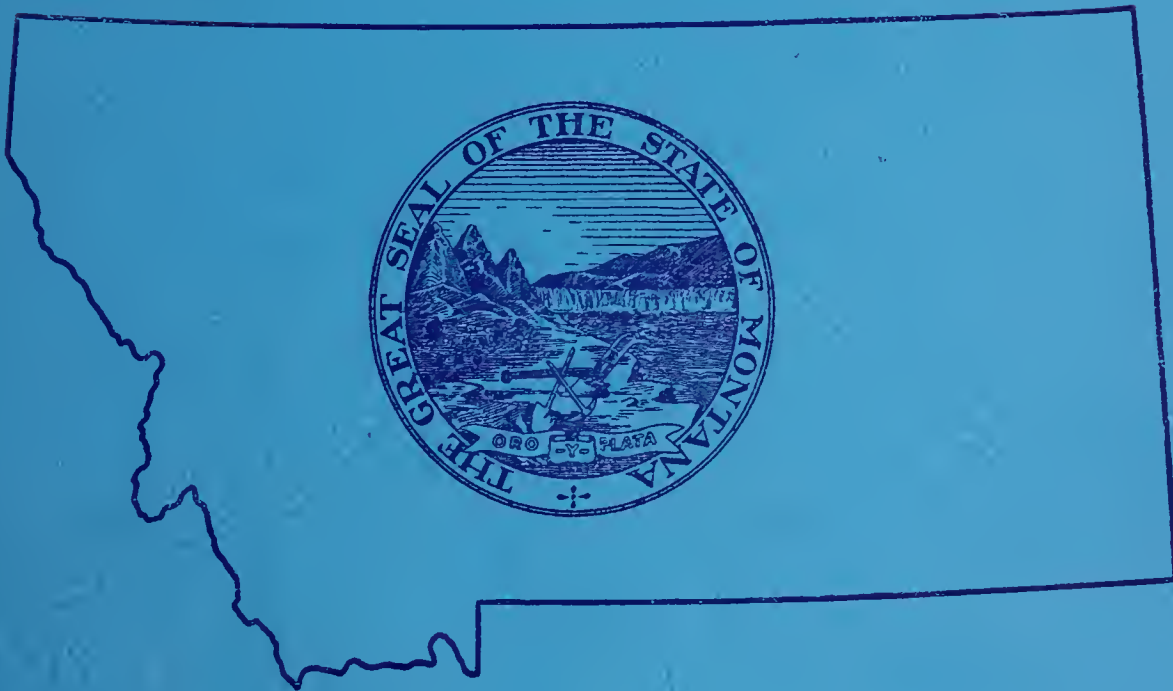


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# HIGHER EDUCATION



Montana Legislative Council

November 1960

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# HIGHER EDUCATION

A REPORT TO THE THIRTY-SEVENTH  
LEGISLATIVE ASSEMBLY

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To Members of the 37th  
Legislative Assembly

On the recommendation of the first Legislative Council, the 36th Legislative Assembly approved a constitutional amendment to create a separate board of regents to govern the university system. During the 1959-1960 interim the Council examined all statutes relating to the administration of higher education in Montana and prepared legislation designed to align these statutes with the proposed constitutional amendment. A second but equally important aspect of the study was a general revision of the higher education code to eliminate redundant, obsolete and conflicting sections.

Although the supreme court ordered the proposed constitutional amendment stricken from the ballot, the Council's research remains valid and the recommended legislation has been adjusted to fit the "two hat" board system. In addition to the clarifying amendments, some important substantive recommendations relating to the power of the Board of Regents to construct buildings are contained in this report.

Respectfully submitted,

SENATOR ROBERT A. DURKEE  
Chairman  
Montana Legislative Council

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# SUMMARY OF REPORT

This study of higher education is a continuation of a study begun by the Legislative Council during the 1957-1958 interim. The two reasons for undertaking this study were (1) to align existing statutes with the proposed constitutional amendment creating a separate board of regents, and (2) to generally revise the higher education codes, eliminating redundant, obsolete and conflicting sections. Consequently, the major part of this report is devoted to explaining proposed bills.

While statutes relating to the state administration of the public schools badly need revision and clarification, the Council feels that little significant improvement can be made in that area, or in the relationship between the office of superintendent of public instruction and the board of education, as long as the constitution requires that the superintendent continue as a member of the board.

## **The Need for a Two-Board System**

The report entitled "The Administration of Higher Education in Montana" by G. Homer Durham, and the report entitled "Public Schools of Montana," by the Division of Surveys and Field Services of George Peabody College for Teachers, both of which were published in 1958, reported basic deficiencies in the state administration of education. In accordance with the recommendations in these reports, the Legislative Council submitted a proposed constitutional amendment to the 36th Legislative Assembly to provide for separate governing boards for the university system and the public schools. Although approved by the legislature, this proposal was invalidated by the Supreme Court. However, the Council feels that these studies, which were formulated at a cost to the taxpayers of almost \$20,000, should not be discarded and that the findings are still valid.

The Council recommends the passage of a new amendment establishing separate governing boards for the following reasons:

(1) Increased demands on educational facilities require that responsibility for the administration of the educational system be divided into two parts. There is a limit to the time a lay board member can devote to these responsibilities. The overwhelming responsibility placed on these members has prevented them from devoting adequate time to the consideration of policy questions.

(2) The problems of administering the university are far different from the supervision of the public schools. Dr. Durham said that "The prosperity and well being of both university and the public schools warrant their clear-cut separation for administrative purposes."

(3) The Montana and Idaho state boards of education are the only ones that "mix" control of major university systems with supervision of other public education. The Montana board goes even further in supervising the affairs of five custodial institutions. Dr. Durham reported, "In contrast to other university governing authorities, the Montana board is 'spread' too far and too thin."

(4) A separate board is needed to establish public school policy. The Peabody report noted that the state board of education devotes most of its time and attention to problems of higher education, leaving the lower schools to be looked after by the superintendent of public instruction. This results, said the Peabody group, in the board's functions in public education being "Of the nature of 'trouble shooting' and too little of consistent long-range

planning, policy formulation, appraisal, and the like." The Council study showed that the present board of education devotes only approximately 5% of its time to primary and secondary education.

(5) A separate state board of education would not diminish the powers of local school boards. The proposed amendment would vest in a separate board of education only the constitutional powers the present board has over the public schools.

(6) The estimated cost of a separate governing board would not exceed \$12,000 per year. The annual expenditures of the university system and the annual cost of public education total almost \$90 million. The Legislative Council believes that businesses of this size need separate boards of directors.

The Council continues to favor the removal of all ex officio officers from both educational governing boards, but for fear of an adverse opinion from the Supreme Court it has not included a provision to do so in the proposed amendment.

### **General Organization of the Board of Regents and the University of Montana**

The general administration of the University of Montana and the governing board is covered in chapters 1 through 11, R.C.M. 1947.

The Council left the laws pertaining to the appointment of the governing board basically unchanged, however it considered the possibility of changing the terms and manner of appointment of members within the constitutional framework. While the Council generally favors governing boards and department heads serving at the pleasure of the governor and therefore more directly responsible to him, it feels that an educational governing board is one of the few defensible exceptions to this concept. Consequently, the Council agreed to retain the long, overlapping terms of the board members.

The Council recommends that the position of executive secretary be redesignated as executive director. While it is properly a function of the board itself to detail the duties of the executive officer, it is the Council's intention that the duties and responsibilities of this office be greatly expanded. The office of executive director should function primarily as a coordinating device, serving the regents in a research capacity and providing information to enable the regents to reach intelligent decisions on such matters as building needs, budgeting and curricula.

It is the intent of the Council that the presidents of the individual units remain fully responsible for the immediate direction, management and control of their respective institutions, subject to the general policies and programs established by the regents.

The Council recommends that the local executive boards presently authorized by statute be abolished. There is no need for an additional executive agency to participate in the administration of higher education on the state level. These boards are presently serving as a "fifth wheel" of the university system. However, the president of a unit could appoint a local advisory committee to serve as a liaison group between the university unit and the local community if he desired.

### **Power of the Board of Regents to Finance and Erect Buildings at Units of the University of Montana**

The state board of education, ex officio regents of the University of Montana, is presently authorized by law to "acquire, erect, equip, enlarge and improve" nineteen different types of structures on campuses of the University of Montana. The board is authorized to finance these facilities with receipts from (1) student building, activity, union and other special fees, (2) net income from residence halls and other facilities, and (3) other income in the form of gifts, bequests, contributions, federal grants, land grant income, athletic contest receipts, collections from admissions and other charges for the use of facilities.

## Student Fees for Classroom Buildings

Section 75-506, R.C.M. 1947, provides "Tuition shall be ever free to all students who have been residents of the state for not less than one year." The Supreme Court has implied that student fees levied for the purpose of financing a building providing necessary space for the imparting and acquiring of instruction would be tuition, and therefore illegal. However, the 1955 laws granting the board of education powers to finance buildings have been amended to provide that the charges assessed for the financing of buildings "shall not be deemed to be tuition within the meaning of section 75-506."

The policy of supporting higher education by student fees is, in the words of one authority, completely contrary to the policy followed on public education at other levels. Less than 2% of the total money spent for instructional buildings at publically controlled institutions in this country came from bond issues liquidated through collections of student fees.

With one exception, eleven land grant colleges and universities from western states charge a less total fees, and all charge a lesser resident building fee than Montana State University, Montana State College and Eastern Montana College of Education. *None of these institutions assess a building fee to finance buildings for instructional purposes.* Instructional buildings to be financed by student fees at units of the University of Montana in 1959 will cost over \$4 million.

## University Building Practices Generally

Bond issues for financing buildings at units of the University of Montana vary in many ways. Some provide for open-end financing, allowing the construction of a new facility when the available income dedicated to the retirement of the original issue reaches a specified level. Thus, a building fee imposed on a student body may be defended as necessary to finance a certain building, but can be, and has been, prolonged by the board to construct additional buildings financed by new bonds issued under the original indenture.

One recent board of education resolution allows 50% of the bond sinking fund, in excess of the amount necessary to meet payments, to revert to the general budget of the college to be used for *any lawful corporate purpose*. It is evident that surpluses do exist and are being expended for purchase of additional properties by at least two of the units.

Another board resolution authorizing a bond issue contains a statement wherein the board agrees that building fees will be revised and increased if necessary at any time to meet maturing installments. Some of the bond issues approved by the board in 1959 will not mature until the mid-1990's.

It is difficult to ascertain whether the board has access to reliable and accurate information on building needs at university units. Written justifications are exceedingly brief, notably devoid of detailed information and seldom offer more than allegations of future "increased enrollment" to support requests for additional buildings. No thorough space utilization studies have been made by an agent of the board. If the board is uninformed as to university building needs, one of the reasons is probably their tendency to overwhelm themselves in administrative detail which should be delegated to their executive officer, or the presidents of the units.

## Recommendations and Conclusions

The university buildings recently authorized by the board may be necessary and perhaps the legislature itself should have provided the means for these and other buildings. However, the legislature's recent nonapproval of an appropriation or bond issue to finance these buildings indicates that machinery does not exist for an adequate presentation and justification of university building programs to the legislature. Nevertheless, the board of education did what they had a perfect legal right to do.

However, the Council believes that the assessment of a building fee against students at any unit of the University of Montana for academic buildings is tantamount to a tuition charge and is inconsistent with the principles of public education.

University buildings authorized or constructed during the present biennium will cost no less than \$11,444,633. At least \$4,264,000 of this amount will come primarily from a toll on students in the form of building fees. The Council does not believe that a semblance of publicly financed education can be maintained if further tuition charges are sanctioned by the board of education.

Furthermore, neither university administrators nor the board has demonstrated their ability to properly control or allocate fees levied for building purposes. The auditor's reports for the various units of the university indicate that departures from sound accounting practices are not uncommon.

The Council recommends that the basic law granting the board power to finance buildings be rewritten to limit the board to authorize only student housing facilities. All other building requests would have to be reviewed and approved by the legislature.

Presumably all such requests would be justified by evidence in the form of space utilization studies which fully demonstrate a pressing need. Such studies should be conducted by designated members of the staff of the university units concerned and supervised, coordinated and reviewed by the executive director and his staff for the board of regents.

The aim of this proposed legislation is to slow down the present scramble for university buildings, and encourage future programs based on rational, deliberate decisions supported by accurate and objective research. If the proposed bill passes, the legislature would have to accept full responsibility for meeting the building needs of the university system, with the exception of dormitories. In the past the legislature has been circumvented; the proposed law would not permit this in the future.

The Council also recommends that "open-end" financing be prohibited and that all available income dedicated to the liquidation of existing building debts be used exclusively for maintenance of existing buildings and accelerated reduction of the bonded indebtedness.

## INTRODUCTION

The 36th Legislative Assembly approved an amendment to the Montana constitution to create separate governing boards for the university system and the common schools. This amendment was proposed by the previous Legislative Council. In order to insure that the statutes would be consistent with those constitutional changes, the present Legislative Council undertook a comprehensive revision and clarification of the laws pertaining to the state administration of higher education in Montana. In addition to the alignment of these statutes with the proposed constitutional amendment, there existed a need to eliminate conflicting and redundant sections.

On June 22, 1960, the Supreme Court issued an order enjoining the Secretary of State from printing the amendment on the ballot. The court held the proposed amendment defective because it was not submitted to the Governor for his signature. Therefore, the university will continue to be governed by the board of education in its ex officio capacity as a board of regents. The need for statutory revision still exists, however, and this report recommends a number of changes to the 37th Legislative Assembly.

Chapters 1, 3 and 4, Title 75, Revised Codes of Montana, 1947, have been rewritten into two separate bills designated as bills I and II in the appendix to this report. One pertains to the general organization of the board of education, ex officio regents; the second pertains to the duties of the board when sitting as regents and to the organization of the university of Montana. Comments explaining each section of these two bills are included in "Appendix A" with the bills. Also in "Appendix A" is a cross-index, explaining all statutes recommended for repeal in chapters 1-11, Title 75 of the Code. Generally speaking, the bills prepared on the general organization of the governing board and the university recodify existing statutes. With few exceptions, the present status of the board and the university units would remain unchanged. Where changes are proposed they are noted in Chapter II of this report.

Provisions for the accreditation of private degree granting institutions which appeared in Chapter 1, Title 75 of the codes, have been treated as a separate subject and redrafted as bill VIII.

Chapter 2, Title 75, R.C.M., 1947, which relates to the building powers of the board, is discussed in Chapter III of this report. The bills implementing the Council's recommendations appear in the appendix as bills III and IV.

The remaining statutory changes recommended in Title 75 pertaining to higher education can be found in the appendix as bill V. This bill provides for the repeal or amendment of a number of sections in Chapters 5 through 11, Title 75. No recommendation is made to alter the "charter" or basic legislation establishing the scope or purpose of the various units.

While statutes relating to the state administration of the public schools badly need revision and clarification, the Council feels that little significant improvement can be made in that area or in the relationship between the office of superintendent of public instruction and the board of education as long as the constitution requires that the superintendent continue as a member of the board. Consequently, no comprehensive recodification was attempted. However, two adjustments relating to the state administration of public schools are suggested in bill VI. The purpose of the amendments is to eliminate some of the confusion regarding the powers of the superintendent and the board.

Bill IX repeals or amends the sections in Chapter 14, Title 79 relating to the interest and income funds of state institutions.

Finally, a proposed constitutional amendment appears in the appendix as bill VII. Although the basis for the court's nullification of the first proposed amendment was the legislature's failure to submit it to the governor for his signature, it was also attacked on the ground that it contained more than one subject. The proposed amendment in the appendix has been modified to overcome this possible objection.

\* \* \*

The Council acknowledges the assistance of the office of Secretary of the University of Montana, and of the presidents of the six units of the university in furnishing certain information necessary for the preparation of this report.

# Chapter I

## THE NEED FOR A TWO BOARD SYSTEM

During the 1957-1958 interim, the Montana Legislative Council undertook a study of higher education. In cooperation with the Governor's Committee on Education Beyond the High School, the Council designated Dr. G. Homer Durham, Vice President of the University of Utah and a nationally recognized authority, to provide an objective and expert analysis of the needs of higher education in Montana.

The Governor's Committee on Education Beyond the High School was composed of citizens selected from all parts of the state. Among committee members were several legislators, the presidents of two university units, a member of the Board of Education, and the Superintendent of Public Instruction. Dr. Durham's findings were published late in 1958 under the title of *The Administration of Higher Education in Montana*.

The Montana Taxation-Education Commission, in cooperation with the Legislative Council, contracted for a survey of the public school system by the division of surveys and field services of George Peabody College for Teachers. The Taxation-Education Commission consisted of members representing business and industry, organized labor, farming, the livestock industry and education. A report entitled *Public Schools of Montana* was published in 1958.

As a result of these two studies, each of which reported basic deficiencies in the state administration of education in Montana, the Council submitted to the 36th Legislative Assembly a proposal in the form of a constitutional amendment providing for separate governing boards for the university system and the public schools. This proposal was approved by an overwhelming, bi-partisan vote in both houses of the legislature and would have been presented to the voters for approval in November of 1960 had the Supreme Court not enjoined the secretary of state from placing it on the ballot.

The Council feels that these studies, which were formulated at a cost to the taxpayers of Montana of almost \$20,000, should not be discarded and that the findings are still valid. The Council also believes that the people should not be denied an opportunity to express their approval or disapproval of the two-board educational system at the polls.

A proposed constitutional amendment, which appears as Bill VII in the appendix would enable the legislature to establish separate governing boards for the University system and the public schools. The Council recommends the passage of this amendment for the following reasons:

1. Increased demands on our educational facilities due to a growing population and inflationary pressures require that the responsibility for the administration of our educational system be divided into two boards, a Board of Education whose responsibility would be primary and secondary education, and a Board of Regents whose responsibility would be higher education. There is a limit to the amount of time a lay board member can devote to these responsibilities. The overwhelming responsibility placed on board members has prevented them from devoting adequate time to the consideration of policy questions.

2. The problems of administering the university are far different from the supervision of the public schools. Dr. Durham, in *The Administration of Higher Education in Montana*, said, "The prosperity and well being of both the university and the public schools warrant their clear-cut separation for administrative purposes. Their nature in the structure of state government is quite different."

3. By providing separate boards for these two separate activities, board members will be able to "specialize" in one of two general fields without having to disperse their interests and activities over such a wide range. Dr. Durham said:

*There are fifteen states in which a state board of education has some degree of supervision over higher education or a segment thereof. The Montana and Idaho State Boards of Education are the only ones that appear to "mix" control of major university systems with some supervision of other public education.*

*The (Montana) Board is further unique in that, in addition it superintends the affairs of five welfare institutions. In contrast to other university governing authorities, the Montana board is "spread" too far and too thin.*

The Council believes a university governed by a separate independent board of regents will gain stature.

4. A separate board is needed to establish public school policy. The Peabody report stated:

*Of more serious concern of public education is the apparent fact that the State Board of Education devotes most of its time and attention to problems of higher education.*

*The Board may feel that the lower schools will be looked after by the superintendent, but the higher schools will be neglected without Board attention. The result is that the Board's functions in public education become of the nature of "trouble shooting" and too little of consistent long-range planning, policy formulation, appraisal, and the like.*

The Council's study showed that the present board of education devotes only approximately 5% of its time to primary and secondary education.

5. A separate state board of education devoted to public school affairs would not result in a usurpation of the powers of local school boards. The present board of education has numerous duties relating to public school administration, such as approving courses of study in elementary and high schools, governing high school admissions and accreditation, establishing teacher qualification and controlling teacher certification. It is under the present constitutional grant of power that the legislature has assigned to the board these many duties pertaining to the government of the public school system. The proposed amendment would not enlarge the participation of state government in the supervision of the common schools. It would vest in a separate board of education only the constitutional powers the present board has over the public schools.

6. It is estimated that the creation of separate governing boards will result in an additional expense of less than \$12,000 each year. The Legislative Council believes that the benefits accruing to the state through two boards, each devoting its entire energy to one of the two major areas of education, would easily offset this cost. The annual expenditures of the university system exceed \$19,000,000 and the annual cost of public education exceeds \$70,000,000. The Legislative Council believes that businesses of this size need separate boards of directors.

The Council continues to favor removal of all ex officio officers from the educational governing boards, as recommended by the *Durham* and *Peabody* reports. The governor and attorney general hold ex officio memberships on 16 and 11 boards respectively and are consequently overburdened with excessive detail.



Moreover, it is inconsistent for the superintendent of public instruction to act both as executive officer and a member of the same board. The *Peabody* report noted this peculiar arrangement: "Indeed, the Superintendent sits as a voting member and secretary of the Board and, in effect, sits in judgment of himself when the discharge of Board responsibilities by the Superintendent or his staff is evaluated. This is neither sound nor defensible practice."

However, there is a possibility that the court would find an amendment curing this deficiency as containing more than one subject; consequently, no provision is included in the proposed amendment to remove ex officio members from the governing board for the public schools.

## Chapter II

# GENERAL ORGANIZATION OF THE BOARD OF REGENTS AND THE UNIVERSITY OF MONTANA

Subjects included in Bills I and II which significantly alter the existing status of the law, or which require explanation, are covered below.

### The Composition of the Board of Regents

The constitution provides for a board of three ex officio members, and eight members to be appointed by the Governor, subject to the confirmation of the Senate, under the regulations and restrictions to be provided by law. The recommended statute appears as Section 1 of Bill I in the appendix. The provisions pertaining to geographic distribution and political affiliation of board members remain unchanged, as do the eight-year terms of the appointed members. A provision allowing removal for cause has been added. The unwritten custom of not appointing members from cities where units are located was not formalized by statute; the Council feels the Governor should be able to make such appointments if he desires.

While the Legislative Council generally favors governing boards and department heads serving at the pleasure of the Governor and, therefore, more directly responsible to him, it feels that an educational governing board is one of the few defensible exceptions. Authorities generally endorse the necessity for independent university governing boards.

*Generally speaking, boards established to govern state institutions of higher education appear to have two basic qualities or characteristics. First, for the most part, boards are relatively independent, not directly and immediately responsible to the voters of the states or to popularly elected central state officials. By a variety of means most of the boards are screened from the direct and immediate influence of the voters and the popularly elected state officials. It is apparent that the provisions establishing them and clothing them with authority to operate state institutions of higher education deliberately intended that the boards should possess a degree of autonomy.<sup>1</sup>*

*From an executive point of view, the uncertain loyalty of board appointees may be a barrier to effective government. But in the unique business of academic governing boards, the tendency of board members to become defenders of the institution rather than agents of the governor is—and here most governors would agree—often the means of academic salvation.<sup>2</sup>*

*... governmental efficiency and educational freedom are commonly viewed as competitive claims that must be weighed in the balance before enduring harmony can be achieved.<sup>3</sup>*

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<sup>1</sup> The Council of State Governments, *Higher Education in the Forty-Eight States*, (Chicago, 1952) pp. 132-133.

<sup>2</sup> Moos and Rourke, *The Campus and the State*, (Baltimore, 1959), p. 239.

<sup>3</sup> *Ibid.* p. 313.

## The Office of Executive Director of the University

The Council recommends that the position of Executive Secretary be redesignated as "Executive Director." This recommendation should indicate more than a change in title alone. With the appropriation granted by the 36th Legislative Assembly, additional resources will be available to the governing board to enlarge the staff for this office. The statute establishing the position is Section 2 of Bill II.

The Council did not attempt to detail the duties of the executive officer of the Board of Regents; this is properly a function of the board itself. It is the Council's intention, however, that the position of executive director of the University encompass the duties and responsibilities outlined by the following references to the position of executive secretary by Dr. Durham.

*The Board, as Regents, should provide for strengthened COORDINATION of the university system through the office of the Executive Secretary. This officer should serve as secretary of the Board (as Regents), rather than the Superintendent of Public Instruction. The Executive Secretary should serve as the chief executive officer of the Board for University matters.<sup>4</sup>*

*The office of the Executive Secretary should function as a COORDINATING device. The president of an individual institution should be fully responsible for managing operations on his campus.<sup>5</sup>*

*It is a basic principle that unit control and management should be differentiated from coordination in such a setup. The Board must accept full responsibility for the distinction, and must express it clearly, keeping its rules and regulations in print for the guidance of all concerned.*

*University finances have their root in academic programs at the six campuses. COORDINATION can be further assisted, under the Board and its executive officer, through a scheme of university-wide, institutional, and faculty committees . . . to be recognized in the Board's rules. Further expansion in program and building costs can be more effectively planned, screened, and authorized by the Board under the revised organizational setup, including review, in the Executive Secretary's office based on architectural and engineering advice.<sup>6</sup>*

\* \* \*

The rules (of the board) should contain provisions covering the duties, authority and responsibility of the following:

*The administrative, financial (including budgeting, accounting, reporting) and other duties should be clearly defined, recognizing the Executive Secretary as the executive officer of the Board for the University of Montana.*

*The Advisory Council of Presidents . . . formerly styled "the Executive Council" should function under the permanent chairmanship of the Executive Secretary. It should be advisory to the Executive Secretary, and through him, to the Board. All items suggested from any president for the Board agenda, for either regular or special meetings, should be presented first to the Executive Secretary. Agenda for both Advisory Council or Board meetings should be established and compiled by the Executive Secretary, who should also have full authority to place any item on the agenda of either the Advisory Council or the Board; and who should be responsible for presenting all items to the Board, with such assistance from the presidents as he may find necessary and desirable.<sup>7</sup>*

<sup>4</sup> G. Homer Durham, *The Administration of Higher Education in Montana*, (Helena, 1958) pp. 2-3.

<sup>5</sup> *Ibid*, p. 3.

<sup>6</sup> *Ibid*, p. 3.

<sup>7</sup> *Ibid*, pp. 38-39.

*The Board should recognize the Executive Secretary not only as its chief executive officer, but as its policy adviser on overall University matters.*<sup>8</sup>

\* \* \*

*The Board, as Regents, should instruct and require the Executive Secretary as its chief administrative and fiscal officer for higher education, to establish such central accounts, system of reporting, pre-audit, budgeting, controls, and purchasing, as will insure for the University system the responsibility and flexibility, as will promote its economy and efficiency of operation, and safeguard its reputation.*<sup>9</sup>

*Central to the importance of future financing is procedure in budgeting. The matter of available reports, feedback, data and information, exchange among the institutions and through the office of the Executive Secretary to the board—all these elements will find place in making the proper allocation of funds in the future.*<sup>10</sup>

\* \* \*

*For biennial appropriations, the State Board of Education, viewed as Regents of the University, should (with their executive officer) function as the requesting authority for the university system as a whole. The Board should be so recognized by the state administration and legislature. Official state forms should be transmitted to the Board, for its internal disposition. Internal requests should originate in the six institutions on forms provided by the Executive Secretary's office.*<sup>11</sup>

\* \* \*

*Budget Analysis, review with each institutional head, and final revision for submission to the governing board, should take place in the office of the Executive Secretary.*

*Next comes submission of a financial plan by the Executive Secretary to the Board for its approval or revision; and for its authorization to seek the request approved from the legislature, via the state budgeting authority.*

*Action by the state legislature follows, with representation for the university system before the legislature as approved by the Board and Executive Secretary's office.*<sup>12</sup>

\* \* \*

*The Board should require the Executive Secretary to make recommendations based on careful surveys and analysis of the findings, then establish firm policies with respect to the timing, authorization, and financial methods of new construction.*<sup>13</sup>

\* \* \*

*The Board should take immediate steps to delegate to the Executive Secretary the duties outlined in R.C.M. 75-405, especially, "to prevent unnecessary duplications of courses of instruction . . ." "To investigate carefully the needs of each of said institutions with reference to buildings, equipment, and instruction . . ."*

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<sup>8</sup> *Ibid*, p. 43.

<sup>9</sup> *Ibid*, p. 43.

<sup>10</sup> *Ibid*, p. 79.

<sup>11</sup> *Ibid*, p. 80.

<sup>12</sup> *Ibid*, p. 80.

<sup>13</sup> *Ibid*, p. 87.

*A governing board cannot make effective coordination policies unless it has expert, professional recommendations forthcoming to it for consideration. Likewise the Board must have such professional resources to which major policies and problems can be referred. The Board should rely on the Executive Secretary not only for (a) budget recommendations, but for (b) data and information, (c) program control and physical plant planning (in cooperation with the institutions), (d) physical plant financing and capital outlay planning in connection with budget recommendations.*<sup>14</sup>

\* \* \*

*Coordination by the Executive Secretary, by the committee and council scheme proposed (including faculty participation), and the budgetary leadership of the Executive Secretary, need not "destroy" the presidents as "heads of governments." Central coordination does not require "commands." Program limits and even cutbacks will come about as the result of suggestion backed by facts, cost studies, and rational information. Satisfaction with budget revisions and requests will follow the same route. By the same token, the legislature and the Board cannot help but be gratified by full disclosure of information which must stand as the hallmark of leadership and success on the part of the Executive Secretary.*<sup>15</sup>

\* \* \*

*Central institutional studies should be planned, and designed in the office of the Executive Secretary. Uniform reporting, capable of producing clear data, should be formalized. Institutional studies officers, full-time, may eventually be required at the Bozeman and Missoula campuses.*<sup>16</sup>

As Dr. Durham clearly suggests, the office of the executive director should function primarily as a coordinating device. He should serve the regents foremost in a research capacity, providing information to enable the regents to reach intelligent policy decisions on such matters as building needs, budgeting and curricula. In addition, as a coordinator, he will provide a clearing point for proposals from all of the university units to the board of regents. All proposals to the board should be routed through the executive director's office and passed on to the board with his recommendations.

It is the intent of the Council that the presidents of the individual units remain fully responsible for the immediate direction, management and control of their respective institutions, subject to the general policies and programs established by the regents. This provision is written into the proposed law in Section 5, Bill II.

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<sup>14</sup> *Ibid*, p. 89.

<sup>15</sup> *Ibid*, p. 91.

<sup>16</sup> *Ibid*, p. 95.

## Local Executive Boards

The Council recommends that the local executive boards presently authorized by statute be abolished. All eighteen members of the six executive boards and the presidents of the six university units were asked for comments. With the exception of some members of the local boards, it was the general opinion that they are serving as a "fifth wheel" of the university system.

The Board of Regents clearly has constitutional responsibility for generally supervising the University of Montana. The local operation on each campus has been, and should continue to be, the responsibility of the unit president. There is no need for an additional executive agency to participate in the administration of higher education on the state level. These Boards, at one time, were given executive authority and there are remnants of such authority in existing statutes. However, they have generally evolved into advisory-type agencies serving primarily as consultants for the unit president on problems of local public relations.

The Council does recognize that such a liaison group between the university unit and a local community may be desirable. However, it feels that such a board should be appointed by the president of the unit, and not by the Governor of the state, who is not altogether responsible for higher educational policies promulgated by the governing board.

Section 5, Bill II provides that the president of any unit may appoint a local advisory committee, if he so desires. This should not be interpreted as prohibiting the appointment of a state-wide advisory council, or board of visitors, as at least one unit president has already seen fit to do.

# Chapter III

## POWER OF THE BOARD OF REGENTS TO FINANCE AND ERECT BUILDINGS AT UNITS OF THE UNIVERSITY OF MONTANA

The State Board of Education, ex officio Regents of the University of Montana, is presently authorized to erect "self-financing facilities" at units of the University of Montana under a wide grant of power contained in Chapter 2, Title 75, R.C.M., 1947. These statutes authorize the board to "acquire, erect, equip, enlarge and improve" the following types of structures:

Residence Halls	Auditoriums or Theaters
Dormitories	Field Houses
Dining Rooms or Halls	Student Unions
Refectories	Game and entertainment properties
Commons	Classroom and Laboratory buildings
Health Service Buildings	Libraries
Armories	Shops
Gymnasiums	Storage buildings
Livestock or other arenas	Pavilions
	Display or exhibition areas

The board is authorized to finance such facilities with receipts from (1) student building, activity, union and other special fees, (2) net income from residence halls and other facilities, and (3) other income in the form of gifts, bequests, contributions, federal grants, income from land grants or other property, receipts from athletic contests and collections of admissions and other charges for the use of facilities.

The board is also authorized to borrow money and issue bonds secured by the above sources of income.

The council defined two primary study areas: (1) The advisability of the present practice of assessing students for the purpose of liquidating bond issues financing buildings used for instructional purposes; and (2) the amount of latitude, generally, which should be given to the governing board for the financing and construction of buildings.

### STUDENT FEES FOR CLASSROOM BUILDINGS

Section 75-506, R.C.M., 1947, provides "tuition shall ever be free to all students who have been residents of the state for not less than one year next preceding their admission in any unit of the university of Montana, except in the law and medicine departments and for extra studies." The state supreme court, in *State vs. State Board of Education, 97 Montana 121*, held that this provision does not bar the state board from collecting a fee to create a fund with which to build a student union building. However, the court added, "If the proposed building was for the housing of classrooms, study rooms, library facilities,

and the like, necessary space for the imparting and acquiring of instruction, we might not be disposed to so hold, but the main purpose of the erection of this building is to house extracurriculum activities of the student body; special accommodations to which they are not entitled as a part of their tuition . . .”

During the year 1959, the Board of Education approved requests to double student building fees at three units of the university of Montana. The increased fees have been largely dedicated to the financing of *classroom* buildings at these institutions.

However, there is presently no question of conflict with section 75-506. A 1955 amendment to subparagraph (d) of 75-201 provided that any charges and admissions and fees assessed under the latter section “shall not be deemed to be tuition within the meaning of Section 75-506.”

Because of this special exemption by statute, the assessing of such fees is not legally a tuition charge; however, in the decision mentioned above the supreme court discussed the definition of “tuition” and suggested that a charge made against students for the purposes of financing a building used primarily for the purposes of imparting instruction might well be considered “tuition.”

An official in the division of higher education, Department of Health, Education and Welfare stated: “Assessment of building fees for academic buildings does not seem to be a common, nor a desirable practice . . . If it is felt that students should pay a larger proportion of educational costs, tuition rates could be increased. But the state should appropriate funds for instructional and related buildings.”

John Dale Russell, Director, Center for the Study and Development of Higher Education, New York University, made the following comments before the Legislative Workshop on Financing Higher Education in Denver, 1958.

*First let me point out that the policy of supporting higher education by student fees is completely contrary to the policy followed on public education at other levels. If it is wise to support elementary and secondary education in public schools without any tuition charge, why is it not also wise to provide higher education in publically controlled colleges and universities without a tuition charge to students? Support out of the public pocket for education, at any level, is justified solely on the grounds that a public benefit is provided that is equal to or greater than the cost to the taxpayers.*

*. . . statistics show that on the average a person with a college degree earns \$100,000 more in a lifetime than a person without a college education. But certainly the taxpayers do not support higher education just so some people can make \$100,000 more than others make in a lifetime. It might readily be shown that, not only the average person who graduates from college, but practically everybody else in the country today enjoys an income, in terms of standards of living that is worth on the average \$100,000 more than the kind of living he would have if there were no institutions of higher education. We do not use facts such as these as arguments for a tuition charge in the high schools, and elementary schools. The argument is no more valid for charging fees in colleges and universities than it would be at the other levels of education.*

*Even with free tuition, higher education would be much more expensive to the student and his family than elementary or secondary education. Students in colleges and universities normally are not furnished such services as free text books, free transportation, and free hot lunches, which are common in public schools at other levels.*



Dr. Russell also mentions that in his opinion a tuition charge in state universities will create a barrier to many potential college graduates. He adds that if an individual does benefit financially from going to college that there is a much better way of getting back from him the cost of his college course than by charging him tuition fees while he is a student. All the rest of his life, after graduation, he will be paying taxes on a higher income and a greater wealth.

Dr. Durham in "The Administration of Higher Education in Montana" said:

*The governing board should re-examine the wisdom and desirability of permitting the university units to assess a variety of special student fees for INSTRUCTIONAL building purposes and make constructive policies in this area for the guidance of the institutions and for the consideration of the legislature. (pp. 86-87)*

According to a recent governmental publication, only 1.13% of the total money spent for instructional, research and general buildings in publicly controlled institutions came from bond issues liquidated through collections of student fees.<sup>1</sup> In contrast 68.35% of buildings in this class were financed through appropriations. (The class of facilities referred to here includes, as well as academic-type buildings: field houses, swimming pools, auditoriums, stadiums, but not student unions, infirmaries or food facilities.)

FEE ASSESSMENT PATTERN AT UNITS OF THE UNIVERSITY OF MONTANA  
1959-1960

NOTE: Fees charged only for the first quarter or semester are prorated over the full year; deposits and non-recurring charges are excluded. Non-resident fees will be increased to \$87.50 per quarter or \$131.25 per semester in the 1960-61 school year.

**Montana State College**

Total resident fee (quarter).....	\$ 93.75
Additional non-resident fee.....	80.00
Building fee .....	24.00

In addition, portions of health service fees, student union use fees and miscellaneous fees are pledged to the liquidation of various bond issues for building purposes.

**Montana State University**

Total resident fee (quarter).....	\$ 91.00
Additional non-resident fee.....	80.00
Building fee .....	24.00

In addition, portions of health service fees, student union use fees and miscellaneous fees are pledged for the liquidation of various bond issues for building purposes.

<sup>1</sup> U. S. Department of Health, Education and Welfare, Office of Education, *College & University Facility Survey, Part I*, 1959, p. 36.

**Montana School of Mines**

Total resident fee (semester).....	\$ 88.25
Additional non-resident fee.....	120.00
Building fee .....	7.50

**Eastern Montana College of Education**

Total resident fee (quarter).....	\$ 84.58
Additional non-resident fee.....	80.00
Building fee .....	26.00

In addition, some miscellaneous fees are pledged for the liquidation of various bond issues for building purposes.

**Northern Montana College**

Total resident fee (quarter).....	\$ 75.91
Additional non-resident fee.....	80.00
Building fee .....	10.00

In addition a Student Union use fee is pledged for the liquidation of a Student Union bond issue.

**Western Montana College of Education**

Total resident fee (quarter).....	\$ 71.50
Additional non-resident fee.....	80.00
Building fee .....	10.00

In addition, a student union use fee is pledged for the liquidation of a bond issue used to finance various buildings.

If the units of the university system are to be "considered for all purposes one university" as the legislature has declared, there is a question of whether the considerable disparity between fees charged at the various units should exist.

SUMMARY OF FEES COLLECTED BY WESTERN LAND GRANT COLLEGES AND  
UNIVERSITIES<sup>2</sup>

**University of Alaska**

1. Total resident fees (semester).....	\$ 51.10
2. Additional non-resident fee.....	100.00
3. Total building fees.....	-0-

**North Dakota Agricultural College**

1. Total resident fees (quarter).....	\$ 60.00
2. Additional non-resident fee.....	50.00
3. Total building fees.....	5.00
4. Total building fee for classroom purposes.....	-0-

**Oregon State College**

1. Total resident fees (quarter).....	\$ 85.00
2. Additional non-resident fee.....	85.00
3. Total building fee.....	12.00
4. Total building fee for classroom purposes.....	-0-

**Utah State University**

1. Total resident fees (quarter).....	\$ 60.00
2. Additional non-resident fee.....	35.00
3. Total building fee.....	6.00
4. Total building fee for classroom purposes.....	-0-

**University of Nevada**

1. Total resident fees (semester).....	\$100.00
2. Additional non-resident fee.....	50.00
3. Total building fee.....	-0-

**South Dakota State College**

1. Total resident fees (quarter).....	\$ 77.65
2. Additional non-resident fee.....	56.00
3. Total building fee.....	4.00
4. Total building fee for classroom purposes.....	-0-

(The student union fee is used to operate the student union building and to retire bonds for the student union building.)

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<sup>2</sup> Information obtained by letter from the various institutions, Autumn, 1959.

### **Colorado State University**

1. Total resident fees (quarter).....	\$ 70.00
2. Additional non-resident fee.....	100.00
3. Fees for building purposes.....	-0-

(The same situation regarding the student union fee exists at South Dakota State College.)

### **New Mexico College for Agriculture and Mechanic Arts**

1. Total resident fees (semester).....	\$109.00
2. Additional non-resident fee.....	90.00
3. Total building fee.....	15.00
4. Total building fees for classroom purposes.....	-0-

### **University of Idaho**

1. Total resident fees (semester).....	\$ 65.00
2. Additional non-resident fee.....	125.00
3. Total building fee.....	21.00
4. Total building fee for classroom purposes.....	-0-

### **University of Wyoming**

1. Total resident fees (semester).....	\$101.00
2. Additional non-resident fee.....	131.00
3. Total building fee.....	2.50
4. Total building fee for classroom purposes.....	-0-

### **Washington State College**

1. Total resident fee (semester).....	\$106.00
2. Additional non-resident fee.....	70.00
3. Total building fee.....	20.00
4. Total building fee for classroom purposes.....	-0-

The board of education has maintained that the unusually large building fees charged by some University of Montana units have not forced the total fee schedule out of line with fees charged by comparable institutions. However, with one exception, the eleven land grant colleges and universities from western states listed above charge a lesser total tuition, and all charge a lesser resident building fee than Montana State University, Montana State College and Eastern Montana College of Education. *None of the institutions listed above assess a building fee to finance buildings for instructional purposes.* It is not known if any of these institutions receive income from dedicated taxes such as Montana's 6 mill University levy.

The following instructional buildings will be financed in whole or part from the recently doubled student building fees.

### Montana State University

	Total Cost	Part Financed By Student Fees
Health Sciences Building.....	\$1,483,633	\$1,250,000
Liberal Arts Building Addition.....	765,000	All
Law School Building.....	435,000	All

### Montana State College

	Total Cost	Part Financed By Student Fees
Medical Science Research Building.....	\$ 601,000	\$ 114,000
Library Addition .....	850,000	All
Chemistry Building .....	850,000	All

The Physical Education Facility planned for Eastern Montana College of Education will cost an estimated \$1,250,000. The building will be used partly for instructional purposes and will be financed from interest and income from land grants and project earnings as well as the student building fee.

## UNIVERSITY BUILDING PRACTICES GENERALLY

Chapter 2, Title 75, R.C.M., 1947, which gives the board authority to finance University buildings, is a much-amended remnant of a 1929 Act entitled "AN ACT TO PERMIT THE ERECTION AND OPERATION OF RESIDENCE HALLS AT STATE EDUCATIONAL INSTITUTIONS." Over the years the act has been expanded to include authority for building activities probably unforeseen by the drafters of the original legislation.

At the present time the Board of Education can, and does, upon request by a unit of the university, authorize the construction of any type of building enumerated in Section 75-201 (a), R.C.M., 1947 (which includes every type of capital improvement imaginable on a college campus) and provides for the financing of the structures from income, student fees and other sources.

### Some Details of Financing

At least one indenture authorized by the Board of Education (and subsequently approved by the State Board of Examiners) contains a provision allowing "the issuance from time to time . . . of additional series of bonds for the purpose of paying all or any part of the cost of *additional facilities* or the enlargement or improvement of existing facilities"<sup>3</sup> at the unit concerned. This is known as "open-end financing" and allows the unit to construct a new facility when the available income of the revenue sources dedicated to the retirement of the original issue, plus the "anticipated income" of the proposed new facility equals a certain percentage in excess of the annual total debt service.

<sup>3</sup> Resolution Authorizing the Issuance of Montana State College Revenue Bonds for the Financing of Additional Improvements under the Indenture dated July 1, 1954

Thus a building fee imposed on the student body may be defended as necessary to finance a certain desired building but can be, and has been, prolonged by the Board to construct additional buildings financed by new bonds issued under the original indenture.

Another recent Board of Education Resolution allows even greater diversion of excess income. "Any balance remaining in said fund after the payments provided [above] shall be used to the extent of at least 50% to retire said bonds by purchase or call, the remaining 50%, or less, shall revert to the general budget of the college to be used for *any lawful corporate purpose.*"<sup>4</sup> (emphasis supplied) Presumably, under this contract, half of any moneys not needed for the payment of principal and interest could be used to defray the general expenses of the institution. One of the primary sources of income to be used to retire the bonds referred to immediately above is the recently increased \$20 student "building" fee.

It is interesting that the same resolution provides ". . . the institution shall furnish heat, light, power, water, air conditioning and janitorial service to the said building *without charge against the fund or deduction from gross revenues . . .*" (emphasis supplied)

There is evidence that surpluses accumulated from excess revenue exist and are being expended for purposes other than the maintenance of the facilities financed by the issue or the early calling of bonds to diminish the debt. On August 10, 1959, the Board of Education approved the purchase of two residential lots and houses by MSC and MSU at a total cost of \$33,125 to be paid in whole or part from "uncommitted building fee funds."

So much for surpluses. If moneys are not available for the timely retirement of bonds—what then? A provision of a recent board resolution explicitly provides the answer in the case of one building. "The Board covenants and agrees that the building fee pledged hereunder will be *revised and increased*, if necessary, at any time to provide sufficient funds . . . to meet maturing installments and principal and will, commencing with the college year September, 1962, *revise and increase* the building fee, if necessary, at any time to provide sufficient funds . . . equal to 140% of the next installment of maturing interest and principal."<sup>5</sup> (emphasis supplied)

Some bond issues approved by the Board in 1959 will not mature until the mid-1990's.

### Board Review of Requests

It is difficult to ascertain whether the board has access to reliable and accurate information on building needs at university units. Written justifications are exceedingly brief, notably devoid of detailed information and seldom offer more than allegations of future "increased enrollment" to support requests for additional buildings. It is not known if information other than that furnished by the requesting unit is available. No thorough space utilization studies have been made by an agent of the board. Members of the board's university subcommittee may be familiar with needs; surely all members of the board are not fully informed.

The board should address itself fully to these grave and often urgent matters of policy and delegate to its staff, or the university presidents themselves, authority to decide whether a school bus may be used for out of state travel<sup>6</sup> or whether minor capital expenditures are in order.<sup>7</sup> Certainly in the future, the executive officer for the board will be able to dispose of such trivia.

<sup>4</sup> Board of Education Resolution dated June 13, 1959, relating to a Physical Education Gymnasium Building at Eastern Montana College of Education.

<sup>5</sup> *Ibid.*

<sup>6</sup> See minutes of the Board of Education, ex officio the Regents of the University of Montana, September 15, 1959, p. 6.

<sup>7</sup> See schedule of "Requests for Capital Expenditures of the Units of the University of Montana" attached to minutes of The Board of Education, February 2, 1960. This list submitted to the members of the Board for approval includes over 60 commonplace items such as filing cabinets, desk chairs, vacuum cleaners as well as many scientific instruments, e.g., "1 Gas Chromatograph, Beckman Model" or "1 Ruska field porometer."

Dr. Durham's remarks on University building practices are pertinent:

*The rational approach to this situation begins in the board itself— (1) to DETERMINE where the CRITICAL unmet building NEEDS are, (it may be a new heating plant); and (2) where to begin in any given biennium. This should be a function of each institution's recommendation screened and sifted by the board's executive staff and by a standing board-committee on buildings and grounds.*

*There is need for space analysis and overall planning studies. It is not unreasonable nor out of line to expect a 3 to 5 million dollar request for buildings to the university in the 1959 and next several sessions. By the 1961 session, however, it is only fair and reasonable for the legislature to expect the professional administrative and board-committee screening similar to that contemplated in this report.*

*To spend \$45,000 per year on professional staff in the office of the Executive Secretary may be the best investment Montana can make for the future of its higher education. An architect's fee on a \$3,000,000 bond-financed university building may run around \$150,000.00. Interest (at 5 per cent) will run at a similar figure the first year. The University of Montana is big business. In view of the multiple units reporting to a single Board, the units and their presidents deserve the administrative support and review of a central staff. (p. 75)*

*The action of the Montana Supreme Court in declaring the \$10,000,000 bond issue unconstitutional (July, 1958) dramatizes the necessity for a continuing, ongoing, rational approach to the problem of state building operations. The past method employed in connection with this device has placed the institutions and their presidents too much in the field of practical politics. It has forced the university system unduly into financial relations with the Missoula, Bozeman, Butte and other college communities when the issue is not at all local but rather a state-wide constitutional responsibility. (p. 86)*

*Steps seem long overdue for an overall approach to state building finance by the Montana executive branch and the legislature. The present policies appear to be piecemeal and do not reflect the approach required by state government in the future. (p. 86)*

*Capital outlays should be most carefully planned and financed. Planning should be based on careful studies of space utilization in each institution. (p. 87)*

*The board should require the executive secretary to make recommendations based on careful surveys and analysis of the findings, then establish firm policies with respect to the timing, authorization, and financial methods of new construction. (p. 87)*

*The board should review its practice of permitting shells of buildings and other structures to be constructed before sufficient revenues are in sight to see them through to completion. (p. 88)*

## CONCLUSIONS AND RECOMMENDATIONS

The university buildings recently authorized by the board of education may be necessary; perhaps the legislature itself should have provided the means for these or other buildings. However, the legislature's recent non-approval of an appropriation or bond issue to finance these buildings indicates that machinery does not exist for an adequate presentation and justification of university building programs to the legislature. If university administrators had presented orderly evidence in the form of space utilization studies and long range building plans, the legislature might have responded by providing the necessary funds.

Nevertheless, the board of education, in complying with the requests from university administrators for additional plant facilities, did what it had a perfect legal right to do. The board's action of permitting the assessment of student fees to finance academic and other buildings should not now be questioned; it was apparently governed by what it felt were the best interests of the university system.

However, the Council believes that the assessment of a building fee against students at any unit of the university of Montana for academic buildings is tantamount to a tuition charge and is inconsistent with the principles of public education.

The Council recognizes that enrollment in the University of Montana will continue to increase rapidly and that the ingenuity of administrators may be taxed to find adequate plant facilities in the future. The oft-heralded "population explosion," however, has been employed as an excuse for construction programs justified only superficially by university administrators.

University buildings authorized or constructed during the present biennium will cost no less than \$11,444,633. At least \$4,264,000 of this amount will come primarily from a toll on students in the form of building fees. (See "Appendix B" for detail and other information on university building programs.) The Council does not believe that a semblance of publicly financed education can be maintained if further tuition charges are sanctioned by the board of education.

Furthermore, neither University administrators nor the board have demonstrated their ability to properly control or allocate the fees levied for building purposes. For example, the auditor's report for Western Montana College of Education for the 1957-1959 biennium noted the following instance of fund "juggling": Building fees totaling \$19,930.00 collected in 1955, 1956 and 1957 were deposited in a local bank. In 1958, \$3,000 was placed in the bank from dormitory income and charged as dormitory capital (furniture and fixtures). In September 1957, \$16,033.40 of this fund was withdrawn and used to help defray the cost of the president's home which was to have been constructed from "accumulated dormitory income." In 1958 the balance in this bank account of \$6,896.60 was withdrawn and deposited in the account "textbook fund."<sup>8</sup> The auditor's report for E.M.C.E. noted "that many items of a capital nature were charged to operating expense and repairs and replacements." The report on M.S.U. stated that "The bond indenture requirements do not seem to be followed in many of the issues."

The Council recommends that the basic law be rewritten to provide for a measure of authority similar to that given to the Board by the original 1929 law. Sample bill III in "Appendix A" implements this recommendation.

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<sup>8</sup> *Financial Report of the Six Units of the University of Montana System, for the biennium ended June 30, 1959, p. 22.*



Under this law future building requests with the exception of those for student housing, would have to be reviewed and approved by the legislature. Presumably all such requests will be justified by evidence in the form of space utilization studies which fully demonstrate a pressing need. Such studies should be conducted by designated members of the staff of the university units concerned, and supervised, coordinated and reviewed by the executive director and his staff for the board of regents.

*It may be difficult to change the habits of a student body and the teaching personnel. Classes, however, should be scheduled not only on the basis of the personal convenience of student and teacher, but also on the effective use of the facilities available. Full utilization of the school facilities would then make the argument more effective when new buildings are requested.<sup>9</sup>*

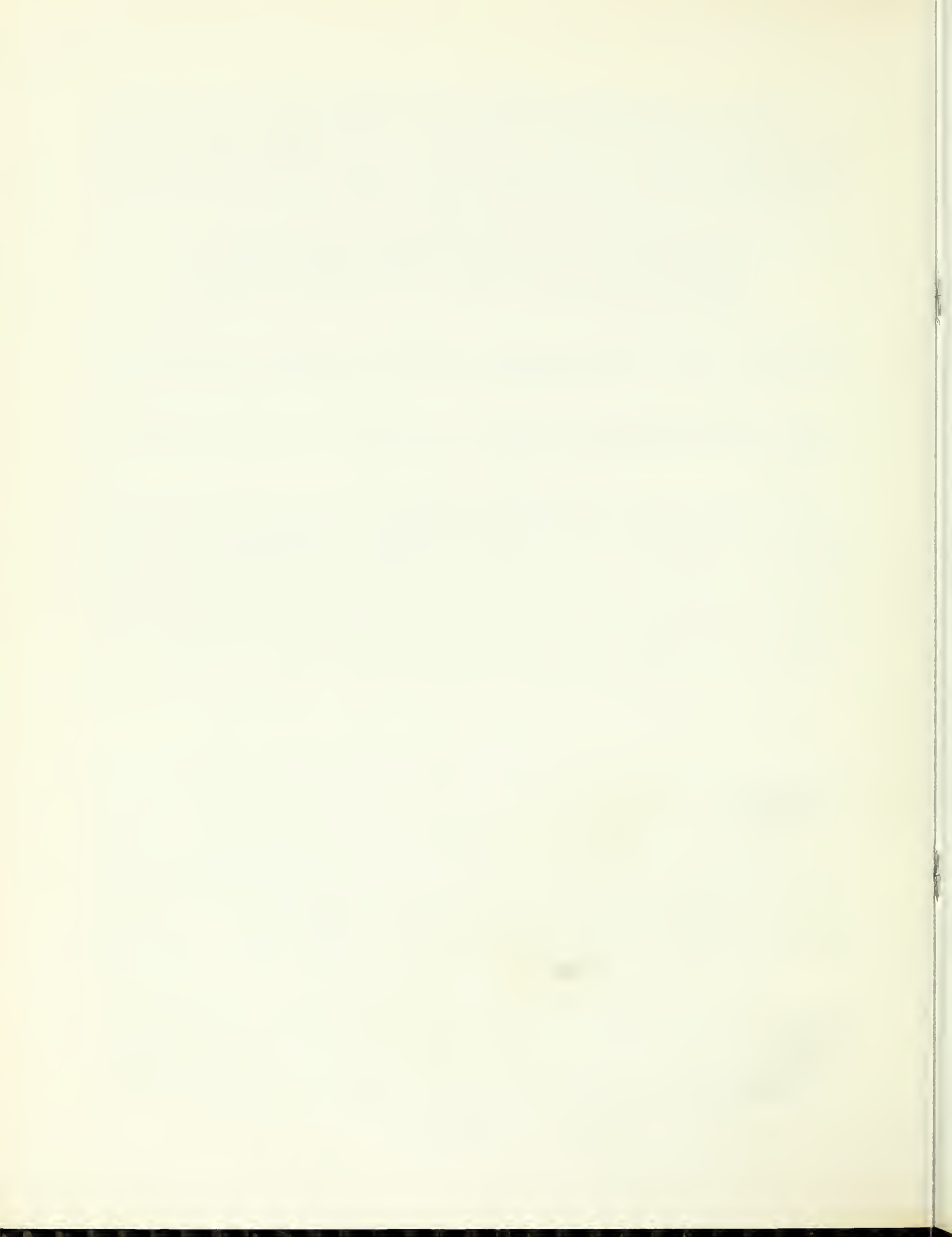
The aim of this proposed legislation is to slow down the present scramble for university buildings, and encourage future programs based on rational, deliberate decisions supported by accurate and objective research.

If the proposed bill passes, the legislature would have to accept full responsibility for meeting the building needs of the university system, with the exception of dormitories. In the past the legislature has been circumvented; the proposed law would not permit this in the future.

It is also the Council's recommendation that, except in the case of student housing facilities, so called "open-end" financing be prohibited and that all available income dedicated to the liquidation of existing building debts be used exclusively for maintenance of these specific buildings and accelerated reduction of the bonded indebtedness. (See sample bill IV in "Appendix A") After setting out requirements for payment of principal and interest and the establishment of reserves, the bond agreements often provide that income from student building fees may be used "for any lawful purpose." Unless the use of fees is limited to the maintenance of existing facilities and the retirement of existing bonds, the fees could be prolonged for longer than is necessary to pay for these facilities.

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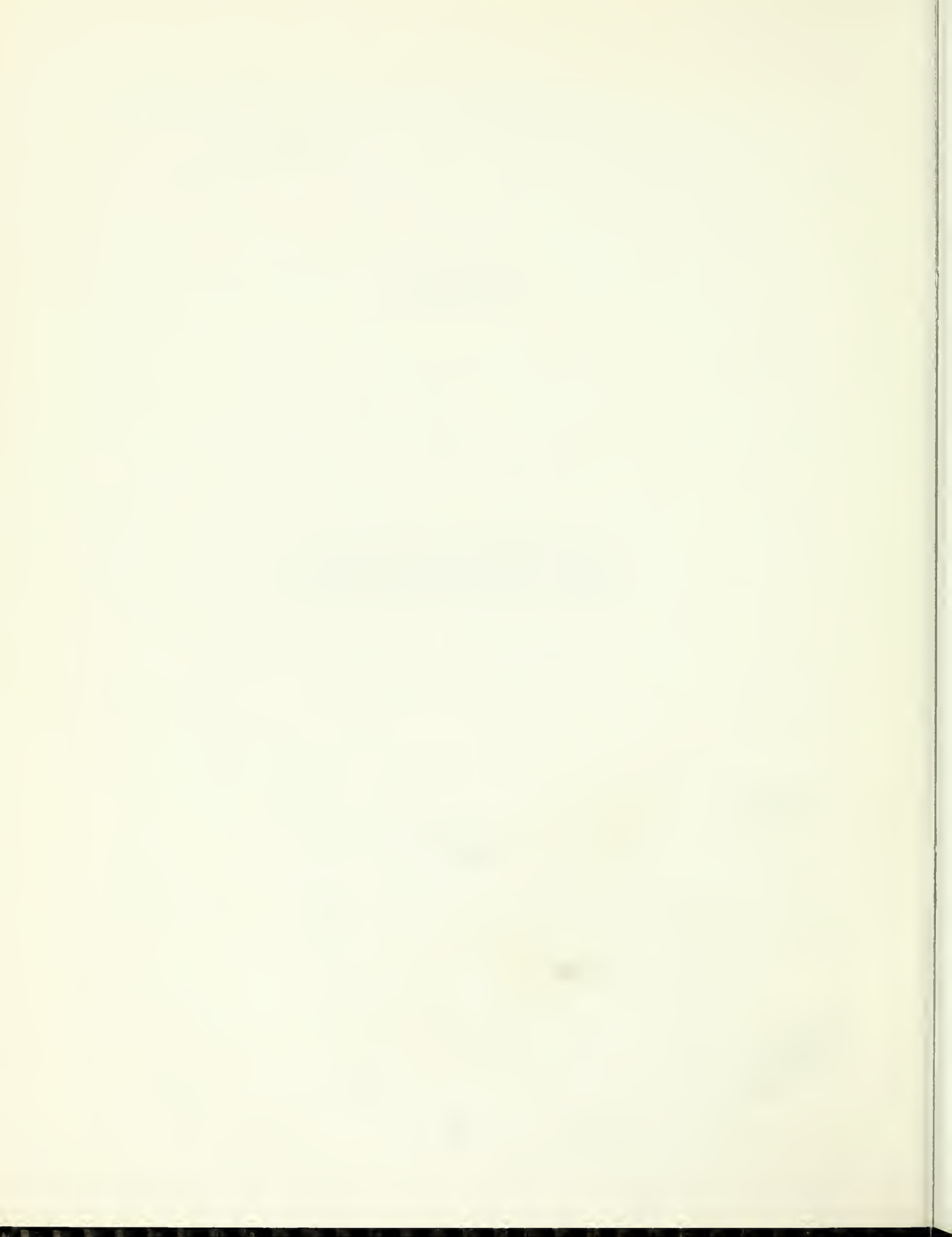
<sup>9</sup> *State Government Magazine*, Winter, 1960, p. 14.





# APPENDIXES





# APPENDIX A

## Bill 1

.....BILL NO.....

INTRODUCED BY.....

A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO THE MEMBERSHIP, POWERS AND DUTIES OF THE STATE BOARD OF EDUCATION; TO PROVIDE FOR ITS COMPOSITION AND ORGANIZATION, FOR REMOVAL OF MEMBERS, FOR MEETINGS, TO VEST THE BOARD WITH THE GENERAL CONTROL AND SUPERVISION OF CERTAIN STATE INSTITUTIONS, AND TO REPEAL SECTIONS 75-101, 75-102, 75-103, 75-104, 75-105, 75-106 AND 75-302, R.C.M. 1947."

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF MONTANA:

Section 1. The state board of education consists of the governor, state superintendent of public instruction and attorney general as ex officio members, and eight members appointed by the governor with the advice and consent of the senate. The appointees shall be equally divided between the first and second congressional districts of the state and shall be selected so that not more than four (4) appointees are affiliated with the same political party. Appointments to fill the expired or unexpired terms of any members shall be made so as to retain the above representation on the board between congressional districts and political parties.

The appointment of each member to fill an expired term shall be for eight years. Any appointment to fill a vacancy occurring before the expiration of the term of an incumbent shall be for the remainder of the term only. A member may be removed at any time by the governor for misfeasance, nonfeasance or malfeasance in office.

Section 2. A person appointed as a member of the state board of education shall, before entering upon the duties of his office, take and subscribe the constitutional oath of office prescribed for civil officers, which shall be filed in the office of the secretary of state.

Section 3. The governor is the president of the board and the state treasurer is the treasurer of the board. The board may also elect a chairman from the appointed members to serve in the absence of the governor. The board is ex officio a board of regents of the university of Montana and shall use and adopt this style in all its dealings with the university. The superintendent of public instruction is the secretary of the board of education except when the board sits as a board of regents in which case the executive director of the university of Montana is the secretary of the board. A majority of the board constitutes a quorum for the transaction of business.

Section 4. The board shall hold quarterly meetings at the state capitol, or at any city or town where a unit of the university of Montana is located, on the second Monday of April, July, September and December in each year. Special meetings may be called by the president or chairman on at least ten (10) days notice to the members. Each member shall receive fifteen dollars (\$15) per day for each day in attendance of board meetings or in the performance of any authorized duties or services as a member, plus necessary and actual expenses incurred.

Section 5. The general control and supervision of the state vocational school for girls, Montana children's center, state industrial school, state training school and hospital, and state school for the deaf and blind are vested in the state board of education. The board shall provide, subject to the laws of the state, rules for the government of the affairs of these institutions. There shall be an executive board consisting of three (3) members for each of these institutions except the state industrial school and state vocational school for girls. The members of such boards shall be appointed by the governor for three year terms by and with the consent of the board of education. The president or superintendent of the institution for which the board is appointed may not serve as a member. At least two (2) members shall be residents of the county where the institution is located. The executive boards shall have such immediate direction and control, other than financial, of the affairs of the respective institutions as conferred on them by the board of education.

Section 6. Sections 75-101, 75-102, 75-103, 75-104, 75-105, 75-106 and 75-302 are repealed.

### **Explanation of Preceding Bill**

#### **Section 1.**

This section restates sections 75-101 and 75-102. A provision for removal for cause has been added.

#### **Section 2.**

This section restates 75-103.

#### **Section 3.**

This section consolidates sections 75-104, 75-105, the last sentence of section 75-107 (1) and the last sentence of 75-107 (12).

#### **Section 4.**

This section is a revision of section 75-106. The \$500 limit on expenses was deleted as was the provision that all expenses of the board and office of executive secretary be paid out of university appropriations.

#### **Section 5.**

This section consolidates the material in section 75-301 relating to custodial institutions with section 75-302.

## Bill II

.....BILL NO.....

INTRODUCED BY.....

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR THE ADMINISTRATION AND SUPERVISION OF THE UNIVERSITY OF MONTANA AND REPEALING SECTIONS 75-107, 75-301, 75-303, 75-304, 75-305, 75-306, 75-307, 75-308, 75-309, 75-310, 75-311, 75-312, 75-401, 75-402, 75-402.1, 75-403, 75-403.1, 75-404, 75-405, 75-406, 75-407, 75-408, 75-409, 75-410, 75-411, 75-412, 75-413, 75-414, 75-415, 75-416, 75-502, 75-505, 75-506, 75-506.1, 75-507, 75-508, 75-509, 75-512, 75-515, 75-602, 75-603, 75-702, 75-902, 75-904, 75-905, 75-906, 75-907, 75-1003, 75-1007, 75-1103 AND 75-1104, R.C.M. 1947."

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF MONTANA:

Section 1. The regents of the university of Montana have the following powers and duties:

1. To generally control and supervise the university of Montana.
2. To adopt rules and regulations, not in conflict with the constitution and laws of the state, for their own government and for the government of the university of Montana.
3. To grant diplomas to the graduates of the university of Montana and to confer honorary degrees upon the recommendation of the faculty thereof.
4. To adopt and use, for the authentication of their acts, an official seal.
5. To keep a record of their proceedings.
6. To report biennially to the governor and members of the legislative assembly. The report shall be printed and distributed not later than the first day of each session of the legislative assembly and shall include a complete financial report, by fiscal years, breaking down by fund or account all moneys collected and expended by or through each unit of the university of Montana for any purpose whatsoever, including those moneys held in local funds, sinking funds and local accounts.
7. To have, when not otherwise provided by law, general control of all books, records, buildings, grounds and other property of the university of Montana.
8. To receive from the state board of land commissioners or other boards, or persons, or from the United States government, money and other property to which the university of Montana, or any unit thereof may be entitled, and to use such money or property only for the specific purpose of the grant or donation.
9. To have general control of all receipts and disbursements of the university of Montana.
10. To appoint and fix the compensation of the presidents, faculty and other necessary officers and employees of the university of Montana.
11. To review all budget requests by the university of Montana and to forward the requests, with recommendations, to the director of the budget.
12. To prevent unnecessary duplication of courses of instruction offered by the university of Montana.

13. To investigate carefully the needs of the university of Montana with reference to buildings, equipment and curriculum. Each regent shall visit each unit of the university of Montana at least once each year in order to acquaint himself with the needs and management of the university.

Section 2. The regents of the university of Montana shall appoint an executive director who shall serve at the pleasure of the regents and who shall assist the regents by conducting research in such areas as finance, building needs and curriculum, and shall perform other duties pertaining to the coordination and administration of the university of Montana assigned to him by the regents. The executive director shall not be a regent nor a president of a unit of the university of Montana.

Section 3. The university of Montana consists of the following units:

At Missoula, Montana state university

At Bozeman, Montana state college

At Butte, Montana school of mines

At Dillon, western Montana college of education

At Billings, eastern Montana college of education

At Havre, northern Montana college

Section 4. The regents of the university of Montana shall adopt a seal for the university of Montana containing on its face the words "University of Montana," arranged as the regents prescribe. The seal shall remain in the custody of the executive director and shall be affixed to all diplomas, and all other papers, instruments, and documents executed by the university of Montana which may require a seal.

Section 5. The presidents of the units constituting the university of Montana are fully responsible for the immediate direction, management and control of their respective institutions, subject to the general policies and programs established by the regents of the university of Montana. The president of any unit, if he considers it necessary, may appoint a local advisory committee, without obligation to the state, to serve as a liaison agency with the community in which the college is located.

Section 6. (1) The state has the exclusive right to use the name "University of Montana" or "Montana University" or similar name. A person, corporation or association that uses either of these names, or a similar name, is guilty of a misdemeanor and upon conviction shall be punished by a fine of not less than five hundred dollars (\$500) and not more than one thousand dollars (\$1,000).

(2) The secretary of state shall notify a corporation attempting to use such a name that the usage is unlawful, and if the name of the corporation is not changed within sixty (60) days of the notification, the attorney general shall bring an action dissolving the corporation and recovering from it a sum of not less than one thousand dollars (\$1,000) and not more than five thousand dollars (\$5,000).

Section 7. A donation, grant, gift, or devise, made to a unit of the university of Montana, shall be made to the unit in its legal name; and if made to any officer or board of the unit, it shall immediately be transferred by the board or officer to the unit.

Section 8. The regents of the university of Montana may once a year refund to a resident of Montana in regular attendance at a unit of the university of Montana, an amount equal to fifteen dollars (\$15) less than the fare paid by the resident for traveling from his residence to the unit and returning by the most direct route.



Section 9. The university of Montana is open for instruction to students of both sexes, without regard to race or color, under the regulations and restrictions that the regents of the university of Montana consider proper.

Tuition is free to students who have been residents of the state for not less than one year next preceding their admission to the university of Montana, except in the law and medicine departments and for extra studies. The regents of the university of Montana may prescribe rates for tuition for students enrolled in the law department or for extra studies and for students who have not been residents of the state for at least one year preceding enrollment. The regents of the university of Montana may waive nonresident tuition for selected and approved nonresident students. The number for whom tuition may be waived at any unit of the university may not exceed in number two per cent (2%) of the total number of students enrolled at the unit and no nonresident student may be admitted to the exclusion of any resident student.

Section 10. A person of one-fourth ( $\frac{1}{4}$ ) Indian blood or more who has received a diploma for completing the regular course of a four-year accredited public high school or federal Indian school in Montana, and has shown evidence of studious and industrious habits, is entitled, upon the recommendation of the regents of the university of Montana, to enroll in any of the units of the university of Montana for four (4) years without the payment of fees required of students attending these institutions. The number of Indians chosen each year may not exceed twelve (12), of whom at least six (6) shall be enrolled for the purpose of training to become teachers. Rules and regulations governing the selection of these pupils shall be made by the regents of the university of Montana.

Section 11. Sections 75-107, 75-301, 75-303, 75-304, 75-305, 75-306, 75-307, 75-308, 75-309, 75-310, 75-311, 75-312, 75-401, 75-402, 75-402.1, 75-403, 75-403.1, 75-404, 75-405, 75-406, 75-407, 75-408, 75-409, 75-410, 75-411, 75-412, 75-413, 75-414, 75-415, 75-416, 75-502, 75-505, 75-506, 75-506.1, 75-507, 75-508, 75-509, 75-512, 75-515, 75-602, 75-603, 75-702, 75-902, 75-904, 75-905, 75-906, 75-907, 75-1003, 75-1007, 75-1103 and 75-1104, R.C.M. 1947 are repealed.

## Explanation of Preceding Bill

### Section 1.

1. All of the powers and duties of the board of regents which were found in several sections of the law have been incorporated in section 1 which was built around section 75-107.

The institutions composing the university of Montana are not listed in subparagraph 1 since this is done in section 3 of this bill. If the university system is referred to throughout this act as "The University of Montana" rather than "the units of the University of Montana" the idea of one university will be more accurately conveyed than by the statement that "it is the purpose of this act that the said six units of our university system shall be considered for all purposes as one university."

2. Subparagraph 2 is essentially the same as subparagraph 2, section 75-107.

3. Subparagraph 3 is essentially the same as subparagraph 5, 75-107. The word "faculties" was changed to "faculty" again to indicate that the university of Montana is a unity.

4. Subparagraph 4 is the same as subparagraph 6, 75-107.

5. Subparagraph 5 is the same as subparagraph 7, 75-107.

6. Subparagraph 6 includes the reporting requirement found in subparagraph 8, section 75-107 but expands it to include a complete financial report. A requirement that any board report without specifying content is practically worthless since the requirement may be fulfilled by writing a one or two page letter. While authorities generally agree that universities should be allowed great latitude in the administration and expenditure of moneys, this administrative freedom should be accompanied by strict reporting requirements. At the present time there is a good deal of money collected by the university units, some of which is used for university purposes, which is not reported to the legislature and is only noted by the "audit" made by the state controller. The reporting requirement set out in this draft will serve to better inform the legislature of the financial activities of the university of Montana.

7. Subparagraph 7 is similar to subparagraph 10, 75-107.

8. Subparagraph 8 incorporates part of the language found in subparagraph 11, 75-107.

9. Subparagraph 9 incorporates the remainder of the language in subparagraph 11, 75-107.

10. Subparagraph 10 repeats the language found in the first part of subparagraph 12, 75-107. Language from 75-403 is also incorporated here—the words "officers and employees" came from that section.

11. Subparagraph 11 carries the budget review power over from subparagraph 13, 75-107. However, no statutory requirement is made to establish a budget subcommittee; this can be done by rule if the board desires.

12. Subparagraph 12 repeats the first half of section 75-405 regarding the duty of the board to prevent unnecessary duplication.

13. Subparagraph 13 repeats the last half of section 75-405 regarding the general requirements that the board investigate certain areas of university administration.

## **Section 2.**

Section 2 removes mention of the executive officer from the last half of subparagraph 12, section 75-107, and sets it out in a separate section. Certain duties which the officer may have are also suggested, and the name is changed.

## **Section 3.**

This is a redraft of section 75-402 which lists the university units.

## **Section 4.**

This is a redraft of section 75-406.

## **Section 5.**

Restates section 75-408, eliminating unnecessary language and incorporating the language "general policies and programs." Provision is also made for the appointment of a local advisory committee.

**Section 6.**

Restates section 75-409 and provides for notice to corporate offenders prior to dissolution.

**Section 7.**

Repeats the language in section 75-311.

**Section 8.**

This is simply a revision of section 75-410.

**Section 9.**

This section is a consolidation of sections 75-505, 75-506 and 75-603.

**Section 10.**

This section preserves the essentials of section 75-506.1 and is placed in this bill because it pertains to the entire university and not just one unit.

# Bill III

.....BILL NO.....

INTRODUCED BY.....

A BILL FOR AN ACT ENTITLED: "AN ACT AUTHORIZING THE REGENTS OF THE UNIVERSITY OF MONTANA TO CONSTRUCT, FINANCE AND CONTROL STUDENT HOUSING FACILITIES AT UNITS OF THE UNIVERSITY OF MONTANA AND REPEALING SECTIONS 75-201, 75-202, 75-203, 75-204, 75-205 AND 75-206, R.C.M. 1947."

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF MONTANA:

Section 1. The regents of the university of Montana may:

(1) Acquire, erect, equip, enlarge and improve from time to time at any unit of the university of Montana residence halls, dormitories or other student housing facilities.

(2) Rent rooms or provide board, or both, in student housing facilities to students, officers, guests, and employees of the unit at rates that will insure a reasonable net income over operating expenses, debt service and necessary reserves.

(3) Use the net income for repairs, replacements, and maintenance of existing student housing facilities and the erection of additional student housing facilities.

(4) Exercise full control and management of the student housing facilities.

Section 2. The title to all real estate and improvements acquired and erected under the provisions of this act shall be taken and held in the name of the state of Montana, except that title to fixtures and equipment purchased on a time or installment basis may remain in the vendor until the latter has been paid in full.

Section 3. In carrying out the above powers, the regents may:

(1) Borrow money and issue bonds or other securities.

(2) For the repayment of money so borrowed, pledge the net income received from student housing facilities, income from grants of land and other income in the form of gifts, bequests, contributions and federal grants.

(3) Pay interest from the corpus during construction and one year thereafter.

(4) Sell bonds issued in the manner and for the price they determine, with the approval of the board of examiners.

(5) Refund bonds previously issued and pay any redemption premium thereon.

Section 4. No obligation created by this act shall ever become a charge against the state of Montana.

Section 5. In discharging obligations under the preceding sections, all of the student housing facilities at each unit of the university of Montana may be considered as one; but the rents and income available for student housing purposes at one unit shall not be used to discharge obligations created for student housing facilities at another unit. All such obligations, including principal and interest, shall be payable solely from the sources authorized in this act.

Section 6. No state moneys except the sources of income specified in subsection (2) of section 3 of this act shall be obligated or used for the purposes of this act, unless specifically directed by the legislative assembly.

Section 7. This act shall not impair any contract, indenture or agreement executed under previous laws.

Section 8. Sections 75-201, 75-202, 75-203, 75-204, 72-205 and 75-206, R.C.M. 1947, are repealed.

# Bill IV

.....BILL NO.....

INTRODUCED BY.....

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT STUDENT FEES THAT HAVE BEEN PLEDGED FOR THE LIQUIDATION OF OBLIGATIONS INCURRED FOR THE CONSTRUCTION OF FACILITIES AT UNITS OF THE UNIVERSITY OF MONTANA ARE NOT TUITION, AND LIMITING THE USE TO WHICH SUCH STUDENT FEES MAY BE PUT."

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF MONTANA:

Section 1. (1) Student fees that have been pledged for the liquidation of obligations incurred for the purpose of constructing facilities at the units of the university of Montana are not tuition. Except as provided in sub-section (2) of this section, these student fees shall not be used for paying obligations incurred after this act takes effect, but shall be used exclusively for:

- (a) The maintenance and repair of the existing facilities so financed.
- (b) The fulfillment of existing obligations by the liquidation and accelerated retirement of bonds.

(2) However, unpledged income from existing student housing facilities may be used for the financing of additional student housing facilities as provided by law.

### Explanation of Preceding Bill

The purpose of this bill is to prohibit the prolonging of student building fees beyond the point necessary to pay for buildings already authorized or constructed. Building fees are declared not to be tuition to prevent agreements in effect from being invalidated by court action.

# Bill V

.....BILL NO.....

INTRODUCED BY.....

A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO THE SIX UNITS OF THE UNIVERSITY OF MONTANA; ELIMINATING CONFLICTING, REDUNDANT AND OBSOLETE PROVISIONS BY GENERALLY REVISING CHAPTERS 5, 6, 7, 9, 10 AND 11, R.C.M. 1947, BY AMENDING SECTIONS 75-501, 75-503, 75-504, 75-510, 75-513, 75-601, 75-605, 75-608, 75-609, 75-701, 75-703, 75-704, 75-706, 75-708, 75-709, 75-714, 75-717, 75-723, 75-735, 75-737, 75-901, 75-1002, 75-1006 AND 75-1102, R.C.M. 1947, AND BY REPEALING SECTIONS 75-511, 75-514, 75-604, 75-606, 75-710, 75-710.1, 75-710.2, 75-710.3, 75-710.4, 75-711, 75-712, 75-713, 75-715, 75-716, 75-724, 75-725, 75-726, 75-727, 75-728, 75-729, 75-730, 75-731, 75-903, 75-1001 AND 75-1101, R.C.M. 1947."

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF MONTANA:

Section 1. Section 75-501, R.C.M. 1947, is amended to read as follows:

"75-501. (matter deleted) *Montana* state university has for its object instruction of young men and women on equal terms in all the departments of science, in literature, the arts and industrial and professional education."

Section 2. Section 75-503, R.C.M. 1947, is amended to read as follows:

"75-503. There shall be established the following colleges or departments of the state university, to-wit:

1. A preparatory department.
2. A department of literature, science, and the arts.
3. Such professional and technical colleges as may, from time to time, be added thereto or connected therewith. The preparatory department may be dispensed with, at such rate and in such wise as may seem just and proper to the (matter deleted) *regents of the university of Montana.*"

Section 3. Section 75-504, R.C.M. 1947, is amended to read as follows:

"75-504. Such studies or courses of instruction shall be pursued in the preparatory department as shall best prepare the student to enter any of the regular colleges or departments of the university. The college or department of literature, science, and the arts shall embrace courses of instruction in mathematical, physical and natural sciences, with their application to the industrial arts; a liberal course of instruction in the languages, literature, history, and philosophy, and such other branches as the (matter deleted) *regents of the university of Montana* may prescribe. And, as soon as the income of the university will allow, and in such order as the demands of the public seem to require, the said courses of instruction in the sciences, literature, and the arts shall be expanded into distinct colleges or departments of the university, each with its own faculty and appropriate title."

Section 4. Section 75-510, R.C.M. 1947, is amended to read as follows:

"75-510. There is hereby (matter deleted) *authorized* as a department of the state university, a school of law."

Section 5. Section 75-513, R.C.M. 1947, is amended to read as follows:

"75-513. There is hereby (matter deleted) *authorized as a department of the state university, a school of forestry.*"

Section 6. Section 75-601, R.C.M. 1947, is amended to read as follows:

"75-601. (matter deleted) *The Montana school of mines has for its object instruction and education in chemistry, metallurgy, mineralogy, geology, mining, milling, engineering, mathematics, mechanics, drawing, the laws of the United States, and of the state in reference to mining and the rights and duties of citizens in relation thereto.*"

Section 7. Section 75-605, R.C.M. 1947, is amended to read as follows:

"75-605. There is hereby (matter deleted) *authorized as a department of the Montana school of mines, the Montana state bureau of mines and geology, which shall be under the direction of the (matter deleted) regents of the university of Montana. The regents shall appoint a qualified mining engineer as director of said bureau. Any and all fees for assays and analyses collected by the bureau shall be paid over to the treasurer of the Montana school of mines.*"

Section 8. Section 75-608, R.C.M. 1947, is amended to read as follows:

"75-608. The (matter deleted) *regents of the university of Montana shall cause to be prepared a report to the legislative assembly before each regular session thereof, showing the progress and condition of the bureau, together with such other information as may be deemed necessary or as the legislative assembly may require.*"

Section 9. Section 75-609, R.C.M. 1947, is amended to read as follows:

"75-609. The regular and special reports of the bureau, with proper illustrations and maps, shall be printed and distributed as the (matter deleted) *regents of the university of Montana may direct, and as the interests of the state and of science and industry may demand.*"

Section 10. Section 75-701, R.C.M. 1947, is amended to read as follows:

"75-701. (matter deleted) *Montana state college has for its leading objects and purposes, without excluding other scientific and classical studies, and including military tactics, to teach such branches of learning as are related to agriculture and the mechanic arts, in such manner as the (matter deleted) regents of the university of Montana may prescribe.*"

Section 11. Section 75-703, R. C. M. 1947, is amended to read as follows:

"75-703. (matter deleted) *There is established as a part of Montana state college an agricultural experiment station to aid in acquiring and diffusing among the people of the state of Montana useful and practical information on subjects connected with agriculture, and to promote scientific investigation and experiments respecting the principles and application of agricultural science, which experiment station is established under and by virtue of the authority contained in the act of Congress, entitled 'An act to establish experimental stations in connection with the colleges established in the several states under the provisions of an act approved July 2, 1862, and the said acts supplementary thereto,' approved March 2, 1887, and the provisions, donations, and benefits contained in said act of Congress, and in all other acts of Congress relating to agricultural experimental stations and*

agricultural colleges, now in force, and all acts supplementary thereto, or amendatory thereof, are by the state of Montana hereby accepted and adopted.”

Section 12. Section 75-704, R. C. M. 1947, is amended to read as follows:

“75-704. Said agricultural experiment station *and the branch stations enumerated below* (matter deleted) *are* hereby placed under the supervision and control of the (matter deleted) *regents of the university of Montana:*

*At Corvallis, the horticulture branch station*  
*At Moccasin, the central Montana branch station*  
*At Creston, the northwestern branch station*  
*At Huntley, the Huntley branch station*  
*At Sidney, the eastern Montana branch station*  
*At Havre, the north Montana branch station.”*

Section 13. Section 75-706, R. C. M. 1947, is amended to read as follows:

“75-706. Until otherwise provided by law the agricultural experiment station, now established at Bozeman, Gallatin county, state of Montana, shall be the beneficiary of the funds in said act mentioned, and shall use and disburse said funds only for the purposes and in the manner provided in said act. (matter deleted) *The president of the state college is hereby authorized to receive said funds and shall account for said funds and make reports to the secretary of agriculture, as required by said act of Congress.”*

Section 14. Section 75-708, R. C. M. 1947, is amended to read as follows:

“75-708. The president of (matter deleted) *Montana state college* (matter deleted) is hereby authorized to enter into all necessary agreements with the secretary of agriculture of the United States, relative to the receipt and expenditures of all moneys paid to the state of Montana, or to (matter deleted) *Montana state college* under the provisions of said act, and to receive and expend such money in accordance with the provisions of said act of Congress and the agreement so made with said secretary of agriculture.”

Section 15. Section 75-709, R. C. M. 1947, is amended to read as follows:

“75-709. The *president of Montana state college* shall have the authority to receive from the treasurer of the state of Montana the cash appropriation received from the United States by authority of the act of Congress of August 30, 1890 (26 Statutes at Large, p. 417), known as the second Morrill Act, and the act of Congress of March 4, 1907 (Statutes at Large, p. 1281), known as the Nelson Amendment. And such cash appropriation shall be expended by the (matter deleted) *president* of said college, under the general supervision of the (matter deleted) *regents of the university of Montana*, but only for the purpose for which the same is appropriated by Congress.

The (matter deleted) *president* of said college shall also have the authority to receive all moneys appropriated by the act of Congress of March 16, 1906 (34 Statutes at Large, p. 63), entitled, ‘An act to provide for and increase the annual appropriation for agricultural experiment stations, and regulating the expenditures thereof,’ and such money shall be expended by said (matter deleted) *president* under the supervision and direction and control of the (matter deleted) *regents of the university of Montana* in the manner and for the purpose designated in said act of Congress, and as required by section (matter deleted) 75-706 of this code. The treasurer of said college shall, on or before the first day of



September of each year, make a detailed statement of the amounts received and disbursed under the provisions of the act of Congress of March 30, 1890, and of March 4, 1907, and shall report the same to the secretary of agriculture of the United States and to the secretary of the interior of the United States, as required by said acts of Congress, and shall file a duplicate thereof with the (matter deleted) *regents of the university of Montana*. (matter deleted) Said treasurer shall also make a detailed statement of the amounts of money received and disbursed under the act of Congress of March 16, 1906, which reports shall be filed with the (matter deleted) *regents of the university of Montana* (matter deleted) and the officers or departments of the United States as are now or may hereafter be required by the laws of the United States."

Section 16. Section 75-714, R. C. M. 1947, is amended to read as follows:

"75-714. (matter deleted) *The Montana wool laboratory is established as part of the agricultural experiment station* for the purpose of sampling, testing and scouring wool clips and fleeces of Montana woolgrowers to ascertain shrinkage, strength, fineness, length of staple, uniformity and character of wool, and for the purpose of carrying on effective scientific and practical research work to the end of developing as complete and accurate knowledge of Montana wools as is reasonably possible."

Section 17. Section 75-717, R. C. M. 1947, is amended to read as follows:

"75-717. There is hereby created and established an advisory committee of three (3) members who shall aid or assist and advise in the internal administration, field service, and all activities of the laboratory as hereafter provided: The advisory committee shall consist of (a) the director of the agricultural experiment station; (b) one (1) member selected by the governor (matter deleted) from a list of wool growers named by the board of trustees of the Montana wool growers association; and (c) one (1) member selected by the governor from a list of members of the wool trade named by the director of the agricultural experiment station from among individuals actively engaged within the state of Montana in the handling of Montana wools. The director of the laboratory shall serve as secretary of said advisory committee. The two (2) chosen committee members shall serve respectively, a three (3) year term from and after the initial organization of the advisory committee. The advisory committee shall meet not less than once in each year to hear the annual report and participate in the formulation of the policy and program of the Montana wool laboratory. Per diem expenses of the two (2) chosen committee members shall be paid out of laboratory funds at the rate of ten (\$10.00) dollars per day of service."

Section 18. Section 75-723, R. C. M. 1947, is amended to read as follows:

"75-723. (matter deleted) All moneys collected by the Montana wool laboratory shall be paid to the state treasurer and by him shall be set aside in a special trust fund, from which fund there is hereby appropriated for the use of said wool laboratory as much thereof as may be necessary for the payment of salaries and expenses, including purchase of equipment and supplies, and erection of necessary buildings.

In addition, there is hereby appropriated for the Montana wool laboratory, all federal funds which may by the federal government be provided for the maintenance and operation of said Montana wool laboratory and also all funds which may be received by said laboratory, or for its use and benefit for special purposes incident to, and in harmony with the purpose of said laboratory."

Section 19. Section 75-735, R. C. M. 1947, is amended to read as follows:

"75-735. That the (matter deleted) *regents of the university of Montana*, acting for and on behalf of Montana state college of Bozeman, Montana, make available for the purchase of sites or experimental farms from any funds deposited in the Montana trust and legacy fund credited to the Montana state college through provisions of the Morrill Land Act of 1862 and known as the Agricultural College Morrill Permanent Fund, a sum not to exceed ten per centum (10%) of the amount of such fund in accordance with the provisions of the Morrill Act of July 2, 1862."

Section 20. Section 75-737, R. C. M. 1947, is amended to read as follows:

"75-737. Any sites or experimental farms purchased in accordance with the provisions of this act must first be approved by the (matter deleted) *regents of the university of Montana*, and be essential for the effective operation of the instructional and research programs of the Montana state college and the agricultural experiment station."

Section 21. Section 75-901, R. C. M. 1947, is amended to read as follows:

"75-901. (matter deleted) *Northern Montana college* has for its object instruction and education in the English language, literature, and mathematics, mechanic arts, agricultural chemistry, animal and vegetable anatomy and physiology, and veterinary art, entomology, geology, and such other natural sciences as may be prescribed by the (matter deleted) *regents of the university of Montana*, political, rural and household economy, agriculture, horticulture, moral philosophy, history, bookkeeping, and especially the application of science and the mechanical arts to practical agriculture in the field, and irrigation and use of water for agricultural purposes; also all that relates to an efficient, modern manual training school."

Section 22. Section 75-1002, R. C. M. 1947, is amended to read as follows:

"75-1002. The object of (matter deleted) *western Montana college of education* shall be the instruction and training of teachers for the public schools of the state of Montana, inclusive of all grades and departments."

Section 23. Section 75-1006, R. C. M. 1947, is amended to read as follows:

"75-1006. The (matter deleted) *regents of the university of Montana*, shall receive, in the names of western Montana college of education and eastern Montana college of education, all the benefits, of whatsoever nature, that may be derived from the distribution and selection of lands contemplated in section 17 of an act of Congress, approved February 22, 1889, entitled 'An act to provide for the division of Dakota into two states and to enable the people of North Dakota, South Dakota, Montana, and Washington to form constitutions and state governments and to be admitted into the union on an equal footing with the original states, and to make donations of public lands to such states,' and the (matter deleted) *regents of the university of Montana* are hereby authorized in carrying out the provisions of chapter 2 of Title 75 of the Revised Codes of Montana, 1947, as now amended, or as hereafter amended, to pledge one-half of all interest and income derived from said land grant for the payment in whole or in part of notes, bonds or other obligations issued by the board for residence halls (matter deleted) at western Montana college of education, and one-half of all interest and income derived from said land grant for the payment in whole or in part of notes, bonds or other obligations issued by the board for residence halls (matter deleted) at eastern Montana college of education; provided, however, that any such pledge shall be subject to any prior pledge by the board of any such interest and income. (matter deleted)"

Section 24. Section 75-1102, R. C. M. 1947, is amended to read as follows:

"75-1102. The objects and purposes of (matter deleted) *eastern Montana college of education* shall be primarily for the instruction and training of teachers for the public schools of the state of Montana."

Section 25. Sections 75-511, 75-514, 75-604, 75-606, 75-710, 75-710.1, 75-710.2, 75-710.3, 75-710.4, 75-711, 75-712, 75-713, 75-715, 75-716, 75-724, 75-725, 75-726, 75-727, 75-728, 75-729, 75-730, 75-731, 75-903, 75-1001 and 75-1101, R. C. M. 1947, are repealed.

### **Explanation of Preceding Bill**

Where the only amendment is to substitute "regents of the university of Montana" for "state board of education" or to eliminate redundant or obsolete language, no explanation is provided.

Section 7. Necessary language from 75-604 and 75-606 which are repealed, is incorporated into 75-605.

Section 12. This section consolidates Sections 75-710, 75-711, 75-724, 75-727, 75-729 and 75-903, establishing the various branch stations.

Section 20. The Montana state advisory council, being an unofficial body, should not have such statutory authority and is deleted along with the state board of education.

Section 23. The words "other facilities" are deleted to conform with suggested legislation relating to the building powers of the board. (See Bill II)

# Bill VI

.....BILL NO.....

INTRODUCED BY.....

A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO POWERS OF THE STATE BOARD OF EDUCATION OVER PUBLIC SCHOOLS; PROVIDING THAT THE BOARD HAS POWER TO PRESCRIBE GENERAL POLICIES FOR THE SUPERVISION OF PUBLIC SCHOOLS, TO PRESCRIBE THE USE OF COURSES OF STUDY, TO PRESCRIBE STANDARDS OF PROMOTION FOR HIGH SCHOOLS AND TO ACCREDIT HIGH SCHOOLS BY AMENDING SECTIONS 75-1302 AND 75-1311, R. C. M. 1947."

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF MONTANA:

Section 1. Section 75-1302, R. C. M. 1947, is amended to read as follows:

"75-1302. He shall have the general supervision of the public schools of the state, *subject to the general policies and programs established by the state board of education.*"

Section 2. Section 75-1311, R. C. M. 1947, is amended to read as follows:

"75-1311. He shall prepare, or cause to be prepared, (matter deleted) a course of study for all the public elementary and high schools of the state (matter deleted). *The state board of education shall prescribe to what extent the (matter deleted) course is to be used. The board shall prescribe standards of promotion to the high school department of all public schools of the state and shall accredit such high schools as maintain the standards of work prescribed by the board on all such matters of promotion.*"

## Explanation of Preceding Bill

### Section 1.

The supreme court has held that "the constitution provides that the board has general supervision of all institutions of learning that are public in nature" which includes the public schools. This amendment conforms 75-1302 to the constitution and should eliminate some of the current confusion regarding the responsibility for supervising public schools.

### Section 2.

This amendment makes the board responsible for approving the course of study for public schools. The last sentence preserves language found in 75-107 (4).

# Bill VII

.....BILL NO.....

INTRODUCED BY.....

A BILL FOR AN ACT ENTITLED: "AN ACT TO SUBMIT TO THE QUALIFIED ELECTORS OF MONTANA AN AMENDMENT TO SECTION 11, ARTICLE XI OF THE CONSTITUTION OF MONTANA VESTING SUPERVISION AND CONTROL OF THE UNIVERSITY OF MONTANA IN A SEPARATE STATE BOARD OF REGENTS."

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF MONTANA:

Section 1. Section 11, article XI of the constitution of the state of Montana is amended to read as follows:

"Section 11. The general control and supervision of the (matter deleted) various (matter deleted) state educational institutions *not part of the university of Montana* shall be vested in a state board of education, whose powers and duties shall be prescribed and regulated by law. The said board shall consist of eleven members, the governor, state superintendent of public instruction, and attorney general, being members ex-officio; the other eight members thereof shall be appointed by the governor; subject to the confirmation of the senate, under the regulations and restrictions to be provided by law.

*The general control and supervision of the university of Montana shall be vested in a state board of regents, whose powers and duties shall be prescribed and regulated by law. The said board shall consist of eight (8) members to be appointed by the governor, subject to the confirmation of the senate, under the regulations and restrictions to be provided by law. This amendment shall become effective July 1, 1963."*

Section 2. When this amendment is submitted to the electors of the state of Montana as provided by law there shall be printed on the ballot the full title and section 1 of this act and the following words:

- For the above amendment
- Against the above amendment."

# Bill VIII

BILL NO.

INTRODUCED BY.

A BILL FOR AN ACT ENTITLED: "AN ACT DEFINING A DEGREE GRANTING INSTITUTION AND PROHIBITING THE GRANTING OF DEGREES BY SUCH AN INSTITUTION UNTIL IT OFFERS PROOF OF ACCREDITATION TO THE REGENTS OF THE UNIVERSITY OF MONTANA OR UNTIL THE REGENTS APPROVE A WRITTEN NOTICE FILED IN LIEU OF SUCH PROOF."

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF MONTANA:

Section 1. (1) In this act:

(a) "Degree granting institution" means a school, academy, institute, junior college, college, university, person or entity which:

(i) Provides or offers to provide instruction leading toward, or prerequisite to, an academic or professional degree beyond the secondary school level, and which

(ii) Requires that in order to obtain the degree the recipient thereof satisfactorily complete an appropriate course of class, laboratory or research study in person, including at least one academic year in residence.

(b) "Degree" means any designation, mark, series of letters or words, certificate, diploma or other symbol which signifies, or is generally understood to signify, satisfactory completion of the requirements of an academic or professional program of study beyond the secondary school level.

(2) A degree granting institution not in operation on July 1, 1961, may not award a degree until it offers to the regents of the university of Montana proof that it is accredited by an educational accrediting agency recognized by the regents. The regents shall promulgate a rule or regulation stating which national and regional accrediting agencies are recognized by them.

(3) If a degree granting institution is unable to furnish proof of accreditation by an accrediting agency recognized by the regents, it may not award a degree until it receives approval from the regents of a written notice filed with the regents containing:

(a) Name and address of the degree granting institution.

(b) Name and address of the president or other administrative head.

(c) Name and address of each member of the board of trustees or other governing board.

(d) Name of each faculty member and the highest academic degree he holds.

(e) Full description of the degree or degrees to be awarded and the prerequisite courses of study.

(f) Additional information that the regents may prescribe.

(4) All degree granting institutions, including those in operation prior to July 1, 1961, that initiate programs to offer degrees after this act takes effect, may not award the degrees until the regents have:

(a) Been offered proof that the new programs are accredited by an accrediting agency recognized by the regents, or

(b) Approved a written notice filed with them containing:

(i) A full description of the degree or degrees to be awarded and the prerequisite courses of study.

(ii) The name of each faculty member teaching these courses and the highest degree he holds.

(iii) Additional information that the regents may prescribe.

(5) A degree granting institution that violates this act is guilty of a misdemeanor.

### **Explanation of Preceding Bill**

This bill is a revision of sections 75-108 and 75-109 which relate to the regulation of resident degree granting institutions. Those sections fail to specify the manner in which such institutions are to be approved by the board and are otherwise obscure.

# Bill IX

.....BILL NO.....

INTRODUCED BY.....

A BILL FOR AN ACT ENTITLED: "AN ACT RELATING TO THE INTEREST AND INCOME FUNDS OF STATE INSTITUTIONS; AMENDING SECTION 79-1403 R. C. M. 1947 AND REPEALING SECTIONS 79-1401, 79-1402, 79-1404 AND 79-1405, R. C. M. 1947 TO ALTER ACCOUNTING AND CONTROL PROCEDURES FOR SUCH FUNDS."

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF MONTANA:

Section 1. Section 79-1403, R. C. M. 1947, is amended to read as follows:

"79-1403. In the payment of claims presented by (matter deleted) *a state institution entitled to interest and income from land grants or funds arising therefrom, no warrant shall be drawn against the appropriation made by the state out of the general fund for the maintenance of the institution filing the claim until the interest and income fund, insofar as it is available for the payment of the items in the claim, is exhausted.*"

Section 2. Sections 79-1401, 79-1402, 79-1404 and 79-1405, R. C. M. 1947, are repealed.

## Explanation of Preceding Bill

Section 79-1401 is repealed because it has been superseded by Section 79-1211. Section 79-1402 is repealed because it has been superseded by 79-1212.

Section 79-1403 has been amended to adjust the section to the repeal of 79-1401 and 79-1402, however, the substance is unchanged.

Sections 79-1404 and 79-1405 relate to powers of the local executive boards and are therefore repealed.



**CROSS INDEX SHOWING DISPOSITION OF MATERIAL IN STATUTES IN CHAPTERS 1-11, TITLE 75, R.C.M. 1947 RECOMMENDED FOR REPEAL**

(References such as I, 5, (5) refer to proposed legislation—Bill I, Section 5, Subsection 5.)

- 75-101. Incorporated into I, 1.  
75-102. Rewritten as I, 1.  
75-103. Repeated in I, 2.  
75-104. Incorporated into I, 3.  
75-105. Incorporated into I, 3.  
75-106. Repeated in I, 4 with the exception of limitation on per diem and last sentence.  
75-107. Subparagraph 1 is set out in part in II, in 1, (1). Some language is omitted. The part relating to ex officio capacity of the board appears in I, 3.  
    Subparagraph 2—Repeated in II, 1, (2).  
    Subparagraph 3—Repeated in I, 5.  
    Subparagraph 4—VI, 2.  
    Subparagraph 5—II, 1, (3).  
    Subparagraph 6—II, 1, (4).  
    Subparagraph 7—II, 1, (5).  
    Subparagraph 8—II, 1, (6).  
    Subparagraph 9—Deleted.  
    Subparagraph 10—II, 1, (7).  
    Subparagraph 11—First part set out as II, 1, (8)—everything following semicolon set out in II, 1, (9).  
    Subparagraph 12—First sentence is set out as II, 1, (10). The part of this subparagraph pertaining to the executive secretary is set out in a separate section—II, 2.  
    Subparagraph 13—The general budgeting power was set out in II, 1, (11), however, the part pertaining to to the selection of a budget committee is omitted.  
    Subparagraph 14—Deleted.
- 75-108. Rewritten in VIII.  
75-109. Rewritten in VIII.  
75-201-206. See Bill III for revision of these sections.  
75-301. The part of this section relating to the University is both repetitious of II, 1 (1) and the description of the University of Montana contained in II, 3. In substance it is repeated in both of these places. The part relating to the custodial institutions has been included in I, 5.
- 75-302. I, 5.  
75-303. Deleted.  
75-304. Deleted.  
75-305. Deleted.  
75-306. Deleted.  
75-307. Deleted.  
75-308. Deleted.  
75-309. Deleted.

- 75-310. The language in the first sentence is adequately covered by II, 1, (9), which provides that the board of regents shall have general control of all receipts and disbursements. The remaining part of this law would seem to be unnecessary since there is nothing in any of the new acts which would contradict the power of the Board of Examiners to examine claims or the purchasing agent to require compliance with purchasing regulations. The board of regents is only given general supervisory powers and is not thereby excused from compliance with specific procedural financial requirements set out by other laws.
- 75-311. Repeated in II, 7.
- 75-312. Deleted.
- 75-401. This section is obsolete having been superseded by Section 75-402.
- 75-402. Rewritten as II, 3.
- 75-402.1. Deleted as superfluous.
- 75-403. The first sentence of this section is covered by II, 1, (1) and (10). The powers and duties of the presidents of the institutions are covered by II, 5. The rule making power is covered by II, 1, (2).
- 75-403.1. Deleted as superfluous.
- 75-404. Is deleted, having been covered by II, 1, (3).
- 75-405. The material preceding the semicolon is covered by II, 1, (12). The material following the semicolon is covered by II, 1, (13).
- 75-406. Has been rewritten as II, 4.
- 75-407. Deleted.
- 75-408. The first sentence has been rewritten as II, 5. The second sentence has been incorporated into II, 2.
- 75-409. Has been rewritten as II, 6.
- 75-410. Has been rewritten as II, 8.
- 75-411 and 75-412. Deleted because they were passed to provide for a specific situation which no longer exists.
- 75-413 and 75-414. Are "ephemeral" legislation and are no longer necessary.
- 75-415 and 75-416. Were to provide for a specific situation which no longer exists and are therefor deleted.
- 75-502. This section is unnecessary. Proposed legislation (II, 5) gives all unit presidents responsibility for the immediate direction and control of their institutions, subject to the general policies and programs established by the regents.
- 75-505 and 506. These sections have been consolidated with 75-603 and rewritten as part of the legislation controlling the entire university system. (II, 9)
- 75-506.1. Rewritten as part of the legislation controlling the entire university system. (II, 10)
- 75-507. The subject of endowment of university professorships could be covered by board rule. Proposed legislation (II, 1, (8) ) allows regents to accept money.
- 75-508. Proposed legislation (II, 1, (8) ) authorizes the regents to receive all money from any source to which any unit of the university is entitled. Trust fund income and fees are normally included in biennial appropriation bills.

- 75-509. The first part is ephemeral legislation; the latter part is superfluous in view of proposed legislation. (II, 1, (8) )
- 75-511. The title of the law school has been changed to conform with the current designation and incorporated into 75-510. (V, 4)
- 75-512. Unnecessary in view of broad powers granted regents in proposed legislation. (II, 1)
- 75-514. The title of the forestry school has been changed to conform with the current designation and incorporated into 75-513. (V, 5)
- 75-515. Unnecessary in view of broad powers granted to regents in proposed legislation. (II, 1)
- 75-602. Unnecessary in view of broad powers granted to regents in proposed legislation. (II, 1 (1) )
- 75-603. Incorporated into II, 9.
- 75-604. Incorporated into amended version of 75-605. (V, 7)
- 75-606. Necessary portion has been incorporated into amended version of 75-605. (V, 7)
- 75-702. Unnecessary in view of power granted to regents in II, 1, (1)
- 75-710, 75-710.1, 75-710.2, 75-710.3, 75-710.4, 75-711, 75-712, and 75-713. Superseded by amended version of 75-704 (V, 11) and by proposed legislation. (II, 1, (8) )
- 75-715 and 75-716. Necessary portions have been incorporated into amended version of 75-714. (V, 16)
- 75-724, 75-725, 75-726, 75-727, 75-728, 75-729, 75-730, and 75-731. Superseded by amended version of 75-704 (V, 12) and by proposed legislation (II, 1, (8) ).
- 75-902. Unnecessary in view of power granted to regents in II, 1, (1)
- 75-903. Superseded by amended version of 75-704. (V, 12)
- 75-904. Ephemeral legislation. Regents have authority to accept money. (II, 1, (8) )
- 75-905. Ephemeral legislation. Local executive board is eliminated.
- 75-906. Local executive board is eliminated.
- 75-907. Local executive board is eliminated.
- 75-1001. Incorporated into amended version of 75-1002. (V, 22)
- 75-1003. Local executive board is eliminated.
- 75-1007. This details procedures for the investment of land grant funds. It is unnecessary and conflicts with the unified investment act which provides for the investment of the trust and legacy fund.
- 75-1101. Incorporated into amended version of 75-1102. (V, 24)
- 75-1103. Local executive board is eliminated.
- 75-1104. Unnecessary in view of proposed legislation (II, 1, (8) ).

## APPENDIX B

# Building Indebtedness of University of Montana Units January 1, 1960

### MONTANA STATE COLLEGE

#### I. Completed Buildings

Name	Purpose	Cost	Bond Issue	Bonds or Indebtedness Outstanding or Authorized January 1, 1960	Payment Source
1. Lewis & Clark Men's Residence	Men's dormitory	\$2,343,832	'54 Revenue Bond Issue (open-end type)	\$ 6,210,000	
2. Hannon Hall	Women's dormitory	1,278,262	"		
3. Student Union Addition	Food service, meeting rooms, theater, etc.	943,018	"		
4. Hapner Hall	Women's dormitory	1,405,700	"		
5. 37 2-bedroom Family Houses	.....	195,713	"		
6. 50 Student & 24 Faculty Houses	.....	424,505	'56 Student Faculty Housing Revenue Bond Issue	399,000	E
7. Physical Education Building (Field House)	Athletic Contests, Assemblies, Physical Education Instruction	1,772,407	'56 Physical Education Building Revenue Bond Issue	1,580,000	B, E, F
8. Reid Hall	Classroom building	1,507,554	'57 Student Building Fee Revenue Bond Issue	1,481,000	B

#### II. Buildings Approved for Construction

9. Langford Hall	Men's residence hall	\$1,500,000	'54 Revenue		E plus pooled income 1, above
10. Medical Science Research Building		601,000	None		B, A, Fed.
11. Library Addition		850,000	Pending	\$ 850,000 (est)	B
12. Chemistry Building		850,000	Pending	850,000 (est)	B
13. Veterinary Research Center	College Veterinary Research and Diagnostic Laboratory for Livestock Sanitary Board	790,000	None		A, L, Fed.
TOTAL.....				\$11,370,000	

# APPENDIX B-(Continued)

## MONTANA STATE UNIVERSITY

### I. Completed Buildings

Name	Purpose	Cost	Bond Issue	Bonds or Indebtedness Outstanding or Authorized January 1, 1960	Payment Source
1. Student Union	Classrooms, Convocations, etc.	\$ 299,467	Student Union Revenue Bonds, 1934	\$ 22,000	S, E
2. Turner Hall (New Hall)	Student housing	245,097	Residence Halls Revenue Bonds, 1937	1,000	E
3. Field House (Includes Skating rink, Horse barns, etc.)	.....	1,051,739	Field House Revenue Bonds Series A of '53 Series B of '58	744,000 200,000	B, F, E
4. Health Center	Student health service, research, speech pathology, mental hygiene clinic	229,245	Land Grant and Student Fee Revenue Bonds Series A of '55 Series B of '56	410,000 55,000	I, H
5. Library Addition	.....	324,229	"		"
6. Daniway & No. Corbin (Addition to 2 existing dormitories)	Student housing	769,397	Revenue Bonds of 1956	3,255,000	F, E
7. Sission & Craighead	Family apartments (students and faculty)	1,345,294	"		"
8. Family Housing units (Improvement)	.....	25,000	"		"
9. Lodge Extension	Food service and book store	295,292	Revenue Bonds of 1957	450,000	F, E
10. Law House	Housing law students	53,050	"		"
11. Swimming Pool	Physical Education class, varsity swimming, public swimming	284,327	Swimming Pool Revenue Bonds 1959	310,000	B, E
12. New Student Union	.....	269,751	S. U. Revenue Bonds of 1954	300,000	E, S

## APPENDIX B—(Continued)

### MONTANA STATE UNIVERSITY—(Cont.)

#### II. Buildings Approved for Construction

Name	Purpose	Cost	Bond Issue	Bonds or Indebtedness Outstanding or Authorized January 1, 1960	Payment Source
13. Law Building	Classroom and office space	435,000 (est)	Not Designated	\$ 435,000	B
14. Health & Science Research	Classroom and office space	\$1,483,633	Not Designated	1,250,000	B, Fed.
15. Liberal Arts Extension	"	765,000	"	765,000	B
TOTAL.....				\$ 8,197,000	

### EASTERN MONTANA COLLEGE OF EDUCATION

#### I. Completed Buildings

1. Main (Administration) Building	Office, classrooms, gym, library	\$ 235,388	EMNS	\$ 28,000	F, I
2. Women's Residence Hall	.....	289,356	Women's Residence Hall Revenue Bonds 1949	209,000	E
3. Men's Residence Hall	.....	324,187	EMCE Dormitory Bonds of 1956	314,000	E, I
4. Student Union Building	.....	131,884	S. U. Revenue Bonds of 1954	80,000	E, S

#### II. Buildings Approved for Construction

5. Physical Education Facility	Physical Education Classes, gym, swimming pool	\$1,250,000 (est)	EMCE Physical Education Gym. Revenue Bonds of 1959	\$ 1,300,000	B, I, E
6. Student Services Facility	Women's dormitory, central feeding, student union	2,400,000	Not Designated	2,400,000	S, E
TOTAL.....				\$ 4,331,000	

## APPENDIX B—(Continued)

### MONTANA SCHOOL OF MINES

#### I. Completed Buildings

Name	Purpose	Cost	Bond Issue	Bonds or Indebtedness Outstanding or Authorized January 1, 1960	Payment Source
1. Library Museum Building	Administration, library, museum, auditorium	\$ 200,000	Library-Museum Building Bond Issue—'38	\$ 3,000	B, I

#### II. Buildings Approved for Construction

2. Student Union Building	.....	\$ 250,000	MSM S. U. Building Bond Issue—'58	\$ 250,000	B, S, I, E
			TOTAL.....	\$ 253,000	

### NORTHERN MONTANA COLLEGE

#### I. Completed Buildings

1. Donaldson Hall	Women's residence hall	\$ 177,664	Women's Residence Hall Bond Issue	\$ 34,000	E, Fed.
2. Armory Gym	.....	337,815	NMC Armory-Gym. Revenue Bonds, 1958*	225,000	B, E, Fed.
3. Student and Faculty Houses	.....	35,000	NMC Student and Faculty Housing Bond—'59*	35,000	E
4. Morgan Hall	Men's residence hall	485,000	NMC '56 Dormitory Bond Issue**	478,000	E

\*NOTE—Latest issue floated to retire earlier issue.

\*\*—To be refunded by NMC Housing & Dining system and Refunding Bonds of 1959.

## APPENDIX B-(Continued)

### II. Buildings Approved for Construction

Name	Purpose	Cost	Bond Issue	Bonds or Indebtedness Outstanding or Authorized January 1, 1960	Payment Source
5. Student Union Building	.....	\$ 260,000 (est)	NMC S. U. Bond Issue	\$ 250,000	E, S
6. Morgan Hall First Addition	Men's residence hall	215,000 (est)	NMC House and Dine. System and Refund Bonds Series A	215,000	E
7. Married Students Apartments	.....	245,000	" Series C	245,000	E
8. Morgan Hall Second Addition	.....	350,000	"	350,000	E
TOTAL.....				\$ 1,832,000	

### WESTERN MONTANA COLLEGE

#### I. Completed Buildings

1. Jordan Hall	Men's dormitory	\$ 188,370	WMCE Education Student Center and Housing Bond—'57		E, S, B, I
2. Western Apartments	Married students housing	194,920	"	\$ 600,000	"
3. Student Union	.....		"		"
4. Davis Hall	Men's dormitory	216,710	WMCE Dormitory Bonds of '58	315,000	"
TOTAL.....				\$ 915,000	

CODE LETTERS—B—Building Fee, E—Project Earnings, F—Fees, I—Interest & Income, H—Health Service Fee, S—Student Union Fee, A—Appropriation, Fed.—Federal Grant, L—Livestock Sanitary Board Funds.



**UNIVERSITY OF MONTANA**  
**TOTAL BUILDING INDEBTEDNESS**  
**(Authorized or Issued January 1, 1960)**

MSU.....	\$ 8,197,000	
Eastern.....	4,331,000	
Northern.....	1,832,000	
MSC.....	11,370,000	
Western.....	915,000	
Mines.....	253,000	
		\$26,898,000

**BUILDINGS AUTHORIZED IN 1959\***

**MSU**

Law.....	\$ 435,000	
Health Science.....	1,483,633	
Liberal Arts.....	765,000	
		\$ 2,683,633

**Eastern**

P. E. Facility.....	\$ 1,250,000	
Student Services.....	2,400,000	
		\$3,650,000

**Northern**

Student Union.....	\$ 250,000	
Morgan Hall (1st Addition).....	215,000	
Married Students Apts.....	245,000	
Morgan Hall (2nd Addition).....	350,000	
		\$ 1,060,000

**Western**

None

**MSC**

Langford Hall.....	\$ 1,500,000	
Medical Science.....	601,000	
Library Addition.....	850,000	
Chemistry Building.....	850,000	
		\$ 3,801,000

**Mines**

Student Union.....	\$ 250,000	
		\$ 250,000
		\$11,444,633

\* Does not include Veterinary Research Center at MSC which was authorized by the 1959 Legislature.

**ACADEMIC BUILDINGS FINANCED BY STUDENT FEES\***

MSU Liberal Arts Building.....	\$ 765,000
MSU Law Building.....	435,000
MSU Health Science (Part.).....	1,250,000
MSC Medical Science (Part.).....	114,000
MSC Library Addition.....	850,000
MSC Chemistry Bldg. ....	850,000
	<hr/>
	<u>\$ 4,264,000</u>

(Note—This total is only the amount of projects to be financed *solely* from student building fees—building fees have been pledged as secondary sources for other buildings.)

\* Does not include MSC's Reid Hall, a classroom building financed in part with \$1,507,554 of student fees. It was authorized prior to 1959.

MONTANA STATE LIBRARY EXTENSION COMMISSION  
SOUTH AVENUE AND MIDDLESEX  
MISSOULA, MONTANA

STATE LIBRARY COMMISSION  
SOUTH AVE. & MIDDLESEX  
MISSCULA, MONTANA

