COT Ravalli County outreach coordinator lasting from 2003 to 2005 (with the position then left vacant for nearly a year), and outreach which consisted primarily of the limited promotion of online course offerings (UM's Virtual College).

To an emerging group of concerned Ravalli County professionals it was becoming clear that the UM was either unwilling or unable to commit resources, energy, and personnel to the Bitterroot. Moreover, it was becoming clear as well that Ravalli County residents had no leverage with the UM in order to secure, let alone guarantee, the delivery of services. At this juncture (August 2005), the group of concerned Ravalli County professionals began exploring other options for the local delivery of adult learning services. The end result of this exploration was the group's decision to advocate for the establishment of a local public community college. By the spring of 2006, the group, now organized as the Bitterroot Valley Community College Exploratory Committee (BVCC-EC), was recognized as an initiative of the [Bitterroot Workforce System](#).

Interestingly, and much to the surprise of BVCC-EC members, the UM, having full knowledge of the growing community college effort, announced at the end of May 2006 that it had plans to establish an UM-COT extension facility in Hamilton. The timing of this decision was unmistakably at odds with the local community college initiative. However, as the BVCC-EC was foremost dedicated to the provision of local adult learning services, the BVCC-EC spent much of the summer learning more about the UM's COT proposal and weighing the pros and cons of the two institutional options. By mid-August of 2006, the BVCC-EC concluded that the community college option was in fact the superior long-term institutional model for the Bitterroot Valley.

The committee based its decision on a comparative framework (see Figure 2) which is summarized by four descriptors—**affordable, comprehensive, accountable, and committed**. Namely, in comparison to a UM-COT extension facility, because a community college district had local taxing authority, was managed and controlled by a locally elected board of trustees, and had permanence as a legally recognized educational district, a community college in the Bitterroot Valley would be able to provide **comprehensive** adult learning services at **affordable** rates (advantage of taxing authority) and would be **accountable** and **committed** to the people it served (advantages of a locally elected board and a legally recognized district).

Via a petition drive and then an election effort, the BVCC-EC brought its case before the people of the Bitterroot Valley and, despite an aggressive advertising campaign promoting the "UM in the Bitterroot," the community college initiative prevailed at the polls on May 8, 2007. The majority of BVCC district voters favored establishing a locally controlled community college. Now, however, rather than respecting the democratic process and the will of the local voters and sitting down with the BVCC Trustees Elect to work together on a successful collaboration strategy, the UM has resurrected the COT option as a Higher Education Center and appears to remain as intent as ever in putting control before cooperation and placed-based initiative. This latest move by the UM only serves to distract from the local community college effort, further confuse an already wary public, and potentially jeopardize official recommendation and recognition of the proposed BVCC district at both the regent and the legislative levels. From the BVCC-SC's perspective, the UM's plan at this time to propose the establishment of a Hamilton Higher Education Center (given the intended programming scope) is simply unconscionable.

As a final comment, the BVCC-SC wonders aloud why exactly the establishment of a local community college appears to be so threatening to the UM. The creation of a community college is hardly a radical move. The process has occurred literally hundreds of times across all fifty states with the results inevitably favorable to both local residents and neighboring institutions of higher education. As a timely example, the BVCC-SC suggests that the UM examine the current situation in Nampa, Idaho wherein the establishment of a local community college is being actively and publicly supported by nearby Boise State University.

In the end, the BVCC-SC is troubled and discouraged by the UM's most recent proposition and rather invites the UM to redirect its considerable energy and expertise to partnering and collaborating with local Ravalli County leaders in the expeditious establishment of the Bitterroot Valley Community College, thereby ensuring a mutually beneficial relationship between the two institutions for years to come.

Click here for [Boise State University's press release \[mht\]](#) concerning its relationship with the Nampa community college advocacy group

Click here for the [Nampa community college advocacy's group informational website](#)

Figure 2. Comparative Framework for Weighing Institutional Pros and Cons

	<i>Addresses Commitment</i>	<i>Addresses Accountability</i>	<i>Addresses Comprehensive Services</i>	<i>Addresses Affordable Services</i>	
	Establishment	Governance	Mission	Funding	Tuition
BVCC	<p>Vote of the people</p> <p>Vote of the legislature</p> <p>Results in the establishment of a permanent community college district with local taxing authority</p>	<p>Dual governance between a seven-member locally elected board of trustees and the Board of Regents</p> <p>Local Board: manages and controls</p> <p>Board of Regents: supervises and coordinates</p>	<p>For-credit: Vo-tech Ed Gen Ed</p> <p>Non-credit: Cont Ed Remedial Ed GED Adult Literacy</p>	<p>State* Local Student</p> <p>Eligible for state and federal dollars for adult literacy/GED</p> <p>Able to levy adult education tax for non-credit ed</p>	<p>Local investment decreases for-credit tuition and non-credit student fees</p>
UM-COT	<p>Lobby regents</p> <p>Lobby legislature</p> <p>Results in the establishment of a Missoula UM-COT extension facility with no legal charter and no local taxing authority</p>	<p>Single governance by Board of Regents: supervises, coordinates, manages, and controls</p> <p>Under UM-COT Missoula administration</p>	<p>For-credit: Vo-tech Ed Gen Ed</p>	<p>State Student</p> <p>NOT eligible for state or federal dollars for adult literacy/GED in the absence of matching funds</p> <p>NOT able to levy adult education tax for non-credit ed</p>	<p>No local investment leaves for-credit tuition dependent on state appropriation</p> <p>No local investment leaves non-credit services dependent on student fees</p>

**Community colleges by current state statute cannot receive state money for capital expenses.*

Regent Higher Education Policy and the UM's Higher Education Center Proposal

The BVCC-SC also questions whether the UM's Hamilton Higher Education Center proposal is in compliance, both in letter and in spirit, of Regents policy on higher education centers ([Policy 220 – Higher education centers](#)). Moreover, the BVCC-SC expresses concern with respect to **accountability** and **commitment** not to mention **comprehensiveness** and **affordability** regarding higher education centers, as characterized by Regents policy, in comparison to public community colleges.

Turning first to issues of policy compliance, the BVCC-SC notes that under Regents policy 220, *Higher education centers*, [Board Policy](#), item 2, the programming objective of higher education centers is for-credit offerings: "Credit courses shall be offered at locations remote from the main campus through . . . an approved higher education center . . ." Moreover, such credit offerings must lead to a degree: "A higher education center shall offer a structured, coherent educational program leading to a degree" (Regents policy 220, *Higher education centers*, [Guidelines](#), item 1). The BVCC-SC concludes that the UM's intention of offering non-credit programming, from community and continuing education to adult basic literacy services and developmental coursework, does not conform to Regents policy governing the scope of higher education center programming.

Also pertaining to programming scope is item 1 under [Procedures](#), Regent policy 220, *Higher education centers*. Here the text reads, "Any program offered at a higher education center must be within the approved mission and authorized programs of the institution." Although the [mission statement of the UM-Missoula](#) is broad and its [list of authorized programs](#) is long, the BVCC-SC finds no evidence that the UM-Missoula currently offers non-credit workforce development courses, community education courses, adult basic education courses, and developmental education courses to the extent, depth, and level of accessibility as is implied by the UM's Higher Education Center proposal for Hamilton. Again, the BVCC-SC finds the UM proposal to be in violation of Regents policy 220 with respect to the scope of programming it may provide at a higher education center.

Turning next to the spirit of Regents policy 220, the BVCC-SC is struck by the policy's emphasis on consultation, cooperation, and non-duplication with respect to institutional relations and programming. Excerpts from the higher education center policy make clear that service duplication is to be avoided and that relationships are critical:

Units of the Montana University System will not offer degree programs that unnecessarily duplicate existing programs offered by a tribal, community or independent college in its immediate community. (Regents policy 220, *Higher education centers*, [Board Policy](#), item 2)

Prior to proposing a new program at a Center, the MUS campus will consult with the local campus, provide it a written copy of the proposed new program and request input. (Regents policy 220, *Higher education centers*, [Board Policy](#), item 3)

[proposal's to establish or modify higher education centers shall address:]
The center or program's possible significant adverse impact on other Montana postsecondary educational institutions. (Regents policy 220, *Higher education centers*, [Procedures](#), item 3.e)

Montana University System institutions are encouraged to establish cooperative programs with independent, tribal and community colleges as appropriate. (Regents policy 220, *Higher education centers*, [Guidelines](#), item 2.c)

Granted, the policy references relations and programming with respect to existing institutions, however it cannot be denied that the UM's proposal comes on the heels of an existing local initiative to establish an alternative institution, namely a public community college. Given the spirit of the above policy statements, the BVCC-SC wonders why the UM did not pursue input on its higher education center proposal from either the committee advocating the community college or from the community college's newly chosen Trustees Elect?

From the BVCC-SC's perspective, it appears that the UM is taking advantage of a situation not anticipated by the policy—namely a concurrent effort to establish services via a different (and potentially competing) institutional model—and attempting to push its own proposal through to actualization before the alternative proposal, which should have priority as both a locally driven effort and a voter-approved effort, can run its course, as defined and restricted by statute. The timing and management of the UM's proposal as well as the sense of urgency expressed in the proposal—authorization requested "no later than May 2008"—is non-collaborative and self-serving, which is incompatible with the BVCC-SC's reading of the intent of Regents policy 220.

For the record, if UM administrators had asked the community college committee or the Trustees Elect for input on their Hamilton Higher Education Center proposal, both the committee and the Trustees Elect would have embraced the chance to partner with the UM to provide upper division degree offerings, which would compliment rather than duplicate the adult learning services to be offered by the proposed community college.

Finally, the BVCC-SC, in weighing the pros and cons of a higher education center against those of a community college, applies the same comparative framework which it used in its prior assessment of the UM-COT proposal. Again issues of **comprehensive** and **affordable** services and **accountable** and **committed** administration come into play. Moreover, a new comparative measure—**accessibility**—is added to the framework.

With respect to **comprehensive** services, it has already been noted that according to Regent policy 220, the objective of a higher education center is to provide for-credit services leading to a degree. With respect to **affordable** services, the UM, as was the case with the UM-COT, has no local taxing authority, again leaving tuition wholly at the mercy of the state legislature. Moreover, in general, tuition at the state's four-year institutions is considerably higher than tuition at the state's two-year institutions. During the 2006-07 academic year, a full-time lower division semester at the UM-Missoula cost \$2489, while the same full-time lower division semester at Flathead Valley Community College cost \$1174.

Keeping with the topic of student costs, the BVCC-SC notes that under item 4, Procedures, Regents policy 220, *Higher education centers*, the text reads, "Programs of study offered through higher education centers are subject to the fiscal practices set forth in the Regents Distributed Learning policy 303.7 under Fiscal practices, items 1-3." The fiscal practices found under Regents policy 303.7 maintain that higher education centers cannot be run at a loss. Given this qualification, centers must either generate sufficient enrollment to meet instructional costs via a combination of the state FTE (fulltime equivalent student) subsidy and the sponsoring campus' student tuition/fees, or university administrators can propose a restricted enrollment model whereby a center's instructional costs are met exclusive of state funding via grants, contracts, student tuition, and/or student fees. The BVCC-SC asks the UM which model it is intending for the proposed Hamilton Higher Education Center, as such would significantly affect the **affordability** of the center's programs.

Regarding **accountability** and **commitment**, the BVCC-SC also finds higher education centers to be wanting when compared to community colleges. **Accountability** at higher education centers is essentially externally controlled with formal local input limited to a local coordinator who is designated by the center's sponsoring institution's president. The duties of the local coordinator are "to handle administrative arrangements and to act as a contact person" (Regents policy 220, *Higher education centers*, Procedures, item 2). Although it is

specified that the local coordinator "must be available in the community in which the center is located" (Regents policy 220, *Higher education centers, Procedures*, item 2), there is no mention of local input on the hiring decision of the coordinator. The BVCC-SC wonders if Equal Employment and Opportunity Commission (EEOC) law is applicable in the designation of the local coordinator.

Concerning curricula **accountability**, decisions of for-credit programming scope are made by the sponsoring institution's president in conjunction with Regent recommendation. Decisions of programming quality are the responsibility of the Commissioner of Higher Education and the sponsoring institution's president. Issues of programming timeliness and responsiveness are not addressed by Regents policy 220.

As to institutional **commitment**, this factor is also externally controlled and without guarantees. MUS presidents and chancellors plan and propose centers, Regents authorize centers, and the Commissioner of Higher Education evaluates "higher education center[s] after the third year of operation and periodically thereafter" (Regents policy 220, *Higher education centers, Procedures*, item 7). Notably, if the Commissioner of Higher Education finds that a "center is not meeting its original or modified objectives, the Commissioner may recommended to the Regents that it be discontinued" (Regents policy 220, *Higher education centers, Procedures*, item 7). When all is said and done, there are no legally recognized, locally-controlled mechanisms to ensure the **committed** presence of adult learning services with respect to higher education centers.

The last comparative measure examined is **accessibility**. When the BVCC-EC assessed the UM-COT Hamilton extension proposal, the issue of accessibility in terms of admission policy was essentially immaterial, for both the state's COTs and community colleges in effect operate "open door" policies, with admissions requirements minimal at each type of institution. However, when the institutional comparison is changed to contrast the UM-Missoula with a community college, admissions policy diverges significantly and the accessibility measure become significant. While traditional student admission at a community college involves a high school or GED diploma, traditional student admission at the UM-Missoula involves ACT/SAT transcripts (with required minimum scores), high school transcripts (with required class ranking), and a minimum writing proficiency prerequisite. The enrollment barriers for students interested in UM-Missoula programming at the proposed Hamilton Higher Education Center would be considerable in comparison to the "open door" enrollment approach of a community college. Student **accessibility**, therefore, is seen as markedly different between a UM-Missoula Hamilton Higher Education Center and a community college.

For a review of the community college and UM-Missoula higher education center comparison, see Figure 3.

In summary, an examination of Regents policy on higher education centers indicates that much of the programming the UM is proposing to offer at its Hamilton Higher Education Center does not comply with the programming scope of higher education centers as defined in current policy. Moreover, in its pursuit of a higher education center in Hamilton, the UM has ignored the higher education center policy directive with respect to local relationships and service duplication. Finally, after assessing measures of comprehensiveness, affordability, accountability, commitment, and accessibility, the BVCC-SC finds that a community college would better serve the needs of the residents of the Bitterroot Valley than the currently proposed UM Hamilton Higher Education Center. However, it is noted that a UM Higher Education Center which complimented the mission of the proposed BVCC by offering upper division and graduate level programming would be a most welcomed institutional partnership.

Click here for the full text of the [Regents Policy on Higher Education Centers](#)

Click here for the full text of the [Regents Policy on Distributed Learning](#)

Figure 3. Comparative Framework for Weighing Institutional Pros and Cons

	<i>Addresses Commitment</i>	<i>Addresses Accountability</i>	<i>Addresses Comprehensive Services</i>	<i>Addresses Affordable Services</i>		<i>Addresses Accessibility</i>
	Establishment	Governance	Mission	Funding	Tuition	Admissions
BVCC	<p>Vote of the people</p> <p>Vote of the legislature</p> <p>Results in the establishment of a permanent community college district with local taxing authority</p>	<p>Dual governance between a seven-member locally elected board of trustees and the Board of Regents</p> <p>Local Board: manages and controls</p> <p>Board of Regents: supervises and coordinates</p>	<p>For-credit: Vo-tech Ed Gen Ed</p> <p>Non-credit: Cont Ed Remedial Ed GED Adult Literacy</p>	<p>State* Local Student</p> <p>Eligible for state and federal dollars for adult literacy/GED</p> <p>Able to levy adult education tax for non-credit ed</p>	<p>Local investment decreases for-credit tuition and non-credit student fees</p>	<p>Open door policy: high school or GED diploma generally the only requirement for enrollment in for-credit programming</p>
UM-Missoula Hamilton Higher Ed Center	<p>UM President plans and proposes center</p> <p>Regents authorize center</p> <p>Higher Ed Commissioner periodically evaluates center's performance, can recommend to discontinue a center</p> <p>Results in the establishment of a UM-Missoula Higher Education Center with no legal charter and no local taxing authority</p>	<p>Single governance by Board of Regents: supervises, coordinates, manages, and controls</p> <p>Under UM-Missoula direction with a UM designated local coordinator</p>	<p>For-credit: authorized UM programs leading to a degree</p>	<p>State Student</p>	<p>No local investment leaves for-credit tuition dependent on state appropriation</p> <p>Note: center cannot be run at a loss. If enrollment is not sufficient a self-sustaining funding model may be pursued, whereby the state appropriates NO funds, and all costs must be absorbed by students, grants, contracts, or other non-state sources</p>	<p>Selective admissions policy based on ACT/SAT scores, high school transcripts, and writing proficiency assessment</p>

**Community colleges by current state statute cannot receive state money for capital expenses.*

BVCC Steering Committee Response to Regents' Comments on UM's Higher Education Center Proposal

The BVCC-SC agrees with Regent Morrison-Hamilton's comments that due to the success of higher education centers in Helena, Great Falls, and Lewistown that the UM's Hamilton Higher Education Center proposal is worth investigating. With respect to Helena and Great Falls, the higher education centers in these communities were established to compliment the mission of the communities' already existing colleges of technology. The UM-Helena and MSU-Great Falls higher education centers represent the type of higher education center which the BVCC-SC would recommend that the UM propose to establish in partnership with the proposed Bitterroot Valley Community College.

Considering the stand alone Lewistown Higher Education Center (known as the Central Montana Education Center), the BVCC-SC notes that this center was established as the result of a community-initiated effort, with community advocates initially focused on the local delivery of an accredited nursing program. The Central Montana Education Center is sponsored by MSU-Northern and partners with the local non-profit Educational Opportunities for Central Montana (EOCM). Offerings at the center include: "general education core requirements, a transferable Associate of Arts degree, an associates or bachelors degree in Nursing and course work leading to a bachelors or masters degree in Education" ([Montana Board of Regents, Agenda item, September 21-23, 2005](#)). Notably, the EOCM has been responsible for obtaining and funding the renovation of the building which is the primary location for the center.

If the adult learning needs and the related economy and demography of the Bitterroot Valley were identical to those of the Lewistown area, the BVCC-SC would perhaps advocate for a similar stand-alone center in the Hamilton area. However, such is not the case. The Bitterroot Valley is home to over 40,000 people, while Fergus County has a population slightly over 11,000. Moreover, the Bitterroot Valley is comprised of multiple communities, with no single community home to a majority of county residents, while in Fergus County over 50 percent of county residents live in the immediate Lewistown area. Too, the economy of the Bitterroot is now driven by service and knowledge sector jobs rather than extraction and agricultural jobs, while Fergus County has retained its agricultural heritage. Due to these factors and others, adult learning needs in Ravalli County are wide-ranging with the gamut of credit and non-credit services required and with affordability, accessibility, and accountability community priorities. The Bitterroot Valley requires a more substantial and permanent institution under local control and management than is offered by a stand-alone higher education center. Furthermore, such an institution is what is desired of the local voters. Just as Lewistown residents ultimately attained the institutional type of their choice, namely a higher education center, so the residents of the Bitterroot Valley should ultimately attain what they have favored, namely a community college.

As a final note, although the BVCC-SC respects Regent Morrison-Hamilton's comments concerning the UM-COT part-time Ravalli County outreach coordinator and Lewistown's lack of such a coordinator, the BVCC-SC wishes to remind Regent Morrison-Hamilton that it is because the UM-COT part-time Ravalli County outreach coordinator position resulted in the delivery of essentially no local services, that the BVCC-SC came into existence. Just as Lewistown residents realized that in order to bring services to their area they would have to take the initiative, so it was similarly realized by Bitterroot Valley residents. Since August of 2005, when the initial members of the now BVCC-SC started to coalesce into an advocacy group, literally dozens of local citizens have donated hundreds of hours of personal time and thousands of dollars of personal and solicited funds in order to bring about the provision of locally available, comprehensive adult learning services. The BVCC-SC is proud of its grassroots volunteer effort to bring quality and committed adult education to its community, just as the local Lewistown adult education advocates are understandably proud of their efforts.

Press Coverage of the UM's Higher Education Center Proposal

[Higher ed options stir up controversy \[pdf\]](#) by John Halbert, *Miles City Star*, Thursday, May 31, 2007

[Bitterroot Valley/UM plans concern college backers](#) by Betsy Cohen, *The Missoulian*, Friday, June 8, 2007

UM plans for Hamilton disingenuous by Steven I. Levine, Stevensville (letter to editor), *The Missoulian*, Wednesday, June 13, 2007

[Community college](#) by David D. Werner, Missoula (letter to editor), *Ravalli Republic*, Tuesday, July 17, 2007

BITTERROOT VALLEY COMMUNITY COLLEGE VERSUS A COMMUNITY COLLEGE SERVICE REGION

As shown in the following matrix, having the Bitterroot Valley become a [service region](#) of an existing community college would not meet the Bitterroot Valley need for access to affordable, comprehensive, accountable, and committed adult learning services.

From a merely practical standpoint, it should be noted that with respect to the state's existing community colleges, Ravalli County is considerably more populous than the counties supporting Dawson and Miles community colleges, not to mention that these two schools are both over 500 miles east of Ravalli's county seat in Hamilton. Too, regarding Flathead Valley Community College (FVCC), not only is Kalispell 165 miles north of Hamilton, but, moreover, adding Ravalli County to FVCC territory would boost FVCC's total service population from 106,000 to 146,000, an increase of 38 percent. It seems likely that the FVCC Board would proceed with great caution before committing to such an expansion of its service base.

	<i>Affordable</i>		<i>Comprehensive</i>	<i>Accountable</i>	<i>Committed</i>
	Funding	Tuition	Mission	Governance	Establishment
BVCC	State Local Student Able to levy adult education tax for non-credit education Eligible for state and federal dollars for adult literacy & GED (ABE)	<u>Least expensive</u> of public higher education options	<u>For-credit</u> Vo-tech Education General Education <u>Non-credit</u> Continuing Education Developmental Education Adult Literacy GED College Prep. <u>Independently accredited</u> , can initiate courses, programs, and degrees	<u>Dual governance</u> between a seven member locally elected board of trustees and the Board of Regents <u>Local Board:</u> <i>manages and controls</i> <u>Board of Regents:</u> <i>supervises and coordinates</i>	Vote of the people Vote of the legislature Results in the establishment of a <u>permanent community college district with local taxing authority</u>
CC Service Region	State Local* Student Eligible for state and federal dollars for adult literacy & GED (ABE) via association with parent CC	<u>Least expensive</u> of public higher education options HOWEVER, for-credit and non-credit student expenses are fixed by parent CC	<u>For-credit</u> Vo-tech Education General Education <u>Non-credit</u> Continuing Education Developmental Education Adult Literacy GED College Prep. HOWEVER, specific programming is dependent on parent CC	<u>Dual governance</u> between a seven member <i>non-locally</i> elected board of trustees and the Board of Regents <u>Non-Local Board:</u> <i>manages and controls</i> <u>Board of Regents:</u> <i>supervises and coordinates</i>	Local governing body submits service plan to parent CC Board Parent CC Board approves region Board of Regents approves region Locals vote to establish region Region may be rescinded in 5 years by a vote of the local governing body designating the region, the parent CC Board, or by a vote of the local electorate
*Local levy for all services dependent on agreement with parent CC					

BITTERROOT VALLEY COMMUNITY COLLEGE VERSUS DISTANCE EDUCATION

As shown in the following matrix, having the Bitterroot Valley be served solely via distance education would not meet the Bitterroot Valley need for access to affordable, comprehensive, accountable, and committed adult learning services.

Too, it should be remembered that although distance education is a viable option for many students, there are significant barriers to distance education for certain segments of the population (most notably those without convenient high-speed internet access, those without sufficient language arts skills, those without sufficient computer skills, those unfamiliar with postsecondary education procedures, and those lacking sufficient self-discipline and academic confidence). While it is possible to address these barriers and expand the distance education student base, such an effort requires funding, screening, counseling, training, and support, and generally includes a local facility wherein face-to-face interaction is possible. For an example of what is required to successfully implement distance education within a targeted population, please review the [Montana Distance Learning Pilot Project](#) conducted this past year by Montana Adult Basic and Literacy Education (contact state ABLE director Margaret Bowles for pilot project details).

	<i>Affordable</i>		<i>Comprehensive</i>	<i>Accountable</i>	<i>Committed</i>
	Funding	Tuition	Mission	Governance	Establishment
BVCC	State Local Student Able to levy adult education tax for non-credit education Eligible for state and federal dollars for adult literacy & GED (ABE)	<u>Least expensive</u> of public higher education options	<u>For-credit</u> Vo-tech Education General Education <u>Non-credit</u> Continuing Education Developmental Education Adult Literacy GED College Prep. <u>Independently accredited</u> , can initiate courses, programs, and degrees	<u>Dual governance</u> between a seven member locally elected board of trustees and the Board of Regents <u>Local Board:</u> <i>manages and controls</i> <u>Board of Regents:</u> <i>supervises and coordinates</i>	Vote of the people Vote of the legislature Results in the establishment of a <u>permanent community college district with local taxing authority</u>
Distance Education	State Student No local levy to offset for-credit or non-credit student expenses	Dependent on distance education provider HOWEVER, distance education credits typically run ca. \$30 more per credit than traditional credits HOWEVER, distance education often requires ownership of a computer and home internet access	<u>For-credit</u> Vo-tech Education General Education <u>Non-credit</u> Continuing Education Developmental Education GED College Prep. HOWEVER, programming variety dependent on distance education provider HOWEVER, programming limited by distance delivery method (no hands-on labs, etc) HOWEVER, access to and success of distance education dependent on individual student characteristics	All governance is situated with the distance education provider <u>No local control</u>	To the extent that local residents fit the profile for a successful distance education student and are aware of distance learning opportunities, distance education is already available to residents of Ravalli County

BVCC AND ACCREDITATION

If approved by the Legislature, the BVCC will follow the procedures established by the [Northwest Commission on Colleges and Universities](#) (NWCCU)—our area's regional postsecondary accreditation association—to become a fully accredited institution of higher learning. The NWCCU's steps to accreditation are:

- 1) **Applicant** for Candidacy
 - a) [20 Eligibility Requirements for Candidates](#)
 - i) Notable eligibility requirements for programming
 - (1) At least one associate degree offered
 - (2) An associate degree for transfer offers a substantial component of general education
 - (3) Institution employs a core of full-time faculty
 - (4) Institution provides library and technology services for students and faculty
 - (5) Institution has been operational for at least one year
- 2) **Self-study** for Candidacy– 1 to 3 years
- 3) **Candidate** – 18 months to 5 years
- 4) Evaluation & Decisions leading to **Accreditation**
 - a) Note: accreditation status is not permanent; self-study reviews occur at various internals as determined by NWCCU

The BVCC's accreditation process will be under the internal guidance of its Dean of Academic Services with various state (e.g., OCHE staff) and regional (e.g., NWCCU representatives) officials assisting.

Prior to the BVCC earning independent accreditation status, the BVCC will ensure that students are eligible for financial aid and that their coursework is transferable through a contract with a NWCCU accredited postsecondary institution. All credits, certificates, and degrees earned at BVCC will appear on transcripts issued by the contracted institution and will be transferable to other institutions, subject to the specific policies of those institutions.

Currently, the Trustees-elect are negotiating with the Flathead Valley Community College (FVCC) Board of Trustees a letter of intent stating that if the BVCC is approved by the Legislature, FVCC will fulfill the accreditation sponsor role for the BVCC. The Trustees-elect have chosen to pursue such an agreement with FVCC because, of the postsecondary institutions' proximal to Ravalli County, FVCC's mission and structure is most similar to that of the proposed BVCC's. Typically accreditation sponsorship agreements are between like institutions.¹

Regarding the annual cost of such an accreditation sponsor contract and the services which can be expected to be provided from the sponsoring institution, the Trustees-elect have secured an [example of an accreditation sponsor contract](#) from Oregon's Portland Community College (PCC) (via PCC's Dean of Curriculum and Support Services, Rick Aman). From this document, it might be expected that an institutional accreditation sponsor would provide the receiving institution with a range of technology, library, student records, and

¹ Information from Oregon's Columbia Gorge Community College (CGCC) Chief Academic Officer Susan Wolff. Currently CGCC has an accreditation sponsor contract with Oregon's Portland Community College.

instructional services support. As to the annual cost, it is expected that the accreditation sponsorship fee will be based on an annual percentage of faculty wages. For the BVCC's first year of operation this is expected to amount to approximately \$48,000 and for the BVCC's second year of operation approximately \$80,000. For an understanding of how these figures were estimated refer to the BVCC's proposed budgets for FY2010 and FY2011 found in an earlier section (Question 4) of the Regents' Request for Information.

ATTACHMENT D – UM RESPONSES TO INFORMATION REQUESTS FROM THE BOARD OF REGENTS

The University of Montana's Efforts in Ravalli County

Responses to Questions from the Commissioner of Higher Education

1. What did or has UM done or proposed to do to meet the two-year education needs of citizens in the Bitterroot in recent years?

The College of Technology (COT) has provided access to educational opportunities in the Bitterroot Valley for a number of years. The following information represents what they and Continuing Education have offered:

Prior to 2003: Efforts were made to offer UM COT courses in the Bitterroot Valley. Resources were not specifically identified for this effort; the effort was supported by enrollment services personnel and UM COT mid-range administrators outside the 'regular' day. No additional funding was provided by UM proper to support this effort.

Aspects of admissions, financial aid, registrar, book sales, and orientation functions were offered to students by two or three people on-site. Primary audience targets were high school students in the Bitterroot area and attending Hamilton High School, as well as adult students interested in attending courses in the evening. Computer literacy type courses when offered were well-enrolled; other courses were not well-enrolled and required enrollment minimums were not met.

Advisory committee and community member input was included as decisions were made to offer courses which would represent courses toward an AA degree. Courses were not well enrolled and required enrollment minimums were not met.

September 2003-August 2004: Computer Labs were set up in Hamilton High School to facilitate Registration and Orientation for UOnline courses. No individuals used this service; it was not repeated.

Hamilton High School, 1999 to Present: UM COT Applied Computing and Electronics Department, is the lead in the alliance with the Hamilton High School with the CISCO Local Academy toward offering student CISCO training courses. UM COT Faculty Penny Jakes taught Hamilton High School faculty the four levels of CISCO for graduate credit, assisted the group in updating their training lab, and taught the most recent instructor to use the equipment in the lab located at Hamilton High School.

Trapper Creek Job Corp: Penny Jakes is a representative on the Educational Advisory Board and also the UM COT alliance for Trapper Creek Job Corp as a CISCO Regional Academy school.

June 2005-2006: Lynn Stocking and Diana Reetz-Stacey met with Marlin and Jeanette Neaves of Hamilton. The Neaveses represented their business, Authentic Computer Training, located in Hamilton and were seeking a possible partnership with UM COT to offer courses in Hamilton. The discussion included credit and non-credit course offerings. Authentic Computer Training and the Neaveses wanted to create a situation where there was a cost-sharing related to the courses, UM COT would contribute to renting space in their building, and Jeanette Neaves would be the instructor for a number of courses. UM COT did not respond to renting space, but was willing to pursue the cost-recovery model as related to course offerings. Ms. Neaves' credentials did not meet the requirements established by the Board of Regents for COT faculty. No collaboration occurred. UM COT inquiries to continue discussions were turned down—Neaves stating that Authentic Computer Training was pursuing other opportunities.

2006-2008—Laboratory Technician I (Lab Tech I) and Laboratory Technician (Lab Tech II): Tony Rudbach brought forward a proposal to UM COT to offer Laboratory Technician courses in Hamilton and Missoula to respond to a workforce need initially represented by GSK. Three sections of Lab Tech I (a credit-bearing course) were offered Autumn Semester 2006. Lab Tech I and Lab Tech II courses were offered through Spring Semester 2008. Scheduled offerings and student credit hour data show 133 individuals were enrolled.

UM COT and UM Enrollment Services personnel developed and delivered 'Meet and Greets' (Introductions and Orientations) for students each semester beginning with Autumn 2006.

UM COT provided all public relations efforts as well as student support through a variety of student services.

UM COT and Literacy Bitterroot (Literacy Volunteers of America Bitterroot) collaborated to offer mathematic refresher courses primarily for support of students intending to or enrolling in Laboratory Technician I courses.

Lab Tech courses were not offered Autumn Semester 2008 resulting from input from GSK indicating the company workforce needs were met.

2006-Present: Continuing Education offered non-credit courses to persons over fifty through the Osher Lifelong Learning Institute of the University of Montana. [Bitterroot MOLLI] The program has been a collaborative effort with the Daly Mansion.

2006-2007: Dual Credit, Tech Prep, 2+2 Corvallis High School, Victor High School, and Stevensville High School; however, no continuing discussions to date.

2006-2008 Dual Credit Discussions with Hamilton High School Superintendent and Principal: Discussions with Hamilton High School regarding dual credit for juniors and seniors in high school resulted in the first dual-credit offering in Spring Semester 2008. Dual-credit offerings expanded in Hamilton High School Autumn 2008.

Summer Semester 2007, UM COT Course Offerings: Three courses offered through the Hamilton Higher Education Center (HHEC).

Autumn Semester 2007-Autumn Semester 2008: HHEC course offerings from UM.

A list of COT courses is appended (**Table E-1**). The following table compares the growth of the HHEC from the fall semester, 2007 with fall semester, 2008. We feel confident that the current collaboration between the COT and continuing education (CE) will enable the HHEC program to grow as more coherent course and program planning takes place.

Figure E-1. needs title HHEC growth comparison, Fall 2007 & Fall 2008

Semester	Enrollment	Credits	SCH	FTE
Fall 07	34	15.0	106	7.07
Fall 08	50	21.0	147	9.80
% Gain	47%	40%	39%	39%

Source: University of Montana

2. Depending on the legislature decision on the new college, what would UM do to assist in meeting Ravalli County needs?

If the Bitterroot Valley Community College (BVCC) is approved, UM would immediately begin offering 2+2 and graduate programs. Three 2+2 undergraduate collaborative programs are under development with Flathead Valley Community College, and these could easily be extended to the Bitterroot Valley. In addition, UM would be willing and able to work with BVCC to offer lower-division courses until such time as the College assumes responsibility.

If the BVCC is not approved, there are goals in place that would enable UM to step in immediately to meet the needs of the Bitterroot Valley, including:

- Providing a physical presence that is affordable, accessible and conducive to learning
- Providing a range of lower and upper division, graduate and non-credit courses and programs
- Providing a comprehensive set of student services that replicate those available on UM’s campuses in Missoula
- Using a wide-array of teaching and learning methods including face to face, interactive television and online

While offering programs will require further approval through the Board of Regents, accreditation agencies, academic units and administration, UM has a plan in place that projects course offerings in subsequent semesters that will enable students to obtain degrees in Hamilton, including the Associate of Arts (AA); Associate of Applied Science

(AAS)-Accounting Tech; AAS-Management; and AAS-Information Systems Management degrees.

An alternative option could be to develop a comprehensive model which included the 'Community College of Missoula/Montana', as per the Making Opportunity Affordable initiative, combined with a Bitterroot Higher Education Center. This would require a commitment of resources to support what is now the COT and the HHEC. Since component parts are in place, this entity could be established quickly to enable growth.

In order for UM to continue to meet the needs of the Bitterroot Valley regardless of the decision, we are actively assessing and initially responding to meeting education and learning needs in the Bitterroot Valley by :

- Reviewing the current model and developing one which will promote student and program support and success
- Reviewing current facilities and identifying others for housing/hosting courses and training opportunities in the Bitterroot area
- Investing in a robust e-communication corridor to Hamilton with nodes in other Bitterroot sites which may include Vision Net
- Initiating faculty recruiting in order to develop an application pool of teaching faculty to facilitate hiring qualified local individuals

In closing, we are prepared to assist either way, in close collaboration with the Provost and all units within Academic Affairs of the University of Montana.

HAMILTON COURSE HISTORY 2007-2008									
		Days	Time	Cred	HC	FTE	Instructor	CRN	Notes
SUMMER 07 Courses: 6/18 - 7/19									
1	BUS 103S Principles of Business	MTWR	10:10 - noon	3	1	0.20	Brian Larson	51383	
2	COM 150S Interpersonal Communications	MTWR	8:10 - 10 am	3	2	0.40	Tara Gallagher	51385	
3	CRT 100 Computer Literacy	MTWR	1:10 - 3 pm	2	2	0.27	Rhonda Tabish	51384	
				8	5	0.87			
FALL 07 Evening Courses: 8/27 - 12/14									
1	BUS 103S Principles of Business	T	6 - 9 pm	3	6	1.20	Carolyn Weisbecker	75062	
2	COM 150S Interpersonal Communications	R	6 - 9 pm	3	4	0.80	Tara Gallagher	75063	
3	CRT 100 Computer Literacy	W	6 - 8 pm	2	9	1.20	Sharon Mattix	75064	
canceled	MAT 120 Elementary Functions	MW	6 - 8 pm	4	canceled	0.00	canceled	75065	
4	SCN 195T Lab Tech 1	W	7 - 9:30 pm	2	21	2.80	Tom Schmidt et al	74141	
5	WTS 115 Technical Writing	M	6 - 9 pm	3	3	0.60	Tara Gallagher	75066	
	Open Computer Labs	TR	6 - 8 pm	17	43	6.60			
SPRING 08 Evening Courses: 1/22 - 5/9									
COT Courses									
					13-Feb				
1	ACC 132T Accounting 1	MW	6:30 - 8:30 pm	4	7	1.60	Jann Burgess	35138	
2	COM 160A Oral Communications	TR	7 - 8:30 pm	3	10	1.60	Tammie Slater-Smith	35143	
canceled	CRT 111 Fluency in Info Tech	MW	5 - 6:30 pm	3	canceled		TBA	35141	
canceled	MAT 100 Intermediate Algebra	MW	6:30 - 8 pm	3	canceled	0.00	Leonard Shepherd	35144	
canceled	MED 154T Medical Terminology	TR	5 - 6 pm	2	canceled		Colleen Murphy-Southwick	35140	
3	PSY 100S Intro to Psychology	TR	6 - 8 pm	4	6	2.13	Colleen Murphy-Southwick	35145	
4	SCN 195T.15 Lab Tech 2	T	7 - 9 pm	2	21	2.40	Jim Striebel/Tony Favero	35139	
5	SCN 195T.16 Issues in Biology	W	6 - 9 pm	3	8	1.00	Greg Peters	35142	
	Open Computer Lab	M	6:30 - 9 pm	24	52	8.73			
UM Mtn Campus Courses									
1	EDLD 502 Philosophy of Education	M	5:10 - 7 pm	3	3	0.60	9 - incl Msla students	34655	
2	EDLD 551 Fndations of Curriculum & Instruction	M	7:10 - 9 pm	3	6	1.20	11 - incl Msla students	34815	
canceled	FOR 295 Climate Chg in the Bitterroot Valley	R	6 - 9 pm	3	canceled	0.00	canceled	35193	
3	PSC 100S Introduction to American Governmt	W	6 - 9 pm	3	4	0.80	Jeffrey Doyle	35192	
				12	13	2.60			
SUMMER 08: 6/16 - 7/17									
canceled	CRT 111.99 Fluency in Info Tech	MTWR	6 - 7:50 pm	3	canceled	0.00	Todd Jamison	35141	
UM Mtn Campus Courses									
canceled	BIOL 100N.99 The Science of Life	MTWR	M3:30-5;T-R 1:30-5	3	canceled	0.00	Mary Bricker	51482	
canceled	ENEX 101.99 Composition	MTWR	7 - 8:50 pm	3	canceled	0.00	Frank Laurence	51481	
Fall 08: 9/15 - 12/12									
1	ACC 132T.H1 Accounting I	R	5 - 7 pm	4	7	1.87	Kristine Vessey	75247	also online component

2	BUS 103S.H1 Principles of Business	R	7 - 8 pm	3	7	1.40	Kristine Vessey	75246	also online component
3	CRT 100.H1 Computer Literacy	T	7 - 8 pm	2	11	1.47	Kristine Vessey	75248	also online component
4	MAT 100D.H1 Intermediate Algebra	Sa	10 - noon	3	10	2.00	Amanda Uerlings	75250	also online component
5	WTS 100D.H1 Intro to College Writing	W	5 - 6 pm	3	7	1.40	Erin Fuller	75253	also online component
UM Mtn Campus Courses					42	8.13			
canceled	ENLT 121L Intro to Poetry	T/W	5 - 6:30; 6:30 - 8	3	canceled	0.00	Frank Laurence		
	TOTAL COT to date	21	Courses Run		142	24.33			
		5	Courses Canceled						
	TOTAL Mtn Campus to date	3	Courses Run		13	2.6			
		4	Courses Canceled						

ATTACHMENT E – INFORMATION PROVIDED BY BVCC IN TELEPHONE CONFERENCE WITH OCHE

November 6, 2008, Telephone Interview with BVCC Trustees-elect to Clarify Their Responses to Regents' Requests

Attending from OCHE: Mary Moe, Sylvia Moore, Mick Robinson
Attending from BVCC: All Trustees-elect, two Steering Committee members
Speaking from BVCC: Victoria Clark, unidentified male, Dixie Stark, Greg Selser, Darrell Cooper, Deb Rogala

QUESTIONS AND ANSWERS

1.0 Enrollment Projections

1.1 With respect to the 131 recent high school graduates, 334 traditional age students, and 324 non-traditional students, are these duplicated/overlapping populations?

Clark: There is overlap in the first two populations, but traditional and nontraditional are not duplicated.

What are the projections based on?

Clark: Enrollments were projected on the average of capture rates at the existing community colleges in each population.

1.2 With respect to the 119 FTE projected for year one and 194 FTE for year two:

1.2.1 Why are these projections different from the ones you submitted in September?

Clark: The budget is an evolving document. We're still waiting for the needs assessment and we're still learning, so the numbers keep changing. In fact, we're making a last revision of our budget right now to submit to PEPB on November 14. [Robinson explained the budget process and suggested that they get any revisions to the Governor's Office or Pam Joehler as soon as possible.]

Clark: As we rework the budget, the projections keep changing. Originally, they were 138 for FY 2010, the documents you have say 119 FTE, and we're now projecting 160 FTE for FY10 and 240 for FY11.

1.2.2 How did you arrive at these numbers?

Clark: We are basing it on if we offer a certain number of courses, a certain percentage will fill and there will be an average number of students/class, and it's a domino effect from there. There's a formula based on those factors, that you just work down from. Our numbers change because we think, maybe we'll offer more classes, maybe we'll increase the average number/class, and that will change the projections.

1.2.3 Are half of the FTE projected for workforce programming and the other for transfer programming?

Clark: We imagine our pattern will reflect the numbers that FVCC has.

1.3 With respect to the developmental programming projections, what is the basis for the 30% increase projected for next year?

1.4 What is the basis for the projection that BVCC will start at 25% of capacity? Why is this projection different from what it was in the September materials?

Clark: With all these projections, you need to know that it's still in flux. We need to start somewhere. It's like starting a business; you don't want to over-inventory. We need to start small, but we need to have enough classes so students can get financial aid. We figured with 40, we'd have enough for that. It's a crap shoot, a gamble. But we've based our growth on our sense of our community. We're positive that they'll come when the doors open and once we're established even more will come

[Moe expressed concern that BVCC was putting the Regents in the position of making a recommendation on the basis of an ever-changing factual landscape. Clark responded that BVCC understands the Regents have to make their recommendation on the basis of information, and understands that it must be frustrating because BVCC information changes or it doesn't seem complete. Clark stated that the trustees-elect are elected to set policy and hire professionals, not to plan and manage a community college. BVCC needs a professional staff to do that, but can't have one till BVCC is authorized.

Clark stated that the Regents need to look at this issue not on the basis of how much it will cost, or how many people you hire, but whether this community college model is how services need to be provided. She stated that the fiscal questions can be "ballparked," because there are plenty of checks and balances in the model to make sure the budget is fiscally sound. Clark projects that their cost/student will be much like FVCC's.

Robinson stated that the Regents need to approve the community college budgets –and there is a lot of variability between cc budgets. Clark

acknowledged that “there is a bit of crystal ball” here. **Robinson** continued that the Regents don’t just approve “the model,” they have a statutory responsibility to approve the budget. **Clark** stated that the Regents don’t have that authority until the community college exists. **Robinson** asked if it was their intent to seek a legislative appropriation for BVCC and **Clark** said, Yes but not until the college exists. She stated that the legislature votes by resolution whether or not to authorize the community college and only then will FVCC be authorized to submit a budget. She said that OCHE shouldn’t confuse the situation of making the recommendation with reviewing BVCC’s budget. The Regents’ recommendation isn’t about the budget.

2.0 Accreditation

2.1 What is the status of the negotiations with FVCC as an accreditation sponsor?

2.2 Has FVCC accepted your cost projections?

Clark: We’ve discussed it with FVCC, our board members have visited them, but it’s premature. Until we’re authorized, they can’t negotiate with us. They have seen our projections on cost and haven’t expressed concern.

3.0 Academic Program Plan

3.1 Is the academic program plan any more specific yet?

Clark: No, except on one level. We will rely on our accreditation sponsor for degree programs, so they won’t require any additional approval.

Moore noted that Board of Regents policy requires more than that and Northwest may also have processes to follow. Moore expressed concern about the brevity and lack of specificity in the academic program plan and stated that if the start time were not so immediate, a more thorough plan could be developed.

3.2 Why is there so much emphasis on noncredit programming?

Stark: BVCC intends to become the lead education agency for adult education. The trustees can assess a levy to fund it and they can offer more in a more coordinated way than the local school districts can.

Moe stated that statute requires regental approval of adult education. Stark disputed that. Robinson cited 20-15-105 as the statute and there was much discussion of the statute’s implications, with no conclusions reached other than that the statute does exist.

Moe stated that the need for regental approval of adult education creates another timeline issue.

3.2.1 Why are class sizes so small for the developmental courses?

3.2.2 Why 45 credit-bearing courses/year? What degrees would be offered? When would Regental approval be sought?

Clark: We will rely on our sponsor for degree programs so they won't require any additional approval.

Moore noted that Regental approval would still be required and the timeline made that problematic. Clark asked whether they couldn't just offer courses of the sponsoring institution, rather than programs. Moore thought that would be a concern both to Northwest and to the Regents. Moore continued that the problem is the quick timeline: the level of academic planning is just not there and the timeline to get the planning done is too quick. Clark noted that the community had voted for the community college in May 2007 and they wanted services and did not want to wait any longer. She stated that a longer time frame isn't really acceptable, and if we all work together we can get this done.

Clark stated that once they hire professional staff, they'll have an academic plan. What OCHE has asked for, their professional staff will provide. Right now what the Regents need to make a recommendation on is whether to a community college model is the best thing for Ravalli County. The Regents shouldn't be hung up on what classes should start in Fall 2009 or what computers should be bought. That isn't what this is about, she stated. It's about what model will serve Ravalli County.

4.0 Business Plan

4.1 Timeline issues

Clark: We're aware there are issues, but if we all work together we can get the courses going in Fall 2009.

4.2 Staffing model – what is the rationale for the administrator/faculty/support staff ratio? Why so many part-time people? When would faculty come on board?

Clark: We put that staff in place to meet accreditation requirements, but once we get the President in place we can adjust the staffing model.

4.3 Facilities – have you identified classroom space sufficient to sustain the plan?

*Clark: Several trustees are familiar with the real estate in Ravalli County and are very confident that enough space can be found. **Male:** We can't contract yet anyway, so identifying classroom space is premature.*

4.4 Budget

4.4.1 How were utilities projected? Insurance?

Clark: Insurance is based on school district model. One of the trustees-elect has experience with school district budgeting. Utilities based on knowledge of real estate in area and utilities pricing.

4.4.2 How were scholarships projected? (Not nearly as large in September)

Clark: Based on FVCC model, 14%. It doesn't affect state funds, so we don't see that as an issue.

***Robinson** asked if these were really scholarships, funded from an external source, or tuition reductions, normally called waivers. **Clark** confirmed they were waivers.*

Closing Comments

Selser: Accreditation is pretty flexible as far as timeline. Columbia Gorge Community College existed under sponsorship for 20 years.

Clark: If FVCC is willing to sponsor us, they can negotiate with Northwest and if it's OK with Northwest we can just go with them for years if that was what we all thought was appropriate. We're not planning on that. We want independent accreditation.

Moore: It would be in students' best interest to be independently accredited.

Rogala: We are looking at having our own accreditation as soon as possible, but the reason for having a sponsor is to have a model for what you want your institution to become.

Cooper: If FVCC sponsors us, we'll tell them here's the curriculum we have in mind, if they agree to it then we'll come to a meeting of the minds.

Clark: We appreciate your questions. There are differences of opinion, but we appreciate that you communicate them and then we work through them.

ATTACHMENT F – NEEDS ASSESSMENT FOR THE GALLATIN VALLEY 2005

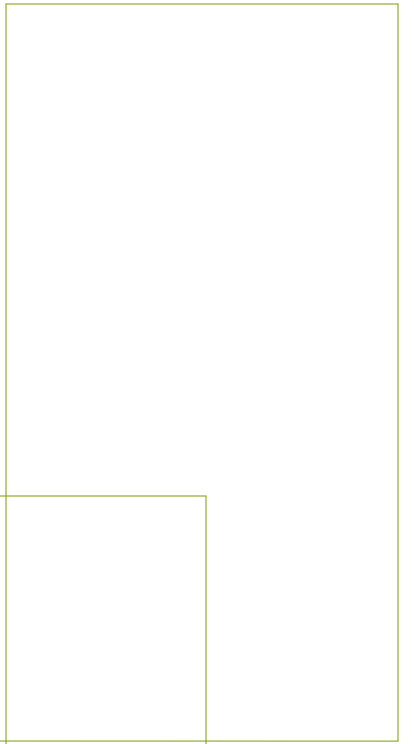
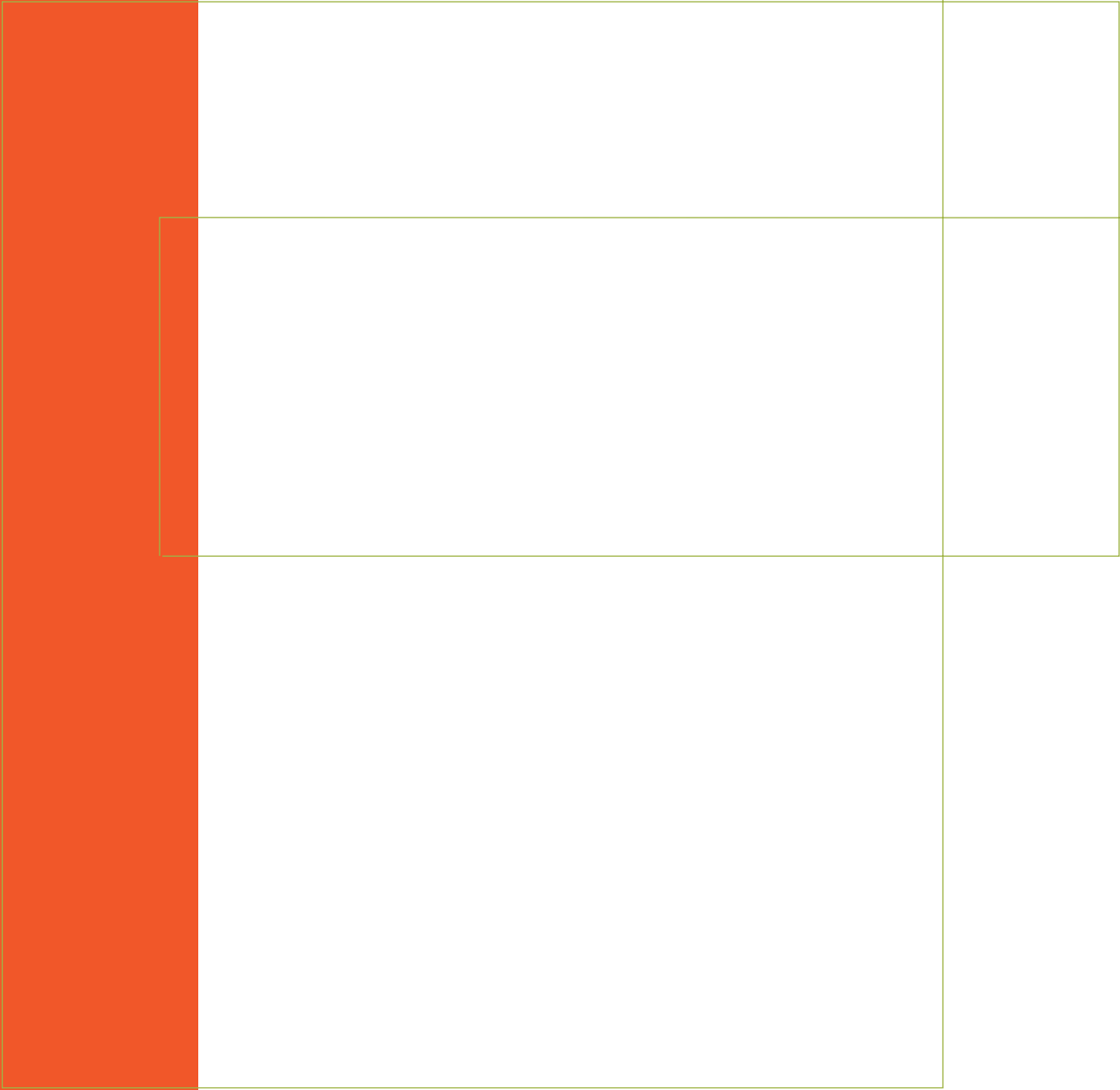
Gallatin Valley

Environmental Scanning Report 2006



Workforce Needs and Occupational Preparation Assessment

Prepared by the College of Technology in Bozeman -
An Extension of MSU-Great Falls College of Technology



OVERVIEW



In preparation for future development of the College of Technology in Bozeman, its services and subsequent degree and certificate programs, the College has engaged in a comprehensive environmental scan to assess the current and projected workforce needs of the Gallatin Valley.

In partnership with groups such as the Gallatin Valley High School Counselors, Bozeman Chamber of Commerce, Gallatin Development Corporation, and the Bozeman Job Service, the scanning process was conducted over the course of the spring and summer of 2006.

Three (3) primary sources of data were used for this scanning process. These include (1) Gallatin Valley High School Student Survey, (2) Gallatin Valley Workforce and Business Survey, and (3) Montana Department of Labor Workforce Statistics. A summary of the sampling and findings from each source follows.



GALLATIN VALLEY HIGH SCHOOL STUDENT SURVEY

To assess the need and interest from high school students in the services provided by a Career Center (Career Centers are high school level institutions where students from many schools can take classes to develop employment skills, while working on their high school diploma, and preparing for college) the Gallatin Valley High School Counselors surveyed students at Bozeman, Belgrade, Bridger and Three Forks High Schools. The survey included a total of 1,773 student responses and spanned grades 9 through 12. Results are highlighted in Figures 1-4.

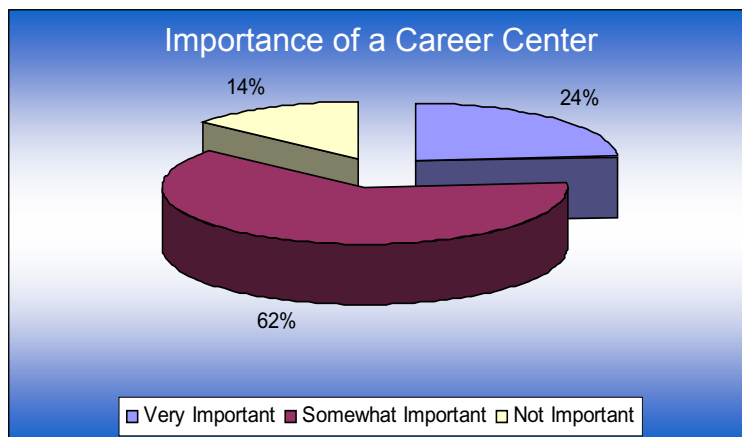
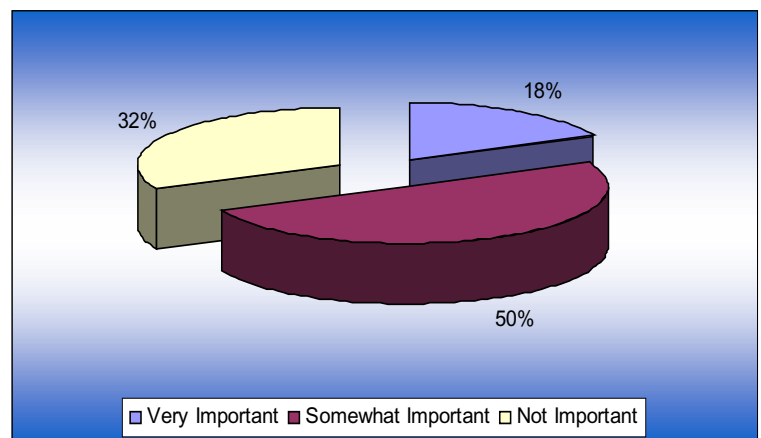


Figure 1

When asked how important a Career center was for their own success, a majority (1202) of students thought a career center was at least somewhat important to them personally. A substantial number (558) responded that it was not important.

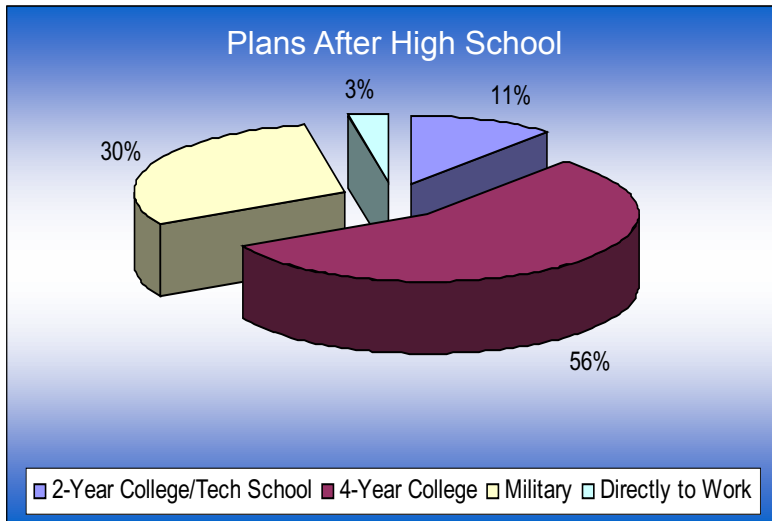
Figure 2



When asked how important a career center was for their school district, the majority of students (1524) thought it was either somewhat or very important.

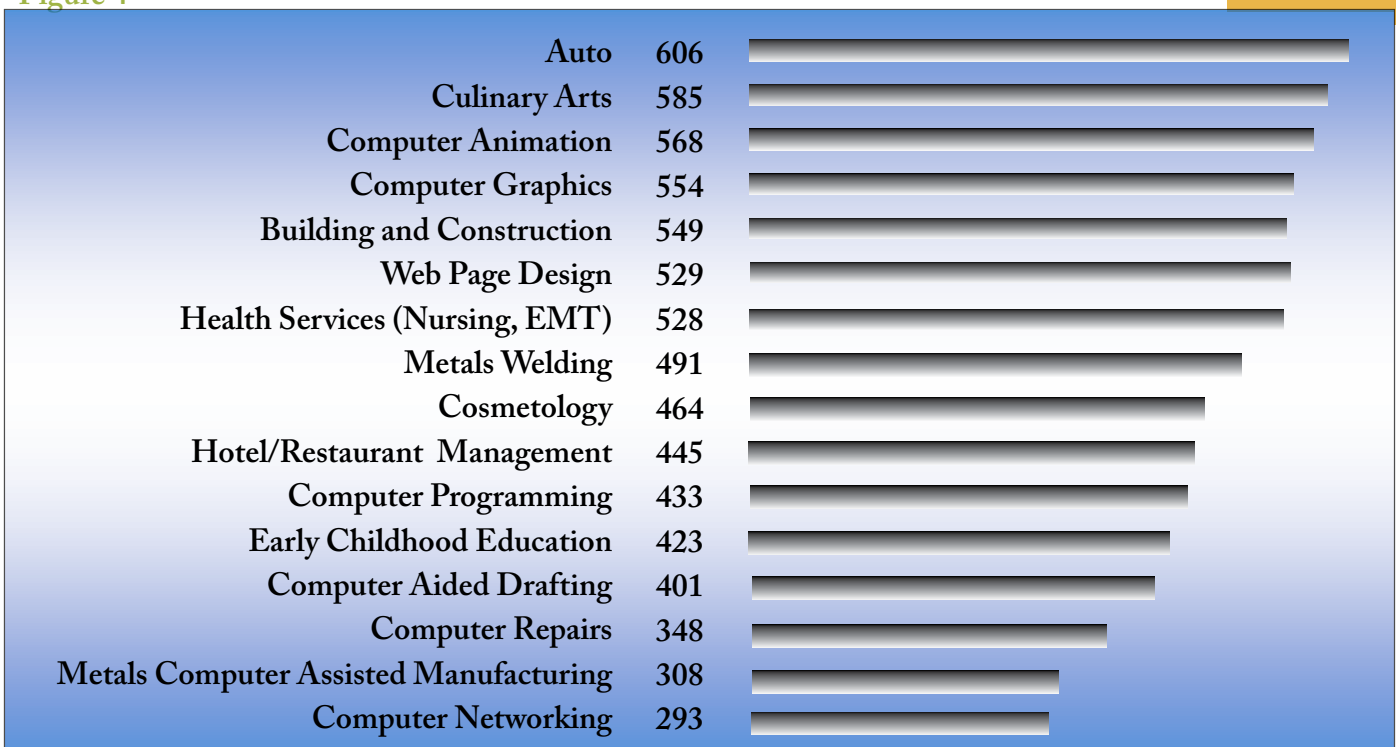
When asked what their plans were for after high school (illustrated in Figure 3), the majority planned to attend a 4-Year College, with a significant second stated they would enter the military. Only 11%, or 267 students, said they were planning on attending a 2-year college or technical school.

Figure 3



Students were asked about which courses or program type they would be interested in as part of their high school curriculum. These results are illustrated in Figure 4.

Figure 4



GALLATIN VALLEY WORKFORCE SURVEY

Prior to developing and implementing workforce training and degree programs not available in the Gallatin Valley, the College recognized that decisions must be based on sound data and feedback from the business community. Direct input from business and industry leaders was a key first step. In partnership with the Chambers of Commerce in the Gallatin Valley and the Gallatin Development Corporation, a survey was implemented to gather information on business/industry workforce needs and items related to training, education and business. The survey was available on a voluntary basis to the business community during the months of June and July 2006.

The following are some quick facts about the respondents:

- 133 different businesses responded to the survey.
- Top industries represented were Professional Services (28%), Manufacturing (15%), Construction (11%), Retail (8%), and Hospitality/Tourism (8%).
- The majority, 81%, were male-owned businesses, compared to 19% that were female-owned.
- Only three (3) of the businesses responding were minority-owned (2.7%).
- 35% of the businesses grossed between \$1.1 and \$5 million annually, while the majority of the respondents, or 49%, grossed less than \$1 Million.
- The majority (61%) of the responding businesses were established between 1976 and 2000, while businesses established after 2000 made up the second highest response group (28%).
- The two top reasons for businesses choosing to locate in the Gallatin Valley were quality of life (61%) and a good business climate (37%). Being near home (24%), proximity to customers (18%), and environmental reasons (16%) were also substantial responses.
- Most respondents said their industry as a whole was experiencing growth in business (79%), as compared to 3% experiencing some form of decline in business.

Industry Type Representation

Figure 5

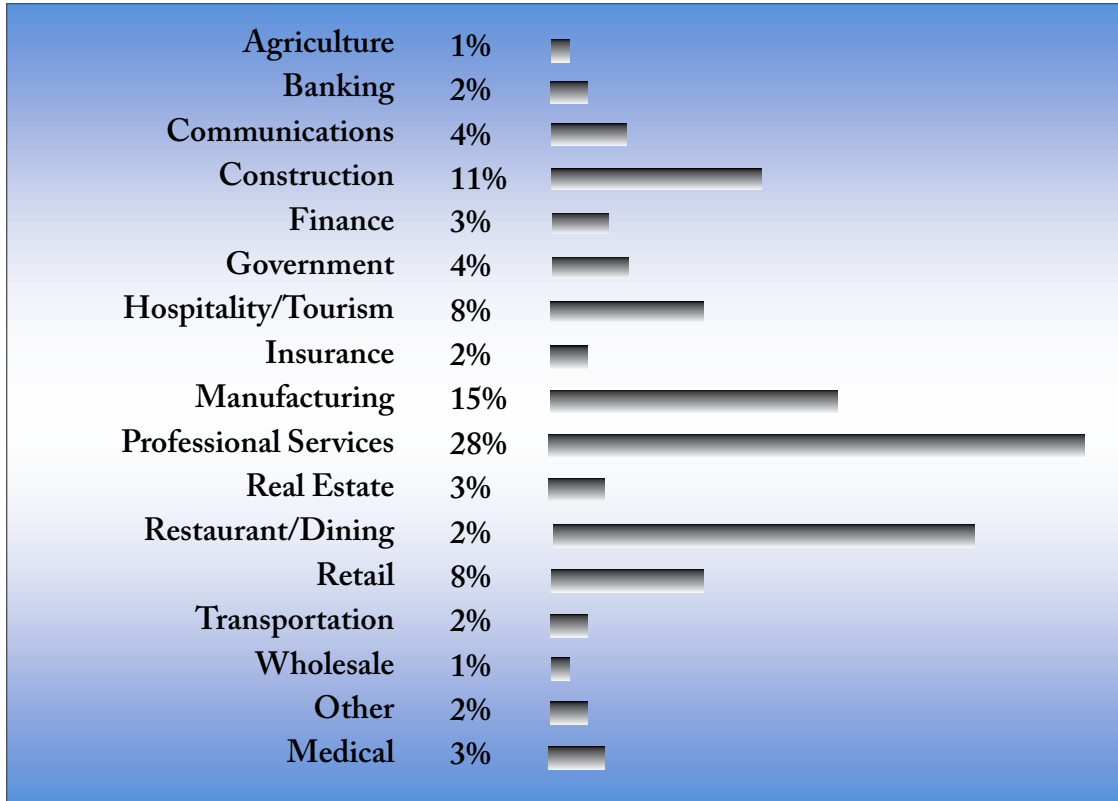


Figure 6

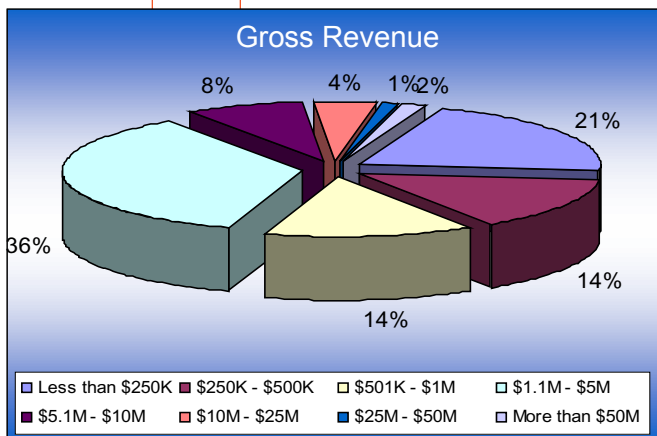
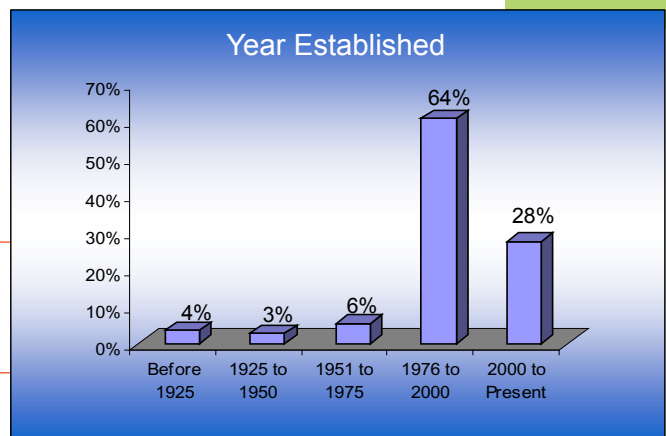


Figure 7



GALLATIN VALLEY WORKFORCE SURVEY

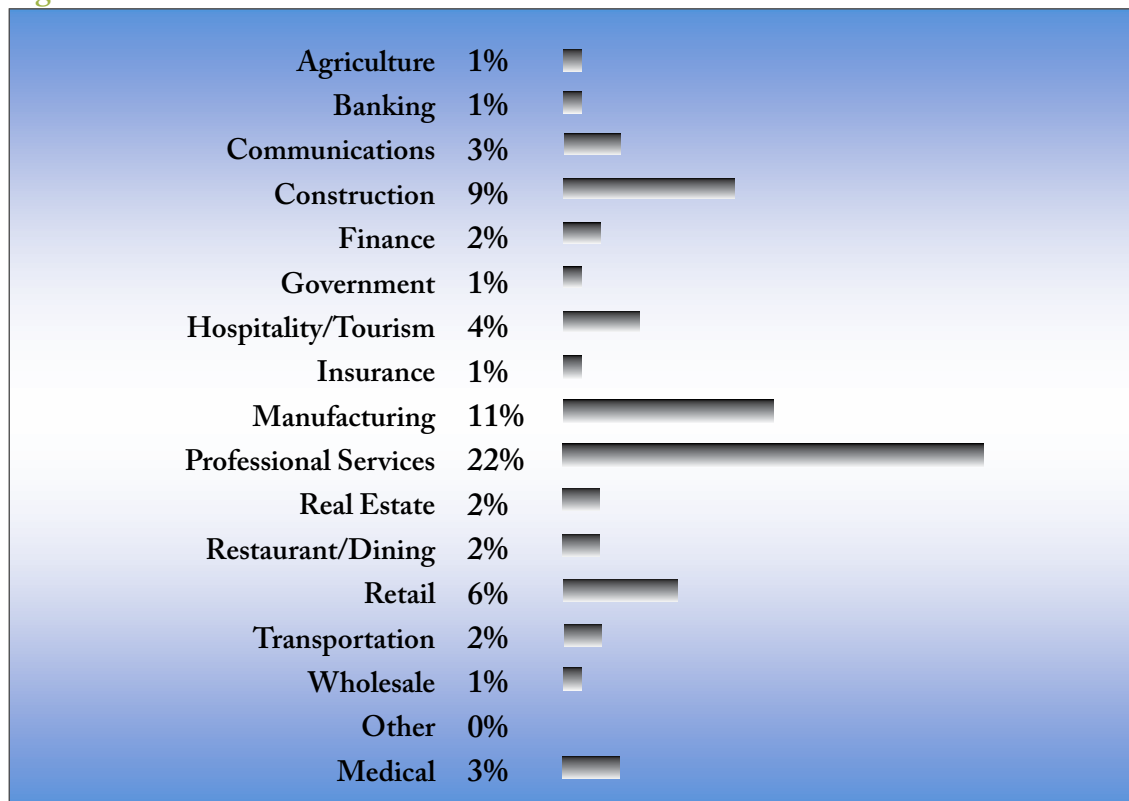
Subsequent questions within the survey asked the businesses to provide general data about their workforce. The following is a summary of the businesses' responses to these questions.

- Most of the respondents (85%) said they do hire entry-level workers, with the majority of these workers receiving an hourly wage between \$9-\$15 (68%)
- Average hourly wages of all their employees were higher, with just under half (46%) at the \$9-\$15 range, and just slightly more provide over \$16/hr (27% \$16-\$20 and 21% over \$20/hr)
- Nearly three-quarters of the respondents, or 72%, said their workforce has expanded over the past five years.
- Of the businesses experiencing a growing workforce, 70% say this is due primarily to increased sales and/or demand for their product or service.

Industry Distribution with Expanded Workforce

Figure 8 shows the industry distribution of businesses experiencing a growing workforce. This distribution is similar to the overall distribution of all responding businesses.

Figure 8



Almost all businesses expect some form of growth in both full-time and part-time employees over the next five years. The growth by job category is highlighted in Figures 9 and 10.

Figure 9

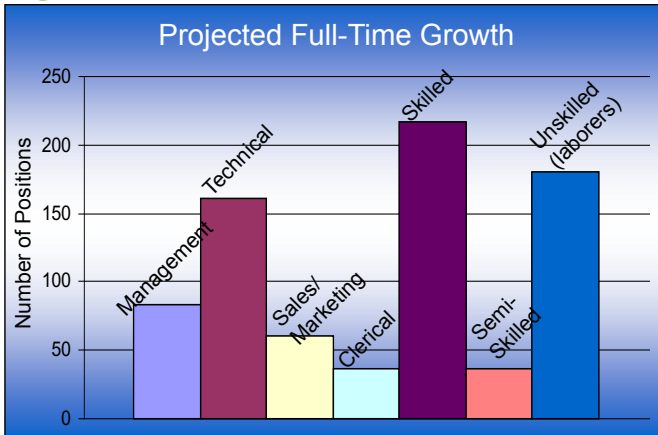
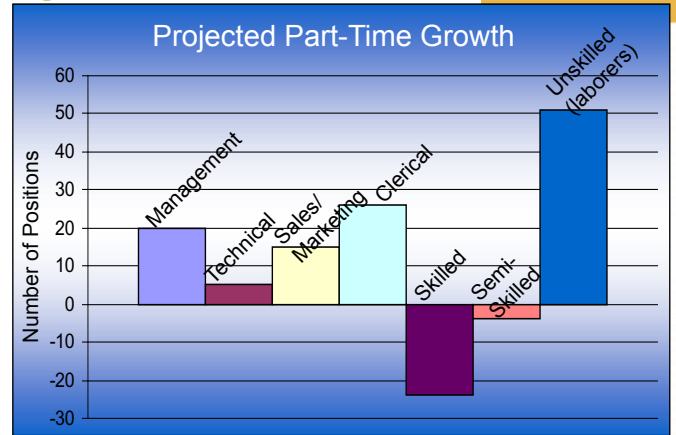
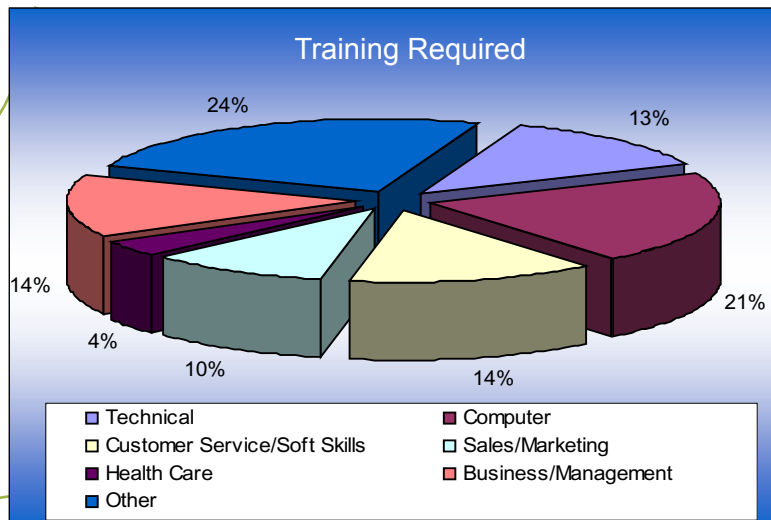


Figure 10



- For both current and future jobs, most businesses (95%) reported the need for employee training. 91% of the businesses provide in-house training for new positions, whereas only 77% provide in-house training for current positions
- 75% of the respondents state that they have a group of employees that could use specific training to upgrade their skills. As illustrated in Figure 11, the type of training required is fairly well distributed across the categories of Technical, Computer, Soft Skills, Business/Management and Sales/Marketing.
- Nearly 70% of the businesses that responded said they were experiencing difficulties recruiting employees with adequate skills. As a result, of those experiencing difficulties, 30% are experiencing an inability to expand, 26% a decline in service quality, and 26% a decrease in productivity.

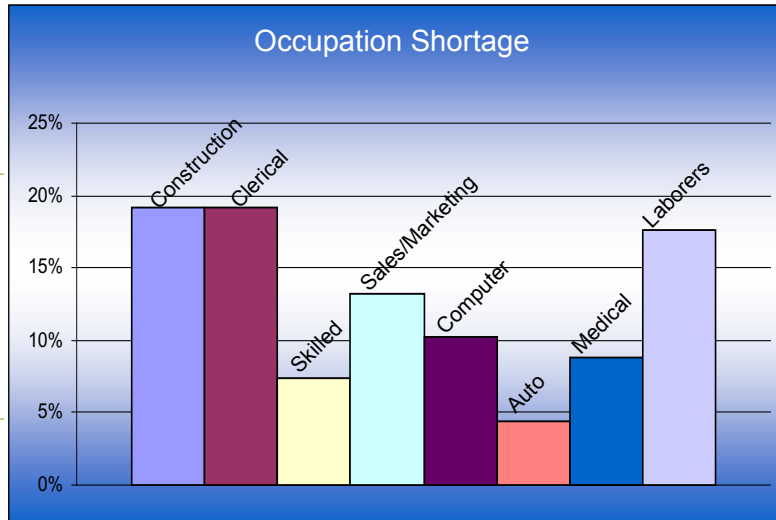
Figure 11



GALLATIN VALLEY WORKFORCE SURVEY

When asked to list the occupations in which they were experiencing the greatest shortage, the main shortage areas reported were construction-related occupations, such as welders and carpenters; clerical occupations, especially financial and bank teller positions; and general laborers, as shown in Figure 12.

Figure 12

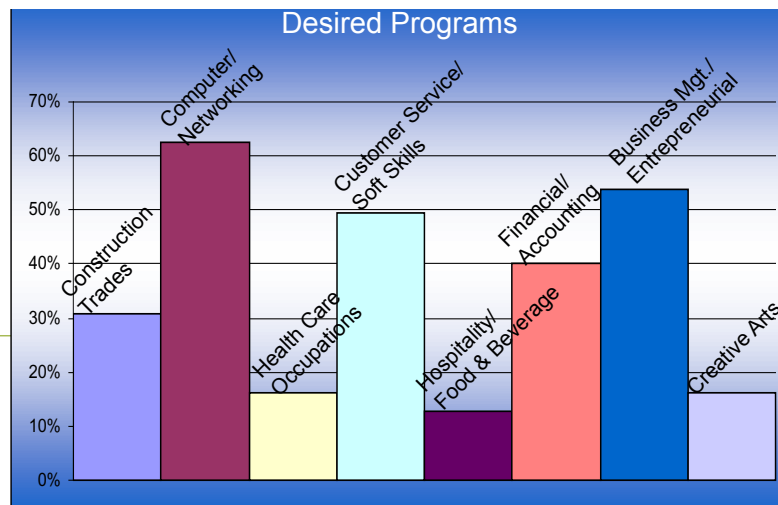


When asked about the availability of different types of employees, respondents typically rated the availability of Professional/Management, Clerical, Sales/Marketing and Technical as being fair. For availability; Skilled, Semi-Skilled and Unskilled Laborers rated poorly.

Businesses were asked to choose what vocational, technical or other training programs they would like to see available in the Gallatin Valley. Figure 13 illustrates the choices of the 117 people who answered the question.

1. Computer/Networking programs – 62%
2. Business Management/Entrepreneurial Programs – 54%
3. Customer Service/Soft Skills programs – 50%
4. Financial/Accounting Program – 40%
5. Construction Trades Programs – 31%

Figure 13



GALLATIN VALLEY WORKFORCE SURVEY

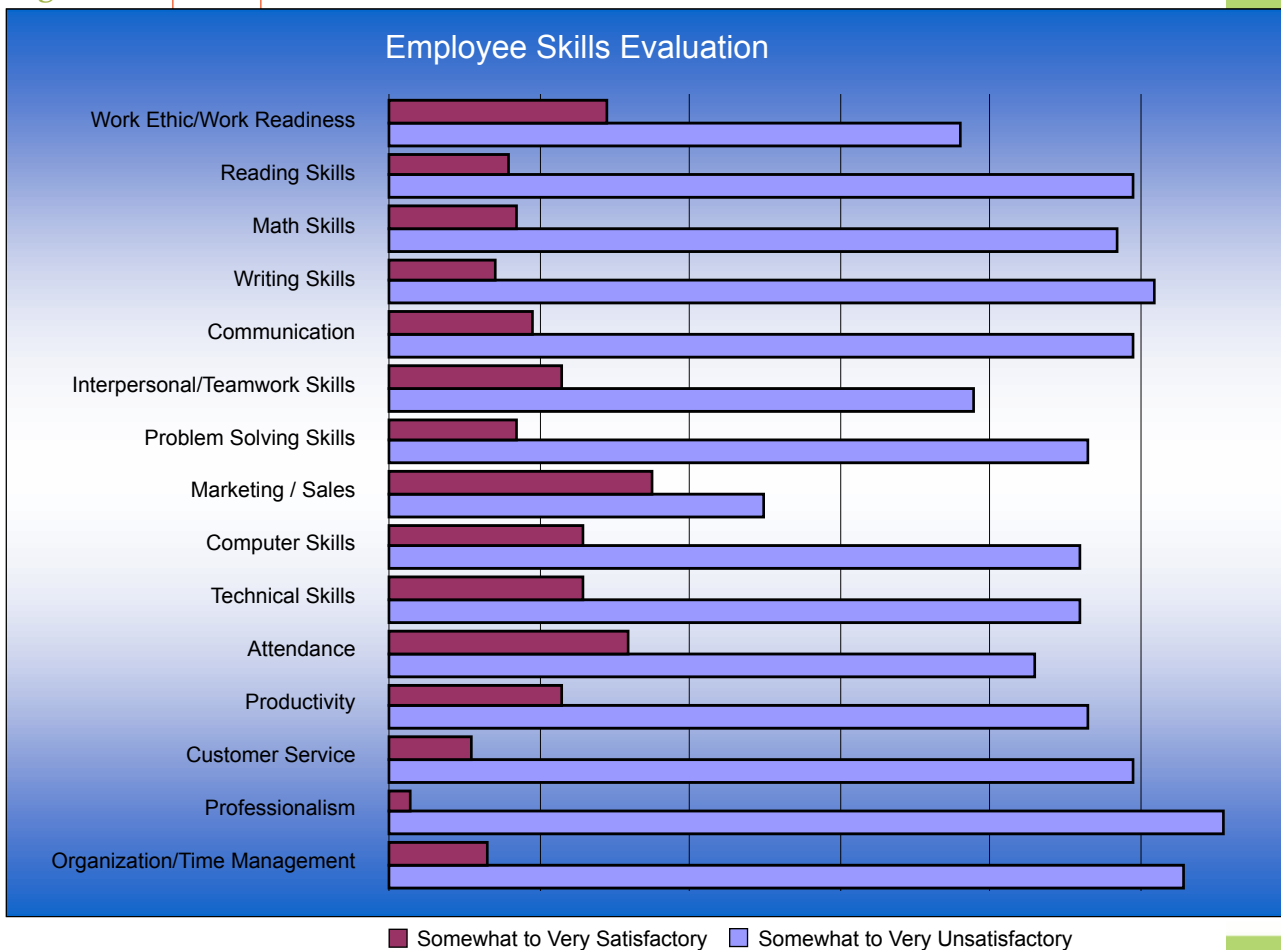
Workforce Evaluation

Businesses were asked to provide their opinions and evaluation of the overall workforce in the Gallatin Valley. This was summarized within a few specific questions.

When asked what skills or competencies their employees need to improve or obtain to a make their business more competitive, the respondents noted a variety of skills as being near equally important, as illustrated in Figure 14.

1. Work Ethic/Work Readiness – 53%
2. Organization/Time Management – 52%
3. Interpersonal/Teamwork Skills – 51%
4. Problem Solving Skills – 51%
5. Communication – 48%
6. Marketing/Sales Skills – 44%
7. Computer Skills – 44%
8. Customer Service – 44%
9. Professionalism – 41%

Figure 14



GALLATIN VALLEY WORKFORCE SURVEY



Workforce Evaluation

In contrast, businesses rated certain core skills very low in terms of what their employees need to improve or obtain to make their business more successful.

1. Reading Skills – 11%
2. Math Skills – 17%
3. Writing Skills – 27%

The majority of respondents rate their employees' current skill levels as fair to good in nearly all areas, with Reading Skills, Attendance, Work Ethic/Work Readiness, and Problem Solving Skills heading the majority list as Very Satisfactory. Nearly all others had majority responses of either somewhat satisfactory or better.

When asked whether or not the respondents thought the educational resources in the Gallatin Valley adequately prepare students to enter the workforce, over half (53%) stated no, while just under half (47%) indicated that they thought resources were adequate.

A follow-up question asked which areas saw the greatest need for improvement (either more programming or better programming). The High School Level was the main response at 33%, with Bachelor's Degree second at 25% and Technical School (Associate Degree Level) a close third at 21%.

Short-term training (continuing education or certification) received a fair response at 15%.

While training is integrated into many of the businesses that responded to the survey, when asked if they used local job training programs, the majority (81%) reported that they did not. This may be due to the fact that such a large percentage of the respondents reported doing in-house training.

MONTANA DEPARTMENT OF LABOR WORKFORCE STATISTICS

The final source of information gathered for the purpose of this scanning project included standard labor statistics and future projections from the State and Federal Governments for Southwest Montana. Neither Bozeman nor the Gallatin Valley is yet a Metropolitan Statistical Area (MSA), therefore, the closest proximity to local labor data and statistics was to look at Southwestern Montana, which does include other major communities, such as Butte and smaller ones like Dillon. The Bozeman Job Service played an integral role in assimilating this data and added in customized statistics on occupations such as current job orders or openings posted with the Job Service by employers.

The primary purpose of evaluating this data source was to look at occupations that have a high number of openings (current demand), are projected to experience significant growth, will have significant openings in the future from either growth or retirements, can be developed and supplied through technical or vocational programming, or reflect some combination of these characteristics. The following is a brief list of some of the top candidate occupations. This list is not exhaustive, nor necessarily ranked in any order of priority and should be used in conjunction with other information such as that gathered in this process or through other interactions with the community prior to making decisions about the investment into the development of programs.

... statistics continued on next page



MONTANA DEPARTMENT OF LABOR WORKFORCE STATISTICS

Program Area	Occupation	# Openings 05-06	Projected Growth	Average Annual Openings
Computer Information Technology				
Microcomputer Support	Computer Support Specialist	14	28%	66
Computer Networking	Network & Computers Systems Admin	1	33%	20
Computer Graphic Design	Graphic Designers	3	23%	33
Pre-School and Education				
Education Assistant	Teacher Assistants	30	13%	134
Education Assistant	Child Care Workers	30	19%	501
Office and Administrative Specialists				
Business Finance Assistance	Bookkeeping, Accounting & Auditing Clerk	51	2.1%	182
Executive Assistance	Executive Secretaries & Admin Assistants	107	10%	166
Executive Assistance	Secretary (except Legal, Medical & Exec)	15	-1%	147
Legal and Law Assistance	Legal Secretaries	7	24%	32
Medical Office Assistance	Medical Records and Health Info Techs	5	46%	34
Medical Office Assistance	Medical Secretaries/Office Managers	11	14%	40
Culinary				
Food Service Management	Food Service Managers	3	20%	112
Food Service Management	First-Line Supervisors/Managers	7	25%	121
Culinary Arts	Chefs & Head Cooks	2	27%	37
Culinary Arts	Cooks (all types)	42	~22%	561
Culinary Arts	Food Preparation Workers	25	23%	210
Culinary Arts	Bartenders	3	21%	277
Medical and Health Care				
Medical Lab Technology	Medical & Clinical Lab Technologists	1	21%	30
Medical Lab Technology	Medical & Clinical Lab Technicians	4	21%	14
Pharmacy Technology	Pharmacy Technicians & Aides	1	38%	29
Radiologic Technology	Radiologic Technologists & Technicians	0	25%	31
Emergency Medical Tech	EMT and Paramedics	0	33%	24
Practical Nursing	LPN & Licensed Vocational Nurses	6	17%	88
Practical Nursing	Registered Nurse (AAS Degree)	15	33%	431
Nursing Assistance	Home Health Aids	9	37%	123
Nursing Assistance	Personal and Home Care Aides	12	44%	215
Nursing Assistance	Nursing Aides, Orderlies & Attendants	4	27%	217
Medical Assistance	Medical Assistants	1	53%	63
Medical Transcription	Medical Transcriptionists	0	20%	20
Physical Therapy Assistant	Physical Therapy Aides	1	49%	9
Veterinary Technology	Vet Assistants & Laboratory Animal Care	0	33%	12
Veterinary Technology	Vet Technologist & Technicians	0	48%	10
Construction and Trades				
Construction Management	Construction Managers	7	37%	160
Construction Technology	Carpenters	95	32%	618
Construction Technology	Helpers – Carpenters	21	43%	55
Construction Technology	Construction Laborers	114	34%	244
Metals Fabrication	Welders, Cutters, Solderers & Brazers	7	13%	41
Metals Fabrication	Welding, Soldering & Brazing Machining	1	-6%	5
Metals Fabrication	Metal Workers and Plastic Workers	1	1%	78
Metals Fabrication	Machinists	6	7%	23
Landscaping Technology	Landscaping & Groundkeeping Workers	71	26%	264
Landscaping Technology	First-Line Supervisors/Mgrs Landscaping	0	35%	28
Facilities Management	Property, Real Estate & Assoc Managers	5	42%	135
Automotive Technology	Automotive Technicians	Unknown	22%	190
Business Management & Entrepreneurship				
Interior Design Technology	Interior Designers	0	39%	8
Retail Sales and Management	First-Line Supervisors Retail & Non-Retail	33	8%	304
Retail Sales and Management	Retail Sales and Marketers	77	14%	888
Office Management	First-Line Supervisors/Mgrs Office	9	9%	110

*Note: The Openings listed above are actual jobs posted with Job Service in 2005/06
The Projected Growth above is anticipated employment growth for southwest Montana.*

Report Conclusions and Considerations

Lack of Skilled, Semi-Skilled, and Unskilled Employees

The results of the Gallatin Valley Workforce and Business Survey show that most of the businesses who responded feel there is adequate access to professional/management, some clerical, technical and sales/marketing qualified employees, even though none rated excellent. Most likely due to the highly educated community being developed by the Montana State University presence and the highly desirable quality of life that is attracting folks to the community. However there are indications that access to some Clerical, most Skilled, Semi-Skilled, and Unskilled workers is very inadequate.

In fact, many businesses (nearly 70%) said they were experiencing difficulties recruiting employees with adequate skills, and of those respondents, 30% are experiencing an inability to expand, 26% a decline in Service Quality, and 26% a decrease in productivity.

Compounding this issue, of the students (from Belgrade, Bozeman, Three Forks, and Bridger) who responded to the Gallatin High School Survey, 267 of them (about 11%) that said they were going to a 2-Year College/Technical school when they graduate. These institutions provide much of the programming needed to build a skilled workforce, however Bozeman and the surrounding area is the only major community in Montana without one of these institutions. So that means that 267 students are LEAVING the Bozeman area to go to a 2-Year or Technical College, many of which may not return to the Valley.

Looking at stated projections and Department of Labor statistics for occupational growth, there will be a significant demand and growing workforce in the Valley. Identified by the respondents, the areas where most growth is anticipated is in the Technical, Skilled and Unskilled areas, and this is mirrored by the projections by the Department of Labor. However respondents are already reporting shortages in many of these areas such as Construction, Computer Technology, Medical, Sales, Management and Services.

Finally, in many of the open ended questions or additional comment areas, respondents to the Workforce and Business Survey voice a concern about having to adjust wages to accommodate for the cost of living in the Gallatin Valley. However, many jobs that do provide good wages (the majority of respondents reported wages of over \$16/hour) go unfilled due to lack of a qualified workforce.

It is evident and common knowledge that Bozeman and the Gallatin Valley are going through unparalleled growth in Montana.

With the growth and prosperity come unique challenges for the business community, local and state government, and education providers.

One of these is access to a skilled workforce and the results of this scanning process give insight to some aspects of this challenge.

Interest, Demand and Need for Technical Programming



Conclusions drawn above relating to the interest of high school students in both career center and technical education during and after high school, the lack of these opportunities in the Gallatin Valley, the growing demand and shortage of the workforce typically prepared by this type of education, all provide endorsement for the decision to expand the College of Technology in Bozeman.

Over half (53%) of the businesses that responded said in their opinion the educational resources in the Gallatin Valley do not adequately prepare students to enter the workforce. Surprisingly, 33% of those folks said the most need for improvement was at the

High School level, but the next largest, 25% said at the Technical School level. These findings support the above statements.

With this knowledge, and the results of the scanning process, the following are considerations for programming options to explore and possibly develop for the Gallatin Valley.

Construction Trades

549 or 31% of the students surveyed said they would be interested in Building and Construction programming. Likewise the 31% of the businesses responding stated they would like to see the programs offered in the Gallatin Valley. Finally, labor statistics support the current and projected demand for these occupations, especially carpentry, welding or metals fabrication and construction management.

Culinary Arts

585 or 33% of the students surveyed said they would be interested in Culinary Arts programming. In addition 445 or 25% said they would be interested in Hotel/Restaurant management programming. The labor statistics and anecdotal information suggest there is a large demand for all forms of food service and preparation professionals now and projected in the future. These may range from culinary operation management to professional chef or cook.

Office and Administrative Specialists

Reponses from the workforce and business survey referred to the need (both current and projected) for qualified administrative (clerical or semi-skilled) employees. Looking specifically at the labor statistics, there is a diversity of occupations within this field that have current and projected demand. Areas to consider would include bookkeeping, accounting, auditing, executive secretaries, administrative assistants, legal secretaries, medical records, secretaries and office managers. The financial area may be an ideal place to start as 40% of the businesses who responded said they would like to see this type of programming available in the Gallatin Valley.

Computer Information Technology

413 or 24% of the students surveyed said they would be interested computer information technology programming and 62% of the businesses who responded to the workforce and business survey stated they would like to see computer/networking programs offered in the valley. Finally, labor statistics suggest a large number of openings, and significant growth in fields such as microcomputer support, computer programming, networking, and computer graphic design. All should be considered.

Over half (53%) of the businesses that responded said in their opinion the educational resources in the Gallatin Valley do not adequately prepare students to enter the workforce.

Surprisingly, 33% of those folks said the most need for improvement was at the High School level, but the next largest, 25% said at the Technical School level.

Business Management

54% of the businesses who responded to the workforce and business survey stated they would like to see Business Management/Entrepreneurial programming offered in the Gallatin Valley. In addition, labor statistics illustrate a significant current, and very significant projected demand for a variety of First-Line managers and supervisors in different aspects of the product and service industries. Some areas to consider include retail, sales or marketing management, business entrepreneurship, or office management. Some room for specialization could be developed into a degree program built on foundational coursework that would be highly compatible with the many industries in need of these individuals.

Early Childhood Education

423 or 24% of the students surveyed said they would be interested in Early Childhood Education programming. Labor statistics project that there will be a significant demand for occupations such as Teacher Assistants and Child Care workers in the future and this type of programming may be an ideal ladder opportunity between high school, to 2-year education, and onto 4-year bachelor or even master degrees.

Automotive Service Technology

606 or 34% of the students surveyed said they would be interested in Auto repair and refinishing programming. Businesses who responded to the workforce and business survey stated that one of the areas there was an occupational shortage was in the automotive service industry and their claims seem to be supported by the labor statistics which project a significant number of available jobs annually in this area.

Medical and Healthcare

528 or 38% of the students surveyed said they would be interested in Health Services programming such as nursing or EMT. Some of the businesses responding reported the lack of qualified medical workers in the community. With the aging population of Montana and labor statistics which identify a current need and significant projected growth for medical and healthcare occupations, it would be valuable to consider programs such as medical and lab technology, Certified Nurses Assistant, Personal Care Assistants, Medical Assistants, and Pharmacy Technology. Significant interest has also been expressed in the development of a Veterinary Technology program that could be a good partnership with industry and Montana State University-Bozeman.

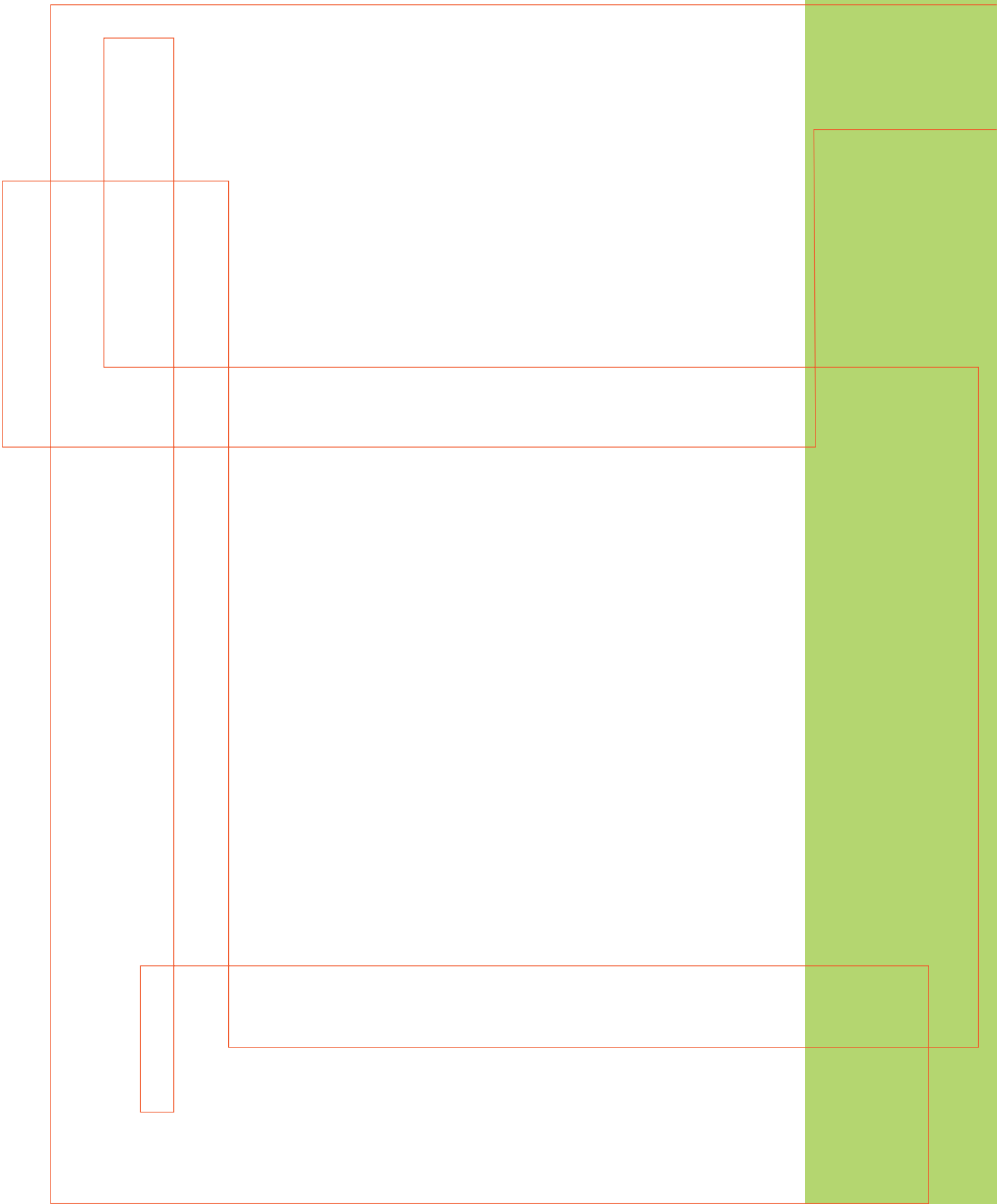




Thank you . . .

The College of Technology in Bozeman would like to extend a special note of thanks to the following organizations and individuals who assisted in this project:

- David Smith and the Bozeman Chamber of Commerce
- Tracey Jette and the Gallatin Development Corporation
- Dexter Wester and the Bozeman Job Service
- Dr. Christina Fastnow and Montana State University's Department of Planning and Analysis
- Gallatin Valley High School Counselors
- Belgrade Chamber of Commerce
- Livingston Chamber of Commerce



Gallatin Valley Environmental Scanning Report 2006

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