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\$631,000 IN UNCONTROLLABLE COSTS, SALARY PROBLEMS FACE UNIVERSITY IN 1973-75 BIENNIUM

MISSOULA --

Besides uncontrollable costs totaling \$631,000, the University of Montana administration is faced with the problem of implementing a "hold-the-line" budget which should include minimum 5 percent annual salary boosts for UM faculty and staff during the 1973-75 biennium, UM President Robert T. Pantzer said Saturday (Jan. 20).

In his "State of the University" address during the annual winter meeting of the UM Foundation trustees at UM, Pantzer said Gov. Thomas L. Judge's "executive budget" would provide only \$722,000 in additional revenue for the University during the biennium, less than half of the \$1,608,000 Pantzer says will be needed by UM to maintain a "bare-bones" or "hold-the-line" budget during the two-year period.

He said the governor's recommendation would provide for a budgetary increase of only 2 percent per year during the biennium, while the University faces budgetary increases totaling 12.2 percent during the two-year period.

The University's request for a \$1,608,000 budget increase compares more favorably with the proposed increase for UM of \$1,360,000 for 1973-75, recommended by the State Board of Regents in December, "although the regents' proposal is still \$248,000 short of what we will actually need," Pantzer said.

Pantzer said the \$631,000 in "uncontrollable costs" paid by the University during the upcoming biennium will include increases in payments to the Social Security Administration for increased benefits and to Montana Power Company for utility rate increases. Also included are the costs to UM of supporting unemployment, teachers' retirement and public employes' retirement programs, he said.

Commenting that he feels the 5 percent salary increments for UM faculty and staff "would not be out of line" with raises received by other government-related employes, the University's chief executive said President Nixon recently okayed a 5.9 percent pay boost for federal employes and a six-plus percent salary boost for the military.

"Salary increases at UM two years ago averaged 1.45 percent and only 4.5 percent for the entire 1971-73 biennium," Pantzer said.

Emphasizing administrative efforts at the University to "hold the line" on budgetary matters, Pantzer said no new faculty will be hired this year and approximately a dozen faculty members expected to retire this spring will not be replaced.

Pantzer said three University-related organizations--the Local Executive Board, the Foundation and the UM Alumni Association--are sending resolutions to local legislative representatives in Helena as expressions of their concern about the University's budgetary outlook for 1973-75.

Commenting on other matters, Pantzer said he feels the seven-member board of education, implemented through the new State Constitution to regulate the University System beginning July 1, 1973, will make it easier to administer the six University System units.

Pantzer praised the Foundation for supporting University programs such as research activities, which are not funded by the state.

The Foundation trustees approved a recommendation made by Pantzer, earmarking \$48,000 in Foundation funds for University-related projects. Of the total, \$21,000 will go to UN departments for administrative costs of research projects; \$15,000 will be used for the University's "small-grant" program (administered by Dr. Norman E. Taylor, UM vice president for research); and \$12,000 will be for general projects related to UM activities.

Pantzer said the UM Alumni Association "also deserves considerable credit" for launching a fund raising campaign which has resulted to date in funds totaling \$127,000 for UM Library books. Donations for the publications have been received from UM alumni and friends throughout the state and nation and from UM students who have conducted book fund drives on campus.

Another speaker, Joseph E. McDowell, <u>Ovando</u>, a Foundation trustee who is president of the Center for Environment and Resource Analysis, said the CERA, which has its home office in Missoula, is interested in developing an informal consortium of representatives from Rocky Mountain universities and environmental and governmental agencies.

McDowell told the Foundation trustees the consortium would do research and gather fragmented information on environmental and natural resource problems such as land use and coal strip-mining, and the installation of power transmission lines on U.S. Forest Service and Bureau of Land Management land.

The CERA was incorporated in the mid-1960s as an independent, nonprofit organization to provide greater opportunities for University research in the interests of Montana residents.

Although it is independent of the UM Foundation, McDowell said the Foundation and CERA have cooperated in preserving the natural environmental aspects of the University's Lubrecht Experimental Forest, located 30 miles northeast of Missoula, through the purchase of small land holdings in the Lubrecht area.

Dr. Arnold W. Bolle, UM forestry professor and former dean of the UM School of Forestry, is CERA director.

The UM Foundation was established as a nonprofit organization on the Missoula campus in 1950 to encourage and develop educational programs and facilities at UM through private contributions and bequests from UM alumni and friends.

Thomas J. Collins is Foundation director.