

**Schedule of Events
Board of Regents Meeting
March 2006**

WEB PAGE ADDRESS: <http://www.montana.edu/wwwbor/>

WEDNESDAY, March 1, 2006

- 10:00 – 5:00 p.m.** Budget and Audit Oversight Committee meeting – Swysgood Technology Center Great Room (with a working lunch – Great Room Lobby) (pg. 5)
- 1:00 – 5:00 p.m.** Academic/Student Affairs Committee meeting – Library Conference Room (pg. 6)

THURSDAY, March 2, 2006

- 7:00 a.m.** Continental Breakfast for meeting participants—Swysgood Technology Center Great Room Lobby
- 7:00 a.m.** Regents Breakfast with Faculty Senate Representatives — Heritage Room of Mathews Hall
- 8:15 a.m.** Full Board Convenes– Swysgood Technology Center Great Room
- Noon** Light lunch provided for all meeting participants – Lewis and Clark Room of Mathews Hall
- Noon to 12:40 p.m.** MAS Luncheon with Regents, Commissioner, Presidents and Chancellors — Swysgood Technology Center Great Room
- 12:45 p.m. – 1:25 p.m.** Regents meet with Classified Staff Representatives – Swysgood Technology Center Great Room
- 1:30 p.m.** Full Board reconvenes–Swysgood Technology Center Great Room
- 3:15 p.m.** Board Recesses
- 3:30 p.m. – 5:00 p.m.** Staff and Compensation Committee meeting – Swysgood Technology Center Great Room (pg. 7)
- 3:30 p.m. – 5:30 p.m.** Workforce Development Committee meeting – Library Conference Room (pg. 8)
- 5:30 p.m.** Reception at the *Camp Fortunate Interpretive Center, 10 West Reeder (southend of Montana Street)* Various merchants will remain open for shopping until 7:30 p.m.

FRIDAY, March 3, 2006

- 7:00 a.m.** Board breakfast with local civic and business leaders – Lewis and Clark Room of Mathews Hall
- 7:00 a.m.** Continental Breakfast for meeting participants – Swysgood Technology Center Great Room Lobby
- 8:45 a.m.** Full Board Reconvenes– Swysgood Technology Center Great Room
- 12:00** Meeting Adjourns
- 12:15** Executive Session – Swysgood Technology Center Board Room

BOARD OF REGENTS OF HIGHER EDUCATION
March 1-3, 2005

The University of Montana Western
710 S. Atlantic
Dillon, MT 59725

Agenda

BOARD OF REGENTS MEETING

- 7:00 a.m.** Breakfast for Board and Faculty Senate representatives – Heritage Room of Mathews Hall
7:00 a.m. Continental Breakfast for meeting participants – Swysgood Technology Center Great Room Lobby
8:15 a.m. Full Board Convenes – Swysgood Technology Center Great Room

Action may be taken on any item on the Agenda.
(Public comment is welcome during the meeting.)

I. ROLL CALL

Representing Governor Brian Schweitzer: Ms. Jan Lombardi, Education Advisor

II. APPROVAL OF MINUTES (pg. 9)

Minutes of the September 21-23, 2005 Regular Meeting in Billings, MT, and the January 11-13, 2006 Regular Meeting in Helena, MT

III. SYSTEM ISSUES (pg. 2)

- a. Announcement of WIRED Grant
- b. Healthcare Workforce Issues Panel
- c. Update on Strategic Plan Action Items (pg. 37) and Budget Initiatives (pg. 117)
- d. Finding a Permanent Location for the Office of the Commissioner of Higher Education and the MT Guaranteed Student Loan Program - ITEM 130-111-R0306 (pg. 132)

IV. DISCUSSION WITH MUS LEADERS (President George Dennison, President Jane Karas, Chancellor Dick Storey, and Dean Jane Baker)

Also see attached reports from all campuses (pg. 133)

V. ADMINISTRATIVE/BUDGET ITEMS (Pg. 5)

- a. Report from Administrative/Budget Committee – Regent Semmens
See Committee Agenda for issues and action items

VI. ACADEMIC/STUDENT AFFAIRS ITEMS (Pg. 6)

- a. Report from Academic/Student Affairs Committee – Regent Hamilton
See Committee Agenda for issues and action items

VII. STAFF AND COMPENSATION ITEMS (Pg. 7)

- a. Report from Staff and Compensation Committee – Regent Barrett
See Committee Agenda for issues and action items

VIII. WORKFORCE DEVELOPMENT ITEMS (Pg. 8)

- a. Report from Workforce Development Committee – Regent Foster
See Committee Agenda for issues and action items

IX. STUDENT REPORTS

X. Public Comment

MCA 2-3-103. Public participation ...The agenda for a meeting, as defined in 2-3-202, must include an item allowing public comment on any public matter that is not on the agenda of the meeting and that is within the jurisdiction of the agency conducting the meeting. The agency may not take action on any matter discussed unless specific notice of that matter is included on an agenda and public comment has been allowed on that matter... Public matters do not include pending legal matters, private personnel issues or private student issues.

XI. CONSENT AGENDA (Pg. 4)

XII. PRESENTATIONS

XIII. CONTINUATION OF UNFINISHED ITEMS

Note: Items not completed by the end of the meeting will be carried over to the next regularly scheduled meeting.

XIV. Discussion and feedback on new agenda and electronic distribution

XV. BOARD ADJOURNS

XVI. EXECUTIVE SESSION — Swysgood Technology Center Conference Room

a. Honorary Degrees – MSU-Bozeman

The Board of Regents will make reasonable accommodations for known disabilities that may interfere with an individual's ability to participate. Persons requiring such accommodations should make their requests to the Office of the Commissioner of Higher Education as soon as possible before the meeting to allow adequate time for special arrangements. You may call or write to: ADA Coordinator, P. O. Box 203201, Helena MT 59620-3201, 406-444-6570, 1-800-253-4091 (TDD)

XI. CONSENT AGENDA

Staff Items:

- a. ITEM 130-1000-R0306 - Staff; The University of Montana-Missoula (pg. 599)
- b. ITEM 130-1012-R0306 - Authorization to Confer the Titles of Dean Emeritus of the School of Fine Arts and Professor Emeritus of Drama/Dance Upon **James D. Kriley**; The University of Montana-Missoula (pg. 607)
- c. ITEM 130-1013-R0306 - Authorization to Confer the Titles of Dean Emeritus of the School of Education and Professor Emeritus of Educational Leadership and Counseling Upon **Dr. Donald R. Robson**; The University of Montana-Missoula (pg. 609)
- d. ITEM 130-1014-R0306 - Authorization to Confer the Title of Professor Emeritus of Environmental Studies Upon **Thomas Roy**; The University of Montana-Missoula (pg. 611)
- e. ITEM 130-1015-R0306 - Authorization to Confer the Title of Professor Emeritus of Wildlife Conservation Upon **Jack Ward Thomas**; The University of Montana-Missoula (pg. 613)
- f. ITEM 130-1016-R0306 - Authorization to Confer the Title of Professor Emeritus of Journalism upon **William L. Knowles**; The University of Montana-Missoula (pg. 615)
- g. ITEM 130-1500-R0306 - Staff; Montana Tech of The University of Montana (pg. 619)
- h. ITEM 130-1500A-R0306 - Staff; Montana Bureau of Mines and Geology (pg. 621)
- i. ITEM 130-1600-R0306 - Staff; The University of Montana-Western (pg. 623)
- j. ITEM 130-2000-R0306 - Staff; MSU-Bozeman (pg. 625)
- k. ITEM 130-2001-R0306 - Professor Emeritus of Cell Biology & Neuroscience-**James McMillan**; MSU-Bozeman (pg. 629)
- l. ITEM 130-2002-R0306 - Professor Emeritus of Education-**Ramona Marotz-Baden**; MSU-Bozeman (pg. 631)
- m. ITEM 130-2003-R0306 - Professor Emeritus of Soil Science-**Gerald Nielsen**; MSU-Bozeman (pg. 633)
- n. ITEM 130-2009-R0306 - Regents Professorship upon **Paul A. Grieco**, MSU-Bozeman (pg. 635)
- o. ITEM 130-2300-R0306 - Staff; Ag Experiment Station (pg. 639)
- p. ITEM 130-2400-R0306 - Staff; Cooperative Extension Service (pg. 641)
- q. ITEM 130-2700-R0306 - Staff; MSU-Billings (pg. 643)
- r. ITEM 130-2701-R0306 - Professor Emeritus of English-Assistant Professor **Randall Gloege**; MSU-Billings (pg. 645)
- s. ITEM 130-2702-R0306 - Professor Emeritus of Philosophy-Professor **David Karnos**; MSU-Billings (pg. 647)
- t. ITEM 130-2703-R0306 - Professor Emeritus of Educational Theory & Practice-Professor **George Madden**; MSU-Billings (pg. 651)
- u. ITEM 130-2704-R0306 - Professor Emeritus of English-Associate Professor **Walter Utroske**; MSU-Billings (pg. 653)
- v. ITEM 130-2800-R0306 - Staff, MSU-Northern (pg. 655)
- w. ITEM 130-2801-R0306 - Professor Emeritus of Biology-**Dr. Reno Parker**, MSU-Northern (pg. 657)

Labor Agreements/Other Items

- a. Student Loan Advisory Council - ITEM 130-109-R0306 (pg. 661)

COMMITTEE MEETINGS

BUDGET AND AUDIT OVERSIGHT COMMITTEE MEETING

(Committee Members: Mark Semmens, Chair, John Mercer, and Stephen Barrett)

**Swysgood Technology Center Great Room
Wednesday, March 1, 2006
10:00 – 5:00 p.m.
(working lunch provided)**

Note: *The Board of Regents may take action on any item on the committee agendas.*
(Public Comment is welcome during all meetings)

Late Addition to Agenda:

- a.1 Approval of an independent audit of the Northern Rockies Center for Space Privatization to be sure there was value received for federal dollars expended. The audit committee will include members of the legislative branch of government and members of the public. This independent audit group will also review the dealings of Lloyd Chesnut, who was UM's Vice President for Research from 1997 to 2003 - ITEM 130-112-R0306 – Chair Mercer (pg. 2)

- a. Report from the Associate Commissioner for Fiscal Affairs – Robinson
 - 1. Financial-Compliance Audit – Office of the Commissioner of Higher Education (pg. 3)
 - 2. Retirement Holdback Distribution FY06 & FY07 (pg. 4)
- b. Wood-fired boiler –UM-W - ITEM 130-1605-R0306 (pg. 6)
- c. Subzero Cold Chambers-MSU-Bozeman – ITEM 130-2004-R0306 (pg. 8)
- d. New Wellness Center-MSU-N – ITEM 130-2802-R0306 (pg. 9)
- e. Renovate BLM Building-MSU-N – ITEM 130-2803-R0306 (pg. 10)
- f. Loan for Renovation of Atrium-MSU-Bozeman – ITEM 130-2010-R0306 (pg. 11)
- g. Loan for Construction of BioSafety Animal Containment-MSU-Bozeman – ITEM 130-2011-R0306 (pg. 12)
- h. Naming the Education Center-UM-Missoula - ITEM 130-1017-R0306 (pg. 13)
- i. Recommendation of Vendor-MFESP - ITEM 130-106-R0306 - Marks (pg. 14)
- j. Policy on Disposal of computers-Discussion item (pg. 15)
- k. Use of Timber Sales Revenues-MUS - ITEM 130-107-R0306 (pg. 18)
- l. Allocation Model Review – Robinson/Duringer/Roloff
- m. Biennial Budget Process Review – Robinson/Joehler (pg. 19)
- n. Budget Initiative Proposals (pg. 29)
- o. Public Comment

ACADEMIC/STUDENT AFFAIRS COMMITTEE MEETING

(Committee Members: Lynn Morrison-Hamilton, Chair, Heather O'Loughlin, Mike Foster, and Lila Taylor)

**Library Conference Room
Wednesday, March 1, 2006
1:00 – 5:00 p.m.**

Note: The Board of Regents may take action on any item on the committee agendas.
(Public comment is welcome during the meeting.)

- a. Roll Call.
- b. Review and adoption of the agenda.
- c. Approval of the minutes from the November 16, 2006, meeting of the Committee.
- d. **Portion of the Meeting Devoted to Chief Academic Officers.**
 1. Level I memorandum See Appendix for Item Attachments (pg. 211)
 2. Level II items – All Action Items See Appendix for Item Attachments (pg. 305)
 - a. Bachelor's in Media Arts, UM-Missoula - ITEM 130-1002-R0106 (pg. 308)
 - b. Bachelor's in Accounting, UM-Missoula - ITEM 130-1003-R0106 (pg. 322)
 - c. Bachelor's in Finance, UM-Missoula - ITEM 130-1004-R0106 (pg. 330)
 - d. Bachelor's in Information Systems, UM-Missoula - ITEM 130-1005-R0106 (pg. 338)
 - e. Bachelor's in International Business, UM-Missoula - ITEM 130-1006-R0106 (pg. 346)
 - f. Bachelor's in Management, UM-Missoula - ITEM 130-1007-R0106 (pg. 354)
 - g. Bachelor's in Marketing, UM-Missoula - ITEM 130-1008-R0106 (pg. 362)
 - h. Master's in Information Systems, UM-Missoula - ITEM 130-1010-R0106 (pg. 370)
 - i. Associate in Natural Horsemanship, UM-Western - ITEM 130-1601-R0106 (pg. 380)
 - j. Certificate in Agricultural Marketing, Dawson Community College - ITEM 130-201-R0106 (pg. 394)
 - k. Associate in Web Development, DawsonCommunity College - ITEM 130-202-R0106 (pg. 404)
 3. Level II submission memorandum (pg. 195)
- e. **Portion of the Meeting Devoted to Topics of Concern to both Academic and Student Affairs Officers.**
 1. Action: Transfer goals - ITEM 130-101-R0306 (pg. 478)
 2. Next steps in the transfer area
 - a. Enhancements to the transfer website
 - b. The proposed budget initiative on transferability
 - c. Other?
 3. Action: Revisions to Policies 301.1 and 301.2 - ITEM 130-102-R0306 (pg. 480)
 4. Action: Revisions to Policy 301.5.1 - ITEM 130-104-R0306 (pg. 486)
 5. Discussion of [Policy 940.29](#), tuition for post-baccalaureate students (pg. 489)
- f. **Portion of the Meeting Devoted to Topics of Concern to Student Affairs Officers.**
 1. Discussion of institutional liability, in light of the MIT decision – Cathy Swift
 2. Action: ISBN numbers and textbooks - ITEM 130-105-R0306 (pg. 490)
- g. Other business
- h. Public comment
- i. Close: Review assignments, meeting schedule and meeting's main points

STAFF AND COMPENSATION COMMITTEE MEETING

(Committee Members: Stephen Barrett, Chair, Heather O'Loughlin, and Mark Semmens)

Swysgood Technology Center Great Room

Thursday, March 2, 2006

3:30 p.m. – 5:00 p.m.

Note: *The Board of Regents may take action on any item on the committee agendas.*
(Public Comment is welcome during all meetings)

- a. Discussion of draft guidelines for “Board of Regents employment contracts” and “Montana University System employment contracts.” (pg. 491)
- b. Collective bargaining update.
- c. Other items
- d. Public Comment

WORKFORCE DEVELOPMENT COMMITTEE MEETING

(Committee Members: Mike Foster, Chair, Lynn Morrison-Hamilton, Lila Taylor, and John Mercer)

**Library Conference Room
Thursday, March 2, 2006
3:30 – 5:30 p.m.**

Note: *The Board of Regents may take action on any item on the committee agendas.*
(Public Comment is welcome during all meetings)

Final Committee Minutes from the November, 2005 meeting (pg. 500)

- a. Review recommendations for expanding WWAMI, expanding physician residency program(s), and improving physician location incentives. (Document will be provided to the Committee next week)
- b. Healthcare panel discussion: how can the university system most effectively train the healthcare workers needed in Montana in the next decade? (pg. 503)
- c. Discuss progress of the effort to develop speech pathology programs at UM–Missoula and MSU-Billings.
- d. Discuss proposal for a public sector workforce needs survey. (pg. 505)
- e. Discuss workforce development initiatives of other states. (pg. 515)
- f. Public Comment

MINUTES MINUTES

Montana Board of Regents of Higher Education

Regular Meeting

November 16-18, 2005

Montana State University – Bozeman
PO Box 172440
Bozeman, MT 59717-0001

WEB PAGE ADDRESS: <http://www.montana.edu/wwwbor/>

BOARD OF REGENTS MEETING

THURSDAY, November 17, 2005

The full Board convened at 10:10 a.m.

ROLL CALL

Roll Call indicated a quorum present

Regents Present: Stephen Barrett, Mike Foster Vice Chair, Lynn Hamilton, Kala French, John Mercer Chair, Mark Semmens, and Lila Taylor. Also present was Commissioner Sheila M. Stearns.

Regent Absent: Governor Brian Schweitzer ex officio excused, and Linda McCulloch ex officio excused
Representing Governor Brian Schweitzer: Ms. Jan Lombardi, Education Advisor

APPROVAL OF MINUTES

- Regent Foster moved **APPROVAL** of the Minutes of the September 21-23, 2005 Regular Meeting in Billings, MT
- The Minutes were **APPROVED** unanimously on 7-0 vote.

SYSTEM ISSUES

- a. Discussion with representatives from Stanford Research Institute and Ligocyte about the Montana University System role in promoting economic growth.

President Gamble passed out a supplement from the local newspaper showing data on students staying in Montana. He introduced Valerie Wagner as one of those graduates. **Ms. Wagner** said she works for Stanford Research Institute in Helena, which is based in Silicon Valley. The firm is involved in creating software for the cutting edge of industry and defense. Their products are used worldwide, and SRI chose to put the branch in Helena due to the high quality graduates available, as well as the quality of life in the area. Several MSU graduates are employed at the Helena facility. The Regents were impressed with the quality of Ms. Wagner's personal academic accomplishments, and were pleased to see that her undergraduate research opportunities led to an excellent position.

President Gamble next introduced Dr. Robert Goodwin, President of Ligocyte for the past six years. **Dr. Goodwin** indicated they had recently moved their offices into the new Tech Park and they have 46 employees. Ligocyte has been in discussions with the FDA to do their first human studies. They hire graduates from MSU, and currently have 19 of them. They also hire undergraduates for internships because of the quality these students bring from MSU. **Dr. Goodwin** compared his own education at UCLA with that received by the students at MSU. The MSU graduates are already skilled in lab techniques using the same equipment used at Ligocyte. **Dr. Goodwin** said they also license technology from research done at MSU, and have invested more than \$1mil in the last few years in the campus. When looking for a location for the company, Bozeman was chosen for the mix of its fine research campus, jet capacity airport, and ski resorts.

- b. Roundtable with local members of state legislature and representatives of Governor Schweitzer, Senator Baucus, Senator Burns, Congressman Rehberg: Discussion: what are the one or two major changes we would like to effect in Montana and how do we work together to achieve these goals?
Present for the Roundtable were Representative John Sinrud, State Senator Gary Perry, State Senator Bob Hawks, Jan Lombardi from the Governor's office, Melanie Brock from Senator Baucus' office, John Gerard from Rep. Rehberg's office, Misty Pilcher of Senator Burns' office, and State Rep. Brady Wise.

Chair Mercer explained that the Montana University System wanted to be good collaborators, and asked those present at the Roundtable to point out one or two goals from the Long Term Goals list that could be set as goals for the state of Montana which all could agree on and then pursue. **Rep. Brady Wise** indicated that what the Montana University System was doing in his district was fantastic, with research, intellectual activity, and economic activity. There is what some consider to be too much prosperity, which is basically due to the campus in Bozeman. He noted however, that students are hitting the wall on tuition costs, and those that complete school are entering the work world with high debt. Those that graduate in lower paying fields are financially crippled. He asked that the Board address the issue of affordability. **Chair Mercer** replied that affordability is a very important issue to the Board. He believes the solution will be found in growing the economy. If people are making more money, the tuition will be more affordable. He indicated this would also be discussed the next morning. **Misty Pilcher** from Sen. Burns's office reported that Labor Appropriations had come out of conference the previous day. They restored funding for Perkins, GearUp, and others. She also noted that Senator Burns is dedicated to growing the economy. **Ms. Pilcher** reminded the system that they will need to formulate their needs for the next session as soon as possible. **John Gerard** from Rep. Rehberg's office offered further update information regarding Reauthorization, and said it continues to be an uphill battle. **Melanie Brock** reported that Senator Baucus supports making education more affordable for students, and is supporting most provisions of the Reauthorization Act. **Jan Lombardi** carried the Governor's thanks to all who were involved in his Energy Summit. She also noted that the Governor likes "big ideas," and there is a "good idea" link on his web site. **Ms. Lombardi** said the Governor is clear that the state did not get here overnight, and the funding challenges won't be solved overnight. The conversations in their office are to bridge the gaps between first and last, access and affordability, economic development, and offering resources to make the University System most efficient. She indicated the Governor's office wants to help the system with financial resources to solve the transfer issues. State **Senator Bob Hawks** indicated that in the committees on which he serves, higher education is a high priority. With tremendous change in the technical fields, he believes Montana needs to provide students with the thinking skills to adapt between the fields, with writing and communication. Pomona College uses PAC, which is Perception, Analysis, and Communication. **Sen. Hawks** said Pomona is now expanding PAC into 32 skill sets, which are incorporated into the curriculum. He indicated this is for average students, not just the outstanding ones. Further, he believes there is no need to promote the system since the word is already out. State **Senator Gary Perry** said that in the next legislative session, everyone will need to be creative because the school funding issue will make the budget tight. He believes there needs to be an overhaul of the entire tax system, including a sales tax, and he hopes the University System will support that issue. Also important to Montana is education, especially vocational technical education since there are a lot of high school graduates without the skills to continue in the various fields that are needed in the state and country. Not all are destined for four years of higher education and beyond. He does not believe that this need is being adequately addressed in Montana. The citizens of Montana are fighting for their economic lives, while competing with China. **Sen. Perry** said he is in engineering and manufacturing, and he sees this country slitting its own throat by exporting jobs to China, and this is a big issue with him. He believes it to be a national security issue. He indicated there can be "clean" manufacturing industries, and "clean" mining in Montana. These are issues that need to be addressed. **Sen. Perry** admitted that there is high tuition in Montana, and he has helped students through school with part time jobs over the last several years. He asked those that had left the state for lower tuition, and then returned to complete their education at home why they came back. They indicated that the quality education is in Montana. One student who graduated in engineering, married, bought a new car, and had \$20,000 educational debt. He pointed out that the student debt was the value of the new car. **Sen. Perry** believes they need to place value on the quality of the education in Montana. Another issue is the problem on the Indian reservations with unemployment and non-completion of school. He believes this needs to be addressed and solved. **Rep. John Sinrud** indicated he agreed with Senator Perry on the cost of education, as he still has education loans he is paying off. He also found that his degree did not make a change in his job. He agrees that Montanans get high value for the dollar in education, and it helps to raise all the boats in the state. As far as the University System helping the State, he recommended working on cleaning the water in the extraction of methane or natural gas. He believes that if this country can put a man on the moon, someone must be able to clean the water. He indicated further the need to help eastern Montana economically. Before 1972, agriculture was the basic industry of the state. By 1985, while moving away from that industry, Montana was at the bottom of the totem pole in wages. Mining and agriculture have not been replaced by a new industry, and he believes the state needs to start moving. **Rep. Sinrud** said there should be no more fighting over coal bed methane, but the state should simply do it.

Chair Mercer noticed that they constantly receive offers of help from the Congressional Delegation, and updates on what is happening in D.C., but they never ask for help from the Montana University System. He thought it was probably due to the historical approach, but he reiterated the Board wants to know how the system can help them too. **Chair Mercer** commented on the perceptions presented on the operation and management of the system, and indicated they will need to follow up on those issues. **Representative Brady Wise** noted there is a great deal of stress due to uncertainty about funding issues. He suggested one way to help fix that major part of state government operations, is to figure out how to get young teachers graduated without great debt. Teachers have a great burden with debt. He noted that last year on a trip to Mexico, he met a young couple from Las Vegas. They were teachers who had left Montana to work in Nevada so they could pay their loans. This is a serious

problem in the school finance situation. They need 800 to 900 new teachers every year. Without debt, the salaries in Hysham and Libby are more affordable for them. **Rep. Wise** also mentioned the high cost of books. Students now look at \$1000 a year for books. He suggested such approaches as open source textbooks, electronic delivery, and open copyright. **Regent Barrett** replied that the Board has been wrestling with the textbook issue. However they need to prioritize where they will focus their energies. They also must pay attention to the issues of the cost of operating the system, and efficiency, but can't lose sight of the real issue. The data suggests that the Montana University System operates efficiently compared to the peers, but outside factors keep rising. The true objective is to raise the tide for all boats. He believes everything else is just a band-aid approach. **Regent Foster** recalled that the Board had attended the bioscience conference at the end of the September meeting to hear world class scientists talk about what Montana can and does do. It requires a partnership involving higher education and the legislature, the Congressional delegation, and the private sector. He said that combination brings about amazing things. University System faculty are doing research on methane water purification, and although it doesn't receive a lot of press, it is a big deal. That is the type of idea that needs to be partnered. **Regent Semmens** believed the most important thing was to raise income levels to close the wage-tuition gap. Educational level is the strongest indicator of the income level. These are market realities, and he said they need to have an open and direct dialogue on the cost of education, pointing out how much is paid by the State and how much is paid by students. Montana spends less than her peers. **Chair Mercer** asked what kind of difference there was with Wyoming having only one campus while Montana has a multi-campus system. **Regent Semmens** indicated one campus is more efficient, but they are spending 40% more than Montana spends. The Legislature chose two indicators for reports in the PEPB. The first is state support for education on a per capita basis, and the second is appropriations as a percentage of income. Montana has committed less and less of the state income to education. Affordability is critical, and **Regent Semmens** indicated the Board wants to continue this dialogue with legislators and others to figure out how to solve it. **Chair Mercer** commented that if one of the goals was to graduate teachers with less debt, the University System option would be to lower the cost with larger classrooms, or lower quality teachers, or to increase tuition for other students. It would be concluded they needed more state dollars. If they tried to provide a tax credit for debt for teachers, that would also cost state dollars. There is no money available. He believes therefore they must find ways to grow the economy. **Chair Mercer** noted that if the time in school can be shortened, it also lowers the cost. He asked if increasing income levels would be a good goal, or if it would be realistic, and if so if those at the table would want to work with the system on that goal. **Senator Hawks** said that retention should also be on the table. **Senator Perry** said they need ambassadors to go to the schools to show exciting possibilities for the future. **Regent Hamilton** noted they are having those conversations in P-20 and the Indian Education for All committees. They also believe it is necessary to get the message out that college is possible. Organizations are coming together to develop that message and to show students how to make it happen. **Rep. Sinrud** asked how the system measures success. **Regent Semmens** explained that the campuses follow up on whether graduates are employed in their own field, the average income, and whether or not the employers are satisfied. 92% of two-year graduates are moving on in the state and increasing their income. **Rep. Sinrud** asked if the system was approaching those whose parents are not college educated and find the system too cumbersome, and if they were trying to increase the knowledge base to make it easier. **Regent Hamilton** indicated there are two programs in Montana doing that, one being sponsored by SAF with Montana Career Information System, and there is new program, the Annual College Goal Sunday. **Jan Lombardi** proposed they further discuss this issue at the Board of Education meeting in January. She indicated she would pull together a panel to look at some of the areas where they need to focus their energies. There is an interagency focus in the state to look at what happens to the graduates, and what kinds of jobs they obtain. **Regent French** said there is a change in her generation, and they expect more money. She hopes they can be ambassadors to business people to prepare them that this is coming. **Regent Foster** noted they need to remember to put in the mix that two-year education is an excellent option to consider. **Rep. Wise** recommended they look at more than wages as a metric of success. He noted that in Montana it is about equity. It is not just about putting individuals in place for high salaries, but creating the businesses that will pay those high salaries.

Chair Mercer thanked the panel for the good dialogue. He asked the representatives of the Congressional Delegation to ask their bosses to meet with the Board. He said he wanted to be able to look at them and let them know the Board wants to help them in any way possible. **Chair Mercer** asked Jan Lombardi to ask the Governor, as Chair of the Board of Education, to call an emergency meeting of the Board of Education to solve the funding issue for K-12, which is not reaching conclusion by the legislature. **Ms. Lombardi** indicated she would take the message to the Governor, but she wanted to reinforce that the Court asked the Legislature to solve the problem and the Governor is letting them work it out.

The meeting recessed for lunch at 12:05 p.m.

The Board reconvened at 1:45 p.m.

DISCUSSION WITH CAMPUS Leaders (President Geoff Gamble, Chancellor Ron Sexton, Dean Dan Bingham)

President Gamble reported on their Michael Malone Historical Series of lectures. He also said they are trying to offset tuition with endowed scholarships. They closed their \$10M campaign for scholarships with \$21M. They realized an additional \$6M going directly to students through wages or tuition assistance. **President Gamble** does

not believe they are doing enough to communicate to the public their accomplishments, and he has decided to issue an RFP to bring an outside expert to streamline the processes and communicate to the public what they are doing. Student leadership is supportive.

Justin Cross reported for Interim President Ralph Lenhart. He has been at Dawson Community College for 13 years. Their greatest challenge is maintaining the balance between meeting needs and their fiscal constraints.

Chancellor Sexton indicated they are considering how to strengthen the relationship with the Local Executive Board. He looks forward to closer collaboration with them. His most important concern as they work through the Allocation Model is that they have fallen so far behind in base salaries for faculty, that unless they make the commitment, a 6% pool will be necessary over the next six years to recruit and retain.

Dean Daniel Bingham expressed the same concerns with finances and faculty issues. He reported that about a year ago they received a grant, and now have an internship program to develop a manufacturing program around their aviation program. They are also extending fire sciences training for western Montana. Since they don't have a lot of resources, he believes it is best to leverage what they do have. They have their first RN cohort program this year, and it will double in '06. He said the number of people interested in the program is staggering. They are leveraging a partnership with St. Peters Hospital, and share a new training facility to keep their own costs down. **Dean Bingham** is concerned, and urged the Board to look at the articulation of programs.

Regent Semmens said there is a lot of misunderstanding in the public on the funding of the system. He believes they need to work something into the funding model to bring in the Local Executive Boards to help with this issue. **Regent Hamilton** asked if the "next generation technology" at MSU-Billings would help with the problems of rural education. **Chancellor Sexton** indicated it might be able to help. **Regent Hamilton** asked if it was something that needed to be discussed statewide on the IT infrastructure and IT services. **President Gamble** indicated he played a role in Washington when they linked all the campuses from K through 20 with fiber optics. It is a very laborious process, but is wondrous when complete.

Commissioner Stearns introduced Tom Gibson who was recently hired by her office to address this very issue. His position is funded for this biennium by the Shared Leadership Goal of promoting access through distance learning.

Chair Mercer indicated he hoped the idea of the statewide infrastructure did not get lost. **Commissioner Stearns** expressed her appreciation to Chancellor Sexton for his reminder to consult the Local Executive Boards. The turnover is fairly significant right now, and she suggested it might be possible to meet with all of them before the July Board meeting, and then have them sit in on the Board meeting. **Regent Foster** asked the campuses if they made recommendations to the Governor's office, or if they had no participation. **Chancellor Gilmore** reported that his campus in every case makes recommendations, which are sometimes followed and sometimes not. **Regent Barrett** said he found out that the campuses can make recommendations, but there is the same open application process as for the Board, and anyone can apply. **Jan Lombardi** indicated that Patti Keebler is the Appointments Coordinator for the Governor, and she has a place on the web site to submit an interest to serve on any of the Boards or Commissions in the State. Recommendations can also be made through that system. The Coordinator looks at the entire pool of applicants, comparing for qualifications, diversity, regional representation, generational representation, race and ethnicity.

END DISCUSSION WITH CEOs


Following a ten-minute break, the Board reconvened at 2:20 p.m.

ADMINISTRATIVE/BUDGET ITEMS

- a. Report from the Associate Commissioner for Fiscal Affairs
 1. Audit Reports

Regent Semmens gave a brief update on the Audit Reports as shown in the Report from the Associate Commissioner.

2. Athletic Report (Action Item)

 **Regent Semmens** **MOVED APPROVAL** to submit the Athletic Reports at the January meeting in the future, with the next report due in January 2007.

Regent Foster indicated he looked at other than fiscal aspects of the athletic reports, such as resident and non-resident athletes. This is an important issue to him. Since the Budget Committee focuses on the fiscal aspects only, he believes there needs to be another way to address the other issues. **Regent Semmens** agreed, and reported that student athletes show better graduation rates and GPAs than the general student population. 61% of athletes are residents, and 39% are non-residents. He indicated that data is in the report as presented. **Regent Foster** said there is a wealth of information in the reports, but he doesn't expect the Budget Committee to spend a lot of time on those other things. He also didn't want to take up time in the full meeting on those issues. **Chair Mercer** was sure the Board would have no problem with the Academic / Student Affairs Committee looking at the report from a different aspect. **Regent Hamilton** said that over the years they have seen how the small campuses have trouble supporting student demands and requirements of the group they are in. She believes they could bring this discussion into the ASA Committee and it probably would be of interest to the Student Affairs Officers. However, they would need to know what the objective of the conversation would be. **Regent Barrett** noted that student athletes are 1500 out of 30,000 plus population. They have a bigger picture to look at than that group

alone. **Commissioner Stearns** commented that the reports are a little clinical, and that perhaps the campuses could add a summary that puts more of a human face on it in the future. She asked if that would work for Regent Foster, and he indicated it would.

Motion **APPROVED** unanimously on 7-0 vote.

3. Fall Enrollment Numbers and HB 2 Reversion Calculations

Regent Semmens gave a summary report on the enrollment shortfall and the reversion of state dollars, along with the loss of tuition dollars. He noted that the Community Colleges had a more severe problem than the University System. The reversions are biennial and may change over the next year. **Chair Mercer** asked if they receive extra money when they have extra students, and Pam Joehler replied they did not. Since the system loses money with a decline in enrollment, **Chair Mercer** said he believes they need to get the Allocation Model into a corridor of enrollment so they don't need to revert dollars. **Pam Joehler** indicated HB 2 specifically forbids supplemental funds for more students, and they discontinued paying for extra students three sessions ago.

4. MSU-N Deficit Update

Regent Semmens indicated the Committee was satisfied that the deficit would be dealt with in two years time.

5. **ITEM 129-102-R1105** – Approval of proposed Governor's Postsecondary Scholarship Program Policies

Regent Semmens noted that Montana Guaranteed Student Loan Program will be very active evaluating the allocation of these scholarships, the statutory constraints, the portion with honors, the portion at large, the portion for need-based, and the portion for two-year only education.

Regent Semmens **MOVED APPROVAL** of Item a.5.

Regent Hamilton asked how MGSLP would disseminate the information about the scholarships around the state.

Bruce Marks said it will be a difficult process, but they will use public service announcements, campus counselors, newspapers, etc. **Jan Lombardi** reminded the Board that even the merit-based portion of the scholarships has the need-based component.

Motion **APPROVED** unanimously on 7-0 vote.

b. **ITEM 128-2702-R0905** - Authorization to Execute Purchase of Property; Montana State University-Billings

Regent Semmens gave a briefing on the Committee presentation. The price is the market reality. The Committee was impressed with the case made by MSU-Billings to purchase this property. They were also impressed with the community and its support of the purchase. They demonstrated their support with the collection of \$500,000 in three week's time, which is one third of the purchase price. **Chancellor Sexton** will try to get the match up to half. **Regent Semmens** indicated that Mr. Connell, President of Kairos Development Corporation had presented another property to the Committee, which would require substantial costs to remodel it to be usable. There was no support from the community or the campus for that property.

Regent Semmens **MOVED APPROVAL** of Item b.

Motion **APPROVED** unanimously on 7-0 vote.

c. **ITEM 129-2005-R1105** – Authorization to Renovate Portions of Cooley Lab; MSU-Bozeman

d. **ITEM 129-2007-R1105** - Authorization to Renovate Portions of the Physical Plant's Shop/Office Buildings; MSU-Bozeman

e. **ITEM 129-2008-R1105** - Authorization to Negotiate a Site Lease Agreement with the USDA; MSU-Bozeman

g. **ITEM 129-1602-R1105** - Grant of Easement to the City of Dillon for operation and maintenance of an existing sewer line and to create a public right-of-way providing access to persons whose properties front on Vigilante Drive on the north side of Vigilante Park; The University of Montana-Western.

Grant of easement for emergency ingress and egress for two lots owned by National Affordable Housing Network (NAHN) to permit filing and amended subdivision plat.

Regent Semmens **MOVED APPROVAL** of Items c., d., e, and g.

Motion **APPROVED** unanimously on 7-0 vote.

f. **ITEM 129-2801-R1105** - Authorization to Establish a Mandatory Lewistown Building Fee; MSU-Northern

Regent Semmens recalled that this item was delayed at the last meeting since there had not been any thorough student input on the fee. However, there is no formal student leadership in Lewistown, but there is overwhelming support from the entire community. It is contemplated the fee will be approximately \$54 per credit, but can go as high as \$70 per credit. The Committee was swayed by the willingness of the residents of Lewistown to share the load, including \$1,000,000 for purchase and renovation of the building.

Regent Semmens **MOVED APPROVAL** of Item f.

Regent Hamilton asked how this particular fee related to other distance learning fees. **President Karas** replied their students who attend in Libby pay a building fee, and FVCC makes annual payments on the building. The City owns that building, but the campus pays for it and the renovations. **Regent Hamilton** wanted to know what planning is being done for the educational needs in rural communities. There is a lot on the Internet, and partnerships with school districts, but there is a cost to do it. She wonders what value should be placed on distance learning, and what would be a reasonable portion for the state to pay, and for the students to pay. **Chair Mercer** said it is a good idea to determine where the need is, and what the cost is. However, Lewistown has shown the community support needed to fill in when the system does not have the dollars. **Chancellor Capdeville** said they are happy that Lewistown is a success story. They started small there, and the community has stepped up to the

plate. They raised \$1M to renovate the building. He indicated they did not intend to continue the fee forever, but needed the assurance of it to get started. Further, he believes Lewistown will be capable of participating more fully down the road.

✔ Motion **APPROVED** unanimously on 7-0 vote.

i. Allocation Model Review – Update

Regent Semmens indicated the committee has been proceeding with guidance from the Board. **Craig Roloff** talked about the PowerPoint Presentation he had given to the Budget Committee on the work done in their recent retreat. There were about 20 people working for two days. The conceptual model was built on the foundation of creating a target of total net revenue, state support and student portion for each campus. Each would be unique based on an analysis of like peers, and would consider the classification of each institution, mix of programs, size, and other factors to give guidance to the relationship between the different campuses. They proposed an enrollment corridor, which would protect each campus from an abrupt loss of state funding due to enrollment decline, and deemphasize the importance (and reward for) each new student FTE added to an institution's enrollment. Funding would not be lost unless enrollment dropped below the floor of the corridor, nor would funding be gained until it went through the ceiling of the corridor. He expected the analysis to show revenues per student to be larger at the four-year campuses than at the two-year campuses, but the state support per student to be less at the four-year than the two-year campuses. **Mr. Roloff** told the Board they will need to set a number of policies with the new Allocation Model. He said the committee hoped to receive the approval of the Board for the general concept, to continue on the time line shown on page 9 of the presentation, and to begin the independent peer analysis. He indicated the first set of recommendations would be brought to the Board in January, and the process must be done step by step since the policies must be set as they move along. **Regent Semmens** told the Board they needed to give guidance to the group, and reaffirm that differential tuition is important. He also noted that the group had identified a priority fund as a small piece of the puzzle. The Regents' Priority Fund probably needs a bigger slice, which according to Dennis Jones should be ½% to 1%, or about \$750,000 to \$1.5 mil per year. This is what is done in other states. It will need to be phased in, but then can be used for the Board's priorities. **Chair Mercer** asked what would be accomplished with this approach, and asked if there was not a smarter way to cut to the chase. He suggested allocating the known contribution from the State in the simplest manner, and then working with the rest. He said differential tuition takes from one set of students and gives to another set. He asked if the fee waivers could be phased out so they could recoup some of the money. **Regent Semmens** responded that Chair Mercer might find that the formulas will be very close to what he is talking about. **Mr. Roloff** explained to the Board that the peer analysis would not be used to establish aspirations for the campuses, but only for guidance.

Regent Semmens asked the Board if the added support for the Regents' priorities should be included, and if need-based aid should be kept out of the priorities. **Regent Hamilton** indicated the need-based aid should be included since the Colleges of Technology came into the system with budgets but no additional appropriations. Montana now has the highest cost two-year education in the country. **Chair Mercer** disagreed with taking dollars from one campus to lower the cost at another. He believes the State needs to provide the money for those institutions, and if they mask the issue it will damage the whole system. **Regent Hamilton** said the flagship campuses have the capacity to generate tuition from non-residents, and it is a lot like a business model. Some products are more attractive and sell at a higher price. In another sector, they may need to sell at less than cost. The system already has fee waivers where they transfer dollars from one student to another, and super tuition in specific programs where dollars are there from students and outside to pay for them. She said it was recommended to the Board that if they would go to a program pricing structure, they could offer reduced costs to teachers. **Mr. Roloff** indicated the group would proceed if the Board gave them the go ahead, and it will be regimented with a step by step approach. They will bring well-prepared policy element decisions to the Board on a regular basis. They will also illustrate the impacts and choices. **Mick Robinson** said he wanted to have one simple formula, which was not based entirely on FTE. They will start with the '07 base, and everything else which might use corridors, will fall into policy and legislation, and will not go into a complicated formula. The only way to make changes would be additional funding, change in Board policy, or peer data sufficient to convince the Board or the Legislature there should be an adjustment. He said it would be helpful to determine the Legislative strategy, and to explain where the MUS is as a system and as units. Although the group will be working on a lot of detailed information, the final product will please the Board. **Regent Semmens** said that by virtue of the process, the Board will be required to give clearer guidance on Policy Issues. Other states charge the highest price at the flagship campuses, with a middle rate at the other four-year campuses a low rate at the two-year campuses. The Regents will have the opportunity to say everyone should pay the same, or there should be differential tuition. He suggested that if they get that far in two years, they might find there will be massive increases at the flagship campuses, and it will need to be phased in over a period of up to 15 years.

✔ The Board directed the committee to continue working as outlined, and include .5% to 1% of the system budget as a set-aside option for Regents' Priorities, as well as a possible set-aside for need-based aid. A proposal will be presented at the March, 2006 meeting.

j. Review of MSU Student presentation entitled "Funding Issues at MSU Bozeman – An Introduction" OCHE Response

Regent Semmens said progress had been made, and the Board would hear from students the following day.

k. Review federal relations activities in the university system
Regent Semmens gave a quick update on the presentation to the Committee.

Following a ten-minute break, the Board reconvened at 3:50 p.m.

h. Biennial Budget Process Review – Update

Ms. Pam Joehler reminded the Board they are now into the new biennial budget process. She indicated they will need to make a decision on the Present Law adjustments to meet the budget timeline. She gave a PowerPoint presentation showing the details. Ms. Joehler said the budget assumptions reflect enrollment changes, inflation for liability insurance, library acquisitions, and utilities. Regular inflation of 3% was allowed for general operating costs. There is also 3% for the pay plan in each year. The figure for termination is what the campuses expect to actually pay during the two years, but some unfunded liability will remain.

i. Budget Initiative Proposals

Mr. Dave Gibson explained that the Proposal as presented tied in the Strategic Plan, the PEPB indicators, MUS Campus Quality Indicators, and Shared Leadership initiatives. The three main goals in OCHE are transferability, Indian Education for All, and the Data warehouse. **Chair Mercer** suggested the title should better reflect the proposed ideas. Each of the CEOs pointed out the first and second choices on their lists. **Regent Semmens** suggested weeding some items out by seeing if they could be done as part of the general services budgets. He asked that the new ones to be presented to the Governor's Office and the Legislature be those to be fully funded by the State because they are a benefit to the entire state. He mentioned the county partnership idea as being one of those. **Regent Semmens** said it would help the Board if the campuses would identify those items, and those that would be shared with tuition, and those partnered with industry and then prioritize them. He said that MPACT should move forward, but the retention pool would be more of a system issue. Also to be included would be the Data Warehouse, and the transfer issue. He offered guidance to Mick Robinson to look at about \$5M or \$6M for the two sides, and \$5M or \$6M for system issues, for a total of about \$15M for the biennium, as a starting point for further winnowing down by the Board.

The meeting recessed at 5:10 p.m.

FRIDAY, November 18, 2005

The Board reconvened at 8:45 a.m.

WORKFORCE DEVELOPMENT ITEMS

a. Establishing speech pathologist undergraduate and advanced degree programs.

Regent Foster said in the Committee meeting there was a speaker from Shelby who explained what the needs are, how many speech pathologists there are in Montana, typically who they are employed by, and other helpful information. The big push is whether to start up a program in Montana. There used to be a program, but it was discontinued. Provost Muir provided more information and said The University of Montana-Missoula is seriously considering re-starting the program. They are now in the process of putting together what it might look like, and the cost analysis. At the end of the discussion, Dr. White from MSU-Billings said MSU-Billings might be interested in being a collaborative partner in the program. The Committee responded very positively to that suggestion. It is a very expensive program, but these campuses are being responsive to industry needs as the Board has requested. The Committee will meet in January to hear an update from UM and MSU-Billings to find out where they are in their efforts. This is a good example of where a couple units of the system partner up, or at least have the potential to do so. A number of letters were received by the Commissioner's Office and the Regents supporting the program. No action was needed on this item.

b. **ITEM 128-106-R0905** – Charter to formalize the Two Year Council

Regent Foster **MOVED APPROVAL** of Item b.

Motion **APPROVED** unanimously on 7-0 vote.

d. Review options and establish priorities for physician training and rural location incentives/education.

Regent Foster reported the Committee recommended the formation of a working group to put together a plan on how to approach the needs as addressed in the white paper presented by Dave Gibson.

Regent Foster **MOVED APPROVAL** to form the work group to put together a plan on how to approach these needs.

Motion **APPROVED** unanimously on 7-0 vote.

END WORK FORCE DEVELOPMENT

STUDENT REPORTS

See attached student reports

Applications from four students will be forwarded to the Governor for the now vacant Student Regent position. Those students are Bovard Tiberi (recommended by MAS), John Meyer, Heather O'Loughlin (recommended by MAS), and Vinnie Pavlish.

END STUDENT REPORTS

STUDENT PRESENTATION ON RESIDENT TUITION AND FEES


Bovard Tiberi and Deepu Philip gave an abbreviated presentation on their follow-up on Funding Issues at MSU-Bozeman. The complete presentation is available on-line with the Meeting Agendas. Their research found that the Board of Regents' Regular Meeting–November 16-18, 2005–BOZEMAN 2/21/2006 10:33 AM

number one reason for the increase in tuition is the flat state funding. It was pointed out that there is now a dramatic difference between FTE and headcount. They will continue to piece together the various aspects of research costs and funding, which they originally thought were the main problem. Their current conclusion is that higher tuition is due to many factors. The students will give their final report on this issue at the January, 2006 meeting. **Mr. Tiberi** thanked the Board for listening to the students' concerns on this issue. **Chair Mercer** asked the students to continue their work on this, and to put their findings into a format, which the Board could use to explain the cost of tuition to the citizens of Montana.

Following a ten-minute break, the Board reconvened at 10:40 a.m.


ACADEMIC / STUDENT AFFAIRS ITEMS

a. **ITEM 129-109-R1105** - Writing Proficiency Policy

 Regent Hamilton **MOVED APPROVAL** of Item a. as **amended** adding bullet point 3. under Item G. to read as follows: "Provide for the evaluation and analysis of a writing proficiency requirement that includes a uniform system to collect and report student data. The Criteria will be developed by the P-20 Committee. Data will be collected and summarized beginning Fall 2007. Each unit of the MUS will submit the data to OCHE. OCHE will share the data with K-12 partners by February of the following year."

Regent Semmens indicated he supported this item since his concerns had been addressed, and the policy is not a barrier to entry into the Montana University System. He believes the goal of the policy was and is to be sure high school students are better prepared. **Regent Barrett** concurred, but has significant concerns about diminishing the policy.

 Motion **APPROVED** unanimously on 7-0 vote.

 Regent Hamilton **MOVED** the Board of Regents **support creation** of a Writing Proficiency Implementation Committee to be appointed by the Leadership Group through the auspices of the P-20 committee. The committee will be made up of 4 representatives from the P-12 community and 4 representatives from the postsecondary education community. The formal charge to the Committee will be approved by the Leadership Group: Commissioner Stearns, Superintendent McCulloch, Jan Lombardi, Education Policy Advisor to the Governor, and Steve Meloy, Executive Secretary of the Board of Public Education.

 Motion **APPROVED** unanimously on 7-0 vote.

b. Review of the transfer information on the Montana University System website

Regent Hamilton reported that the Committee had reviewed the transfer information on the Montana University System website. There was general consensus that the site was user friendly, and contained a great deal of detailed information. While the primary audience is students, it is anticipated it will also be used by faculty and staff as they advise students. Regents with comments or questions should send them to Deputy Commissioner Barber as the site is still under construction in many areas.

c. Discussion of the "next steps" in the transfer arena

Regent Hamilton asked Deputy Commissioner Barber to speak about this item. **Deputy Commissioner Barber** then introduced **Ms. Karen VanDaveer** of Montana Tech, who is the Director of the Nursing Program, and her colleague **Ms. Danette Melvin** who is a faculty member in the Nursing Program at Montana Tech. **Deputy Barber** reminded everyone about the Transfer Audit process, and how difficult it was to craft policies to respond to that audit. He worked with the group that worked on the policy to respond to requests for a uniform licensed practical nursing curriculum. The Legislative Audit Division request was triggered by a long history of previous requests to do something about nursing. Everyone in the Commissioner's Office knows it was a very hard process, and that the committee met every Tuesday afternoon for weeks to get this done. The reason the policy succeeded was because of these two women. The work group that struggled with this project was made up of Directors from all of the licensed practical nursing programs in the system, and also Directors of all of the nursing programs in the State, and a representative from the State Board of Nursing. Ms. VanDaveer and Ms. Melvin came to every meeting prepared to get something done. They brought massive amounts of information about nursing programs throughout the country, as well as documents on how this might work. They also brought possible language to help craft the curriculum. Without their efforts this would not have been accomplished. **Deputy Barber** indicated they thought they were there for some other reason, but they actually were there to receive the Montana University System Excellence in Citizenship awards for 2005. **Chair Mercer** asked Regent Foster to present the awards due to his involvement in this and his interest in health care. **Regent Foster** said he attended a couple of these meetings, and this is very fitting. These are the two individuals who made sure it happened.


d. **ITEM 128-2701-R0905** - Associate of Applied Science degree in Radiologic Technology, Montana State University-Billings College of Technology

 Regent Hamilton **MOVED APPROVAL** of Item d.

Regent Foster recused himself on this item since his employer had contributed to the program.

 Motion **APPROVED** unanimously on 6-0 vote with Regent Foster abstaining

e. **ITEM 128-301-R0905** Certificate program in Licensed Practical Nursing, Flathead Valley Community College

 Regent Hamilton **MOVED APPROVAL** that the Montana Board of Regents authorize Flathead Valley Community College to begin offering the pre-nursing coursework described in **ITEM 128-301-R0905**. That coursework is set out in semesters 1 and 2 in the proposed curriculum information contained in the Level II

documentation. The Board also gives Flathead Valley Community College permission to offer the Introduction to Nursing course described in the curriculum information. In addition, the Board of Regents requests that Flathead Valley Community College include this Item on the May 2006 agenda of the Board for action, assuming that the institution has had a decision from the Montana State Board of Nursing concerning the appropriateness of its Licensed Practical Nursing curriculum and the qualifications of its nursing faculty.

 Motion **APPROVED** unanimously on 7-0 vote


f. Report on the Montana State University Rural Nursing Partnership in North Central Montana

Mr. Rolf Groseth reported that the Pilot program was successful, however, cost is an issue and they have no plans to expand to another community

g. Continued discussion of textbook costs

Regent French reported that the Committee discussed possible follow-up steps on the textbook conversation.

Those steps could include a requirement that campuses publicize the required the ISBN number for each text, that the campuses request debundling of textbooks, that faculty evaluations include a question on how much the textbook is used in class, and that there be a resolution to support the bookstores' efforts to work with the industry. **Regent French** said she hoped that the Board would require the ISBN number be published before the fall semester.

 No action was required on item g.


END ACADEMIC / STUDENT AFFAIRS ITEMS


STAFF AND COMPENSATION ITEMS

b. Discussion of draft guidelines for "Board of Regents employment contracts" and "Montana University System employment contracts."

Associate Commissioner Mick Robinson gave a brief history behind this issue, indicating the key in making any changes is that the Board has statutory authority over hiring. In finding a tool for the Board to delegate some of this authority, the concept is to create two categories of contract. The first would be to retain the traditional Board of Regents contract for top-level executives, creating a pool of 50 to 60 individuals. The other category would cover the 750 remaining individuals now on Board contracts. This will be some type of system contract. **Mr. Robinson** said the Committee talked about the concept of designating as CEOs the Commissioner, Presidents, Chancellors, and Deans of the two stand alone colleges of technology, and they envision a system where these CEOs would retain their current practice and procedures to negotiate and offer contracts without submitting them to the Board, but only to their immediate supervisor. There was some concern from the Chancellors that their effectiveness on campus might be eroded by this arrangement. **Regent Hamilton** asked if there had been discussion of broadband pay for this process, to which **Mr. Kevin McRae** indicated they did not envision that concept for the contract group. However, as they look at the contracts, they want to make sure there is a system of checks and balances to prevent pay levels getting too far afield. No decision was made at this meeting on the approval authority, and the Committee will return to the March meeting with Plan A and Plan B including options on the approval authority.

d. **ITEM 129-108-R1109** – Revision of Policy on Executive Compensation

 **Regent Mercer MOVED to RESCIND** the item approved at the September, 2005 meeting and to take up item d. as an entirely new proposal.


 Motion **APPROVED** unanimously on 7-0 vote.

Regent Semmens reviewed the purpose of the action in September. In consideration of internal equity, he was asking to lower the percentage of the average for Presidential compensation from 100% to 90%. This item will also allow for a variation in pay for the Chancellors, with a band of 75% to 90% of the Presidential pay. This would be decided by the Presidents based on time, responsibility, and other standard factors. Also included in this item is the inclusion of the Deans of the two stand-alone colleges of technology. The Committee recommended adding Section 5. to the Policy with the following language: 5. If the CHE and the President, in consultation with the CEO of a given campus, determine that there are insufficient financial resources at the campus or office to fully implement this item for the year beginning October 2007, they may agree to defer it to October 2008.

 **Regent Semmens MOVED to ADOPT** item d. as amended

Regent Foster requested information on the use of Foundation money. **Regent Semmens** indicated that in the survey, 3 of the 9 campuses show Presidential salaries are partly funded with Foundation money. It is not a bonus, nor is it deferred compensation, but actual salary. He indicated that both the letter and the spirit of the policy passed in September were to use a survey of the salary and market compensation levels. Although **Chair Mercer** had preferred the Foundation dollars be excluded, **Regent Semmens** believed this was self-deluding. The MUS Foundations are supporting their campuses to the fullest extent possible. If anything was taken from the Foundations to pay the Presidents, it would necessarily be taken from students. At this time, South Dakota is looking to replace Foundation funds with state funds. **Chair Mercer** indicated he would not support the Policy since the Foundation dollars are to be included in the survey for the average. He also thought the new number 5 created a difficulty for the campuses. **Regent Hamilton** indicated she would not support this item. She said she supports the importance of paying higher wages, and believes a peer average is appropriate. However, these individuals are not state officials, but rather state employees. She was not convinced the system had the resources to reach these wages. **Regent Barrett** said he would support the item. He believes there is no logic in changing position

from the last meeting when he supported Chair Mercer on his Policy, because he sees that if nothing is done now, it won't happen for a very long time. He reminded the Board that when the Policy was passed at the last meeting, no survey had yet been done. **Regent Semmens** said they will not raise tuition to pay for these increases. He believes that skilled managers will deal with them wisely, and since Chair Mercer had invited amendments at the last meeting, he was hoping the Board would support this policy. The Faculty Senate representative thanked the Board for discussing this issue in an open forum. Faculty would support this policy. They believe that measuring to outside standards, with a range of pay is a good idea. There needs to be performance and merit metrics included. They also believe that all sources of income should be considered. **Regent Hamilton** asked how this policy would solve the problem of low pay. **Regent Semmens** replied that the policy would raise compensation from 65% to 90% of the average for the peer states. The Compensation Committee will continue looking at this policy and will bring forward changes as needed. **Regent Foster** viewed Chair Mercer's move at the September meeting as bold and conceptual. He was appreciative that Regent Semmens was willing to take time to devote energy to a more scientific approach. However, one thing that doesn't sit right with him is the Foundation portion. The idea is to let the free market determine the cost, but he believes some things distort the market and fair competition is lost for free compensation. He indicated that if someone would move to strike the foundation funding he would support the policy, while he was ambivalent on the new number 5. **Regent Semmens** said he was puzzled about the inclusion of the Foundation dollars being a problem. The truth of the matter is that it is salary, no matter what the source.

 Motion **APPROVED** on 6-1 vote with Chair Mercer dissenting.

Regent Semmens noted that the Committee will continue to work on the issues of titles of Deans. CUPA data is being used for equity, and staff will look at this data and report back.

Commissioner Stearns said she had received a reorganization plan for MSU-Bozeman Administration and Finance. The Staff and Compensation Committee will be informed about this plan at their January meeting. Two personnel changes related to the plan will be placed on the January Consent Agenda.

END STAFF AND COMPENSATION ITEMS

PUBLIC COMMENT

Kelly Paul, Student Union President at MSU-Northern told the Board that it is difficult for students to find companies in Montana that pay good salaries. He asked if a list could be prepared for the students to use in locating possible employers. **Regent Foster** said that is something their Committee has discussed. He thinks the system needs to be diligent in this, and requested that Dave Gibson look at this situation and report back to the Workforce Development Committee with some way for Montana businesses to get access to MUS students. **Regent Barrett** asked what Kelly Paul was majoring in, to which he responded Automotive. **Regent Barrett** noted that at the Community Breakfast at the Billings meeting in September, a car dealer had stood and said he couldn't find anyone to fill that kind of job. **Chancellor Capdeville** commented that over 80 companies go to their campus every spring to interview students for jobs.


END PUBLIC COMMENT

CONSENT AGENDA

Staff Items:

- a. **ITEM 129-1000-R1105** - Staff; The University of Montana-Missoula
- b. **ITEM 129-1500-R1105** - Staff; Montana Tech of The University of Montana
- c. **ITEM 129-1600-R1105** - Staff; The University of Montana-Western
- d. **ITEM 129-2000-R1105** - Staff; MSU-Bozeman
- e. **ITEM 129-2001-R1105** - Professor Emeritus of Education upon **Kenneth Bruwelheide**; MSU-Bozeman
- f. **ITEM 129-2002-R1105** - Professor Emeritus of Entomology upon **Wendell Morrill**; MSU-Bozeman
- g. **ITEM 129-2003-R1105** - Professor Emeritus of Education upon **Gloria A. Gregg**; MSU-Bozeman
- h. **ITEM 129-2004-R1105** - Professor Emeritus of Education upon **Richard Horswill**; MSU-Bozeman
- i. **ITEM 129-2300-R1105** - Staff; Ag Experiment Station
- j. **ITEM 129-2400-R1105** - Staff; Cooperative Extension Service
- k. **ITEM 129-2700-R1105** - Staff; MSU-Billings
- l. **ITEM 129-2701-R1105** - Professor Emeritus of Spanish upon **Theodore Jensen**; MSU-Billings
- m. **ITEM 129-2800-R1105** - Staff, MSU-Northern
- n. **ITEM 129-2850-R1105** - Staff; MSU-Great Falls College of Technology

 Regent Barrett moved **APPROVAL** of items a. through n.

 Motion **APPROVED unanimously** on 7-0 vote

Labor Agreements/Other Items

- a. **ITEM 129-101-R1105** - Approval of Governor's Appointment to the Motorcycle Safety Advisory Commission
INFORMATION ITEM only
- b. **ITEM 129-104-R1105** - Approval of Appointment to the Student Loan Advisory Council; Montana Guaranteed Student Loan Program - Bruce Marks
- c. **ITEM 129-105-R1105** - Approval of Governor's Appointments to Local Executive Boards
- d. **ITEM 129-107-R1105** - Approval of Tentative Agreement with International Union of Operating Engineers;

Bozeman Motor Pool

e. **ITEM 129-110-R1105** – Approval of Tentative Agreement with AFSCME, MSU-Northern

 Regent Semmens moved **APPROVAL** of Items a. through e.

 Motion **APPROVED unanimously** on 7-0 vote

Administrative/Budget Items

a. **ITEM 129-1601-R1105** - Authorization to Expend up to \$120, 000 of Student Computer Fees; The University of Montana-Western

b. **ITEM 129-2006-R1105** - Authorization to Expend Computer Fees; MSU-Bozeman

 Regent Semmens moved **APPROVAL** of items a., and b.

 Motion **APPROVED unanimously** on 7-0 vote

With no further business to come before the Board, the meeting adjourned at 12:45 p.m.

Mailed to the Board of Regents on

Approved by the Board of Regents on

(Date)

(Date)

Sherry Rosette
Board Secretary

John A. Mercer
Board Chair

MINUTES OF THE COMMITTEE MEETINGS

WEDNESDAY, November 16, 2005

The Budget and Audit Oversight Committee convened at 10:00 a.m.

Committee Members Present: Regent Mark Semmens Chair, Regent John Mercer, and Regent Lila Taylor

Others Present: Alan Peura, Bill Muse, Bob Duringer, Bruce Marks, Cathy Swift, Chancellor Alex Capdeville, Chancellor Frank Gilmore, Chancellor Ron Sexton, Chuck Jensen, Commissioner Sheila Stearns, Craig Roloff, Dan Bingham, Dan Carter, Darrel Hammon, Dave Gibson, Dean Mary Moe, Dick Storey, John Cech, Kevin McRae, LeRoy Schramm, Maggie Peterson, Mark Bruno, Mary Ellen Baukol, Mick Robinson, Pam Joehler, President Geoff Gamble, President George Dennison, Rolf Groseth, Rosi Keller, Susan Briggs, Terri Iverson, and Tom McCoy.

a. Report from the Associate Commissioner for Fiscal Affairs

1. Audit Reports

Associate Commissioner for Fiscal Affairs, **Mick Robinson** gave a brief update on the Audit Reports. OCHE had a good audit, with recommendations to look at areas to strengthen policies and procedures. The University of Montana had two recommendations; improve internal audit, and improve grant monitoring. Montana State University concurred on their one recommendation on monitoring federal grants and controls.

2. Athletic Report

Mr. Robinson requested the Committee move the date for reporting on Athletics to the January meeting in the future. **Regent Mercer** moved recommendation of this change, with the next report to be due in January 2007.

3. Fall Enrollment Numbers and HB 2 Reversion Calculations

Ms. Pam Joehler gave an overview of the report which showed lower than expected enrollment at UM. HB 2 has a reversion requirement for the University System and the Community Colleges. At this point, the report shows a reversion of \$632,000. **Chair Semmens** indicated the costs at Missoula and Butte were substantial, and asked how they would deal with these shortfalls. **President Dennison** indicated two parts were missing. They had a climb in the number of resident students, with a continued decline in upper division resident students. This is due to the cost. He noted that MPACT will help that situation. Although they saw a decline between fall and spring, they did not expect to see a decline between spring and fall. This happened several years ago, and is due to the decline in non-resident students. They will use their contingency funds, and hope to recover next year. **Chair Semmens** indicated he was surprised that the community colleges and the two-year campuses also had enrollment misses on the downside, especially since they have been the fastest growing segment. **Regent Mercer** suggested that while they are working with government finance, it would be beneficial if plain terms could be used, such as indicating the number of people served, not just the FTE. He asked if Montana Tech had a fund to cover their shortfall, or if it would require a transfer. **President Dennison** indicated Tech has a fund, and plans to deal with the issue. **Regent Mercer** also asked for comment from the community colleges. **President Darrel Hammon** noted that the actual numbers at Miles Community College are down a bit. They have a contingency fund, and they had anticipated the shortfall. They are working with Bozeman, and two plus two, which has helped them. They looked at 31 high schools in their area to determine where the students were coming from. Many of those schools are not sending students, many of which are going to Dickenson and others to the east. Miles' one recruiter was ill in February, and their numbers fell. They were able to reduce some expenses, but at their institution it doesn't matter if they have 400 or 500 students because of the basic expenses. **Chair Semmens** indicated he was concerned about Northern. **Chancellor Capdeville** noted they had planned on a shortfall of more than they are experiencing. They have put some programs on a moratorium. He does worry about how they will sustain Northern and still right size it.

4. MSU-N Deficit Update

5. **ITEM 129-102-R1105** – Approval of proposed Governor's Postsecondary Scholarship Program Policies

Mr. LeRoy Schramm is Chair of the three-member counsel appointed by the Governor to oversee the scholarship program. The other two members are Clarena M. Brockie of Harlem and Dolores Colburg of Billings. **Mr. Schramm** indicated the memo from Bruce Marks lays out the work on the policies, and how they now stand. He suggested to the Board there are two things they should note for future reference. First, the appeals process ends at the Commissioner. Second, the council will be watching the 110 merit-at-large scholarships. These will be selected by the Commissioner, and a list will be provided to the Board. **Mr. Schramm** indicated it is likely they will receive several thousand applications, and it will be a very time consuming effort. There will be quite a workload for the Montana Guaranteed Student Loan Program which will make the resources available to evaluate the applications. If the Legislature continues to fund these scholarships, there will be about 2500 each year with 2/3 available for two-year students, and the balance for four-year students. **Mr. Schramm** indicated this was the most substantial contribution to students that he has ever seen. In response to a question from Regent Mercer, **Mr. Schramm** indicated these scholarships will piggyback onto the honors scholarships since they are both selected from lists provided by the schools. The first person receives the Honors Scholarship which is the most valuable, and the next in line will receive this one. They will not double up on these two scholarships, in order to ensure the

widest possible distribution. There are 180 school districts and each one will provide one renewable \$1000 scholarship for two-year education, and one renewable \$2000 scholarship for four-year education. The first year there will only be one \$1000 scholarship per district. There are also 500 two-year scholarships that are need based, with 100+ in health, 200 in technology, and 180 in general. The third group is at-large through the Commissioner. 70 of those are \$1000 for two year education, and 40 are \$2000 for four-year education. These numbers are set by statute. The first year \$500,000 will be awarded, and from then on it will be \$1.5 mil.

Regent Mercer moved the Committee recommend accepting the Recommendation to the Full Board. The motion was unanimously adopted.

b. **ITEM 128-2702-R0905** - Authorization to Execute Purchase of Property; Montana State University-Billings
Dean John Cech indicated that more than 10,000 people commute to Billings each day, and more than 80% of jobs require some college. The College of Technology has partnerships with campuses, oil refineries, health care, and the high tech industry. The Shiloh corridor is very important and the location of this property was well supported by the community. They will take an intercap loan, and use the \$525,000 donated by the community to purchase the property. This will leave a balance of \$1 mil. They intend to pay that off with timber sales in the amount of \$250,000, revenue from vending machines in the amount of \$50,000, and continuing ed for \$50,000. The financed portion of \$625,000 would require a payment of \$77,000 per year. If they are able to raise \$750,000, they could lower that payment to \$60,000. To alleviate future parking issues, the campus has negotiated with the Faith Chapel Church which has a parish of 4200 people, to permit the Church to use the campus parking on weekends, while the campus will use the church parking during the week. In addition to the Billings Chamber of Commerce endorsing the acquisition, the following individuals stood up to speak in support of the item: Marilyn Clover, realtor, Bruce Parker of First Interstate Bank, Wendy Keating former Director of the Department of Labor, and Michael Sanderson of Sanderson Engineering, Inc. **Regent Taylor** commended the campus for its accomplishment over the last three weeks to garner support from the community. **Regent Mercer** indicated he would like to see all the campuses in the state follow the lead of MSU-Billings College of Technology to obtain matching funds from the local community on projects such as this.

c. **ITEM 129-2005-R1105** – Authorization to Renovate Portions of Cooley Lab; MSU-Bozeman

d. **ITEM 129-2007-R1105** - Authorization to Renovate Portions of the Physical Plant's Shop/Office Buildings; MSU-Bozeman (pg. 425)

e. **ITEM 129-2008-R1105** - Authorization to Negotiate a Site Lease Agreement with the USDA; MSU-Bozeman (pg. 427)

g. **ITEM 129-1602-R1105** - Grant of Easement to the City of Dillon for operation and maintenance of an existing sewer line and to create a public right-of-way providing access to persons whose properties front on Vigilante Drive on the north side of Vigilante Park; The University of Montana-Western.

Grant of easement for emergency ingress and egress for two lots owned by National Affordable Housing Network (NAHN) to permit filing and amended subdivision plat.

Regent Mercer moved the Committee recommend adoption of items c., d., e., and g. as a group
Committee accepted unanimously

The meeting recessed at 11:55 a.m.

The Committee reconvened at 2:20 p.m.

k. Review federal relations activities in the university system

The two main campuses provided an overview of their federal relations and initiatives.

f. **ITEM 129-2801-R1105** - Authorization to Establish a Mandatory Lewistown Building Fee; MSU-Northern

Regent Mercer commented that \$70 per credit was high, but was apparently worth it to the people in Lewistown. **Chancellor Capdeville** agreed it was worth it, and they work closely with hospitals and nursing homes in that community, and there are other opportunities available. **Regent Taylor** indicated she was very concerned about this fee, and asked that the Board look at it in a couple years to see how it is working. **Chancellor Capdeville** noted this fee may be high, but there are other fees these students do not pay.

Regent Mercer moved recommendation to adopt to the full Board.

The Committee accepted the recommendation.

i. Allocation Model Review – Update

Mick Robinson noted that at the recommendation of the Board at the September meeting, they had moved forward with the study of the allocation model to develop something new, that would be workable and equitable. The PowerPoint presentation given today was a conceptual proposal of the allocation model. He asked for comments and concerns and questions from the Board. This proposal will be refined. They held a retreat to work on the model, and finalized the objectives at that retreat. All campuses participated in the retreat, and worked very hard. Bob Kelley of D.A. Davidson in Great Falls served as an independent business observer at the retreat and made many useful comments to the committee. Dennis Jones provided his "First Principles" as guidance to the Committee: 1) focus on financing the state system rather than the narrower issues of allocating state funds; 2) the model should be transparent as to the policy choices to be made by the Board of Regents and the Legislature & Executive Branch; 3) the model should provide a framework to simultaneously deal with allocation of state revenues, tuition revenues and rates, and student financial aid; 4) the model should have a specific component dedicated to furthering the Regents' strategic priorities, and allocated by the Regents to campuses for these

purposes; 5) the model should reward – not punish – institutions for aggressively seeking revenues from sources other than students or the state; 6) the model should protect institutional viability a. by not creating conditions under which institutions have to adjust quickly to substantial changes in funding, b. buffering the effects of enrollment changes (especially decreases), but not avoiding those effects; 7) ideally, the model should provide incentives for institutions to collaborate as units within a system, rather than compete as free-standing entities.

The foundation of the new Model Concept developed is: the establishment of targets for total net revenue, state support, and student contribution for each campus; and the creation of an Enrollment Corridor, which protects each campus from an abrupt loss of state funding due to enrollment decline, and deemphasizes the importance of each new student FTE added. **Mr. Robinson** went through the concepts included, and it was noted that the Board will be required to adopt policies as various aspects of the model are accomplished. The model will most likely need to be phased in over a period of time. Target levels of revenue for each campus need to be established, as well as appropriate enrollment corridors, determination of appropriate ratio of state/tuition funding on each campus, and the amount of money to be placed in the Regents' pool, with a timeline to accomplish these.

Further details can be seen in the presentation available on-line.

Regent Mercer asked where the money might come from to fund the Regents' priorities, and need-based assistance, since there are not sufficient state dollars to fund the system. He supported the enrollment corridor concept to prevent reversion of funds to the State. **Regent Mercer** said he had thought the Model would take the state dollars that are known, and distribute them in a given way. Once the budgets were determined, it would then be decided what the tuition would need to be. He expected the status quo would be preserved with the current funds, and they would then indicate to the State it would cost a certain amount to buy down the cost of tuition. **Mr. Robinson** noted the Committee had considered those points.

m. Public Comment

Mr. Connell, President of Kairos Development Corporation made a presentation to the Board on an alternate property which his company was willing to sell the Billings College of Technology. It is located near the main campus in an area with the most depressed prices per square foot. **Chancellor Sexton** indicated the cost to remodel the building to make it usable was prohibitive, especially since the building had no windows. It was the consensus of faculty after tours of the property that it was not workable due to the structure, design, and layout. Although Mr. Connell insisted this property would be the best buy, there was no support for it from either the campus or the community.

Regent Mercer **moved** the Committee recommend adoption of the proposal to purchase the Shiloh property with the **stipulation** that 1/3 of the cost be covered with non-state funding.

Regent Mercer did not believe that the 6.4 acres would be sufficient for the campus needs, and asked why they had not looked for a larger place.

The committee agreed unanimously to recommend to the full Board.

j. Review of MSU Student presentation entitled "Funding Issues at MSU Bozeman – An Introduction" OCHE Response

Mr. Deepu Philip, Graduate Student explained the reason they are doing the study is that next year, tuition again will rise by \$400. Students want to know the reasons. A lot of progress has been made in this study, and he wanted the Board to know that they are not blaming anyone in this. He said they had very productive meetings with President Gamble, Jim Rimpau, and Tom McCoy after the meeting in Billings. They have also met with Mr. Mick Robinson. It was decided the students would give their revised presentation to the Board on Friday.

Following a ten-minute break, the Committee reconvened at 4:15 p.m.

h. Biennial Budget Process Review – Update

Chair Semmens indicated that the full discussion will be delayed until Friday before the full Board due to time constraints today. **Associate Commissioner Mick Robinson** noted in reference to the memo he had just handed out that it was important to keep in mind this meeting was the first step in a long budget process. Important to take a high level look at the current services. He asked for general from the Board. Ms. Pam Joehler indicated this is a very quick calculation of the budget, and they figures will be refined before the January meeting, with more to follow that meeting. If there is a reversion due to decreased enrollment, they will be starting with a smaller budget base than they would otherwise. The presentation is for a status quo budget. The figures in this budget do not include anything for the Commissioner's Office or the Research Agencies. Those figures will be available at the January meeting. The assumptions used were with the current budget, with corrections in the 06-07 budgets to reflect enrollment changes, and special inflation adjustments for liability insurance, library acquisitions, utilities, and a regular inflation factor 3% for general operating costs, and a 3% pay plan estimate for each year. Also included is an enrollment growth adjustment for 08-09. One important assumption is that state funds will be appropriated at the same ratio as the fiscal 2007 revised budget, which is about 38%. In FY07 the base operating budget for educational units totals about \$332 mil. In FY08 the budget will increase about \$27 mil, with about \$10 mil of the increase will be from state funds, and \$17 mil from tuition. In FY09 the budget would increase an additional \$24 mil, and about \$9 mil will be funded from state funds, and about \$15 mil from tuition.

i. Budget Initiative Proposals

Ms. Pam Joehler provided a summary handout on the proposals received from the campuses. **Regent Mercer** made some comments about the summary, proposing that perhaps the Legislators and policy makers could show

the University System how to do these things for less money. He was not sure the debate was proceeding the way he wanted. He asked if there was anyone else to assist in funding these proposals, and if these were the total costs. **Regent Mercer** also wanted to know which proposals would be done in place of something being done currently on the campuses. **Chair Semmens** indicated that in the proposals which the Board had requested, there were six common themes that could possibly be done by the Montana University System hand-in-hand with the Governor's Office: 1) the development of new programs in high demand fields; 2) retention; 3) need-based aid; 4) distance learning; 5) internal quality enhancement; and 6) recruitment. Another group of initiatives which would be a benefit to the state should not be financed by the students. **President Dennison** indicated they had aimed at having no more than three initiatives per goal. They spoke to all the issues except oil and gas. They understood that the partner for the initiatives did not need to be addressed at this time. Among the items that should be funded entirely by the State is the Academy of Science and Math since it benefits the entire state. **President Dennison** indicated they would also be taking on two red counties, one with an Indian Reservation, and one without. This also should be borne by the State, and not by the students. He noted it was absolutely necessary to keep salary out of the common law, since it is not funded the same way. Associate Commissioner for Fiscal Affairs **Mick Roberson** indicated it would be mechanically separated. However they thought it was important to include it now for the potential impact on funding. At the request of Chair Semmens, each of the CEOs indicated which of their initiatives were most important to them. The CEOs will review their initiatives, separating them by those that will be shared with the State, that that should be funded entirely by the State, and those that will be done in place of things already being done on the campuses. The proposals will be refined before the January 2006 meeting.

END BUDGET COMMITTEE

The Committee adjourned at 5:24 p.m.

DRAFT Minutes of
The Academic & Student Affairs Committee

Wednesday, November 16, 2005

Committee Members: Chair Regent Lynn Morrison-Hamilton, Regent Mike Foster, Regent Kala French and Regent Stephen Barrett

Regent Lynn Hamilton, Committee chair, called the meeting to order at 10:00 a.m.

a. Roll Call

All committee members were present.

b. Review and Adoption of Agenda

Regent Barrett moved to approve the agenda. Motion carried.

c. Approval of minutes from the September 21, 2005, meeting of the Committee

Regent Barrett moved to approve the minutes. Motion carried.

d. **Portion of the Meeting Devoted to Topics of Concern to Both Academic & Student Affairs Officers**

1. **Action: ITEM 129-109-R1105:** Writing Proficiency Policy – Deputy Commissioner Roger Barber Commissioner Sheila Stearns, responding to concerns expressed by the K-12 and Native American communities, among others, worked with her P-20 colleagues to revise the draft of the writing proficiency policy that was presented at the September meeting of the Board of Regents. The key change is the addition of the word "full" in paragraph A, to read:

"Any student seeking **full** admission to a four-year degree program at Montana State University-Bozeman, Montana State University-Billings, Montana State University-Northern, The University of Montana-Missoula, Montana Tech of the University of Montana, and The University of Montana-Western must satisfy a writing proficiency standard."

Students who do not meet that standard can still be admitted to a four-year program, but on a provisional basis, as set out in paragraph D of the revised policy.

Although the revised policy still causes concerns for some groups, the Board of Public Education supported the revised policy at their November meeting, and Commissioner Stearns recommended its adoption by the Board.

Regent Hamilton thanked the Commissioner for her hard work and opened the floor to comments.

Bud Williams, Deputy Superintendent of Public Instruction, stated that the Office of Public Instruction (OPI) was pleased to endorse the compromise proficiency policy. He thanked the Commissioner and her staff for moving writing forward in Montana. Linda Peterson distributed amendments that OPI would like the Board to consider.

Deputy Commissioner Barber said that the Chief Academic Officers voted unanimously to implement the policy on their campuses, in good faith, if it is adopted. However, they also voted unanimously to go on record against the revised policy, since, in their opinion, it is a step backward and only describes the current situation on the campuses. The Chief Academic Officers preferred the September version of the policy that included writing proficiency as an admission criterion. Provost Dooley elaborated, saying that

the academic officers view lack of writing ability, not the assessment tool that identifies the deficiency, as the barrier for students. He said that the right to higher education is already guaranteed to all students at one of Montana's fine two-year open-admission campuses, and that students are given the best chance of success by being steered to the appropriate program. In addition, he believes that retention and graduation rates will be adversely affected by the compromise policy.

Regent Foster was impressed with Commissioner Stearns' work in reaching a compromise that will enable moving forward, but wants to monitor the effectiveness of the policy.

Regent Barrett expressed concern regarding the need to provide remedial coursework at the university level to students admitted on a provisional basis, and asked what the objections to the original policy were. Deputy Superintendent Williams said that OPI questioned the reliability and validity of the writing assessment tools, not only the Montana University System writing assessment, but also the ACT and SAT writing tests.

Regent French has been working with college freshman, and said that writing skills are definitely an issue. She was prepared to vote in favor of the original proposal, and will support the compromise position, even if it only represents a small step forward.

Regent Hamilton pointed out that both the K-12 and higher education communities agree that students' writing skills need improvement to ensure success in both higher education and in the work force. This proposal will provide structure for a partnership between K-12 and higher education, and could be a model for addressing other concerns. Dean Mary Moe said that she witnessed a degree of discussion and cooperation between high school and college educators at the writing proficiency project scorer training sessions unprecedented in her experience. The achievements of the project over the last seven years will be wasted without the buy-in of the K-12 community, and the compromise policy enables building on these gains.

Ellen Swaney suggested that professional development for teachers recognize the cultural and linguistic differences that can make writing in standard American English difficult for Native American students. Regent Foster asked about programs available for non-Native English speakers (i.e., some international students). Provost Muir said that students are able to reach the required language standard through non-credit English-as-second-language programs. These programs are also available to Native American students.

Regent Barrett, with acknowledgement for the political acumen of Commissioner Stearns and the expertise of Dean Moe, moved to adopt the writing proficiency policy as proposed. The motion carried.

The amendments proposed by OPI were discussed. Commissioner Stearns said that the suggested amendment to paragraph D (to provide support and assistance to prepare students for full admission status at a four-year MUS institution) is unnecessary because these mechanisms are already in place on the four-year campuses to assist students who are admitted under various exemptions.

Regent Barrett moved to accept OPI's proposed amendment to paragraph E, and the addition of paragraph I. Deputy Commissioner Barber said that the proposed amendment to paragraph E (provisional status will not be indicated on transcripts) is unnecessary. Only academic information, not admission information, is included on transcripts. He also suggested that the proposed paragraph I (establishing a data system to evaluate the writing proficiency policy) would fit into the policy better under paragraph G, and that it be rephrased to fit that section.

Regent Barrett amended the motion to include accepting only amendment I, as paragraph G.3, to read as follows:

"Establish a uniform system to collect and report student data related to writing proficiency to provide evaluation and analysis of the writing proficiency requirement."

Linda Peterson was pleased that the amendments were considered by the Committee. She agreed that the amendment to paragraph E was not needed, and wanted to emphasize the importance of the support and assistance for provisionally admitted students, that was suggested as an amendment to paragraph D.

The motion carried.

At the suggestion of the disability officers, Regent Barrett moved to amend paragraph E. 3 to add ". . . if no accommodation was provided at the time of the test." Motion carried.

Regent Hamilton suggested that the Committee respond to the Board of Public Education recommendation to establish an implementation committee with the following resolution:

The Board of Regents supports the implementation process for the Writing Proficiency Policy suggested by the Board of Public Education. That process is as follows:

- An Implementation Committee will be appointed by the Leadership Group. For the record that Group is made up of Linda McCulloch, Superintendent of Public Instruction for the State of Montana; Shelia M. Stearns, Commissioner of Higher Education for the State of Montana; Jan Lombardi, education policy advisor for Governor Brian Schweitzer; and Steve Meloy, executive secretary of the Board of Public Education.

- The Implementation Committee will be made up of four (4) representatives from the P-12 community and four (4) representatives from the postsecondary education community.
- The charge for the Implementation Committee will be approved by the Leadership Group.
The Board of Public Education motion that the resolution refers to was ". . . to refer to the P-20 Committee the establishment of a joint implementation committee to follow this policy through completion. . ."

Regent Barrett moved to adopt the resolution, incorporating the Board of Public Education motion for clarification. The motion carried. The amended policy and the resolution will be presented to the full Board.

2. Review of the transfer information on the Montana University System website
Deputy Commissioner Barber invited comments on the new transfer pages. He noted that there are still links that are under construction, but he is working with the campuses to complete that information. The campuses have been asked to create a prominent link to the transfer pages from their websites.

The target audience is primarily intended to be students, although the information will also be a resource for the Board and others who need to interpret and explain the new policies. Jan Lombardi said that some of the language seemed directed more to advisors than to students and suggested that Regent French might be able to help with rephrasing from a student perspective. Regent French agreed. She said the website is similar to what she had in mind, but she would also like to see a print brochure that registrars could distribute to students.

The Committee broke for lunch with the Leadership Montana class from 11:45 until 2:30.

3. Discussion of the "next steps" in the transfer arena
Deputy Commissioner Barber said that the policies adopted in response to the transfer audit were a good first step, but that a long-term commitment to improving transferability of credits throughout the system is needed. The number one budget initiative for the Commissioner's Office for the next biennium is furthering transferability through an improved data system and additional staff to analyze that data.
Although a common general education core has been suggested for the two-year campuses, Deputy Commissioner Barber said that it would be premature to create such a core until the General Education Council is formed. The Council will review the MUS core and the specific courses that fulfill that core, and that review needs to be completed before work is done on any other general education core. He also asked the assembled campuses for additional nominations for the Council, since he has a modest number of names at this point.
Regent Hamilton suggested that a good place to start devising common curriculum, similar to the new LPN curriculum, would be the other programs that the audit specifically targeted. Deputy Commissioner Barber emphasized that this work cannot be done by the two-year campuses alone. As with the LPN workgroup, the involvement and buy-in of the four-year campuses is necessary, too.
Provost Dooley said that it would be helpful to have a set of strategic goals regarding transfer; tasks could then be selected based on the goals. He asked if the Regents would be comfortable asking the academic officers and the Commissioner's Office to draft goals for the Regents' review. Regent Foster supported this idea and Regent Hamilton asked that goals be prepared for the March 2006 meeting.
As an informational item concerning transfer of credits, Deputy Commissioner Barber also announced that a revision to Board Policy 301.5 regarding transfer of credits may be prepared for the January or March meeting.
4. Discussion of possible activities for the Academic and Student Affairs Committee
Regent Hamilton suggested a review of the P-20 policy audit, and Regent Foster would like to look at the differences between admissions policies across the System.
5. Reports carried over from the September 2005 Committee Meeting – Deputy Commissioner Roger Barber
Deputy Commissioner Barber said that these reports are primarily informational, but also provide an opportunity for the Regents to consider what kinds of reports would be most useful to the Committee and to the Board. The individual reports were reviewed, observations were made and questions answered regarding specific data. The reports, and any formal suggestions or decisions, are set out below:
--College Preparatory Program Report
--Distance Learning Report
--Credit by Exam Report
Regent Barrett made a motion to change the Distance Learning and Credit by Exam reporting requirements from annually to biannually. Motion carried. The College Prep report will continue to be presented annually, and at the request of Regent Semmens, the academic progress of the cohort reported on this year will be tracked over the next several years.
--Diversity Report
Regent Barrett appreciated the new, condensed format of this report as well as the ability to look at more detailed data for each campus on the web. Ellen Swaney also appreciated the new format.
--Quality Report
Deputy Commissioner Barber noted that when the quality definition was adopted last year, the goal was a

system-wide quality report in addition to the campus-by-campus reports. He asked if such a report would be meaningful considering the loss of detail that would entail. Regent Foster favors the campus reports. Regent Hamilton suggested the addition of short campus narratives to explain some of the information in the reports. Deputy Commissioner Barber will continue to refine the report.

e. **Portion of the Meeting Devoted to Chief Academic Officers**

1. Level I memorandum – Deputy Commissioner Roger Barber

Deputy Commissioner Barber presented the Level I memorandum for the Regents' information. The Regents had no questions or concerns about the memorandum.

2. Level II Items

--**Action: ITEM 128-2701-R0905:** Associate of Applied Science degree in Radiologic Technology, Montana State University-Billings College of Technology

Regent Barrett moved to forward this item to the full Board. Regent Foster abstained because his employer made a financial contribution to the program. Motion carried.

--**Action: ITEM 128-301-R0905:** Certificate program in Licensed Practical Nursing, Flathead Valley Community College

Under the Board of Nursing/Board of Regents joint approval process, the Board of Nursing gave preliminary approval to the program, authorizing the campus to initiate the pre-nursing courses, the Introduction to Nursing course and to hire a nursing program director. The Board of Nursing will review the final nursing curriculum and the faculty qualifications in April. Deputy Commissioner Barber suggested that the Regents approve the elements the Board of Nursing has already approved, with the Regents' final program approval to occur at the May meeting, contingent on Board of Nursing approval. Regent French made the following motion:

That the Montana Board of Regents authorizes Flathead Valley Community College to begin offering the pre-nursing coursework described in Item 128-301-R0905. That coursework is set out in semesters one and two in the proposed curriculum information contained in the Level II documentation. The Board also gives Flathead Valley Community College permission to offer the Introduction to Nursing course described in the curriculum information. In addition, the Board of Regents requests that Flathead Valley Community College include this Item on the May 2006 agenda of the Board for action, assuming that the institution has had a decision from the Montana State Board of Nursing concerning the appropriateness of its Licensed Practical Nursing curriculum and the qualifications of its nursing faculty.

Motion carried.

3. Report on the Montana State University Rural Nursing Partnership in North Central Montana – Rolf Groseth and Elizabeth Nichols

Dr. Groseth distributed an Executive Summary of the project and a paper version of a Power Point presentation on the project. This pilot project was conducted collaboratively by MSU-Bozeman College of Nursing and MSU-Northern Department of Nursing in rural North Central Montana. The program successfully graduated seven students with associate degrees in nursing; all seven passed the RN licensure exam and are currently working. The Executive Summary included eleven recommendations for future implementation of similar programs. Copies of the summary are available from MSU-Bozeman.

f. **Portion of the Meeting Devoted to Chief Student Affairs Officers**

1. Continued discussion of textbook costs

Regent Hamilton apologized for the uproar caused by the draft textbook resolution included in the Board materials. It was intended to generate discussion, she said, and that certainly happened.

Bookstore management in attendance was Bryan Thornton, UM-Missoula; Jeni Luft, Montana Tech; and Mark Frisby and David Knickerbocker, MSU-Bozeman. Bruce Morton, Dean of Libraries at MSU-Bozeman, and Stephen Hochheiser, Thomson Learning representative, were also present.

Dean Morton responded to the suggestion in the draft resolution that one copy of every required textbook be put on reserve in the campus library. He had three objections to this suggestion:

- a. It is impractical—they don't have the shelf space or the staff to comply.
- b. It's pedagogically unsound because it doesn't provide sufficient access to the materials for all students.
- c. It violates the spirit, if not the letter, of the fair use provisions of copyright law.

Mark Frisby distributed a response to the draft resolution. The Committee agreed to discuss the resolution if there was time following Mr. Hochheiser's remarks.

Mr. Hochheiser was invited to speak by Bryan Thornton because Thomson Learning has been working creatively with the UM Bookstore to find solutions to the increasing cost of textbooks. Mr. Hochheiser said that course materials aren't just textbooks anymore, but that as an industry they have not done a good job sharing information about these new materials, which include software, on-line tutoring and test banks. The new tools that are available can increase student success, but if they aren't aggressively integrated into the class, students may not use them and are resentful of the cost. His company doesn't bundle unless they are contractually obligated to do so. Instead, professors are free to choose the specific tools they need from the range of course materials available. Although Thomson Learning publishes

approximately 300 titles as low cost alternatives, professors don't necessarily choose the lowest price materials.

Unlike trade books, textbook costs are in development, not in production, resulting in little savings when choosing e-books. Mr. Hochheiser said that large numbers of faculty consider the copyright date of a textbook, preferring to use newer texts even if the actual information doesn't change (e.g., mathematics) because applications and the way in which a subject is taught do change.

Mr. Hochheiser applauded UM-Missoula for piloting a new model for delivering instructional materials that will begin next fall. They are the only campus in the country to try this new approach, charging each student a fee for the use of intellectual property to spread the costs more equitably among students. Mr. Hochheiser offered to be an ongoing resource to the Montana University System and invited questions.

Regent French had several questions, and the answers are in italics:

- What is the shelf life of a textbook? *Three-four years, down from four-five.*
- Are authors who want to revise their texts ever turned down? *Sometimes; authors are also allowed to keep older editions in print if they choose.*
- Don't publishers always try to sell the "Cadillac" version of course materials? *No—it depends on the teaching style; they do "consultive selling."*
- Many bundles come with InfoTrac, which is available in the campus library. Why should students have to pay extra for this? *It's only part of the bundle if the professor requests it—maybe the professors don't know what's available on campus. He'll counsel faculty not to include it when it is available elsewhere.*

Regent Foster complimented Regent Hamilton for drafting the resolution. He wondered what other states are doing in this area, what the Regents' authority is in regards to textbook costs, and asked to continue the discussion at the next meeting.

Regent Barrett suggested starting simply by including an evaluation of course materials as part of the faculty evaluation.

Regent Hamilton asked who publishers inform when changes have been made to a textbook. In the past, faculty have been informed of new editions; now bookstores and students are also asking for information regarding what has changed from previous editions. Thomson Learning is the only publisher currently providing that information to bookstores and students.

Mr. Hochheiser said that in other states, opposition to the high cost of textbooks is often used as a political stance, resulting in some discussion in the legislature but little action. To his knowledge, Montana is the only state talking about this at the Regent level.

Discussion of the draft resolution was deferred to the March meeting. Regent French asked to make some final comments since her term ends in December.

- She encouraged adoption of a policy requiring disclosure and publication of ISBN numbers for all required textbooks.
- She suggested gathering information from students regarding whether or not they are actually using assigned texts.
- She suggested debundling and encouraging faculty to use InfoTrac and LexisNexis instead of textbooks.

g. Other business

Regent Foster thanked the *Exponent* for their October 20 article regarding the core curriculum.

h. Public Comment

No additional comments were offered.

i. Close

The meeting adjourned at 5:15 p.m.

Submitted by Cathy Doyle

END ACADEMIC / STUDENT AFFAIRS COMMITTEE

THURSDAY, November 17, 2005

**Staff and Compensation Committee
Minutes**

The committee convened at 8:15 a.m.

Committee Members Present: Chairman John Mercer, Regent Mark Semmens, and Regent Steve Barrett

Also Present: Chancellor Capdeville, President Gamble, President Dennison, Chancellor Gilmore, Jim Foley, Maggie Peterson, Bill Johnston, Chancellor Sexton

a. Minutes of 9/21/05 committee meeting

 Regent Semmens moved **APPROVAL** of the Committee Minutes from the September 21, 2005 meeting

 Motion **APPROVED unanimously** on 3-0 vote

b. Discussion of draft guidelines for “Board of Regents employment contracts” and “Montana University System employment contracts.”

Mr. Kevin McRae gave a brief background leading to the proposed changes in Regents Contracts. The draft document had been shared with the CEOs and the HR Officers. Regents Contracts would be limited to the Commissioner, Deputy Commissioner, Associate Commissioners, two Presidents, the Provosts, and Vice Provosts. The balance of those now on Regents Contracts would be covered by a different category of Montana University System employment contract. This approach would delegate a certain level of authority to the CEOs to manage and enter into a contract between administration and the employee, but would require annual reports to the Board. The Commissioner, Presidents, Chancellors, and two Deans would retain their authority to negotiate contracts, but would present them for approval to their immediate supervisors instead of the Board. The Commissioner would submit OCHE contracts to the Board Chair for approval. The committee envisions retaining flexible year-to-year contracts, and those for longer than one year will need to be approved by the Commissioner. They hope to have an integrated package for the Board in March which will include the contract types, and salaries and salary change guidelines. There will be further discussion on head coaches, academic administrators, and others not covered by this contract type. Under the proposal the Board would approve 50 to 60 contracts instead of 800. **Regent Semmens** asked if there were unusual increases if they would go to a higher level for approval, and Commissioner Stearns indicated that would be quite appropriate. **Chair Mercer** envisioned an employment corridor similar to the enrollment corridor discussed by the Budget Committee, and anything raise going beyond the ceiling of the corridor would need special approval. **Mr. McRae** indicated that could be incorporated into the salary guidelines. **Regent Semmens** indicated he had understood that multi-year contracts would also be taken up at this meeting. **Mr. McRae** said there will be a comprehensive look at all the contracts at the March, 2006 meeting. **Regent Semmens** believes the coaches should be included in the group of administrators. There was discussion of the notice period that should be required, as well as what can be done to retain current employees if new ones are brought in on better contracts. The committee also discussed the treatment of coaches, and whether it was wrong to send them packing if they did not win the title as is done in the entire industry, versus giving them longer contracts with regular notice like all other contracts. It was pointed out that the system should not be put in the position of buying out coach’s contracts when they move on. **Mr. McRae** noted the current contracts require 30 days notice the first year, three months the second year, and six months in the third year and thereafter. This policy does not include coaches. **Chair Mercer** thought perhaps the contract for coaches could be adjusted to the season rather than AY or FY. **President Dennison** agreed with the approach, and had argued for a minimum of three-year contracts for recruitment, since these coaches are the ones that recruit the athletes. These students choose to play for that particular coach. He said it will be important in the new rating from the NCAA on how long they keep the athletes, and how many graduate. He would envision an annual review of the coach, with a constant three-year horizon that would need to be specifically renewed. **President Gamble** indicated he liked the approach. Flex contracts can be great recruiting tools, even if they are not always used.

Chair Mercer mentioned one difference in the new approach is that currently Chancellors can submit their staff items directly to the Board, but under the proposal, they would need to present them to the Presidents. **Chancellor Sexton** said that they can make this work, but asked what the CEOs are actually permitted to do. He told the Committee they could make decisions and policies that prevent the Chancellors from doing their jobs. He assumed had had been employed to hire and recruit. The perception on campus of what a CEO can do is important. He also wanted the ability to extend these contracts to current employees as well as recruits. **Chair Mercer** asked if they now submit their new hires directly to the Commissioner. **Chancellor Sexton** indicated the items move through the main campus to the Commissioner. **Commissioner Stearns** noted they are proposing they go as far as the President and stop. **Chancellor Sexton** indicated he feels diminished as a CEO if the items go to the President, rather than the Board. His authority on campus is jeopardized. **Regent Semmens** said he was struggling to understand how that would jeopardize his authority, since they now come through the President and the Board. He did not understand how cutting off the top level would change anything. **Chancellor Sexton** insisted it does change the reality. **Chancellor Gilmore** noted that in some cases, whether justified or not, having a Regents’ contract actually has a small amount of status associated with it, and that would be taken away. **Chancellor Capdeville** said he sees the President as a viable part of the approval process. He saw the bigger question as making it clear the Board has the final responsibility for hiring and firing, and eventually some may have to take appeals to the Board, no matter what kind of contract they are on. He also put himself on the record as supporting the multi-year contracts. **Chancellor Sexton** said he was concerned about decisions he had made and President Gamble approved, being appealed beyond him and up to the President. They are hoping it gives them leverage to overturn his decision. He offered there are a number of hirings that should rest with the CEOs, such as faculty. **Chair Mercer** noted they were running short on time and requested Kevin McRae continue working on this issue and create alternatives based on the comments made today. He asked the committee to meet with Jan Lombardi to work on it as well. He would expect to have something at the March meeting.

c. Update on executive salary survey.

d. **ITEM 129-108-R1109** – Revision of Policy on Executive Compensation

Items c. and d. were covered together in the following conversation.

Regent Semmens explained the proposed amendments to this policy would lower the rate for Presidents from 100% to 90% of the peer average, provide greater flexibility to establish the pay level for Chancellors with a rate of 75% to 90% of the Presidents salary, and extend to the Deans of the two stand alone Colleges of Technology. That rate would be 60% to 75% of the Presidents salary. The proposal also changes the effective date from July 1 to October 1, and the biennial survey would become annual. **Regent Semmens** also noted that since the Board had already adopted the Budgets for the following year, if the CEOs were not able to fund these raises in October of 2006, they could be deferred for one year. **Regent Barrett** said he was supportive of these changes. His one question was whether the ranges gave ample latitude. He asked for comments on whether the percentages should be wider or narrower. **Chair Mercer** took issue with the foundation dollars being included in the survey. **President Gamble** indicated he thought the bands were adequate as a starting point. **Chancellor Gilmore** said he would be retiring before too long, and he did not believe they would be able to find anyone willing to take his place for his current salary, or for the amount proposed by the Committee. Faculty Representative **Shannon Taylor** said that faculty support the idea of using the external standards. He indicated too that leeway in a range is good to acknowledge merit. They do worry about where the money will be found, because the cost often rests with students. **Chancellor Capdeville** said he thought the ranges were fine, and suggested taking a hard look at some of the campuses and their ability to delay the increases. It would not reflect the quality of the job being done. **Chair Mercer** again requested the foundation dollars be removed from the calculation. **Mr. McRae** indicated that for the total of nine salaries surveyed the average is \$212,274, including the foundation supplements. If those supplements are removed, the average is \$178,570. 90% of the amount with the Foundation dollars is \$190,037, and without it is \$160,713. The Presidents are now making \$145,543. He also noted that in doing the survey they found that faculty at MSU are making 98% of the average for the same peer group, and faculty at UM are making 99%. **Commissioner Stearns** indicated that South Dakota who now funds the President's salary with a supplement from the Foundation will be approaching the Legislature and the Governor to make it entirely state funding due to the drawbacks. She hoped the Board would support these changes. **Chair Mercer** said he did not believe the Foundation dollars should be included in the mix since the Board of Regents had already ruled out using Foundation dollars to supplement the salaries of the system Presidents. **Regent Semmens** said he believes that the policy adopted at the previous meeting would be based on the \$212,000. Whether the sources include Foundations, those are W2 salaries. If they are to be intellectually honest, compensation is how much one receives, not the source. It does not reduce the responsibility of the State. **Regent Barrett** agreed, and noted that although Chair Mercer was correct in his reasons for not including the Foundation dollars, but he believed the University System had to be competitive. He also said this will make setting salaries consistent, and gives flexibility to the CEOs. He understood that the policy passed at the last meeting was meant to use the \$212,000 figure and he will support this item.

Regent Semmens moved to recommend the changes in the Policy to include the Foundation figures and if there are insufficient funds, a campus may delay implementation until October 1, 2007.

The Committee agreed, with Chair Mercer dissenting.

END STAFF AND COMPENSATION COMMITTEE

The Committee Adjourned at 9:35 a.m.

END OF COMMITTEE MEETINGS

MINUTES MINUTES

Montana Board of Regents of Higher Education

Regular Meeting

January 11-12, 2006

Best Western-Great Northern Hotel
835 Great Northern Blvd.
Helena, MT 59601

WEB PAGE ADDRESS: <http://www.montana.edu/wwwbor/>

BOARD OF REGENTS MEETING

The Full Board convened at 5:30 p.m., Wednesday, January 11, 2006

ROLL CALL

Roll Call indicated a quorum present

Regents Present: Stephen Barrett, Mike Foster Vice Chair, Lynn Hamilton, Heather O'Loughlin Student Regent, Mark Semmens, and Lila Taylor. Also present was Commissioner Sheila M. Stearns.

Regent Absent: John Mercer Chair, excused.

Representing Governor Brian Schweitzer: Ms. Jan Lombardi, Education Advisor

Acting Chair Mike Foster introduced the new Student Regent, Heather O'Loughlin.

Commissioner Stearns announced there would be an acknowledgement of Regent Lynn Hamilton's service to the Board during the meeting. **Chancellor Alex Capdeville** will hold another recognition of Regent Hamilton in Havre during the Board of Regents meeting in May.

ADMINISTRATIVE / BUDGET ITEMS

- a. **ITEM 130-2002-R0106** - Authorization to Execute a Site Lease Agreement with the USDA Agricultural Research Service; Montana State University

Regent Barrett explained this was follow-up from the November meeting. He indicated he had studied the lease and said there is significant federal funding involved, and the building will be located on the MSU-Bozeman campus, close to 11th and College streets. **Regent Barrett** indicated the Board needed to authorize the action and at the same time make an exception to policy, which limits the duration of leases. Since parking is such an issue on campuses, part of the federal grant includes parking.

Regent Barrett **MOVED** that MSU be **authorized** to enter into the proposed long-term lease agreement with the USDA to allow for the construction of a new federal USDA Research laboratory facility on the MSU campus. He further moved that the Board authorize an exception to Policy 1007 which limits duration of leases to 20 years. Given the nature of this project and the investment of the federal government in the building, he moved that the Board allow the duration of the lease to extend for 30 years for the initial term with an option to be renewed for an additional 20 years.


President Gamble explained the USDA has the same requirement of longer leases with other entities. Longer leases are standard from a federal perspective. **Regent Hamilton** asked about the state architects involvement. **President Gamble** explained that Montana State University and the State Architect & Engineering are working together to assure it meets standards. He explained from past experience, federal requirements were actually more stringent than state requirements. The groups involved are in agreement. **Regent Semmens** asked for clarification on the statement of seeking \$20 MIL and MSU seeking funding for \$12 MIL. He asked if it was a \$32 MIL project. **President Gamble** explained that there are actually two separate pieces to the project. It will take two sessions to get the deal finalized. MSU has the first right of refusal if the Federal Government decides to vacate the premises. There are actually two buildings, with the USDA being the owner of the federal building. **Regent Hamilton** expressed concern about A&E not being involved in the planning of a building on state property. **Craig Roloff** explained MSU and the state have the right to review the drawings, but do not have the right to tell the Federal Government what to do. The Federal requirements are at least as strict as any requirements the State has. He added they were most concerned with compatibility with the appearance and the connection to the MSU infrastructure. MSU does have control over the infrastructure. **Chair Foster** asked if it is common to have a building owned by one entity, but on the land of another. **Regent Barrett** indicated it is a very common relationship.

 Motion **APPROVED unanimously** on 6-0 Vote.

b. **ITEM 130-102-R0106** - Approval of Agreement between Postsecondary Education Policy and Budget Subcommittee and the Board of Regents.

 Regent Semmens **MOVED Approval** of Item b.

Regent Semmens explained this document was the integration of many other documents. He praised the collaborative work with Alan Peura, Dave Gibson, and Jan Lombardi. Regent Foster applauded the efforts expended in creating this quality document. It was also noted that the next meeting for PEPB is February 23, 2006.

 Motion **APPROVED unanimously** on 6-0 Vote.

END ADMINISTRATIVE/BUDGET ITEMS

CONSENT AGENDA


Staff Items:

- a. **ITEM 130-1000-R0106** - Staff; The University of Montana-Missoula AMENDED
- b. **ITEM 130-1001-R0106** - Authorization to Confer the Title of Professor Emeritus of Curriculum and Instruction upon Carolyn J. Lott; The University of Montana-Missoula
- c. **ITEM 130-1009-R0106** - Authorization to Confer the Title of Professor Emeritus of Drama Upon Christine Milodragovich; The University of Montana-Missoula
- d. **ITEM 130-1500-R0106** - Staff; Montana Tech of The University of Montana
- e. **ITEM 130-1500A-R0106** - Staff; Montana Bureau of Mines & Geology; Montana Tech of The University of Montana
- f. **ITEM 130-1501-R0106** - Authorization to Confer the Title of Professor Emeritus of General Engineering Upon John F. McGuire; Montana Tech of The University of Montana; Montana Tech of The University of Montana
- g. **ITEM 130-1600-R0106** - Staff; The University of Montana-Western
- h. **ITEM 130-1900-R0106** - Staff; The University of Montana-Helena College of Technology
- i. **ITEM 130-2000-R0106** - Staff; MSU-Bozeman
- j. **ITEM 130-2001-R0106** - Professor Emeritus of Music upon Glen Johnston; MSU-Bozeman
- k. **ITEM 130-2300-R0106** - Staff; Ag Experiment Station
- l. **ITEM 130-2400-R0106** - Staff; Cooperative Extension Service
- m. **ITEM 130-2700-R0106** - Staff; MSU-Billings
- n. **ITEM 130-2800-R0106** - Staff; MSU-Northern
- o. **ITEM 130-2850-R0106** - Staff; MSU-Great Falls College of Technology

Labor Agreements/Other Items

- a. **ITEM 130-101-R0106** – Approval of Tentative Agreement with Helena Teachers Union, Helena College of Technology
- b. **ITEM 130-103-R0106** – Approval of Tentative Agreement with Faculty Union; The University of Montana College of Technology
- c. **ITEM 130-104-R0106** - Montana Rural Physicians Incentive Program; Office Commissioner of Higher Education

Chair Foster reported that The University of Montana had added a couple items which needed no further clarification. See attached sheet. Under Labor Agreements Item a., Helena College of Technology Faculty Union had not yet ratified the contract, so no action was taken by the Board at this time.

 Regent Barrett **MOVED approval** of the entire Consent Agenda, to include the amendments to the UM Staff Item, and removal of Item a. under Labor Agreements/Other.

 Motion **APPROVED unanimously** on 6-0 Vote.

END CONSENT AGENDA

With no further business to come before the Board, the meeting adjourned at 5:50 p.m.

Mailed to the Board of Regents on

Approved by the Board of Regents on

(Date)

(Date)

Sherry Rosette
Board Secretary

John A. Mercer
Board Chair

The Regents' Planning Session commenced at 5:50 p.m.

a. Strategic Planning Update – D. Gibson

Associate Commissioner Dave Gibson gave the Strategic Planning Update and explained they had reviewed all the documents produced by staff, combined many of them and incorporated many of the goals from each.

Commissioner Stearns stressed the need of her office to have a sense of what the Regents want before the March, 2006 meeting. **Regent Semmens** commented it was good to know the current situation and where they are heading. He also noted the Strategic Plan now tracks closely to the PEPB Goals and is also in line with the Legislature's and Policymakers' requests. **Regent Barrett** voiced a desire for a short communication tool to let people know what the Montana University System is all about, and to articulate the Strategy to the Legislature.

Regent Hamilton added that the Montana University System can't communicate to people of Montana until there is a written document. She is concerned people will use statistics and data in different ways, leading to a misunderstanding of the findings, or create a perception that the System is confused or unprepared.

Regent Semmens indicated he liked the way the Strategic Plan explains efforts to increase participation rates. **Chair Foster** requested a condensed one-page document to provide Legislators and the Public with the nutshell version.

Mr. Gibson emphasized the importance of paying close attention to the measurements and encouraged recommendations for change since this document will be used to measure the System for the next five years. He noted the document, with the exception of the 3-5 year goals should be ready for approval at the March meeting. The Regents will be asked to approve the Strategic Initiatives portion at the May 2006 meeting.

d. Allocation Model Update

Robert Duringer provided an update on the work on the Allocation Model, and explained Dennis Jones' use of the peer analysis. The group has met twice and will meet twice more to prepare for the March meeting.

Mr. Duringer stated the deliverables will be:

- an agreed upon list for the campuses
- Corridor
- Policy on revenue mix
- Fee waiver analysis
- 2 year initiatives

He also noted it was important for the "peers" to more closely match the Montana University System in the technical area and to be institutions that operate as Montana does. **Regent Semmens** said consideration should be given for some variability in the corridor numbers to cover more costs if there is an increase in students. He also asked if the group was incorporating differential tuition. **Mr. Duringer** answered yes, that all these concerns were being considered and discussed in their meetings. He added that the committee was looking at differential tuition and different ways of funding the two-year institutions and that they also need to phase in costs.

b. 2009 Planning: Current Services Budget

Pam Joehler explained the FY09 Budget scenarios and the importance of developing common methodology for developing the budget. The document can be found at www.montana.edu/ocheftp/FY09%20Budgetpdf. The document comes from the current expenditure levels, applying inflation adjustments and projected forward to the FY08-09 biennium. The enrollment projections were broken down between resident and nonresident students, showing an increase in resident and non-resident students and in WUE. She explained various funding scenarios and showed the present law adjustments the Budget Office typically approves. The "Present Law" funding scenario assumes the Budget Office would approve 80% state funding (and 20% tuition), with annualization of the prior year pay plan, state fixed costs, and enrollment growth adjustments, and 38% state funding for the Executive Pay Plan. All Present Law Adjustments not approved by the Budget Office, such as general inflation, is assumed to be funded from tuition. As a result of these assumptions, the estimated annual tuition rate increase is projected at 9.3% per year. **Regent Foster** asked if Ms. Joehler used the percentage from what the state typically funds instead of assuming the state would increase funding. **Ms. Joehler** replied the figures were based on what the state typically funds. **Regent Foster** asked if the result is that the state supplies a lower percentage each year. **Ms. Joehler** replied yes. **Regent Semmens** said he was surprised to see 7% increases. When looking historically over the past years, expenditure increases were typically 4% each year. **Mick Robinson** noted he needed to refer to the first page of the document, and recognize this is a work in progress. He added that when talking about tuition, they're also talking about state funding versus tuition funding and that there is a lot of additional work to be done yet. Insurance rates are not determined at this time, but they used the average of past years percentage increases. This project will be updated in the spring, when they'll look more closely at enrollment projections. Affordability is a significant issue. **Mr. Robinson** stated they need to look at having expenditure increases that will work for the Governor's Budget Office when looking at funding scenarios. Discussion followed regarding the 80/20 funding ratio for the pay plan. **Mick Robinson** told the group that expenditure increases are based upon state support. Tuition fills in the gap for what is not covered by state funding. He added that they would appreciate direction from the Board of Regents as they prepare for the March meeting. **Chair Foster** said it would be helpful if they could see the dollar amount of impact on the first page too. If a percentage is in the millions of dollars, then that makes quite a significant impact. He asked if they were talking about large or relatively small amounts. **Mr. Robinson** responded they were talking about a significant dollar impact. There is a separate work group addressing the utility

issue, which will be reporting back with their best estimate of what the utility rate will be 2-3 years down the road. **Regent Semmens** requested getting closer to 5% and stressed the importance of working closely with the Executive Budget Office to bring more credibility to the affordability issue. **Chair Foster** agreed with **Regent Semmens** on the 5% figure. **Regent Hamilton** asked if the utility surcharge that was passed by the Board was reflected in this budget, or if this was an additional 20% above that utility fee. **Bill Muse** responded the utility surcharges were considered to be one-time in this biennium, so they are not included in this budget. **President Gamble** asked on behalf of the students if the budget process was as efficient as it could be. **Regent Semmens** explained that this is a very intensive process in which the Committee is trying to examine the various issues. **Commissioner Stearns** asked the Board for their sense of the early assumptions given, such as the policy statement on tuition, quality, affordability, flexibility, predictability, competitiveness, and the proliferation of mandatory fees. She would like to see an increasing emphasis on affordability and higher education cost adjustment. The Commissioner explained that tuition is always a function of partnership and that the group would be discussing initiatives the next day. She takes very seriously expenditure control, partnerships between students and the State and what is best for the State's future. **Regent Barrett** asked what good it was with guidance to stay at a 5% increase. He believes the Board needs to find a programmatic solution or give better direction on duplications of things that are working well. He stated the Board needs to be better managers.

Tuition and funding scenarios

Ms. Joehler explained the remaining 2 pages of her document. She said these were funding scenarios using the present law-funding base as on the 1st sheet. The first scenario used the expenditure base in the FY09 biennium (estimated). The next assumed the FY07 tuition rate was reduced 10% and is held constant for FY08-09 and that non-resident tuition will still increase the same amount as in the 1st funding scenario. These show impact on the general fund. **Regent Semmens** said the information in the document gives the Board some comfort with tuition increases and recommended staying with a 4-5% increase in tuition rather than going higher. **Regent Foster** reiterated that some programs may have outgrown their purpose. He suggested this would be a good time to review this aspect. **Regent Semmens** asked Commissioner Stearns if the Commissioner's Office is comfortable with the tuition increase levels. **Commissioner Stearns** replied that she was uncomfortable with an average tuition increase of over \$250 or so per year. It hinges on the partnership with the State and the initiatives the Board has discussed, and whether the State agrees to fund 100% of the initiatives if they are endorsed by the Administration. She added that campuses have program reviews, but the fact is that many programs not paying their own way are the very ones the community wants to keep, such as the nursing programs. She would personally like to have a tuition increase of 5% or less, but that would depend on the State paying more. The State used to pay 80%, rather than their current 40%. **Student Regent O'Loughlin** asked where the number for Fee Waiver Reductions on page 2 was obtained. **Pam Joehler** replied the fee waiver reduction comes from a reduction in the tuition rate. Therefore, the fee waiver cost is reduced. In scenario 4, the fee waiver is high because of a high tuition increase. **Regent Semmens** said as tuition increases are reduced, there is a reduced expenditure level. **Regent Hamilton** recommended caution when discussing numbers. Tuition cost is only a part of the check parents make out. The fees on many campuses are nearly as high as the tuition. **Regent Semmens** clarified that he is not pleased with a 5% increase, and he would like to engage in dialogue on affordability. Under reasonable assumptions, we need to concurrently consider affordability and to preserve quality while being sensitive to expenditure levels. **Jan Lombardi** told the group that tuition and affordability are concerns. She appreciated the committee looking at the different scenarios. She noted that at the Board of Education meeting the following day, Dave Ewer would begin the discussion of where the State is, what they are looking at, and where education can fit into their plans.

The meeting recessed at 7:30 p.m.

THURSDAY, January 12, 2006

The Board reconvened the Planning Retreat at 2:00 p.m.

Chair Foster recognized Regent Lynn Hamilton and expressed great appreciation for her involvement and dedication over the past seven years as a Regent. Regent Hamilton is highly respected and he praised the high quality of her work and input. Similar appreciation for Regent Hamilton was expressed by **Commissioner Stearns**, the other regents, Presidents **Gamble** and **Dennison**, Chancellor **Capdeville** and **Carol Donaldson**.

David Ewer, the Governor's Budget Office Director, explained the situation of the state budget. Some departments have growth they can't control, such as Corrections. **Mr. Ewer** said that to build a budget, it is necessary to take a base, build present law adjustment into it, and then consider new proposals. Regarding the Schweitzer budget, **Mr. Ewer** thinks they have enough money now to meet present law adjustments, that they can meet the Department of Corrections budget and DPHHS, with a pay plan that will sell to the unions. He is alerting department heads, however (not including the pay plan) that they are looking at only 1% over present law adjustments for the budget. He wanted to give a sense of reality from their perspective. With part of that 1%, he suggested that they will need to get new buildings on line. He told the group he doesn't have a bond program in mind yet. A major infrastructure the Governor's Office will attempt to put forward will be for a more secure computer system. **Mr. Ewer** said there need to be priorities for getting the greatest return on investment for higher education and he hopes the group will take the transferability issue very seriously. The easy part is to have the money for the data system. The hard part

is the other issues. **Mr. Ewer** explained the Budget Office doesn't have the Governor's comments on the priorities regarding the 2-year schools yet. Unless there is a new big revenue source, and a new growth in the economy, and taking into account a big income tax change which will take a lot of money out of state government, then the budget will be tight. **Chair Foster** thanked Mr. Ewer for his input and guidance. Discussion followed.

Regent Semmens told the group it would be more effective to work closely with the Executive Office for what is realistic and achievable. He suggested meeting with the Budget Office soon concerning new proposals and initiatives that the Board would like to work on with them. **Mr. Ewer** replied that he would be very interested in hearing ideas with a lot of leverage. He realized there are a lot of campus needs and infrastructure needs and would like to have some conversations with the higher education group to discuss putting more money into some of the buildings and deferred maintenance. Those things may not have a lot of visibility, but in the long run, may help to save the state a lot of money. **Mick Robinson** asked for clarification in present law calculation or determination and requested that Mr. Ewer to take a close look at that particular issue, as it affects tuition, how it is looked at by the Budget Office and how the University System may look at present law. **Mr. Robinson** also asked Mr. Ewer to look at University System pay plan. **Mr. Ewer** also addressed vacancy savings and how the legislature may also address this as well. **Regent Semmens** asked the Budget Office to think about the issue of the pay plan, and the State/Student ratio. **Chancellor Alex Capdeville** commented on the growth in the prisons and suggested that putting more money into 2-year education could help with the growth issue. If the campuses could train people and give them a skill, he believes that will make a big difference. He said the University System would like to be a part of the solution, but realizes they need to do it together. **Mr. Ewer** agreed with the importance of working together, and fully recognized that Montanan's don't like new taxes, and therefore, we need to take what we have and do the best we can. He stated that his philosophy is to try to do things on the front end. **Chair Foster** encouraged Mr. Ewer to attend meetings and extended appreciation for his comments and input.

c. 2009 Planning: System and Campus Initiatives – Overview – Stearns / Robinson

Regent Semmens cautioned the group on the danger of getting too excited about putting money into new and exciting ideas and initiatives, but forgetting to keep some of the more mundane things going and to keep in mind that some think it is most important to keep funding current level services. He is in favor of the System Initiatives only if the MUS and the Governor's Budget Office agree. **Regent Semmens** wants the University System and the Budget Office to be able to be in agreement before next fall with clear, cohesive collective initiatives. He agreed with pulling together some of the common initiatives and would like to find room for some amount of campus initiatives. Once that decision is made, he would refer to the campus CEO's on how to make best use of those initiatives to make the best use of the resources. **Regent Semmens** hoped the Board could have some campus initiatives, in addition to the system initiatives in March. **Chair Foster** asked Regent Semmens what the University System responsibility is of looking at present programs on the campuses to determine if programs should stay and to determine if there are some that should have some changes. **Regent Semmens** answered that is part of the process and believed unless they have buy-in and support from the Governor, the chances of succeeding would be very small.

System Initiatives

Commissioner Stearns explained the six initiatives developed within the Commissioner's Office. (see document)

1. Transferability and integrated student data system
2. Indian education for all
3. Affordability
4. Distance learning
5. Community colleges and workforce development
6. Eliminate healthcare worker shortage

Commissioner Stearns said she would like the University System to develop a "system" approach to make transferability more operational than it has been, and added that the Governor is interested in 2-year programs and Indian Education For All. **Commissioner Stearns** explained the six initiatives, the importance of working closely with the Governor's Budget Office and the importance of being very systematic. She agreed the priorities should be supported by the Governor's Budget Office. The Commissioner said her top priority is transferability and the student data system. Regarding affordability, the University System should work with the Governor to discuss whether he would like to expand the Governor's Postsecondary Scholarship Program, or further develop MPACT, which is in the pilot stage at the UM campus. Distance learning, explained Commissioner Stearns, is based on Shared Leadership work and people throughout the state are pleased with the work in this area. Tom Gibson is leading this effort. The Commissioner said Community Colleges and Workforce Development – both in Shared Leadership, the Governor's Office, and the Leadership Montana Group – should make community colleges and two-year education a higher priority. **Commissioner Stearns** said regarding the initiative to Eliminate Healthcare Worker Shortage, that Dave Gibson has been working with people throughout the state in a collaborative manner. She added that all campuses should fit into and benefit from these initiatives. **Regent Barrett** expressed disappointment in the campus Initiatives because there is no evidence in discipline or thought in presenting them; no hierarchical listing of what is more important. He said when a person gets 144 pages of Initiatives without much suggestion on what is most important to the campus, it requires the Board to micro-manage those priorities. He asked how they will maintain credibility in the Legislature if they have such a long list. Further, they need to tie the

initiatives with what is real. He noted that there was no indication of what other things would be discontinued if these Initiatives were adopted. **Regent Barrett** said they should have been better managers. He appreciated what the Commissioner's Office did in trying to incorporate some of them together and stressed the importance of working closely with the Governor's Office. **President Dennison** asked if the list of System Priorities would all be funded with general funds. He also asked if there would be no tuition increases, as he would like to see that. **President Dennison** said they did look at priorities, the cost of current services and the pay plan. They limited the proposals to a 2% increase in tuition. The reasons they did not include the affordability issue or transferability issue was because they would be handled by the system initiatives. He said they also did not address the healthcare issues because they felt the Commissioner's Office would address that. **President Dennison** wanted the group to know they did indeed look closely at priorities and further explained that their highest priority was faculty at the Missoula College of Technology. He emphasized this was not just an exercise in a wish list, but rather a list of needs within the State. If the pay plan has to be covered by tuition, then it appears there will not be anything left over after taking into account the present law adjustments. **Chair Foster** did not want to rate the priorities and questioned how the University System could address distance learning as a system, while keeping in mind the competitiveness of distance learning. **Evan Barrett**, the Governor's Economic Development Officer stressed the importance of the workforce issues, which are a critical issue throughout the state. He said the Executive Branch was working on the healthcare workforce shortage issue. Mr. Barrett's office has submitted a grant for workforce shortage. He said the University System will be integral in implementing these programs. **Chair Foster** commented on the workforce shortage in healthcare and construction. **Mr. Barrett** replied he would like to put together a SWAT team of members of the Governor's Office and university people to work on these issues, with the university system being a big player. **Regent Hamilton** said it would be important to include the K-12 group and local healthcare to work on the initiatives.

Campus Initiatives

President Dennison explained that the UM campuses looked at three areas of concern: access, economic improvement, and efficiency. They all agreed affordability was a big issue, with system initiatives to use the Governor's Postsecondary Scholarship Program as well as a pilot program The University of Montana is using. **President Dennison** wants to keep the retention rate up. He explained that he excluded proposals that came from individual agencies, as they are funded differently. He added that the largest funds go to workforce shortages and healthcare issues. He stated there are also some special projects from Tech, such as the Science Academy, which would have to be funded by the state. He said there is also a special initiative at Western to explore biomass. Further, they would need \$5 MIL of general fund and \$2 MIL from tuition. **President Gamble** expressed concern regarding Regent Semmens' difficulty in focusing too much on initiatives. By listening to conversations in the meeting last night and this morning, if the University System were to move from 7½% to 5%, that would be a \$10 MIL decrease. **President Gamble** said it was important to make sure there was adequate funding for what they currently have and to not have a long list of new initiatives. He said they had a \$6.2 MIL target, then went through and prioritized and divided among their campuses, with much emphasis on the healthcare initiative.

The MSU themes were:

- participation of students, including Native American students
- address difficulties in retaining staff on faculty and staff on 2 year campuses
- maintaining programs they know are working well
- internship programs
- core curriculum.


President Gamble said he realized it was a long list and that he understood that if they don't get funding, there would be some of those initiatives they would not be able to do and the list would be distilled down as they find out about funding. **Chair Foster** asked about the retention of students, which was discussed by both sets of campus initiatives. He expressed concern about students attending for a short while, then totally leaving the system and requested the campus CEO's to think about how to address those students. **Regent Hamilton** added that if they could access the College Summit Program, it would serve as a model for the future to better prepare the students for the future. She explained the College Summit trains counselors in the high schools to help advise students and families to make better decisions for their futures. **President Dennison** agreed with Chair Foster's and Regent Hamilton's observations. He said the purpose for the MPACT program was for students to make a choice between 4-year or 2-year programs. After they do 2 years, then they would still have the option of completing a 4-year program. **President Gamble** said they spent a lot of time on this issue and want the students to complete their education. They addressed methods of retention in their Strategic Plan. **Chair Foster** requested the OCHE staff work with the campus goals to bring the themes together to have a more collaborative effort. **Dave Gibson** said they will not have the ability to pull together a statewide healthcare initiative with comprehensible proposals in collaboration with the Governor's Office to have ready by the March Board of Regents meeting. He asked for guidance from the board and if they could push the timeline back to the May meeting for the healthcare proposals. **Mick Robinson** responded that timeline would not work for the Budget Office, but if the Budget Office knew it was in the works, then perhaps it could be accommodated. **Mark Bruno** said there have been times in the past when the Budget Office has used placeholders for projects like that and he thinks they could accommodate the request.

Regent Hamilton asked if the WWAMI slots are time sensitive. **Dave Gibson** responded that the recommendations and initiatives for healthcare WWAMI, expansion and addition of residency programs, and thinking about incentives for physician incentives for re-location could be ready in March. The real problem, however, comes with thinking about all the other health professions that need to be integrated, how to get rural allied health professions and how to develop a plan for a 5-10 year solution. He pointed out he doesn't think we would be able to realistically get all the money needed to solve all the healthcare problems throughout the state. **Mr. Gibson** suggested picking a dollar amount to at least work on some of them. **Regent Hamilton** asked if additional WWAMI slots produce more physicians for the rural healthcare profession. **Dave Gibson** answered, yes, but many other things also fit into the issue. **Regent Hamilton** asked if there is a structure to work on in collaboration with the Governor's Office and the Department of Commerce to keep other groups up to speed with these proposals. **Dave Gibson** replied, yes, he has had discussions with the Governor's Office regarding that. In the healthcare arena, however, they need the time to have more constructive meetings with the healthcare professionals. **Jan Lombardi** said it's a very big issue and requires more strategic thinking, with a number of agencies, and she asked Dave Gibson to allow more time for more conversations. **Beth Creager**, Dean of Student Affairs at Miles Community College addressed Priority #5 and encouraged the group to look at article #20 about name changes for colleges of technology to make sure it is consistent with Montana Code. **Commissioner Stearns** assured Ms. Creager if there were any name changes, they would be in full compliance with all regulations. The Commissioner followed up on a point made by President Dennison and said she would like Regent O'Loughlin and other students in MAS to consider how much tuition should be dedicated to new initiatives on the different campuses. She asked the students if they wanted the Board to work with the Executive Branch, deciding whether these initiatives are so important that they should be funded from the General Fund. **Commissioner Stearns** reminded the group that if they hold growth to 5%, there will be absolutely no new initiatives because there just won't be enough money. She felt that if the initiatives are indeed that important, the Board should then ask the students if they are willing to fund these initiatives primarily, partially or not at all in this biennium. **Regent O'Loughlin** said she would bring up the Commissioner's questions to MAS within the next month. In looking at the list of initiatives, Regent O'Loughlin said, she felt the Legislature should provide funding since it is the Legislature's responsibility. **Deepu Philip**, MSU student, said the State benefits from students doing well in higher education. **Chair Foster** said he too was concerned about tuition. He would like as many initiatives as possible that can be covered by State funding. He asked what position the board wanted to take. **Regent Hamilton** asked for clarification on whether the initiatives should be stand-alone general fund or if some of the initiatives could be covered by tuition revenues. **Commissioner Stearns** responded yes, and some of the initiatives would have industry collaboration as well. She indicated she was very reluctant to have a small portion funded by increased tuition, unless there were direct recommendations from the students to do that. **Commissioner Stearns** requested the Board's guidance on any tuition component. **Regent Hamilton** asked if they chose not to allow tuition to support initiatives, would they then not proceed with any of these initiatives. **Commissioner Stearns** responded that is exactly the guidance she wants from the Board. **Regent Hamilton** said, from her perspective, the Board needs to be careful because some of the initiatives are so important, regardless of the funding source.

Public Comment

Eric Burke, MEA-MFT requested the Board identify gaps in the System Budget. He noted that contract faculty comprised the largest component of the Budget, and he believed the Board had not addressed the needs of this group. **Mr. Burke** questioned if a placeholder for a Pay plan increase of 3% was enough. He indicated that MEA-MFT wants a discussion on system-wide expenditure levels for contract faculty. **Mr. Burke** talked about the handout "Contract Faculty Expenditures in the Montana University System", and requested a more pro-active stance on salaries in discussions with the Governor's Budget Office. He gave the group a position paper, entitled "Faculty Salary Negotiations and the Montana University System: Shared Leadership!" and requested the Board of Regents work more closely with MEA-MFT.

END PUBLIC COMMENT

 **Regent Hamilton** moved to adjourn the meeting.

 **Motion passed** unanimously on 6-0 Vote.

With no further business to come before the Board, the meeting adjourned at **5:00 p.m.**

STAFF AND COMPENSATION COMMITTEE

The meeting of the Staff and Compensation Committee was **cancelled**.



Workforce Innovation In *Regional Economic Development*

The WIRED Initiative

This initiative focuses on labor market areas that are comprised of multiple jurisdictions within state or across state borders. It supports innovative approaches to education and workforce development that go beyond traditional strategies preparing workers to compete and succeed both within the United States and globally.

Montana's WIRED Grant

The New Homestead Act: Montanans for Bio-Product Development

Through committed partnerships (Montana's citizens, state agencies, private businesses, investors, academic institutions, entrepreneurs, philanthropists, and Tribal leaders) the region will develop new directions for the future of Central and Eastern Montana, incorporate best practices, and transform the rural Ag-economy including, but not limited to:

- curriculum roadmap with supporting course materials using the cluster as context;
- delivery models that provide blended e-learning and instructor delivery;
- Manufacturing Career Cluster model that provides students and incumbent workers the educational information to create a career pathway;
- cluster hubs for increasing collaboration with industry partners to develop competency-based modular training programs;
- optimization of biolubricant production in existing industry;
- expansion of existing establishment of oilseed processing and refining facilities; and,
- evaluation of new oil crops suitable for production in the arid climate of central and eastern Montana.

Critical Factor: Partnership Demonstration of the strategic partnership that is representative of the entire economic region and is comprised of a strong team of regional leaders.

- BUSINESS AND INDUSTRY PARTNERS
 - Regional Grower Cooperatives, Existing Agri-Industry and Montana Agricultural Business Association
- MONTANA AND REGIONAL ENTREPRENEURS
 - Technology Information Exchange, MT Independent Telecommunications Systems/Vision Net/iConnect Montana

- COMMUNITY DEVELOPMENT PARTNERS

- MT Rural Development Corporations
- MT Native American Development Corporation, Montana Ag Innovation Center (USDA Rural Development) and County Rural Development Corporations
- EDUCATION PARTNERS
 - Montana State University-Bozeman, Northwest Agriculture Research Center (NWARC), and the Montana Ag Research Centers, Montana State University-Bozeman - Research and Development, Montana State University Northern, BioEnergy Workforce Development Unit (OCHE), Montana's Two-Year Colleges-Workforce Training and Product Testing, (Colleges of Technology, Tribal Colleges, Community Colleges), and K12
- STATE AND TRIBAL GOVERNMENTS
 - Governor's Office of Economic Development
 - Montana Department of Commerce
 - Montana Department of Labor and Industry
 - Montana Department of Agriculture
- PHILANTHROPIC ORGANIZATIONS
 - Northwest Area Foundation (Opportunity Links) and the Montana Community Foundation

Critical Factor: System Transformation Implementation of new efforts designed to drive integration among workforce, economic development and education systems.

- Reduce the Brain Drain and Increase Educational Pathways
 - Career Cluster Development
 - New Learning Model-teaching in a contextual team environment
 - Dual Enrollment expansion
- Increase Responsiveness & Reduce Redundancies
 - *Unified Curricula Models* for two-year programs in high demand, high skill occupational pathways within a career cluster.
 - Cluster Hubs in two-year institutions located within a regional industry cluster
- Increase Accessibility to Education/Training Options
 - Blended e-learning models
 - Customized/mobile entrepreneurial education

WIRED Calendar

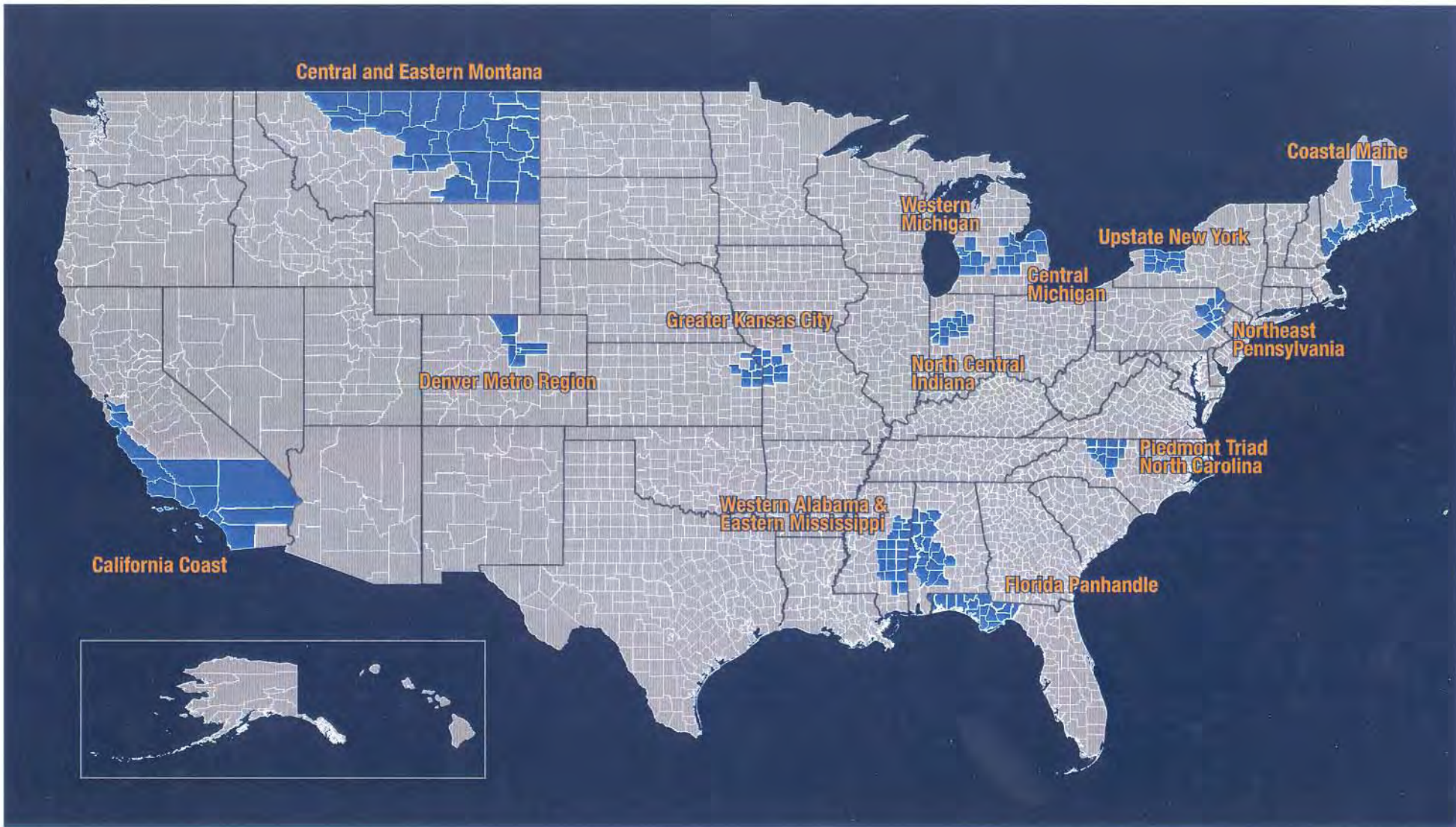
February 22, 2006	WIRED Town Hall Meeting Washington D.C.
May 25-26, 2006	Montana Kickoff Assistant Secretary Emily DeRocco Miles City, Montana
June 12-13, 2006	WIRED Academy North Carolina

Handouts

WIRED Map
 WIRED Region
 WIRED Fact Sheet
 WIRED Organizational Chart
 Montana's Bioenergy and Bioproducts Cluster Chart

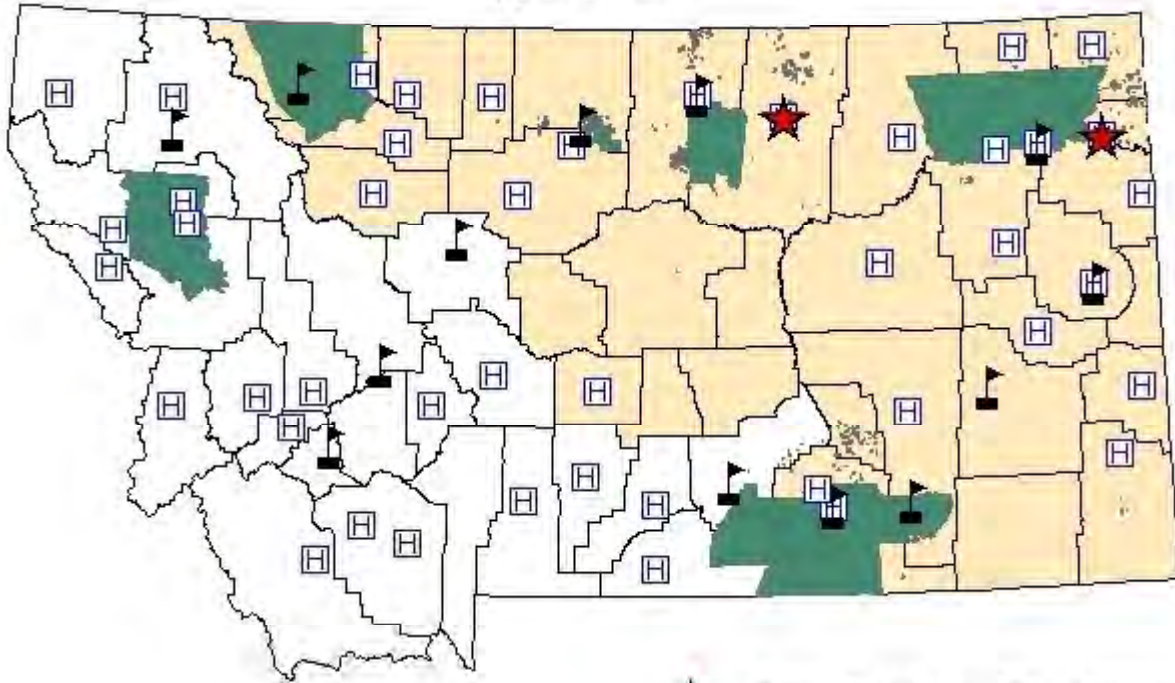
WIRED Town Hall Meeting

February 22, 2006



WIRED Region

Appendix B.1



-  Existing Crushing and Refining Plants
-  Two-Year Colleges
-  Hospitals
-  Tribal Land
-  Balance of State
-  WIRED Region

Workforce Innovation in Regional Economic Development Selected Regions



Workforce Innovation in Regional Economic Development (WIRED) is a new initiative that focuses on the role of talent development in driving regional economic competitiveness, increased job growth and new opportunities for American workers.

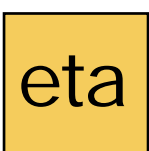
Revolutions in technology and information have ushered in the era we know as globalization. This era is marked by tremendous advances in communications, travel and trade allowing individuals instant access to commerce from almost anywhere in the world. At the same time, American businesses now work not only with companies across the street, but also with companies around the globe. In the new global economy, talent development is a key factor in each business's and our nation's economic competitiveness.

Global competition is typically seen as a national challenge. In reality, the front lines of the battlefield are regional, where companies, workers, researchers, entrepreneurs and governments come together to create competitive advantage. That advantage stems from the ability to transform new ideas and new knowledge into advanced, high-quality products or services – in other words, to innovate. And those regions that are successful demonstrate the ability to network innovation assets – people, institutions, capital and infrastructure – to generate growth and prosperity in the region's economy. These regions are successful precisely because they have connected three key elements: workforce skills and lifelong learning strategies, investment and entrepreneurship strategies, and regional infrastructure and economic development strategies.

The Road to WIRED

The Federal government invests over \$14 billion every year in talent development through the public workforce investment system. The Labor Department is leveraging those resources with industry and education resources to design innovative education and job training programs. The President's High Growth Job Training Initiative is demonstrating how these partnerships can prepare workers for new and increasing job opportunities in high growth, high demand and economically vital sectors of the American economy.

The President's Community-Based Job Training Grants initiative recognizes that many of the job opportunities available in the 21st century economy require post-secondary education and training, and that our community college system will play a key role in developing the skills of American workers. These grants are competitive and are designed to strengthen the capacity of community and technical colleges to train workers in the competencies and skills required by employers. In short, they will improve their ability to develop talent.



Workforce Innovation in Regional Economic Development Selected Regions

Though each of these initiatives is important in developing the skills of American workers, we also recognize that workforce development is about more than training individuals for current jobs. In today's economy, talent is an asset, bringing new businesses and industries into communities, and successful workforce investment programs can lead to the creation of new jobs.

The WIRED Initiative

While many regions have made considerable progress in integrating talent and skills development into their larger economic strategies, there are regions that need additional technical and financial assistance. Similarly, economic regions no longer correspond to state, county, local workforce investment area or municipal boundaries.

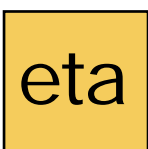
The WIRED Initiative is focusing on labor market areas that are comprised of multiple jurisdictions within state or across state borders. It supports innovative approaches to education and workforce development that go beyond traditional strategies preparing workers to compete and succeed both within the United States and globally.

Through the WIRED Initiative, Governors have a unique opportunity to design and implement strategic approaches to regional economic development and job growth. The WIRED Initiative will take place over the course of three years and is intended to catalyze the creation of high-skill and high-wage opportunities for American workers within the context of regional economies. This initiative is designed for regions that have been affected by global trade, are dependent on a single industry or are recovering from natural disasters.

Critical Factors in Selecting the Regions

The U. S. Department of Labor used the following criteria to judge the proposals received under the WIRED Initiative:

- 1) Demonstration of the strategic *partnership* that is representative of the entire economic region and is comprised of a strong team of regional leaders.
- 2) Presence of impacted economic elements in the region (unemployment, low-wages, low levels of new job creation) and description of the economic and labor market conditions that are driving the *need* for transformation (such as industries that are declining or industries targeted for growth).
- 3) Demonstration of how the region will undergo *transformation* through the implementation of new efforts designed to drive integration among workforce, economic development and education systems; innovation in addressing challenges; and utilizing and building upon existing structures, resources and legislatively funded programs.



Workforce Innovation in Regional Economic Development Selected Regions

Planned Actions for Regions Selected under WIRED

- 1) Strategy Development – Map existing economic landscape and understand region’s strengths and weaknesses and identify opportunities and risks.
- 2) Galvanize Regional Networks – Build a leadership team consisting of civic, business, investor, academic, entrepreneur, and philanthropic members. Form consensus on action agenda and gain leadership commitment.
- 3) Implementation Coaching – Selected team of experts to provide guidance.

Additional ETA Actions

- 1) Create a WIRED Academy to share successes and challenges between selected regions and capture that knowledge for other regions.
- 2) Develop performance measures and benchmarks of success to track the short and long-term impact of this initiative.

The following regions have been selected for the Workforce Innovation in Regional Economic Development (WIRED) Initiative:

Coastal Maine – 11 counties including Augusta, Bangor, & Brunswick

Northeast Pennsylvania – 9 counties including Scranton, Allentown, and Reading

Upstate New York – 9 counties including Rochester and Finger Lakes region

Piedmont Triad North Carolina – 12 counties including Greensboro & Winston-Salem

Central Michigan – 13 counties including Lansing, Flint, and Saginaw

Western Michigan – 7 counties including Grand Rapids

Florida Panhandle – 16 counties including Tallahassee and Pensacola

Western Alabama & Eastern Mississippi – 17 counties in Ala. including Tuscaloosa and Selma & 19 counties in Miss. including Meridian and Starkville

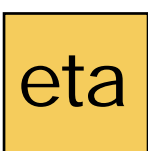
North Central Indiana – 14 counties including Lafayette

Greater Kansas City – 10 counties in Missouri and 8 counties in Kansas including Topeka

Denver Metro Region – 8 counties including Denver, Boulder, and Ft. Collins

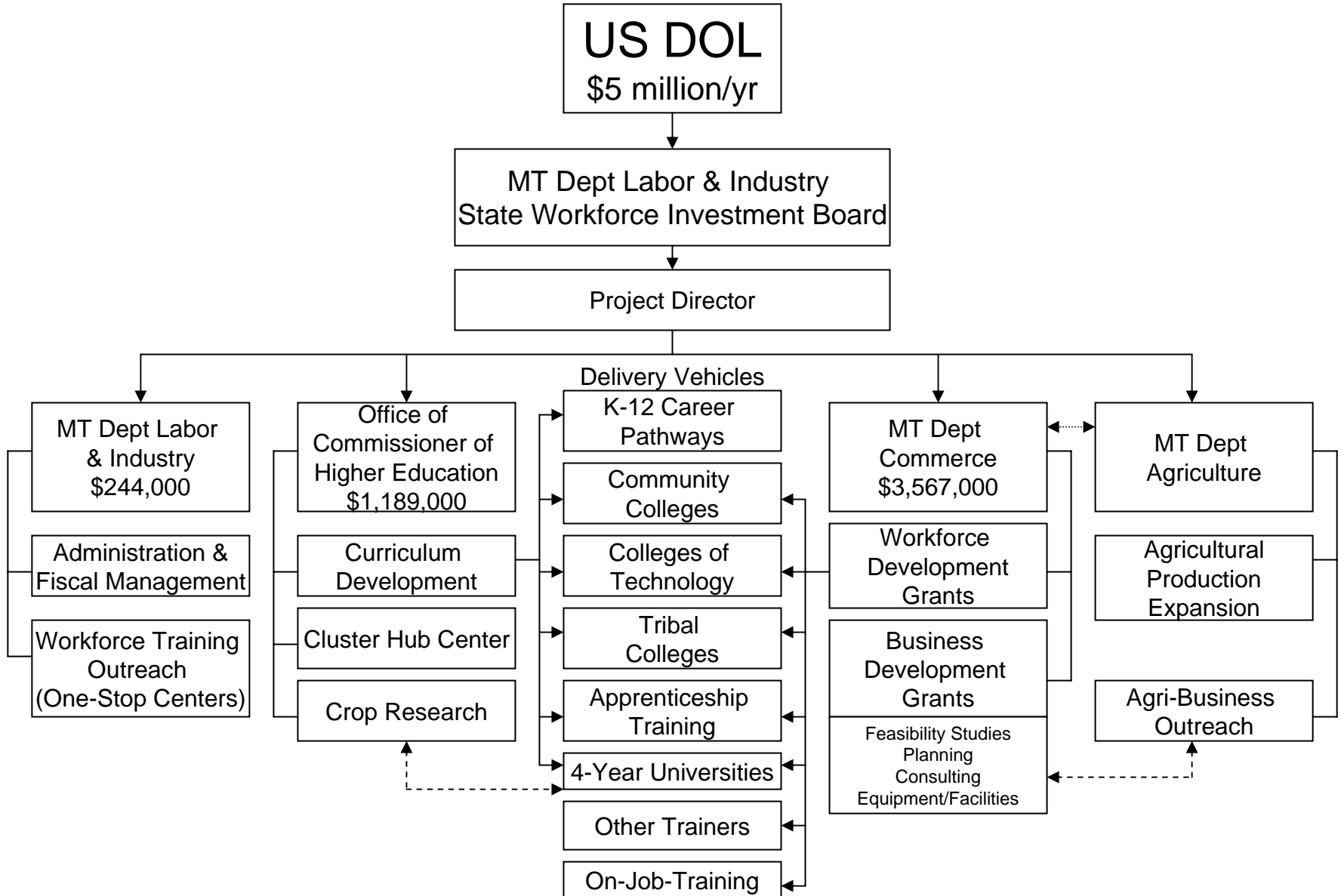
Central & Eastern Montana – 32 counties covering mostly rural areas

California Coast – 13 counties including Oakland, Los Angeles, and San Diego

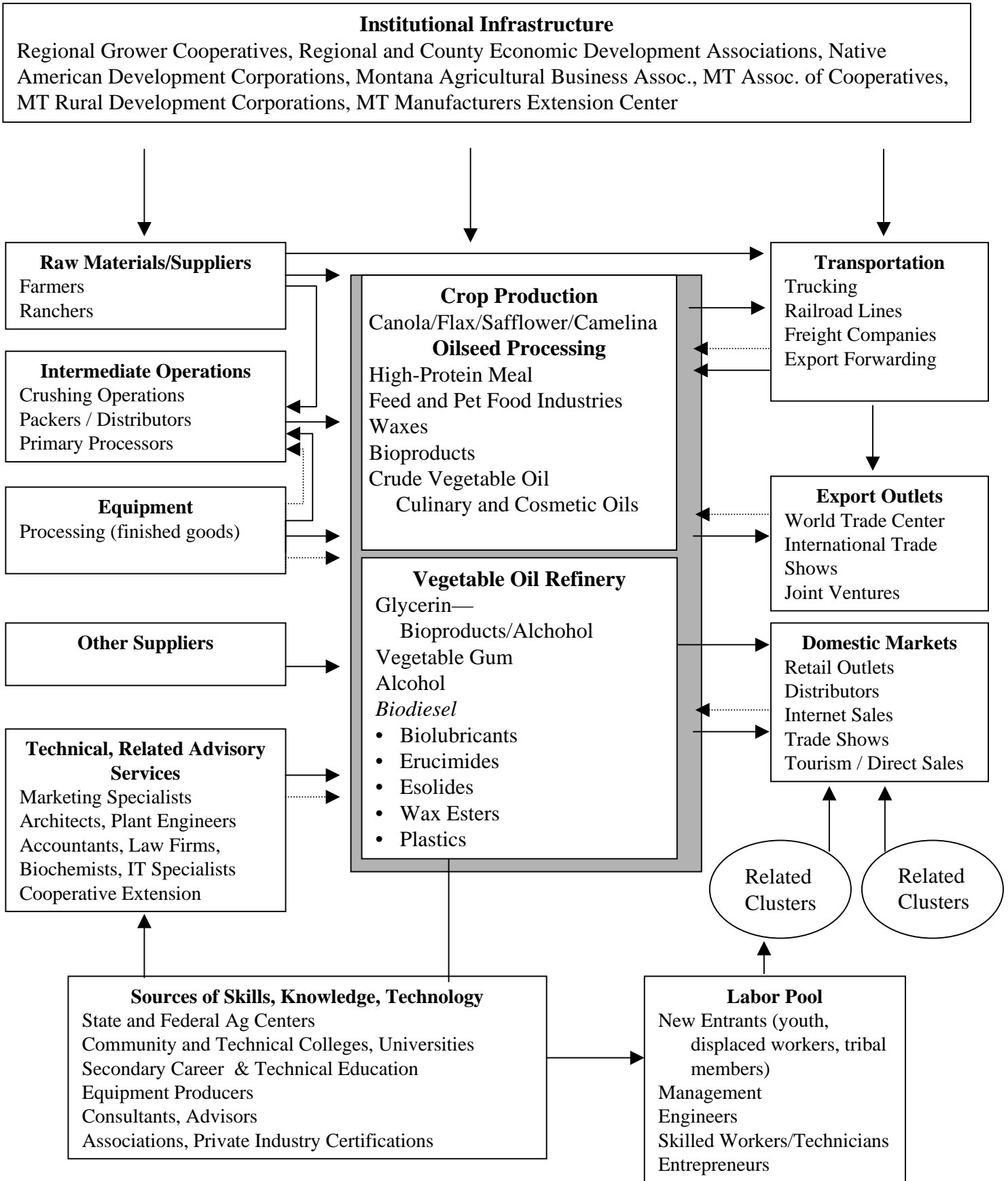


Workforce Innovation in Regional Economic Development (W.I.R.E.D.)

The New Homestead Act: Montanans for Bio-Product Development



Montana's Bioenergy and Bioproducts Cluster



MONTANA'S HEALTH CARE WORKFORCE

REVIEW AND ANALYSIS

OF THE

GOVERNOR'S BLUE RIBBON TASK FORCE ON HEALTH CARE WORKFORCE
SHORTAGES

AND

RECOMMENDATIONS

OF THE

MONTANA PRIMARY CARE LIAISON GROUP

February 2006

Prepared by the

MONTANA PRIMARY CARE LIAISON GROUP

A Partnership of Organizations Promoting Quality Health Care in Montana

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MONTANA'S HEALTH CARE WORKFORCE SHORTAGES

Preface

The Primary Care Liaison Group (PCLG) reviewed and analyzed the report of the Governor's Blue Ribbon Task Force on Health Care Workforce Shortages--*Competing for Quality Care: Findings and Proposals for Montana's Health Care Workforce*, which was published on September 26, 2002. The report examined the following major issues and made proposals and recommendations on how each of these might be addressed:

- *Montana's Health Care Climate*
- *Educational Opportunities*
- *Health Care Work Environment*
- *Reimbursement and Compensation*
- *Health Care Workforce Data Collection and Analysis*

The purposes of the review and analysis of the Governor's Blue Ribbon Task Force report by the PCLG were to: (1) *recognize the value of the report to address current and future shortages of health care providers*, (2) *make complementary and additional recommendations to facilitate follow-up steps to finding solutions to health care workforce shortages*, (3) *suggest organizational structures and/or systems to address education and training* and (4) *initiate processes to facilitate discussion, sharing of ideas, broad-based collaboration and solutions*.

The success and value of the Montana health care delivery system depends on qualified personnel to deliver health care. It is well known that *access to care, quality of care, and costs of care* are affected by the availability of properly educated and trained health care providers. In consideration of this need, the PCLG encourages the Office of the Governor, Office of the Commissioner of Higher Education, government agencies and educational institutions to move forward the process of developing plans for: (1) *Health Care Workforce Communications*, (2) *Health Workforce Data Collection and Analysis*, (3) *Health Professions Education* and (4) *Health Research and Policy*.

Background

The Primary Care Liaison Group (PCLG) is a partnership of organizations (Appendix A) collaborating to facilitate the delivery of primary health care services. The group was started in the 1980s following the establishment of the Primary Care Association (PCA), Area Health Education Center (AHEC), Office of Rural Health (ORH), and the Medical Assistance Facility (MAF) demonstration project. The overall mission of the PCLG is *to improve access in Montana to quality primary and preventive health care through effective partnerships*. The mission is addressed through the shared vision to: (1) *understand the current status of primary care in Montana*, (2) *identify, create, and support opportunities that lead to improved resources and healthier communities*, (3) *develop ideas and strategies that lead to innovative and effective solutions to improve access to health care, help the underserved, and reduce health disparities*, (4) *assess current and prospective programs*, (5) *educate the public and legislators about health care needs*, (6) *influence public policy*, (7) *facilitate coordination and connectivity among statewide stakeholders to improve health outcomes* and (8) *actively collect and disseminate national and state health information*.

Among the year 2005 *strategic directions* proposed by the PCLG was to “**address health professions shortages**” through accomplishment of the following:

- *Complete a review and analysis of the Governor’s Blue Ribbon Task Force Report on Health Care Workforce Shortages.*
- *Prepare a paper, with recommendations for “first steps”, to address health care workforce shortages.*
- *Present the paper to the Office of the Governor and to the Office of the Commissioner of Higher Education.*
- *Collaborate with the Governor, Commissioner of Higher Education, and health care industry stakeholders to convene a forum to discuss a plan to address health professions workforce shortages.*

With this background, and in the context of believing that Montana needs to develop a comprehensive plan to address current and future health care workforce shortages, the PCLG prepared this brief paper recommending development of the following:

- *Health Care Workforce Communications Plan*
- *Health Care Workforce Data Collection and Analysis System*
- *Statewide Health Professions Education Plan*
- *Health Care Workforce Research and Policy Plan*

I. INTRODUCTION

Montana, the 4th largest state in total square miles (147,138) had a population of 902,195 in the 2000 census. The current population is estimated to be in excess of 917,000. Montana ranks 44th in total population, but 3rd in population living in non-metropolitan areas. Population increases in recent years have been largely limited to the western part of the state with the greatest population growth in Gallatin, Flathead, Yellowstone, Ravalli, Missoula and Lewis & Clark Counties. Forty-five of the 56 counties are designated as *frontier* (population density of 6.0 or fewer per square mile), and many of these counties are experiencing population declines. In the United States, it is estimated that 22% of the population lives in rural and frontier areas. However, in Montana approximately 66% of citizens reside in rural and frontier counties. Providing access to health care in rural and frontier Montana requires the maintenance of an infrastructure which will support health care delivery systems to serve the needs of these citizens. Further, rural and frontier health care is dependent on outreach services provided through regional medical centers located in the three MSA counties, Yellowstone, Missoula, and Cascade.

The health care industry in Montana continues to grow. It is estimated that the impact of health care on the Montana economy may exceed \$4.2 billion. Many organizations in Montana (Bureau of Business & Economic Research, Montana Hospital Association, Department of Commerce and Department of Labor & Industry) have published information/data on the significance of the health care industry to Montana's economy. There is a direct relationship between state/local economies and access to quality health care services. Maintenance and improvement of the infrastructure of health care delivery systems depends on the availability of *health care providers* to maintain access to quality health care for all citizens. Health policy makers must take responsibility for ensuring access to health care through the development of plans for a *health workforce* to meet the needs of the health care delivery infrastructure. The Institute of Medicine Report in November of 2004 addressed the special challenges to ensure that rural health care systems are financially stable.

The PCLG believes that the 2002 report of the *Governor's Blue Ribbon Task Force on Health Care Workforce Shortages* should serve as a catalyst for the development of a comprehensive planning process to implement procedures and processes necessary to address the needs of the Montana health care industry. This brief paper presents four recommendations that are consistent with the views of the task force report and encourages state agencies, educational institutions and the health care industry to provide the leadership to address the needs.

II. HEALTH CARE WORKFORCE COMMUNICATION PLAN

RECOMMENDATION: Develop and implement a comprehensive health care workforce communication plan that will provide effective communication between the health care industry, state agencies, public school systems, institutions of higher education, executive and legislative branches of government, and the public.

This recommendation of the PCLG is relevant to each of the fifteen (15) proposals of the Governor's Blue Ribbon Task Force on Health Care Workforce Shortages and to the complementary suggestions provided through review and analysis by the PCLG (Appendix B and Appendix C). An essential component of the plan is for the Office of the Commissioner of Higher Education to appoint a *Health Care Workforce Advisory Council (Proposal #15)*. The *Council* should include appropriate representation from the health care industry, educational institutions and state agencies. The plan should include mechanisms for promoting on-going communications and have linkages to the following:

- *Health Care Facilities*
- *Health Care Professionals*
- *County Commissioners*
- *Health Professions Associations and Health Facility Associations*
- *State Agencies*
- *Public School Systems: Office of Public Instruction, Elementary Schools, Secondary Schools and Tribal Schools*
- *Office of the Commissioner of Higher Education*
- *Academic Institutions; Colleges and Universities*
- *Office of the Governor*
- *Legislative Branch*
- *State Senators and Representatives*

The communications plan should include sponsoring and coordination of annual conferences/summits that are open to the public to discuss health care workforce issues, community-based health care problems, health services research, health policy, informal ongoing mechanisms for communication, and the use of health information technology to disseminate and receive information.

III. HEALTH CARE WORKFORCE DATA COLLECTION AND ANALYSIS SYSTEM

RECOMMENDATION: Develop a comprehensive health care workforce data collection and analysis system that will be used for health systems planning, health professional shortage designations, recruitment and retention incentive programs, academic education planning, continuing education, research and policy making.

The ultimate goal of a health workforce data system will be to sustain a health workforce that has the number, types, and distribution of health workers needed to provide quality care for Montanans. A systematic approach to collecting data and studying the health workforce also

has the potential to improve health care and allocate scarce resources more effectively.

Shortages or surpluses in the health care workforce can have significant impacts on the cost, quality, and access to health care. Shortages can be of several types including geographic or shortages in rural areas, shortages of personnel with specific training or skills, or occupation-wide such as nursing shortages. Shortages impact on quality of care, not only through the lack of needed services, but through increased stress, burnout of workers from overtime, and use of less qualified personnel. Shortages also increase costs--higher compensation levels because of competition for scarce personnel, increased use of overtime pay, and the added costs of hiring temporary workers. On the positive side, the value and importance of health care workers to the Montana economy is well known.

The basic question: “How do we balance the supply and demand of health care workers adequate to meet the health care needs of the population to be served?” This question needs to be viewed from multiple angles such as how the workforce relates to present versus future supply and needs, different health care settings (hospitals, long-term care facilities), different delivery systems (mental health, acute care), target populations (elderly, children), specific health problems (heart disease, diabetes) or specific policy initiatives (expanding primary care access for uninsured). Health workforce data is critical for sound policy making decisions such as support for state universities and colleges (funding for new educational program or expanding class size), special programs and projects (loan repayment, tax credits), regulation of professions, reimbursement policies for Medicaid and other payers, as well as identification of continuing education needs. Workforce data is also critical for the identification and designation of federal health professional shortage areas which is the standard for state and federal workforce assistance programs.

- Develop a Health Care Workforce Advisory Council which includes the appropriate state agencies and other stakeholders for the purpose of identifying and prioritizing workforce data needs, accessing the required expertise and funding resources, and assisting in the dissemination and intelligent utilization of the data in policy making, education planning, and research.
- Develop a comprehensive, efficient and effective system for collecting health professions data. Licensing boards should collect a uniform minimum data set of employment information regarding their constituents. Partnerships with professional associations and other organizations should be fostered to help identify currently available data resources and promote efficient data collection and sharing as well as cost-sharing. Non-licensed health professionals/workers should be included as well as licensed professionals/workers.
- Develop a system for data analysis including tracking of supply and demand, trending of supply and workforce issues, and projecting future needs. The analysis will identify types of workers that are needed and may identify areas where new delivery systems for health care providers might be beneficial.
- Develop a system for data sharing/dissemination which makes data readily available and easy to understand. The system should be accessible on the internet and include mapping capabilities.

There are resources available through the Bureau of Health Professions and regional health workforce research centers, as well as many state models, that would be helpful in development of a Montana Workforce Data System (See Appendix D, 8-11).

IV. STATEWIDE HEALTH CARE PROFESSIONS EDUCATION PLAN

RECOMMENDATION: Develop a comprehensive statewide system for health education program planning. The planning process must consider a variety of strategies including alternatives to new program development, new delivery models and educational pathways for health care providers, incentives to existing institutions to participate and comply with the plan, and increased communication between the Office of the Commissioner of Higher Education (OCHE) workforce development committee and health professions programs.

To address the shortage of nurses identified by hospitals in the state, several of the nursing programs have increased capacity or developed new associate degree registered nurse programs. These measures have been initiated by individual programs, rather than in response to any state-wide plan. Program development has not been supported by need data, and the issue of the capacity of the clinical agencies to support these programs continues to be debated. A collaborative project by Montana State University-Bozeman and Montana State University-Northern offered nursing education to students in the Shelby-Conrad area and yielded seven graduates. A final initiative within nursing education has been the development of a common LPN curriculum that is based on a ladder model; the first two years prepare an LPN at the certificate level; the third year prepares an associate degree RN. The common curriculum will permit transfer of students between LPN programs. A study of dental education has been undertaken.

Physician education within the state currently encompasses the WWAMI and WICHE programs. The numbers supported by these programs produce 2.8 medical school graduates per 100,000 for the state of Montana while nationally the average is 6.4 medical school graduates per 100,000. This ranks Montana 45th nationally. Currently WWAMI has started the process of increasing clinical clerkships within the state as well as revising the admissions policy to meet the workforce needs of the state. Proposals within the OCHE include expansion of the WWAMI class size, enhancing the Montana Rural Physicians Incentive Program, and review and recommendations of increased participation with Graduate Medical Education within the state of Montana.

There are needs for other health care professionals within the state such as speech and hearing specialists, radiology technicians, etc., however, little discussion has focused on disciplines other than medicine, nursing, and dentistry.

V. HEALTH CARE WORKFORCE RESEARCH AND POLICY PLAN

RECOMMENDATION: Develop a Montana Center for Rural Health Research & Policy

This recommendation of the PCLG supports and expands on *Proposal #3 and Proposal #15* of the Governor's Blue Ribbon Task Force on Health Care Workforce Shortages (Appendix B and Appendix C).

The major goal of the Montana Center for Rural Health Research and Policy would be to develop the long-term capacity to conduct health services research relevant to the needs of the health care industry, support the improvement of rural health care, and contribute to the national rural health research agenda. This interdisciplinary Center would involve health professions education, research and service within the Montana University System and interact with organizations throughout Montana to serve as a centralized resource for health information, health services research, health professions education and health policy development.

The *Montana Center for Rural Health Research & Policy* is visualized as a resource that could be utilized by the Governor, legislators, state agencies and health provider organizations to assist

with the development of health policy. The long-term impacts should include: (1) improving the quality, safety, efficiency and effectiveness of health care, (2) improving health outcomes, (3) strengthening health care quality measurements, (4) identifying strategies to improve access, foster appropriate use, and reduce unnecessary expenditures related to health care, and (5) addressing health workforce needs through research data. The *Center* will have affiliated health services research faculty working independently and in interdisciplinary teams in cooperation with components of the health care industry including hospitals, nursing homes, clinics, public health departments, local and state governments, health professions associations, and academic institutions.

In January 2005, the Division of Health Sciences at Montana State University prepared and submitted a federal grant entitled *Building Research Infrastructure and Capacity*. The five objectives discussed in the grant were:

- *Establishment of a Montana Center for Rural Health Research & Policy*
- *Establishment of linkages between Montana State University, health services research stakeholders, and educational institutions throughout Montana*
- *Growing human capacity for health services research in Montana through the involvement of institutions of higher education and the health care industry*
- *Establishment of the Center for Rural Health Research & Policy as an incubator for health policy development in Montana*
- *Establishment of Partnerships with Rural Health Research & Policy Centers in other states*

VI. SUMMARY AND CONCLUSIONS

Providing for an adequate health care workforce is an important function of federal and state governments. The role of state governments in influencing the development is substantial and critical in order to address the needs that are particular to population distribution and the infrastructure of the health care delivery system. Research shows that the private market typically fails to: (1) distribute the health workforce to medically underserved areas and uninsured populations, (2) provide adequate information and analysis on the nature of the workforce, (3) improve the racial/ethnic cultural diversity and cultural competence of the workforce, and (4) assess the quality of education and practice. State governments do have influence in the development of the health workforce since states are responsible for multiple issues including *financing and governing of health professions education, licensing and regulating health professions practice and private health insurance, purchasing services and paying providers under Medicaid, and designing a variety of subsidy and regulatory programs providing incentives for health professionals to choose certain specialties and practice locations*.

The PCLG believes that implementation of the four recommendations included in this paper are important *first steps* to move forward the process of developing a statewide comprehensive plan to address the needs of the Montana health care delivery system. Accomplishment of these steps will help reduce the shortage of health care providers through planning and better understanding the nature and complexity of health workforce issues.

- The *communication plan* will provide mechanisms for effective communication with the health care industry, state agencies, public school systems, academic institutions, executive and legislative branches of government and the public.

- The *data collection and analysis system* will provide a systematic approach to collecting data, studying the health workforce, allocating resources and improving health care.
- The *health professions education plan* will provide a comprehensive statewide system to address planning for health education and training in public schools, academic institutions and health care delivery facilities.
- The *Montana Center for Rural Health Research & Policy* will provide the capacity to conduct health services research relevant to the needs of the industry, support the improvement of health care in Montana, and contribute to the national rural health research agenda.

In conclusion, the complicated problem of addressing health care provider shortages in Montana requires a sustained effort on the part of federal and state governments, educational institutions, health provider associations, health care facilities, and community-based organizations.

APPENDIX A. Montana Primary Care Liaison Group

The Montana Primary Care Liaison Group (PCLG) is a partnership of organizations with common interests in serving the health care needs of Montanans. It was formed in the late 1980s following the development of a number of new offices, centers and associations as a forum for presenting programmatic information and discussing ideas on future needs and collaboration. Historically, leadership for the PCLG has been provided through the Primary Care Office (PCO) in the Montana Department of Public Health & Human Services.

The following organizations, listed in alphabetical order, are members of the PCLG:

- *Children's Health Insurance Plan - Department of Public Health & Human Services*
- *College of Nursing - Montana State University*
- *Critical Access Hospital Demonstration Project - Montana Hospital Association*
- *Division of Health Sciences - Montana State University*
- *Family & Community Health Bureau - Department of Public Health & Human Services*
- *Health Resources Division - Department of Public Health & Human Services*
- *Montana Area Health Education Center - Montana State University*
- *Montana Family Medicine Residency Program*
- *Montana Hospital Association*
- *Montana Office of Rural Health - Montana State University*
- *Montana Physician Assistant Program - Rocky Mountain College*
- *Montana Primary Care Association*
- *Montana Rural Institute: Center for Excellence in Disability Education, Research, and Service - University of Montana*
- *Montana WWAMI Clinical Education Program - University of Washington*
- *NHSC SEARCH Program - Montana Primary Care Office and Montana Family Medicine Residency Program*
- *Oral Health Program - Department of Public Health & Human Services*
- *Primary Care Office - Department of Public Health & Human Services*

APPENDIX B: Issues and Proposals of the Governor’s Blue Ribbon Taskforce on Health Care Workforce Shortages

The Governor’s Blue Ribbon Taskforce on Health Care Workforce Shortages addressed the following questions: (1) Is there a shortage of health care workers? (2) Who is the “Health Care Workforce”? (3) Where is the Health Care Workforce Employed? (4) Why should the public and policy makers be concerned? and (5) What is causing the workforce shortage? After an analysis of the questions and determining the salient issues, the taskforce made fifteen proposals and recommended action steps deemed necessary to implement the proposals. The issues and proposals are listed below.

ISSUE 1: MONTANA’S HEALTH CARE ENVIRONMENT

- *Proposal #1: Lawmakers should establish in Montana statues a statement of policy/philosophy for health care in Montana.*
- *Proposal #2: All Montanans can reduce the demand for health care services by promoting healthy behaviors and accident/illness prevention.*
- *Proposal #3: The Governor should direct the Departments of Health & Human Services and Labor & Industry, in consultation with Higher Education and professional associations, to educate the general public, potential workforce candidates and policy makers about the need for health care workers, about the diverse opportunities available in the health care field and about the value and importance of health care workers to the Montana economy and citizens.*

ISSUE 2: EDUCATIONAL OPPORTUNITIES

- *Proposal #4: The education community should introduce health care occupations and integrate the skills necessary to attain them in K-12 curricula.*
- *Proposal #5: The Commissioner of Higher Education should establish an integrated, “single point of contact” Distance Learning and Continuing Education Program for health professionals.*
- *Proposal #6: Policy makers should sustain health professions training programs through adequate funding.*
- *Proposal #7: The Governor, through the Office of Economic Opportunity and in accordance with SB469, should ensure that Montana’s existing state and federally funded career development and employment training programs place a high priority on training, preparing and supporting workers for potential careers in health care and human services.*

ISSUE 3: HEALTH CARE WORK ENVIRONMENT

- *Proposal #8: The Task Force encourages Montana health care/human services employers to improve the workplace partnership by creating a culture in which health care/human services staff, including clinical, support, and managerial staff are valued, have a sustained voice in shaping institutional policies, and receive appropriate rewards and recognition for their effort.*
- *Proposal #9: The Governor should direct the Departments of Public Health & Human Services and Labor & Industry, in collaboration with professional associations and the health care community, to identify and take action to reduce those regulations which are excessive, overly complex, and duplicative.*

- *Proposal #10: The Governor should form a study group to review existing state statutes related to health care and human services provider liability, to review liability insurance rates in other states, and to compare Montana's laws with those other states that have lower liability rates.*

ISSUE 4: REIMBURSEMENT & COMPENSATION

- *Proposal #11: Policy makers should ensure that public health and health-related human services funding sources pay the full cost of providing services, including the cost of staffing and training and of adequate wages and benefits paid to the workers providing the care.*
- *Proposal #12: The Governor should ensure that Montana pursues, and when possible takes advantage of, all public and private sources of additional funding or resources to help attract, train and retain health care and human services workers.*

ISSUE 5: HEALTH CARE WORKFORCE DATA COLLECTION AND ANALYSIS

- *Proposal #13: To enable government, employers, trainers and educators to plan for workforce supply and demand, the Governor should direct the Department of Labor & Industry to work with its federal counterparts to provide reliable, timely, consistent information that is regularly evaluated and updated.*
- *Proposal #14: The Governor should direct the Department of Labor & Industry to take the lead as a high priority to improve the condition of data resources across the professions in view of the interest in workforce and economic development issues.*
- *Proposal #15: The Office of the Commissioner of Higher Education (OCHE), in collaboration with health care program providers, should assess and report on the program capacity of Montana's higher education system to meet health care/human services workforce needs.*

APPENDIX C. PCLG Review and Analysis of the Proposals and Recommendations of the Governor's Blue Ribbon Taskforce

Note: The PCLG reviewed the Governor's Blue Ribbon Taskforce report soon after it was published in 2002. It has not been significantly updated since that review.

ISSUE 1: MONTANA HEALTH CARE CLIMATE

- *Proposal #1: Lawmakers should establish in Montana statutes a statement of public policy/philosophy for health care in Montana.*

The PCLG agrees with the recommendation. In addition to the Montana Department of Public Health & Human Services and the Legislative Interim Committee, the Governor should appoint members of the Health Care Industry to assist with development of the public policy statement for health care in Montana.

- *Proposal #2: All Montanans can reduce the demand for health care services by promoting healthy behaviors and accident/illness prevention.*

The PCLG agrees with the recommended action steps. However, the PCLG believes that greater emphasis should be placed on the role of public schools and communities in initiating plans, developing programs and conducting the activities.

- *Proposal #3: The Governor should direct the Department of Health & Human Services and the Department of Labor & Industry, in consultation with Higher Education and professional associations, to educate the general public, potential workforce candidates and policy makers about the need for health care workers, about the diverse opportunities available in the health care field and about the value and importance of health care workers to the Montana economy and citizens.*

In general, the PCLG agrees with the recommended action steps. However, the action steps may be too shallow/non-specific to have any significant impact on the problem. The PCLG suggests that major roles should be played by the *Office of Public Instruction, Montana University System, and health professions associations* and that the Montana Department of Public Health & Human Services and the Montana Department of Labor & Industry would have supporting roles.

ISSUE 2: EDUCATIONAL OPPORTUNITIES

- *Proposal #4: The education community should introduce health care occupations and integrate the skills necessary to attain them in K-12 curricula.*

The PCLG agrees with the recommended action steps. The Office of Public Instruction has already accepted the responsibility for implementing the recommendations. The new position, **Health Occupation Specialist**, has been established and the person hired for this position is developing the plan. The Health Occupation Specialist participated in the first meeting of the Montana Health Care Recruitment & Retention Network; an organization developed by the PCLG.

- *Proposal #5: The Commissioner of Higher Education should establish an integrated, “single point of contact” Distance Learning and Continuing Education Program for health professionals.*

The PCLG recognizes the importance of distance learning and continuing medical education to increase the number of health care providers in Montana and to maintain the quality of health care. If a “Distance Learning Consortium” is established through the Office of the Commissioner of High Education, it should become part of an overall **State Plan for Health Professions Education**. It is important that the Distance Learning Consortium utilize and coordinate its activities with the existing Montana Health Care Telecommunications Alliance and the distance learning programs currently offered through the larger hospitals in Billings, Great Falls, Missoula, and institutions of the Montana University System. The Commissioner of Higher Education should ensure that there is intensive and extensive involvement from academic institutions. These institutions should assume responsibility for developing and delivering the types of Distance Learning and Continuing Education needed to serve the needs of the health care industry. Distance learning courses should be accessible to health care providers in communities throughout Montana.

An initiative entitled *Bridging Health Connections in Montana* was developed by Miles Community College in response to this proposal. The Nursing Program at Miles Community College received a three-year \$618,000 grant from the U.S. Department of Education to fund the project. The primary purpose of the project is to increase the number of high school graduates pursuing health care professions. In the Fall of 2003, Miles Community College offered the following courses to high school students through distance education: (1) Fundamentals for Health Professionals and (2) Certified Nurse Assistant. In addition, this distance learning program will offer the **LPN to RN Completion Program**. This will be done as a cooperative effort between Miles Community College, Montana State University-Billings and Montana State University College of Technology in Billings.

- *Proposal #6: Policy makers should sustain health professions training programs through adequate funding.*

The PCLG agrees with this proposal. State funding for the programs under WICHE (medicine, dentistry, veterinary medicine, podiatry, optometry, occupational therapy and public health), WWAMI (medicine) and Minnesota dental contract should be maintained and expanded as appropriate to meet the needs of health care providers in Montana.

The PCLG recommends that this proposal include the development of a **State Plan for Health Professions Education**. The plan should evolve through a process which includes the: (1) Office of the Commissioner of High Education, (2) Montana State University, (3) University of Montana, and (4) organizations representing the **health care industry**. The plan would include a process which encourages students going through the WICHE and WWAMI programs to return to Montana to become part of the health care workforce. That is, “marketing” practice opportunities in Montana to these students.

As a direct result of the Governor’s Blue Ribbon Task Force on Health Care Workforce Shortage, the Montana Dental Practice Act was changed to allow students to receive a portion of their clinical training with practicing dentists. The PCLG believes that this will encourage dental students attending school in other states to return to Montana.

- *Proposal #7: The Governor, through the Office of Economic Opportunity and in accordance with SB469, should ensure that Montana’s existing state and federally funded career development and employment training programs place a high priority on training, preparing*

and supporting workers for potential careers in health care and human services.

The PCLG recommends that the Office of the Commissioner of Higher Education and the academic institutions comprising the Montana University System be included in this proposal. The roles of the Office of Economic Opportunity, Department of Labor & Industry, and Department of Public Health & Human Services should include: (1) informing workers of educational opportunities, (2) encouraging follow-up of workers, non-traditional students, and displaced workers to consider health care professions, (3) using existing resources to assist students with the process, and (4) playing a supporting role to institutions of higher learning and other organizations providing health professions education.

The PCLG agrees with the recommendation that the Department of Labor & Industry and the Department of Public Health & Human Services should prepare periodic reports on the successes and strategies for increasing the number of workers training for health care occupations. Educational institutions should be “partners” in providing data on delivery of health professions education. The PCLG believes that these reports should be annual and that the reports should be distributed to organizations representing the health care industry.

ISSUE 3: HEALTH CARE WORK ENVIRONMENT

- *Proposal #8: The Task Force encourages Montana health care/human services employers to improve the workplace partnership by creating a culture in which health care/human services staff, including clinical, support, and managerial staff, are valued, have a sustained voice in shaping institutional policies, and receive appropriate rewards and recognition for their efforts.*

The PCLG supports this proposal and the recommended action steps. The PCLG recognizes this proposal as being important for retention of the health care workforce. Leadership for addressing the issue should come from the health care industry.

- *Proposal #9: The Governor should direct the Departments of Public Health & Human Services and Labor & Industry, in collaboration with professional associations and the health care community, to identify and take action to reduce those regulations which are excessive, overly complex, and duplicative.*

The PCLG recognizes “excessive, overly complex and duplicative” regulations as a concern for everyone in the health care industry and that these regulations add to the cost of health care. Therefore, appropriate actions steps need to be considered.

The PCLG recommends that the Governor visit with appropriate members of the **health care industry** before appointing a *Regulatory Commission* as was suggested by the blue ribbon task force. The question being: *Is a Regulatory Commission appropriate?* The PCLG believes that developing a process to address the issue is appropriate and that this would provide an important step to enhance outcomes which would be more favorable to the health care industry. The PCLG suggests that there should be a process which would provide an “open forum” to discuss regulatory issues which may be of concern to the industry.

One of the recommended action steps by the blue ribbon task force was the appointment of a *Professional & Occupational Licensing Commission*. The PCLG agrees with this recommendation. However, it may be inappropriate for such a commission to address “approval of educational programs” as suggested in the recommendation.

- *Proposal #10: The Governor should form a study group to review existing state statutes related to health care and human services provider liability, to review liability insurance*

rates in other states, and to compare Montana's laws with those other states that have lower liability rates.

The PCLG agrees with this proposal and the accompanying recommended action step. The “study group” formed by the Governor should include appropriate members of the health care industry (MHA, MMA, MHCA, MDA, etc.).

The PCLG understands that an *Interim Study Commission* has been appointed. The PCLG recommends that meetings of the Interim Study Commission should not be closed. That is, meetings of the Interim Study Commission should be “open forums.”

ISSUE 4: REIMBURSEMENT AND COMPENSATION

- *Proposal #11: Policy makers should ensure that public health and health-related human services funding sources pay the **full** cost of providing services, including the cost of staffing and training and of adequate wages and benefits paid to the workers providing the care.*

The PCLG agrees with this proposal and the three recommended action steps.

- *Proposal #12: The Governor should ensure that Montana pursues, and when possible takes advantage of, all public and private sources of additional funding or resources to help attract, train and retain health care and human services workers.*

The PCLG supports this proposal and agrees with the four recommended action steps. The PCLG has initiated the process of addressing one of the issues in the proposal. The PCLG has formed a *Montana Health Care Recruitment & Retention Network* as a structural process to involve increased cooperation and collaboration in recruiting and retaining health care providers. The Department of Public Health & Human Services has already implemented the recommendation dealing with additional sources of funding to address health care/human services workforce shortages.

The PCLG encourages the development of additional “loan repayment programs” for all of the health professions in which there current or projected workforce shortages. These could be developed using as a model the successful “Montana Rural Physician Incentive Program” which is administered through the Office of the Commissioner of Higher Education.

The Primary Care Office in the Montana Department of Public Health & Human Services has accomplished the blue ribbon task force recommendation which called for the development of a formal mechanism to process J-1 Visa Waivers.

ISSUE 5: HEALTH CARE WORKFORCE DATA COLLECTION AND ANALYSIS

- *Proposal #13: To enable government, employers, trainers and educators to plan for workforce supply and demand, the Governor should direct the Department of Labor & Industry to work with its federal counterparts to provide reliable, timely, consistent information that is regularly evaluated and updated.*

The PCLG agrees with this excellent proposal. The PCLG recommends that the data provided be more effectively used by the **health care industry** and by **educational institutions** to address planning for health professions education.

- *Proposal #14: The Governor should direct the Department of Labor & Industry to take the lead as a high priority to improve the condition of data sources across the professions in view of the interest in workforce and economic development issues.*

The PCLG agrees with the proposal and the three recommended action steps. The Blue Ribbon Task Force recommended that the Office of the Commissioner of Higher Education (OCHE) prepare annual publications containing data on degree completions for all health care and human service professions; including those programs contracted with out-of-state institutions. The PCLG suggests that the annual report from the OCHE should include an analysis of the data; including where these students go after completing their degrees. In addition, it is suggested that the OCHE should implement a process for an annual tracking survey; with appropriate data included in the survey that would be useful and available to the Department of Labor & Industry and other professional organizations.

- *Proposal #15: The Office of the Commissioner of Higher Education (OCHE), in collaboration with health care program providers, should assess and report on the program capacity of Montana's higher education system to meet the health care/human services workforce needs.*

The PCLG believes that this final proposal of the blue ribbon task force is **central** to addressing long-term health care shortages in Montana. Each of the four recommended action steps should be implemented through a collaborative effort involving (1) the Office of the Commissioner of Higher Education and its component academic institutions, (2) the Health Care Industry, and (3) State Agencies. The PCLG suggests two additional recommendations:

- The Office of the Commissioner of Higher Education should develop a *State Plan for Health Professions Education*.
- The Office of the Commissioner of Higher Education should appoint a *Health Care Workforce Advisory Council*.
- The *Health Care Workforce Advisory Council* should include membership from the: (1) health care industry, (2) education institutions, and (3) state agencies.

APPENDIX D: References and Workforce Resources/State Models

References:

1. Competing for Quality Care-Findings and Proposals for Montana's Health Care Workforce. *Blue Ribbon Task Force on Health Care Workforce Shortages, September 26, 2002, Loren Soft, Chair.*
2. Physician Workforce Policy Guidelines for the United States, 2000-2020. *Council on Graduate Medical Education-Sixteenth Report, January 2005, U.S. Department of Health & Human Services, Health Resources & Services Administration.*
3. HRSA State Health Workforce Profile-Montana. *Bureau of Health Professions, National Center for Health Workforce Information & Analysis, Health Resources & Services Administration, U.S. Department of Health & Human Services, December 2000.*
4. State of Health Workforce in Rural America--Profiles and Comparisons. *WWAMI Rural Health Research Center, August 2003, Eric H. Larson, Karin E. Johnson, Thomas E. Norris, Denise M. Lishner, Roger A. Rosenblatt, and L. Gary Hart.*
5. Quality Through Collaboration: The Future of Rural Health. *Institute of Medicine Report, November 2004.*
6. Higher Education's Role in Solving the National Nursing Shortage. *American Association of State Colleges and Universities, Volume 2, Number 10, October 2005.*
7. The Health Care Workforce in Ten States: Education, Practice and Policy--Interstate Comparisons. *National Conference of State Legislatures, Spring 2001.*

Workforce Resource/ State Models:

1. **Bureau of Health Professions (BHPR)** in the Health and Human Resources and Services Administration (HRSA) (<http://bhpr.hrsa.gov/>) has as its mission to improve the health status of the population by providing national leadership in the development, distribution and retention of a diverse, culturally competent health workforce that provides the highest quality care for all.
2. **National Center for Health Workforce Analysis** (<http://bhpr.hrsa.gov/healthworkforce/>), **under BHPR, collects, analyzes and disseminates health workforce information and facilitates national, state and local workforce planning efforts. The Center also monitors trends to assure that all segments of society have access to quality health care professionals providing appropriate health care services in all geographic areas.**
3. **Regional Centers for Health Workforce Studies** funded through cooperative agreements with HRSA examine and analyze issues involving cross-disciplinary assessments of the health workforce at the state and regional levels. Specific projects vary by regional center.
 - University of California at San Francisco (<http://futurehealth.ucsf.edu/cchws.html>)
 - University of Illinois at Chicago (<http://www.uic.edu/sph/ichws/>)
 - State University of New York at Albany (<http://chws.albany.edu/>)
 - University of Washington (<http://www.fammed.washington.edu/CHWS/index.html>)
 - University of Texas Health Science Center at San Antonio (<http://www.uthscsa.edu/rchws/index.asp>)
 - University of North Carolina at Chapel Hill (<http://www.healthworkforce.unc.edu/>)

4. State Models: Many states have developed state health workforce assessment models. Some good state models include:

Washington State Health Department: (<http://www.doh.wa.gov/hsqa/ocrh/har/hcresrch.htm>)

North Carolina (<http://www.shepscenter.unc.edu/hp/>)

Nebraska: (<http://app1.unmc.edu/healthprof/>)

5. Department of Labor, Bureau of Labor Statistics (<http://www.bls.gov/home.htm>) has information available on employment/unemployment, occupational projections/outlook, and wage/compensation studies.

6. New Dental Delivery Model for Dental Health Therapist <http://www.e-dental.com/content/news/article.asp?docid={9f149fe1-771d-485d-ba7a-c5d63a796cd1}>

The seal of the State of Montana is a circular emblem. It features a central scene of a river with a boat and a person, set against a backdrop of mountains and a sun with rays. The outer ring of the seal contains the text "THE GREAT SEAL OF THE STATE OF MONTANA" in a circular arrangement. At the bottom of the seal, a banner reads "ORO -Y- PLATA".

**Recommendations to the
Montana Board of Regents
Regarding
Physician Education and
Incentives in the State**

March 2, 2006

EXECUTIVE SUMMARY OF RECOMMENDATIONS:

At the Board of Regent's request, a team was formed to make recommendations to the Board regarding solutions to the state's physician shortage and mal-distribution problems. This team consisted of representatives from the Office of the Commissioner, the Governor's Office, the University of Washington School of Medicine, MSU (WWAMI), the Montana Family Medicine Residency Program, the Montana Primary Care Association (PCA), the Office of Rural Health, and the Primary Care Liaison Group (which includes representatives from PCA, MHA, MSU College of Nursing, DPHHS, and others). Members of the team are listed in Appendix A.

It should be noted that the Governor's Office, while participating fully in the discussion, will not endorse any recommendations until they have been evaluated through the ongoing Executive Planning Process. The remainder of the working group unanimously makes the following three recommendations for increasing the number of physicians serving Montana's rural communities:

1. Expand Montana's participation in the existing WWAMI program (UW medical school) by 20 positions per year and modify admissions criteria to train more students likely to ultimately practice in Montana's rural areas.
2. Improve and consolidate physician location incentives that encourage more primary care physicians to practice in Montana's shortage areas.
3. Begin the lengthy process of evaluating expansion of the number and type of residency programs in the state.

All three of these recommendations work in concert to help solve Montana's current, and worsening, primary care physician shortages. It is unlikely any of these recommendations, implemented alone, will address our needs in the future. Together, though, these recommendations have a strong possibility of eliminating most rural physician shortages in the state over time. It takes a long time to train a physician – seven years minimum, not including college -- so it is important to act now to address the state's shortages even a decade or more into the future.

BACKGROUND

The idea that Montana should create its own medical school has, over the past several decades, periodically surfaced as a topic of interest among our policy leaders. The issue was again seriously discussed during the 59th legislative session in 2005, although no action regarding the establishment of a medical school was approved. Following the legislative session, the Board of Regents recognized that this issue was almost certain to continue resurfacing and asked its staff to evaluate whether significant resources should be allocated to the further study of whether or not Montana should create a new medical school.

The staff recommendation to the Board or Regents was to not devote significant resources to planning a new medical school at this time. This recommendation was accepted by the Board in July 2005. The basis for this decision was that there is strong evidence that alternatives to a new medical school would be more effective, less costly, and help the state much more quickly than a new medical school.

The single biggest issue concerning the creation of a new medical school is cost. A medical school, even of creative design, will cost tens of millions of dollars in up-front capital and at least \$8-10 million in annual operating support from the State. The Florida State School of Medicine (the most recent medical school created in the U.S.) recently cost the State of Florida \$155 million just to the point in time it graduated its first 30 students. Even a fraction of this cost represents an enormous investment that could be put to use in better, quicker ways to address the state's physician shortages and mal-distribution problems. The Board of Regents agreed that a new medical school should be seriously evaluated only if more cost-effective alternatives are implemented and significant problems persist. As a more efficient alternative to expending resources for planning a new medical school, the Regents directed a team to evaluate other, more plausible, alternatives to increase the number of physicians in Montana's rural areas. The following three recommendations are the result of that evaluation.

RECOMMENDATION 1: INCREASE THE NUMBER OF WWAMI SLOTS FROM THE CURRENT 20 PER YEAR TO 40 PER YEAR AND MODIFY SELECTION CRITERIA.

History:

Montana has participated in the WWAMI program through the University of Washington (UW) since 1975. This program has afforded Montana students the opportunity to attend medical school “in-state” through a combination of instruction at MSU-Bozeman, UW, and clinical sites throughout the western region.

The number of WWAMI slots has remained constant (20) for the past 30 years while the population of the state and the undergraduate population has increased about 30%. This has significantly reduced access to a publicly sponsored medical education for our students -- from one slot per 32,000 citizens to one per 46,000 citizens – which is almost half the national average of one per 26,150 citizens. Even the four states that surround Montana have an aggregate availability of one public medical position for each 22,000 citizens, which affords those students about double the availability of public medical school as our own students.

We also have a significant number of qualified applicants from Montana who are currently turned-away from the WWAMI medical school. The WWAMI program, over the past six years, has accepted only about 1 in 3 qualified applicants (about 67 qualified applicants for 20 annual slots), which clearly indicates excess demand for the program and gives us confidence that any reasonable program expansion will still be over-subscribed.

Current Situation:

UW is now in the process of expanding its medical school to accommodate more WWAMI students from all participating states. This presents a one-time opportunity to expand Montana’s number of slots in the program. UW understands that an expansion of WWAMI in Montana will require legislative action and will wait until our Legislature has the opportunity to consider the issue. After the 60th Legislature has adjourned, however, our opportunity to expand the number of slots will have passed. It will probably be decades into the future, if ever, before another opportunity to significantly expand our participation is again available. Alaska, and Idaho are all seriously considering significant expansion for their own students and Wyoming has already committed to an expansion of its participation.

Any expansion of the Montana program will require negotiations with UW, but it may be possible to add up to 20 additional slots (doubling the program in the state). Since the infrastructure is largely in place to manage the existing WWAMI program, expanding the number of WWAMI slots for Montana students requires only the funding for the slots and modest additional administrative costs. It would be difficult, however, to expand the WWAMI program beyond 40 slots per year even if funding were available. The infrastructure at MSU is not capable of handling more than an additional 20 slots without a substantial investment. Also, our preliminary discussions with the University of Washington indicate they could not accommodate more than a doubling of Montana’s participation even with its expansion.

The existing WWAMI program in Montana is also in the process of adding a 3rd year medical school track in Montana. With the addition of a 3rd year program in Montana, our WWAMI students can complete almost 75% of their medical education in the state (some clinical rotations in the 4th year are already conducted here). The program is also developing a “rural primary care” track for applicants that are most likely to return to the state’s rural areas to practice family medicine. The combined effect of these changes is to increase the number of Montana’s WWAMI-trained physicians who will practice in Montana and serve our rural population. These changes are being implemented regardless of whether the WWAMI program is expanded, but they mean an expansion will have an even greater impact on providing increased healthcare access for our citizens.

Recommendation:

Montana should take full advantage of the opportunity to expand its WWAMI participation and increase the number of positions from 20 per year to 40 per year.¹

Benefits of Recommendation:

The WWAMI program serves two important roles for Montana. First, it provides access to professional training and education for students who wish to become physicians. This fulfills the core mission of higher education to provide a quality postsecondary education for our citizens. Without the WWAMI program, Montana students are at a significant disadvantage to students in other states – almost all of whom have access to a state public medical school(s). We measure success in this area by the increased educational opportunity and the increased number of students participating in the program. Even with a doubling of the current WWAMI program, Montana’s students will have below average access to a public medical school but we will be considerably closer to that U.S. average and about equal to the average of our surrounding states.

Second, WWAMI provides a conduit for Montana students to train in medicine and remain connected to the state. There is a strong correlation between where a student is trained and where he/she ultimately practices. Particularly with the changes to the Montana WWAMI program already underway, expanding the WWAMI programs will increase the number of physicians who ultimately chose to return to Montana and practice in our rural areas. Montana currently has 46 of our 56 counties that are at least in part designated a physician Health Professional Shortage Area (HPSA) – meaning they have a shortage of primary care physicians within a reasonable distance. With the aging population in our state and the concomitant increasing demands on our healthcare system, our lack of access to a primary care physician is on a trajectory to worsen in the coming decades.

As is true for all education and training programs, there is never a guarantee that a particular WWAMI student will ultimately practice in the state. However, the strong correlation between where a physician spends his/her youth, where they are trained,

¹ It is important to note that while expanding WWAMI will be much more cost effective than trying to build a medical school, it is nonetheless expensive. The group’s recommendation is that doubling our WWAMI program is possible and can be justified by the benefits for our state and our students. It does not mean, of course, that the expansion is the highest priority for funding relative to other state needs, which are outside the scope of our work. If it is not possible to fund 20 additional slots it is the group’s consensus that the program should be expanded to the maximum extent possible with available resources.

and where they ultimately chose to practice means expanding the WWAMI program is one important way to expand the number of physicians serving the state. The experience of other states that have implemented a “rural physician track,” similar to what is being **considered** for Montana’s WWAMI program, does give us some strong evidence of the impact a WWAMI expansion will have on our state.

Both Pennsylvania and Minnesota have rural physician tracks that have been in existence for about 25 years each and are models for the program currently being developed in Montana. The Minnesota and Pennsylvania programs have about tripled the rate of physicians choosing a primary care specialty and of locating in a rural area. Remember that it takes a minimum of seven years to train a primary care physician (medical school plus residency). Thus, in 20 years our WWAMI expansion **could** produce a maximum of about 260 potential practicing primary care physicians. Using the long-term performance statistics from Minnesota and Pennsylvania, an expansion of 20 additional WWAMI slots now **could** produce about 60 additional primary care physicians practicing in the state’s rural areas two decades hence. Incidentally, this is about the number of physicians required to eliminate the states existing Health Profession Shortage Areas.²

Expanding our participation with WWAMI also strengthens our relationship with the UW School of Medicine, which is currently the top-ranked primary care medical school in the country. Montana has greatly benefited, in both physician training and rural healthcare research and support, from our relationship with UW. Expanding the WWAMI program will help us grow this relationship. Since this opportunity to expand the WWAMI program will not present itself for many years, this is our opportunity to plan for Montana’s healthcare needs for many decades into the future.

Much data on the success of the WWAMI program is available, but some highlights are:

- About 40% of WWAMI’s Montana graduates return to Montana (above average);
- About 50% of WWAMI’s total graduates practice in Montana (which drives the return rate to well over the national average and indicates that participation in the program is an effective recruiting tool);
- The WWAMI affiliated Family Practice Residency Program in Billings has a 60% retention rate (25% above the national average);
- Our close relation with the UW medical school (one of the top five research medical schools in the country) via WWAMI has led to about \$20 million in research being conducted in Montana that would not have been otherwise possible.

Expanding our current WWAMI program would effectively give Montana a 160 student medical school without the enormous capital costs of creating a new medical school. Our students would be able to study three of their four years of medical education within

² The number of physicians required to eliminate current physician HPSAs in the state is 61, but is provided as a frame of reference only. The inability to require physicians to locate precisely where they are needed, along with inevitable turnover and other market inefficiencies, means it will likely take many more than 61 rural primary care physicians to eliminate all shortage areas that exist today. There is also good reason to believe the shortages in Montana will be worse in 20 years than they are currently, meaning even more physicians will be required.

Montana and still graduate from one of the top medical schools in the country. (No new medical school could expect to have anything close to the reputation and quality of UW for many decades.) The impact of the WWAMI program is also diffuse, with education and clinical sites throughout the state. This has the distinct advantage of avoiding the inevitably large increase in the number of physicians and other infrastructure that a new medical school would require in a host community.

COST:

The cost for a 4 year medical education in WWAMI per student is about \$170,000. The cost differs significantly over the four years, especially since the first year is conducted at MSU. The number of slots is the number of new positions per year. However, since medical school is a four year course of study, the costs ramp up (25%, 50%, 75%, 100%) for four years and at different rates per year. At and beyond four years we have a steady state. E.g. if we add one slot we have one freshman added in year one, but in year two we have a new freshman and last year's freshman (now a sophomore medical student), etc. The steady state cost of adding WWAMI slots is \$170,000 per slot, reached after four years. Costs of 20 additional slots are \$1.9 million in the first biennium and reflect the costs of two years of freshman classes at MSU and one year of a sophomore class at UW. A better reflection of the cost commitment, however, is to figure that every slot costs \$170,000 per year once steady state is reached and each class freshman-through-senior is increased. At this level, the cost of 20 slots is approximately \$3.4 million per year in 2006 dollars.

RECOMMENDATION 2: IMPROVE AND CONSOLIDATE PHYSICIAN LOCATION INCENTIVES THAT ENCOURAGE MORE PRIMARY CARE PHYSICIANS TO PRACTICE IN MONTANA'S HEALTH PROFESSIONAL SHORTAGE AREAS.

History:

Medical student debt has increased more than 170% during the past 20 years. The national average medical student debt at graduation is now more than \$110,000. Montana's WWAMI graduates average only slightly less debt of about \$92,000. This heavy financial burden often drives physicians into specialties and locations that can provide higher compensation. Clearly this disadvantages rural areas where salaries tend to be lower and the need for primary care physicians is higher. A lack of urban amenities and the difficulties of practicing in relative isolation make some rural areas significantly less attractive for many physicians. Without some additional incentives, it is unlikely that certain rural areas will be able to attract needed primary care physicians.

Throughout the US there are about 70 different state programs and a number of federal programs that aim to increase the number of primary care physicians who locate in rural, high-need areas by offering incentives in some form of debt repayment/financial assistance in exchange for an agreement to locate in underserved areas. While the construct of these programs varies, on balance they are successful in attracting physicians to locations where they would not likely locate without some additional compensation. Nationally, the programs targeting post-graduation incentives seem to be most effective.

Current Situation:

Montana does have two such incentive programs -- The Montana Rural Physician Incentive Program (MRPIP) and the Rural Physicians Tax Credit. The MRPIP was established in 1991 and currently offers up to \$45,000 in debt repayment for physicians locating in rural Montana areas for at least five years. The program has been successful, albeit small, with a retention rate of 85% (physicians remaining in the area beyond five years). Since 1993 the program has approved 75 applications, or about 5-6 per year. The program is "self-funded" through a surcharge on medical students participating in the WWAMI and WICHE programs and generates about \$200,000 per year.

The Rural Physicians Credit is available to any physician who commences practice in an area without a 60 bed hospital within a 30-mile radius. The credit allows up to a \$5,000 deduction against state tax liability for up to four years (cumulative \$20,000 maximum value). About 90 physicians apply for this credit annually with a yearly aggregate value of about \$300,000. Unfortunately, this program is not well publicized and it is inflexible. Physicians practicing in a qualifying area get the credit whether the location is truly a shortage area or not and there is no opportunity to adjust the incentive over time to reflect changing need. Conversations with a number of physicians indicate most made location decisions irrespective of the program and simply apply for the credit once they discover they are eligible.

With increasing debt-loads, and some other western states offering debt forgiveness of \$100,000 or more in similar programs, Montana's programs are limited and marginally effective. While all other state's programs have differing criteria that make a precise

comparison difficult, a typical state program in the U.S. offers incentives of about \$20,000 per year for four years – about double Montana’s MRPIP. State’s targeting particularly challenging areas offer considerably more. The federal Indian Health Services program, for example, offers incentives worth well over \$50,000 per year to encourage physicians to locate in rural reservation communities. Montana and Idaho are the only states that use only student fees to fund a physician location incentive program.

There are currently several options to increase the amount of funds available for a physician location incentive program, without requesting significant (or any) state general fund dollars. Montana currently charges a “graduate student” rate for its first year medical school class at MSU of about \$8,000. All other WWAMI states charge a first year “medical student” rate of about \$15,000. Increasing Montana’s first year rate to this level would generate an additional (approximately) \$140,000 per year. If the class size is doubled to 40, this would generate approximately \$280,000 in extra funds. While a portion of this additional revenue should be used to support the WWAMI program itself, a significant portion could be used for an incentive program.

An additional source of revenue could be from instituting at least a partial pay-back of the state WWAMI subsidy for students not returning to practice in Montana. The committee does not recommend this approach for several reasons. First, the great danger of a large pay-back requirement is that it creates a powerful incentive for students who can gain admittance to other medical schools to not participate in WWAMI. This effectively diverts our best students out of the WWAMI program. Wyoming, for instance, now requires a nearly \$150,000 payback for students not returning to the state, which we expect to have a significant, deleterious effect on their applicant pool over time. Second, pay-back programs are difficult to administer and enforce. Finally, a pay-back program that only requires a physician to return to anywhere-in-the-state will likely do nothing to solve our mal-distribution problems. To try and craft a pay-back program that could, 7-8 years in advance, direct new physicians to specific shortage areas would be enormously complicated.

The study team feels strongly that any pay-back program should be limited to an amount that will neither substantially influence a decision to participate, or not, in WWAMI nor position WWAMI as a medical school of last resort. Then, if the pay-back is moderate enough to meet this objective, this additional amount should be charged up-front, thereby avoiding the complexity of enforcement or collection post-medical school. Properly constructed, this recommendation could raise a significant amount of funding for a physician location incentive program. Students who ultimately chose to return to shortage areas in Montana would eventually receive multiples of their cumulative surcharge payments. Students who complete their education and elect to practice in non-shortage areas, or out-of-state, are free to do so without further penalty. The WWAMI surcharge that currently funds the MRPIP is \$2,000 per student per year. This team recommends the surcharge be increased to \$4,000 per student, generating an additional \$160,000 per year (\$320,000 if WWAMI is doubled). This additional surcharge still prices a WWAMI medical education well below almost all alternatives for our medical-school-bound students and put us on par with other public medical schools. (The average US public medical school’s tuition is \$18,400 and the average private school’s tuition is \$34,700).

Recommendation:

Montana should consolidate its two principal incentive programs and increase the amount of available funds with the following actions:

- Charge higher rates (on par with all other WWAMI states) for first year WWAMI students and put funds into Montana Rural Physician Incentive Program (MRPIP) and WWAMI program.
- Consider phasing-out the current Rural Physician Tax Incentive (grandfather current enrollees for time left under current law), and put equivalent funds into MRPIP.
- Increase “surcharge” for WWAMI program from \$2K to \$4-5K per year, put additional funds into MRPIP.
- Revise the MRPIP to increase incentive amounts and to better target locations in most need of primary care physicians.
- Include a larger selection team (than the current MRPIP committee) for awards to have greater rural representation and to ensure adequate incentives are targeted at highest-need areas.
- Focus the incentives on primary care physicians, but allow the selection team considerable flexibility to adjust the incentives to meet changing needs over time.
- Consider, in addition to location, other aspects of a physician’s practice (e.g. providing sliding fee schedules for low-income patients) in making incentive payments.
- Consider using this new and improved MRPIP as a model in other health professions (e.g. nursing) for which there are critical shortages in certain rural areas.

Benefits of Recommendation:

By consolidating and expanding Montana’s two principal incentive programs the state would have one, more powerful tool to encourage physicians to locate in our highest-need areas. Implementing the above recommendations would provide approximately \$1 million per year for MRPIP. This new consolidated program could be marketed more effectively and more carefully targeted at priority communities. It could be adjusted easily and frequently based on effectiveness and state need. It would also be cost effective. Even one million dollars of funding would expand our successful existing incentive program five-fold. This incentive program would also have an almost immediate effect. We would be able to begin solving rural health shortages almost immediately in carefully targeted ways while other longer-term solutions such as WWAMI expansion and new residency programs are implemented.

COST:

While implementation of these recommendations will require certain actions by the Board of Regents and the Legislature it should have no effect on the state’s general fund or tuition (beyond the additional surcharges paid by WWAMI students).

RECOMMENDATION 3: BEGIN THE LENGTHY PROCESS OF EVALUATING EXPANSION OF THE NUMBER AND TYPE OF RESIDENCY PROGRAMS IN THE STATE.

History:

Physician training is a long process and only begins with medical school. Graduate Medical Education (GME) is that level of physician education which occurs after medical school and prepares the physician to practice a medical specialty. Most physicians will spend between 3 and 8 years in GME after medical school. Since GME is typically the last step in training, and involves significant interactions with a region's practicing medical community, it is logical that the location of this training would influence a physician's choice of a practice location. In fact, the location of a residency program is significantly more predictive of ultimate location for a physician than is medical school location. Nationally about half of all physicians locate in the state of their most recent GME (47% vs. 39% from medical school).

Expanding residency programs also gives a state considerable influence over the types of physicians it needs to attract. All medical schools have graduates who will chose specialties or sub-specialties. Residency programs can be created or expanded for the types of specialties that are most needed in current or anticipated shortage areas (generally primary care) within the state.

Montana, which ranks as one of the most rural states in the union, is 50th in the nation in the number of medical residents per capita. In Montana we currently have one residency, the Montana Family Medicine Residency Program, that trains about 18 family practice physicians at any one time (six residents in each year of a three-year program). The retention rate for this program's graduates in Montana has been 65% during its 10 years of existence, which is significantly above the national average retention rate.

While GME programs do not require the vast infrastructure, scale, and up-front costs of a medical school, they are nonetheless expensive and complicated. The costs per resident of a typical GME program are as high, or higher, than those for medical school students. The principal mitigation is that GME programs do not need to be as large as the minimum for a viable medical school – which requires a student body of about 200 to be sustainable. Even with a relatively small and focused residency, the Montana program currently costs about \$18,000 per resident per year in state funding alone. An additional approximate \$120,000 per student per year is required through a combination of federal and local hospital support. Even though much of this non-state funding takes the form of Medicare pass-through, local hospitals had to advance significant funds during program start-up and continue to do so on an on-going basis to manage cash flow. Accreditation of GME programs is also an arduous and complex process. A community's willingness and capacity to host a residency program is critical for successful accreditation and it is impossible to determine, generally, our ability to expand GME without first identifying specific communities interested in hosting a program.

Current Situation:

GME within Montana deserves further study to see if expansion is feasible and would meet the state's needs in a cost-effective way. The goal of increasing GME is to

increase the number of physicians practicing in the desired specialties in Montana. A particular emphasis of any expansion in Montana is to identify GME programs for specialties needed in rural communities where recruiting and retention has been problematic.

Given the complex analysis and community involvement necessary to evaluate expanded GME program(s) a detailed plan cannot be reasonably developed before the 60th Legislature. Our recommendation is to begin now what will likely be a 24-36 month process to recommend expansion of GME in Montana -- a process that must include the involvement of specific communities that might be willing to host a particular program. As a point of reference, it took 23 years (1972-1995) of discussion, work, and coalition building to create the current residency program in Billings. It will almost certainly not require this amount of time to create subsequent programs in the state—we can, after all, apply lessons learned in Billings to any new program(s)—but it will take at least several years.

Recommendation:

Appoint a team to conduct a feasibility study for new or expanded residency programs in Montana. This team should consist of, as a starting point, the state's Area Health Education Center board members with any additional members deemed necessary. This review would include the following:

1. Determine the feasibility of starting new residency programs in specialties that will help address the physician work force needs of the state such as Internal Medicine, Surgery, Psychiatry, Pediatrics and Family Medicine.
2. Evaluate the capacity and community willingness to expand the existing Family Medicine program.
3. Consider programs that could operate in combination with the current residency: Family Medicine/Psychiatry, Family Medicine/ER or a geriatric fellowship.
4. Consider a residency track or branch site within the state attached to an established program based elsewhere in the WWAMI region.
5. Review of accreditation requirements for selected specialties and their host institution to determine the infrastructure required for developing an accredited residency.
6. Complete a survey of Montana communities regarding their interest and resources to host a GME program.
7. Explore linkages with and seek advice from GME directors of neighboring medical schools including but not limited to University of Washington School of Medicine, Oregon Health Sciences University, University of Utah School of Medicine, University of Colorado School of Medicine, and University of Minnesota School of Medicine.
8. Examine funding requirements of proposed residency programs. This would include an examination of current GME funding within Montana compared to neighboring states, including local, state, and federal sources.

The recommended review could be accomplished over a 12 month period. This would allow for a subsequent 18 months to fully develop a specific proposal for consideration in the 61st Legislature and the associated MUS budget process.

Benefits of Recommendation:

Residency programs are an effective way to attract physicians in targeted specialties who will be likely to remain in the state to practice. GME programs specifically designed to help meet state shortages can be especially effective. Expansion of residency programs in Montana is an important part of the long-term solution of providing physicians to our rural areas. GME is expensive, however, and requires tremendous community support to be successful. Additional and substantial effort needs to be devoted to the various alternatives for expanding programs in the state in order to target those programs most likely to be effective and with the highest benefit for the lowest cost.

COST:

The process of evaluating the feasibility of GME expansion could be done within existing budgets of the MUS. Expansion of any residency program will ultimately require at least \$20,000 per resident per year. Montana's current residency program is almost this expensive and it is one of the lowest cost programs in the country and is a three year program (most other specialties require more time). A realistic minimum cost for any new residency program in Montana is at least \$500,000 per year of state funds (in 2006 dollars).

Appendix A: Work Group Members

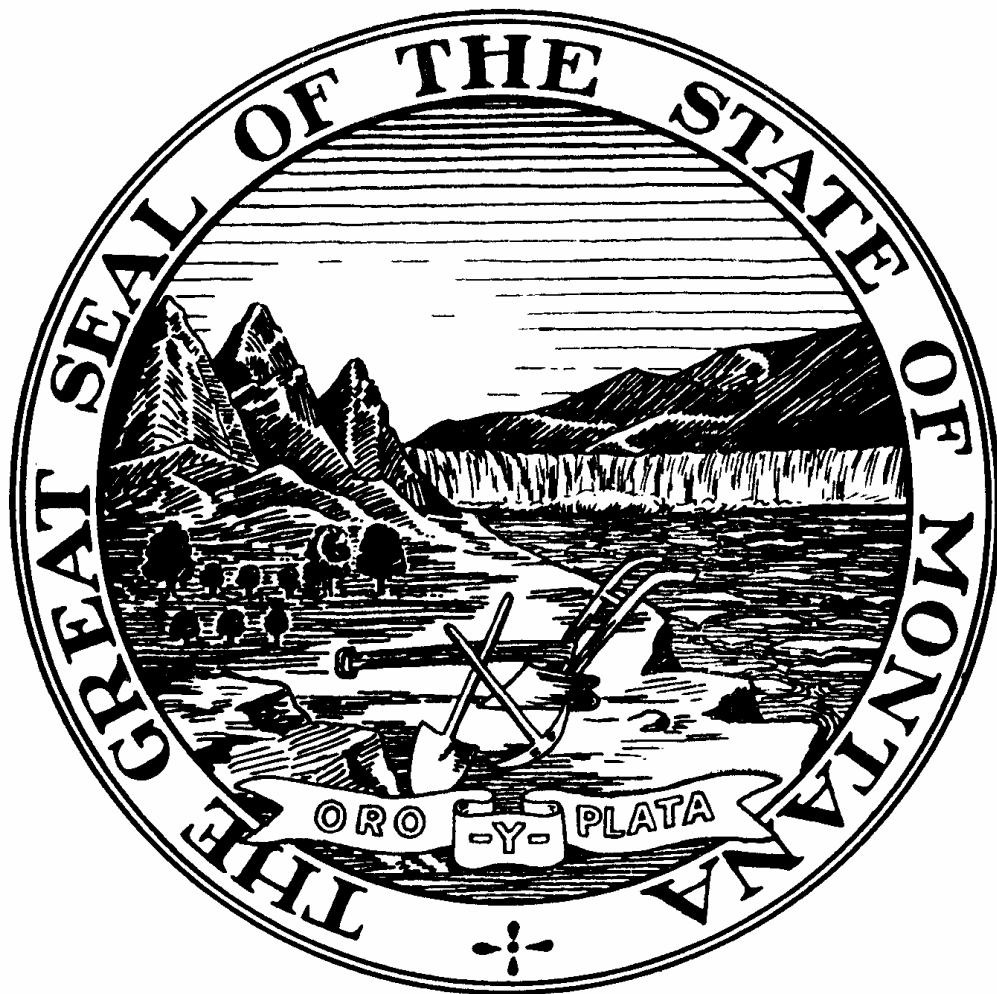
Emily Lipp-Sirota	Economic Development Specialist, Montana Governor's Office
Roxanne Fahrenwald, M.D.	Director, Montana Family Medicine Residency
Marge Levine	Data and Information Manager, Montana Primary Care Association
Jay Erickson, M.D.	Assistant Dean, WWAMI Clinical Phase for Montana / University of Washington School of Medicine
Richard Brown	Sr. Vice President, MHA
Linda Hyman, PhD	Vice Provost, Health Science at MSU and Assistant Dean, WWAMI University Phase
Kristin Juliar	Director, Montana Office of Rural Health and Area Health Education Center
David Gibson	Associate Commissioner of Higher Education, Montana University System

MUS Strategic Plan Goals - Workplan

Goal	Measurement*	Responsible Unit...	Goals For...
1.1.1	In-state cohort participation rate	All Campuses	2007, 2010 goal
1.1.2	Retention rates	Bozeman/Missoula	2007, 2010 goal
		All Other Campuses	Determine how to measure and set goals
1.1.3	Completion rates	All Campuses	2007, 2010 goal
1.2.1	Reduce gap EFC-cost attendance	All Campuses	2010 goal
1.2.2	Percentage receiving financial aid	All Campuses	2010 goal
1.2.3	Increase aid/scholarship amounts	All Campuses	2007, 2010 goal
1.3.1	Increase amount of state support	Regents	2010 goal
1.3.2	Decrease tuition as % of income	Regents	2010 goal
1.4.1	Expand outreach to at-risk students	OCHE	2007, 2010 goal
1.4.2	Expand outreach to top academic achievers	Bozeman/Missoula	2007, 2010 goal
		All Other Campuses	Determine how to measure and set goals
1.4.3	Increase dual enrollment and AP	OCHE	2007, 2010 goal
1.4.4	Increase high school graduation rates	OCHE	2007, 2010 goal
1.5.1	Increase enrollment in 2-year programs	All 2-year Programs	2007, 2010 goal
1.5.2	Increase programs for non-trad. Students	All Campuses	Determine how to measure and set goals
1.6.1	Improve distance and on-line programs	All Campuses	Determine how to measure and set goals
2.1.1	Increase employer satisfaction with grad's	OCHE	Determine how to measure and set goals
2.1.2	Increase degrees/cert's in high-demand fields	All Campuses	2007, 2010 goal
2.1.3	Increase job placement rates	All Campuses	2007, 2010 goal
2.1.4	Grow 2-year degrees and cert's	All 2-year Programs	2007, 2010 goal
2.2.1	Increase R&D receipts	All research campuses	2007, 2010 goal
2.2.2	Increase technology licenses w/ MT companies	All research campuses	2007, 2010 goal
3.1.1	Improve system data	OCHE	2006, 2007,2010 goal
3.2.1	Expenditures/student relative to peers	Regents	2007, 2010 goal
3.2.2	Expenditures by category	All Campuses	2007, 2010 goal
3.2.3	Improve transferability	All Campuses	Determine how to measure and set goals
3.3.1	Reconstruct budget allocation model	All Campuses	Complete in 2006

Montana Board of Regents

2006-2010 Strategic Plan



March 2006

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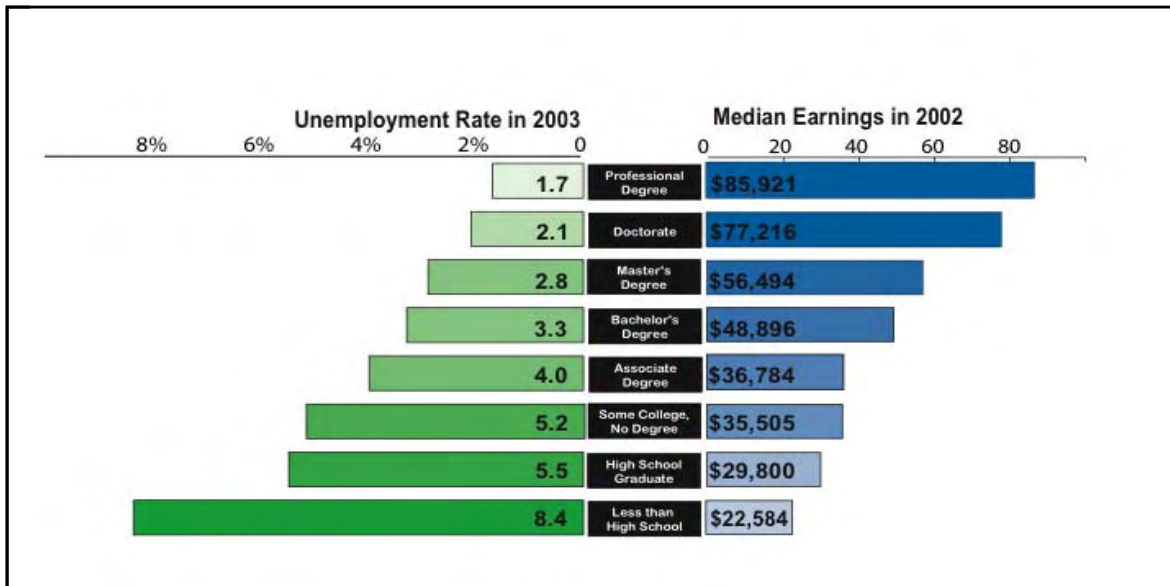
Preface and Introduction

History

This year the oldest units of the Montana University System celebrate their 114th anniversary. It would be an understatement, and a well-worn cliché, to say that much has changed since Montana’s 3rd Legislature established four state colleges in Bozeman, Missoula, Butte, and Dillon. What may be more interesting is how much has not changed. Now, as then, education is a cornerstone of our society and our economy. An educated citizenry has been recognized as a foundation for our nation’s success since the time our country declared its independence. The Morrill Act of 1862 (establishing the Nation’s land-grant colleges), the Second Morrill Act of 1892, and the GI Bill (which five decades later opened up the possibility of a college education for millions) consistently rank among the handful of major policies that have fundamentally shaped our country’s prosperity during the last century.

What has changed is the minimum level of education necessary to successfully participate in our society and economy. Postsecondary education has long been a gateway to success for our best and brightest and more privileged citizens. Now it is essentially a requirement for almost everyone. Many years ago an 8th grade education was recognized as sufficient for most citizens. This gave way to a standard that a high school diploma was necessary for entrance to the middle-class and the chance to have a comfortable life. In the 21st Century, the hurdle has plainly moved to where at least some postsecondary education is now necessary for even modest prosperity in any high-wage, industrialized economy. As the chart below plainly shows, employment and income are inextricably linked to educational attainment.

Figure 1: Unemployment and Earnings by Education Level



It is therefore ironic that, during a time of increasing globalization and a need for much broader access to postsecondary education, state support for higher education is declining. This is true not just in Montana, but also across the country. Nationally, state funding as a proportion of total public university budgets has declined about 40% in the past two decades. In Montana, the state's contribution to the cost of educating a student has declined by half -- from almost 80% of cost in 1985 to about 40% in 2005.

Unfortunately, tuition remains the single largest factor in closing the gap between the cost of public higher education and the amount of funding provided by the state. Since no state institution of higher education can maintain a quality system of education in the face of a 40% decline in funding, tuition has had to increase. And it has increased -- a lot. In the past decade tuition has about doubled for Montana residents. The state's contribution per student -- in dollars -- has remained essentially the same for 10 years, without increases for even some price inflation. Again, Montana has much company. During the past decade, average tuition increases for all U.S. public 4-year colleges almost precisely mirror Montana's increases.

But the higher education system in Montana is not entirely a blameless victim of the legislative budget ax. Elected officials are heavily persuaded by their respective constituents' input. Had the declining proportion of state support been accompanied by a great outcry from the Montana citizenry it is doubtful such reductions would have been sustained for long. Clearly, there has not been a consensus among our citizens, Governors, and legislators as to the critical need for greater public support and correspondingly lower tuition levels. For this, the higher education community has to shoulder some of the blame. Had the university system been more effective at connecting with the many communities in the state, in engaging more actively in the state's economic development, in communicating the value of a strong public higher education system, it is likely more support would have been forthcoming.

Goals

The discussion of Montana University System history is not meant to affix blame collectively or individually. The point is simply that the state's prosperity depends on a high-quality and accessible postsecondary education system and the university system's future likewise depends on the state's prosperity. This strategic plan focuses on just this symbiotic relationship with three fundamental goals:

- Increase the overall educational attainment of Montanans through increased participation, retention, and completion rates in the Montana University System.
- Assist in the expansion and improvement of the state's economy through the development of high value jobs and the diversification of the economic base.
- Improve institutional and system efficiency and effectiveness.

The first goal reinforces what has always been the core mission of public higher education – to provide access to a quality postsecondary education for our citizens. In light of trends during the past decade, access requires affordability and this does mean, in part, increased state support. It also means the university system needs to do a better job of reaching remote, disadvantaged, and non-traditional students; using technology to deliver education; and working more closely with K-12 education to make the transition to college seamless.

The second goal recognizes the two critical roles that a university system must play in a successful knowledge-based economy. It must train a high-skilled workforce for the types of jobs that exist, or will exist, in the economy. It is also a principle source of research and technology that fuel the innovation vital for any successful company to grow in our global economy.

The third and final goal gives a high priority to stewardship of the resources we have been provided to help attain these goals. How well the Montana University System manages costs, allocates resources, and tracks this accountability with hard data is critical for improving credibility and keeping higher education accessible for all our citizens.

Change is Vital

The good news is that, despite some disturbing trends, Montana still has an excellent university system. For the past decade enrollment has been increasing – a function mostly of a demographic bubble moving through our K-12 system – and growth can ameliorate otherwise visible financial troubles. Although students have been bearing an increasingly heavy financial burden, they have generally been able to work and borrow enough to pay for postsecondary education. Heavy debt has other consequences, particularly for post-education retention in the workforce, but it does mean most students can at least find a way to attend college. And, the university system has been able to raise dramatically non-resident tuition, which is about 40% higher than costs, to help off-set declining state support for resident students. Without these non-residents, resident tuition would be about 25% higher than it is currently.

But Montana now faces our own version of the perfect storm. The demographic bubble of 6-18 year olds in Montana has given way to a trough. Slowed population growth in this age group is a national phenomenon, but it is much more pronounced in our state. We are now in the first year of what we know will not be just slowed growth, but a significant decline in the number of in-state high school graduates. In ten years we will have about 1,500 fewer graduating high school seniors per year than we have this year. At the same time, the state's economy, like the rest of the nation, is facing a serious shortage of skilled-workers during the next two decades.

Also, for the first time, the average cost of higher education in the state has outstripped the capacity of many students and their families to fund higher education through savings and borrowing. Concurrently, the ability of our colleges to raise non-resident tuition to generate additional revenue may have reached its limit. Further large increases will make our tuition increasingly uncompetitive in the region and could lead to declining non-resident enrollments that more than offset higher tuition rates.

New forces in demographics and the global economy mean we can ill afford to proceed down the same path we have been following for the past decades. With this strategic plan, the Montana University System recognizes that we must work together with state government and our private sector to make significant changes in the manner in which we support each other. Our state deserves, and depends on, a collaborative and successful effort.

Taking Action

Postsecondary Education Policy and Budget Subcommittee

The development of this strategic plan began two years ago with two initiatives. The first was to work more closely with the interim legislature to develop a set of mutually agreed upon accountability measures that would guide the Montana University System and evaluate progress. Working with the Postsecondary Education Policy and Budget (PEPB) Subcommittee of the 57th Legislature, the Board of Regents did develop this set of accountability measures in July 2002. Subsequently, the PEPB subcommittees of the 58th and 59th Legislature have updated the accountability measures. This latest set of agreed-upon measures consists of a core set of six policy goals and these form one base for this strategic plan (Appendix 1).

Shared Leadership for a Stronger Montana Economy

The second initiative was to work with the PEPB Subcommittee to explore new ways for the Montana University System to take a more direct leadership role in the state's economic development. This overall effort, called Shared Leadership for a Stronger Montana Economy, engaged a broad range of Montanans to prioritize specific initiatives that would help establish a new role for the Montana University System in strengthening the state's economy. The Governor's office and several legislative interim committees were included in the effort. In July, 2004, the Board of Regents and the PEPB Subcommittee met jointly and agreed on three priority initiatives for immediate implementation:

- Develop stronger business-university system partnerships for workforce training;
- Remove barriers to access for postsecondary education;
- Expand distance learning programs and training.

During the subsequent three months the Commissioner's Office and the Governor's Office jointly conducted 15 statewide "community listening sessions" to get statewide input on the three priority initiatives. A steering committee was formed for each initiative, each with a broad cross-section of Montana leaders. Steering committees met between November 2004 and January 2005 and reached consensus on a set of the most serious problems in Montana and recommendations to address those problems. The reports from these steering committees and their recommendations form the second base for this strategic plan.

Strategic Plan Development

Finally, the Board of Regents have been meeting with legislators, the Governor's Office, campus leaders, and the public to determine the top priorities for the Montana University System over the next five years. This work included two planning sessions, in July 2005 and January 2006, and the engagement of national experts in higher education policy. These experts included Dennis Jones, President of the National Center for Higher Education Management Systems, and Cecelia Foxley, former Commissioner of Higher Education for Utah and President of State Higher Education Executive Officers.

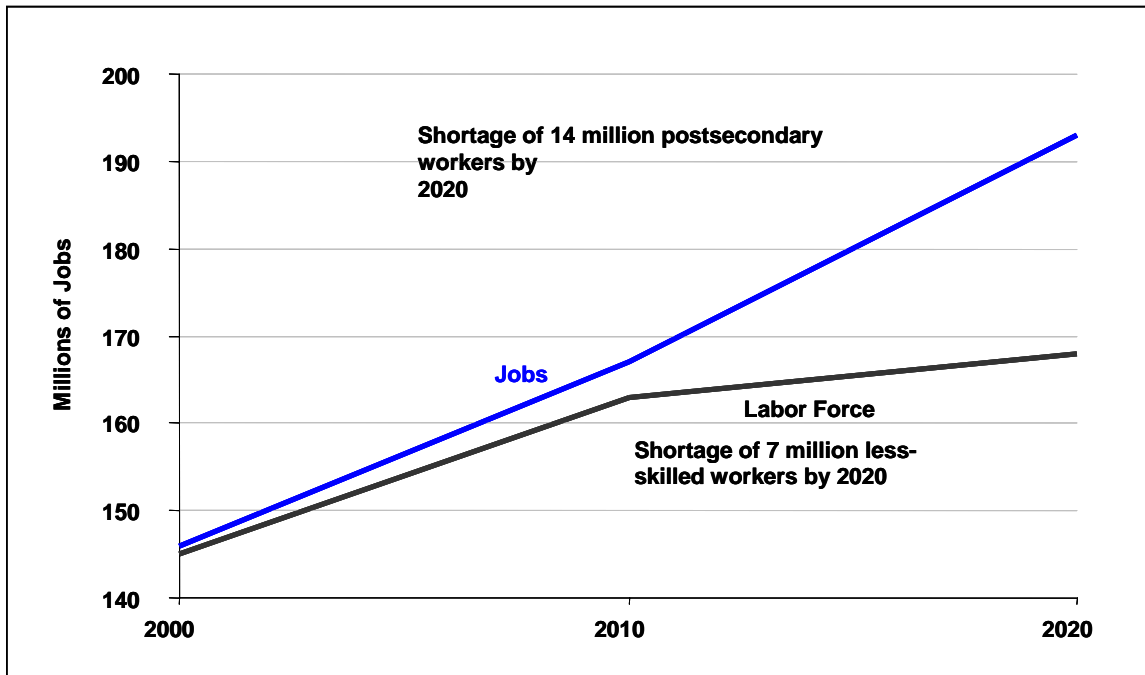
This strategic plan was approved by the Board of Regents in March 2006. It combines the ongoing efforts with the legislature, particularly the PEPB subcommittee, and Shared Leadership. It describes what will be the university system's priorities, how we will accomplish these priorities, and how we will measure our progress.

Goal I: Increase the overall educational attainment of Montanans through increased participation, retention and completion rates in the Montana University System.

Postsecondary Education is Critical

In Montana, and the entire United States, the global economy has made at least some postsecondary education “the price of admission” to the middle class and increasing wages over time. For instance, 31% of manufacturing jobs -- traditionally the foundation of our middle class in America -- now require education beyond a high school diploma compared with only 8% thirty years ago. In virtually all industries, jobs that do not require high skill levels are moving to low-wage economies and those that remain increasingly require advanced training. During the next 15 years, this country is projected to have a shortage of 21 million workers and two-thirds of these shortages will be in jobs requiring some postsecondary education. Demographic projections make it likely that shortage will be more pronounced, not less, in Montana relative to the rest of the country.

Figure 2: U.S. Skilled Worker Shortage is Looming



The Leaking Pipeline

Despite the increasing importance of education to the individual and the state, Montana is facing alarming trends. Montana’s public high school graduation rates

peaked at 86.7% in 1993 and had dropped to 77% in 2001, the lowest at any time in the past two decades. 7.6% of teenagers between the ages of 16 and 19 are considered 'dropouts' - neither a high school graduate nor enrolled in school nor looking for work. Montana also faces low college matriculation rates: for every 100 Montana students who enter 9th grade only 42 are likely to graduate high school four years later and enroll in college within a year. While Montana still ranks in the top 10 states for high school graduation rates, it ranks in the bottom third for the rate our students continue with postsecondary education. Our public higher education completion rates also lag behind the rest of the nation. Only 39.7% of students who enter a Montana four-year institution actually graduate from that institution, compared to a national average rate of 48.2%, and students from our least affluent counties have dramatically lower graduation and participation rates than the state's average.

Goal I (1): Prepare students for success in life through quality higher education.

Background

According to Tom Mortenson of the Pell Institute, postsecondary education “has become the dominant factor in the growth of personal incomes and the living standards of people, families, cities and states.” It is a well accepted fact that more education correlates highly with increased wages. Over a 40-year working career, those with some postsecondary education will earn about 75% more than those who have only a high school education. But the correlations between higher educational attainment and non-monetary benefits are equally strong. Improved health, decreased crime, higher charitable giving, and greater civic participation, among others, are all strongly related to the education of the individual and the overall education levels of a community. In addition to all the important things a university system does on a daily basis for the state and its communities, a central tenet of our mission must be to continue to prepare students for life by getting them into, and successfully through, a postsecondary education.

Strategic initiatives we will undertake to achieve this goal

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

- 1) Improve postsecondary education participation rates, with particular attention to Montana residents attending MUS institutions

Montana High School Class Of...	1992	1994	1996	1998	2000	2002	2004	2007	2010
Number High School Graduates	9,392	10,009	10,594	11,157	11,438	11,098	10,529		
Number in College One Year Later	4,793	5,398	5,834	6,355	6,143	6,107		(Goal)	(Goal)
Percent in College One Year Later	51%	54%	55%	57%	54%	55%		(Goal)	(Goal)

Notes: High school graduates include public and nonpublic high school graduates. "Freshmen" includes first-time freshmen who were high school graduates within the previous 12 months and enrolled in degree-granting, Title IV-eligible, non-profit two- and four-year institutions.

- 2) Increase retention rates within the Montana University System

Note: complete data are currently only available for MSU-Bozeman and the UM-Missoula.

**Institution : The University of Montana - Missoula
All Bachelor Degree-Seeking First-Time Full-Time Freshman**

FALL	HEAD COUNT	RETENTION RATE		CUMULATIVE GRAD./CONTINUE RATES			
		AFTER 1 YEAR	AFTER 2 YEARS	WITHIN 4 YEARS		WITHIN 6 YEARS	
				GRAD	CONT	GRAD	CONT
1995	1,452	64.8%	51.9%	17.9%	27.7%	40.3%	5.6%
1996	1,618	70.5%	55.8%	20.0%	28.7%	43.3%	5.7%
1997	1,711	71.1%	57.0%	19.6%	33.0%	45.0%	5.4%
1998	1,604	70.2%	57.2%	19.3%	32.4%	44.0%	6.5%
1999	1,671	68.3%	54.8%	20.3%	30.8%		
2000	1,750	69.7%	57.8%	19.6%	28.9%		
2001	1,764	69.4%	57.4%				
2002	1,788	71.3%	58.0%				
2003	1,770	69.5%					
2004	1,808			(Goal)	(Goal)	(Goal)	(Goal)
2007	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)
2010	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)

Institution : Montana State University - Bozeman
All Bachelor Degree-Seeking First-Time Full-Time Freshman

FALL	HEAD COUNT	RETENTION RATE		CUMULATIVE GRAD./CONTINUE RATES			
		AFTER 1 YEAR	AFTER 2 YEARS	WITHIN 4 YEARS		WITHIN 6 YEARS	
				GRAD	CONT	GRAD	CONT
1995	1,747	70.2%	60.1%	12.8%	38.9%	43.3%	6.1%
1996	1,746	67.4%	54.9%	14.0%	32.1%	40.4%	5.1%
1997	1,824	70.4%	57.7%	12.6%	36.2%	44.2%	7.7%
1998	1,889	70.2%	57.6%	15.8%	36.3%	47.2%	8.0%
1999	1,894	70.8%	59.8%	18.6%	37.2%	46.5%	4.6%
2000	1,854	72.8%	61.5%	19.3%	38.8%		
2001	1,722	72.2%	60.0%	17.0%	35.7%		
2002	1,924	70.3%	58.7%				
2003	2,011	71.6%	61.2%	(Goal)	(Goal)	(Goal)	(Goal)
2007	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)
2010	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)

Data Source: CSRDC reporting by UM-Missoula; MSU-Bozeman

3) Increase completion rates for MUS Campuses

Graduation Rates for First-Time, Full-Time B.A. Degree-seeking Students

Graduation Rate (Freshman graduate in 6 Years)	MSU-Billings	MSU-Bozeman	MSU-Northern	UM-Missoula	Montana Tech of UM	UM Western	Average of Reporting Campuses
2000-01	28.1%	43.3%	32.7%	40.3%	46.9%	26.0%	40.1%
2001-02	35.6%	40.9%	36.4%	43.0%	40.4%	29.3%	40.4%
2002-03	38.5%	44.3%	32.3%	45.0%	46.3%	23.8%	42.9%
2003-04	23.7%	47.2%	28.5%	44.1%	40.3%	29.7%	41.6%
2007-08	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)
2010-11	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)

Source: as reported by each campus

Goal I (2): Make higher education more affordable by offering more need-based financial aid and scholarships.

Background

High tuition does not create as much of a barrier to education if it is coupled with relatively high tuition assistance. Virtually every state in the US has a substantial need-based aid program, but Montana is far behind every other state in the region in the amount of aid provided our students. Montana appropriations for need-based aid are about \$702 per student as compared to \$240 per student for the other 15 western states. Even in Montana's two-year colleges – in most states the low-cost point of entry for many students – cost is increasingly a barrier. On average, a Montana family pays 25% of its income at two-year colleges compared to 16% nationally.

Federal loan limits no longer provide many Montana students and families with sufficient lending capacity to satisfy the cost of education. For the first time, the cost of education (including room and board) now exceeds the amount of borrowing available to many Montanans. There simply isn't enough need-based aid to serve our Montana residents and this lack of aid impacts enrollment, persistence, and success in postsecondary environments.

Strategic initiatives we will undertake to achieve this goal:

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

- 1) Reducing the gap between EFC (Expected Family Contribution) and Average Gross Cost of Attendance.

Difference Between Average Cost of Attendance and Expected Family Contribution

Institution	2004	2005	2006	2010
MSU Great Falls COT	\$6,858	\$6,710	\$6,868	(Goal)
MSU Billings	\$8,213	\$8,170	\$5,884	(Goal)
MSU Northern	\$8,618	\$9,113	\$12,083	(Goal)
MSU Bozeman	\$6,371	\$6,597	\$6,582	(Goal)
UM Helena COT	\$7,105	\$7,633	\$7,681	(Goal)
UM Missoula	\$7,609	\$8,138	\$7,786	(Goal)
Montana Tech	\$8,495	\$8,921	\$8,249	(Goal)
UM Missoula COT	\$8,715	\$8,599	\$8,533	(Goal)
UM Western	\$7,473	\$7,416	\$6,461	(Goal)

- 2) Increasing the percentage of students who receive financial aid or scholarships.

Percentage of First Time Freshmen Receiving Any Financial Aid

Institution	2001	2002	2003	2004	2007	2010
MSU Billings COT	83%	91%	82%	78%	(Goal)	(Goal)
Montana Tech UM COT	83%	86%	82%	86%	(Goal)	(Goal)
MSU Billings	81%	81%	87%	80%	(Goal)	(Goal)
MSU Great Falls COT	84%	43%	70%	79%	(Goal)	(Goal)
UM Helena COT	85%	78%	72%	61%	(Goal)	(Goal)
Montana Tech UM	82%	90%	92%	86%	(Goal)	(Goal)
MSU Bozeman	72%	75%	78%	84%	(Goal)	(Goal)
UM Missoula	78%	79%	75%	75%	(Goal)	(Goal)
MSU Northern	95%	99%	100%	98%	(Goal)	(Goal)
UM Western	76%	90%	76%	66%	(Goal)	(Goal)
MUS Weighted Average	77%	78%	79%	79%	(Goal)	(Goal)

3) Increasing the average aid/scholarship award amount

Average Freshmen Receiving Aid and Average Freshman Aid Amount

	FEDERAL AID	STATE AID	INSTITUTION AID	TOTAL FINANCIAL AID	LOANS	FINANCIAL AID INCLUDING LOANS
2001 Avg -those receiving aid	\$2,526	\$1,308	\$1,341		\$3,294	
2001 Avg all first time freshman	\$848	\$301	\$390	\$1,539	\$1,683	\$3,221
2002 Avg -those receiving aid	\$2,747	\$1,735	\$1,895		\$3,294	
2002 Avg all first time freshman	\$930	\$436	\$624	\$1,990	\$1,638	\$3,628
2003 Avg -those receiving aid	\$3,036	\$1,958	\$2,285		\$3,344	
2003 Avg all first time freshman	\$1,089	\$455	\$709	\$2,252	\$1,859	\$4,110
2004 Avg -those receiving aid	\$3,012	\$1,956	\$2,831		\$3,461	
2004 Avg all first time freshman	\$1,064	\$433	\$874	\$2,371	\$1,898	\$4,269
2007 Avg -those receiving aid	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)
2007 Avg all first time freshman	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)
2010 Avg -those receiving aid	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)
2010 Avg all first time freshman	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)

Goal I (3): Promote postsecondary education affordability.

Background:

Montana faces increasingly high postsecondary education costs relative to income levels. In 1994 Montana's average tuition was \$27 below the 15 western states' average; in 2004 it was \$703 above the average. Montanans must now pay a 40% higher share of their incomes for resident tuition and fees than residents of the other western states. The average student debt for a Montana university graduate is \$20,000 and rising. With these trends, it is no surprise that in 2000-01 the college participation rate for Montana students from low-income families was 27.9% compared to 42% for the general population. According to *Measuring Up 2000*, the state of Montana received a grade of "D-" for affordability. In 2002, the affordability grade sank to "F" and remained there in 2004.

Strategic initiatives we will undertake to achieve this goal:

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

- 1) Increase the amount of state support as a percent of total personal income relative to peer states and historical levels

State Support per \$1000 Personal Income

State	FY 1995		FY 2005		FY 2010	
	\$	Rank	\$	Rank	\$	Rank
Colorado	\$ 7.10	36	\$ 3.59	48		
Idaho	\$ 11.77	11	\$ 8.80	14		
Minnesota	\$ 10.86	13	\$ 7.05	25		
Montana	\$ 7.74	31	\$ 6.14	31	(Goal)	(Goal)
North Dakota	\$ 13.23	8	\$ 10.57	4		
Oregon	\$ 7.37	33	\$ 5.48	40		
South Dakota	\$ 8.78	25	\$ 7.16	22		
Utah	\$ 13.25	7	\$ 10.08	9		
Washington	\$ 8.24	30	\$ 6.72	26		
Wyoming	\$ 13.87	5	\$ 12.45	2		
US Totals	\$ 8.02		\$ 6.59			

Source: Grapevine (www.coe.ilstu.edu/grapevine/50state.htm)

- 2) Decrease tuition as a percentage of median household income.

Ratio of Tuition and Fees to Median Household Income
For Public Institutions, 1993-4 & 2003-4

	Associate's (2-Year) Colleges			Baccalaureate/Master's		
	1993-94	2003-04	2009-10	1993-94	2003-04	2009-10
Montana	5.0%	7.4%	(Goal)	6.8%	10.5%	(Goal)
WICHE	3.1%	4.2%		5.3%	7.2%	

WICHE Notes: Baccalaureate/Associate Colleges and Specialized Institutions are not included in this table. Wyoming has no public baccalaureate/master's institutions. Tuition and fees used in the calculation are the mean tuition and fees within each sector for each state. Median household incomes are for the first of the two calendar years indicated in the table; for example, median household income in 2003 was used to calculate the 2003-04 ratio. The WICHE average median household income was calculated as a simple average of the 15 member states.

Goal I (4): Work collaboratively with the K-12 education system to increase high school academic preparedness, completion, and concurrent enrollment programs.

Background:

With the precipitous decline in high school graduates over the next decade, the university system's ability to grow and meet the increasing need for skilled-workers in the state depends on getting a higher proportion of students to enter postsecondary education. We also know that most students' expectations of whether or not they will attend college are set in middle school and early high school. This means any successful strategy must involve a partnership with K-12 education to reach students early and often.

Many Montana students and families need additional support and assistance in order to aspire to, prepare for, and successfully complete postsecondary education. According to *The Education Resources Institute*, individuals from families with limited postsecondary experience are much less likely to have the personal or institutional connections through which students typically receive encouragement and guidance to pursue higher education. School counselors attempt to meet these needs for all students, but are often unable to do so as a result of limited time and resources. Montanans enrolling in postsecondary education sometimes also lack adequate preparation. The numbers of students taking college remedial courses is evidence of this problem. The issue is particularly pronounced for non-traditional students who have been out of high school for an extended period of time and typically require considerable remedial coursework to succeed in postsecondary education.

Dual enrollment programs serve to promote more educational options, save student's time and money on a college degree, provide greater academic opportunities for students in small rural schools, and increase student aspirations to go to college at the two- or four-year level. However, Montana's dual enrollment programs are not offered in a consistent manner across the educational system. They are few in number and inconsistent in nomenclature, prerequisites, cost and application. Consequently, a Montana student's access to dual enrollment is, to a large degree, dependent upon where they live and go to school.

Finally, it is important that Montana colleges are viewed as attractive options for our "best and brightest." As important as it is to improve college-going rates for our average students, it is equally important to retain more of our gifted students. The quality of an academic experience is greatly enhanced by diversity of the student body and by some academic competitiveness among students. There is also a greater likelihood that students who leave the state for college will not return to our

workforce. Clearly, it is in the interest of our students, colleges, and our economy that our public institutions are correctly viewed as a place to gain a world-class education at an affordable price.

Strategic initiatives we will undertake to achieve this goal:

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

- 1) Expand outreach to at-risk and disadvantaged students as to the importance and accessibility of postsecondary education and the quality of the Montana University System.**

The Commissioner of Higher Education and the Board of Regents are working together with Montana's Student Assistance Foundation (SAF) and other partners to develop a statewide access network that will coordinate and promote access services throughout Montana. Currently, with technical assistance from the National College Access Network (NCAN) and financial support from SAF, the Department of Labor is beginning a comprehensive Inventory and Gap Analysis identifying and mapping career and college outreach services throughout Montana. Once the survey is completed (anticipated to be February 2006) it will be possible to tell which Montana communities, school and populations are not being adequately reached by existing programs and resources. Specific goals to increase outreach to those students in the "gap" will then be developed.

GEAR UP also conducts an annual survey tracking plans for students to attend college which can provide data for school served by the GEAR UP program.

2) Expand outreach to top academic achievers graduating from Montana high schools as to the importance and accessibility of postsecondary education and the quality of the Montana University System.

Top Performing Students in the Montana University System

Note: Data are currently available for only MSU-Bozeman and UM-Missoula

Montana State University (Bozeman)	Fall 2003	Fall 2004	Fall 2005	Fall 2007	Fall 2010
Freshmen taking ACT scoring in top quartile*	34.7%	36.0%	34.9%	(Goal)	(Goal)
Freshmen in top 10% of high school class	18.0%	17.4%	16.3%	(Goal)	(Goal)

University of Montana (Mountain Campus)	Fall 2003	Fall 2004	Fall 2005	Fall 2007	Fall 2010
Freshmen taking ACT scoring in top quartile*	31.0%	27.5%	30.6%	(Goal)	(Goal)
Freshmen in top 10% of high school class	14.0%	15.1%	15.8%	(Goal)	(Goal)

* Top quartile is a score of 25-36

3) Increase dual enrollment and advanced placement programs

Advanced Placement Testing in Montana High Schools

	2001	2002	2003	2004	2005	2007	2010
Number of Students Taking Exam	1,688	1,886	1,927	1,996	2,189	(Goal)	(Goal)
Number of Exams Taken	2,368	2,763	2,726	3,029	3,250	(Goal)	(Goal)
Exams Scoring 3 or Higher	1,543	1,964	1,894	2,144	2,115	(Goal)	(Goal)
% Exams Scoring 3 or Higher	65%	71%	69%	71%	65%	(Goal)	(Goal)

Dual credit and dual enrollment are not currently measured in Montana on a periodic basis. OCHE is currently surveying dual credit awards in the state and baseline data should be available in February 2006.

4) Increase high school graduation rates.

Percentage of 9th Graders graduating from High School Four Years Later

State	HS Graduation Class				
	1998	2000	2002	2007	2010
Montana	80.1%	78.1%	77.3%	(Goal)	(Goal)
WICHE	69.9%	69.3%	70.2%		
West		68.9%	69.9%		
Midwest	74.9%	73.4%	74.4%		
Northeast	75.9%	70.3%	72.4%		
South	62.4%	60.8%	61.8%		
US	68.8%	60.7%	62.0%		

Data: NCHEMS

Goal I (5): Increase postsecondary enrollment of traditional and non-traditional students through expanded outreach programs, evening/weekend programs, and 2-year programs.

Background:

Despite Montana’s relatively low wages, our state has many high-paying jobs that go unfilled – in health care, construction, manufacturing, for example – due to a shortage of appropriately trained workers. A fundamental characteristic of the global and knowledge-based economy is that workers must be highly skilled in order to have the high productivity needed to command growing wages. This requires a good entry-level skill base and continual upgrading of skills over time as technology in the workplace changes – at an ever increasing rate. Certainly, some of this training is provided by employers in the workplace. But increasingly, due to increasing costs and complexity, businesses across the country are relying on a region’s higher education system to be active partners in providing the training needed.

The state’s demographics are also changing rapidly. Over the next two decades, we will have about 1,500 fewer high-school graduates per year than we do today. It is simply not possible for the university system to sustain itself or our growing economy if we continue to rely on the traditional pipeline of students. Our campuses must expand outreach to non-traditional students, who are frequently place-bound or in rural areas, if they are to continue to support the economic growth of the state.

Strategic initiatives we will undertake to achieve this goal:

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

1. Increase enrollment in two-year programs.

2 Year Program Enrollment in the Montana University System

Unit	2000	2001	2002	2003	2004	2005
Billings COT	509	474	509	580	660	668
Great Falls COT	766	834	952	1053	1098	1093
Missoula COT	776	797	803	886	895	916
Butte COT	310	285	295	233	260	280
Helena COT	704	724	736	738	749	684
Total COT	3065	3114	3295	3490	3662	3641
Year-to-year % change		1.6%	5.8%	5.9%	4.9%	-0.6%
Dawson CC						
Dawson CC	429	413	445	415	450	497
Flathead Valley CC						
Flathead Valley CC	1186	1174	1289	1414	1642	1457
Miles CC						
Miles CC	465	506	509	473	509	542
Total CC	2080	2093	2243	2302	2601	2496
Year-to-year % change		0.6%	7.2%	2.6%	13.0%	-4.0%

2. Increase programs and classes for non-traditional students, including evening and weekend programs.

The university system does not currently compile system-wide data on the numbers of programs/classes for non-traditional students, in evening/weekend programs. The first year's goal is to agree on common definitions for these programs and compile benchmark data on what the university system is currently offering. Subsequent goals for increasing the number of these programs will then be developed by the end of 2006.

Goal I (6): Improve distance and on-line learning by coordinating online delivery of education across the entire Montana University System.

Background:

The current method of providing distance and distributed courses and programs in Montana is decentralized. The Montana University System provides an electronic catalogue of distance education courses offered by system campuses, but that catalogue is essentially an electronic link to each campus and its own, individual description of distance opportunities available at that campus. Each institution within the Montana University System decides which programs and courses will be offered in a distance format. Each institution also decides how and where those programs will be offered and in which medium, with only modest consultation with other educational institutions throughout the State. Most of the institutions in the Montana University System also handle their own support service programs, like admissions, registration, tuition, financial aid, and advising. Disparities are confusing and costly for students, especially students who use the offerings of more than one campus to earn their degree or to supplement their already-acquired credentials.

There is no common approach among distance education providers to address the crucial issues affecting affordability and quality – tuition, duplication, articulation agreements between programs or institutions, transfer of coursework and best practices in teaching, assessment, and support services. There is very little consistency in services or support for distance-education students, who often do their coursework in an isolated setting far from the institution providing the classes. Consequently, Montana is not using technology to the fullest advantage in providing more accessible and efficient education to our citizens.

Strategic initiatives we will undertake to achieve this goal:

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

The Director of Distance Education Business Development will work with the Distance Learning Advisory Council to refine the most appropriate measures for evaluating progress by April 2006. These measures could include:

- Developing an accurate and updated inventory of: 1) degree programs, 2) certificate programs, by institution, at the undergraduate and graduate levels.
- Developing an inventory of credit courses, CPE courses, professional courses, and non-credit courses, by institution.
- Developing an inventory of how programs and courses are delivered by each institution, both organizationally and by mode of delivery, the tuition and fee structures for each, by institution.
- Surveying of web based student services and support offered by each campus for distance learning.
- Surveying how DE courses are being identified and reported by the campuses, how they appear on the student transcripts, and whether DE credit hour generation is being reported for FTE formula funding purposes.
- Identifying by campus, the barriers, rewards, incentives, and opportunities for grant writing and academic DE program collaborations that would support distance education.
- Identifying “best practices” in creating and implementing a common portal or gateway for a system approach to distance learning opportunities for the citizens of MT.
- Developing and implementing at least two collaborative efforts to meet academic program needs of students, business, and/or citizens, using existing resources in the process.
- Identifying a common business plan template that will be used for MUS distance education offerings.

Goal II: Assist in the expansion and improvement of the state's economy through the development of high value jobs and the diversification of the economic base.

The state ranks 50th (lowest) in average wages and is generally in the bottom ten states in terms of per capita income, household income and other measures of wealth per person. But with unemployment continuing near all-time lows, it is not the number of jobs in the state that need to increase. Montana needs more high-paying jobs.

In an economy that continues to globalize, Montana companies must compete with lower wage economies around the world. Higher wages can only be sustained if the value of a person's work is increased. Global competitiveness demands that, over the long-term, wages will reflect the value of the labor performed. The term for this is "productivity" and there are fundamentally two ways it increases – by increasing the skill level of the worker and/or through the use of new technology. In both of these areas the Montana University System plays a large role in advancing the state's economy and creating more high-paying jobs.

Goal II (1): Increase responsiveness to workforce development needs by expanding and developing programs in high demand fields in the state.

Background:

The availability of a skilled workforce has become one of the most important issues for attracting, retaining, and growing businesses that provide higher paying jobs. Workforce skill level is a key driver of innovation and productivity improvement across all industries. The success of Montana's economy depends on our ability to provide the skilled workers needed for jobs that exist, or will exist, in our state. The Montana University System is by far the largest source of educated and trained workers for our businesses. If our programs are not responsive to the changing needs of Montana businesses, we cannot hope to retain our citizens or grow our income levels.

In an environment of limited funding support, however, it is critical that we align limited resources for public higher education with the needs of the economy. Traditional liberal arts education must remain a foundation of the system, because the general skills it imparts are central to business innovation and individual success. And, given the expenses involved in technical education, there simply are not enough resources to provide high-quality training for every job that might exist in the state. The highest priority must be given to student and employer demands in fields where current or projected job creation outstrips the capacity of the higher education system to produce trained graduates.

Until recently, however, there has been no consistent system-wide, on-going evaluation of the educational needs of business and industry, K-12 students or the average citizen. As a consequence, the State had no way to determine the unmet needs of employers or the missing skills of workers. With research conducted by the Montana Bureau of Business and Economic Research at the request of the Board of Regents, we now have this data and can track the progress of the university system in providing appropriately trained workers for our businesses.

Strategic initiatives we will undertake to achieve this goal:

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

1) Increase employer satisfaction with graduates.

Prior to 2005, the Montana University System has not had a systematic means to measure employer satisfaction, although most campuses evaluated this in some way. Using the recently completed statewide business survey commissioned by the Board of Regents, some baseline information is now available. Prior to March 2006 specific measures will be selected from this survey and 3-5 year goals for the state will be developed.

2) Increase degrees and certificates awarded in high-demand occupational fields.

Degrees Awarded by All MUS Campuses in Healthcare and Construction

Year	Construction				Healthcare		
	2 year	4 year	Total		2 year	4 year	Total
1994	236	127	363		261	305	566
1999	207	99	306		205	209	414
2004	116	111	227		420	242	662
2007	(Goal)	(Goal)	(Goal)		(Goal)	(Goal)	(Goal)
2010	(Goal)	(Goal)	(Goal)		(Goal)	(Goal)	(Goal)

3) Increase job placement rates.

2003-2004 Job Placement Rates for All Graduates of the Montana University System

BA Degrees	Total Graduates	Respondents	Employed in Related Field	Employed Other	Seeking Employment	Not Seeking Employment	Continuing Education	Military
2003-4 Total	5006	3140	1808	445	147	80	556	21
2003-4 Percentage		63%	58%	14%	5%	3%	18%	1%
2007 Goal								
2010 Goal								

AA/AAS Degrees								
2003-4 MUS Total	841	633	392	98	32	13	91	
2003-4 Percentage		75%	62%	15%	5%	2%	14%	0%
2007 Goal								
2010 Goal								

4) Grow enrollment, for certificates and degrees, in 2-year programs.

Associated Degrees Conferred

	1997	1998	1999	2000	2001	2002	2003	2004
Colleges of Technology	590	695	703	785	805	834	952	975
Community Colleges	412	439	424	450	413	408	448	511

Goal II (2): Establish collaborative programs among institutions, the private sector, and the state to expand research, technology transfer, the commercialization of new technologies, and the development of our entrepreneurs.

Background:

In a report recently published by the Office of the Governor, Montana is home to 2,721 advanced technology establishments of which 626 have five or more employees. These companies directly employ a total of almost 12,000 individuals whose earnings are significantly higher than the state's annual average wage of about \$25,700. Many of these firms already have strong relationships with the Montana University System and all rely on continuous innovation and the deployment of new technology to be successful.

Because Montana lacks the large corporate headquarters that typically conduct private sector research, a large portion of our state's expenditures for research derive from the university system or its partnerships with our state's businesses. This research is in itself a large industry, putting more than \$150 million (2005) of "outside" money directly into the Montana economy. Growing research in the university system grows high-paying jobs. To fully leverage this research, however, we must continue to work hard to commercialize that innovation in our own economy.

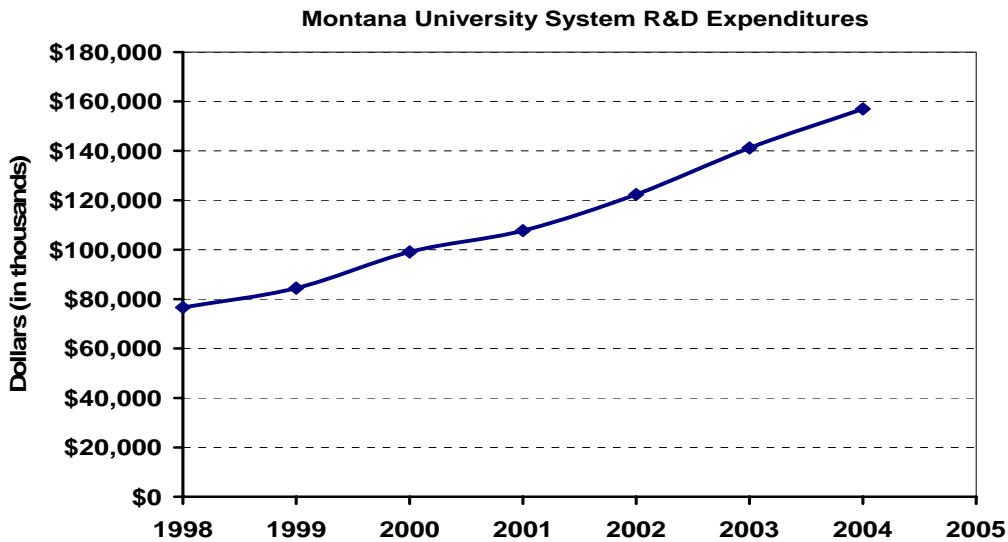
Of course, no quality research university will ever be able to find a home for all its technology in the local economy. Cutting edge research is by its nature global, and Montana will never have all the resident companies needed to commercialize all of our research. But the Montana University System does generate considerable intellectual property that is suitable for development within the state. With very limited resources the university system has already established a number of quite successful partnerships with Montana businesses. What the state does not have is many resources to identify and coordinate new, or currently unidentified, opportunities – particularly with businesses that are not physically located near one of the major research campuses. There are also very few resources available to coordinate state-wide efforts between the various MUS technology transfer offices – so businesses located near one campus that might benefit from technology residing at a different campus have a difficult time finding the needed resources.

Strategic initiatives we will undertake to achieve this goal:

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

- 1) Increase research & development receipts and expenditures



Source: 1998-2003 NSF, 2004 estimated by MUS

- 2) Increase technology licenses with Montana businesses

Technology Transfer Activity During Past Five Years (2000-2005)

	Total 2000-2005	2007	2010
Patents Issued	157	(Goal)	(Goal)
Active Licenses (Total)	113	(Goal)	(Goal)
Active Licenses (MT Companies)	72	(Goal)	(Goal)
Percent Licenses w/ MT Companies	64%	(Goal)	(Goal)
License/Patent Revenues	\$ 527,484	(Goal)	(Goal)
Reimbursed Patent Costs from Licenses	\$ 731,595	(Goal)	(Goal)

Goal III: Improve institutional and system efficiency and effectiveness.

The Montana University System is an almost \$1 billion per year enterprise providing employment for about 7,000 Montanans. Clearly, in any enterprise of this size there will be some inefficiencies and imperfections. The university system realizes, however, that unless it does everything reasonably possible to be effective with its current resources it cannot credibly ask for much-needed higher levels of sustained funding and support. Even though General Fund appropriations comprise only about 15% of total university system revenues, the taxpayers still contribute about \$150 million per year ('06 biennium) and have a right to demand accountability for this spending. Our students, who bear an increasing portion of the cost of their public education, also deserve a system that provides a high quality education as efficiently as possible and allows them to have reasonable portability among the institutions in the system.

A critical ingredient of accountability is being able to measure accurately changes in the system and progress toward long-term goals. This includes the ability to measure student success and financial efficiency. While the individual campuses have extensive data, the Commissioner and Regents have very little quality system-wide data, which in turn makes it hard to track system-wide changes or progress. What data do exist are usually compiled manually from information provided by the respective campuses. It is difficult to track system performance and nearly impossible to evaluate time series data. The problem only worsens with the adoption of this strategic plan that, if it is to be credible, requires tracking progress toward meaningful long-term performance goals.

Goal III (1): Improve the accuracy, consistency and accessibility of system data, including the continued development of a comprehensive data warehouse.

Background:

Good policy begins with good information. Policymakers, inside and outside the university system, need to have reliable data that will provide an accurate picture of performance and conditions in their state.

Student information can be particularly complicated. Without comprehensive, Montana-specific data it is difficult to determine which citizens are being precluded from a postsecondary education, or are not successful in completing a postsecondary education. Current information about Montana's postsecondary education "continuum" is not readily available or routinely reported. Montana lacks a student unit record system to track students throughout their educational careers and data are not consistently disaggregated to allow an analysis of the participation and performance of sub-groups such as low-income or minority students. This makes targeting high-need segments of the Montana population difficult. The University System must be poised to be able to combine the records from the Office of Public Instruction's Education Data Warehouse and Student Level Record System project with higher education student records. This is the only way we will be able to evaluate the effectiveness of Montana's entire P-20 education system.

The current standard reports from the MUS Student Data Warehouse focus on enrollment—at either the census date (third week) or end of term. From that data we are able to know the enrollment, residency status, country and county of origin, age, race, and other general demographic information regarding the MUS student population. In order for us to do a meaningful assessment of system student achievement, we will also need to be able to determine accurately (and readily) student data such as entering test scores, remedial course work, GPA, student progress, matriculation, retention, and completions. This data are captured in the campuses' student data warehouses, but is not easily accessible from the system data warehouse.

The MUS at least has a student data warehouse, albeit one that needs improvements. Data related to finance (budgets, revenues, expenses, accounting), payroll, and financial aid are available only through the campuses systems and are not available in a central, electronically accessible location. These additional data elements (finance, HR, and financial aid) are critical pieces of performance evaluation and accountability measures.

Strategic initiatives we will undertake to achieve this goal:

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

By the end of 2006...

- Professional Institutional Researcher hired by OCHE hired to provide leadership for system wide data issues.
- Integrated MUS Data Warehouse specifications identified.
- Additional Student Data Warehouse data elements identified.
- Additional standard Regents Student Data Warehouse reports identified.
- Data elements added to Student Data Warehouse.
- Front end (reports) for Student Data Warehouse re-configured and enhanced.
- Finance Data Warehouse (FinDW) project completed.
- HR and Financial Warehouse data elements identified.

Goal III (2): Deliver efficient and coordinated services.

Background: In order for the university system to maintain credibility and continually improve its ability to serve the citizens of this state it must be efficient in the use of its resources. But measuring efficiency in higher education can be difficult. Typical business-like measures of increasing through-put and “profit center” accounting can have significant and deleterious effects on quality. Yet, the taxpayers and our students deserve accountability for the way in which we spend their money.

One reasonable measure of financial accountability is how much it costs to educate a student over time and relative to our peer institutions. While these are certainly imperfect measures of efficiency, the Montana University System needs to evaluate its costs relative to other institutions that have missions similar to our own. The system must also be diligent in ensuring that it allocates the resources it does have in a way that remains focused on its primary missions. A common criticism of all public education, higher education and K-12, is that too much money is spent on overhead or administration and not enough for student education. True or not, this issue demands that higher education evaluate constantly and communicate effectively the manner in which it allocates and uses its resources.

Another measure of efficiency is how well the university system is coordinating among its various campuses. A good measure of this is how effectively students can move between these campuses. Montana has eight university system campuses, three community colleges, and seven tribal colleges located throughout the state. It is important to maintain these campuses because we have a geographically large state and proximity of a postsecondary institution correlates positively with participation in higher education. A consequence of this is, however, that we have a number of relatively small institutions that cannot possibly offer all the training and education that every student at that campus requires. In our state more than 60% of bachelor degree graduates have transferred between institutions at least once – about double the national average.

Of course, student transfers often involve a change of major or other personal choices that can make previous coursework bear relatively little relationship to the new course of study. However, students and parents do have the right to expect that similar courses at the various campuses within the system are given similar recognition across the state. Transferability indicates the ease with which student’s previous courses move between institutions and are applied to new requirements of a new institution. It is a key measure of how well our campuses are operating efficiently as a system for the benefit of our students.

Strategic initiatives we will undertake to achieve this goal:

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

1) Expenditures per student relative to peer institutions and history

Note: this table reflects data available from NCHEMS as of 2005 relative to other states. A more revealing analysis is to compare revenues per student for each Montana institution relative to its peer institutions across the country. This analysis is being conducted by NCHEMS and is expected to be available in March 2006.

Revenues Per Student (Tuition plus State/Local Support)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2007	2010
Wyoming	\$11,124	\$10,699	\$9,654	\$11,610	\$12,744	\$12,179	\$13,554	\$13,443		
Oregon	\$7,298	\$7,360	\$7,520	\$8,566	\$8,828	\$8,289	\$8,614	\$9,826		
South Dakota	\$7,088	\$7,703	\$7,940	\$7,858	\$8,164	\$8,528	\$8,005	\$8,968		
US Average	\$7,434	\$7,831	\$8,193	\$8,478	\$8,851	\$8,937	\$8,788	\$8,908		
Nevada	\$6,721	\$7,231	\$7,762	\$7,586	\$7,821	\$8,472	\$8,786	\$8,839		
Colorado	\$7,044	\$7,291	\$7,509	\$7,725	\$8,191	\$8,235	\$7,368	\$7,855		
Montana	\$6,087	\$6,276	\$6,450	\$6,696	\$6,854	\$7,168	\$7,638	\$7,788	(Goal)	(Goal)
Idaho	\$6,620	\$7,001	\$7,378	\$7,824	\$8,217	\$8,360	\$7,739	\$7,722		
Utah	\$6,917	\$6,918	\$7,060	\$7,206	\$7,335	\$7,285	\$7,403	\$7,604		
North Dakota	\$5,968	\$6,734	\$6,892	\$7,113	\$7,110	\$7,256	\$7,139	\$7,290		
Washington	\$6,608	\$6,781	\$6,980	\$6,979	\$7,199	\$7,191	\$7,222	\$7,276		

Data: NCHEMS

2) Percentage of expenditures in instruction, research, public Service, academic support, student services, institutional support, plant O&M, and scholarships and fellowships.

Montana University System Expenditures by Category

	1985	1995	2005	2007	2010
Instruction	53%	54%	52%	(Goal)	(Goal)
Research	1%	1%	1%	(Goal)	(Goal)
Public Service	0%	1%	1%	(Goal)	(Goal)
Academic Support	11%	11%	12%	(Goal)	(Goal)
Student Services	9%	9%	7%	(Goal)	(Goal)
Institutional Support	10%	9%	9%	(Goal)	(Goal)
Operation of Plant	13%	12%	12%	(Goal)	(Goal)
Scholarships & Fellowships	2%	4%	7%	(Goal)	(Goal)

3) Improve articulation and transferability among all 2-year and 4- year institutions, including community colleges and tribal colleges.

Campus academic officers are developing the appropriate metrics to measure transferability. A recommendation will be presented to the Board of Regents at the March 2006 meeting. Once approved, these accountability measures and data will be included here. At this time this work is focused on four goals:

1. Implementing the assessment plan to monitor the effectiveness of the Board of Regent policies adopted in response to the Legislative Audit on transfer of credits in the Montana University System; and, if necessary, modify the policies based on that assessment information.
2. Adopting goals for the Montana University System that describe what the System wants to accomplish in the areas of articulation and transferability, by March 2006; and authorize specific initiatives based on those goals in May 2006.
3. Developing baseline data for the goals, where appropriate, and establish quantifiable targets for the goals.
4. Developing a budget request for the 2006 Montana Legislature, based on the goals and initiatives approved by the Board of Regents.

Goal III (3): Reconstruct the budget allocation model consistent with state and system policy goals and objectives.

Background: The Montana Legislature allocates the vast majority of funding for our education units in a “lump sum” that is then allocated by the Regents to the individual institutions within the system. How these funds are allocated is central to every strategic objective of the Board. The current allocation model is more than a decade old and is, at best, complicated and difficult to understand. In order to achieve the goals and objectives in this strategic plan, the basic funding allocation model must be significantly revised. To be an effective tool for achieving our strategic goals, the new allocation model should, at a minimum, include:

- A focus on financing for the state system, not only funding for the individual campuses;
- Be transparent as to the policy choices of the Regents, Legislature, and executive branch;
- Provide a framework for dealing with allocations to institutions, tuition revenues, financial aid, and mandatory fee waivers;
- Have a specific fund dedicated to furthering Regents’ priorities;
- Reward institutions for aggressively seeking revenues from sources other than students and the state;
- Protect institutional viability by moderating the short-term effects of enrollment changes;
- Provide incentives for institutions to collaborate as a system.

Strategic initiatives we will undertake to achieve this goal:

A team consisting of finance staff from each campus and the Office of the Commissioner is currently working on the new allocation model. This team is reporting progress to the Board of Regents at each meeting and is targeting completion of the model in May 2006.

How we will measure our progress:

The new allocation model will be completed and in use for allocating funds throughout the university system in the 2008-2009 biennium.

Appendices

1. PEPB goals from 58th Legislature

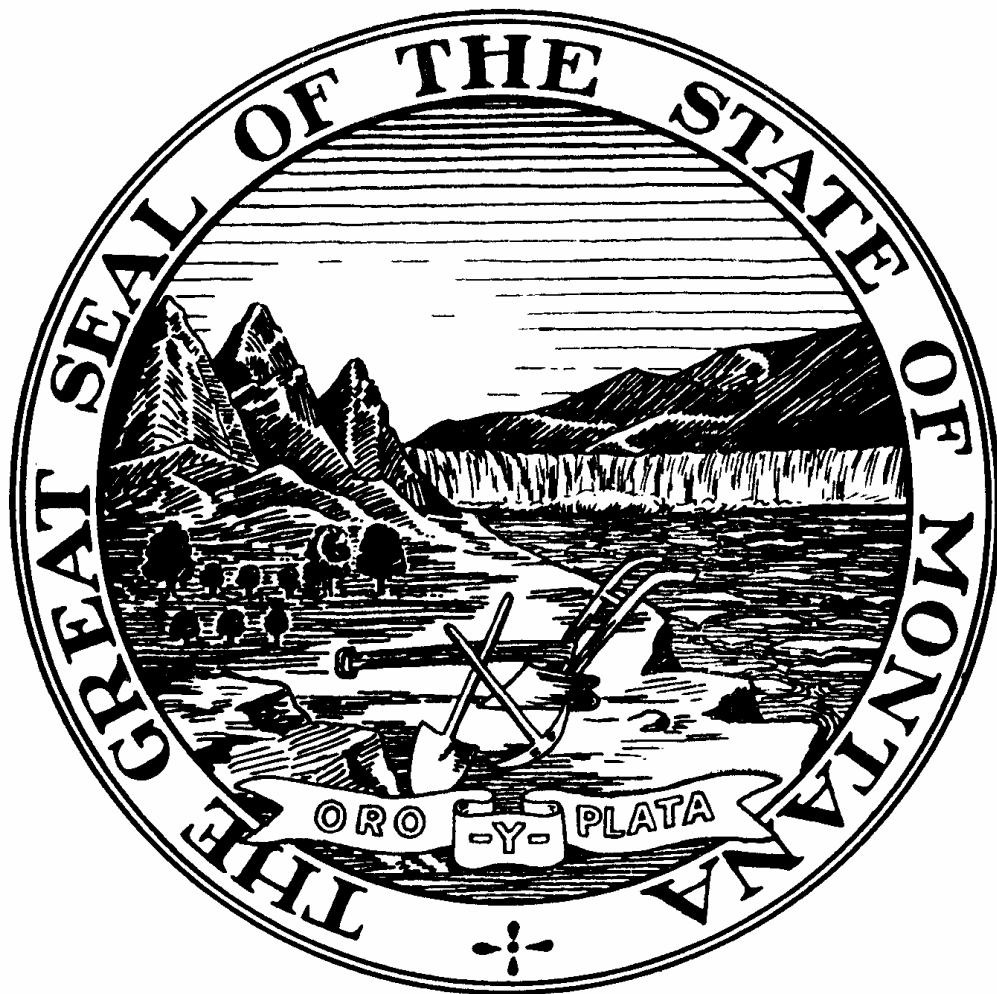
(To be inserted after formal adoption by both PEPB and the Board of Regents)

MUS Strategic Plan Goals - Workplan

Goal	Measurement*	Responsible Unit...	Goals For...
1.1.1	In-state cohort participation rate	All Campuses	2007, 2010 goal
1.1.2	Retention rates	Bozeman/Missoula	2007, 2010 goal
		All Other Campuses	Determine how to measure and set goals
1.1.3	Completion rates	All Campuses	2007, 2010 goal
1.2.1	Reduce gap EFC-cost attendance	All Campuses	2010 goal
1.2.2	Percentage receiving financial aid	All Campuses	2010 goal
1.2.3	Increase aid/scholarship amounts	All Campuses	2007, 2010 goal
1.3.1	Increase amount of state support	Regents	2010 goal
1.3.2	Decrease tuition as % of income	Regents	2010 goal
1.4.1	Expand outreach to at-risk students	OCHE	2007, 2010 goal
1.4.2	Expand outreach to top academic achievers	Bozeman/Missoula	2007, 2010 goal
		All Other Campuses	Determine how to measure and set goals
1.4.3	Increase dual enrollment and AP	OCHE	2007, 2010 goal
1.4.4	Increase high school graduation rates	OCHE	2007, 2010 goal
1.5.1	Increase enrollment in 2-year programs	All 2-year Programs	2007, 2010 goal
1.5.2	Increase programs for non-trad. Students	All Campuses	Determine how to measure and set goals
1.6.1	Improve distance and on-line programs	All Campuses	Determine how to measure and set goals
2.1.1	Increase employer satisfaction with grad's	OCHE	Determine how to measure and set goals
2.1.2	Increase degrees/cert's in high-demand fields	All Campuses	2007, 2010 goal
2.1.3	Increase job placement rates	All Campuses	2007, 2010 goal
2.1.4	Grow 2-year degrees and cert's	All 2-year Programs	2007, 2010 goal
2.2.1	Increase R&D receipts	All research campuses	2007, 2010 goal
2.2.2	Increase technology licenses w/ MT companies	All research campuses	2007, 2010 goal
3.1.1	Improve system data	OCHE	2006, 2007,2010 goal
3.2.1	Expenditures/student relative to peers	Regents	2007, 2010 goal
3.2.2	Expenditures by category	All Campuses	2007, 2010 goal
3.2.3	Improve transferability	All Campuses	Determine how to measure and set goals
3.3.1	Reconstruct budget allocation model	All Campuses	Complete in 2006

Montana Board of Regents

2006-2010 Strategic Plan



March 2006

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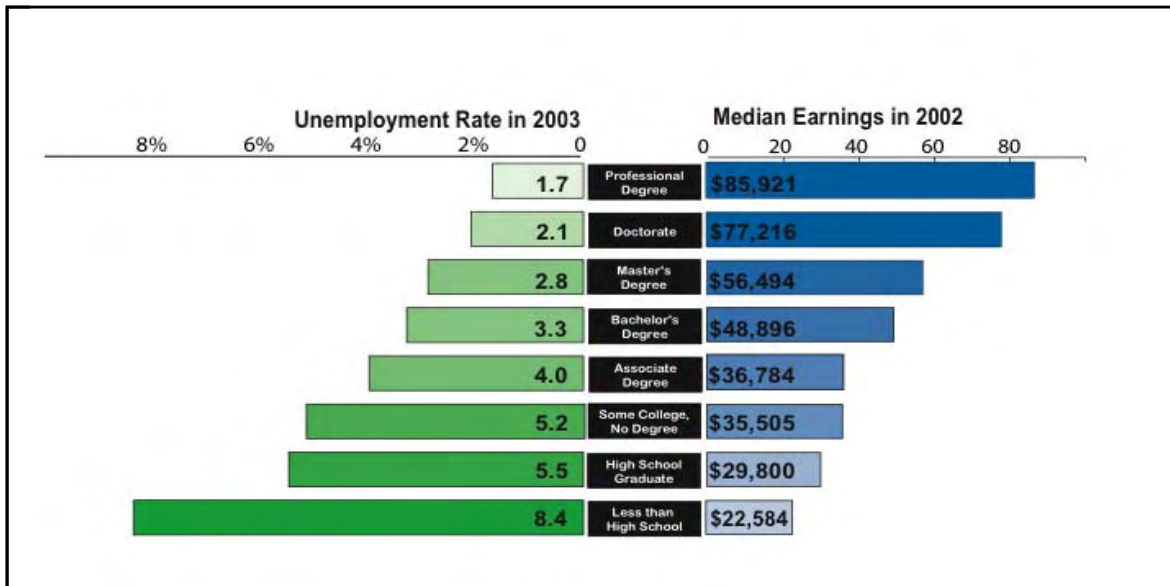
Preface and Introduction

History

This year the oldest units of the Montana University System celebrate their 114th anniversary. It would be an understatement, and a well-worn cliché, to say that much has changed since Montana’s 3rd Legislature established four state colleges in Bozeman, Missoula, Butte, and Dillon. What may be more interesting is how much has not changed. Now, as then, education is a cornerstone of our society and our economy. An educated citizenry has been recognized as a foundation for our nation’s success since the time our country declared its independence. The Morrill Act of 1862 (establishing the Nation’s land-grant colleges), the Second Morrill Act of 1892, and the GI Bill (which five decades later opened up the possibility of a college education for millions) consistently rank among the handful of major policies that have fundamentally shaped our country’s prosperity during the last century.

What has changed is the minimum level of education necessary to successfully participate in our society and economy. Postsecondary education has long been a gateway to success for our best and brightest and more privileged citizens. Now it is essentially a requirement for almost everyone. Many years ago an 8th grade education was recognized as sufficient for most citizens. This gave way to a standard that a high school diploma was necessary for entrance to the middle-class and the chance to have a comfortable life. In the 21st Century, the hurdle has plainly moved to where at least some postsecondary education is now necessary for even modest prosperity in any high-wage, industrialized economy. As the chart below plainly shows, employment and income are inextricably linked to educational attainment.

Figure 1: Unemployment and Earnings by Education Level



It is therefore ironic that, during a time of increasing globalization and a need for much broader access to postsecondary education, state support for higher education is declining. This is true not just in Montana, but also across the country. Nationally, state funding as a proportion of total public university budgets has declined about 40% in the past two decades. In Montana, the state's contribution to the cost of educating a student has declined by half -- from almost 80% of cost in 1985 to about 40% in 2005.

Unfortunately, tuition remains the single largest factor in closing the gap between the cost of public higher education and the amount of funding provided by the state. Since no state institution of higher education can maintain a quality system of education in the face of a 40% decline in funding, tuition has had to increase. And it has increased -- a lot. In the past decade tuition has about doubled for Montana residents. The state's contribution per student -- in dollars -- has remained essentially the same for 10 years, without increases for even some price inflation. Again, Montana has much company. During the past decade, average tuition increases for all U.S. public 4-year colleges almost precisely mirror Montana's increases.

But the higher education system in Montana is not entirely a blameless victim of the legislative budget ax. Elected officials are heavily persuaded by their respective constituents' input. Had the declining proportion of state support been accompanied by a great outcry from the Montana citizenry it is doubtful such reductions would have been sustained for long. Clearly, there has not been a consensus among our citizens, Governors, and legislators as to the critical need for greater public support and correspondingly lower tuition levels. For this, the higher education community has to shoulder some of the blame. Had the university system been more effective at connecting with the many communities in the state, in engaging more actively in the state's economic development, in communicating the value of a strong public higher education system, it is likely more support would have been forthcoming.

Goals

The discussion of Montana University System history is not meant to affix blame collectively or individually. The point is simply that the state's prosperity depends on a high-quality and accessible postsecondary education system and the university system's future likewise depends on the state's prosperity. This strategic plan focuses on just this symbiotic relationship with three fundamental goals:

- Increase the overall educational attainment of Montanans through increased participation, retention, and completion rates in the Montana University System.
- Assist in the expansion and improvement of the state's economy through the development of high value jobs and the diversification of the economic base.
- Improve institutional and system efficiency and effectiveness.

The first goal reinforces what has always been the core mission of public higher education – to provide access to a quality postsecondary education for our citizens. In light of trends during the past decade, access requires affordability and this does mean, in part, increased state support. It also means the university system needs to do a better job of reaching remote, disadvantaged, and non-traditional students; using technology to deliver education; and working more closely with K-12 education to make the transition to college seamless.

The second goal recognizes the two critical roles that a university system must play in a successful knowledge-based economy. It must train a high-skilled workforce for the types of jobs that exist, or will exist, in the economy. It is also a principle source of research and technology that fuel the innovation vital for any successful company to grow in our global economy.

The third and final goal gives a high priority to stewardship of the resources we have been provided to help attain these goals. How well the Montana University System manages costs, allocates resources, and tracks this accountability with hard data is critical for improving credibility and keeping higher education accessible for all our citizens.

Change is Vital

The good news is that, despite some disturbing trends, Montana still has an excellent university system. For the past decade enrollment has been increasing – a function mostly of a demographic bubble moving through our K-12 system – and growth can ameliorate otherwise visible financial troubles. Although students have been bearing an increasingly heavy financial burden, they have generally been able to work and borrow enough to pay for postsecondary education. Heavy debt has other consequences, particularly for post-education retention in the workforce, but it does mean most students can at least find a way to attend college. And, the university system has been able to raise dramatically non-resident tuition, which is about 40% higher than costs, to help off-set declining state support for resident students. Without these non-residents, resident tuition would be about 25% higher than it is currently.

But Montana now faces our own version of the perfect storm. The demographic bubble of 6-18 year olds in Montana has given way to a trough. Slowed population growth in this age group is a national phenomenon, but it is much more pronounced in our state. We are now in the first year of what we know will not be just slowed growth, but a significant decline in the number of in-state high school graduates. In ten years we will have about 1,500 fewer graduating high school seniors per year than we have this year. At the same time, the state's economy, like the rest of the nation, is facing a serious shortage of skilled-workers during the next two decades.

Also, for the first time, the average cost of higher education in the state has outstripped the capacity of many students and their families to fund higher education through savings and borrowing. Concurrently, the ability of our colleges to raise non-resident tuition to generate additional revenue may have reached its limit. Further large increases will make our tuition increasingly uncompetitive in the region and could lead to declining non-resident enrollments that more than offset higher tuition rates.

New forces in demographics and the global economy mean we can ill afford to proceed down the same path we have been following for the past decades. With this strategic plan, the Montana University System recognizes that we must work together with state government and our private sector to make significant changes in the manner in which we support each other. Our state deserves, and depends on, a collaborative and successful effort.

Taking Action

Postsecondary Education Policy and Budget Subcommittee

The development of this strategic plan began two years ago with two initiatives. The first was to work more closely with the interim legislature to develop a set of mutually agreed upon accountability measures that would guide the Montana University System and evaluate progress. Working with the Postsecondary Education Policy and Budget (PEPB) Subcommittee of the 57th Legislature, the Board of Regents did develop this set of accountability measures in July 2002. Subsequently, the PEPB subcommittees of the 58th and 59th Legislature have updated the accountability measures. This latest set of agreed-upon measures consists of a core set of six policy goals and these form one base for this strategic plan (Appendix 1).

Shared Leadership for a Stronger Montana Economy

The second initiative was to work with the PEPB Subcommittee to explore new ways for the Montana University System to take a more direct leadership role in the state's economic development. This overall effort, called Shared Leadership for a Stronger Montana Economy, engaged a broad range of Montanans to prioritize specific initiatives that would help establish a new role for the Montana University System in strengthening the state's economy. The Governor's office and several legislative interim committees were included in the effort. In July, 2004, the Board of Regents and the PEPB Subcommittee met jointly and agreed on three priority initiatives for immediate implementation:

- Develop stronger business-university system partnerships for workforce training;
- Remove barriers to access for postsecondary education;
- Expand distance learning programs and training.

During the subsequent three months the Commissioner's Office and the Governor's Office jointly conducted 15 statewide "community listening sessions" to get statewide input on the three priority initiatives. A steering committee was formed for each initiative, each with a broad cross-section of Montana leaders. Steering committees met between November 2004 and January 2005 and reached consensus on a set of the most serious problems in Montana and recommendations to address those problems. The reports from these steering committees and their recommendations form the second base for this strategic plan.

Strategic Plan Development

Finally, the Board of Regents have been meeting with legislators, the Governor's Office, campus leaders, and the public to determine the top priorities for the Montana University System over the next five years. This work included two planning sessions, in July 2005 and January 2006, and the engagement of national experts in higher education policy. These experts included Dennis Jones, President of the National Center for Higher Education Management Systems, and Cecelia Foxley, former Commissioner of Higher Education for Utah and President of State Higher Education Executive Officers.

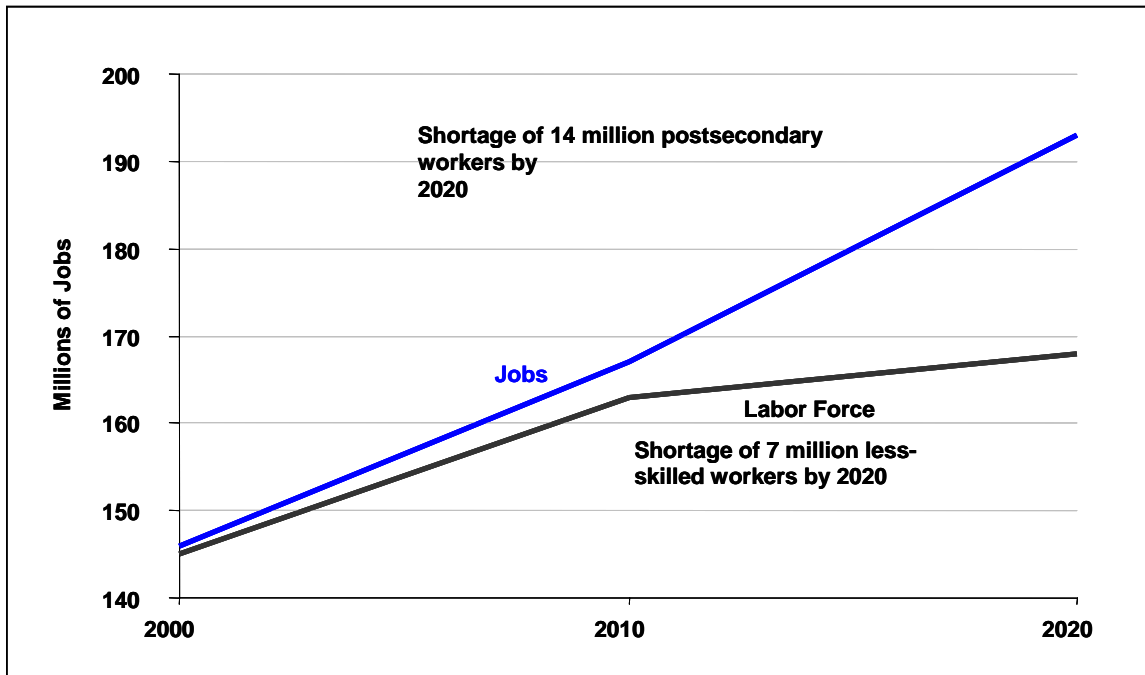
This strategic plan was approved by the Board of Regents in March 2006. It combines the ongoing efforts with the legislature, particularly the PEPB subcommittee, and Shared Leadership. It describes what will be the university system's priorities, how we will accomplish these priorities, and how we will measure our progress.

Goal I: Increase the overall educational attainment of Montanans through increased participation, retention and completion rates in the Montana University System.

Postsecondary Education is Critical

In Montana, and the entire United States, the global economy has made at least some postsecondary education “the price of admission” to the middle class and increasing wages over time. For instance, 31% of manufacturing jobs -- traditionally the foundation of our middle class in America -- now require education beyond a high school diploma compared with only 8% thirty years ago. In virtually all industries, jobs that do not require high skill levels are moving to low-wage economies and those that remain increasingly require advanced training. During the next 15 years, this country is projected to have a shortage of 21 million workers and two-thirds of these shortages will be in jobs requiring some postsecondary education. Demographic projections make it likely that shortage will be more pronounced, not less, in Montana relative to the rest of the country.

Figure 2: U.S. Skilled Worker Shortage is Looming



The Leaking Pipeline

Despite the increasing importance of education to the individual and the state, Montana is facing alarming trends. Montana’s public high school graduation rates

peaked at 86.7% in 1993 and had dropped to 77% in 2001, the lowest at any time in the past two decades. 7.6% of teenagers between the ages of 16 and 19 are considered 'dropouts' - neither a high school graduate nor enrolled in school nor looking for work. Montana also faces low college matriculation rates: for every 100 Montana students who enter 9th grade only 42 are likely to graduate high school four years later and enroll in college within a year. While Montana still ranks in the top 10 states for high school graduation rates, it ranks in the bottom third for the rate our students continue with postsecondary education. Our public higher education completion rates also lag behind the rest of the nation. Only 39.7% of students who enter a Montana four-year institution actually graduate from that institution, compared to a national average rate of 48.2%, and students from our least affluent counties have dramatically lower graduation and participation rates than the state's average.

Goal I (1): Prepare students for success in life through quality higher education.

Background

According to Tom Mortenson of the Pell Institute, postsecondary education “has become the dominant factor in the growth of personal incomes and the living standards of people, families, cities and states.” It is a well accepted fact that more education correlates highly with increased wages. Over a 40-year working career, those with some postsecondary education will earn about 75% more than those who have only a high school education. But the correlations between higher educational attainment and non-monetary benefits are equally strong. Improved health, decreased crime, higher charitable giving, and greater civic participation, among others, are all strongly related to the education of the individual and the overall education levels of a community. In addition to all the important things a university system does on a daily basis for the state and its communities, a central tenet of our mission must be to continue to prepare students for life by getting them into, and successfully through, a postsecondary education.

Strategic initiatives we will undertake to achieve this goal

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

- 1) Improve postsecondary education participation rates, with particular attention to Montana residents attending MUS institutions

Montana High School Class Of...	1992	1994	1996	1998	2000	2002	2004	2007	2010
Number High School Graduates	9,392	10,009	10,594	11,157	11,438	11,098	10,529		
Number in College One Year Later	4,793	5,398	5,834	6,355	6,143	6,107		(Goal)	(Goal)
Percent in College One Year Later	51%	54%	55%	57%	54%	55%		(Goal)	(Goal)

Notes: High school graduates include public and nonpublic high school graduates. "Freshmen" includes first-time freshmen who were high school graduates within the previous 12 months and enrolled in degree-granting, Title IV-eligible, non-profit two- and four-year institutions.

- 2) Increase retention rates within the Montana University System

Note: complete data are currently only available for MSU-Bozeman and the UM-Missoula.

**Institution : The University of Montana - Missoula
All Bachelor Degree-Seeking First-Time Full-Time Freshman**

FALL	HEAD COUNT	RETENTION RATE		CUMULATIVE GRAD./CONTINUE RATES			
		AFTER 1 YEAR	AFTER 2 YEARS	WITHIN 4 YEARS		WITHIN 6 YEARS	
				GRAD	CONT	GRAD	CONT
1995	1,452	64.8%	51.9%	17.9%	27.7%	40.3%	5.6%
1996	1,618	70.5%	55.8%	20.0%	28.7%	43.3%	5.7%
1997	1,711	71.1%	57.0%	19.6%	33.0%	45.0%	5.4%
1998	1,604	70.2%	57.2%	19.3%	32.4%	44.0%	6.5%
1999	1,671	68.3%	54.8%	20.3%	30.8%		
2000	1,750	69.7%	57.8%	19.6%	28.9%		
2001	1,764	69.4%	57.4%				
2002	1,788	71.3%	58.0%				
2003	1,770	69.5%					
2004	1,808			(Goal)	(Goal)	(Goal)	(Goal)
2007	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)
2010	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)

Institution : Montana State University - Bozeman
All Bachelor Degree-Seeking First-Time Full-Time Freshman

FALL	HEAD COUNT	RETENTION RATE		CUMULATIVE GRAD./CONTINUE RATES			
		AFTER 1 YEAR	AFTER 2 YEARS	WITHIN 4 YEARS		WITHIN 6 YEARS	
				GRAD	CONT	GRAD	CONT
1995	1,747	70.2%	60.1%	12.8%	38.9%	43.3%	6.1%
1996	1,746	67.4%	54.9%	14.0%	32.1%	40.4%	5.1%
1997	1,824	70.4%	57.7%	12.6%	36.2%	44.2%	7.7%
1998	1,889	70.2%	57.6%	15.8%	36.3%	47.2%	8.0%
1999	1,894	70.8%	59.8%	18.6%	37.2%	46.5%	4.6%
2000	1,854	72.8%	61.5%	19.3%	38.8%		
2001	1,722	72.2%	60.0%	17.0%	35.7%		
2002	1,924	70.3%	58.7%				
2003	2,011	71.6%	61.2%	(Goal)	(Goal)	(Goal)	(Goal)
2007	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)
2010	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)

Data Source: CSRDC reporting by UM-Missoula; MSU-Bozeman

3) Increase completion rates for MUS Campuses

Graduation Rates for First-Time, Full-Time B.A. Degree-seeking Students

Graduation Rate (Freshman graduate in 6 Years)	MSU-Billings	MSU-Bozeman	MSU-Northern	UM-Missoula	Montana Tech of UM	UM Western	Average of Reporting Campuses
2000-01	28.1%	43.3%	32.7%	40.3%	46.9%	26.0%	40.1%
2001-02	35.6%	40.9%	36.4%	43.0%	40.4%	29.3%	40.4%
2002-03	38.5%	44.3%	32.3%	45.0%	46.3%	23.8%	42.9%
2003-04	23.7%	47.2%	28.5%	44.1%	40.3%	29.7%	41.6%
2007-08	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)
2010-11	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)

Source: as reported by each campus

Goal I (2): Make higher education more affordable by offering more need-based financial aid and scholarships.

Background

High tuition does not create as much of a barrier to education if it is coupled with relatively high tuition assistance. Virtually every state in the US has a substantial need-based aid program, but Montana is far behind every other state in the region in the amount of aid provided our students. Montana appropriations for need-based aid are about \$702 per student as compared to \$240 per student for the other 15 western states. Even in Montana's two-year colleges – in most states the low-cost point of entry for many students – cost is increasingly a barrier. On average, a Montana family pays 25% of its income at two-year colleges compared to 16% nationally.

Federal loan limits no longer provide many Montana students and families with sufficient lending capacity to satisfy the cost of education. For the first time, the cost of education (including room and board) now exceeds the amount of borrowing available to many Montanans. There simply isn't enough need-based aid to serve our Montana residents and this lack of aid impacts enrollment, persistence, and success in postsecondary environments.

Strategic initiatives we will undertake to achieve this goal:

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

- 1) Reducing the gap between EFC (Expected Family Contribution) and Average Gross Cost of Attendance.

Difference Between Average Cost of Attendance and Expected Family Contribution

Institution	2004	2005	2006	2010
MSU Great Falls COT	\$6,858	\$6,710	\$6,868	(Goal)
MSU Billings	\$8,213	\$8,170	\$5,884	(Goal)
MSU Northern	\$8,618	\$9,113	\$12,083	(Goal)
MSU Bozeman	\$6,371	\$6,597	\$6,582	(Goal)
UM Helena COT	\$7,105	\$7,633	\$7,681	(Goal)
UM Missoula	\$7,609	\$8,138	\$7,786	(Goal)
Montana Tech	\$8,495	\$8,921	\$8,249	(Goal)
UM Missoula COT	\$8,715	\$8,599	\$8,533	(Goal)
UM Western	\$7,473	\$7,416	\$6,461	(Goal)

- 2) Increasing the percentage of students who receive financial aid or scholarships.

Percentage of First Time Freshmen Receiving Any Financial Aid

Institution	2001	2002	2003	2004	2007	2010
MSU Billings COT	83%	91%	82%	78%	(Goal)	(Goal)
Montana Tech UM COT	83%	86%	82%	86%	(Goal)	(Goal)
MSU Billings	81%	81%	87%	80%	(Goal)	(Goal)
MSU Great Falls COT	84%	43%	70%	79%	(Goal)	(Goal)
UM Helena COT	85%	78%	72%	61%	(Goal)	(Goal)
Montana Tech UM	82%	90%	92%	86%	(Goal)	(Goal)
MSU Bozeman	72%	75%	78%	84%	(Goal)	(Goal)
UM Missoula	78%	79%	75%	75%	(Goal)	(Goal)
MSU Northern	95%	99%	100%	98%	(Goal)	(Goal)
UM Western	76%	90%	76%	66%	(Goal)	(Goal)
MUS Weighted Average	77%	78%	79%	79%	(Goal)	(Goal)

3) Increasing the average aid/scholarship award amount

Average Freshmen Receiving Aid and Average Freshman Aid Amount

	FEDERAL AID	STATE AID	INSTITUTION AID	TOTAL FINANCIAL AID	LOANS	FINANCIAL AID INCLUDING LOANS
2001 Avg -those receiving aid	\$2,526	\$1,308	\$1,341		\$3,294	
2001 Avg all first time freshman	\$848	\$301	\$390	\$1,539	\$1,683	\$3,221
2002 Avg -those receiving aid	\$2,747	\$1,735	\$1,895		\$3,294	
2002 Avg all first time freshman	\$930	\$436	\$624	\$1,990	\$1,638	\$3,628
2003 Avg -those receiving aid	\$3,036	\$1,958	\$2,285		\$3,344	
2003 Avg all first time freshman	\$1,089	\$455	\$709	\$2,252	\$1,859	\$4,110
2004 Avg -those receiving aid	\$3,012	\$1,956	\$2,831		\$3,461	
2004 Avg all first time freshman	\$1,064	\$433	\$874	\$2,371	\$1,898	\$4,269
2007 Avg -those receiving aid	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)
2007 Avg all first time freshman	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)
2010 Avg -those receiving aid	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)
2010 Avg all first time freshman	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)	(Goal)

Goal I (3): Promote postsecondary education affordability.

Background:

Montana faces increasingly high postsecondary education costs relative to income levels. In 1994 Montana's average tuition was \$27 below the 15 western states' average; in 2004 it was \$703 above the average. Montanans must now pay a 40% higher share of their incomes for resident tuition and fees than residents of the other western states. The average student debt for a Montana university graduate is \$20,000 and rising. With these trends, it is no surprise that in 2000-01 the college participation rate for Montana students from low-income families was 27.9% compared to 42% for the general population. According to *Measuring Up 2000*, the state of Montana received a grade of "D-" for affordability. In 2002, the affordability grade sank to "F" and remained there in 2004.

Strategic initiatives we will undertake to achieve this goal:

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

- 1) Increase the amount of state support as a percent of total personal income relative to peer states and historical levels

State Support per \$1000 Personal Income

State	FY 1995		FY 2005		FY 2010	
	\$	Rank	\$	Rank	\$	Rank
Colorado	\$ 7.10	36	\$ 3.59	48		
Idaho	\$ 11.77	11	\$ 8.80	14		
Minnesota	\$ 10.86	13	\$ 7.05	25		
Montana	\$ 7.74	31	\$ 6.14	31	(Goal)	(Goal)
North Dakota	\$ 13.23	8	\$ 10.57	4		
Oregon	\$ 7.37	33	\$ 5.48	40		
South Dakota	\$ 8.78	25	\$ 7.16	22		
Utah	\$ 13.25	7	\$ 10.08	9		
Washington	\$ 8.24	30	\$ 6.72	26		
Wyoming	\$ 13.87	5	\$ 12.45	2		
US Totals	\$ 8.02		\$ 6.59			

Source: Grapevine (www.coe.ilstu.edu/grapevine/50state.htm)

- 2) Decrease tuition as a percentage of median household income.

Ratio of Tuition and Fees to Median Household Income
For Public Institutions, 1993-4 & 2003-4

	Associate's (2-Year) Colleges			Baccalaureate/Master's		
	1993-94	2003-04	2009-10	1993-94	2003-04	2009-10
Montana	5.0%	7.4%	(Goal)	6.8%	10.5%	(Goal)
WICHE	3.1%	4.2%		5.3%	7.2%	

WICHE Notes: Baccalaureate/Associate Colleges and Specialized Institutions are not included in this table. Wyoming has no public baccalaureate/master's institutions. Tuition and fees used in the calculation are the mean tuition and fees within each sector for each state. Median household incomes are for the first of the two calendar years indicated in the table; for example, median household income in 2003 was used to calculate the 2003-04 ratio. The WICHE average median household income was calculated as a simple average of the 15 member states.

Goal I (4): Work collaboratively with the K-12 education system to increase high school academic preparedness, completion, and concurrent enrollment programs.

Background:

With the precipitous decline in high school graduates over the next decade, the university system's ability to grow and meet the increasing need for skilled-workers in the state depends on getting a higher proportion of students to enter postsecondary education. We also know that most students' expectations of whether or not they will attend college are set in middle school and early high school. This means any successful strategy must involve a partnership with K-12 education to reach students early and often.

Many Montana students and families need additional support and assistance in order to aspire to, prepare for, and successfully complete postsecondary education. According to *The Education Resources Institute*, individuals from families with limited postsecondary experience are much less likely to have the personal or institutional connections through which students typically receive encouragement and guidance to pursue higher education. School counselors attempt to meet these needs for all students, but are often unable to do so as a result of limited time and resources. Montanans enrolling in postsecondary education sometimes also lack adequate preparation. The numbers of students taking college remedial courses is evidence of this problem. The issue is particularly pronounced for non-traditional students who have been out of high school for an extended period of time and typically require considerable remedial coursework to succeed in postsecondary education.

Dual enrollment programs serve to promote more educational options, save student's time and money on a college degree, provide greater academic opportunities for students in small rural schools, and increase student aspirations to go to college at the two- or four-year level. However, Montana's dual enrollment programs are not offered in a consistent manner across the educational system. They are few in number and inconsistent in nomenclature, prerequisites, cost and application. Consequently, a Montana student's access to dual enrollment is, to a large degree, dependent upon where they live and go to school.

Finally, it is important that Montana colleges are viewed as attractive options for our "best and brightest." As important as it is to improve college-going rates for our average students, it is equally important to retain more of our gifted students. The quality of an academic experience is greatly enhanced by diversity of the student body and by some academic competitiveness among students. There is also a greater likelihood that students who leave the state for college will not return to our

workforce. Clearly, it is in the interest of our students, colleges, and our economy that our public institutions are correctly viewed as a place to gain a world-class education at an affordable price.

Strategic initiatives we will undertake to achieve this goal:

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

- 1) Expand outreach to at-risk and disadvantaged students as to the importance and accessibility of postsecondary education and the quality of the Montana University System.**

The Commissioner of Higher Education and the Board of Regents are working together with Montana's Student Assistance Foundation (SAF) and other partners to develop a statewide access network that will coordinate and promote access services throughout Montana. Currently, with technical assistance from the National College Access Network (NCAN) and financial support from SAF, the Department of Labor is beginning a comprehensive Inventory and Gap Analysis identifying and mapping career and college outreach services throughout Montana. Once the survey is completed (anticipated to be February 2006) it will be possible to tell which Montana communities, school and populations are not being adequately reached by existing programs and resources. Specific goals to increase outreach to those students in the "gap" will then be developed.

GEAR UP also conducts an annual survey tracking plans for students to attend college which can provide data for school served by the GEAR UP program.

2) Expand outreach to top academic achievers graduating from Montana high schools as to the importance and accessibility of postsecondary education and the quality of the Montana University System.

Top Performing Students in the Montana University System

Note: Data are currently available for only MSU-Bozeman and UM-Missoula

Montana State University (Bozeman)	Fall 2003	Fall 2004	Fall 2005	Fall 2007	Fall 2010
Freshmen taking ACT scoring in top quartile*	34.7%	36.0%	34.9%	(Goal)	(Goal)
Freshmen in top 10% of high school class	18.0%	17.4%	16.3%	(Goal)	(Goal)

University of Montana (Mountain Campus)	Fall 2003	Fall 2004	Fall 2005	Fall 2007	Fall 2010
Freshmen taking ACT scoring in top quartile*	31.0%	27.5%	30.6%	(Goal)	(Goal)
Freshmen in top 10% of high school class	14.0%	15.1%	15.8%	(Goal)	(Goal)

* Top quartile is a score of 25-36

3) Increase dual enrollment and advanced placement programs

Advanced Placement Testing in Montana High Schools

	2001	2002	2003	2004	2005	2007	2010
Number of Students Taking Exam	1,688	1,886	1,927	1,996	2,189	(Goal)	(Goal)
Number of Exams Taken	2,368	2,763	2,726	3,029	3,250	(Goal)	(Goal)
Exams Scoring 3 or Higher	1,543	1,964	1,894	2,144	2,115	(Goal)	(Goal)
% Exams Scoring 3 or Higher	65%	71%	69%	71%	65%	(Goal)	(Goal)

Dual credit and dual enrollment are not currently measured in Montana on a periodic basis. OCHE is currently surveying dual credit awards in the state and baseline data should be available in February 2006.

4) Increase high school graduation rates.

Percentage of 9th Graders graduating from High School Four Years Later

State	HS Graduation Class				
	1998	2000	2002	2007	2010
Montana	80.1%	78.1%	77.3%	(Goal)	(Goal)
WICHE	69.9%	69.3%	70.2%		
West		68.9%	69.9%		
Midwest	74.9%	73.4%	74.4%		
Northeast	75.9%	70.3%	72.4%		
South	62.4%	60.8%	61.8%		
US	68.8%	60.7%	62.0%		

Data: NCHEMS

Goal I (5): Increase postsecondary enrollment of traditional and non-traditional students through expanded outreach programs, evening/weekend programs, and 2-year programs.

Background:

Despite Montana's relatively low wages, our state has many high-paying jobs that go unfilled - in health care, construction, manufacturing, for example - due to a shortage of appropriately trained workers. A fundamental characteristic of the global and knowledge-based economy is that workers must be highly skilled in order to have the high productivity needed to command growing wages. This requires a good entry-level skill base and continual upgrading of skills over time as technology in the workplace changes - at an ever increasing rate. Certainly, some of this training is provided by employers in the workplace. But increasingly, due to increasing costs and complexity, businesses across the country are relying on a region's higher education system to be active partners in providing the training needed.

The state's demographics are also changing rapidly. Over the next two decades, we will have about 1,500 fewer high-school graduates per year than we do today. It is simply not possible for the university system to sustain itself or our growing economy if we continue to rely on the traditional pipeline of students. Our campuses must expand outreach to non-traditional students, who are frequently place-bound or in rural areas, if they are to continue to support the economic growth of the state.

Strategic initiatives we will undertake to achieve this goal:

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

1. Increase enrollment in two-year programs.

2 Year Program Enrollment in the Montana University System

Unit	2000	2001	2002	2003	2004	2005
Billings COT	509	474	509	580	660	668
Great Falls COT	766	834	952	1053	1098	1093
Missoula COT	776	797	803	886	895	916
Butte COT	310	285	295	233	260	280
Helena COT	704	724	736	738	749	684
Total COT	3065	3114	3295	3490	3662	3641
Year-to-year % change		1.6%	5.8%	5.9%	4.9%	-0.6%
Dawson CC						
Dawson CC	429	413	445	415	450	497
Flathead Valley CC						
Flathead Valley CC	1186	1174	1289	1414	1642	1457
Miles CC						
Miles CC	465	506	509	473	509	542
Total CC	2080	2093	2243	2302	2601	2496
Year-to-year % change		0.6%	7.2%	2.6%	13.0%	-4.0%

2. Increase programs and classes for non-traditional students, including evening and weekend programs.

The university system does not currently compile system-wide data on the numbers of programs/classes for non-traditional students, in evening/weekend programs. The first year's goal is to agree on common definitions for these programs and compile benchmark data on what the university system is currently offering. Subsequent goals for increasing the number of these programs will then be developed by the end of 2006.

Goal I (6): Improve distance and on-line learning by coordinating online delivery of education across the entire Montana University System.

Background:

The current method of providing distance and distributed courses and programs in Montana is decentralized. The Montana University System provides an electronic catalogue of distance education courses offered by system campuses, but that catalogue is essentially an electronic link to each campus and its own, individual description of distance opportunities available at that campus. Each institution within the Montana University System decides which programs and courses will be offered in a distance format. Each institution also decides how and where those programs will be offered and in which medium, with only modest consultation with other educational institutions throughout the State. Most of the institutions in the Montana University System also handle their own support service programs, like admissions, registration, tuition, financial aid, and advising. Disparities are confusing and costly for students, especially students who use the offerings of more than one campus to earn their degree or to supplement their already-acquired credentials.

There is no common approach among distance education providers to address the crucial issues affecting affordability and quality – tuition, duplication, articulation agreements between programs or institutions, transfer of coursework and best practices in teaching, assessment, and support services. There is very little consistency in services or support for distance-education students, who often do their coursework in an isolated setting far from the institution providing the classes. Consequently, Montana is not using technology to the fullest advantage in providing more accessible and efficient education to our citizens.

Strategic initiatives we will undertake to achieve this goal:

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

The Director of Distance Education Business Development will work with the Distance Learning Advisory Council to refine the most appropriate measures for evaluating progress by April 2006. These measures could include:

- Developing an accurate and updated inventory of: 1) degree programs, 2) certificate programs, by institution, at the undergraduate and graduate levels.
- Developing an inventory of credit courses, CPE courses, professional courses, and non-credit courses, by institution.
- Developing an inventory of how programs and courses are delivered by each institution, both organizationally and by mode of delivery, the tuition and fee structures for each, by institution.
- Surveying of web based student services and support offered by each campus for distance learning.
- Surveying how DE courses are being identified and reported by the campuses, how they appear on the student transcripts, and whether DE credit hour generation is being reported for FTE formula funding purposes.
- Identifying by campus, the barriers, rewards, incentives, and opportunities for grant writing and academic DE program collaborations that would support distance education.
- Identifying “best practices” in creating and implementing a common portal or gateway for a system approach to distance learning opportunities for the citizens of MT.
- Developing and implementing at least two collaborative efforts to meet academic program needs of students, business, and/or citizens, using existing resources in the process.
- Identifying a common business plan template that will be used for MUS distance education offerings.

Goal II: Assist in the expansion and improvement of the state's economy through the development of high value jobs and the diversification of the economic base.

The state ranks 50th (lowest) in average wages and is generally in the bottom ten states in terms of per capita income, household income and other measures of wealth per person. But with unemployment continuing near all-time lows, it is not the number of jobs in the state that need to increase. Montana needs more high-paying jobs.

In an economy that continues to globalize, Montana companies must compete with lower wage economies around the world. Higher wages can only be sustained if the value of a person's work is increased. Global competitiveness demands that, over the long-term, wages will reflect the value of the labor performed. The term for this is "productivity" and there are fundamentally two ways it increases - by increasing the skill level of the worker and/or through the use of new technology. In both of these areas the Montana University System plays a large role in advancing the state's economy and creating more high-paying jobs.

Goal II (1): Increase responsiveness to workforce development needs by expanding and developing programs in high demand fields in the state.

Background:

The availability of a skilled workforce has become one of the most important issues for attracting, retaining, and growing businesses that provide higher paying jobs. Workforce skill level is a key driver of innovation and productivity improvement across all industries. The success of Montana's economy depends on our ability to provide the skilled workers needed for jobs that exist, or will exist, in our state. The Montana University System is by far the largest source of educated and trained workers for our businesses. If our programs are not responsive to the changing needs of Montana businesses, we cannot hope to retain our citizens or grow our income levels.

In an environment of limited funding support, however, it is critical that we align limited resources for public higher education with the needs of the economy. Traditional liberal arts education must remain a foundation of the system, because the general skills it imparts are central to business innovation and individual success. And, given the expenses involved in technical education, there simply are not enough resources to provide high-quality training for every job that might exist in the state. The highest priority must be given to student and employer demands in fields where current or projected job creation outstrips the capacity of the higher education system to produce trained graduates.

Until recently, however, there has been no consistent system-wide, on-going evaluation of the educational needs of business and industry, K-12 students or the average citizen. As a consequence, the State had no way to determine the unmet needs of employers or the missing skills of workers. With research conducted by the Montana Bureau of Business and Economic Research at the request of the Board of Regents, we now have this data and can track the progress of the university system in providing appropriately trained workers for our businesses.

Strategic initiatives we will undertake to achieve this goal:

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

1) Increase employer satisfaction with graduates.

Prior to 2005, the Montana University System has not had a systematic means to measure employer satisfaction, although most campuses evaluated this in some way. Using the recently completed statewide business survey commissioned by the Board of Regents, some baseline information is now available. Prior to March 2006 specific measures will be selected from this survey and 3-5 year goals for the state will be developed.

2) Increase degrees and certificates awarded in high-demand occupational fields.

Degrees Awarded by All MUS Campuses in Healthcare and Construction

Year	Construction				Healthcare		
	2 year	4 year	Total		2 year	4 year	Total
1994	236	127	363		261	305	566
1999	207	99	306		205	209	414
2004	116	111	227		420	242	662
2007	(Goal)	(Goal)	(Goal)		(Goal)	(Goal)	(Goal)
2010	(Goal)	(Goal)	(Goal)		(Goal)	(Goal)	(Goal)

3) Increase job placement rates.

2003-2004 Job Placement Rates for All Graduates of the Montana University System

BA Degrees	Total Graduates	Respondents	Employed in Related Field	Employed Other	Seeking Employment	Not Seeking Employment	Continuing Education	Military
2003-4 Total	5006	3140	1808	445	147	80	556	21
2003-4 Percentage		63%	58%	14%	5%	3%	18%	1%
2007 Goal								
2010 Goal								

AA/AAS Degrees								
2003-4 MUS Total	841	633	392	98	32	13	91	
2003-4 Percentage		75%	62%	15%	5%	2%	14%	0%
2007 Goal								
2010 Goal								

4) Grow enrollment, for certificates and degrees, in 2-year programs.

Associated Degrees Conferred

	1997	1998	1999	2000	2001	2002	2003	2004
Colleges of Technology	590	695	703	785	805	834	952	975
Community Colleges	412	439	424	450	413	408	448	511

Goal II (2): Establish collaborative programs among institutions, the private sector, and the state to expand research, technology transfer, the commercialization of new technologies, and the development of our entrepreneurs.

Background:

In a report recently published by the Office of the Governor, Montana is home to 2,721 advanced technology establishments of which 626 have five or more employees. These companies directly employ a total of almost 12,000 individuals whose earnings are significantly higher than the state's annual average wage of about \$25,700. Many of these firms already have strong relationships with the Montana University System and all rely on continuous innovation and the deployment of new technology to be successful.

Because Montana lacks the large corporate headquarters that typically conduct private sector research, a large portion of our state's expenditures for research derive from the university system or its partnerships with our state's businesses. This research is in itself a large industry, putting more than \$150 million (2005) of "outside" money directly into the Montana economy. Growing research in the university system grows high-paying jobs. To fully leverage this research, however, we must continue to work hard to commercialize that innovation in our own economy.

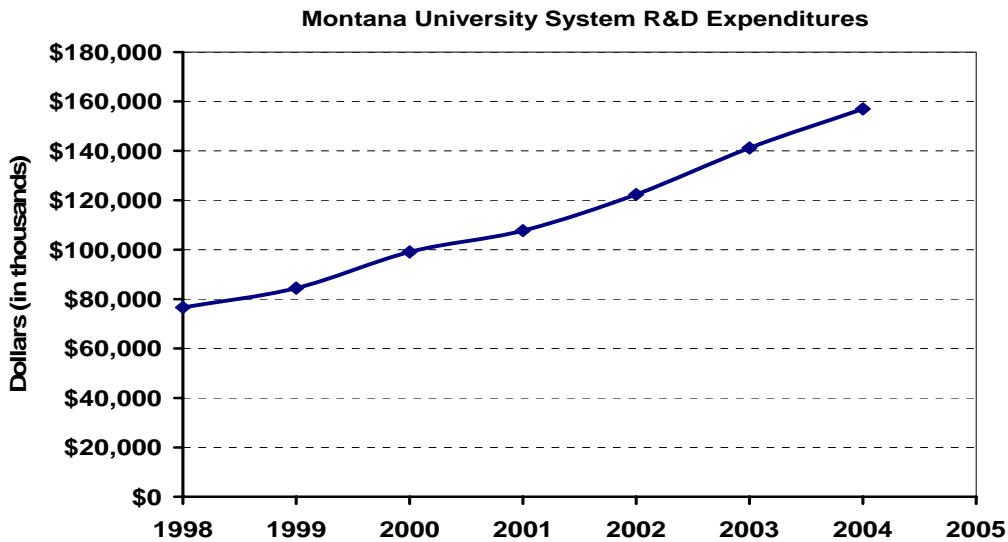
Of course, no quality research university will ever be able to find a home for all its technology in the local economy. Cutting edge research is by its nature global, and Montana will never have all the resident companies needed to commercialize all of our research. But the Montana University System does generate considerable intellectual property that is suitable for development within the state. With very limited resources the university system has already established a number of quite successful partnerships with Montana businesses. What the state does not have is many resources to identify and coordinate new, or currently unidentified, opportunities – particularly with businesses that are not physically located near one of the major research campuses. There are also very few resources available to coordinate state-wide efforts between the various MUS technology transfer offices – so businesses located near one campus that might benefit from technology residing at a different campus have a difficult time finding the needed resources.

Strategic initiatives we will undertake to achieve this goal:

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

- 1) Increase research & development receipts and expenditures



Source: 1998-2003 NSF, 2004 estimated by MUS

- 2) Increase technology licenses with Montana businesses

Technology Transfer Activity During Past Five Years (2000-2005)

	Total 2000-2005	2007	2010
Patents Issued	157	(Goal)	(Goal)
Active Licenses (Total)	113	(Goal)	(Goal)
Active Licenses (MT Companies)	72	(Goal)	(Goal)
Percent Licenses w/ MT Companies	64%	(Goal)	(Goal)
License/Patent Revenues	\$ 527,484	(Goal)	(Goal)
Reimbursed Patent Costs from Licenses	\$ 731,595	(Goal)	(Goal)

Goal III: Improve institutional and system efficiency and effectiveness.

The Montana University System is an almost \$1 billion per year enterprise providing employment for about 7,000 Montanans. Clearly, in any enterprise of this size there will be some inefficiencies and imperfections. The university system realizes, however, that unless it does everything reasonably possible to be effective with its current resources it cannot credibly ask for much-needed higher levels of sustained funding and support. Even though General Fund appropriations comprise only about 15% of total university system revenues, the taxpayers still contribute about \$150 million per year ('06 biennium) and have a right to demand accountability for this spending. Our students, who bear an increasing portion of the cost of their public education, also deserve a system that provides a high quality education as efficiently as possible and allows them to have reasonable portability among the institutions in the system.

A critical ingredient of accountability is being able to measure accurately changes in the system and progress toward long-term goals. This includes the ability to measure student success and financial efficiency. While the individual campuses have extensive data, the Commissioner and Regents have very little quality system-wide data, which in turn makes it hard to track system-wide changes or progress. What data do exist are usually compiled manually from information provided by the respective campuses. It is difficult to track system performance and nearly impossible to evaluate time series data. The problem only worsens with the adoption of this strategic plan that, if it is to be credible, requires tracking progress toward meaningful long-term performance goals.

Goal III (1): Improve the accuracy, consistency and accessibility of system data, including the continued development of a comprehensive data warehouse.

Background:

Good policy begins with good information. Policymakers, inside and outside the university system, need to have reliable data that will provide an accurate picture of performance and conditions in their state.

Student information can be particularly complicated. Without comprehensive, Montana-specific data it is difficult to determine which citizens are being precluded from a postsecondary education, or are not successful in completing a postsecondary education. Current information about Montana's postsecondary education "continuum" is not readily available or routinely reported. Montana lacks a student unit record system to track students throughout their educational careers and data are not consistently disaggregated to allow an analysis of the participation and performance of sub-groups such as low-income or minority students. This makes targeting high-need segments of the Montana population difficult. The University System must be poised to be able to combine the records from the Office of Public Instruction's Education Data Warehouse and Student Level Record System project with higher education student records. This is the only way we will be able to evaluate the effectiveness of Montana's entire P-20 education system.

The current standard reports from the MUS Student Data Warehouse focus on enrollment—at either the census date (third week) or end of term. From that data we are able to know the enrollment, residency status, country and county of origin, age, race, and other general demographic information regarding the MUS student population. In order for us to do a meaningful assessment of system student achievement, we will also need to be able to determine accurately (and readily) student data such as entering test scores, remedial course work, GPA, student progress, matriculation, retention, and completions. This data are captured in the campuses' student data warehouses, but is not easily accessible from the system data warehouse.

The MUS at least has a student data warehouse, albeit one that needs improvements. Data related to finance (budgets, revenues, expenses, accounting), payroll, and financial aid are available only through the campuses systems and are not available in a central, electronically accessible location. These additional data elements (finance, HR, and financial aid) are critical pieces of performance evaluation and accountability measures.

Strategic initiatives we will undertake to achieve this goal:

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

By the end of 2006...

- Professional Institutional Researcher hired by OCHE hired to provide leadership for system wide data issues.
- Integrated MUS Data Warehouse specifications identified.
- Additional Student Data Warehouse data elements identified.
- Additional standard Regents Student Data Warehouse reports identified.
- Data elements added to Student Data Warehouse.
- Front end (reports) for Student Data Warehouse re-configured and enhanced.
- Finance Data Warehouse (FinDW) project completed.
- HR and Financial Warehouse data elements identified.

Goal III (2): Deliver efficient and coordinated services.

Background: In order for the university system to maintain credibility and continually improve its ability to serve the citizens of this state it must be efficient in the use of its resources. But measuring efficiency in higher education can be difficult. Typical business-like measures of increasing through-put and “profit center” accounting can have significant and deleterious effects on quality. Yet, the taxpayers and our students deserve accountability for the way in which we spend their money.

One reasonable measure of financial accountability is how much it costs to educate a student over time and relative to our peer institutions. While these are certainly imperfect measures of efficiency, the Montana University System needs to evaluate its costs relative to other institutions that have missions similar to our own. The system must also be diligent in ensuring that it allocates the resources it does have in a way that remains focused on its primary missions. A common criticism of all public education, higher education and K-12, is that too much money is spent on overhead or administration and not enough for student education. True or not, this issue demands that higher education evaluate constantly and communicate effectively the manner in which it allocates and uses its resources.

Another measure of efficiency is how well the university system is coordinating among its various campuses. A good measure of this is how effectively students can move between these campuses. Montana has eight university system campuses, three community colleges, and seven tribal colleges located throughout the state. It is important to maintain these campuses because we have a geographically large state and proximity of a postsecondary institution correlates positively with participation in higher education. A consequence of this is, however, that we have a number of relatively small institutions that cannot possibly offer all the training and education that every student at that campus requires. In our state more than 60% of bachelor degree graduates have transferred between institutions at least once – about double the national average.

Of course, student transfers often involve a change of major or other personal choices that can make previous coursework bear relatively little relationship to the new course of study. However, students and parents do have the right to expect that similar courses at the various campuses within the system are given similar recognition across the state. Transferability indicates the ease with which student’s previous courses move between institutions and are applied to new requirements of a new institution. It is a key measure of how well our campuses are operating efficiently as a system for the benefit of our students.

Strategic initiatives we will undertake to achieve this goal:

(Approved budget/strategic initiatives will be listed and described in this section.)

How we will measure our progress:

1) Expenditures per student relative to peer institutions and history

Note: this table reflects data available from NCHEMS as of 2005 relative to other states. A more revealing analysis is to compare revenues per student for each Montana institution relative to its peer institutions across the country. This analysis is being conducted by NCHEMS and is expected to be available in March 2006.

Revenues Per Student (Tuition plus State/Local Support)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2007	2010
Wyoming	\$11,124	\$10,699	\$9,654	\$11,610	\$12,744	\$12,179	\$13,554	\$13,443		
Oregon	\$7,298	\$7,360	\$7,520	\$8,566	\$8,828	\$8,289	\$8,614	\$9,826		
South Dakota	\$7,088	\$7,703	\$7,940	\$7,858	\$8,164	\$8,528	\$8,005	\$8,968		
US Average	\$7,434	\$7,831	\$8,193	\$8,478	\$8,851	\$8,937	\$8,788	\$8,908		
Nevada	\$6,721	\$7,231	\$7,762	\$7,586	\$7,821	\$8,472	\$8,786	\$8,839		
Colorado	\$7,044	\$7,291	\$7,509	\$7,725	\$8,191	\$8,235	\$7,368	\$7,855		
Montana	\$6,087	\$6,276	\$6,450	\$6,696	\$6,854	\$7,168	\$7,638	\$7,788	(Goal)	(Goal)
Idaho	\$6,620	\$7,001	\$7,378	\$7,824	\$8,217	\$8,360	\$7,739	\$7,722		
Utah	\$6,917	\$6,918	\$7,060	\$7,206	\$7,335	\$7,285	\$7,403	\$7,604		
North Dakota	\$5,968	\$6,734	\$6,892	\$7,113	\$7,110	\$7,256	\$7,139	\$7,290		
Washington	\$6,608	\$6,781	\$6,980	\$6,979	\$7,199	\$7,191	\$7,222	\$7,276		

Data: NCHEMS

2) Percentage of expenditures in instruction, research, public Service, academic support, student services, institutional support, plant O&M, and scholarships and fellowships.

Montana University System Expenditures by Category

	1985	1995	2005	2007	2010
Instruction	53%	54%	52%	(Goal)	(Goal)
Research	1%	1%	1%	(Goal)	(Goal)
Public Service	0%	1%	1%	(Goal)	(Goal)
Academic Support	11%	11%	12%	(Goal)	(Goal)
Student Services	9%	9%	7%	(Goal)	(Goal)
Institutional Support	10%	9%	9%	(Goal)	(Goal)
Operation of Plant	13%	12%	12%	(Goal)	(Goal)
Scholarships & Fellowships	2%	4%	7%	(Goal)	(Goal)

3) Improve articulation and transferability among all 2-year and 4- year institutions, including community colleges and tribal colleges.

Campus academic officers are developing the appropriate metrics to measure transferability. A recommendation will be presented to the Board of Regents at the March 2006 meeting. Once approved, these accountability measures and data will be included here. At this time this work is focused on four goals:

1. Implementing the assessment plan to monitor the effectiveness of the Board of Regent policies adopted in response to the Legislative Audit on transfer of credits in the Montana University System; and, if necessary, modify the policies based on that assessment information.
2. Adopting goals for the Montana University System that describe what the System wants to accomplish in the areas of articulation and transferability, by March 2006; and authorize specific initiatives based on those goals in May 2006.
3. Developing baseline data for the goals, where appropriate, and establish quantifiable targets for the goals.
4. Developing a budget request for the 2006 Montana Legislature, based on the goals and initiatives approved by the Board of Regents.

Goal III (3): Reconstruct the budget allocation model consistent with state and system policy goals and objectives.

Background: The Montana Legislature allocates the vast majority of funding for our education units in a “lump sum” that is then allocated by the Regents to the individual institutions within the system. How these funds are allocated is central to every strategic objective of the Board. The current allocation model is more than a decade old and is, at best, complicated and difficult to understand. In order to achieve the goals and objectives in this strategic plan, the basic funding allocation model must be significantly revised. To be an effective tool for achieving our strategic goals, the new allocation model should, at a minimum, include:

- A focus on financing for the state system, not only funding for the individual campuses;
- Be transparent as to the policy choices of the Regents, Legislature, and executive branch;
- Provide a framework for dealing with allocations to institutions, tuition revenues, financial aid, and mandatory fee waivers;
- Have a specific fund dedicated to furthering Regents’ priorities;
- Reward institutions for aggressively seeking revenues from sources other than students and the state;
- Protect institutional viability by moderating the short-term effects of enrollment changes;
- Provide incentives for institutions to collaborate as a system.

Strategic initiatives we will undertake to achieve this goal:

A team consisting of finance staff from each campus and the Office of the Commissioner is currently working on the new allocation model. This team is reporting progress to the Board of Regents at each meeting and is targeting completion of the model in May 2006.

How we will measure our progress:

The new allocation model will be completed and in use for allocating funds throughout the university system in the 2008-2009 biennium.

Appendices

1. PEPB goals from 58th Legislature

(To be inserted after formal adoption by both PEPB and the Board of Regents)

Montana University System Initiatives

Priority	Initiative	Amount	Brief Description of Initiative
1	Improve Transferability and Student Data	\$1,900,000	Funds needed data systems, faculty program council expenses, and P-20 work (\$1.3 million OTO); and sustainability of initiative (\$600,000).
2	Expand Indian Education for All	\$500,000	Funds programs needed to implement IEFA at postsecondary institutions.
3	Improve Affordability	\$3,900,000	Includes MPACT scholarship program (\$2.5 million) and 2-year program tuition buy-down (\$1.4 million).
4	Coordinate and Expand Distance Learning	\$600,000	Continue implementation of distance learning coordination and program expansion, including creation of "gateway" for MUS distance programs.
5	Healthcare Worker Education	\$4,900,000	Includes developing healthcare worker strategic plan, creation of data and program advisory groups, expansion of WWAMI medical school (\$1.9 million) and new allied health programs, principally in 2-year colleges, to address critical shortage areas (\$3 million).
6	Create Montana Energy Center	\$2,000,000	Create a Montana Energy Center to coordinate and promote energy development (including research) in Montana.
Total		\$13,800,000	

MONTANA UNIVERSITY SYSTEM
2009 BIENNIUM BUDGET PLANNING – NEW PROPOSALS (JANUARY 2006)

UNIT/CAMPUS: MONTANA UNIVERSITY SYSTEM	UNIT PRIORITY: 1
NEW PROPOSAL NAME: TRANSFERABILITY & INTEGRATED STUDENT DATA SYSTEM	
BOARD OF REGENT STRATEGIC GOAL: <input checked="" type="checkbox"/> ACCESS <input type="checkbox"/> ECONOMIC DEVELOPMENT <input checked="" type="checkbox"/> EFFICIENCY	
TOTAL BIENNIAL COST: \$ 1,900,000	FUNDING SOURCES AND PERCENT: 100% GENERAL FUND APPROPRIATION
ADDITIONAL STAFF IN FY08 (FTE): 2.5	ADDITIONAL STAFF IN FY09 (FTE): 2.5

DESCRIPTION OF NEW PROPOSAL:

In today's global economy, the economic well-being of Montana depends on an educated citizenry. That education is essential for both the viability and health of the State's economy and the long-term career success of Montana's citizens. It isn't enough to focus on just the workforce needs of Montana in 2007. The State and its educational entities must develop a future perspective to insure that Montanans are not left behind. That perspective requires that more and more of Montana's citizens complete as much education beyond high school as possible. And they need help in that effort by assuring that post-secondary education in Montana is available, affordable and efficiently delivered.

To accomplish that lofty goal, a multi-faceted approach is necessary. It will require the following:

- a comprehensive program to improve transferability between campuses of the Montana University System. In response to a 2004 Legislative audit, the Montana Board of Regents made an initial start in this effort with the adoption of several System-policies. The most difficult work has yet to be done, however. The work requires the development of multiple pathways for students to follow as they work on a degree program in the System. Those pathways could include program-to-program/institution-to-institution articulation agreements, common coursework for some degree programs, agreement on course content, and possibly common course numbers. In the handful of states that have undertaken such an effort, the participation and consensus of program faculty is essential. In fact, the accreditation status of Montana's post-secondary institutions could be jeopardized without that involvement.
- the development of a comprehensive information database. The success of all these projects depends on the development of a much more sophisticated and comprehensive data base that is also integrated with the data systems of other State agencies. It is imperative that this information system be integrated with the Student Education Information Data System currently being developed by the Office of Public Instruction. The impact and effectiveness of all these programs on students and Montana citizens is simply not determinable without good data, especially data that tracks students from the K-12 system through post-secondary education and on to the work force. The Office of the Commissioner of Higher Education would continue the Director of Institutional Information and Research on its staff to enhance the capacity and effectiveness of the existing Montana University System Data Warehouse and to develop assessment models to monitor the impact of all these programs.

The transferability effort and the comprehensive information database are inherently connected and would require the following effort and investment:

- development of a comprehensive and refined Data Warehouse and implement the required assessment models (OTO)	\$ 750,000
- faculty program council expenses (OTO)	<u>430,000</u>
Total (OTO)	\$1,180,000

Management and sustainability of this project will require a 09 biennium investment of \$ 600,000

Total Biennial Cost \$ 1,780,000

The management and sustainability investment would include 2 FTE (1 FTE with the requisite academic credentials to lead the transferability effort and 1 FTE to lead the comprehensive database effort) office space, equipment and operating expenses. Some ongoing funds would be needed for faculty program councils and faculty release time.

- a coordinated and collaborative educational system that begins with pre-school and continues all the way through graduate education. The most significant “educational transfer” for any student is the move from high school to post-secondary education. In order to insure Montana’s economic vitality now and into the future, more and more of its citizens. . .both traditional college-going students and adult workers. . .need to make that transition. The groundwork for a collaborative educational system has already been established in Montana, with the work of the Board of Education and its P-20 Committee. That effort has no full-time staff person to work on these important activities, however. Any achievements to date have been the result of personnel in both the Office of Public Instruction and the Office of the Commissioner of Higher Education who committed to a project at the expense of other essential work that needs to be done. The P-20 effort is a major commitment of many states, with large staffs to spearhead the effort. Montana needs to get started by adding .5 FTE position in the Office of the Commissioner of Higher Education to work exclusively on this important and unprecedented collaboration. A biennial investment to cover the salary, benefits and operating costs for the .5 FTE would be \$120,000.

HOW SUCCESS IS MEASURED:

- transfer pathways are created in 22 different program and subject areas; those pathways may include common coursework, a common curriculum, common course content, articulation agreements, etc.
- appeals of transfer credit decisions are reduced by 50% from the baseline year of 2006 – 2007.
- a 25% increase in the number of pre-post-secondary educational credits that are accepted by the Montana University System, in such programs as dual enrollment, running start, advanced placement, tech prep, etc.
- the development of an integrated and comprehensive data system for the Montana University System, particularly a data system that does not rely unnecessarily on the campuses for information.
- alignment of K-12 graduation standards and post-secondary proficiency standards in composition, mathematics and science.

Are there any external partners proposed to join in the funding of this initiative? If yes, please note proposed partners.
None.

Is this proposal in place of something presently being done? If yes, please note activity that would cease once new proposal was initiated. No.

Can this proposal be absorbed into current services without additional funding? The work on transferability initiatives would continue, but at a significantly reduced level; the P-20 efforts would continue, using the part-time assistance of current staff at OCHE and OPI who do this work now as part of their many responsibilities.

Would this proposal be undertaken irrespective of additional state funding (i.e. 100% tuition funding)? No

Would this proposal be undertaken only with funding other than tuition? Yes.

MONTANA UNIVERSITY SYSTEM
2009 BIENNIUM BUDGET PLANNING – NEW PROPOSALS (JANUARY 2006)

UNIT/CAMPUS: MONTANA UNIVERSITY SYSTEM	UNIT PRIORITY: 2
NEW PROPOSAL NAME: INDIAN EDUCATION FOR ALL	
BOARD OF REGENT STRATEGIC GOAL: <input checked="" type="checkbox"/> X ACCESS <input type="checkbox"/> ECONOMIC DEVELOPMENT <input type="checkbox"/> EFFICIENCY	
TOTAL BIENNIAL COST: \$500,000	FUNDING SOURCES AND PERCENT: 100% GENERAL FUND APPROPRIATION
ADDITIONAL STAFF IN FY08 (FTE): 1	ADDITIONAL STAFF IN FY09 (FTE): 1

DESCRIPTION OF NEW PROPOSAL:

Section 20-1-501, Montana Codes Annotated, states that “. . .every educational agency will work cooperatively with Montana tribes. . .to include information specific to the cultural heritage and contemporary contributions of American Indians, with particular emphasis on Montana Indian tribal groups and governments.” Individual campuses that make up the Montana University System have developed individual programs to meet that statutory mandate, particularly in the area of teacher education. The Montana University System has not been as responsive, however, until recently. A work group, made up of representatives from several of the campuses, will meet during the 2006 – 2007 academic year to develop a system-wide plan. That plan will be presented to the Montana Board of Regents, for its review and approval, in November 2006. The money in this budget request is intended to implement that plan.

The money will be used as follows:

- \$10,000 to fund the travel expenses of an advisory board on Indian Education for All and other Indian issues, made up of representatives from the tribes throughout Montana.
- \$50,000 to develop an Indian Education for All website, with information on resources for academic programs in the Montana University System.
- \$130,000 to fund the development of Indian Education for All instructional materials and programs for the Montana University System, using an RFP process.
- \$85,000 to fund a faculty development program on Indian Education for All in the Montana University System.
- \$25,000 to sponsor a symposium or research conference on Indian Education for All.
- \$200,000 for 1 FTE to work exclusively on this effort, along with office space, equipment and operating expenses for that person.

HOW SUCCESS IS MEASURED:

--implementation of all of the projects described in the proposed budget. I.E., creation of an advisory board for the Office of the Commissioner of Higher Education, creation of the web site, establishment of a faculty development program, etc.

--creation of at least ten (10) “public domain” courses that can be used by other faculty members throughout the System in the area of Indian Education for All.

--implementation of a faculty development program that a) results in at least one Indian Education for All “lead faculty” member in each unit of the Montana University System, to advise and support his/her colleagues at that campus; and b) results in at least one program on each campus that has imbedded Indian Education for All materials throughout its curriculum.

Are there any external partners proposed to join in the funding of this initiative? If yes, please note proposed partners.
None.

Is this proposal in place of something presently being done? If yes, please note activity that would cease once new proposal was initiated.

The proposal will not replace current activities undertaken by the campuses to satisfy the statutory requirements of Indian Education for All. The proposal is intended to supplement those plans.

Can this proposal be absorbed into current services without additional funding?

Some campuses may be able to implement the expectations of the System-wide Indian Education for All proposal, without this appropriation, using the resources available on their campuses. For many campuses, however, particularly the smaller units, the resources to comply with an Indian Education for All policy or statement are simply not available without additional funding.

Would this proposal be undertaken irrespective of additional state funding (i.e. 100% tuition funding)? No.

Would this proposal be undertaken only with funding other than tuition? Yes.

MONTANA UNIVERSITY SYSTEM
2009 BIENNIUM BUDGET PLANNING – NEW PROPOSALS (JANUARY 2006)

UNIT/CAMPUS: MONTANA UNIVERSITY SYSTEM	UNIT PRIORITY: 3
NEW PROPOSAL NAME: AFFORDABILITY	
BOARD OF REGENT STRATEGIC GOAL: ACCESS	
TOTAL BIENNIAL COST: \$ 3,900,000	FUNDING SOURCES AND PERCENT: 100% GENERAL FUND APPROPRIATION
ADDITIONAL STAFF IN FY08 (FTE):	ADDITIONAL STAFF IN FY09 (FTE):

DESCRIPTION OF NEW PROPOSAL:

According to Tom Mortenson of the Pell Institute, postsecondary education “has become the dominant factor in the growth of personal incomes and the living standards of people, families, cities and states.” It is a well accepted fact that more education correlates highly with increased wages. Over a 40-year working career, those with some postsecondary education will earn about 75% more than those who have only a high school education. But the correlations between higher educational attainment and non-monetary benefits are equally strong. Improved health, decreased crime, higher charitable giving, and greater civic participation, among others, are all strongly related to the education of the individual and the overall education levels of a community. In addition to all the important things a university system does on a daily basis for the state and its communities, a central tenet of our mission must be to continue to prepare students for life by getting them into, and successfully through, a postsecondary education.

Montana faces increasingly high postsecondary education costs relative to income levels. In 1994 Montana’s average tuition was \$27 below the 15 western states’ average; in 2004 it was \$703 above the average. Montanans must now pay a 40% higher share of their incomes for resident tuition and fees than residents of the other western states. The average student debt for a Montana university graduate is \$20,000 and rising. With these trends, it is no surprise that in 2000-01 the college participation rate for Montana students from low-income families was 27.9% compared to 42% for the general population. According to *Measuring Up 2000*, the state of Montana received a grade of “D-” for affordability. In 2002, the affordability grade sank to “F” and remained there in 2004.

High tuition does not create as much of a barrier to education if it is coupled with relatively high tuition assistance. Virtually every state in the US has a substantial need-based aid program, but Montana is far behind every other state in the region in the amount of aid provided our students. Montana appropriations for need-based aid are just \$70 per student as compared to \$238 per student for the other 15 western states. Even in Montana’s two-year colleges – in most states the low-cost point of entry for many students – cost is increasingly a barrier. On average, a Montana family pays 25% of its income at two-year colleges compared to 16% nationally.

Federal loan limits no longer provide many Montana students and families with sufficient lending capacity to satisfy the cost of education. For the first time, the cost of education (including room and board) now exceeds the amount of borrowing available to many Montanans. There simply isn’t enough need-based aid to serve our Montana residents and this lack of aid impacts enrollment, persistence, and success in postsecondary environments.

The purpose of this initiative is to provide Montana residents with greater access to Montana’s postsecondary institutions, through entry-level scholarships based upon financial need and buying down the tuition increases of two-year programs, with the goal of alleviating student debt burdens. In addition, the MUS strongly supports full funding of the Governor’s Postsecondary Scholarship Program.

MPACT Scholarship Proposal	\$2.5 million
2 Year Program Tuition buy-down	\$1.4 million

HOW SUCCESS IS MEASURED:

Success will be measured as follows:

- the dollar amount is distributed in the form of scholarships to qualifying Montana residents
- increase the participation rates of Montana resident students

Are there any external partners proposed to join in the funding of this initiative? If yes, please note proposed partners.

- No, although it should be noted that businesses and individuals are already significant partners in providing scholarships, and yet the need is demonstrably well beyond what the private foundations can meet.

Is this proposal in place of something presently being done? If yes, please note activity that would cease once new proposal was initiated.

- No

Can this proposal be absorbed into current services without additional funding?

- No

Would this proposal be undertaken irrespective of additional state funding (i.e. 100% tuition funding)?

- No. Tuition increases presently help fund the MTAP – Baker Grants and tuition waivers. Further burden on tuition for all students to fund need-based grants would be disadvantageous for Montana's middle income students.

Would this proposal be undertaken only with funding other than tuition?

- Yes. This initiative proposes to enhance existing aid programs (PSGS, MTAP, MPACT) and Pell grants so that Montana more nearly compares with similar states that are providing an average of \$238 per student, over three times Montana's level.

MONTANA UNIVERSITY SYSTEM
2009 BIENNIUM BUDGET PLANNING – NEW PROPOSALS

UNIT/CAMPUS: MUS	UNIT PRIORITY: 4
NEW PROPOSAL NAME: EXPAND DISTANCE LEARNING	
BOARD OF REGENT STRATEGIC GOAL: ACCESS & ECONOMIC DEVELOPMENT	
TOTAL BIENNIAL COST: \$600,000	FUNDING SOURCES AND PERCENT: 100% GENERAL FUND
ADDITIONAL STAFF IN FY08 (FTE): 0	ADDITIONAL STAFF IN FY09 (FTE): 0

DESCRIPTION OF NEW PROPOSAL:

The funds will be used to continue the 1.0 FTE position in the Office of the Commissioner of Higher Education, create and implement a web portal for MUS distance courses, and develop new distance learning programs. The current position of Director Distance Education Business Development was created with funds allocated by the 2005 Montana Legislature. In addition to continuing the projects that have already been implemented by the current Director of Distance Education and Business Development, the money will also be used to create and refine the Montana Distance Learning Gateway, an informational website that will ultimately serve as the single portal entrance to distance learning programs in Montana. The funds will also be used to develop new distance education programs in Montana, both credit and non-credit bearing, that will serve place-bound students, workers and employers who do not have access to traditional campus educational and training opportunities in the State.

HOW SUCCESS IS MEASURED:

Funding for this initiative will result in: 1) reduced duplications of redundant offerings, saving money; 2) expanded offerings through greater state-wide collaborative efforts to deliver additional courses and programs at no significant additional cost; 3) development and delivery of new courses and programs focused on workforce development and training; 4) enhanced student user-friendliness of all aspects of distance education delivery, which in turn supports a higher quality higher education attainment by place-bound citizens.

Specifically, this funding will allow us to:

- Develop consensus, identify a web-based platform that will serve the campuses, and create the Montana Distance Learning Gateway that was a high priority recommendation of the Shared Leadership Steering Committee. This will allow significantly more students to access the numerous distance learning courses offered across all our campuses.
- Develop and deliver new credit and non-credit bearing distance education programs in the State, including new collaborative offerings, intended to serve primarily workers in need of career training and employers in need of specially skilled workers.
- Significantly expand the number of distance education programs and increase the number of students enrolled in distance education.

Are there any external partners proposed to join in the funding of this initiative? If yes, please note proposed partners. None have been formally identified as of this time, but they are being developed over the next year. Priority for distance education program expansion will be given to those programs that have strong industry partnerships.

Is this proposal in place of something presently being done? If yes, please note activity that would cease once new proposal was initiated: It is a continuing extension of the 2005 Session funding to support distance education development for students, workers, and employers, across Montana and beyond.

Can this proposal be absorbed into current services without additional funding? Present funding includes the initial cost of 1.0 FTE to develop the program described, to lay out the plan and the timeline, and to identify possible solutions to the many related challenges. The development of a collaborative and supported approach across all campuses is a primary mission of the present process.

Would this proposal be undertaken irrespective of additional state funding (i.e. 100% tuition funding)? It would likely continue to be piecemeal and based upon the preferences and concerns of each individual campus. As clearly stated in the Shared Leadership report, "...Montana is too small and too poor to continue down its current path with distance education." (Sally Johnstone, Western Cooperative for Educational Telecommunications)

Would this proposal be undertaken only with funding other than tuition? In part. The gateway would not be developed without funding other than tuition. The campuses have the ability to generate certain tuition for distance education support and development, but a successful approach is dependent on the willingness and ability to coordinate programs across the state and build the distance education portal. In addition, a strong central-coordination approach almost eliminates the present conflict of "traditional vs. distance" education funding and development that exists on each campus.

MONTANA UNIVERSITY SYSTEM
2009 BIENNIUM BUDGET PLANNING – NEW PROPOSALS (JANUARY 2006)

UNIT/CAMPUS: MUS	UNIT PRIORITY: 5
NEW PROPOSAL NAME: ELIMINATE HEALTHCARE WORKER SHORTAGES	
BOARD OF REGENT STRATEGIC GOAL: ACCESS	
TOTAL BIENNIAL COST: \$4.9 MILLION	FUNDING SOURCES AND PERCENT: 100% GENERAL FUND APPROPRIATION
ADDITIONAL STAFF IN FY08 (FTE): 0	ADDITIONAL STAFF IN FY09 (FTE): 0

DESCRIPTION OF NEW PROPOSAL:

Montana faces a severe shortage of allied health professionals, due to increased demand, an aging workforce, and an aging society. Current projections indicate we will need about 6,100 additional health professionals in the workforce to meet the needs of Montana's citizens in 2010 – about a 30% increase. Also, we currently have 47 of our 56 counties that are, in whole or in part, designated as Health Professional Shortage Areas (generally less than one primary care physician per 3,500 people). While there are many aspects to healthcare affordability and access, if there are inadequate numbers of trained professionals in the workforce it is impossible to have access to basic healthcare throughout the state. While the university system can play a supporting role in solving many of our state's healthcare access problems, it unquestionably has a lead role in educating the healthcare workforce in all of our communities.

There are many initiatives in the university system that are underway or being proposed to address this problem, but we lack a coordinated statewide plan for meeting our current and future needs. Without such a plan, it is exceedingly difficult to make an informed decision as to what combination of programs is most likely to address our workforce shortages over the next decade in the most cost-effective way.

This initiative proposes that the Board of Regents require a statewide plan be developed, with clear long-term goals, before funding individual initiatives to expand healthcare training programs. This plan should also include data that give us a clear understanding of the current capacity of existing programs and the cost effectiveness of these programs. New or non-traditional programs should also be considered, with the goal of eliminating the shortage of qualified healthcare workers in each of the state's regions, regardless of the source of those workers.

The following is a DRAFT proposal, which outlines programs and alternatives which should be considered in developing a comprehensive and systematic approach to healthcare worker training in Montana. Cost estimates are approximations only.

Goal: Develop a comprehensive plan, including associated costs, to close the healthcare worker gap in ten years with the most cost-effective combination of programs.

1. Establish a healthcare data team to evaluate, over time, the state's healthcare worker shortages (both existing and anticipated).

This team should consist of, as a minimum, representatives of the following agencies or organizations:

- Montana Department of Labor and Industry Research and Analysis Bureau
- Montana Department of Labor and Industry Licensing Business and Occupational Licensing Bureau.
- Office of Commissioner of Higher Education
- MHA

- Others agencies or organizations as appropriate.

Cost: none additional

2. Establish an advisory group to evaluate proposals and make recommendations on the most cost-effective options to train, recruit, and retain healthcare workers.

This group should consist of 10-15 individuals and have approximately 50% of its members from non-government organizations. The group should also contain representatives of the Montana University System, including the state's community colleges and tribal colleges.

Cost: none additional

3. Work with the advisory group to evaluate options to reduce shortages of non-physician healthcare workers:

- Improve efficiency of current programs, including transferability and use of common curriculum across institutions, to lower attrition rates and speed graduation rates.
- Expand capacity in existing programs.
- Create funding pool to attract and retain targeted faculty in high-demand healthcare fields.
- Create new programs at strategically targeted institutions.
- Expand partnership with tribal colleges to offer more allied health training programs.
- Expand distance learning, either in-state or in cooperation with other states' programs (e.g. expand participation in WICHE's WRGP nursing Ph.D. program or offer on-line advanced degree programs similar to Arizona and Colorado).
- Expand partnerships with rural hospitals (or other options) to increase the number and size of clinical training sites.
- Create a fast-track for BA degree holders wanting to become nurses.
- Create programs to encourage/facilitate professionals not in the workforce to re-enter the workforce through re-certifications or incentives.
- Increase career pathways and dual-enrollment programs to increase supply of students wanting to enter healthcare professions.
- Expand programs to offer and encourage advanced degrees in nursing to build stronger base of potential instructors.

Cost: The advisory group should estimate the total costs, over the next 10 years, to reach our goal of eliminating worker shortages. The group should also make recommendations for priority funding requests in the next biennium. Estimate \$3 million in next biennium

4. Develop stronger support from industry (primarily hospitals and clinics) to provide additional matching funds for expanding the number of trained healthcare workers in the state in a systematic way.

Cost: none additional

5. Actively solicit federal and/or non-profit grants and funds, as a state or university system, to help eliminate the healthcare shortage in Montana.

Cost: none additional

6. Expand physician education to increase the number of physicians in Montana, with particular emphasis on increasing the number of primary care physicians practicing in rural areas.

- Increase WWAMI slots for entering class from 20/year to 40/year (total in 4-year program increases from 80 to 160 after four years).

Cost: \$1.9 million next biennium, \$3.4 million subsequently

- Implement selection criteria for WWAMI to increase percentage of physicians returning to Montana rural areas in primary care specialties.
Cost: none to MUS or general fund
- Implement a third year WWAMI medical training program in Montana.
Cost: none to MUS or general fund
- Develop a proposal to expand MT Family Practice Residency Program.
Cost: none in the next biennium, possibly funding required subsequently
- Consider adding residency program in another specialty area in 3 years, possibly in a community other than Billings.
Cost: none in the next biennium, possibly funding required subsequently.

7. Increase the funding for, and more carefully target, incentives to encourage primary care physicians to locate in high-need areas by considering the following options:

- Charge higher rates (on par with all other WWAMI states) for first year WWAMI students and put funds into Montana Rural Physician Incentive Program (MRPIP) and WWAMI program.
Cost: none to general fund or MUS. Increases tuition for medical students that is more-than-offset by future incentives if they return to practice in Montana high-need areas.
- Phase out current Rural Physician Tax Incentive (grandfather current enrollees for time left under current law), put equivalent funds into MRPIP.
Cost: none to general fund or MUS. Requires legislative action to change tax code and reallocate funds.
- Increase “surcharge” for WWAMI program from \$2K to \$4-5K per year, put additional funds into MRPIP.
Cost: none to general fund or MUS. Increases tuition for medical students that is more-than-offset by future incentives if they return to practice in Montana’s high-need areas.
- Use combination of above proposals to generate \$approximately \$1 million per year for MRPIP. Revise MRPIP to increase incentive amounts and to better target locations in most need of primary care physician with a goal to eliminate all Health Professional Shortage Areas (HPSAs) in 10 years. Include a larger selection team for awards to have greater rural representation and to ensure incentives are targeted at highest-need areas.
Cost: none to general fund or MUS.
- Consider adding other healthcare professional which are also in critical short-supply to the incentive program.
Cost: none to general fund or MUS

8. Continue to evaluate options for increasing the number of dentists through expanded partnerships with other states (including WICHE and WWAMI).

This is currently being evaluated by the Montana Dental Association and the MUS through a \$5,000 grant from the Legislature and a \$20,000 grant from the American Dental Association. Particular emphasis is being placed on training dentists likely to practice in Montana’s rural areas.

HOW SUCCESS IS MEASURED:

Montana will have a strategic plan for meeting the healthcare worker needs of the state during the next decade. Healthcare program expansion or creation of new programs will be substantiated and monitored with accurate data. The MUS will have significantly better coordination with state agencies and other healthcare organizations in Montana and the region to ensure all are better working together to achieve common workforce and healthcare access goals. An advisory group from both the public and private sector will be able to advise the Regents on program and spending priorities over time. Ultimately, Montana’s citizens (and particularly those in rural, historically underserved areas) will have improved access to healthcare.

Are there any external partners proposed to join in the funding of this initiative? Yes, as noted above.

Is this proposal in place of something presently being done? If yes, please note activity that would cease once new proposal was initiated: None, although current efforts both inside and outside the MUS should be better coordinated.

Can this proposal be absorbed into current services without additional funding? Yes, with the exception of new or expanded education programs.

Would this proposal be undertaken irrespective of additional state funding (i.e. 100% tuition funding)? Partially. It is unlikely new or expanded programs could be undertaken without significant funds, but the planning and coordination efforts could proceed without additional funding. Changes to the location incentive program may not require new funds, but it will require Regent's and Legislature's action.

Would this proposal be undertaken only with funding other than tuition? Partially. It is unlikely new or expanded programs could be undertaken without significant funds, but the planning and coordination efforts could proceed without additional funding. Changes to the location incentive program may not require new funds, but it will require Regent's and Legislature's action.

MONTANA UNIVERSITY SYSTEM
2009 BIENNIUM BUDGET PLANNING – NEW PROPOSALS (JANUARY 2006)

UNIT/CAMPUS: MUS	UNIT PRIORITY: 6
NEW PROPOSAL NAME: MUS ENERGY CENTER	
BOARD OF REGENT STRATEGIC GOAL: ECONOMIC DEVELOPMENT	
TOTAL BIENNIAL COST: \$2,000,000	FUNDING SOURCES AND PERCENT: 100% GENERAL FUND APPROPRIATION
ADDITIONAL STAFF IN FY08 (FTE): 4	ADDITIONAL STAFF IN FY09 (FTE): 4

DESCRIPTION OF NEW PROPOSAL:

The state of Montana has tremendous energy resources at its disposal at a time which national needs for developing energy independence and security are dramatically increasing in priority. Additionally, there is clear interest in state government in the development of energy resources and in investigation of newly developing technologies for doing so. Potential areas of state interest include understanding fossil resources in the state, new, clean coal power generation technologies, biofuels and environmental issues. The Montana University System has a number of nationally and internationally recognized research programs that overlap significantly with state needs including the Zero Emission Research and Technology Center (ZERT), the Big Sky Carbon Sequestration Regional Partnership, the Bureau of Mines, the Montana Wind Energy Consortium, the Load Control and Grid Optimization Program (GridWise), the High Temperature Electrochemistry Center, Hydrogen Transportation Project. These programs are federally funded and involve specific research projects and goals which do not provide freedom to meet state needs with the federal funds. However, the expertise and infrastructure built by these programs provides the MUS and the state a unique leveraging opportunity for state funds. Additionally, these programs have involved MUS researchers in collaborations with six national labs (PNNL, INL, LANL, NETL, LLNL, LBNL) other universities, and other federal programs (including FutureGen) providing the state with access to external resources and expertise. State funding will provide integration of these capabilities and expertise, the ability to focus on state needs, and the ability to coordinate with state offices. The table below indicates some of Montana's activities and potential impacts.

	Natural Resources	Power Generation	Transmission & Distribution	Alternative Energy	Environmental Issues	Policy and Economics
MUS Research Programs	ZERT, Bureau of Mines	ZERT, HiTEC	HiTEC, Grid Optimization	Wind Energy, Oilseed Biofuels, Biobased Institute, Hydrogen Futures Project	Big Sky Partnership, ZERT, Reclamation Res. Center, CBM Water	
Impacts	Understanding oil, gas, coal resources, extraction	Evaluating new generation technologies (including coal – liquids), clean coal technologies	Research in distributed power, alternative power impacts on grid, grid management	New turbine materials, Evaluation of Wind resources, Dispatch and grid issues, Oilseed crops for fuel	Mine reclamation, water quality issues, carbon management,	Technical input from MUS can assist DEQ, Dept. of Economic Opportunity, Dept. Natural Resources, etc

The MUS has approximately \$7-8 million of research directly related to energy generation (conventional and alternative) or transmission but almost no resources dedicated toward linking these research projects together to address state issues and potential economic development. A Montana Energy Center would provide the resources to coordinate the extensive energy-related research and expertise in the state in order to focus on opportunities specific to Montana. The Center

would consist of a director with a small staff that would have expertise to coordinate energy projects, resources, and data across state agencies, federal agencies, MUS campuses, and private companies. The center would maintain a database of active energy projects and resources in, or available to, the state. It would also coordinate periodic seminars and conferences to convene related experts and businesses to promote Montana energy resources and/or address state priorities.

As an example, a basin scale, high resolution characterization of the Powder River Basin would be beneficial to the state and to the private sector for understanding fossil fuel resources, extraction issues, and carbon storage potential. This work is unlikely to be performed by the private sector or by the Bureau of Mines because it is too labor intensive. It would be very appropriate to assign to a team of several geology professors and about 5-6 grad students and it would result in several theses and a data set useful to the state and the private sector. This could be done in cooperation with the Bureau of Mines, using resources in the Montana Energy Center.

Other activities of the center could include: variety development for oilseed plants for bio-diesel; detailed characterization of wind resources in the state (at higher resolution than the NREL map); and development of coal expertise to understand impact of coal type and altitude on coal utilization technologies (gasification, liquefaction).

HOW SUCCESS IS MEASURED:

The Montana Energy Center will significantly increase Montana's competitiveness for private and federal projects. For example, the state's ability to attract large energy projects (such as the FutureGen project or the development of a large coal gasification or liquefaction facility) will depend on our capability to coordinate technical, regulatory, environmental, and state agency resources. The Montana Energy Center will not guarantee our state is successful in attracting these, or other, projects. However, without some dedicated, professional resources to help coordinate the state's efforts it is highly unlikely we can be successful.

The energy center will increase the amount of energy related research funding and the number of technical experts available within the state – not only within the center, but also by better coordinating our existing resources and helping to attract additional energy professionals and researchers to the state. The coordination and interaction between the MUS and state agencies will be greatly increased which will lead to better data and technical expertise being available to both entities. The center will also help to increase the level of energy related research funding, publications, and students graduated – and in fields potentially more valuable to meeting the state's needs.

Ultimately, the center will lead to increased energy generation in MT, including that from alternative sources, which brings the associated economic development and expanded tax base to the state. The positive impacts of increased energy development also fall disproportionately on the rural and most in-need regions of the state.

**MONTANA STATE UNIVERSITY
FY-08/09 Budget Initiatives**

22-Feb-06

	FY08	FY09	Biennium
	Additional Tuition Revenue		
.5% of tuition = \$329,798	330,000	660,000	990,000
ACCESS			
Expansion of High demand programs	\$150,000	300,000	450,000
Continued Implementation of Core 2.0	\$18,334	36,666	55,000
Expand Internship Program for Undergraduate Students	\$16,667	33,333	50,000
ACCESS & ECONOMIC IMPROVEMENT			
Expand Internship Program for Undergraduate Students	\$16,667	33,333	50,000
Increased Capacity in Professional Programs	\$33,334	66,666	100,000
EFFICIENCY			
Affiliate Campus Costs of Banner Module Team Leaders	\$38,334	76,666	115,000
Classified Council Support Staff	\$29,000	58,000	87,000
ACCESS, ECONOMIC IMPROVEMENT, & EFFECIENCY			
Presidential Support for Bozeman Campus Initiatives	\$20,000	40,000	60,000
TOTAL	\$322,336	644,664	967,000
1.0% of tuition = \$659,596	650,000	1,300,000	1,950,000
ACCESS			
Expansion of High demand programs	\$150,000	300,000	450,000
Continued Implementation of Core 2.0	\$18,334	36,666	55,000
Expand Internship Program for Undergraduate Students	\$16,667	33,333	50,000
Continued Implementation of Core 2.0	\$33,334	66,666	100,000
ACCESS & ECONOMIC IMPROVEMENT			
Expand Internship Program for Undergraduate Students	\$16,667	33,333	50,000
Increased Capacity in Professional Programs	\$33,334	66,666	100,000
EFFICIENCY			
Affiliate Campus Costs of Banner Module Team Leaders	\$38,334	76,666	115,000
Classified Council Support Staff	\$29,000	58,000	87,000
Asst to VP Intercampus Affairs & Dir Planning&Analysis/CIO	\$42,000	84,000	126,000
Human Resources Staff FTE	\$32,500	65,000	97,500
Development of Web Payment Program	\$20,000	40,000	60,000
ACCESS, ECONOMIC IMPROVEMENT, & EFFECIENCY			
Presidential Support for Bozeman Campus Initiatives	\$20,000	40,000	60,000
ACCESS & EFFICIENCY			
Increased Capacity in Professional Programs	\$66,667	133,333	200,000
Enhanced Advising and Student Support Services	\$35,000	70,000	105,000
ECONOMIC IMPROVEMENT			
Strengthening Graduate Enrollments and Programs	\$66,667	133,333	200,000
TOTAL	\$618,504	1,236,996	1,855,500

2.0% of tuition = \$1,319,192	1,300,000	2,600,000	3,900,000
ACCESS			
Expansion of High demand programs	\$150,000	300,000	450,000
Continued Implementation of Core 2.0	\$18,334	36,666	55,000
Expand Internship Program for Undergraduate Students	\$16,667	33,333	50,000
Continued Implementation of Core 2.0	\$33,334	66,666	100,000
Expansion of High demand programs	\$149,334	298,666	448,000
Enhanced Advising and Student Support Services	\$15,000	30,000	45,000
Continued Implementation of Core 2.0	\$16,667	33,333	50,000
Enhanced Advising and Student Support Services	\$20,667	41,333	62,000
Continued Implementation of Core 2.0	\$16,667	33,333	50,000
ACCESS & ECONOMIC IMPROVEMENT			
Expand Internship Program for Undergraduate Students	\$16,667	33,333	50,000
Increased Capacity in Professional Programs	\$33,334	66,666	100,000
Increased Capacity in Professional Programs	\$33,334	66,666	100,000
EFFICIENCY			
Affiliate Campus Costs of Banner Module Team Leaders	\$38,334	76,666	115,000
Classified Council Support Staff	\$29,000	58,000	87,000
Asst to VP Intercampus Affairs & Dir Planning&Analysis/CIO	\$42,000	84,000	126,000
Human Resources Staff FTE	\$32,500	65,000	97,500
Development of Web Payment Program	\$20,000	40,000	60,000
Branded Web Site Development	\$33,334	66,666	100,000
Campus Staff Training and Development Program	\$10,000	20,000	30,000
Student Security Program	\$2,667	5,333	8,000
Admin/Finance Accounting Staff	\$39,834	79,666	119,500
ITC Staffing Plan - 1 additional FTE per year	\$75,000	150,000	225,000
Custodian Staff Wage Increases	\$100,000	200,000	300,000
ACCESS, ECONOMIC IMPROVEMENT, & EFFECIENCY			
Presidential Support for Bozeman Campus Initiatives	\$20,000	40,000	60,000
ACCESS & EFFICIENCY			
Increased Capacity in Professional Programs	\$66,667	133,333	200,000
Enhanced Advising and Student Support Services	\$35,000	70,000	105,000
Police Staff Training and Development	\$6,667	13,333	20,000
ECONOMIC IMPROVEMENT			
Strengthening Graduate Enrollments and Programs	\$66,667	133,333	200,000
Strengthening Graduate Enrollments and Programs	\$36,667	73,333	110,000
Graduate Education	\$36,667	73,333	110,000
Research	\$20,334	40,666	61,000
TOTAL	\$1,231,343	2,462,657	3,694,000

Under current OCHE guidelines, the full cost of 2008-09 Initiatives is to be funded with tuition increases. MSU would be opposed to any increase in tuition for these initiatives if the budget process does not first provide sufficient State and tuition revenues to ensure a fully funded current level budget to support the on-going work of each campus.

MONTANA STATE UNIVERSITY - BILLINGS

FY 08/09 PROPOSED NEW BUDGET INITIATIVES

	FY08	FY09	Biennium
	Additional Tuition Revenue		
.5% of tuition increase each year	\$ 85,210	\$ 170,420	\$ 255,630
ACCESS AND EFFICIENCY			
Competitive Recruitment of Faculty/Staff	\$ 85,210	\$ 170,420	\$ 255,630
1% of tuition increase each year	\$ 170,420	\$ 340,840	\$ 511,260
ACCESS AND EFFICIENCY			
Competitive Recruitment of Faculty/Staff	\$ 170,420	\$ 340,840	\$ 511,260
2% of tuition increase each year	\$ 340,840	\$ 681,680	\$ 1,022,520
ACCESS AND EFFICIENCY			
Competitive Recruitment of Faculty/Staff	\$ 340,840	\$ 681,680	\$ 1,022,520

Under current OCHE guidelines, the full cost of 2008-09 Initiatives is to be funded with tuition increases. MSU would be opposed to any increase in tuition for these initiatives if the budget process does not first provide sufficient State and tuition revenues to ensure a fully funded current level budget to support the on-going work of each campus.

MONTANA STATE UNIVERSITY - NORTHERN FY 08/09 PROPOSED NEW BUDGET INITIATIVES

	FY08	FY09	Biennium
	Additional Tuition Revenue		
.5% of tuition increase each year	\$ 22,900	\$ 45,800	\$ 68,700
ACCESS			
Retention and Recruitment at Tribal Colleges	\$ 22,900	\$ 45,800	\$ 68,700
1% of tuition increase each year	\$ 45,800	\$ 91,600	\$ 137,400
ACCESS			
Retention and Recruitment at Tribal Colleges	\$ 45,800	\$ 91,600	\$ 137,400
2% of tuition increase each year	\$ 91,600	\$ 183,200	\$ 274,800
ACCESS			
Retention and Recruitment at Tribal Colleges	\$ 45,800	\$ 91,600	\$ 137,400
EFFICIENCY			
Improved data for Campus, MSU and MUS	\$ 45,800	\$ 91,600	\$ 137,400
TOTAL INITIATIVES COST	\$ 91,600	\$ 183,200	\$ 274,800

Under current OCHE guidelines, the full cost of 2008-09 Initiatives is to be funded with tuition increases. MSU would be opposed to any increase in tuition for these initiatives if the budget process does not first provide sufficient State and tuition revenues to ensure a fully funded current level budget to support the on-going work of each campus.

MSU - GREAT FALLS COLLEGE OF TECHNOLOGY FY 08/09 PROPOSED NEW BUDGET INITIATIVES

	FY08	FY09	Biennium
	Additional Tuition Revenue		
.5% of tuition increase each year	\$ 41,024	\$ 82,048	\$ 123,072
ACCESS AND EFFICIENCY			
Competitive Recruitment of Faculty/Staff	\$ 41,024	\$ 82,048	\$ 123,072
1% of tuition increase each year	\$ 82,047	\$ 164,094	\$ 246,141
ACCESS AND EFFICIENCY			
Competitive Recruitment of Faculty/Staff	\$ 82,047	\$ 164,094	\$ 246,141
2% of tuition increase each year	\$ 164,094	\$ 328,188	\$ 492,282
ACCESS AND EFFICIENCY			
Competitive Recruitment of Faculty/Staff	\$ 164,094	\$ 164,094	\$ 328,188
ECONOMIC IMPROVEMENT			
Workforce Development Programs	\$ -	\$ 164,094	\$ 164,094
TOTAL INITIATIVES COST	\$ 164,094	\$ 328,188	\$ 492,282

Under current OCHE guidelines, the full cost of 2008-09 Initiatives is to be funded with tuition increases. MSU would be opposed to any increase in tuition for these initiatives if the budget process does not first provide sufficient State and tuition revenues to ensure a fully funded current level budget to support the on-going work of each campus.

THE UNIVERSITY OF MONTANA

FY 08/09 PROPOSED NEW BUDGET INITIATIVES

	FY08	FY09	Biennium
	Additional Tuition Revenue		
.5% of tuition increase each year	\$ 334,680	\$ 671,318	\$ 1,005,998
ACCESS			
Mountain Campus Faculty	\$ 46,000	\$ 132,000	\$ 178,000
COT Faculty	\$ 70,000	\$ 150,000	\$ 220,000
ECONOMIC IMPROVEMENT			
Speech Pathology	\$ 130,000	\$ 260,000	\$ 390,000
EFFICIENCY			
Marketing	\$ 50,000	\$ 50,000	\$ 100,000
Custodians/equipment	\$ 40,000	\$ 80,000	\$ 120,000
TOTAL INITIATIVES COST	\$ 336,000	\$ 672,000	\$ 1,008,000
1% of tuition increase each year	\$ 669,360	\$ 1,342,636	\$ 2,011,996
ACCESS			
COT Faculty	\$ 170,000	\$ 256,000	\$ 426,000
Presidential Scholars	\$ 100,000	\$ 100,000	\$ 200,000
Mountain Campus Faculty	\$ 79,000	\$ 223,000	\$ 302,000
ECONOMIC IMPROVEMENT			
Speech Pathology	\$ 130,000	\$ 350,000	\$ 480,000
EFFICIENCY			
Marketing	\$ 50,000	\$ 100,000	\$ 150,000
Custodians/equipment	\$ 40,000	\$ 80,000	\$ 120,000
Retention	\$ 100,000	\$ 229,000	\$ 329,000
TOTAL INITIATIVES COST	\$ 669,000	\$ 1,338,000	\$ 2,007,000
2% of tuition increase each year	\$ 1,338,720	\$ 2,685,272	\$ 4,023,992
ACCESS			
COT Faculty	\$ 170,000	\$ 256,000	\$ 426,000
COT Adjunct Pay	\$ 50,000	\$ 100,000	\$ 150,000
Presidential Scholars	\$ 90,000	\$ 90,000	\$ 180,000
Mountain Campus Faculty	\$ 100,000	\$ 300,000	\$ 400,000

ECONOMIC IMPROVEMENT

Speech Pathology	\$ 130,000	\$ 520,000	\$ 650,000
Research Assistants	\$ 125,000	\$ 125,000	\$ 250,000

EFFICIENCY

Retention	\$ 190,000	\$ 380,000	\$ 570,000
Student Advising	\$ 20,000	\$ 50,000	\$ 70,000
Marketing	\$ 280,000	\$ 380,000	\$ 660,000
Custodians & Equipment	\$ 40,000	\$ 120,000	\$ 160,000
Media Art	\$ 57,000	\$ 57,000	\$ 114,000
Electronic Library Resources	\$ 86,000	\$ 178,000	\$ 264,000
IT Staff	\$ -	\$ 120,000	\$ 120,000

TOTAL INITIATIVES COST \$ 1,338,000 \$ 2,676,000 \$ 4,014,000

Special Appropriations Revenue

ECONOMIC IMPROVEMENT

County Development/OTO	\$ 300,000	\$ 300,000	\$ 600,000
Speech Pathology-Equipment/OTO	\$ 250,000	\$ -	\$ 250,000

MONTANA TECH OF THE UNIVERSITY OF MONTANA FY 08/09 PROPOSED NEW BUDGET INITIATIVES

	FY08	FY09	Biennium
	Additional Tuition Revenue		
.5% of tuition increase each year	\$ 43,000	\$ 43,000	\$ 86,000
EFFICIENCY			
Marketing (1)	\$ 43,000	\$ 43,000	\$ 86,000
1% of tuition increase each year	\$ 86,000	\$ 86,000	\$ 172,000
ACCESS			
Articulation (2)	\$ 36,000	\$ 36,000	\$ 72,000
2% of tuition increase each year	\$ 172,000	\$ 172,000	\$ 344,000
ACCESS			
Articulation (2)	\$ 50,000	\$ 50,000	\$ 100,000
EFFICIENCY			
Marketing (1)	\$ 100,000	\$ 100,000	\$ 200,000
Program Development (3)	\$ 22,000	\$ 22,000	\$ 44,000
TOTAL INITIATIVES COST	\$ 172,000	\$ 172,000	\$ 344,000

**UNIVERSITY OF MONTANA - WESTERN
FY 08/09 PROPOSED NEW BUDGET INITIATIVES**

	FY08	FY09	Biennium
	Additional Tuition Revenue		
.5% of tuition increase each year	\$ 17,411	\$ 34,822	\$ 52,233
EFFICIENCY			
Retention & Completion			
Teaching & Learning Center Staff	\$ 17,411	\$ 17,411	\$ 34,822
Peer Tutoring		\$ 17,411	\$ 17,411
TOTAL INITIATIVES COST	\$ 17,411	\$ 34,822	\$ 52,233
1% of tuition increase each year	\$ 34,822	\$ 69,644	\$ 104,466
EFFICIENCY			
Retention & Completion			
Teaching & Learning Center Staff	\$ 17,411	\$ 34,822	\$ 52,233
Peer Tutoring	\$ 17,411	\$ 17,411	\$ 34,822
Faculty Development Program		\$ 17,411	\$ 17,411
TOTAL INITIATIVES COST	\$ 34,822	\$ 69,644	\$ 104,466
2% of tuition increase each year	\$ 69,644	\$ 139,288	\$ 208,932
EFFICIENCY			
Retention & Completion			
Teaching & Learning Center Staff	\$ 34,822	\$ 34,822	\$ 69,644
Peer Tutoring	\$ 17,411	\$ 34,822	\$ 52,233
Faculty Development Program	\$ 17,411	\$ 34,822	\$ 52,233
Writing, Math & Technology Program		\$ 34,822	\$ 34,822
TOTAL INITIATIVES COST	\$ 69,644	\$ 139,288	\$ 208,932

**UM HELENA COLLEGE OF TECHNOLOGY
 FY 08/09 PROPOSED NEW BUDGET INITIATIVES**

	FY08	FY09	Biennium
	Additional Tuition Revenue		
.5% of tuition increase each year	\$ 8,315	\$ 16,796	\$ 25,111
EFFICIENCY			
Faculty (Part-time)		\$ 25,111	\$ 25,111
1% of tuition increase each year	\$ 16,631	\$ 33,595	\$ 50,226
EFFICIENCY			
Faculty (One full-time in the second year)		\$ 50,226	\$ 50,226
2% of tuition increase each year	\$ 33,262	\$ 67,189	\$ 100,451
EFFICIENCY			
Faculty (Part-time in first year and full in the second year)	\$ 33,262	\$ 67,189	\$ 100,451

ITEM 130-111-R0306

Finding a Permanent Location for the Office of the Commissioner of Higher Education and the Guaranteed Student Loan Program

THAT:

The Board of Regents of Higher Education authorizes and directs the Commissioner of Higher Education to explore options for finding a permanent location for the Office of the Commissioner of Higher Education and the Montana Guaranteed Student Loan Program. The Commissioner is directed to solicit options from all interested Montana communities and campuses, including community and tribal colleges, via a letter of interest or request for proposal. In addition, the Commissioner is directed to solicit input from existing staff and other interested parties impacted. The Commissioner shall report status on her findings at the May 2006 Board of Regents Meeting.

EXPLANATION:

For the past 15 years, the Office of the Commissioner of Higher Education (OCHE) has been located in the Student Assistance Foundation Building near St. Peter's Hospital in Helena. In December of 2004, pursuant to the lease terms, SAF terminated its lease with OCHE due to the expansion of SAF staff and its need for the space in the SAF building.

At that time, OCHE reviewed its options for building space and was unable to locate a building suitable for OCHE (with its 45 staff members) and the Guaranteed Student Loan Program (GSL), with its 50 employees. In October of 2005, OCHE moved, temporarily separating from GSL, to interim quarters in the New York Building on Last Chance Gulch. At that time a plan was in place for OCHE and GSL to be located in a building to be built by the University of Montana on the campus of the UM-College of Technology in Helena.

Local government did not approve the University of Montana building in Helena leaving OCHE and GSL without a plan for locating its permanent offices. The Board of Regents, OCHE and GSL should consider all statewide options and possible incentives when determining the location of the permanent offices for OCHE and GSL.

CAMPUS REPORTS
Board of Regents Meeting
March 1-3, 2006
Dillon, Montana

The University of Montana-Western
Chancellor Richard Storey

Accomplishments

Dr. Nili Luo, UMW Early Childhood Education Associate Professor, has had the following recent accomplishments:

- Accepted to present at the 2006 National conference of the International Association of Asian Studies at Baton Rouge, Louisiana (February 13-18,2006), her topic will be "The Adoptive Parenting Process: A Study of the Experiences of Parents who Adopt Infant Girls from China. " After the conference, her paper will be submitted to *The Journal of Intercultural Discipline*.
- Another paper was accepted for presentation at the 2006 Association For Childhood Education International Conference at San Antonio, TX, April 12-15. The topic of this presentation was " The American Adoption of Chinese Infant Girls: Adoptive Parents' Childhood Family Structure and Childhood Experience." Due to financial constraints, Dr. Luo will be unable to attend this conference.
- In October, Dr. Luo accompanied her students and presented at the MtAEYC (Montana Association for the Education of Young Children) annual conference in Bozeman, the topic was, "Rock Project-An introduction of project approach in early childhood educational center" They received very positive feedback from the peers and student parents.
- Dr. Luo also has a recent publication in the Cumberland Law Review Volume 35, Number 3, 2005,the topic was "Intercountry adoption and China: Emerging questions and developing Chinese perspectives".
- Finally, The University of Montana-Western now has a chapter of the Montana Association for the Education of Young Children (MtAEYC). Dr. Nili Luo is the faculty advisor, Mollie Kern is the president. The purpose of MtAEYC is: (a) To serve and to act on behalf of the needs, rights, and well being of all young children and their families, with special emphasis on developmental and educational services and resources, and (b) To foster the growth and development of the membership in their work with, and on behalf of young children. MtAEYC-Western Chapter expresses its mission in terms of the following goals: (1) Raise awareness on how children develop and learn, (2) Advocate for early childhood professionals, (3) Collaborate with other organizations and institutions, and (4) Support those who work on behalf of children and their families. For more information please email: [MtAEYYC_WESTERN@yahoo.com](mailto:MTAEYYC_WESTERN@yahoo.com)
- Western Associate Professor of English Dr. Diana Francis has had a short story published in Doses of Death: A Macabre Collection of Small Town Terror. Title of the story is "Local Work." Also, she has had "In Between the Dark and the Light" accepted to the anthology Fur Fantastic, which will be published sometime soon.
- Dr. Gary Lundy's poem, "in san francisco. during the war. the," has been accepted for publication in the "Pacific Coast Journal." It should appear in print sometime in 2006. Also, "it being later. she. now all," has been accepted for publication by the lit mag "karamu," out of eastern illinois university. It will appear in the Spring 2007 issue.
- Dr. Rita Moore, Western's Interim Dean of Education, Business and Technology has been accepted for presentation at the International Reading Association conference in Chicago in May, 2006. She will be a part of a full day institute on Reading Assessment Strategies K-12. Nine presenters, many of them top names in literacy education, will be addressing Institute participants. Also, Dr. Moore's position as a member of the Editorial Review Board for Reading Teacher has been renewed for another year. She has also been appointed to the Editorial Review Board for Reading and Writing Quarterly.
- Holly Williams, at UM-Western, was one of eight Montana Volunteers in Service to America recognized for their work throughout the state this year in a formal ceremony in Helena. The VISTA honorees served through the Montana Campus Compact during 2005, bringing Montana communities long-term sustainable solutions to hunger, housing and school-performance needs. Montana's VISTA volunteers seek innovative ways to address critical needs by connecting the resources that college and university campuses provide with community organizations.
- Early Childhood Education Professor Dr. Julie Bullard has received a grant for \$25,000 to develop an advanced infant/toddler curriculum for the state of Montana. Several partners will assist with developing parts of the curriculum including faculty from Salish-Kootenai College and The University of Montana-Missoula. The grant is funded by the Department of Health and Human Services through Montana Best Beginnings.

Western Business Professor Jim Sethi also had recently published the following:

- Sethi, Jim. An Integrated Model For Human Resource Management for the Internet Economy. Ottawa: Universal Publications. [Explores Dynamic Strategies For Managing Employee Performance, Anxiety, Stress, Technostress, and Burnout.]
- Sethi, Jim. Strategy and Leadership: A Guide For CEOs and Team Leaders. Universal Publications. The author proposes a "Balanced Team Leadership (BTL) Model" as a guide for achieving the strategic balance between organizational profit and ethical equity. The model rests on two fundamental commitments on part of CEOs and strategic team leaders: Profitability and ethics. To realize this balance, team effectiveness, organizational development, and ten practical leadership strategies are recommended. These include: a-Developing Visionary Leadership; b- Leader as Ethics-BUILDER; c-Leader as Communicator; d- Leaders as Culture-BUILDER; e. Leader as Innovator; f. Leader as Strategic Change Master; g. Managing Power and Political behavior; h. Leader as Mentor; i. Leader as Negotiator; j. Leader as Lifelong Learner and Mediator. The BTL Model rests on the hypothesis that the direction of a post-modern society in the new digital economy will not be based on profit alone. A paradigm of the new team leadership model is essential for forging a balanced society that can deliver both profits and ethical equity
- Dr. Robyn Wingo was awarded a Title II Improving Teacher Quality Program grant in the amount of \$63,117 by the Office of the Commissioner of Higher Education. The grant, titled "Improving Students' Writing Proficiency through Prewriting Skills," is designed to help secondary English Language Arts teachers improve their instruction in the prewriting phase of the writing process. Through the grant, Dr. Wingo and Dr. Bethany Blankenship will deliver two workshops in Thompson Falls and be involved in the 2006 Montana Writing Assessment.

Retirement Announced

- John Bailey, UMW Assistant Professor of Tourism and Recreation, has announced his resignation effective at the end of the current school year. He has been at Western since 1988, when he was brought on to initiate Western's Associate of Applied Science degree in Tourism and Recreation. Mr. Bailey also played a major role in the development of Western's Bachelor of Liberal Studies degree, which eventually was converted to a Bachelor of Arts degree with multiple options. He has also twice served as department chair where he has been involved in a number of other curricular and other departmental and campus changes.

Ag Conference and Expo

- Western's 5th annual Ag Conference and Expo was again very successful. The event occurred on January 12th and 13th and included topics such as sustainability, ranch and farm profitability, range management, ranching history, ag safety, use of GPS/GIS, resource management, ranching history, energy conservation, and more.

Improved Facilities

- A private donor has provided funds for the renovation and rent of a foundation-owned building utilized by the campus to house faculty and staff of its rapidly growing equine program. This academic center for equine studies is adjacent to campus and will provide a focal point for information and student recruitment as well as a headquarters for the equine personnel.

Montana State University-Bozeman President Geoff Gamble

- **FERDINAND JOHNS**, architecture professor, and his student **ALLISON ORR** (fifth-year architecture/Bozeman), received one of only eight, 2006 Institute Honor Awards for Regional and Urban Design from the American Institute of Architects. The prize-winning plans were hand-drawn by Orr and demonstrated a 50-year master plan for the 130,000 acre Chippewa/Cree Reservation southwest of Havre which expects to see as much as 400% growth by 2050. The plan was done as an extension of a project Johns directed as part of the MSU Community Design Center. Other contest winners included some of the best architectural firms in the country.
- **LINDA YOUNG**, political science professor and an expert in global agricultural economics, spent a week in Islamabad in November helping prepare the Pakistani Secretary of Agriculture and his staff for the World Trade Organization's December meetings.
- During February, **CAREER SERVICES AND STUDENT EMPLOYMENT** offered its first Professional Development Workshop weekend retreat, at a fee of only \$15.00 for meals and accommodations, to give students from all majors and standing strategies and resources to be successful. Industry leaders from companies including Right Now Technologies, Boeing, Intel and Bacterin presented career insights and job hunting advice to students.
- **ADELE PITTENDRIGH**, associate dean of the College of Letters and Science, was recognized as one of 10

national "Outstanding First-Year Student Advocates" by the National Resource Center of the First-Year Experience at the University of South Carolina and the Houghton Mifflin Company. Pittendrigh oversaw the development of MSU's new core 2.0 and also directs the University Seminar for first-year students. She recently received a National Science Foundation grant to help develop core science classes.

- **ANNA MADORSKY**, a senior anthropology student and president of the Anthropology Club, placed 17th at the U.S. National Figure Skating Competition held last month in St. Louis. Madorsky returned to skating after a five-year hiatus and was featured on ESPN2 and other national media because of her quick transition from being a retired junior skater to one of the 20 best skaters in the country.
- **STUDENT ADVOCATES FOR FINANCIAL EDUCATION (\$AFE)**, recorded record attendance at its counseling sessions and presentations last Fall. \$AFE had 37 counseling sessions and reached 180 students via presentations and around 900 students through displays at various locations and meetings. \$AFE is a collaboration between MSU and the Student Assistance Foundation which provides free financial counseling to students.
- **JEFF BOLTON**, senior offensive lineman, received 1st Team All-American accolades from the Associated Press, the Sports Xchange and Walter Camp and 2nd team from the Sports Network for his outstanding play with the Bobcats. **TRAVIS LULAY**, senior quarterback in business management, received 1st Team Academic All-American honors from ESPN and was named to the 1-AA Athletic Directors Academic All-Star team.
- The **LOCAL GOVERNMENT CENTER** hosted nearly 60 mayors from across the state at its annual Mayor's Academy, which provides intensive training and networking for Montana's elected mayors.
- The **MSU EXTENSION HOUSING AND ENVIRONMENTAL HEALTH PROGRAM** has published a series of resources to inform homeowners of numerous energy saving and weatherization tips. These brochures are free and can be found online at: <http://www.weatherization.org/energytopics.htm>

Montana State University–Billings Chancellor Ronald P. Sexton, Ph. D.

- Dr. Tasneem Khaleel, Chair of the MSU-Billings Department of Biological and Physical Sciences since 1996, was appointed permanent Dean of the MSU-Billings College of Arts and Sciences. Khaleel, a popular professor of biology and an accomplished researcher, joined the MSU-Billings (then Eastern Montana College) in 1976 as Assistant Professor of Biology. From 1993-96, she served as Director of Graduate Studies and Research, and Chair of the Department of Modern Languages at the University. She had been Academic Vice Chancellor since 1996.
- Dr. Matthew Redinger has a new book that has been published by the University of Notre Dame Press: *American Catholics and the Mexican Revolution, 1924-1936*.
- Montana State University-Billings Professor Catherine Feher-Elston presented research about reintroduction of the Mexican Wolf at the International Wolf Center's, *Frontiers of Wolf Recovery* meetings in Colorado Springs.
- Dr. Adrian Heidenreich was featured in the Billings Gazette regarding "Mapping Crow History." Dr. Heidenreich and Michael Bugenstein collaborated together about a map that features historic sites on the Crow Nation.
- "Gravel in Her Gut & Spit in Her Eye," the long-awaited half-hour documentary on the life and work of Dorothy M. Johnson, written and co-produced by MSU-Billings English Professor Sue Hart, had its Billings premiere showing on campus. Sue Hart has taught in the English and Philosophy Department at MSU-Billings for over 40 years, during which time she also wrote extensively about Montana authors for a variety of publications.
- Dr. Sarah Keller, Assistant Professor of Communication at MSU-Billings, was the overall women's winner in the Carlsbad Marathon last Sunday morning, January 15, with a time of 3:11:08.
- Faculty research and scholarship continues to grow at MSU-Billings due to the diligent efforts of faculty and staff. Halfway through the fiscal year, the Office and Grants and Sponsored Programs reports that the MSU-Billings has already surpassed \$6.5 million in funded grants and projects. That six-month total already surpasses the previous annual record of \$6.4 million. The funded projects are spread across the campus, with the College of Technology landing most of the total. Seventy-six percent are funded through competitive grants while the remaining 24 percent are from appropriations.
- Grades matter to the Montana State-Billings women's soccer team. The team earned its fourth straight NSCAA academic honor by posting a combined 3.38 grade point average for the 2004-2005 school year.
- College of Business Assistant Professor Rakesh Sah set up a unique short-term study abroad program to India during the Intersession. 12 students, 5 COB faculty and the Staff Director of International Studies from MSU-Billings toured in India.

- College of Business Faculty receive awards from the MSU-B RACE Committee: Assistant Professor A. J. Otjen to support her proposal “The Digital Divide” High Speed Data in Rural Areas; Professor Abbas Heiat to support his research titled “Proposal for Developing an Intelligent Tutoring System for Novice programmers.”; and Professor Nafi Heiat to support her research entitled “Proposal for Developing a Data Miner for Fund Raising.”
- MSU-Billings has been named one of twenty-five 2004-2005 MVP Award Winners by AchieveGlobal, an international training organization. As a Fortune 500 company, and a Fortune 100 trainer, Achieve Global has worked with the largest international conglomerates. Through a unique educational partnership with the Achieve Global, MSU-Billings can offer industry-standard training at Montana prices. Our certified instructors deliver Achieve Global modules customized to meet the needs of our clients. AchieveGlobal training is available through the College of Technology and College of Professional Studies and Lifelong Learning. The announcement on the Achieve Global web site states, *“We appreciate your true spirit of partnership, constant dedication, and strong commitment. Your organization has exhibited outstanding promotion and key leadership in providing AchieveGlobal’s leading training solutions in your local communities and beyond.”*
- Craig McKenzie, COT Instructor, received a “passed” score from the National Institute for Automotive Service Excellence in various engine repair mechanic categories.
- The two-year Medical Assistant Program at College of Technology received national accreditation by the Commission on Accreditation of Allied Health Education Programs.

Montana State University – Great Falls College of Technology
Dean Mary Sheehy Moe

- The College’s new Creative Arts Enterprise program, designed to help artisans market and manage sustainable businesses, is gaining national attention. A nationally broadcast webcam session featured MSUGF TRACE graduates and instructors as an example of innovative programming developing the creative cluster. Program Director Dr. Cindy Kittredge and Business Management/Entrepreneurship Program Director Dr. Marilyn Besich, were also featured presenters at a national conference for small business/entrepreneurs in Tucson, AZ, in January. Also in January, Dean Mary Sheehy Moe joined the presidents of three other community colleges at the Workforce Development Institute in Sarasota, FL, to explain the unique features of the Creative Arts Enterprise program that meet the needs of rural artists in the creative economy. Back home in Montana, Dr. Kittredge and Dr. Besich provided entrepreneurship training to 60 prospective participants in the Made in Montana Show in March. The program will also be featured in the Governor’s Conference on Tourism this spring.
- The MSU-COT Interior Design Program Received 2020 Software donated by 2020 Technologies recently. The company provides free training for up to 4 instructors and support for IT as part of the company’s commitment to design education. With the new software, the students will be well-prepared for the workforce.
- Several Respiratory Therapy Students spent Respiratory Care Week in a “stop smoking” clinic at a local hospital. In conjunction with the off-campus program, a booth was set up at MSUGF to provide lung education and recruit new students for the program. Students were interviewed on local ABC and CBS stations, and were featured on the American Association for Respiratory Care Website for their efforts.
- Jim Alderson visited Jon Nitschke’s Financial Accounting Class to discuss the high-profile federal government lawsuit he was party to a few years ago. Mr. Alderson filed the suit following his dismissal from a Whitefish area hospital because he refused to file a fraudulent Medicare Cost Reimbursement report. He began his presentation by showing the ‘60 Minutes’ segment with Mike Wallace when the case captured national media attention. Mr. Alderson and his wife discussed with students the effects his decision to pursue the law suit had on their family.
- College in a Day drew over 300 students from 26 high schools to MSU-Great Falls College of Technology on Thursday January 5, 2006, for the 8th annual College in a Day event. High school students from as far away as Malta traveled to Great Falls to participate in career exploration activities.
- Bringing U to You Lecture Series kicked off its season with Dr. Paul Monaco of MSU Bozeman with *Media Effects: Their Social and Cultural Impacts*. Dr. Monaco has enjoyed a career as an author of five books, award-winning teacher, and producer/director of more than thirty video, documentary, and experimental projects. Twice he has been awarded Fulbright Fellowships to Western Europe. For seventeen years he has headed the Media & Theatre Arts at MSU Bozeman, where he is now Professor of Cinema/Video.
- Advisory Council members for healthcare, business and technology programs on the MSU-Great Falls campus met with faculty and administration on Monday evening, January 9th. Keynote speaker, Dr. Stefani Gray Hicswa, shared her passionate vision of two-year education. Dean Mary Moe reported on the results of

study on Northcentral Montana workforce projections recently commissioned by the College and led a discussion of the implications for future economic development strategies in the region.

Montana State University-Northern Chancellor Alex Capdeville

- Update on Campus Improvement Projects– HKM Engineering of Bozeman has been hired to design and administer our new campus quad/courtyard. Pershing Hall will be getting an update in the heating and ventilation system as well as new windows. A & E is in the process of bidding for this project. Both projects are set to begin this summer.
- \$500,000 Gift – Klabzuba Oil and Gas gave a \$500,000 lead gift to our new Wellness Center. The check was presented by Steven Frazier, Klabzuba's Vice President of Finances and Cole Chandler Klabzuba's Havre Regional Director during a recent basketball game. This money is the beginning of a fundraising project in which our goal is to raise \$1.2 million to fund the facility.
- \$33,000 Gift – The Northern Lights Athletic Foundation recently presented our Athletic Department with a gift of \$33,000. This money was raised through their annual Legends for Lights Pheasant Jamboree.
- Nursing accreditation – The MSU-Northern College of Nursing recently received word that the State Board of Nursing has approved our nursing program for continued accreditation through the year 2013. A focus report will be due in 2007 concerning faculty overload and lab and storage space. This continued accreditation is great news for the campus.

The University of Montana-Missoula President G. M. Dennison

- More than 200 University of Montana faculty members took part in the national 2004-05 Higher Education Research Institute Survey, and the results show that teaching is a primary value and focus at UM. Ninety percent of UM faculty members reported that teaching is their principal activity, compared to 75.4 percent at other public universities.
- **Jenny Eck**, one of eight Montana Volunteers in Service to America, was recognized for her work in several communities throughout the state this year. She served through The University of Montana Campus Compact during 2005 to raise funds for the Poverello Center, a service that provides emergency food resources and housing to the homeless. The funds will be used for a daycare center at the Poverello's new Joseph Residence for homeless families.
- Two University of Montana faculty members, **Michael Downs** and **Debra Earling**, will receive National Endowment for the Arts 2006 Literature Fellowships. The Fellowships recognize writers of prose, encouraging the production of new work by affording the writers the time and means to write. Each Literature Fellow receives \$20,000.
- **Martin Twer**, a Ph.D. student at The University of Montana's School of Forestry, received the Fall 2005 Outstanding Student Leader Award.
- The University of Montana received a \$300,000 grant from the Wyss Scholars Program for Conservation of the American West. It will allow UM to select two Wyss Scholars each year for five years from master's level students in the University's Environmental Studies Program or College of Forestry and Conservation.
- The 2006 Charitable Giving Campaign at The University of Montana achieved its most successful year yet with donations of more than \$100,000. The campaign was launched 18 October, and when the event ended a month later, nearly 1,000 UM staff, faculty members and students had given \$102,200.
- The National Institutes of Health presented a five-year Science Education Partnership Award to The University of Montana's Center for Environmental Health Sciences. The University will use the award, a \$1.25 million federal grant, to promote environmental health education among the State's rural youth.
- The University of Montana has announced that **Paul Williamson**, Dean of the College of Technology, has accepted a special assignment to work on University projects related to alternative energy and the development of the Long-Range Building Program for the College's new campus. Associate Dean **Harry Sheski** will assume the position of Acting Dean.
- University of Montana officials have stepped up efforts to inform students about the 'flat spot,' the line drawn at 12 credits, after which additional credits up to 18 don't cost any extra tuition. A UM study has shown the benefits are legion, ranging from graduating in four years to a higher likelihood of staying in school, in addition to saving money.
- University of Montana researcher **Mary Poss** and her colleagues have shown that species-specific viruses can act as "genetic tags" to track the history and distribution of animal populations. Their work is published

in the Jan. 26 issue of Science, one of the world's most-prestigious research journals. Poss and her co-workers tracked feline immunodeficiency virus in cougar populations in Montana, Wyoming, British Columbia and Alberta.

- As of January 24, 2006, there were forty-nine Saudi students enrolled at ELI, but their numbers are expected to rise to more than fifty by the end of the second week of Spring semester. These Saudi students, who will study English as a second language before matriculating into various undergraduate programs at UM and Montana Tech, are all recipients of full scholarships offered by their Ministry of Education. The Saudi student participation at UM is an integral component of a larger program that is intended to provide an increasing number of young Saudi students with an American education, while introducing them to American culture, traditions, and ways of life. The majority of the Saudi students at UM will eventually receive degrees in fields such as: accounting, pharmacy and computer science.

Montana Tech of The University of Montana Chancellor W. Franklin Gilmore

- Dr. Steve Parker was awarded a \$14,646 water research grant and Dr. Chris Gammons of Montana Tech was awarded a \$14,000 water research grant by the Montana Water Center. Kenneth Bates, an undergraduate student in the Chemistry Department, was awarded a research fellowship.
- Montana Tech Professor Chris Gammons received a \$15,000 grant from the U.S. Geological Survey entitled "Temporal and spatial changes in the concentration and isotopic composition of nitrate in the upper Silver Bow Creek drainage, Montana". Dr. Gammons also received a \$50,000 grant from EPA and DOE through the Mine Waste Technology Program to investigate vertical gradients in the geochemistry of mine water in the flooded mine shafts of Butte.
- Montana Tech professors Steve Parker and Doug Cameron received a USGS grant for \$15,000 for their project entitled "Carbon cycling and the temporal variability in the concentration and stable carbon isotope composition of dissolved inorganic and organic carbon in streams."
- Dr. John W. Ray and Dr. Henrietta Shirk have been invited to participate in the Oxford Round Table to be held at Oxford University in England in August 2006. The topic of the Round Table is "History as a Guide to the New International Order: The United States, Europe and China in the 21st Century." The Round Table is a small interdisciplinary group of scholars.
- Dr. Courtney Young has been elected to serve on the Mineral & Metallurgical Processing Division (MPD) Board of SME. His term is for six years and begins at the 2006 SME Annual Meeting in St. Louis where he will also chair a session in nanotechnology.
- Miriam Young, Assistant Professor of Nursing, has been selected by The National Council of State Boards of Nursing to participate in the National Council Licensure Examination (NCLEX) development panel session held in Chicago, Jan. 18-21. Young was selected as an item writer, one of 15 nurses from across the nation to be selected for this prestigious assignment. She was nominated by the Montana Board of Nursing on the basis of background and nursing experience.
- Dr. Richard J. Rossi, Department Head for Mathematical Sciences, and 7 undergraduate math majors attended the Annual Joint MAA/AMS Math Meetings in San Antonio held in January.
- John Wiley & Sons, Inc. is publishing Dr. Richard J. Rossi's book *Theorems, Corollaries, Lemmas, and Methods of Proof*. The book should be available in October of 2006.
- Professor Pat Munday and alumni Josh Vincent were successful in writing a proposal to Montana's Natural Resource Damage Program on behalf of the George Grant Chapter of Trout Unlimited. The group will receive \$912,519 from the state plus an additional \$180,736 in matching funds for an environmental restoration project in the German Gulch Creek watershed. Josh Vincent is a graduate of Tech's Environmental Engineering program and is a Project Engineer with Water and Environmental Technologies in Butte.
- Professor Willis Weight was invited to present a 2-hour short course on January 11th, based on his conference proceedings paper, at the North American Environmental Field Conference & Exposition in Tampa, Florida.
- John Kill Eagle has been selected as Montana Tech-Sloan Foundation Partnerships student. John was raised on the Fort Belknap Indian Reservation near Dodson, MT. Upon graduation from Dodson High School in 1979, he enlisted in the United States Navy where he served 9 years, visiting all of the world's continents except Antarctica. He returned home and worked for area farmers and ranchers and served as a BIA wild-land fire fighter prior to starting classes this spring. In September, the Montana Mineral Museum won second place for the 'Best of Museums' display at the Denver Gem and Mineral Show. The title of the exhibit was 'The Many Faces of Quartz'.

- The Stranahan (\$22,440) and Niles (\$10,000) Foundations have awarded the COT's Outreach Certified Nursing Assistant (CNA) program grants to provide tuition, fees, textbooks, supplies and uniforms for Montana high school students. During 2006, outreach classes are planned in Plains, Butte, Livingston, and Columbus. COT's Health Programs Coordinator Karan Kunz and the Foundation's Pat Naughton are to be congratulated for their efforts in obtaining these grants.
- Professors John Brower and Phil Patton of the Mining Engineering Department traveled to Guatemala City in November where they presented a two-day seminar to university students, professors, and professionals. Patton discussed the basics of mining technology and methods and Brower covered the economics of the mining industry in mining, especially gold mining. The seminars were sponsored by the Glamis Gold Mining Company.
- The U.S. Department of Energy's Idaho National Laboratory has honored Dr. John Morrison, a current associate professor at Montana Tech, with the lifetime achievement award for his work in various fields such as environmental, nuclear, industrial processing and national security. Dr. Morrison has received four patents related to his work at and with INL.
- Registrar Ed Johnson has been nominated as one of 14 American Association of Collegiate Registrars and Admissions Officers (AACRAO) members to serve on the 2006-2007 AACRAO Nominations and Elections Committee. The Nominations and Elections Committee selects those AACRAO members who will lead the organization into the future.
- On November 7, the National Park Service released the results of a study completed by the Safety, Health and Industrial Hygiene Department at Montana Tech. According to the study, levels of air and noise pollution that Yellowstone Park workers were exposed to declined after new limits on the number and type of snowmobiles allowed in the Park went into effect. The study, commissioned by the NPS, is one of several that Park officials say they will use as they develop a long-range plan in Yellowstone and Grand Teton National Parks.
- Professor Pat Munday of the Technical Communication Department has been named to the Advisory Board for *About PLACE!*, the multimedia outreach program for the forthcoming PBS documentary film, *The Richest Hill on Earth*. The film explores the relationship between people and place in the historic copper mining community of Butte, Montana.
- Professor Pat Munday was invited to participate as an instructor for the *Teaching American History Grant Rendezvous* held in Anaconda, December 2-4, 2005.
- In November, Professor Pat Munday was one of twenty-five faculty union leaders invited to the *AFT Higher Education Special Leadership Conference* in Washington, DC. He attended presentations on federal policy for higher education, healthcare issues for college faculty, and creating strong unions.

Flathead Valley Community College
President Jane Karas

- The FVCC library recently installed the college's **first wireless fidelity (Wi-Fi) node**, enabling students and public patrons with laptops and wireless cards to access the Internet without any network login or identification authentication requirements.
- Flathead Valley Community College hosted approximately 150 high school students from eight area high schools January 10 for the **regional high school Business Professionals of America conference**. This is the eleventh year FVCC has hosted the regional conference under the direction of FVCC Business Instructor **Brenda Rudolph**.
- FVCC has completed a land transaction with local developer Phil Harris. The transaction involved the **college trading 25 acres** of its northernmost property **for 109 acres of Harris' property**, a payment of **\$300,000** and an additional **\$250,000 for easements**.
- Flathead County Area IX Agency on Aging has asked FVCC Allied Health Instructor and Director, Project THEO, Training for Health and Educational Opportunities, **Linda Hunt, Ph.D.**, to serve on its **Aging Advisory Council**. Hunt is a former Associate Professor and Director of the Occupational Therapy Program at Maryville University in St. Louis and a former Instructor of the Program in Occupational Therapy at Washington University School of Medicine in St. Louis.
- Four Flathead Valley Community College students have been named spring 2006 recipients of **Community Pride Scholarships** sponsored by the **Whitefish Credit Union**. The recipients are: Nikki Fisher of Columbia Falls; Amy Elletson and Katherine LeDuc of Kalispell; and Mary Wimbley of Rexford. The students received scholarships awards totaling \$1,015 for the spring 2006 semester at FVCC.
- The Flathead Valley Community College Service Learning Office and Student Senate hosted two **holiday giving trees** to benefit children of **Court Appointed Special Advocates (CASA)** in December. The

college's initial goal to collect 161 toys was exceeded by the generous donations of over 206 toys from FVCC faculty, staff, students and community members.

- Flathead Valley Community College has been recognizing faculty and staff members for going above and beyond their job responsibilities to **help every student succeed** each month as part of a college-wide campaign launched at the college's fall faculty and staff in-service. A **total of 23 employees** were recognized in December and January for a variety of good deeds from providing housing and food for a student and his child in need to working with students to devise payment plans in order to help them pay off student debts while staying in school.

Miles Community College
President Darrel L. Hammon

- **Dr. Beth Krueger**, Dean of Academic Affairs, had two of her photographs accepted to the Custer County Art & Heritage Center's 27th Annual Juried Exhibit. The show features original art works from a five state region and includes photography, paintings, ceramics, etc.
- **Darren Pitcher**, Director of Student Services, was elected to the Board of Directors for the Miles City Chamber of Commerce and named Treasurer
- **Teena Friesz**, Assistant Librarian, was named Employee of the 2006 Spring Semester, receiving the Miles Community College Blue and Silver Award.
- **Sue Walla**, Nursing instructor, passed her national board exam and is now a Psychiatric Nurse Practitioner.
- **Pauline Flotkoetter**, Nursing instructor, was just recently appointed to the Montana Nurses Association Board of Directors. Pauline has previously served on the MNA board.
- Miles Community College **Nursing program** hosted the Montana Health Network's traveling human patient simulator. Student's trained on the simulator for four days. Montana Health Network's recently acquired a 5th wheel trailer/home for the simulator, and we were the first site to use the 5th wheel trailer.
- Miles Community College has concluded its fall 2005 fund raising campaign on behalf of Hurricane Katrina survivors. **Miles Community College employees and student organizations** have raised a total of \$1,291.60 through a variety of fundraising efforts, including a dunking booth at Fall 2005 student orientation, campus wide collection jars, and a community talent show. Student organizations participating in fundraising events include Student Senate, Phi Theta Kappa Honor Society, and Multi-Cultural Club. Community 1st Federal Credit Union of Miles City matched dollar for dollar the fundraising efforts, bringing the total Hurricane Katrina relief donation to \$2,583.20.
- For the third annual Martin Luther King Jr. Day community service day project, **Miles Community College, Miles City Even Start program, and the Retired and Senior Volunteer Program (RSVP)** collected almost 2,300 personal care items from community participants and then taken to the Custer County Food Bank for distribution.
- Miles Community College Phi Theta Kappa recently achieved the Pinnacle Silver and Platinum Levels.

February 27, 2006

Re: Northern Rockies Space Privatization Center Audit

Dear Commissioner Stearns:

I have reviewed your request for expanded scope testing of the controls environment and related Regent's approval and policy compliance as specifically related to the University of Montana Northern Rockies Center for Space Privatization. In addition, you have requested that we test compliance with the terms and provisions of the grant and the related federal requirements. I have also talked with Chairman Mercer about the request.

We are currently conducting a Performance Audit of the R & D controls and activities at both the University of Montana and Montana State University. Your request is timely. I will expand our audit work as you and Chairman Mercer have requested. Based upon issues disclosed by the University of North Texas, and in accordance with the Government Auditing Standards, I am also required to expand our testing to include other activities of the former VP for research at UM.

This Performance Audit was approved by the Legislative Audit Committee after the 2005 Legislative Session. The Legislative Audit Committee is meeting next Monday, March 6th, at which time I will discuss the expanded scope testing request. I also discussed with Chairman Mercer the need for a separate "investigation panel" of university officials. I suggested that such a panel may be useful in discussing policy and implementing any potential recommendations. I anticipate that our final report will be presented to the Legislative Audit Committee during a June, 2006, meeting. After that meeting, I would be happy to provide your office and any panel with a detailed explanation of our findings and recommendations.

In the meantime, please feel free to let me know if any additional audit testing is needed.

Sincerely,

Scott A Seacat
Montana Legislative Auditor



MONTANA UNIVERSITY SYSTEM
Office of the Commissioner of Higher Education

46 N Last Chance Gulch ♦ PO Box 203201 ♦ Helena, Montana 59620-3201
(406)444-6570 ♦ FAX (406)444-1469

February 16, 2006

Mr. Scott A. Seacat
Legislative Auditor
Legislative Audit Division
State Capitol, Room 135
P.O. Box 201705
Helena MT 59620-1705

Dear Mr. Seacat:

During the presentation and discussion of the Financial-Compliance Audit of the Office of the Commissioner of Higher Education, we were asked to present a plan to address the two recommendations included in the audit report. The recommendations focus upon the improper transfer of indirect cost recoveries into a university Designated Subfund and a corresponding recommendation to reimbursement the state's General Fund \$756,060.

The Office of the Commissioner of Higher Education has taken the following steps to address those recommendations. As of the beginning of FY 06, we have ceased transferring indirect cost recoveries to Designated Subfunds. We will also transfer the remaining Designated Subfund balance of approximately \$114,000 to the state's General Fund in partial satisfaction of the \$756,060 recommended amount, leaving a balance of approximately \$642,000.

During our January 31 discussion, we reviewed MCA 17-7-304(1) which states that, "any unexpended balance in any specific appropriation may be used for the years for which the appropriation was made." During the years in question, the Office of the Commissioner of Higher Education reverted a total of \$702,835 unexpended General Fund, which according to the above referenced statute, any unrestricted portion of the reverted appropriation may have been used to satisfy a portion of the \$642,000. Since the net impact on the General Fund of this effort would be zero, we both agreed to forgo this particular action.

The only remaining course of action available to the Office of the Commissioner of Higher Education is to reduce discretionary expenditures, wherever possible, in an effort to increase our General Fund reversions for this biennium. We will take every practical step available to us to maximize the General Fund reversion of the Office of the Commissioner of Higher Education.

We hope that you will find this to be an acceptable response to the audit committee discussion.

Sincerely,

Mick Robinson
Associate Commissioner for Fiscal Affairs



MONTANA UNIVERSITY SYSTEM
Office of the Commissioner of Higher Education

46 N Last Chance Gulch ♦ PO Box 203201 ♦ Helena, Montana 59620-3201
(406)444-6570 ♦ FAX (406)444-1469

TO: Members of the Budget and Audit Oversight Committee

FROM: Mick Robinson
Associate Commissioner for Fiscal Affairs

DATE: February 17, 2006

SUBJECT: Retirement Holdback Distribution

For each year of this biennium, a certain dollar amount was held back from the general fund distribution to each campus. The amount held back related to a potential increase in the employer's retirement contribution rate. The total amount withheld for FY06 was \$804,019 and the anticipated amount for FY07 is \$801,256.

These amounts represent the share of the anticipated retirement rate increase funded with tuition. With the conclusion of the December Special Session, it appears as if any potential increase in employer retirement rates will not take place during the current biennium and campus budgets will not be subject to this particular expenditure increase.

The Office of the Commissioner recommends, with the exception of \$10,000 to fund a related study of the MUS Optional Retirement Program, that the funds be distributed to the campuses in proportion to the amount withheld from each campus. Possible uses by the campuses include:

- Use the funds to replace FY07 Utility Surcharges
- Increase student financial aid
- Transfer to a revolving Reserve account

If the Board of Regents approves the distribution of the funds, campus FY06 spending authority, as shown on the attached spreadsheet, must be increased.

Thank you for your consideration and direction regarding this issue.

**RETIREMENT
HOLDBACK**

	FY06		FY06 AUTHORITY
UM - MISSOULA	311,705		307,828
UM - BUTTE	46,562		45,983
UM- WESTERN	21,831		21,559
UM - HELENA	10,826		10,691
MSU - BOZEMAN	298,403		294,693
MSU - BILLINGS	75,338		74,401
MSU - HAVRE	21,459		21,192
MSU - GREAT FALLS	17,895		17,672
TOTALS	804,019	-10,000	794,019

March 1-3, 2006

ITEM 130-1605-R0306 **Authorization to Proceed with the wood-fired boiler project authorized in HB12 and to enter into an energy savings program agreement with the Montana Department of Environmental Quality; The University of Montana - Western**

THAT: The Board of Regents of Higher Education authorizes The University of Montana Western to proceed with a \$1.6M project developed with The Montana Department of Environmental Quality (DEQ) to replace one boiler with a wood fired boiler and to enter into an agreement with DEQ State Building Energy Conservation Bond Program (SBEP).

EXPLANATION: The University of Montana Western received a \$400,000 federal Fuels for Schools grant for this project. HB5 MUS general spending authority provides authority for this funding. There will be approximately \$1,200,000 in DEQ SBEP bonded costs to be repaid through energy savings at Western for 15 years at ~ \$99,000 per year, for which authority is granted by the SBEP program. The annually required energy savings payments are used by the State for debt service.

House Bill 12, Montana 2005 Legislature, lists this project as one to be funded by the State Building Energy Conservation Bond Program (SBEP). The federal grant funds will not be requested until the project is approved. The RFP for a boiler was let in January to determine the final costs of the project. The project construction could occur in the summer and the wood-fired boiler would be on line by the end of 2006.

The project was jointly developed between the Montana Department of Administration, the Montana DEQ, the Montana DNRC in conjunction with the U.S. Forest Service Fuels for Schools program and the University of Montana Western.

UM-Western has a main heating plant that provides steam heat and hot water to most of the campus buildings. The Campus uses approximately 33,000 dekatherms (dkt) of natural gas a year for which the delivered cost is \$8.68/ dkt. This results in an annual cost of approximately \$286,000.

A contract has been procured to supply wood chips at \$35/ton. At this price, the anticipated costs are less than \$4-\$5/dkt delivered. The DEQ has agreed to review the energy savings reimbursement calculation annually to ensure that the payment accurately reflects the projects true savings.

ITEM 130-2004-R0306

**Authorization to Install Subzero Cold Chambers in
Cobleigh Hall; Montana State University-Bozeman**

THAT:

Consistent with the provisions of MCA 18-2-102(2)(c), the Board of Regents of the Montana University System authorizes MSU to install cold chambers in Cobleigh Hall. The estimated cost for this project is \$2,000,000.

EXPLANATION:

1. The existing Cold Regions Research program is located in Cobleigh Hall. This request to install cold chambers will address the need for additional cold lab space and broaden the University's research capabilities across several departments. The cold chambers will be installed in existing Civil Engineering laboratory space within Cobleigh Hall.
2. The Civil Engineering Dept has received grant funding from the Murdock Charitable Trust and National Science Foundation for purchase and installation of the cold chambers and private funding to purchase equipment for required specialized environmental systems. The installation of the cold chambers will allow the University to enhance its ongoing Cold Regions Research program and increase the ability to attract and retain quality staff and students.
3. This project will be financed with non-state funding from federal and private grants. No new programs will be created.
4. This project requires the authorization of the Board of Regents and the consent of the Governor.

March 1-3, 2006

ITEM 130-2802-R0306

**Authorization to Construct a New Wellness Center;
Montana State University – Northern**

THAT:

Consistent with the provisions of MCA 18-2-102(2)(c), the Board of Regents of Higher Education authorizes Montana State University – Northern to construct a new Wellness Facility. The estimated cost of this project is \$1,250,000.

EXPLANATION:

The athletic programs at MSU-Northern have grown significantly since the inception of the Armory Gym and the on-campus population of the general student body has shown an increase in the past two years. Further growth is virtually guaranteed because of: a) the increased popularity of on-campus living; b) the addition of football; c) the increased roster size of the current sports offerings; and d) the need to add women's sports.

This project will construct a new Wellness Center (8300 sq ft of new space with an additional 2000 sq ft of existing space—currently the old wrestling room). This space will include two levels. An upper level for wellness (aerobics, weight training, conditioning) and a ground level for locker rooms, team rooms and new office space. This project will positively impact every program in Health and Physical Education, Wellness and Athletics.

This project will be financed with private funds. No state monies will be used.

This item provides MSU-Northern with the authorization to proceed with the design and construction of the new Wellness Center. However, construction will not proceed until satisfactory funding has been secured.

Board of Regents Policy: Physical Plant B Section 1003.7

This Authority request is for an amount greater than \$150,000, which requires the following additional information:

(a) Project Description:

This project will construct a new Wellness Center (8300 sq ft of new space with an additional 2000 sq ft of existing space-currently the old wrestling room). This space will include two levels. An upper level for wellness (aerobics, conditioning) and a ground level for locker rooms, team rooms and new office space. This project will positively impact every program in Health and Physical Education, Wellness and Athletics.

(b) Cost Estimate and Funding Sources:**Estimated Cost**

Design/Construction Admin	\$ 125,000
Construction	\$1,025,000
<u>Contingency</u>	<u>\$ 100,000</u>
Total Estimate	\$1,250,000

Funding Source: This project will be financed with non-state funding from private donations. Construction will not proceed until private donated funds sufficient to fund the project have been received or bridge financing has been secured through either MSU-Northern Foundation or other sources. Five Hundred Thousand Dollars (\$500,000) has already been donated from Klabzuba Gas & Oil Company.

(c) Program served, enrollment data, projected enrollment:

This project will impact every program in Health and Physical Education, Wellness and Athletics. This facility will be available to all students and staff at Montana State University-Northern.

(d) Space Utilization Data:

This construction will include 8300 sq ft of new space with renovation of an additional 2000 sq ft of existing space. The space will include two levels.

(e) Projected use for available residual space:

(Not applicable to this project)

(f) Projected O&M Costs and proposed funding sources:

The operating and maintenance costs are estimated at approximately \$35,000 per year to be funded by user fees and current mandatory student gym building fees.

March 1-3, 2006

ITEM 130-2803-R0306

Authorization to Proceed With Renovations of the Recently Conveyed Former BLM Building in Lewistown, Montana; Montana State University- Northern

THAT:

Consistent with the provisions of MCA 18-2-102(2)(c), the Board of Regents of Higher Education authorizes Montana State University – Northern (MSUN) to renovate the former BLM Lewistown Field Office, 80 Airport Road, Lewistown, Montana in order to accommodate Northern’s educational programs. Estimated cost not to exceed \$1,100,000. Private donations and a Federal grant will wholly fund this project.

EXPLANATION:

MSU-Northern and Educational Opportunities for Central Montana, Inc. (EOCM) have been working together to create an educational center to serve Lewistown and Central Montana since 1995. In August 2005, MSUN applied for a 100% public benefit allowance discount for the BLM building through the U.S. Department of Education. This application was approved in December 2005 and MSUN accepted the deed to the property February 2006. Approval to accept property was approved by the Montana Board of Regents at the September 22-23, 2005 meeting (ITEM 128-2801-R0905).

Board of Regents Policy: Physical Plant B Section 1003.7

This Authority request is for an amount greater than \$150,000, which requires the following additional information:

(a) Project Description:

This project will renovate the recently conveyed former federal BLM building in Lewistown. The renovation will create classrooms, labs and office space which will accommodate Northern's educational programs currently offered in Lewistown. Included in this will be a nursing skills and science labs, computer and general classrooms and up to two interactive video classrooms.

(b) Cost Estimate and Funding Sources:

Estimated Cost	
Design/Construction Admin	\$ 115,000
Construction	\$ 885,000
<u>Contingency</u>	<u>\$ 100,000</u>
Total Estimate	\$1,100,000

Funding Source: This project will be financed with non-state funding from a Federal grant and Private donations. Construction will not proceed until private donated funds sufficient to fund the project have been received or bridge financing has been secured through either MSU-Northern Foundation or other sources.

(c) Program served, enrollment data, projected enrollment:

Current educational offerings in Lewistown include; nursing program and education and general core classes which produces approximately 60 FTE.

(d) Space Utilization Data:

This renovation will focus only on converting the former office building into an education center. Overall, the property consists of a 15,232 square foot office building, a 6,000 square foot warehouse, vehicle parking sheds and is situated on 3.6562 acres of land.

(e) Projected use for available residual space:

(Not applicable to this project)

(f) Projected O&M Costs and proposed funding sources:

At the November 17-18, 2005 meeting, ITEM 129-2801-R1105 was approved authorizing the establishment of a Mandatory Lewistown Building Fee which will generate approximately \$136,500. This will support a majority of the ongoing operations and maintenance of this building which are estimated at \$159,000 per year. Current funding for existing Lewistown operations will cover the remaining expenses.

ITEM 130-2010-R0306

Authorization to Secure Intercap Loan from State of Montana Board of Investments-Renovation of Atrium in EPS Building; Montana State University-Bozeman

THAT:

The Board of Regents of Higher Education authorizes Montana State University – Bozeman to secure an Intercap Loan from the State of Montana Board of Investments to finance the renovation of the atrium of the Engineering & Physical Sciences (EPS) Building. The amount of the loan is \$1,200,000.

EXPLANATION:

According to Board of Regents Policy 950.1, "Municipal Finance Consolidation Act Participation," any financing through the State Board of Investments in excess of \$500,000 must be approved by the Board of Regents. The Board of Regents authorized the renovation (Item 121-2004-R1103) at its November 20, 2003, meeting. MSU is now seeking to secure approval of its final financing plan. A loan from the State of Montana Board of Investments under the Intercap Loan Program is sought to fund the majority of the construction, conditioned upon the Board of Investments increasing its current \$1,000,000 maximum loan amount. Repayment of the loan will be financed with non-state funds. Neither state monies nor student tuition or fees will be used.

At the current Intercap Loan interest rate of 3.8%, annual debt service costs are expected to be approximately \$144,000 per year, to be repaid over a 10-year period, yielding total payments of \$1,440,000 including principal and interest. The Intercap Loan program charges a variable rate of interest. For each 1% increase in the interest rate, annual debt service would increase approximately \$7,000.

The sources of repayment are as follows:

1. The Lockheed Martin Corporation has pledged \$500,000 toward the project.
2. Existing MSU Foundation funds of \$340,000 will be reserved for debt service.
3. Corporate contributions estimated at \$600,000 (\$60,000 per year) will be reserved for debt service.

March 1- 3, 2006

ITEM 130-1017-R0306

Naming the Education Center the “Phyllis J. Washington Education Center”; The University of Montana - Missoula

THAT:

Consistent with Board of Regents' Policy 1004.1, Naming of Buildings, the Board of Regents of the Montana University System authorizes The University of Montana-Missoula to name the new Education Center the “Phyllis J. Washington Education Center”.

EXPLANATION:

Phyllis J. Peterson Washington, a native of Great Falls, Montana, received her B.A. in Education from the University of Montana in 1964. She taught primary grades in Missoula for several years. Phyllis later employed her talent as an interior decorator and a discerning collector of art and antiques opening *PJ's Interiors* in Missoula.

The Washingtons have for years maintained a close and supporting relationship with Montana universities and students. In 1988, the Dennis and Phyllis Washington Foundation was created to coordinate philanthropic endeavors of the highly successful Washington Companies. Phyllis serves as its chairperson. With education being among its major beneficiary areas, scholarships from the Dennis and Phyllis Washington Foundation assist Montana students attending the state's public and private colleges and universities each year. One, the University's 53rd Presidential Leadership Scholarship, an award for a most promising entering student, provides \$5,000 annually, renewable for three years. The Foundation sponsors the Horatio Alger Montana Scholarship granting \$2 million to qualifying students. In 2005 the Washingtons announced a significant contribution to the University's capital campaign *Invest in Discovery—People, Programs and Place* earmarking funds for The School of Education. Other giving to education has supported the Excellence Fund, the UM Foundation, renovation of the University Theater, the Jubileers, rodeo, and QAC Conferences.

Phyllis Washington has given valuable time assisting with the University of Montana with its other fundraising efforts. She served several terms on the UM Foundation Board of Trustees. She chaired the record-setting University of Montana capital campaign *Ensuring a Tradition of Excellence*, a five-year effort that raised \$71.3 million for UM programs and current needs. For her work, the Phyllis Washington Award for Meritorious Service was created and she received the inaugural award. She also received the 1999 Neil S. Bucklew Presidential Service Award.

March 1-3, 2006

ITEM 130-106-R0306

**Recommendation of a College Savings Plan (\$529)
Manager, including investment options.**

THAT:

The Board of Regents of Higher Education, as trustee of the Montana Family Education Savings Program (MFESP), selects the College Savings Bank and its mutual fund partner, Pacific Funds, as program manager to implement, administer, and market the MFESP for the State of Montana.

EXPLANATION:

The contract for a MFESP account manager and investment provider expires April 30, 2006. In accordance with State of Montana procurement requirements, the MFESP Oversight Committee has completed a Request For Proposal process for a new program manager. The Oversight Committee unanimously recommends College Savings Bank and its mutual fund partner, Pacific Funds, as the successful respondent to that Request For Proposal. CSB/Pacific Funds scored 856 points out of a possible 1,000 total points. CSB offers CollegeSure certificates of deposits, which are indexed to the inflation rate of public, 4-year postsecondary institutions. These investments are protected by the Federal Deposit Insurance Corporation to the extent allowed by federal law. Pacific Funds offers 14 different actively managed mutual fund investments and 5 Portfolio Optimization Funds. CSB/Pacific Funds will also launch a complex marketing campaign (budgeted amount \$600,000) that includes, but is not limited to, television, newspaper, radio, website, and direct mail.

A contract between the Board of Regents and College Savings Bank/Pacific Funds, will be presented for Board approval at the May 2006 Board of Regents' meeting. The contract will be effective May 1, 2006 and end April 30, 2009. At the mutual agreement of all parties, the contract may be renewed for two additional two-year extensions.



529

COLLEGE SAVINGS PLAN (MONTANA)

PLAN DESCRIPTION HANDBOOK



The Pacific Funds 529 Plan (MT) was created under the Montana Family Education Savings Program (Program). To implement the Program, the state of Montana established the Montana Family Education Savings Trust (Trust). The Montana Board of Regents of Higher Education serves as sole trustee of the Trust, administers the Trust, and is authorized to implement the Program. The Program was established under Montana law and is intended to qualify for treatment as a qualified tuition program.

**MONTANA FAMILY EDUCATION SAVINGS PROGRAM
PACIFIC FUNDS 529 COLLEGE SAVINGS PLAN (MONTANA)
PLAN DESCRIPTION HANDBOOK (10/1/05)**

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Note: Performance and other detailed information on the investment options, including investment objectives, strategies, risks, fees, and fund managers, is included in the Pacific Funds prospectus. The Pacific Funds prospectus is considered part of the offering materials for the Pacific Funds 529 College Savings Plan (MT) and should be read in conjunction with this Plan Description Handbook before investing.

IMPORTANT NOTICES

- This Plan Description Handbook includes important information for you to consider before making a decision to contribute to the Pacific Funds 529 College Savings Plan (MT) (the Plan), a college savings plan within the Montana Family Education Savings Program (MFESP) (the Program). This document should be preceded or accompanied by a current prospectus with more complete information about Pacific Funds, including charges, limitations and expenses. You should read both the Plan Description Handbook and Pacific Funds prospectus before investing.
- Montana residents have the option of opening a Pacific Funds 529 Plan (MT) account directly from Pacific Funds (without the assistance of an investment professional), without paying the applicable front-end sales charges and the annual account maintenance fee.
- The state tax treatment or other benefits offered by the State of Montana with regard to the Pacific Funds 529 Plan (MT) are available only to the taxpayers or residents of the State of Montana. Section 529 Plans offered by other states may provide state tax or other benefits to taxpayers or residents of those states that are not available through an investment in the Pacific Funds 529 Plan (MT). Taxpayers or residents of other states should consider such tax treatment and other benefits before making an investment decision.
- The label “designated beneficiary” does not give an individual any rights with respect to an account except to the extent that the designated beneficiary becomes the account owner.
- There is no guarantee that amounts saved pursuant to the Program or the Plan will be sufficient to cover the qualified higher education expenses at any specific college or university for the designated beneficiary.
- State of Montana residency will not be established for the designated beneficiary, nor will the designated beneficiary be treated as a Montana resident for purposes of admission to and charges at a Montana state college or university merely because the individual is a designated beneficiary under the Plan.
- Participation in the Program or the Plan does not guarantee that a designated beneficiary will be admitted to an eligible educational institution or be allowed to continue enrollment at or graduate from an eligible educational institution located in Montana or elsewhere.
- A contributor, account owner or designated beneficiary may not pledge their interest in an account (if any) or use an interest in an account as security for a loan.
- The discussions of tax law contained in this Plan Description Handbook were not intended or written by College Savings Bank, the state of Montana Board of Regents of Higher Education (BOR), the Montana Family Education Savings Trust, Pacific Funds, Pacific Life or any of their lawyers or advisers, to be used, and the tax discussions cannot be used, by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer by the Internal Revenue Service. The discussions of tax law were written to support the promotion or marketing of interests in the Montana Family Education Savings Trust. Each taxpayer should seek advice based on the taxpayer’s particular circumstances from an independent tax adviser.

RISK FACTORS

Before investing in the Pacific Funds 529 Plan (MT) you should consider the following risks:

- Neither the account nor the principal nor the investment return of the Pacific Funds 529 Plan (MT) is guaranteed or insured by the State of Montana, Pacific Funds, or College Savings Bank.
- Account owners participating in the Plan are subject to investment risk. Account values will fluctuate and when redeemed, may be worth more or less than your original investment. *Refer to the Pacific Funds prospectus for a description of the principal investment risks associated with investing in the underlying funds.*
- Changes enacted under the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) are due to expire in 2010. If Congress does not act to extend the provisions, among other things, all withdrawals and other distributions from 529 plans after 2010 will be subject to tax. The expiration would adversely affect 529 plans funded both before and after 2011. In addition, Congress may choose to modify or restrict the tax-free treatment and/or make other changes at any time.
- The U.S. Treasury has not issued final regulations under Section 529. The issuance and adoption of such regulations and/or other guidance by the U.S. Treasury, BOR and/or the Montana State

Legislature could modify or restrict the benefits of 529 plans and could also necessitate changes and/or restrictions in the Program and the Plan.

- Contributions to 529 plans may adversely affect the eligibility of the designated beneficiary or the account owner for financial aid or other benefits. Refer to *Account Balances* for additional information.

For more information about the Pacific Funds 529 Plan (MT), call (800) 722-2333 or access the website at www.collegesavings.PacificLife.com.

INTRODUCTION AND KEY FEATURES

The Montana Family Education Savings Program offers TWO ways to save for your child's future education! Choose from the CollegeSure[®] Certificate of Deposit (CD) or the Pacific Funds 529 College Savings Plan (MT), or use both to fund your child's future education. This handbook provides an overview of the Pacific Funds 529 Plan (MT). For more information about the CollegeSure[®] CD, call (800) 888-2723.

The Pacific Funds 529 College Savings Plan (MT) provides a way to save and invest on a tax-favored basis for the future college education of a child or other beneficiary. Some of the key features of the Pacific Funds 529 College Savings Plan (MT) include:

- Withdrawals used to pay for the qualified higher education expenses of the designated beneficiary are not subject to federal, and may not be subject to Montana state income tax. (The state tax treatment or other benefits offered by the State of Montana with regard to the Pacific Funds 529 Plan (MT) are available only to the taxpayers or residents of the State of Montana. Section 529 Plans offered by other states may provide state tax or other benefits to taxpayers or residents of those states that are not available through an investment in the Pacific Funds 529 Plan (MT). Taxpayers or residents of other states should consider such tax treatment and other benefits before making an investment decision.)
- Each individual can contribute up to \$55,000 per beneficiary in a single year without federal gift tax assessment (\$110,000 by a husband and wife). This includes the annual \$11,000 limit for the current year, plus \$11,000 for each of the four successive years, as long as no additional gifts are made to the beneficiary during that time and the contributor lives for the five-year period.
- Assets can be used to attend any eligible educational institution in the U.S. as well as certain eligible institutions abroad.
- Choose from a diversified investment selection of investment options including 5 asset allocation investment options – the Portfolio Optimization Funds, and 14 individual investment options – the individual Pacific Funds. (Fund availability may change over time.)
- For Montana residents, contributions to the Montana Family Education Savings Program up to \$3,000 can be deducted annually from Montana adjusted gross income (\$6,000 if married, filing jointly).
- Contributions may be made to an account for a designated beneficiary unless the contribution would cause the balance of the account and all other section 529 plan accounts for the same designated beneficiary to exceed a specified account balance limit. The limit is currently \$289,000 and will change as the cost of college fluctuates.
- There are no income limits to open an account or age limits to be a beneficiary.
- Account owners can access account information through the Internet, Voice Response Unit (VRU) and customer service support. ***Montana residents can open a Pacific Funds 529 Plan (MT) account directly from Pacific Funds (without the assistance of an investment professional) without paying the applicable front-end sales charges and annual account maintenance fee.***

The Montana Family Education Savings Program (the Program) has been established, pursuant to the "Family Education Savings Act," Ch. 540, L. 1997, as amended (the Act). The Montana State Legislature enacted the Program to make possible the attainment of accessible, affordable post-secondary education by the greatest number of citizens through a qualified college savings program.

The Act authorizes the BOR to implement the Program and creates an Oversight Committee (Committee) under the authority of the BOR to assist in the implementation and administration of the Program. The Committee is comprised of representatives of several Montana state agencies and other Montana individuals as appointed by the governor of Montana. Members of the Committee include the Commissioner of Insurance (or a designee), the State Treasurer (or a designee), the BOR presiding officer (or a designee), and four representatives of the general public, each of whom possesses knowledge, skill, and experience in accounting, risk management, or investment management, or as an actuary. The Committee meets

periodically and reports to the BOR. In accordance with the public disclosure laws of Montana, public notices of Committee and BOR meetings are posted on the Montana internet website at www.montana.edu/wwwbor.

The BOR and the Montana Legislature reserve the right to modify the Program policies, procedures and rules. Existing rules are found in BOR Policy #950.2, as amended, which is available at www.montana.edu/wochelp/borpol/bor900/9502.htm. Generally, significant changes in Program policies, procedures and rules will be communicated to all account owners.

The BOR has contracted with College Savings Bank (CSB) to serve as program manager of the Program. CSB has contracted with Pacific Funds to serve as investment manager (Investment Manager). The State of Montana has authorized the establishment of the family education savings trust that provides that participating trusts will be established for each person who wishes to open a Pacific Funds 529 College Savings Plan (MT) account. Each such account will be held in trust for the benefit of the account owner and the state of Montana. These 529 plan accounts are considered municipal fund securities and have not been registered under the Securities Act of 1933 or with any state in reliance upon an exemption from registration available for obligations issued by a public instrumentality of a state.

The Program was designed to comply with section 529 of the Internal Revenue Code in order to offer participants favorable tax treatment. Federal and state tax codes change from time to time, so it is recommended that participants seek the advice of their tax advisers regarding their particular circumstances and participation.

The tax-free treatment of withdrawals used for qualified higher educational expenses and certain other rules discussed throughout this document were enacted by Congress effective January 1, 2002. Such tax-free treatment and other changes are currently scheduled to expire at the end of 2010 unless extended or made permanent by a new act of Congress. In addition, Congress may choose to modify or restrict the tax-free treatment and/or make other changes at any time. The U.S. Treasury has not issued final regulations under Section 529. The issuance and adoption of such regulations and/or other guidance by the U.S. Treasury, the BOR and/or the Montana legislature could modify or restrict the benefits of 529 plans and could also necessitate changes and/or restrictions in the Pacific Funds 529 Plan (MT). Refer to Federal and State Tax Considerations for more information.

OPENING AN ACCOUNT

Who can open an account?

Generally any person may open and/or own an account. There are no age or income restrictions to open an account, except that a custodian must be appointed if the account owner is a minor, as explained below.

- An account may be opened and owned jointly by spouses.
- A qualified individual in his or her capacity as a custodian under a Uniform Gifts or Uniform Transfers to Minors Act (UGMA/UTMA) may open an account for a minor and designate the minor as the account owner and beneficiary. The UGMA/UTMA custodian will control the account until the beneficiary reaches the age of majority under the applicable UGMA/UTMA statute, at which time, the beneficiary will take control of the account. The UGMA/UTMA custodian will not be permitted to change the beneficiary.
- A scholarship account may be opened only by a state or local government, or a charitable organization qualifying under section 501(c)(3) of the Internal Revenue Code. A designated beneficiary does not need to be named when a scholarship account is opened.

The account owner is the person (or entity) designated at the time an account is opened as having the authority to make changes to the account, revoke the account and withdraw assets from the account.

Special Note for Montana Residents: Anyone can invest in a Pacific Funds 529 Plan (MT) through an investment professional. However, Montana residents can also open a Pacific Funds 529 Plan (MT) plan account directly from Pacific Funds (without the assistance of an investment professional) without paying the applicable front-end sales charges and annual account maintenance fee.

Who can be designated as the beneficiary on the account?

The account owner must designate an individual as the beneficiary, whose qualified higher educational expenses are expected to be paid from the account.

- The designated beneficiary may be the account owner or any other individual. (The designated beneficiary must be an individual.)
- There is no requirement that the account owner and designated beneficiary be related.
- A designated beneficiary does not need to be named when a scholarship account is opened.
- Only one designated beneficiary can be named on an account at one time.

Can multiple accounts be opened?

Yes. An account owner can open multiple accounts and an individual may be the designated beneficiary of more than one account. Balances in multiple Program accounts with the same designated beneficiary are aggregated for purposes of monitoring the maximum account balance limit. Refer to *Contributions* for more information on the account balance limit.

Are there any residency requirements for investment in a Pacific Funds 529 College Savings Plan (MT) account?

No. The Program recognizes that the general welfare and well-being of the State of Montana is directly related to the educational levels and skills of its citizens, some of whom may move to Montana and become residents after obtaining a higher education. Consequently, the Program does not limit participation to Montana residents. Interested parties residing in other states may open an account for any college-bound person. In addition, there are no in-state use requirements. The proceeds may be used for qualified higher education expenses for the enrollment or attendance of a designated beneficiary at any eligible educational institution in the U.S. or certain eligible institutions abroad.

The state income tax treatment of, and state tax benefits associated with the Program may differ depending on the state residency of the account owner or beneficiary. Your state of residency may only offer favorable tax treatment for investments in a 529 program offered by that state. You should consult your tax adviser regarding benefits provided by your state of residence that may not be available by participating in the Pacific Funds 529 Plan (MT), and consider such tax treatment and other benefits before making an investment decision.

How do I enroll?

To participate in the Program, complete the Pacific Funds 529 Plan (MT) Account Application, name a designated beneficiary and make contributions to the account on behalf of the designated beneficiary. Carefully read and understand this Plan Description Handbook, Trust Agreement, and the Pacific Funds prospectus before opening an account and/or making contributions. Each account owner in the Pacific Funds 529 Plan (MT) is subject to the provisions of the Participating Trust Agreement included in this document, and by signing the application, the prospective account owner agrees to the terms of such Participating Trust Agreement.

CONTRIBUTIONS

How can I contribute to my account?

Contributions may be made by check, automatic withdrawal from a bank account (a preauthorized investment plan) or payroll deduction.

By check: Anyone can open an account with a minimum initial investment of \$500 per investment option. Mail the payment with the application to the Pacific Funds 529 Plan (MT) at the address provided on the application. See Pacific Funds prospectus for more detailed information on acceptable forms of payment by check.

Through a Preauthorized Investment Plan: You can authorize automatic withdrawals from your checking or savings account to be contributed to a Pacific Funds 529 Plan (MT) account each month (the initial minimum investment of \$500 is waived). These deductions will be made through the Automatic Clearing House electronic funds transfer system used by financial institutions. To initiate this method, select the Preauthorized Investment Plan and complete the Financial Institution Information on the application. The financial institution and account number to be debited must be identified. Automatic investments can be \$50 or more per investment option per month and can be transferred on any day of the month. (If the specified day falls on a

holiday or weekend, the debit will be processed the next business day.) If a preauthorized investment plan is not setup when the account is opened, it can be established later by completing an Account Maintenance form and sending it to the Pacific Funds 529 Plan (MT) at the address provided on the form. Any preauthorized investment plan will remain in effect until Pacific Funds is notified of its termination.

Through Payroll Deduction: Contributions can also be made through payroll deduction if your employer offers this service (the initial minimum investment of \$500 is waived). Employers interested in offering payroll deduction services should call (800) 722-2333 for more information. Complete a Payroll Deduction form and return a copy to the Pacific Funds 529 Plan (MT), along with the application, for account activation; provide a copy of the form to your employer to initiate the payroll deduction; and keep a copy for your records. Through payroll deduction, a minimum of \$50 can be deducted from your paycheck each month and deposited into a Pacific Funds 529 Plan (MT) account. If payroll deduction is not set up when the account is opened, it can be established later by completing a Payroll Deduction form and sending it to the Pacific Funds 529 Plan (MT) at the address provided on the form.

Each time a contribution is made to an account by check – whether by the account owner or by another individual – a confirmation notice will be sent to the account owner. This confirms the receipt of the contribution and details the investment options selected. At the bottom of each confirmation notice is a contribution slip for making subsequent contributions by mail. (There is also a postage-paid envelope for your convenience.) Subsequent contributions must be at least \$50 per investment option. Preauthorized investment plans and payroll deductions will not receive confirmation notices for the automated contributions. However, the contributions will be included on quarterly statements.

What is the maximum amount I can contribute?

The Program is required to set a maximum account balance limit. No contribution may be made to an account if it would cause the sum of all section 529 accounts for the same designated beneficiary to exceed the lesser of the balance limit, currently set at \$289,000, or the cost in current dollars of the qualified higher education expenses that the account owner reasonably anticipates the designated beneficiary will incur. Pacific Funds will reject or return a contribution to an account if it would cause the sum of the value of all Program accounts for the same designated beneficiary to exceed the balance limit. The balance limit is set by the BOR and adjusted from time to time. You should check the website at www.collegesavings.PacificLife.com for current account balance limits.

Under BOR Policy #950.2, as amended, the BOR sets the balance limit equal to 7 times the enrollment weighted average of one year's undergraduate tuition, fees, room and board at the ten independent 4-year higher education institutions included in the College Board's Independent College 500[®] Index that have the largest total direct charges. The BOR may set a lower balance limit if it determines that a lower limit is required for the Program to qualify under section 529 of the Internal Revenue Code.

If the Investment Manager determines that the balance limit has been exceeded for the designated beneficiary due to excess contributions to the Program, it shall notify the account owners of all accounts for the designated beneficiary. The account owners shall have 60 days after receipt of such notice to reduce the balances of the accounts for the designated beneficiary through distributions and/or changes in designated beneficiaries. If no such action is taken, the Investment Manager will liquidate the accounts in reverse order of their opening until the balance limit ceases to be exceeded. The earnings portion of such liquidated accounts would be subject to tax and a 10% federal tax penalty.

Can I change my ongoing contribution amounts?

Yes. The amount or frequency of contributions can be changed at any time. Investment instructions must accompany each additional contribution informing Pacific Funds how to allocate the contribution among the investment options available. Changes in payroll deduction should be made by completing a new Payroll Deduction form. Changes in a preauthorized investment plan should be made by completing an Account Maintenance form and sending it to the Pacific Funds 529 Plan (MT) at the address provided on the form.

When are contributions posted to my account?

Contributions will be posted to the account as of the end of the same day they are received in good order by Pacific Funds (if received before 4:00 pm Eastern time; thereafter, they will be posted as of the end of the next business day).

Can other people contribute to my account once it is established?

Yes. A person does not need to be the account owner to contribute to an account. However, a contributor who is not the account owner will have no rights with respect to the assets deposited into the account.

Can I rollover assets from another investment into my Pacific Funds 529 Plan (MT) account?

Yes, from certain investments. You can contribute to the Program by rolling over assets from another 529 plan or college savings investment, including a Coverdell Education Savings Account or a U.S. Savings Bond. The contribution must be designated as a rollover contribution. The appropriate documentation, i.e., a distribution statement issued by the previous 529 plan or financial institution, a redemption receipt or Form 1099-INT, must be provided to Pacific Funds showing the portion of the rollover that is attributable to contributions and the portion that is earnings. If the required documentation is not provided, federal tax law requires that the entire rollover be treated as a rollover of earnings for purposes of future reporting to the IRS and distributee. This could result in greater tax liability and penalties for future withdrawals.

ACCOUNT BALANCES**How will I know how much my account is worth?**

You can access account information through the Internet at www.collegesavings.PacificLife.com, through the Voice Response Unit (VRU) or by speaking with one of the Pacific Funds' customer service representatives. In addition, calendar quarterly statements will be sent reflecting all account activity for the quarter. The year-end statement will include the account balance, as well as all contributions, distributions and earnings that occurred during the entire year.

If you believe an error has been made on an account statement, contact Pacific Funds in writing within 30 days from receipt of the statement on which the error occurred.

Can I use my account balance as collateral for a loan?

No. Account balances may not be pledged as security or collateral for a loan.

How will an investment in the program affect eligibility for financial aid?

Program assets generally will be considered if the student applies for state or federally sponsored financial aid or scholarships. Account balances are generally included in the assets of the account owner rather than the student. Distributions from a 529 plan account are typically considered assets of the designated beneficiary for the year the financial aid is requested. Assets owned for the sole benefit of the student (such as in a custodial account) will be treated as the student's assets for financial aid purposes. An account owner should check the applicable rules for financial aid programs and scholarship programs before withdrawing funds to pay qualified higher education expenses.

WITHDRAWALS

Only the account owner has the authority to request withdrawals from the account. Generally, each withdrawal includes two pro-rata components: (1) a return of principal and (2) earnings. The return of principal portion is never taxable, since taxes have already been paid on the contribution amount. The earnings portion may be subject to taxation and penalties, depending on whether the withdrawal is qualified or nonqualified. It is the account owner's responsibility to determine whether a withdrawal is qualified or nonqualified and whether a penalty applies.

What is a qualified withdrawal?

A qualified withdrawal is a withdrawal to pay for the qualified higher education expenses of the designated beneficiary. The earnings portion of the withdrawal is free from federal income tax. The account owner and the designated beneficiary are responsible for obtaining and retaining adequate records to substantiate a qualified withdrawal to the IRS. Consult a tax adviser with specific questions. For Montana residents, the distribution may also be subject to a Montana recapture tax on the deductible contribution amount. Refer to *Federal and State Tax Considerations* for more information about this recapture tax.

What are qualified higher education expenses?

Qualified higher education expenses include tuition, fees, textbooks, supplies and equipment that are required for the designated beneficiary to attend an eligible institution of higher education.

If the student's enrollment qualifies as at least half-time, room and board expenses are also eligible up to a specified level. Room and board expenses for students living in student housing are limited to the greater of the standard allowance for room and board (as determined by the eligible institution based on the amount most of its residents are normally assessed for room and board) or, if greater, the actual invoice charge for room and board. Room and board expenses for students living at home with parents or in off-campus housing will be the respective amounts determined by the eligible institution for purposes of determining "cost of education" for financial aid. In addition, qualified higher education expenses include expenses for special needs services in the case of a special needs beneficiary, if the expenses are incurred in connection with enrollment or attendance at an eligible educational institution. Expenses incurred before the date on which the account is opened are not eligible.

What is considered an eligible educational institution?

Eligible educational institutions include most accredited public or nonprofit colleges, universities, vocational schools and other postsecondary institutions that are eligible to participate in a student aid program administered by the U.S. Department of Education. To determine if a school is eligible, refer to the Department of Education's website at www.fafsa.ed.gov/fotw0506/fslookup.htm. If you have questions about whether the intended educational institution is considered eligible, contact Pacific Funds at (800) 722-2333 for more information.

What happens if the designated beneficiary receives a scholarship, becomes disabled or dies?

If the designated beneficiary receives a scholarship, becomes disabled or dies, the account owner can withdraw the assets in the account without incurring the 10% federal tax penalty applicable for nonqualified withdrawals. (Only assets up to the amount of the scholarship can be returned without incurring the 10% federal tax penalty.) However, the earnings portion of the withdrawal will be subject to federal income tax. Assets deposited after the designated beneficiary applied for the scholarship (and applicable earnings) or after the designated beneficiary learned that they would be awarded the scholarship do not qualify. According to IRS Publication 970, "scholarship" includes a qualified scholarship excludable from gross income, veterans' educational assistance, employer-provided educational assistance or any other nontaxable payments (other than gifts, bequests or inheritances) received for education expenses.

The account owner could also initiate a change of designated beneficiary. Refer to *Change of Designated Beneficiary* for more information.

A withdrawal due to the death, disability or receipt of scholarship of the designated beneficiary would not be subject to a contingent deferred sales charge (CDSC), if applicable (depending on the share class), if the appropriate documentation is provided to Pacific Funds. The distribution may also be subject to a Montana recapture tax on contributions that were deducted in computing Montana income. Refer to *Federal and State Tax Considerations* for more information about this recapture tax.

What is considered a nonqualified withdrawal?

A nonqualified withdrawal is any distribution that is not considered a qualified withdrawal, not made as a result of the death or disability of the designated beneficiary or due to a scholarship received by the designated beneficiary, and not a permitted change of designated beneficiary. Nonqualified withdrawals are typically subject to ordinary income tax and a 10% federal tax penalty on the earnings portion of the withdrawal. Nonqualified withdrawals may be subject to a Montana recapture tax. Refer to *Federal and State Tax Considerations* for more information about this recapture tax and the federal tax penalty on nonqualified withdrawals.

- **Graduation:** If the designated beneficiary graduated from an eligible educational institution and assets remain in the account, the account owner can:
 - 1) Have the remaining assets (including earnings) returned by completing a Distribution Request form and sending it to the Pacific Funds 529 Plan (MT) at the address provided on the form. The earnings included in the distribution will be subject to ordinary income tax and the 10% federal tax penalty.
 - 2) Authorize a change of designated beneficiary for the remaining assets. Refer to *Change of Designated Beneficiary* for more information. (This is not considered a nonqualified withdrawal.)
 - 3) Keep the assets in the account to pay future education expenses, such as graduate or professional school expenses of the designated beneficiary. (This is not considered a nonqualified withdrawal.)

- *Involuntary Termination:* The BOR as trustee may terminate an account at any time if it determines after due inquiry and notice that (1) the designated beneficiary of an account does not intend to attend an eligible educational institution or (2) the account owner has changed the designated student beneficiary of an account primarily to avoid or significantly defer federal or state income tax beyond what should be the normal limits.

In addition, an account may be terminated if the account has a value less than \$500 for six consecutive months (excluding accounts with preauthorized investments or payroll deduction established). Upon termination of an account, the Pacific Funds 529 Plan (MT) shall liquidate the assets in the account and distribute the balance of the account to the account owner, in what will likely constitute a nonqualified withdrawal. For Montana residents, the distribution may also be subject to a Montana recapture tax on the deductible contribution amount.

- *Lack of need:* If the designated beneficiary decides not to pursue higher education, the account owner may either close the account or authorize a change of designated beneficiary. Refer to *Change of Designated Beneficiary* for more information. (This is not considered a nonqualified withdrawal.) If the account is closed, the assets (including earnings) will be returned to the account owner, in what will likely constitute a nonqualified withdrawal. For Montana residents, the distribution may also be subject to a Montana recapture tax on the deductible contribution amount.
- *Voluntary termination:* At any time, the account owner may terminate the account by completing a Distribution Request form and sending it to the Pacific Funds 529 Plan (MT) at the address provided on the form. In such instance, the assets will be returned to the account owner, in what will likely constitute a nonqualified withdrawal. For Montana residents, the distribution may also be subject to a Montana recapture tax on the deductible contribution amount.

Refer to *Federal and State Tax Considerations* for more information on the federal tax penalty on nonqualified withdrawals and the Montana recapture tax.

How do I make a withdrawal?

To make a withdrawal from the account, the account owner must complete a Distribution Request form and send it to the Pacific Funds 529 Plan (MT) at the address provided on the form. Distribution requests by phone or the Internet are not available. If an account is jointly owned, both owners must sign the form. Distributions can be made at any time during the year.

The distribution can be made by check or wire transfer made payable to either (1) the educational institution for the benefit of the designated beneficiary, (2) the designated beneficiary for reimbursement of eligible expenses, or (3) the account owner. Depending on the share class in which the account owner invests, a contingent deferred sales charge (CDSC) may be assessed when the withdrawal occurs.

CHANGE OF DESIGNATED BENEFICIARY

How do I change the designated beneficiary on the account?

Section 529 of the Internal Revenue Code allows for changes of the designated beneficiary without income tax consequences, as long as the new designated beneficiary is a family member of the original designated beneficiary. If the new beneficiary is a member of a lower generation than the former beneficiary, there may be gift or generation-skipping tax consequences. Consult a tax adviser regarding specific situations. To initiate a change of designated beneficiary, complete an Account Maintenance form and send it to the Pacific Funds 529 Plan (MT) at the address provided on the form. An UGMA/UTMA custodian will not be permitted to change the designated beneficiary on an account.

Who is considered a family member?

For purposes of changing the designated beneficiary as described above, the definition of “family member” is:

- Father, mother, or grandparent;
- Stepfather or stepmother;
- Son or daughter;
- Stepson or stepdaughter;
- Brother, sister, stepbrother, stepsister;

- Grandson or granddaughter;
- Son or daughter of a sibling;
- Aunt or uncle;
- Spouse of any of the preceding;
- First cousin; or
- Spouse.

To avoid federal income tax and a 10% federal tax penalty on earnings, a change of designated beneficiary must be made to an individual listed above.

CHANGE OF ACCOUNT OWNER

Can I change the account owner on the account?

Yes. Account ownership may be changed only (1) to a designated beneficiary (or a custodian for a designated beneficiary), (2) to an ex-spouse, pursuant to a divorce, (3) at the death of the account owner, or (4) to add a spouse for joint ownership purposes.

To initiate the transfer to a designated beneficiary or to an ex-spouse, complete an Account Maintenance form and send it to the Pacific Funds 529 Plan (MT) at the address provided on the form. In the case of a transfer to an ex-spouse, appropriate proof (such as a copy of a divorce decree) is required. To transfer ownership as a result of the death of the account owner, a copy of the death certificate should accompany the Account Maintenance form.

What happens to the account if the account owner dies?

Upon the death of the account owner, the following will occur:

- 1) If the account was jointly owned, the surviving joint account owner will become the sole account owner.
- 2) If there is no joint owner and a successor owner has been designated, the designated successor will become the account owner.
- 3) If there is no surviving joint account owner or designated successor owner and the designated beneficiary is at the age of majority or older, account ownership will be transferred to the designated beneficiary.
- 4) If there is no surviving joint account owner or designated successor owner and the designated beneficiary is a minor at the time of the account owner's death, the account will be transferred to the legal guardian for the designated beneficiary as custodian under the applicable Uniform Transfers or Uniform Gifts to Minors Act. If the designated beneficiary does not have a legal guardian designated, the account owner's personal representative will be allowed to designate a custodian of the account.

TRANSFER OF ACCOUNT ASSETS TO ANOTHER 529 PLAN

What happens if I want to transfer assets from my Pacific Funds 529 College Savings Plan (MT) account to another state's 529 plan?

Under federal tax law, the assets in a qualified tuition program (529 plan) for a designated beneficiary can be transferred to another 529 plan for the same designated beneficiary without subjecting the distribution to federal income tax or federal tax penalty. Only one such transfer is permitted in any 12-month period. Transfers that involve a change in designated beneficiary (to a family member) are acceptable at any time without tax liability. Under Montana rules, the transfer would result in a recapture of any Montana tax deductions claimed by Montana income tax payers for contributions that are transferred to another 529 plan. Refer to *Federal and State Tax Considerations* for more information. In addition, depending on the share class in which the account owner invests, a CDSC may be assessed when the transfer occurs.

INVESTMENT OPTIONS AND INVESTMENT CHANGES

What are the investment options for my Pacific Funds 529 College Savings Plan (MT)?

The Program offers a diversified selection of investment options including 5 asset allocation investment options – the Portfolio Optimization Funds, and 14 individual investment options – the individual Pacific Funds. You may allocate your contributions to your account for investment in any one or more of the following investment options.

- 1) **Portfolio Optimization Funds** – each Portfolio Optimization Fund seeks to achieve its investment goal by investing in the other Pacific Funds (listed below), and uses asset allocation strategies to determine how much to invest in each of these other funds. The advantages of asset allocation are:
- A diversified portfolio tailored to the account owner’s chosen investment objective, risk tolerance, and time horizon.
 - Periodic updates to the target allocations of each fund help to keep the integrity of the account owner’s portfolio consistent with their selected risk profile and investment time horizon.
 - Professional money management and expertise.

The funds were developed by Pacific Life and Ibbotson Associates, based on the work of economist and 1990 Nobel laureate Dr. Harry Markowitz. The process applies investment methodology, including historical asset performance and attribution analysis, to determine a fund that is consistent with a particular level of risk. The analysis is conducted periodically to help keep the risk/return profile of the funds consistent.

Although the funds are designed to optimize returns given the various levels of risk, there is no assurance that a Portfolio Optimization Fund will not lose money, including principal, or that investment results will not experience some volatility.

The following are the target underlying fund allocations of each Portfolio Optimization Fund (*as of October 1, 2005*):

PF Portfolio Optimization Model A

You are looking for relatively stable returns and require investments that generate some level of income. There may be some losses in the values of the investment as asset values fluctuate.

PF Pacific Life Money Market	9%
PF Goldman Sachs Short Duration Bond	28%
PF PIMCO Inflation Managed	15%
PF PIMCO Managed Bond	25%
PF Oppenheimer Main Street® Core*	6%
PF Salomon Brothers Large-Cap Value	3%
PF Van Kampen Comstock	4%
PF AIM Blue Chip	2%
PF Lazard Mid-Cap Value	2%
PF Lazard International Value	3%
PF MFS International Large-Cap	3%

PF Portfolio Optimization Model B

Your focus is on keeping pace with inflation. Income generating investments and capital appreciation are desired. There may be some losses in the values of the investment from year to year.

PF Pacific Life Money Market	7%
PF Goldman Sachs Short Duration Bond	17%
PF PIMCO Inflation Managed	14%
PF PIMCO Managed Bond	19%
PF Oppenheimer Main Street Core*	7%
PF Salomon Brothers Large-Cap Value	3%
PF Van Kampen Comstock	8%
PF AIM Blue Chip	3%
PF Lazard Mid-Cap Value	3%
PF Van Kampen Mid-Cap Growth	3%
PF Janus Growth LT	3%
PF Lazard International Value	7%
PF MFS International Large-Cap	6%

PF Portfolio Optimization Model C

You want the opportunity for long-term moderate growth. There will probably be some losses in the values of the underlying investments from year to year. Fluctuations in value should be less than those of the overall stock markets.

PF Pacific Life Money Market	2%
PF Goldman Sachs Short Duration Bond	9%
PF PIMCO Inflation Managed	12%
PF PIMCO Managed Bond	14%
PF Oppenheimer Main Street Core*	7%
PF Salomon Brothers Large-Cap Value	5%
PF Van Kampen Comstock	10%
PF AIM Blue Chip	3%
PF Lazard Mid-Cap Value	3%
PF Van Kampen Mid-Cap Growth	6%
PF Janus Growth LT	5%
PF NB Fasciano Small Equity	2%
PF Van Kampen Real Estate	3%
PF Lazard International Value	8%
PF MFS International Large-Cap	7%
PF Oppenheimer Emerging Markets*	4%

PF Portfolio Optimization Model D

You want an investment that is geared for growth and are willing to accept above-average risk. There will probably be some losses in the values of the underlying investments from year to year. Some of these might be large, but the overall fluctuations in asset values should be less than those of the U.S. stock market.

PF Goldman Sachs Short Duration Bond	4%
PF PIMCO Inflation Managed	7%
PF PIMCO Managed Bond	7%
PF Oppenheimer Main Street Core*	11%
PF Salomon Brothers Large-Cap Value	5%
PF Van Kampen Comstock	11%
PF AIM Blue Chip	4%
PF Lazard Mid-Cap Value	5%
PF Van Kampen Mid-Cap Growth	7%
PF Janus Growth LT	8%
PF NB Fasciano Small Equity	3%
PF Van Kampen Real Estate	4%
PF Lazard International Value	10%
PF MFS International Large-Cap	9%
PF Oppenheimer Emerging Markets*	5%

PF Portfolio Optimization Model E

You are an aggressive investor and can tolerate short-term market swings. There will probably be some losses in the values of the underlying investments from year to year. Some of these might be large, but the overall fluctuations in asset values should be less than those of the U.S. stock market.

PF PIMCO Managed Bond	2%
PF Oppenheimer Main Street Core*	11%
PF Salomon Brothers Large-Cap Value	7%
PF Van Kampen Comstock	11%
PF Lazard Mid-Cap Value	5%
PF Van Kampen Mid-Cap Growth	7%
PF Janus Growth LT	14%
PF NB Fasciano Small Equity	6%
PF Van Kampen Real Estate	5%

PF Lazard International Value	12%
PF MFS International Large-Cap	14%
PF Oppenheimer Emerging Markets*	6%

2) **Individual Pacific Funds** - the following 14 individual investment options are also available (as of October 1, 2005) for investment of your college savings assets:

- PF AIM Blue Chip
- PF Goldman Sachs Short Duration Bond
- PF Janus Growth LT
- PF Lazard Mid-Cap Value
- PF Lazard International Value
- PF MFS International Large-Cap
- PF NB Fasciano Small Equity (formerly Aggressive Growth)
- PF PIMCO Managed Bond
- PF PIMCO Inflation Managed
- PF Pacific Life Money Market
- PF Salomon Brothers Large-Cap Value
- PF Van Kampen Comstock
- PF Van Kampen Mid-Cap Growth
- PF Van Kampen Real Estate

* The PF Oppenheimer Main Street Core and PF Oppenheimer Emerging Markets Funds are only available for investment by the Portfolio Optimization Funds.

Pacific Funds offers investors Class A, Class B, and Class C shares of each investment option, except for the PF Pacific Life Money Market Fund, which only offers Class A shares (as of July 1, 2005). Class A shares of the PF Pacific Life Money Market Fund can be owned in conjunction with Class A, Class B, and Class C shares of the other Pacific Funds available through the Pacific Funds 529 Plan (MT). Montana residents can open a Pacific Funds 529 Plan (MT) account directly from Pacific Funds without paying the applicable Class A front-end sales charges and annual account maintenance fee. Each share class is subject to different types and levels of sales charges, and bears different levels of expenses. The class of shares that is best suited for you depends upon several factors. When choosing among share classes, you should consider the following questions:

- How long do I plan to hold the shares?
- How much money do I intend to invest?
- Will I be purchasing more shares in the future?
- What expenses will I pay for each class?
- Do I qualify for any sales charge discounts?

You should understand how the various fees, expenses and charges will affect your investment over time. Once you understand the differences in the share classes, you can then make an informed decision and select a share class that matches your needs, resources and investment timeline. Refer to *Fees and Expenses* for more information regarding the fees applicable for each investment option and share class.

Could the investment options change?

Yes. The BOR has the right to change the investment options available in the Program at any time. In the event Pacific Funds determines to close, merge or otherwise terminate a fund so that an investment option is no longer available, your assets from that investment option will be automatically transferred to the money market investment option, or such other investment option as the BOR may designate. In addition, the BOR has the right to change the program manager and/or Investment Manager at the end of each renewable contract period. In the event the BOR selects a different program manager and/or Investment Manager, the investment options could be replaced by the BOR with investment options and funds offered or sponsored by other financial institutions.

Are there limitations on changing the investments in my account?

Federal law prohibits contributors, account owners and designated beneficiaries from directly or indirectly managing the investments in a program account (including earnings). However, the IRS has issued a notice indicating that a program will not violate this prohibition on investment direction if it permits a change in the investment strategy selected for a section 529 plan account once per calendar year. It also permits a change in the investment strategy upon a change in the designated beneficiary of the account. For purposes of the investment change rule, all accounts maintained for the same designated beneficiary will be aggregated. To initiate a change in investment strategy, the account owner must complete an Account Maintenance form. Investment changes by telephone and Internet are not available.

Although it is believed that the procedures for changing investments comply with the above IRS notice, certain aspects of the notice are uncertain and final regulations or other IRS guidance may necessitate restrictions or other changes in the ability to change investment options.

INVESTMENT RISK AND PERFORMANCE

Where can I find additional information about the investment options, including their risks and performance history?

For more detailed information on each investment option, such as investment objective, strategy, risks, applicable fees, fund managers and performance, refer to the current Pacific Funds prospectus, including any supplements thereto. Please note that the performance included in the prospectus does not take into consideration the \$25 annual account maintenance fee. However, this \$25 annual account maintenance fee should not have a material effect on the performance included in the prospectus.

Account values fluctuate and when redeemed, may be worth more or less than the original investment. Past performance does not guarantee future results.

FEES AND EXPENSES

What are the expenses associated with the Pacific Funds 529 College Savings Plan (MT)?

A \$25 annual account maintenance fee will be assessed on all accounts on the last Friday in April. The fee is waived for (1) accounts with balances greater than \$25,000, (2) accounts with a current preauthorized investment plan or payroll deduction established, or (3) accounts that can purchase the funds at Net Asset Value (NAV) (without payment of front-end sales charges) – this includes Montana residents that purchase the 529 plan directly from Pacific Funds. Pacific Life pays this fee to the BOR to help pay for the costs of administering the Program. In addition, you will pay the costs associated with investing in the underlying Pacific Funds, which will vary depending on the share class and investment options selected, as well as the amount invested.

Direct Purchases by Montana Residents (Class A shares):

Montana residents can open a Pacific Funds 529 Plan (MT) directly from Pacific Funds without paying the applicable front-end sales charges and annual account maintenance fee. The following table reflects the estimated net operating expenses for Class A shares of each investment option available in the direct Pacific Funds 529 Plan (MT). Refer to the Pacific Funds current prospectus, and any supplements thereto, for more details. Note that fees and expenses are not guaranteed and may increase.

DIRECT PURCHASE FEE STRUCTURE							
Investment Options	Annual Asset-based Fees						Additional Investor Expenses ³
	Estimated Underlying Fund Expenses ¹	Program Manager Fee	State Fee	Misc. Fee	Annual Distribution Fee	Total Annual Asset-based Fees ²	Annual Account Maintenance Fee ⁴
PF Portfolio Optimization							
Model A	1.57%	N/A	N/A	N/A	N/A	1.57%	N/A
Model B	1.63%	N/A	N/A	N/A	N/A	1.63%	N/A
Model C	1.73%	N/A	N/A	N/A	N/A	1.73%	N/A
Model D	1.78%	N/A	N/A	N/A	N/A	1.78%	N/A
Model E	1.83%	N/A	N/A	N/A	N/A	1.83%	N/A
PF AIM Blue Chip	1.90%	N/A	N/A	N/A	N/A	1.90%	N/A
PF Goldman Sachs Short Duration Bond	1.55%	N/A	N/A	N/A	N/A	1.55%	N/A
PF Janus Growth LT	1.70%	N/A	N/A	N/A	N/A	1.70%	N/A
PF Lazard International Value	1.80%	N/A	N/A	N/A	N/A	1.80%	N/A
PF Lazard Mid-Cap Value	1.80%	N/A	N/A	N/A	N/A	1.80%	N/A
PF MFS International Large-Cap	2.00%	N/A	N/A	N/A	N/A	2.00%	N/A
PF NB Fasciano Small Equity (formerly called Aggressive Growth)	1.95%	N/A	N/A	N/A	N/A	1.95%	N/A
PF PIMCO Inflation Managed	1.55%	N/A	N/A	N/A	N/A	1.55%	N/A
PF PIMCO Managed Bond	1.55%	N/A	N/A	N/A	N/A	1.55%	N/A
PF Pacific Life Money Market	1.10%	N/A	N/A	N/A	N/A	1.10%	N/A
PF Sal. Bros. Large-Cap Value	1.80%	N/A	N/A	N/A	N/A	1.80%	N/A
PF Van Kampen Comstock	1.90%	N/A	N/A	N/A	N/A	1.90%	N/A
PF Van Kampen Mid-Cap Growth	1.85%	N/A	N/A	N/A	N/A	1.85%	N/A
PF Van Kampen Real Estate	2.05%	N/A	N/A	N/A	N/A	2.05%	N/A

¹ Estimated Underlying Fund Expenses include advisory fees (or a blend of advisory fees in the case of the Portfolio Optimization Funds); distribution and service fees; and other expenses, including the fee paid to Pacific Life for providing or procuring for the funds' administrative services, transfer agency services, and shareholder services; plus custodial, legal, accounting and miscellaneous support services. Expenses are based on the most recent fiscal year as reported in the Pacific Funds' most recent prospectus, in the absence of a change that would materially affect the information. Expenses include reimbursements and fee waivers currently in place between Pacific Life and the funds. There is no guarantee that these reimbursements and fee waivers will continue in the future. For more information, refer to the Pacific Funds current prospectus and any supplements thereto.

² There are no additional Program Manager, State, Miscellaneous, or Annual Distribution fees beyond those already charged by the underlying funds, as provided in the first column under Estimated Underlying Fund Expenses. The Total Annual Asset-based Fee is assessed against assets over the course of the year and does not include sales charges or the annual account maintenance fee. Refer to the Cost Tables that show the total assumed investment cost over 1-, 3-, 5- and 10-year periods.

³ Montana residents who open a Pacific Funds 529 Plan (MT) account directly from Pacific Funds (without the help of an investment professional) do not pay Front-end Sales Charges.

⁴ Montana residents who open a Pacific Funds 529 Plan (MT) account directly from Pacific Funds do not pay an annual account maintenance fee.

Purchases through an Investment Professional:

Anyone can invest in a Pacific Funds 529 Plan (MT) through an investment professional. The Pacific Funds 529 Plan (MT) offers investors Class A, Class B and Class C shares of each investment option, except for the PF Pacific Life Money Market Fund, which only offers Class A shares. Class A shares of the PF Pacific Life Money Market Fund can be owned in conjunction with Class A, Class B, and Class C shares of the other Pacific Funds available through the Pacific Funds 529 Plan (MT).

Class A shares:

Class A shares are typically subject to a front-end sales charge. The maximum front-end sales charge you pay will differ depending on the amount you invest and will be deducted directly from your investment. You will pay a lower charge as the size of your investment increases to certain levels, which are called breakpoints. You can reduce the front-end sales charge of Class A shares by combining multiple purchases to take advantage of these breakpoints. This includes purchases of both Pacific Funds' 529 plans and regular Pacific Funds accounts by both you and your immediate family members. Refer to the Pacific Funds current prospectus and any supplements thereto for more information. The following Breakpoint Table shows the sales charges you will pay depending on the amount you invest.

Breakpoint Table:

Investment Amount	Front-end Sales Charge
Less than \$50,000	5.50%
\$50,000-\$99,999	4.75%
\$100,000-\$249,999	3.75%
\$250,000-\$499,999	3.00%
\$500,000-\$999,999	2.10%
\$1,000,000 or more	0.00%

Following are the estimated net operating expenses for Class A shares of each investment option available in the Pacific Funds 529 Plan (MT). Refer to the Pacific Funds current prospectus, and any supplements thereto, for more details. Note that the fees and expenses are not guaranteed and may increase.

Investment Options	Annual Asset-Based Fees					Additional Investor Expenses		
	Estimated Underlying Fund Expenses ¹	Program Manager Fee	State Fee	Misc. Fee	Annual Distribution Fee	Total Annual Asset-based Fees ²	Maximum Initial Sales Charge ³	Annual Account Maintenance Fee
PF Portfolio Optimization								
Model A	1.57%	N/A	N/A	N/A	N/A	1.57%	5.50%	\$25
Model B	1.63%	N/A	N/A	N/A	N/A	1.63%	5.50%	\$25
Model C	1.73%	N/A	N/A	N/A	N/A	1.73%	5.50%	\$25
Model D	1.78%	N/A	N/A	N/A	N/A	1.78%	5.50%	\$25
Model E	1.83%	N/A	N/A	N/A	N/A	1.83%	5.50%	\$25
PF AIM Blue Chip	1.90%	N/A	N/A	N/A	N/A	1.90%	5.50%	\$25
PF Goldman Sachs Short Duration Bond	1.55%	N/A	N/A	N/A	N/A	1.55%	5.50%	\$25
PF Janus Growth LT	1.70%	N/A	N/A	N/A	N/A	1.70%	5.50%	\$25
PF Lazard International Value	1.80%	N/A	N/A	N/A	N/A	1.80%	5.50%	\$25
PF Lazard Mid-Cap Value	1.80%	N/A	N/A	N/A	N/A	1.80%	5.50%	\$25
PF MFS International Large-Cap	2.00%	N/A	N/A	N/A	N/A	2.00%	5.50%	\$25
PF NB Fasciano Small Equity (formerly called Aggressive Growth)	1.95%	N/A	N/A	N/A	N/A	1.95%	5.50%	\$25
PF PIMCO Inflation Managed	1.55%	N/A	N/A	N/A	N/A	1.55%	5.50%	\$25
PF PIMCO Managed Bond	1.55%	N/A	N/A	N/A	N/A	1.55%	5.50%	\$25
PF Pacific Life Money Market	1.10%	N/A	N/A	N/A	N/A	1.10%	N/A	\$25
PF Sal. Bros. Large-Cap Value	1.80%	N/A	N/A	N/A	N/A	1.80%	5.50%	\$25
PF Van Kampen Comstock	1.90%	N/A	N/A	N/A	N/A	1.90%	5.50%	\$25
PF Van Kampen Mid-Cap Growth	1.85%	N/A	N/A	N/A	N/A	1.85%	5.50%	\$25
PF Van Kampen Real Estate	2.05%	N/A	N/A	N/A	N/A	2.05%	5.50%	\$25

¹ Estimated Underlying Fund Expenses include advisory fees (or a blend of advisory fees in the case of the Portfolio Optimization Funds); distribution and service fees; and other expenses, including the fee paid to Pacific Life for providing or procuring for the funds' administrative services, transfer agency services, and shareholder services; plus custodial, legal, accounting and miscellaneous support services. Expenses are based on the most recent fiscal year as reported in the Pacific Funds' most recent prospectus, in the absence of a change that would materially affect the information. Expenses include reimbursements and fee waivers currently in place between Pacific Life and the funds. There is no guarantee that these reimbursements and fee waivers will continue in the future. For more information, refer to the current Pacific Funds prospectus and any supplements thereto.

² There are no additional Program Manager, State, Miscellaneous, or Annual Distribution fees beyond those already charged by the underlying funds, as provided in the first column under Estimated Underlying Fund Expenses. The Total Annual Asset-based Fee is assessed against assets over the course of the year and does not include sales charges or the annual account maintenance fee. Refer to the Cost Tables that show the total assumed investment cost over 1-, 3-, 5- and 10-year periods.

³ Refer to the Breakpoint Table above for actual front-end sales charges incurred for various investment amounts. The sales charges do not apply to Montana residents who open a Pacific Funds 529 Plan (MT) account directly from Pacific Funds (without the help of an investment professional). Class A shares of the money market fund are sold without a front-end sales charge.

⁴ There is a \$25 annual account maintenance fee for open accounts. This fee is waived for accounts with balances greater than \$25,000, accounts with a systematic investment plan, or accounts opened directly from Pacific Funds by Montana residents, without the assistance of an investment professional.

Class B shares:

When investing in Class B shares, you do not pay a front-end sales charge. However, if you sell your shares within 7 years of purchase, a contingent deferred sales charge (CDSC) will be deducted from your withdrawal, as shown in the CDSC Table below. CDSC is applicable for all withdrawals from your 529 plan account, except for withdrawals due to the death, disability or receipt of scholarship of the designated beneficiary. Refer to the current Pacific Funds prospectus, and any supplements thereto, for more information.

CDSC Table:

B Shares Sold Within Year	Contingent Deferred Sales Charge
1	5.00%
2	4.00%
3	4.00%
4	3.00%
5	2.00%
6	2.00%
7	1.00%
8	0.00%

In the beginning of the 9th year, the shares will be converted to Class A shares, reducing future annual expenses.

Following are the estimated net operating expenses for Class B shares of each investment option available in the Pacific Funds 529 Plan (MT). Refer to the Pacific Funds prospectus for more details. Note that the fees and expenses are not guaranteed and may increase.

Investment Options	Annual Asset-Based Fees					Additional Investor Expenses		
	Estimated Underlying Fund Expenses ¹	Program Manager Fee	State Fee	Misc. Fee	Annual Distribution Fee	Total Annual Asset-based Fee ²	Maximum Deferred Sales Charge ³	Annual Account Maintenance Fee
PF Portfolio Optimization								
Model A	2.07%	N/A	N/A	N/A	N/A	2.07%	5.00%	\$25
Model B	2.13%	N/A	N/A	N/A	N/A	2.13%	5.00%	\$25
Model C	2.23%	N/A	N/A	N/A	N/A	2.23%	5.00%	\$25
Model D	2.28%	N/A	N/A	N/A	N/A	2.28%	5.00%	\$25
Model E	2.33%	N/A	N/A	N/A	N/A	2.33%	5.00%	\$25
PF AIM Blue Chip	2.40%	N/A	N/A	N/A	N/A	2.40%	5.00%	\$25
PF Goldman Sachs Short Duration Bond	2.05%	N/A	N/A	N/A	N/A	2.05%	5.00%	\$25
PF Janus Growth LT	2.20%	N/A	N/A	N/A	N/A	2.20%	5.00%	\$25
PF Lazard International Value	2.30%	N/A	N/A	N/A	N/A	2.30%	5.00%	\$25
PF Lazard Mid-Cap Value	2.30%	N/A	N/A	N/A	N/A	2.30%	5.00%	\$25
PF MFS International Large-Cap	2.50%	N/A	N/A	N/A	N/A	2.50%	5.00%	\$25
PF NB Fasciano Small Equity (formerly called Aggressive Growth)	2.45%	N/A	N/A	N/A	N/A	2.45%	5.00%	\$25
PF PIMCO Inflation Managed	2.05%	N/A	N/A	N/A	N/A	2.05%	5.00%	\$25
PF PIMCO Managed Bond	2.05%	N/A	N/A	N/A	N/A	2.05%	5.00%	\$25
PF Pacific Life Money Market	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PF Sal. Bros. Large-Cap Value	2.30%	N/A	N/A	N/A	N/A	2.30%	5.00%	\$25
PF Van Kampen Comstock	2.40%	N/A	N/A	N/A	N/A	2.40%	5.00%	\$25
PF Van Kampen Mid-Cap Growth	2.35%	N/A	N/A	N/A	N/A	2.35%	5.00%	\$25
PF Van Kampen Real Estate	2.55%	N/A	N/A	N/A	N/A	2.55%	5.00%	\$25

¹ Estimated Underlying Fund Expenses include advisory fees (or a blend of advisory fees in the case of the Portfolio Optimization Funds); distribution and service fees; and other expenses, including the fee paid to Pacific Life for providing or procuring for the funds' administrative services, transfer agency services, and shareholder services; plus custodial, legal, accounting and miscellaneous support services. Expenses are based on the most recent fiscal year as reported in the Pacific Funds' most recent prospectus, in the absence of a change that would materially affect the information. Expenses include reimbursements and fee waivers currently in place between Pacific Life and the funds. There is no guarantee that these reimbursements and fee waivers will continue in the future. For more information, refer to the current Pacific Funds prospectus and any supplements thereto.

² There are no additional Program Manager, State, Miscellaneous, or Annual Distribution fees beyond those already charged by the underlying funds, as provided in the first column under Estimated Underlying Fund Expenses. The Total Annual Asset-based Fee is assessed against assets over the course of the year and does not include sales charges or the annual account maintenance fee. Refer to the Cost Tables that show the total assumed investment cost over 1-, 3-, 5- and 10-year periods.

³ Refer to the contingent deferred sales charge (CDSC) table above.

⁴ There is a \$25 annual account maintenance fee for open accounts. This fee is waived for accounts with balances greater than \$25,000 or accounts with a systematic investment plan.

Class C shares:

When investing in Class C shares, you do not pay a front-end sales charge. However, if you sell your shares within 1 year of purchase, a contingent deferred sales charge (CDSC) of 1% will be deducted from your withdrawal. The CDSC is applicable for all withdrawals from your 529 plan account, except for withdrawals due to the death, disability or receipt of scholarship of the beneficiary. Refer to the current Pacific Funds prospectus, and any supplements thereto, for more information.

Following are the estimated net operating expenses for Class C shares of each investment option available in the Pacific Funds 529 Plan (MT). Refer to the Pacific Funds prospectus for more details. Note that the fees and expenses are not guaranteed and may increase.

Investment Options	Annual Asset-Based Fees					Additional Investor Expenses		
	Estimated Underlying Fund Expenses ¹	Program Manager Fee	State Fee	Misc. Fee	Annual Distribution Fee	Total Annual Asset-based Fee ²	Maximum Deferred Sales Charge ³	Annual Account Maintenance Fee
PF Portfolio Optimization								
Model A	2.07%	N/A	N/A	N/A	N/A	2.07%	1.00%	\$25
Model B	2.13%	N/A	N/A	N/A	N/A	2.13%	1.00%	\$25
Model C	2.23%	N/A	N/A	N/A	N/A	2.23%	1.00%	\$25
Model D	2.28%	N/A	N/A	N/A	N/A	2.28%	1.00%	\$25
Model E	2.33%	N/A	N/A	N/A	N/A	2.33%	1.00%	\$25
PF AIM Blue Chip	2.40%	N/A	N/A	N/A	N/A	2.40%	1.00%	\$25
PF Goldman Sachs Short Duration Bond	2.05%	N/A	N/A	N/A	N/A	2.05%	1.00%	\$25
PF Janus Growth LT	2.20%	N/A	N/A	N/A	N/A	2.20%	1.00%	\$25
PF Lazard International Value	2.30%	N/A	N/A	N/A	N/A	2.30%	1.00%	\$25
PF Lazard Mid-Cap Value	2.30%	N/A	N/A	N/A	N/A	2.30%	1.00%	\$25
PF MFS International Large-Cap	2.50%	N/A	N/A	N/A	N/A	2.50%	1.00%	\$25
PF NB Fasciano Small Equity (formerly called Aggressive Growth)	2.45%	N/A	N/A	N/A	N/A	2.45%	1.00%	\$25
PF PIMCO Inflation Managed	2.05%	N/A	N/A	N/A	N/A	2.05%	1.00%	\$25
PF PIMCO Managed Bond	2.05%	N/A	N/A	N/A	N/A	2.05%	1.00%	\$25
PF Pacific Life Money Market	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PF Sal. Bros. Large-Cap Value	2.30%	N/A	N/A	N/A	N/A	2.30%	1.00%	\$25
PF Van Kampen Comstock	2.40%	N/A	N/A	N/A	N/A	2.40%	1.00%	\$25
PF Van Kampen Mid-Cap Growth	2.35%	N/A	N/A	N/A	N/A	2.35%	1.00%	\$25
PF Van Kampen Real Estate	2.55%	N/A	N/A	N/A	N/A	2.55%	1.00%	\$25

¹ Estimated Underlying Fund Expenses include advisory fees (or a blend of advisory fees in the case of the Portfolio Optimization Funds); distribution and service fees; and other expenses, including the fee paid to Pacific Life for providing or procuring for the funds' administrative services, transfer agency services, and shareholder services; plus custodial, legal, accounting and miscellaneous support services. Expenses are based on the most recent fiscal year as reported in the Pacific Funds' most recent prospectus, in the absence of a change that would materially affect the information. Expenses include reimbursements and fee waivers currently in place between Pacific Life and the funds. There is no guarantee that these reimbursements and fee waivers will continue in the future. For more information, refer to the current Pacific Funds prospectus and any supplements thereto.

² There are no additional Program Manager, State, Miscellaneous, or Annual Distribution fees beyond those already charged by the underlying funds, as provided in the first column under Estimated Underlying Fund Expenses. The Total Annual Asset-based Fee is assessed against assets over the course of the year and does not include sales charges or the annual account maintenance fee. Refer to the Cost Tables that show the total assumed investment cost over 1-, 3-, 5- and 10-year periods.

³ The CDS of 1% is applicable on sales of shares within 1 year of purchase.

⁴ There is a \$25 annual account maintenance fee for open accounts. This fee is waived for accounts with balances greater than \$25,000 or accounts with a systematic investment plan.

Additional Fees:

There are no additional fees, including cancellation, change of beneficiary, change in account owner, change of investment option, etc., beyond those already indicated in the Fee Tables above.

Investment Cost Chart for Direct Purchases by Montana Residents:

If you purchase the Pacific Funds 529 Plan (MT) directly from Pacific Funds, without the assistance of an investment professional, the following table provides the approximate cost of each investment option over different periods of time. Your actual cost may be higher or lower. The table is based on the following assumptions:

- You invest \$10,000 for the time periods shown.
- Your investment has an annually compounded rate of return of 5% on the net amount invested throughout the period.
- All shares are redeemed at the end of the period shown for qualified higher education expenses (the table does not consider the impact of potential state or federal taxes on the withdrawal).
- The examples reflect the Total Annual Asset-based Fees shown in the Fee Tables, taking into consideration the contractual expense waivers currently in place for the funds through 6/30/06. Refer to the Pacific Funds current prospectus, and any supplements thereto, for additional information on the expense waivers.

Approximate Cost of \$10,000 Investment

Investment Option	1 Year	3 Years	5 Years	10 years
PF Portfolio Optimization				
Model A	208	928	1,670	3,629
Model B	209	896	1,607	3,494
Model C	217	904	1,614	3,500
Model D	225	935	1,668	3,606
Model E	237	1,013	1,808	3,887
PF AIM Blue Chip	205	706	1,234	2,680
PF Goldman Sachs Short Duration Bond	171	614	1,083	2,380
PF Janus Growth LT	194	731	1,295	2,829
PF Lazard International Value	200	717	1,262	2,750
PF Lazard Mid-Cap Value¹	208	798	-	-
PF MFS International Large-Cap	237	937	1,659	3,573
PF NB Fasciano Small Equity (formerly called Aggressive Growth)	235	940	1,669	3,596
PF PIMCO Inflation Managed	170	604	1,065	2,340
PF PIMCO Managed Bond	175	646	1,144	2,516
PF Pacific Life Money Market	130	516	926	2,074
PF Salomon Brothers Large-Cap Value	195	678	1,188	2,588
PF Van Kampen Comstock	213	782	1,377	2,989
PF Van Kampen Mid-Cap Growth	203	716	1,257	2,734
PF Van Kampen Real Estate¹	230	841	-	-

¹ Only 1-year and 3-year examples are shown for the PF Lazard Mid-Cap Value and PF Van Kampen Real Estate Funds since these funds are new and do not yet have a full fiscal year of expenses. These funds will have expenses beyond year three.

Investment Cost Chart for Purchases through an Investment Professional:

If you purchase the Pacific Funds 529 Plan (MT) through an investment professional, the following table is intended to help you compare the cost of investing in Class A, Class B and Class C shares of each investment option over different periods of time. Your actual cost may be higher or lower. The table is based on the following assumptions:

- You invest \$10,000 in the noted class of shares for the time periods shown.
- Your investment has an annually compounded rate of return of 5% on the net amount invested throughout the period.
- All shares are redeemed at the end of the period shown for qualified higher education expenses (the table does not consider the impact of potential state or federal taxes on the withdrawal).
- The examples reflect the Total Annual Asset-based Fees shown in the Fee Tables, taking into consideration the contractual expense waivers currently in place for the funds through 6/30/06. Refer to the Pacific Funds current prospectus, and any supplements thereto, for additional information on the expense waivers.
- The investor pays the applicable maximum initial sales charge (without regard to possible breakpoints) for Class A shares (as indicated in Fee Structure A) and any CDSC applicable to shares invested for the applicable periods for Class B and C shares (as indicated in Fee Structures B and C).
- The calculations do not take into consideration the \$25 annual account maintenance fee.
- In the case of the 10-year investment period, the annual costs shown for Class B shares assume shares are converted to Class A shares in the beginning of the 9th year.

Approximate Cost of \$10,000 Investment

Fee Structure/Share Class	1 Year					3 Years				
	A	B ¹	B ²	C ¹	C ²	A	B ¹	B ²	C ¹	C ²
Investment Options										
PF Portfolio Optimization										
Model A	747	759	259	359	259	1,427	1,474	1,074	1,074	1,074
Model B	747	759	259	359	259	1,397	1,443	1,043	1,043	1,043
Model C	755	767	267	367	267	1,404	1,451	1,051	1,051	1,051
Model D	763	775	275	375	275	1,434	1,482	1,082	1,082	1,082
Model E	774	787	287	387	287	1,507	1,558	1,158	1,158	1,158
PF AIM Blue Chip	744	755	255	355	255	1,217	1,256	856	856	856
PF Goldman Sachs Short Duration Bond	712	722	222	322	222	1,130	1,165	765	765	765
PF Janus Growth LT	734	745	245	345	245	1,241	1,281	881	881	881
PF Lazard International Value	739	750	250	350	250	1,228	1,267	867	867	867
PF Lazard Mid-Cap Value	747	759	259	359	259	1,304	1,346	946	946	946
PF MFS International Large-Cap	774	787	287	387	287	1,435	1,483	1,083	1,083	1,083
PF AIM Aggressive Growth	772	785	285	385	285	1,438	1,486	1,086	1,086	1,086
PF PIMCO Inflation Managed	711	721	221	321	221	1,121	1,156	756	756	756
PF PIMCO Managed Bond	715	725	225	325	225	1,161	1,197	797	797	797
PF Pacific Life Money Market	130	N/A	N/A	N/A	N/A	516	N/A	N/A	N/A	N/A
PF Sal. Bros. Large-Cap Value	734	745	245	345	245	1,191	1,228	828	828	828
PF Van Kampen Comstock	752	763	263	363	263	1,289	1,331	931	931	931
PF Van Kampen Mid-Cap Growth	742	753	253	353	253	1,227	1,266	866	866	866
PF Van Kampen Real Estate	767	780	280	380	280	1,344	1,388	988	988	988

Fee Structure/Share Class	5 Years					10 Years				
	A	B ¹	B ²	C ¹	C ²	A	B ¹	B ²	C ¹	C ²
Investment Option										
PF Portfolio Optimization										
Model A	2,128	2,108	1,908	1,908	1,908	3,979	3,962	3,962	4,070	4,070
Model B	2,068	2,046	1,846	1,846	1,846	3,852	3,833	3,833	3,942	3,942
Model C	2,075	2,053	1,853	1,853	1,853	3,857	3,838	3,838	3,947	3,947
Model D	2,127	2,106	1,906	1,906	1,906	3,958	3,940	3,940	4,048	4,048
Model E	2,259	2,243	2,043	2,043	2,043	4,224	4,210	4,210	4,314	4,314
PF AIM Blue Chip	1,716	1,683	1,483	1,483	1,483	3,083	3,052	3,052	3,170	3,170
PF Goldman Sachs Short Duration Bond	1,573	1,535	1,335	1,335	1,335	2,799	2,764	2,764	2,886	2,886
PF Janus Growth LT	1,773	1,742	1,542	1,542	1,542	3,223	3,195	3,195	3,312	3,312
PF Lazard International Value	1,743	1,710	1,510	1,510	1,510	3,149	3,119	3,119	3,237	3,237
PF Lazard Mid-Cap Value ³	-	-	-	-	-	-	-	-	-	-
PF MFS International Large-Cap	2,118	2,097	1,897	1,897	1,897	3,926	3,908	3,908	4,016	4,016
PF AIM Aggressive Growth	2,127	2,106	1,906	1,906	1,906	3,948	3,930	3,930	4,038	4,038
PF PIMCO Inflation Managed	1,556	1,518	1,318	1,318	1,318	2,762	2,726	2,726	2,849	2,849
PF PIMCO Managed Bond	1,632	1,596	1,396	1,396	1,396	2,928	2,895	2,895	3,015	3,015
PF Pacific Life Money Market	926	N/A	N/A	N/A	N/A	2,074	N/A	N/A	N/A	N/A
PF Sal. Bros. Large-Cap Value	1,672	1,638	1,438	1,438	1,438	2,996	2,964	2,964	3,083	3,083
PF Van Kampen Comstock	1,851	1,822	1,622	1,622	1,622	3,374	3,348	3,348	3,463	3,463
PF Van Kampen Mid-Cap Growth	1,738	1,705	1,505	1,505	1,505	3,134	3,104	3,104	3,222	3,222
PF Van Kampen Real Estate ³	-	-	-	-	-	-	-	-	-	-

¹ Assumes redemption at the end of the period

² Assumes no redemption

³ Only 1-year and 3-year examples are shown for the PF Lazard Mid-Cap Value and PF Van Kampen Real Estate Funds since these funds are new and do not yet have a full fiscal year of expenses. These funds will have expenses beyond year three.

FEDERAL AND STATE TAX CONSIDERATIONS

The following discussion is intended only as a summary of certain tax aspects of the Program, and is subject to change as tax law and regulations change. Account owners should consult with their tax adviser regarding their individual circumstances.

What are the federal tax considerations associated with investing in the Pacific Funds 529 College Savings Plan (MT)?

The Program has been structured to qualify as a “qualified tuition program” described in section 529 of the Internal Revenue Code. Section 529 includes special tax treatment of amounts held in and withdrawn from accounts established under qualified tuition programs. Neither the Pacific Funds 529 Plan (MT) nor the BOR has sought a ruling that the Program is a “qualified tuition program” and neither the BOR (nor the state of

Montana nor any instrumentality thereof), nor Pacific Funds, Pacific Life, CSB nor the Program can make any warranty that the Program is a “qualified tuition program.” The description of tax considerations below assumes that the Program is a qualified tuition program. The U.S. Treasury has not issued final regulations under section 529. The issuance and adoption of such regulations and/or other guidance by the U.S. Treasury, the BOR and/or the Montana legislature could modify or restrict the benefits of 529 plans and could also necessitate changes and/or restrictions in the Pacific Funds 529 Plan (MT).

Federal Income Tax on Account Earnings and Withdrawals: Earnings on accounts will not be subject to federal income tax upon withdrawal if they are (1) used to pay the qualified higher education expenses of the designated beneficiary, (2) transferred (within 60 days of withdrawal) to an account under the Program or another qualified tuition program for the benefit of another designated beneficiary who is a member of the family of the initial designated beneficiary, or (3) transferred to another qualified tuition program for the benefit of the same designated beneficiary (this transfer exception is available only once in any 12-month period with respect to a designated beneficiary). Account owners and designated beneficiaries will need to maintain adequate records to support claims that distributions were used to pay qualified higher education expenses. The earnings portion of other withdrawals will be included in the gross income of the distributee (either the account owner or the designated beneficiary) and taxed at ordinary income tax rates. Generally, if you receive a taxable distribution, you must also pay an additional 10% federal tax on the amount included in income. This additional tax does not apply to distributions: (1) paid to a designated beneficiary (or the estate of the designated beneficiary) on or after the death of the designated beneficiary; (2) made because the designated beneficiary is disabled; (3) made because the designated beneficiary received a qualified scholarship excludable from gross income, veterans’ educational assistance, employer-provided educational assistance, or any other nontaxable payments (other than gifts, bequests or inheritances) received for educational expenses, but in each case only to the extent that the distribution is not more than the scholarship, allowance or payment; (4) the earnings on which are included in income only because the qualified education expenses were taken into account in determining the Hope or Lifetime Learning Credit; or (5) taken as a result of the designated beneficiary attending a military academy (subject to any limitations set forth in the Internal Revenue Code of 1986, as amended).

Sunset Provision: The exclusion from income for the earnings portion of qualified withdrawals and certain rollovers and the 10% federal tax expire at the end of 2010. If these provisions are not extended and section 529 of the Code is not otherwise amended, the earnings portion of qualified withdrawals will be included in the distributee’s income for federal tax purposes.

Contributions – Federal Gift Tax and Generation-skipping Transfer Tax: For federal gift tax purposes, a contribution to an account is treated as a gift to the designated beneficiary. Accordingly, the gift is eligible for the annual \$11,000 exclusion amount (as adjusted for inflation) for gifts by each donor to each designated beneficiary. If a contributor gives more than \$11,000 (\$22,000 for married couples) to an account for any designated beneficiary, the donor may elect to average the contribution and treat it as a gift made ratably over the 5-year period beginning with the year of the contribution. Up to \$55,000 can be contributed per beneficiary in a single year without federal gift tax (\$110,000 if married, filing jointly). Contributions in excess of the annual exclusion amounts will be applied against the contributor’s lifetime exclusion from the estate and gift tax before resulting in gift tax. In applying the \$11,000 exclusion, other gifts from the donor to the designated beneficiary during the year must also be taken into account. Contributions to accounts for grandchildren in excess of the annual exclusion amounts will be subject to the generation-skipping transfer tax, but each individual is entitled to a \$1,100,000 exemption (as adjusted for inflation) from such tax. If a contributor makes the 5-year averaging election and dies before the end of the 5-year period, amounts that would have been ratably allocated to the period after the donor’s death will be included in the donor’s taxable estate. A change of designated beneficiary will constitute a gift from the former designated beneficiary only if the new beneficiary is a generation below the former designated beneficiary.

Federal Estate Tax: For purposes of the federal estate tax, the value of an account will not be treated as part of the taxable estate of an account owner who is not a designated beneficiary. If amounts are distributed as a result of the death of the designated beneficiary, the amounts distributed will be included in the estate of the designated beneficiary. Generation-skipping tax may apply if the new designated beneficiary is two or more generations below the former designated beneficiary. If a contributor makes the 5-year averaging election and dies before the end of the 5-year period, amounts that would have been ratably allocated to the period after the donor’s death will be included in the donor’s taxable estate.

What are the state income tax considerations associated with investing in the Pacific Funds 529 College Savings Plan (MT)?

Residents of all states are eligible to participate in the Pacific Funds 529 Plan (MT). For Montana residents, Montana state income tax rules follow the federal income tax rules with respect to the Plan. In addition, up to \$3,000 of contributions to the Program can be deducted annually from Montana adjusted gross income (\$6,000 if married, filing jointly). The tax considerations of participation in the Program vary from state to state. If you live or have taxable income in another state other than Montana and your state has implemented a qualified tuition program under section 529 of the Internal Revenue Code, favorable state tax or other benefits may be available if you invest in your state's plan. The benefits may not be available to you if you invest in the Pacific Funds 529 Plan (MT). You should consider such tax treatment or other benefits before making an investment decision, and consult your tax adviser or tax preparer to determine the state tax considerations of participation in the Program.

In general, if a state's income tax law conforms with the federal income tax law, (1) an account owner who is a resident of the state should not recognize income on account earnings that are not distributed and (2) the account owner or designated beneficiary should be required to include distributed earnings in income to the extent they are included in federal taxable income.

If a state's definition of taxable income or adjusted gross income does not conform to the federal definition and the state does not have an explicit provision addressing the tax considerations of qualified tuition programs, the tax considerations to an account owner may be unclear. The earnings on an account may be included in the account owner's state taxable income when earned, or the state may explicitly or implicitly follow the federal tax rules.

Most states that have gone beyond just tracking the federal code and have adopted special income tax deductions for contributions to qualified tuition programs have not extended the special incentives to contributions to out-of-state section 529 programs.

Montana Deduction: Montana permits each Montana taxpayer who contributes to the Montana Family Education Savings Program (which includes the Pacific Funds 529 Plan (MT) and the CollegeSure[®] CD) to subtract from their Montana adjusted gross income the amount contributed up to \$3,000 per taxpayer per year. Married taxpayers may each deduct \$3,000, so that the maximum subtraction from a joint return is \$6,000. The contributions must be made to an account owned by the contributor, the contributor's spouse, or the contributor's child or stepchild (under an UGMA/UTMA account) if the child or stepchild is a Montana resident. Spouses may elect to treat half of the total contributions made by the spouses as being made by each spouse.

Montana Recapture Tax: Montana imposes a recapture tax at a rate equal to the highest marginal tax rate under the Montana income tax code on the recapturable withdrawal of deducted contributions. A recapturable withdrawal is a nonqualified withdrawal or any distribution from an account if made within three years after the account was opened. If the account owner redeems the CollegeSure[®] CD to rollover the investment into the Pacific Funds 529 Plan (MT), there are no recapture taxes; however, College Savings Bank may impose early redemption penalties if the CD is redeemed prior to maturity. In addition, if the account owner requests a rollover from a Pacific Funds 529 Plan (MT) to the CollegeSure[®] CD, no recapture tax or CDSC (if applicable) would be imposed.

If the account owner is a Montana resident, the account owner has the responsibility of reporting and paying any recapture tax that may be due. Neither the Program Manager nor Pacific Funds will withhold the tax.

The Program Manager or the Investment Manager is required to withhold the "potential recapture tax" from any "potentially recapturable withdrawal" if the account was at any time owned by a Montana resident but is no longer owned by a Montana resident. A "potentially recapturable withdrawal" is any withdrawal made within three years after the account is opened and any other withdrawal that the account owner did not certify was a qualified withdrawal or a withdrawal on account of death, disability or scholarship. If you are subject to a potential recapture tax and are intending to make a potentially recapturable withdrawal but do not believe that the entire contribution portion of the withdrawal should be subject to tax, you may petition the Montana Department of Revenue to determine the proper amount of the tax in accordance with section 42.15.804(7) of the Administrative Rules of Montana.

A taxpayer who desires to make a potentially recapturable withdrawal for which withholding would be required may petition the Montana Department of Revenue to determine the proper amount of the potential recapture tax. The petition should include all facts relevant to the proposed withdrawal, including information about the account and other accounts owned by the taxpayer, and evidence to show that all or a portion of the contribution component of the potentially recoverable withdrawal is not attributable to deductible contributions. If the Montana Department of Revenue is satisfied with the evidence, it shall issue a letter determining the potential recapture tax to be withheld. For accounts that were at any time owned by a resident of Montana, but at the time of the withdrawal request the account owner is not a Montana resident, this letter should be submitted to Pacific Funds along with the Distribution Request form. If this letter is not submitted, then Pacific Funds shall be entitled to assume that all contributions to the account were tax deductible for purposes of determining the potential recapture tax and process the distribution and recapture tax accordingly.

To permit proper documentation and records for claiming (and, if necessary recapturing) Montana tax deductions, a Montana resident who intends to make a deductible contribution to an account should contribute only to an account that they own individually or that the contributor owns jointly with their spouse. See a tax adviser for additional information and guidance on the potential recapture tax applicable for certain types of withdrawals.

How do 529 plans interact with other tax-related college savings incentives?

Federal tax law provides a variety of education-related tax incentives, including (1) Coverdell Education Savings Accounts (ESAs), formerly known as Education IRAs, (2) tax-free redemptions of U.S. savings bonds if used to pay eligible education expenses, (3) Hope Scholarship Credit, (4) Lifetime Learning Credit, and (5) for 2002 through 2005, a deduction for qualified higher education expenses.

Taxpayers may make tax-free withdrawals from an ESA or, subject to income requirements, tax-free redemptions of U.S. savings bonds to deposit the assets in a 529 plan account.

As a general rule, the same qualified higher education expenses may not be used to obtain benefits under more than one tax incentive. For example, a taxpayer who has \$2,500 of higher education expenses may not treat those expenses as paid with both a \$2,500 withdrawal from an ESA and a \$2,500 withdrawal from a qualified tuition plan. Qualified higher education expenses for purposes of the ESA and qualified tuition program rules are reduced by expenses for which a Hope Scholarship Credit or Lifetime Learning Credit is claimed.

There is one important exception to the general rule: The deduction for qualified higher education expenses described above may be claimed for expenses that are treated as paid with the portion of a qualified withdrawal that is not treated as earnings. For example, if a qualified withdrawal consisting of \$500 of earnings and \$2,000 of contributions is used to pay tuition, the \$2,000 portion of the tuition payment may be eligible for the new deduction for qualified higher education expenses.

What if the account is an “entity-owned” account?

The descriptions included in this section may apply only to account owners who are individuals, UGMA/UTMA custodians and spouses owning a joint account. Corporations, partnerships, trusts and other entities that wish to contribute to or own accounts should seek counsel on how tax rules will apply to their transfer of funds and to the accounts that they own. Business entities should be aware that their contributions to accounts or withdrawals from the accounts to pay qualified higher education expenses may constitute employment compensation (if the designated beneficiary is or was an employee or a family member of an employee) or constructive dividends or distributions (if the designated beneficiary is an owner or a family member of an owner of the entity).

Where can I find additional information about the tax considerations of participation in a qualified tuition program?

Internal Revenue Service Publication 970, “Tax Benefits for Education” provides helpful guidance on qualified tuition programs and other tax benefits for education. The publication can be downloaded from the IRS website at www.irs.gov.

IMPORTANT LEGAL NOTICES

- 1) **No State or Other Guarantee:** The Pacific Funds 529 College Savings Plan (MT) is approved and issued by the state of Montana and offered through the Montana Family Education Savings Program (MFESP). A MFESP account is not insured by the State of Montana or any other entity and neither the principal invested nor the investment return is guaranteed by the State of Montana or any other entity.
- 2) **Compliance with Section 529:** Although the Program was structured to comply with section 529 of the Internal Revenue Code, there is no guarantee that the Internal Revenue Service will treat the Program as a “qualified tuition program” for purposes of section 529. Neither the BOR (nor the State of Montana nor any other instrumentality of the state of Montana) nor Pacific Life nor Pacific Funds nor CSB makes any warranty that the MFESP is a “qualified tuition program” under section 529.
- 3) **Expiration of Tax Law Changes:** Changes enacted under the 2001 Tax Bill (EGTRRA), including the favorable tax treatment of certain distributions from 529 plans, are due to expire in 2010. If Congress does not act to extend the provisions, among other things, all withdrawals and other distributions from 529 plans after 2010 will be subject to tax. The expiration would adversely affect 529 plans funded both before and after 2011.
- 4) **No Tax or Legal Advice:** Neither BOR, CSB, Pacific Life, nor Pacific Funds, nor their representatives give tax or legal advice. You should consult a tax adviser and attorney regarding specific situations.
- 5) **Municipal Fund Securities:** Pacific Funds 529 Plan (MT) accounts are considered municipal fund securities issued by the State of Montana and have not been registered under the Securities Act of 1933 or with any state in reliance upon an exemption from registration available for obligations issued by a public instrumentality of a state.
- 6) **Termination of Investment Options, Program Manager, and/or Investment Manager:** The BOR has the right to change the investment options available in the Plan at any time and the right to change the Program Manager and/or Investment Manager at the end of each contract period. In addition, the BOR has the right to terminate its contract with CSB for cause at any time; and it can move investments from CSB and Pacific Funds. In the event the BOR selects a different program manager, the investment options could be replaced with investment options and funds sponsored by other financial institutions. In such case, the BOR will seek replacement instruments that are as similar as possible to the original investments.
- 7) **Inconsistencies:** This document is intended as a summary of the rules applicable to the Program. Every effort has been made to properly reflect in this document the applicable provisions of the Enabling Law, the policies and procedures adopted by the BOR, the Participating Trust Agreement, the contract pursuant to which CSB is serving as Program Manager, and federal and state income tax laws, all of which are available for review by the general public. Neither the BOR, CSB, Pacific Life nor Pacific Funds shall be liable for any inconsistency between this summary and the applicable provisions governing the administration and operation of the Program.
- 8) **Privacy Policy Notice:** Pacific Funds is committed to protect the privacy and security of the personal information that we collect about our customers. Refer to the accompanying Pacific Funds prospectus brochure for a copy of the Pacific Funds Privacy Statement. Refer to CSB’s current privacy statement. Pacific Funds provides information concerning Pacific Funds 529 Plan (MT) accounts, including but not limited to account balances, social security numbers, and named beneficiaries, to CSB and the BOR on behalf of the State of Montana.
- 9) **Bankruptcy Protection:** The Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (the 2005 Bankruptcy Act) provides new bankruptcy protections for education savings of a debtor invested in an account. Funds that an account owner has paid or contributed to their account for the account owner’s child, stepchild or grandchild at least 365 days before the account owner files a bankruptcy petition are not property of the bankruptcy estate and therefore are shielded from creditors’ claims. The amount of qualified tuition program funds that qualify for the bankruptcy exclusion pursuant to the 2005 Bankruptcy Act are subject to two separate limits: (1) the bankruptcy exclusion cannot exceed the amount needed to provide for the designated beneficiary’s qualified education expenses, which amount is

determined based on the educational expense category of the Consumer Price Index as in effect on the date of the bankruptcy filing; and (2) qualified tuition program funds, in excess of \$5,000, that the account owner paid or contributed to the account between 720 days and 365 days before the filing date of the bankruptcy petition will not be excluded from the bankruptcy estate and therefore will not be protected from the claims of creditors. Please note that this new bankruptcy protection under the 2005 Bankruptcy Act does not take effect until October 17, 2005, and, therefore, does not apply to bankruptcy cases begun prior that date.

PARTICIPATING TRUST AGREEMENT (“AGREEMENT”)

AGREEMENT FOR THE PACIFIC FUNDS 529 COLLEGE SAVINGS PLAN (MONTANA)

The Account Owner (“you”), the Montana Board of Regents of Higher Education, as the trustee (the “Trustee”), of the Montana Family Education Savings Trust (the “Trust”), College Savings Bank (“Program Manager”), agree as follows:

1. Management of the Plan

The Pacific Funds 529 College Savings Plan (MT) (the “Plan”) was created under the Montana Family Education Savings Program (the “Program”). The Program and the Trust were established pursuant to the State of Montana (the “State”) “Family Education Savings Act,” Ch. 540, L. 1997 as amended by Ch. 468, L.2001, and Ch. 549, L. 2005. The Program was designed by the state of Montana to qualify for treatment as a qualified tuition program under Section 529 of the Internal Revenue Code of 1986, as amended (together with any regulation and other guidance issued thereunder, collectively referred to as “Section 529”). The Trustee administers the Trust and has appointed College Savings Bank and Pacific Funds to provide management, administration, record keeping and transfer agency services for the Plan within the Trust. The Plan is described in the Plan Description Handbook.

2. Definitions

Capitalized terms used in this Participating Trust Agreement shall have the meanings set forth below or indicated above. Any terms not defined in this Participating Trust Agreement shall have the meanings given them in the Plan Description Handbook.

“**Account**” means the account established with the money you contribute to the Plan that creates an interest in the Trust and provides for participation in the Program. You may open more than one Account for the same Designated Beneficiary.

“**Account Application**” means the Pacific Funds 529 College Savings Plan (MT) Account Application.

“**Account Owner**”, “you” or “your” means the person who enters into a Participating Trust Agreement and is designated at the time an Account is opened as having the right to withdraw funds from the Account before such funds are disbursed to or for the benefit of the Designated Beneficiary of the Account. An Account may be owned jointly by spouses. The Account Owner may be an individual in his or her capacity as a custodian under a Uniform Transfers or Gifts to Minors Act. An Account Owner also means a successor Account Owner.

“**Designated Beneficiary**” or “**Beneficiary**” means the person that is designated at the time the Account is opened as the person whose higher education expenses are expected to be paid from the Account, or if a Beneficiary is changed in accordance with the Program rules, the successor Beneficiary. In the case of a scholarship account, the entity opening the Account shall be the Beneficiary until the entity designates a Beneficiary.

“**Eligible Educational Institution**” means an institution of higher education that qualifies under Section 529 as an eligible educational institution.

“**Member of the Family**” means a family member as defined in Section 529.

“**Nonqualified Withdrawal**” means a withdrawal from an Account other than a Qualified Withdrawal, a withdrawal made as a result of the death or disability of the Designated Beneficiary, a withdrawal that is made due to the receipt of a scholarship, only to the extent of the amount of the scholarship, or a rollover or change of Beneficiary.

“**Pacific Funds**” means the shares of certain series of the Pacific Funds, a Delaware statutory trust registered as an open-end management investment company with the Securities and Exchange Commission. Only those series of the Pacific Funds that, from time to time, have been approved by the Trustee will be available under the Plan. The Pacific Funds serve as the “**Investment Options**” available in the Plan.

“Participating Trust Agreement” or “Agreement” means this agreement, which creates an interest in the Trust and that provides for participation in the Program.

“Plan Description Handbook” means the Plan Description Handbook for the Pacific Funds 529 College Savings Plan (MT), including this Participating Trust Agreement, as amended and supplemented from time to time.

“Program Manager” refers to College Savings Bank as selected by the Trustee to provide services in connection with the Plan.

“Qualified Higher Education Expenses” means tuition, fees, books, supplies, room and board and equipment required for enrollment or attendance of the Designated Beneficiary at an Eligible Educational Institution and expenses for special needs services in the case of a special needs beneficiary that are incurred in connection with enrollment or attendance, if these expenses meet the definition of Qualified Higher Education Expenses in Section 529.

“Qualified Withdrawal” means a withdrawal from an Account to pay the Qualified Higher Education Expenses of the Designated Beneficiary of the Account.

“Section 529” means Section 529 of the Internal Revenue Code of 1986, as amended, and the final regulations issued pursuant to the section. Section 529 of the Internal Revenue Code contains provisions governing the tax treatment of qualified tuition programs.

“Trust” means the Montana Family Education Savings Trust.

3. Accounts and Beneficiaries

A. Opening Accounts. You may open one or more Accounts. The purpose of each Account is to provide for the Qualified Higher Education Expenses, as defined in Section 529, of one Beneficiary.

B. Separate Accounts. The Trust will maintain one or more separate Accounts for each Beneficiary. Each Account will be governed by this Agreement and Montana law and regulations and Section 529 (collectively referred to as “Applicable Law”). All assets held in your Account(s) will be held for the exclusive benefit of you and your Beneficiary

C. Naming and Changing Beneficiaries. You will name a single Beneficiary for an Account in the Account Application. You can change the Beneficiary at any time without adverse tax consequences provided the new Beneficiary is a Member of the Family of the current Beneficiary. The designation of the new Beneficiary will be effective on the day the completed form is received by Pacific Funds (if received before 4 p.m. EST). You may not change the Beneficiary of a UGMA/UTMA 529 Plan Account. A change of Beneficiary will result in the assignment of a new Account number.

4. Investments

A. Investments to be in Cash. All investments must be in cash, which means only (i) checks, (ii) electronic funds transfers from your bank, (iii) payroll deductions made by your employer, (iv) funds wired through the Federal Reserve System and (v) proceeds transferred from another 529 plan account, a brokerage account, or other financial institution account.

B. Minimum Initial Investment. The initial investment in each Account will be at least \$500 per Investment Option, and the minimum subsequent contribution is \$50 per Investment Option, except that in the case of contributions through preauthorized investment plans or payroll deduction, the initial minimum contribution of \$500 is waived.

C. Additional Investments. You may make additional investments of at least \$50 per Investment Option at any time, subject to the overall limit described in the next paragraph.

D. Maximum Balance Limit. As described by Applicable Law, the Trust will set from time to time a maximum Account balance value (“Maximum Balance”) which will limit the amount of contributions that may be made to

Accounts for any one Beneficiary. To the extent that contributions would result in an aggregate balance in all the Accounts in excess of the Maximum Balance, the excess will not be accepted and will be returned to you. The Maximum Balance is set forth in the Plan Description Handbook and is subject to change at any time by the Trustee. The balance in any Account held for a Beneficiary, regardless of the account owner or owners, will be aggregated with the balances in all other Accounts for the same Beneficiary, and any other accounts under the Montana Program for the same Beneficiary, in applying the Maximum Balance.

E. Right to Refuse Contributions. Contributions may be refused if the Trustee or Program Manager believes that the contributions appear to be an abuse of the Plan.

5. Investment Options

A. You can choose from the Investment Options established by the Plan for the investment of assets in the Account as identified in the current Plan Description Handbook. Your investments in the Plan are invested in the Investment Options selected by you and the assets are held by the Trust.

B. The Trust invests the assets of each Investment Option in one or more underlying mutual funds (the "Underlying Funds") and any other instruments as may be approved by the Trustee in the future. Money invested in any of the Investment Options will remain in that particular Investment Option until withdrawn or reallocated at your instruction.

C. You may reallocate the assets in the Account among the different Investment Options once per calendar year and at any time with a change in the Beneficiary of the Account.

NOTE: The Investment Options are not insured or guaranteed by the Federal Deposit Insurance Corporation, the State, the Trust, the Trustee, any other government agency, the Program Manager, or Pacific Funds.

6. Distributions from Accounts

You may direct the Trustee to distribute part or all of the money in an Account at any time, subject to any fees, penalties and additional tax that may be applicable as described below and in the Plan Description Handbook, or as required by Applicable Law.

A. You must complete a Distribution Request form and provide it to the Program Manager with any other information required by the Trustee or Program Manager. The Trustee may change the form from time to time.

B. Either the Trustee or you may terminate an Account at any time upon written notice to the other party and in accordance with Applicable Law. If you or the Account's Beneficiary have provided false or misleading information to the Trust, the Program Manager or an eligible educational institution, the Trustee may take such action as permitted by Applicable Law, including terminating the Account. Upon termination, the remaining Account balance will be distributed to you and contributions and earnings thereon will be subject to federal and any applicable state taxes, including the additional 10 percent federal tax on earnings for Nonqualified Withdrawals and, if applicable, sales charges as described in the Plan Description Handbook and the prospectus for Pacific Funds.

7. Your Representations and Acknowledgments

You hereby represent and warrant to, and agree with, the Trust and the Program Manager as follows:

A. You have received and read the document entitled Plan Description Handbook and the Pacific Funds current prospectus and have carefully reviewed all the information contained therein, including the discussion of risks of investing in the Plan and selecting any particular Investment Option. You have been given an opportunity within a reasonable time prior to the date of this Agreement to ask questions and receive answers concerning (i) an investment in the Plan, (ii) the terms and conditions of the Trust, and (iii) this Agreement and to obtain such additional information necessary to verify the accuracy of any information furnished. You have had the opportunity to ask questions of the Program Manager and have received satisfactory answers to any questions asked.

B. You acknowledge and agree that the Plan Description Handbook's terms are incorporated by reference into this Agreement. You have not relied on any representations or other information regarding the program, oral or written, other than as set forth in the Plan Description Handbook and in this Agreement.

C. You understand that:

(i) **The value of your Account will increase or decrease based on the value of the Underlying Funds in which the Investment Options (you have selected) have invested;**

(ii) **The value of any Account may be more or less than the amount you invested in the Account;**

(iii) **The value of the Account may not be adequate to fund the Beneficiary's actual higher education expenses;**

(iv) **The intended tax advantages for the Account may be affected by future changes in tax laws and regulations or Program regulations; and**

(v) **There is no guarantee of a rate of return or interest on your Account, and none of the Trust, the Trustee, the State, the Program Manager or Pacific Funds or any other Person is liable for any loss incurred by you as a result of participating in the Plan. Neither the Account, your contributions to the Trust, nor any rate of return on the contributions is insured by the State of Montana.**

D. You agree that all investment decisions for each Investment Option will be made by the Program Manager or any other adviser hired by the Trust, and that you will not direct the investment among any funds or other assets of any funds invested in any Investment Option, either directly or indirectly.

E. You understand that (i) your contributions are being paid to the Trust, (ii) you are purchasing interests issued by the Trust which are municipal fund securities, (iii) you have no right or legal interest in any investment by the Trust with contributions received under this Agreement, and (iv) as an Account Owner, you are not a shareholder in any of the Underlying Funds and have no rights of a shareholder.

F. You understand that so long as College Savings Bank serves as the Program Manager to the Trust, it will invest the assets of the Investment Options primarily or exclusively in mutual funds offered by Pacific Funds, and that any successor Program Manager may invest in any mutual funds registered with the United States Securities and Exchange Commission or other investments approved by the Trustee.

G. You understand that:

(i) at any time you may select one or more Investment Options for future investments in the Trust, but

(ii) you may transfer assets in an Account among Investment Options only

(a) once each calendar year, or

(b) upon a change of Beneficiary.

H. You also understand that any Investment Option or Underlying Fund may, at any time, be merged, terminated, reorganized or cease accepting new contributions, and any such action may result in contributions being reinvested in an Investment Option that is different from the Investment Option in which contributions originally were invested.

I. You acknowledge and agree that participation in the Plan does not guarantee that any Beneficiary: (i) will be accepted as a student by any institution of higher education; (ii) if accepted, will be permitted to continue as a student; (iii) will be treated as a state resident of any state for tuition purposes; (iv) will graduate from any institution of higher education; or (v) will achieve any particular treatment under applicable state or federal financial aid programs. You also understand that participation in the Plan does not guarantee in-state tuition rates.

J. You acknowledge and agree that no Account will be used as collateral for any loan. Any attempted use of an Account as collateral for a loan will be void.

K. You acknowledge and agree that you may not assign or transfer any interest in any Account except as allowed by Section 529 or any Montana law or regulations. Any attempted assignment or transfer of such an interest will be void. You understand that you may select a successor Account Owner to whom the Account will be assigned in the event of your death.

L. You acknowledge and agree that the Trust will not loan any assets to you or any Beneficiary.

M. You agree and acknowledge that the Plan is established and maintained by the State pursuant to Montana law and is intended to qualify for certain federal income tax consequences under Section 529. You further acknowledge that such federal and state laws are subject to change, sometimes with retroactive effect, and that none of the State, the Trust, the Trustee, the Program Manager or any adviser or consultant retained by the Trust makes any representation that such state or federal laws will not be changed or repealed.

N. You understand that unless Congress enacts additional legislation, the changes under the Tax Act as described in the Plan Description Handbook that took effect for taxable years beginning after December 31, 2001, will not apply for taxable years beginning after December 31, 2010, and that the law in effect prior to January 1, 2002, will again become the applicable law for taxable years beginning after December 31, 2010. You understand that such a change in law may have adverse tax and other consequences. You understand that you should consider the potential effect such a change in law could have on your investments under the Plan before establishing an Account.

O. You understand that: (i) the state(s) where you live or pay taxes may offer a Section 529 savings plan, (ii) that such Section 529 savings plan may offer you state income tax or other benefits not available through the Plan, and (iii) it may be advisable for you to consult with a tax adviser regarding the state tax consequences of investing in the Plan.

P. You certify that all information provided by you in the Account Application or otherwise is, and shall be, accurate and complete, and you agree to notify the Trustee or the Program Manager promptly of any changes in such information.

Q. You agree that each contribution to the Account shall constitute a representation by you that each contribution (together with the balance then on deposit in the Account and other Accounts known by you to have been established under the Trust for the same Beneficiary, including any other accounts under the Montana Program for the same Beneficiary) will not cause the aggregate balances in such Accounts at that time to be in excess of the amount reasonably believed by you to be necessary to provide for the Beneficiary's future higher education expenses and in any event will not cause such aggregate balances to exceed the Maximum Balance then in effect.

R. You acknowledge that, if you open your Account through a financial advisor, the Program Manager may periodically provide such financial advisor with information regarding your Account.

8. Fees and Expenses

The Account is subject to the following fees and expenses to pay for the costs of managing and administering the Plan, the Trust and the Accounts and all other expenses deemed necessary or appropriate by the Trustee:

A. Annual Account Maintenance Fee(s). An annual \$25 maintenance fee will be assessed on all new accounts. The maintenance fee will be waived for Montana residents opening a Pacific Funds 529 Plan directly from Pacific Funds and all other accounts opened at Net Asset Value (NAV).

B. Sales Charges. The Plan offers investors Class A, Class B and Class C of each Investment Option, except for the PF Pacific Life Money Market Fund, which only offers Class A shares. Each class is subject to different types and levels of sales charges, and bears different levels of expenses. Montana residents can open an Account directly from Pacific Funds without paying the applicable front-end sales charges and the

annual Account maintenance fee. Refer to the Plan Description Handbook for more information about the sales charges.

C. Indirect Fees. You agree and acknowledge that, in addition to the fees described above, each of the Underlying Funds held in the Investment Options also will have investment management fees and other expenses that you will pay indirectly. You will pay the costs associated with investing in the underlying Pacific Funds. The fees relating to your Account will vary depending on the funds and share class selected. Refer to the Fee Tables in the Plan Description Handbook and the Pacific Funds prospectus for the fund expenses that will apply.

9. Payment of Fees and Expenses

The Plan may liquidate assets in your Account to pay any fees, expenses or liabilities owed to the Trustee, the Trust, the Program Manager, or certain other entities performing services related to the Plan.

10. Necessity of Qualification

The Trust intends to qualify for favorable federal tax treatment under Section 529. You agree and acknowledge that qualification under Section 529 is vital, and agree that the Trustee may amend this Agreement upon a determination that such an amendment is required to maintain such qualification.

11. Duties of the Trustee and the Program Manager

Neither the Trustee nor the Program Manager has any duty to determine or advise you of the investment, tax, or other consequences of your actions, of their actions in following your directions, or of their failing to act in the absence of your directions. You should consult your tax, legal, and investment advisers regarding your specific situation.

12. Reporting

The Pacific Funds will send you, at least quarterly, reports that show the value of the Account and activity in the Account during the previous quarter. If applicable, the Pacific Funds will provide tax reporting as required under Section 529 and other Applicable Law. You agree to provide all information that the Trustee or the Pacific Funds may need to comply with any legal reporting requirements. You are responsible for filing federal tax returns and any other reports required by law.

13. Participant's Indemnity

You recognize that each Account will be established based upon your statements, agreements, representations and warranties set forth in this Agreement. You agree to indemnify and to hold harmless the Trust, the Trustee, the State, the Program Manager, Pacific Funds and any representatives of the Trust, the Trustee, the State, the Program Manager or Pacific Funds from and against any and all loss, damage, liability or expense, including costs of reasonable attorney's fees, to which they may be put or which they may incur by reason of, or in connection with, (i) any misstatement or misrepresentation made by you or any Beneficiary of yours, (ii) any breach by you of the acknowledgments, representations or warranties contained herein, or (iii) any failure by you to fulfill any portion of this Agreement. You agree that all of your statements, representations and warranties will survive the termination of this Agreement.

14. Amendment and Termination

Nothing contained in the Plan Description Handbook or this Agreement is an agreement or representation by the Trustee or any other person that it will continue to maintain the Trust or the Plan indefinitely. No provision of this Agreement can be amended or waived except in writing signed by an authorized representative of the Trustee. The Trustee may from time to time amend, terminate or suspend the Plan and may also amend or terminate this Agreement by giving written notice to you, so long as after the action, the assets in the Account are still held for the exclusive benefit of you and the Beneficiary. A termination of the Plan or this Agreement may result in a Nonqualified Withdrawal for which taxes and penalties may be assessed.

15. Effective Date; Incorporation of Application

This Agreement shall become effective between the Trustee, the Program Manager and you upon the acceptance of your signed Account Application by or on behalf of the Trustee. The Account Application executed by you with respect to the Account is incorporated herein, and this Agreement is expressly incorporated into each such Account Application, so that together this Agreement and the Account Application shall constitute the contract between the Trustee, the Program Manager and you with respect to the Account. Your execution of the Account Application will also be considered execution of this Agreement.

This Agreement is also binding, effective January 1, 2006, with respect to all Accounts opened before October 1, 2005, whether or not the Account owner executes a new Application or formal consent. 16. Applicable Law

This Agreement is governed by the laws of Montana without reference to its conflicts of laws.

17. Severability

In the event that any clause, provision, or portion of this Agreement is found to be invalid or unenforceable by a court of competent jurisdiction, that clause or portion will be severed from this Agreement and the remainder shall continue in full force and effect as if such clause or portion had never been included.

18. Binding Nature

This Agreement shall be binding upon the parties and their respective heirs, successors, beneficiaries and permitted assigns. You agree that all of your representations and obligations under this Agreement shall be for the benefit of the Trustee and the Program Manager who can rely upon and enforce them.

19. Extraordinary Events

The Trustee, the Program Manager, and Pacific Funds shall not be liable for losses caused directly or indirectly by government restrictions, exchange or market rulings, suspension of trading, war, acts of terrorism, strikes or other conditions beyond their control.

20. Communications

For purposes of this Account Owner Agreement, communications will be sent to you at the permanent address that you specify in your Account Application or at such other permanent address that you give to Pacific Funds in writing. All communications so sent will be deemed to be given to you personally upon such sending, whether or not you actually receive them.

21. Information Collection Respecting Federal Anti-Money Laundering Laws

No Account will be created hereunder without each prospective Account Owner providing the Pacific Funds with their name, address, date of birth and Social Security Number or tax identification number (or jurisdiction of domicile and EIN for non-individual Account Owners), and any other information as may be required by Title III of the USA Patriot Act or regulations promulgated thereunder by the U.S. Department of the Treasury. The Program Manager is empowered to (and cause other to) collect, retain and disclose such information to the maximum extent permitted or required by such federal laws and regulations.



PACIFIC FUNDS

Mailing address:

Pacific Funds 529 Plan

P.O. Box 9768

Providence, RI 02940-9768

(800) 722-2333

www.collegesavings.PacificLife.com

Investors should carefully consider the fund investment objectives, risks, charges, limitations and expenses of Pacific Funds. This and other information about Pacific Funds is in the prospectus available from your registered representative or by calling (800) 722-2333. Read the prospectus carefully before investing. Share values will fluctuate, and, when redeemed, may be worth more or less than the original cost.

The Pacific Funds 529 College Savings Plan (MT) is approved and issued by the state of Montana and offered through the Montana Family Education Savings Program. Changes enacted under the 2001 Tax Bill (EGTRRA), including the favorable tax treatment of certain distributions from 529 plans, are due to expire in 2010. If Congress does not act to extend the provisions, among other things, all withdrawals and other distributions from 529 plans after 2010 will be subject to tax. The expiration would adversely affect 529 plans funded both before and after 2011.

Neither the account nor the principal nor the investment return is guaranteed or insured by the state of Montana, by Pacific Funds, by Pacific Life or by College Savings Bank. Withdrawals for expenses other than qualified higher education expenses are subject to income tax and an additional 10% federal tax on earnings. Montana residents have the option of purchasing a Pacific Funds 529 Plan at Net Asset Value (NAV). Investors that are residents of states other than Montana, should consider, before investing, whether their state offers any tax or other benefits not available through an investment in the Pacific Funds 529 Plan (MT). Neither the state of Montana, nor Pacific Life nor Pacific Funds, nor College Savings Bank nor their representatives give tax or legal advice. You should consult your tax adviser and attorney regarding your specific situation.

Pacific Funds and Pacific Funds 529 College Savings Plans are distributed by **Pacific Select Distributors, Inc.** (member MSRB, NASD & SIPC), a subsidiary of Pacific Life Insurance Company, and are available through licensed third party broker/dealers. The Pacific Funds 529 College Savings Plan may only be sold through broker/dealers that are also members of the MSRB.

MONTANA BOARD OF REGENTS OF HIGHER EDUCATION
Policy and Procedures Manual

SUBJECT: INFORMATION TECHNOLOGY

Policy 1308 – Disposal of Computer Storage Devices (New)

Effective _____; Issued _____

SCOPE

This policy applies to all campuses of the Montana University System including the Office of the Commissioner of Higher Education and to all departments, offices, and employees thereof. It addresses disposal of electronic information storage devices owned by campuses of the Montana University System, including those contained within or attached to personal computers, servers, laptops, PDAs, or any other computing devices, accessory equipment, or stand alone devices that store electronic data, information, and/or software programs.

This policy does not apply to electronic information storage devices, as described above, that are used by a campus of the Montana University System but are owned by a contractor, granting agency, service provider, or other entity that is external to the Montana University System, or is used exclusively for the purpose of supporting grant- or contract-related activities where the granting agency or contractor retains ownership of data associated with the activity.

PURPOSE

When information technology (IT) equipment is in normal use, it is assumed that the entity to which the equipment is assigned (the “Owner”) is responsible for guaranteeing appropriate security for all information stored on or maintained by that equipment. When the owner wishes to dispose of that equipment, explicit action must be taken to assure that confidential information does not remain accessible to a new owner. The responsibility of assuring that information security is maintained during disposal ultimately falls to the chief executive officer of the campus where the equipment is located but may, at the CEO’s discretion, be delegated to the original owner, a central campus authority such as the campus IT department, or to a specific individual. For purposes of this policy, the party to whom the campus CEO assigns this operational responsibility for assuring information security will hereinafter be called the “Responsible Party.”

Sensitive information includes data required by federal or state law to be protected from disclosure to individuals and entities both inside and outside of the Montana University System. For purposes of this policy, sensitive information also includes proprietary software that is licensed to campuses of the Montana University System, which must be protected against unauthorized distribution.

This policy outlines disposal requirements for protecting these IT assets by either of two methods: (1) destruction of the IT device; or, (2) complete removal of all electronic data from the computer storage device. The responsible party must perform at least one of these actions before disposing of the device.

DEFINITIONS

Owner	The MUS department, division, or other administrative unit that is directly responsible for the management and maintenance of the computer and/or computer storage device or media.
Disposal	An authorized change of ownership for an IT storage device -- the original owner disposes of the device and gives up responsibility; a new owner obtains the device and accepts responsibility. As a special case the device is destroyed -- there is no new owner and responsibility for management ceases.
Computer Storage Device	Includes, but is not limited to: personal computers with hard drives, servers with hard drives, other assets with hard drives or loose/unattached hard drives.
Cleaning or Cleaned	A process used to assure that data is destroyed or removed from an IT storage device. This may be achieved by physical destruction of the device or by the proper use of specialized software utility programs that overwrite the data so that it is unrecoverable. Note: This cleaning process is also known as a “sanitizing” or “scrubbing” process.

Removable storage Media	Includes, but is not limited to: floppy diskettes, compact disks (CD's), magnetic tapes, digital video devices (DVD's), Zip media, Flash media, and all other similar removable media.
Physical Destruction	To incinerate, pulverize, shred, or melt or otherwise destroy the computer storage device, removable storage media, or component so as to render it incapable of storing or retrieving electronic data or software programs.

DISPOSAL REQUIREMENTS

All computer storage devices and removable storage media must be cleaned prior to disposal, regardless of how their owner chooses to dispose of them. This includes but is not limited to internal transfers, transfers between campuses and/or state agencies, disposal through standard surplus equipment processes, and donation to a public school or to the Office of Public Instruction. Owners disposing equipment through the state Property and Supply Bureau's surplus equipment program should contact their campus property management office or the Property and Supply Bureau for any additional requirements.

The owner must work with the Responsible Party designated for that campus to assure that disposal conforms to the following requirements.

1. All data maintained specifically by the owner and any software programs that are licensed exclusively to the owner must be removed from storage devices and/or media prior to their disposal, except that legally licensed operating system software (e.g., Microsoft Windows) that is tied to a specific computer serial number and which may be legally transferred with the computer to another licensee, may remain on (or may be restored to) the storage device following the cleaning process. (**Note:** Because of the varying circumstances under which computers may have been acquired, it is the responsibility of the owner to determine, prior to transferring any licensed operating system software, whether it is legally permissible to do so.)
2. Alternatively, if data and/or software programs contained on the storage device and/or media cannot be removed according to the following process, then that device and/or media must be destroyed.
3. To remove data and software from rewritable storage devices or media, the Responsible Party must use a Department of Defense (DoD) 5220.22-compliant sanitation program or an equivalent method of removal or destruction of data and software (such as high-intensity degaussing of magnetic storage media) that will effectively sanitize the hard drive. To be DoD 5220.22-compliant, programs must use the DoD's "three-pass" process to: (1) overwrite all electronically addressable locations on the device with a character; (2) overwrite it again with the same character's complement bit configuration; and then (3) overwrite it again with a random character. Finally, the program must perform a verification process to assure that the cleaning has been accomplished.

Software products are available, both freeware and purchased, that comply with DoD requirements for storage cleaning. See the State of Montana's software standards at <http://www.discoveringmontana.com/itsd/policy/ByCategory.asp> for a list of acceptable products.

For more information from the DoD regarding the topic of Automated Information System Security, see the Department of Defense three pass process at http://www.dtic.mil/whs/directives/corres/pdf/522022m_0195/cp8.pdf.

4. If the data storage device cannot be put through this process because it is not functional or because it is not rewritable, the device must be physically destroyed.
5. All removable storage media must be cleaned using a method such as high-intensity degaussing or must be physically destroyed.
6. The owner is responsible for maintaining documentation on all electronic data storage devices (e.g., PCs, laptops, servers, PDAs) that have been either destroyed or sanitized. The owner must retain these records for two years following disposal.

The disposal records shall contain the following information:

- a. Device identification (vendor serial number or equivalent)
- b. Date of cleaning
- c. Employee name performing cleaning

- d. Method of cleaning
- e. Destination/new owner of device (includes “destroyed/none”)
- f. Responsible Party sign-off

IMPLEMENTATION

If the campus CEO has explicitly assigned a specific campus unit or person as the Responsible Party, an owner **MUST** transfer all computers and removable storage media to that Responsible Party for disposal, even if the final destination is another on-campus unit. In the absence of the explicit assignment of this responsibility to a specific unit or person, the owner retains full responsibility to clean computers and media before disposing of them in any manner.

BACKGROUND

This policy is based in large part on a similar policy created by the Information Technology Security Office of the Information Technology Services Division for the State of Montana. Information contained in this policy originated from the Section 1-0250.00, MOM.

ITEM 130-107-R0306

Distribution of Timber Sales Revenue

THAT:

The Board of Regents of Higher Education elects to designate trust land timber sales revenue as distributable revenue in years beginning with FY2006.

EXPLANATION:

When SB 511 amended §§ 77-1-109 and 17-3-1003(1), MCA, in 2001, it was understood that the Regents would have discretion to direct timber sales revenue either to the permanent fund or as distributions to the campus beneficiaries of the trusts. In 2002, pursuant to that discretion, the Board of Regents adopted Policy 901.12, in which the Board elected to designate timber sales revenue as non-distributable permanent fund revenue. A major reason for the election was that the Department of Natural Resources and Conservation (DNRC) was at that time not withholding administrative assessments on revenue designated as non-distributable.

In FY2004, DNRC began withholding assessments on all university timber sales revenue (except revenue from Morrill Act lands). This factor removed the incentive to designate the revenue as non-distributable.

In the fall of 2004, the Legislative Auditor advised DNRC that timber sale revenue must be distributed, so in FY2005, DNRC distributed the revenue to the campuses. In the fall of FY2006, the Legislative Auditor reversed his previous opinion and agreed that the Regents may elect to distribute or reinvest timber sales revenue. At this point, given these developments, the Board of Regents needs to elect how to treat these revenues for the future. The revenue is currently being distributed to the campuses on a monthly basis.

The affected campuses have all requested distribution of the revenues. All have said they will use the money as set forth in Policy 901.12, for the repayment of debt to which these revenues are pledged, the elimination or reduction of chronic or material negative fund balances, or for deferred maintenance and equipment and fixed asset expenditures not recurring in nature.

ATTACHMENTS:

FY06 – FY08 DNRC Timber Sales Revenue Projections

ITEM 130-107-R0306

**FOREST PRODUCT SALES
GROSS REVENUE PROJECTIONS – REVISED
FY06 – FY08**

November 30, 2005

TRUST	FY06 REVENUE	FY07 REVENUE	FY08 REVENUE
Common Schools	\$10,442,308	\$10,332,807	\$10,362,481
Public Buildings	1,020,286	1,361,376	1,605,512
MSU – Morrill	176,920	180,714	183,026
State Reform School	299,302	445,760	452,181
Montana Tech	190,223	333,317	387,584
Deaf & Blind School	259,395	305,205	310,874
State Normal School	748,920	436,390	401,041
MSU – 2nd	727,636	697,421	608,291
University of Montana	40	40	40
Total	\$13,865,030	\$14,093,030	\$14,311,030

**NET REVENUE PROJECTIONS - REVISED
FY06 – FY08**

November 30, 2005

TRUST	FY06 REVENUE	FY07 REVENUE	FY08 REVENUE
Common Schools	\$7,850,000	\$7,719,000	\$7,700,000
Public Buildings	767,000	1,017,000	1,193,000
MSU – Morrill (1)	133,000	135,000	136,000
State Reform School	225,000	333,000	336,000
Montana Tech	143,000	249,000	288,000
Deaf & Blind School	195,000	228,000	231,000
State Normal School	563,000	326,000	298,000
MSU – 2 nd	547,000	521,000	452,000
University of Montana	30	30	30
Total	\$10,423,030	\$10,528,030	\$10,634,030

- (1) MSU-Morrill Grant net revenue figures include timber sale account costs related to this grant. These costs have not been reallocated to the other grants. The division is seeking a general fund appropriation to cover the management costs of this grant.

ALLOCATION MODEL STUDY GROUP MEETING SCHEDULE

- Nov 10-11, 2005 Meeting at Fairmont with Dennis Jones
- Established objectives
 - Reviewed MT economic and demographic situation
 - Reviewed COE model types in use
 - Reviewed current MT allocation model
 - Developed COE model concepts and to-do lists
- January 5, 2006 Met in Helena with Dennis Jones
- Dennis Jones presented draft peer lists
 - Discussed peer selection process
 - Discussed preliminary data for revenue levels and mixes
 - Work groups discuss enrollment corridors, current services budget, state/student funding ratios, and fee waivers.
- January 25, 2006 Met in Helena
- Discussed revenue and mix targets relative to peer values
 - Discussed concept of enrollment corridors
 - Discussed options for addressing affordability of 2-Yr programs
- February 16, 2006 Met in Helena
- Discussed recommendation and presentation to the Regents

MUS and Peer Institution Revenue and Revenue Mix Distributions

	FTE Enrollment	Campus Revenue / FTE	Peer Median revenue / FTE	Current Campus % of median		Campus Revenue Proportional Split	Peer Revenue Proportional Split
UM Missoula	11,808						
Total Revenue		\$8,592	\$11,989	71.7%			
Tuition		5,412	5,210	103.9%		63.0%	43.5%
State Appropriations		3,180	6,653	47.8%		37.0%	56.5%
MT Tech	1,960						
Total Revenue		\$10,230	\$12,076	84.7%			
Tuition		3,884	3,857	100.7%		38.0%	31.9%
State Appropriations		6,346	6,682	95.0%		62.0%	68.1%
Western	955						
Total Revenue		\$8,778	\$8,100	108.4%			
Tuition		3,697	2,891	127.9%		42.1%	35.7%
State Appropriations		5,081	5,008	101.5%		57.9%	64.3%
Helena COT	689						
Total Revenue		\$6,479	\$7,822	82.8%			
Tuition		2,251	1,894	118.8%		34.7%	24.2%
State Appropriations		4,229	5,435	77.8%		65.3%	75.8%
MSU Bozeman	10,516						
Total Revenue		\$9,597	\$12,870	74.6%			
Tuition		5,667	4,449	127.4%		59.0%	34.6%
State Appropriations		3,929	7,785	50.5%		41.0%	65.4%
MSU Billings	3,802						
Total Revenue		\$8,514	\$8,508	100.1%			
Tuition		4,681	2,935	159.5%		55.0%	34.5%
State Appropriations		3,833	5,396	71.0%		45.0%	65.5%
Northern	1,242						
Total Revenue		\$10,087	\$9,022	111.8%			
Tuition		4,003	3,236	123.7%		39.7%	35.9%
State Appropriations		6,085	4,827	126.1%		60.3%	64.1%
Great Falls COT	965						
Total Revenue		\$6,415	\$7,897	81.2%			
Tuition		2,560	2,248	113.9%		39.9%	28.5%
State Appropriations		3,855	5,444	70.8%		60.1%	71.5%

ALLOCATION MODEL STUDY GROUP KEY FINDINGS SUMMARY

TOTAL REVENUE

- 5 of 8 MUS campuses below the peer median values for total revenue per FTE student.
- The two largest MUS campuses and the two COT's are the farthest below median:

Missoula	72%
Bozeman	75%
Great Falls	81%
Helena	83%

TUITION

- MUS campuses generate more tuition revenue per student than peer median values.
- MUS campuses generate a higher proportion of total revenue from tuition.

STATE SUPPORT

- All campuses receive a lower proportion of their total revenue with state funds than peer median values

General conclusions

- Difficult to allocate the existing state funds away from any MUS campus without making the current problems more severe.

- To effect change, significant, new, long-term commitment of the state's leadership and resources needed over several biennia.

Recommendations

- Continue to track these data, but do not reallocate funds between campuses at this time.

- Focus on reducing the tuition reliance at the COT's.

PRESENT LAW BUDGET PROJECTION PLUS PAY PLAN
Montana University System -- 2009 Biennium
ED UNITS ONLY

	FY07 Revised	FY08 Increment	FY08 Projection	FY09 Increment	FY09 Projection
ENROLLMENT					
Resident	26,826	204	27,030	201	27,231
Nonresident	5,212	60	5,272	56	5,328
WUE	1,534	119	1,653	(51)	1,602
Total Enrollment	33,572	383	33,955	206	34,161
EXPENDITURES					
Salaries & Benefits	244,229,924	11,883,711	256,113,634	11,773,173	267,886,807
Faculty Termination Pay	2,455,122	894,033	3,349,155	360,825	3,709,980
TOTAL PERSONAL SERVICES	246,685,046	12,777,744	259,462,789	12,133,998	271,596,787
State Fixed Costs	4,358,691	281,405	4,640,096	(319,550)	4,320,546
Utilities	12,680,188	1,376,028	14,056,216	438,753	14,494,969
IT Fixed Costs	3,667,949	220,077	3,888,026	233,282	4,121,307
Library Acquisitions	7,762,174	543,352	8,305,526	581,387	8,886,913
New Space	-	619,060	619,060	732,511	1,351,571
All Other Operating Costs	31,523,745	609,594	32,133,339	786,638	32,919,977
TOTAL OPERATING COSTS	59,992,747	3,649,516	63,642,263	2,453,021	66,095,284
Fee Waivers (Est. Tuition incr)	25,152,090	1,769,232	26,921,322	1,511,897	28,433,219
Fee Waivers (Utilization)		1,674,990	1,674,990	664,581	2,339,571
Adjustment for Enrollment		1,780,787	1,780,787	958,502	2,739,289
TOTAL EXPENDITURES	331,829,883	21,652,269	353,482,152	17,721,999	371,204,151

Annual % Increase (w/o ENR growth adj)	6.0%	4.8%	5.4%
Annual % increase (with ENR growth adj)	6.5%	5.0%	5.8%
Annual % increase (net of waivers-tuition)	6.5%	5.0%	5.7%

REVENUE

PL BUDGET PROJECTION

State Funds	125,625,013	7,419,020	133,044,033	6,290,727	139,334,760		
Tuition	194,522,687	14,546,910	209,069,597	11,367,562	220,437,159		
Super Tuition & CUF Fees	8,450,456	56,697	8,507,153	53,626	8,560,779		
Other University Revenue	3,231,727	(370,358)	2,861,369	10,083	2,871,453		
TOTAL REVENUE	331,829,883	21,652,269	353,482,152	17,721,999	371,204,151		
State Funds as % of Total	37.9%		37.6%		37.5%	GF Total	21,128,767
Tuition/Other as % of Total	59.6%		60.0%		60.2%		
Biennial Tuition Revenue Increase (gross)					40,461,382		
Estimated Annual Tuition Rate Increase					6.9%		

TUITION INCREASES AVG OF 5% PER YEAR, STATE FUNDS BALANCE

State Funds	125,625,013	11,965,930	137,590,943	7,658,289	145,249,232		
Tuition	194,522,687	10,000,000	204,522,687	10,000,000	214,522,687		
Super Tuition & CUF Fees	8,450,456	56,697	8,507,153	53,626	8,560,779		
Other University Revenue	3,231,727	(370,358)	2,861,369	10,083	2,871,453		
TOTAL REVENUE	331,829,883	21,652,269	353,482,152	17,721,999	371,204,151		
State Funds as % of Total	37.9%		38.9%		39.1%	GF Total	31,590,149
Tuition/Other as % of Total	59.6%		58.7%		58.6%		
Biennial Tuition Revenue Increase (gross)					30,000,000		
Estimated Annual Tuition Rate Increase					4.8%		

	FY07 Revised	FY08 Increment	FY08 Projection	FY09 Increment	FY09 Projection
ENROLLMENT					
Resident	8,158	4	8,162	7	8,169
Nonresident	2,163	12	2,175	11	2,186
WUE	391	(1)	390	-	390
Total Enrollment	10,712	15	10,727	18	10,745
EXPENDITURES					
Salaries & Benefits	86,339,399	4,171,457	90,510,856	4,135,034	94,645,890
Faculty Termination Pay	701,622	598,378	1,300,000	50,000	1,350,000
TOTAL PERSONAL SERVICES	87,041,021	4,769,835	91,810,856	4,185,034	95,995,890
State Fixed Costs	2,051,601	7,356	2,058,957	(48,780)	2,010,177
Utilities	4,575,198	544,872	5,120,070	148,401	5,268,471
IT Fixed Costs	908,577	54,515	963,092	57,785	1,020,877
Library Acquisitions	2,988,492	209,194	3,197,686	223,838	3,421,524
New Space	0	-	0	-	0
All Other Operating Costs	10,020,128	250,503	10,270,631	256,766	10,527,397
TOTAL OPERATING COSTS	20,543,996	1,066,440	21,610,436	638,010	22,248,446
Fee Waivers (Est. Tuition incr)	9,950,656	707,733	10,658,389	523,083	11,181,472
Fee Waivers (Utilization)		457,182	457,182	13,854	471,036
Adjustment for Enrollment		69,750	69,750	83,700	153,450
TOTAL EXPENDITURES	117,535,673	7,070,940	124,606,613	5,443,682	130,050,294

Annual % Increase (w/o ENR growth adj and fee waiver-tuition) 5.4% 3.9% 4.6%
 Annual % increase overall 6.0% 4.4% 5.2%

REVENUE

State Funds	39,461,372	2,121,809	41,583,181	1,800,549	43,383,730
Tuition (Net)	64,503,005	3,669,716	68,172,721	3,067,758	71,240,478
Fee Waivers	9,950,656	1,164,915	11,115,571	536,937	11,652,508
Super Tuition & CUF Fees	2,972,095	37,500	3,009,595	38,438	3,048,033
Other University Revenue	648,545	77,000	725,545	-	725,545
TOTAL REVENUE	117,535,673	7,070,940	124,606,613	5,443,682	130,050,294
State Funds as % of Total	33.6%		33.4%		33.4%
Tuition/Other as % of Total	55.4%		55.3%		55.3%

TUITION IMPACT	FY08			FY09		
	Tuition Revenue	Annual Tuition Increase per Student	Tuition Rate %	Tuition Revenue	Annual Tuition Increase per Student	Tuition Rate %
TOTAL	\$ 68,172,721	\$ 342.10	6.8%	\$ 71,240,478	\$ 285.51	4.7%
Exec Pay Plan	\$ 1,723,533	\$ 160.67	3.2%	\$ 2,137,291	\$ 198.91	3.3%
Current Services Budget	\$ 1,946,182	\$ 181.43	3.6%	\$ 930,467	\$ 86.60	1.4%
Present Law Adjustments						
Base	\$ 64,503,005			\$ 68,172,721		

	FY07 Revised	FY08 Increment	FY08 Projection	FY09 Increment	FY09 Projection
ENROLLMENT					
Resident	3,912	47	3,959	40	3,999
Nonresident	135	(16)	119	-	119
WUE	209	46	255	-	255
Total Enrollment	4,256	77	4,333	40	4,373

	FY07 Revised	FY08 Increment	FY08 Projection	FY09 Increment	FY09 Projection
EXPENDITURES					
Salaries & Benefits	23,767,097	1,129,119	24,896,216	1,157,533	26,053,749
Faculty Termination Pay	188,500	5,655	194,155	5,825	199,980
TOTAL PERSONAL SERVICES	23,955,597	1,134,774	25,090,371	1,163,357	26,253,728
State Fixed Costs	417,375	67,762	485,137	(60,441)	424,696
Utilities	1,478,999	140,046	1,619,045	55,611	1,674,656
IT Fixed Costs	500,000	30,000	530,000	31,800	561,800
Library Acquisitions	272,137	19,050	291,187	20,383	311,570
New Space	0	199,936	199,936	8,247	208,183
All Other Operating Costs	7,017,914	(23,059)	6,994,855	174,871	7,169,726
TOTAL OPERATING COSTS	9,686,425	433,734	10,120,159	230,472	10,350,631
Fee Waivers (Est. Tuition incr)	1,798,332	94,571	1,892,903	100,717	1,993,620
Fee Waivers (Utilization)		93,095	93,095	28,333	121,428
Adjustment for Enrollment		358,050	358,050	186,000	544,050
TOTAL EXPENDITURES	35,440,354	2,114,225	37,554,579	1,708,879	39,263,457

Annual % Increase (w/o ENR growth adj and fee waiver-tuition) 4.7% 3.8% 4.3%
 Annual % increase overall 6.0% 4.6% 5.3%

	FY07 Revised	FY08 Increment	FY08 Projection	FY09 Increment	FY09 Projection
REVENUE					
State Funds	16,130,908	1,105,828	17,236,736	706,805	17,943,541
Tuition (Net)	16,568,348	1,027,143	17,595,491	863,724	18,459,215
Fee Waivers	1,798,332	187,666	1,985,998	129,050	2,115,048
Super Tuition & CUF Fees	531,234	(792)	530,442	9,300	539,742
Other University Revenue	411,532	(205,621)	205,911	-	205,911
TOTAL REVENUE	35,440,354	2,114,225	37,554,579	1,708,879	39,263,457
State Funds as % of Total	45.5%		45.9%		45.7%
Tuition/Other as % of Total	47.9%		47.4%		47.5%

TUITION IMPACT	FY08			FY09		
	Tuition Revenue	Average Annual Tuition Increase per Student	Average Tuition Rate %	Tuition Revenue	Average Annual Tuition Increase per Student	Average Tuition Rate %
TOTAL	\$ 19,581,490	\$ 280.36	4.74%	\$ 20,574,263	\$ 227.02	4.16%
Exec Pay Plan	\$ 423,629	\$ 97.77	1.65%	\$ 525,170	\$ 120.09	2.20%
Current Services Budget	\$ 791,181	\$ 182.59	3.09%	\$ 467,603	\$ 106.93	1.96%
Present Law Adjustments						
Base	\$ 18,366,680			\$ 19,581,490		

	FY07 Revised	FY08 Increment	FY08 Projection	FY09 Increment	FY09 Projection
ENROLLMENT					
Resident	1,148	-	1,148	-	1,148
Nonresident	50	-	50	-	50
WUE	80	-	80	-	80
Total Enrollment	1,278	-	1,278	-	1,278

	FY07	FY08	FY08	FY09	FY09
EXPENDITURES					
Salaries & Benefits	8,625,278	482,186	9,107,464	438,377	9,545,841
Faculty Termination Pay	80,000	(35,000)	45,000	5,000	50,000
TOTAL PERSONAL SERVICES	8,705,278	447,186	9,152,464	443,377	9,595,841
State Fixed Costs	148,020	800	148,820	(33,684)	115,136
Utilities	604,756	100,227	704,983	15,205	720,188
IT Fixed Costs	600,000	36,000	636,000	38,160	674,160
Library Acquisitions	114,145	7,990	122,135	8,549	130,685
New Space	0	-	0	-	0
All Other Operating Costs	976,581	24,415	1,000,995	25,025	1,026,020
TOTAL OPERATING COSTS	2,443,502	169,432	2,612,933	53,255	2,666,189
Fee Waivers (Est. Tuition incr)	1,490,246	123,842	1,614,088	127,613	1,741,701
Fee Waivers (Utilization)		77,368	77,368	80,954	158,322
Adjustment for Enrollment		-	-	-	-
TOTAL EXPENDITURES	12,639,026	817,827	13,456,853	705,199	14,162,052

Annual % Increase (w/o ENR growth adj and fee waiver-tuitic) 5.5% 4.3% 4.9%
 Annual % increase overall 6.5% 5.2% 5.9%

REVENUE

State Funds	7,148,546	358,661	7,507,207	248,466	7,755,673
Tuition (Net)	3,897,234	257,956	4,155,190	248,166	4,403,356
Fee Waivers	1,490,246	201,210	1,691,456	208,567	1,900,023
Super Tuition & CUF Fees	73,000	-	73,000	-	73,000
Other University Revenue	30,000	-	30,000	-	30,000
TOTAL REVENUE	12,639,026	817,827	13,456,853	705,199	14,162,052
State Funds as % of Total	56.6%		55.8%		54.8%
Tuition/Other as % of Total	31.1%		31.1%		31.3%

TUITION IMPACT	FY08			FY09		
	Tuition Revenue	Annual Tuition Increase per Student	Tuition Rate %	Tuition Revenue	Annual Tuition Increase per Student	Tuition Rate %
TOTAL	\$ 5,846,646	\$ 359.28	7.90%	\$ 6,303,379	\$ 357.38	7.20%
Exec Pay Plan	\$ 131,211	\$ 102.67	2.26%	\$ 161,565	\$ 126.42	2.55%
Current Services Budget	\$ 327,955	\$ 256.62	5.64%	\$ 295,168	\$ 230.96	4.65%
Present Law Adjustments						
Base	\$ 5,387,480			\$ 5,846,646		

	FY07 Revised	FY08 Increment	FY08 Projection	FY09 Increment	FY09 Projection
ENROLLMENT					
Resident	1,250	139	1,389	70	1,459
Nonresident	20	5	25	-	25
WUE	1	1	2	(1)	1
Total Enrollment	1,271	145	1,416	69	1,485

EXPENDITURES

Salaries & Benefits	7,885,890	429,227	8,315,117	431,734	8,746,851
Faculty Termination Pay	15,000	10,000	25,000	-	25,000
TOTAL PERSONAL SERVICES	7,900,890	439,227	8,340,117	431,734	8,771,851
State Fixed Costs	166,631	19,581	186,212	(14,592)	171,620
Utilities	245,916	8,946	254,862	9,436	264,298
IT Fixed Costs	48,500	2,910	51,410	3,085	54,495
Library Acquisitions	39,070	2,735	41,805	2,926	44,731
New Space	0	291,600	291,600	97,200	388,800
All Other Operating Costs	277,925	5,073	282,998	5,200	288,198
TOTAL OPERATING COSTS	778,042	330,845	1,108,887	103,255	1,212,142
Fee Waivers (Est. Tuition incr)	260,000	20,186	280,186	25,253	305,439
Fee Waivers (Utilization)		12,780	12,780	7,668	20,448
Adjustment for Enrollment		674,250	674,250	320,850	995,100
TOTAL EXPENDITURES	8,938,932	1,477,288	10,416,220	888,761	11,304,981

Annual % Increase (w/o ENR growth adj and fee waiver-tuition)	8.8%	5.6%	7.2%
Annual % increase overall	16.5%	8.5%	12.5%

REVENUE

State Funds	4,799,342	775,507	5,574,849	423,744	5,998,593
Tuition (Net)	3,783,390	668,015	4,451,405	427,095	4,878,501
Fee Waivers	260,000	32,966	292,966	32,921	325,887
Super Tuition & CUF Fees	-	-	-	-	-
Other University Revenue	96,200	800	97,000	5,000	102,000
TOTAL REVENUE	8,938,932	1,477,288	10,416,220	888,761	11,304,981

State Funds as % of Total	53.7%	53.5%	53.1%
Tuition/Other as % of Total	43.4%	43.7%	44.1%

TUITION IMPACT	FY08			FY09		
	Tuition Revenue	Annual Tuition Increase per Student	Tuition Rate %	Tuition Revenue	Annual Tuition Increase per Student	Tuition Rate %
TOTAL	\$ 4,744,371	\$ 495.04	7.40%	\$ 5,204,388	\$ 309.78	8.40%
Exec Pay Plan	\$ 138,005	\$ 97.46	1.50%	\$ 168,191	\$ 113.26	3.20%
Current Services Budget	\$ 562,976	\$ 397.58	5.90%	\$ 291,826	\$ 196.52	5.20%
Present Law Adjustments						
Base	\$ 4,043,390			\$ 4,744,371		

	FY07 Revised	FY08 Increment	FY08 Projection	FY09 Increment	FY09 Projection
ENROLLMENT					
Resident	8,993	10	9,003	50	9,053
Nonresident	2,598	44	2,642	40	2,682
WUE	587	63	650	(50)	600
Total Enrollment	12,178	117	12,295	40	12,335

EXPENDITURES					
Salaries & Benefits	90,803,228	4,299,213	95,102,441	4,297,472	99,399,914
Faculty Termination Pay	1,250,000	250,000	1,500,000	300,000	1,800,000
TOTAL PERSONAL SERVICE	92,053,228	4,549,213	96,602,441	4,597,472	101,199,914
State Fixed Costs	1,168,247	56,596	1,224,843	(41,967)	1,182,876
Utilities	4,346,020	421,100	4,767,120	151,200	4,918,320
IT Fixed Costs	931,415	55,885	987,300	59,238	1,046,538
Library Acquisitions	4,017,146	281,200	4,298,346	300,884	4,599,230
New Space	0	-	0	457,864	457,864
All Other Operating Costs	9,265,248	218,811	9,484,059	224,281	9,708,340
TOTAL OPERATING COSTS	19,728,076	1,033,592	20,761,668	1,151,501	21,913,169
Fee Waivers (Est. Tuition incr)	9,157,934	599,500	9,757,434	548,660	10,306,094
Fee Waivers (Utilization)		833,734	833,734	382,033	1,215,767
Adjustment for Enrollment		544,050	544,050	186,000	730,050
TOTAL EXPENDITURES	120,939,238	7,560,090	128,499,328	6,865,666	135,364,994

Annual % Increase (w/o ENR growth adj and fee waiver-tuitic) 5.3% 4.8% 5.1%
 Annual % increase overall 6.3% 5.3% 5.8%

REVENUE					
State Funds	39,088,503	2,034,042	41,122,545	2,252,716	43,375,261
Tuition	75,980,393	5,778,887	81,759,280	4,612,950	86,372,230
Super Tuition & CUF Fees	4,311,153	15,000	4,326,153	-	4,326,153
Other University Revenue	1,559,189	(267,839)	1,291,350	-	1,291,350
TOTAL REVENUE	120,939,238	7,560,090	128,499,328	6,865,666	135,364,994
State Funds as % of Total	32.3%		32.0%		32.0%
Tuition/Other as % of Total	64.1%		64.6%		64.8%

	FY08			FY09		
	Tuition Revenue	Annual Tuition Increase per Resident	Tuition Rate %	Tuition Revenue	Annual Tuition Increase per Resident	Tuition Rate %
TUITION IMPACT						
TOTAL	\$ 81,759,280	\$ 217.00	5.52%	\$ 86,372,230	\$ 214.00	5.15%
Exec Pay Plan	\$ 1,911,526	\$ 72.00	1.83%	\$ 2,378,410	\$ 111.00	2.66%
Current Services Budget	\$ 3,867,360	\$ 145.00	3.69%	\$ 2,234,540	\$ 103.00	2.49%
Present Law Adjustments						
Base	\$ 75,980,393			\$ 81,759,280		

	FY07 Revised	FY08 Increment	FY08 Projection	FY09 Increment	FY09 Projection
ENROLLMENT					
Resident	1,725	(10)	1,715	20	1,735
Nonresident	193	11	204	-	204
WUE	130	8	138	-	138
Total Enrollment	2,048	9	2,057	20	2,077

EXPENDITURES					
Salaries & Benefits	15,257,544	755,624	16,013,169	758,392	16,771,560
Faculty Termination Pay	100,000	50,000	150,000	-	150,000
TOTAL PERSONAL SERVICES	15,357,544	805,624	16,163,169	758,392	16,921,560

State Fixed Costs	236,240	79,482	315,722	(46,601)	269,121
Utilities	983,983	126,517	1,110,500	48,100	1,158,600
IT Fixed Costs	609,303	36,558	645,861	38,752	684,613
Library Acquisitions	186,009	13,021	199,030	13,932	212,962
New Space	0	44,313	44,313	111,590	155,903
All Other Operating Costs	2,315,175	55,879	2,371,054	57,276	2,428,331
TOTAL OPERATING COSTS	4,330,710	355,770	4,686,480	223,049	4,909,529

Fee Waivers (Est. Tuition incr)	1,641,622	143,908	1,785,530	136,234	1,921,763
Fee Waivers (Utilization)		135,014	135,014	143,605	278,619
Adjustment for Enrollment		41,850	41,850	93,000	134,850
TOTAL EXPENDITURES	21,329,876	1,482,166	22,812,042	1,354,280	24,166,322

Annual % Increase (w/o ENR growth adj and fee waiver-tuition)	6.1%	5.0%	5.5%
Annual % increase overall	6.9%	5.9%	6.4%

REVENUE

State Funds	10,279,162	534,735	10,813,897	536,551	11,350,448
Tuition	10,296,736	946,777	11,243,513	816,274	12,059,786
Super Tuition & CUF Fees	362,974	654	363,628	1,455	365,083
Other University Revenue	391,004	-	391,004	-	391,004
TOTAL REVENUE	21,329,876	1,482,166	22,812,042	1,354,280	24,166,321

State Funds as % of Total	48.2%	47.4%	47.0%
Tuition/Other as % of Total	50.1%	51.0%	51.5%

TUITION IMPACT	FY08			FY09		
	Tuition Revenue	Annual Tuition Increase per Resident Student	Tuition Rate %	Tuition Revenue	Annual Tuition Increase per Resident Student	Tuition Rate %
TOTAL	\$ 11,243,513	\$ 378.00	8.06%	\$ 12,059,786	\$ 333.00	6.56%
Exec Pay Plan	\$ 268,013	\$ 107.00	2.28%	\$ 331,670	\$ 136.00	2.67%
Current Services Budget	\$ 678,764	\$ 271.00	5.78%	\$ 484,604	\$ 197.00	3.89%
Present Law Adjustments						
Base	\$ 10,296,736			\$ 11,243,513		

2009 Biennium Present Law Budget Estimate PLUS PAY PLAN
UM-WESTERN

updated 02/28/2006

	FY07 Revised	FY08 Increment	FY08 Projection	FY09 Increment	FY09 Projection
ENROLLMENT					
Resident	909	3	912	3	915
Nonresident	47	4	51	5	56
WUE	130	2	132	-	132
Total Enrollment	1,086	9	1,095	8	1,103

	FY07	FY08	FY08	FY09	FY09
EXPENDITURES					
Salaries & Benefits	7,756,424	407,853	8,164,277	372,981	8,537,259
Faculty Termination Pay	30,000	15,000	45,000	-	45,000
TOTAL PERSONAL SERVICES	7,786,424	422,853	8,209,277	372,981	8,582,259
State Fixed Costs	87,307	48,691	135,998	(47,451)	88,547
Utilities	251,700	30,100	281,800	7,000	288,800
IT Fixed Costs	32,756	1,965	34,721	2,083	36,805
Library Acquisitions	106,250	7,438	113,688	7,958	121,646
New Space	0	-	0	-	0
All Other Operating Costs	916,127	59,605	975,732	24,393	1,000,126
TOTAL OPERATING COSTS	1,394,140	147,799	1,541,939	(6,016)	1,535,923
Fee Waivers (Est. Tuition incr)	762,221	73,038	835,259	44,399	879,658
Fee Waivers (Utilization)		49,311	49,311	3,418	52,729
Adjustment for Enrollment		41,850	41,850	37,200	79,050
TOTAL EXPENDITURES	9,942,785	734,851	10,677,636	451,982	11,129,619

Annual % Increase (w/o ENR growth adj and fee waiver-tuit) 6.2% 3.5% 4.9%
 Annual % increase overall 7.4% 4.2% 5.8%

	FY07	FY08	FY08	FY09	FY09
REVENUE					
State Funds	5,516,060	254,879	5,770,939	147,953	5,918,892
Tuition	4,244,945	471,652	4,716,597	303,929	5,020,527
Super Tuition & CUF Fees	100,000	100	100,100	100	100,200
Other University Revenue	81,780	8,220	90,000	-	90,000
TOTAL REVENUE	9,942,785	734,851	10,677,636	451,982	11,129,619
State Funds as % of Total	55.5%		54.0%		53.2%
Tuition/Other as % of Total	43.5%		45.0%		45.9%

	FY08			FY09		
	Tuition Revenue	Annual Tuition Increase per Resident Student	Tuition Rate %	Tuition Revenue	Annual Tuition Increase per Resident Student	Tuition Rate %
TUITION IMPACT						
TOTAL	\$ 4,716,597	\$ 315.00	9.40%	\$ 5,020,527	\$ 176.00	4.80%
Exec Pay Plan	\$ 135,963	\$ 91.00	2.71%	\$ 168,330	\$ 97.00	2.66%
Current Services Budget	\$ 335,689	\$ 224.00	6.69%	\$ 135,599	\$ 79.00	2.14%
Present Law Adjustments						
Base	\$ 4,244,945			\$ 4,716,597		

	FY07 Revised	FY08 Increment	FY08 Projection	FY09 Increment	FY09 Projection
ENROLLMENT					
Resident	731	11	742	11	753
Nonresident	6	-	6	-	6
WUE	6	-	6	-	6
Total Enrollment	743	11	754	11	765

EXPENDITURES

Salaries & Benefits	3,795,062	209,031	4,004,094	181,650	4,185,744
Faculty Termination Pay	90,000	-	90,000	-	90,000
TOTAL PERSONAL SERVICES	3,885,062	209,031	4,094,094	181,650	4,275,744
State Fixed Costs	83,270	1,138	84,408	(26,035)	58,373
Utilities	193,616	4,220	197,836	3,800	201,636
IT Fixed Costs	37,398	2,244	39,642	2,379	42,020
Library Acquisitions	38,925	2,725	41,650	2,915	44,565
New Space	0	83,211	83,211	57,610	140,821
All Other Operating Costs	734,648	18,366	753,014	18,825	771,840
TOTAL OPERATING COSTS	1,087,857	111,904	1,199,761	59,494	1,259,255
Fee Waivers (Est. Tuition incr)	91,079	6,455	97,534	5,938	103,472
Fee Waivers (Utilization)		16,506	16,506	4,716	21,222
Adjustment for Enrollment		50,987	50,987	51,752	102,739
TOTAL EXPENDITURES	5,063,998	394,884	5,458,882	303,550	5,762,432

Annual % Increase (w/o ENR growth adj and fee waiver-tui)	6.7%	4.6%	5.6%
Annual % increase overall	7.8%	5.6%	6.7%

REVENUE

State Funds	3,201,120	233,559	3,434,679	173,943	3,608,622
Tuition	1,749,402	140,008	1,889,410	120,190	2,009,600
Super Tuition & CUF Fees	100,000	4,235	104,235	4,333	108,568
Other University Revenue	13,477	17,082	30,559	5,083	35,643
TOTAL REVENUE	5,063,999	394,884	5,458,883	303,550	5,762,433

State Funds as % of Total	63.2%	62.9%	62.6%
Tuition/Other as % of Total	34.8%	35.2%	35.5%

TUITION IMPACT	FY08			FY09		
	Tuition Revenue	Resident Student	Tuition Rate %	Tuition Revenue	Resident Student	Tuition Rate %
TOTAL	\$ 1,889,410	\$ 152.00	6.46%	\$ 2,009,600	\$ 122.00	4.86%
Exec Pay Plan	\$ 67,598	\$ 73.00	3.12%	\$ 83,000	\$ 84.00	3.36%
Current Services Budget	\$ 72,410	\$ 79.00	3.34%	\$ 37,190	\$ 38.00	1.50%
Present Law Adjustments						
Base	\$ 1,749,402			\$ 1,889,410		

MONTANA UNIVERSITY SYSTEM SUMMARY FEE WAIVERS

Fee Waiver Utilization

Source: CHE104

	Budgeted	PROJECTED					
	FY 2006	FY2007	Incr 07	FY 2008	Incr 08	FY 2009	Incr 09
Discretionary							
Resident							
Resident Undergrad (6%)	428.6	457.0	28.4	462.4	5.4	455.4	-7.0
Resident Faculty & Staff	191.7	196.9	5.2	201.0	4.1	203.0	2.0
Resident Employee Dependents	154.5	153.9	-0.6	170.4	16.5	185.5	15.1
Resident Dual Credit	8.6	15.0	6.4	17.0	2.0	20.0	3.0
Resident Athletics	538.1	543.0	4.9	542.0	-1.0	539.0	-3.0
Resident Graduate (4%)	305.6	310.0	4.4	311.5	1.5	312.5	1.0
Non-Resident (2%)							
NR in-state Athletics	251.9	251.9	0.0	255.9	4.0	260.9	5.0
NR out-of-state Athletics	283.5	283.8	0.3	287.8	4.0	292.8	5.0
NR in-state Grad	213.5	220.0	6.5	231.0	11.0	237.0	6.0
NR out-of-state Grad	212.8	219.3	6.5	229.3	10.0	234.3	5.0
NR in-state Undergrad	116.8	149.3	32.5	150.8	1.5	151.3	0.5
NR out-of-state Undergrad	124.4	158.8	34.3	160.3	1.5	161.8	1.5
Out-of-state Wiche	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PhD/MSSE	19.0	19.0	0.0	19.0	0.0	19.0	0.0
Mandatory							
Montana Indians	783.8	827.0	43.2	864.5	37.5	888.5	24.0
Veterans	88.4	91.1	2.7	101.5	10.4	108.2	6.7
War Orphans/Peace Officers	1.0	1.0	0.0	1.0	0.0	1.0	0.0
Prisoners of War	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Senior Citizens	29.0	29.4	0.4	30.0	0.6	29.0	-1.0

Custodial Students	2.1	2.4	0.3	2.5	0.1	2.0	-0.5
Community Colleges	12.3	11.0	-1.3	12.0	1.0	12.0	0.0
High School Honors	470.9	683.0	212.2	890.5	207.5	899.5	9.0
National Merit	15.2	13.0	-2.2	15.0	2.0	15.0	0.0
Total Fee Waivers	4,251.6	4,635.8	384.2	4,955.3	319.6	5,027.7	72.3
Total Fee Waiver Expense	\$22,008,768	\$25,152,090					
Discretionary							
Resident fee waiver utilization increase			48.8		28.5		11.1
Cost of increased utilization			\$170,446		\$117,543		\$106,468
Non-resident fee waiver utilization increase							
utilization change			80.1		32.0		23.0
expense change							
Cost of increased utilization							
			\$878,420		\$460,229		\$328,296
Mandatory							
Resident fee waiver utilization increase			255.3		259.1		38.2
Cost of increased utilization			\$1,097,738		\$1,097,216		\$229,817
TOTAL ADDITIONAL WAIVERS DUE TO UTILIZATION INCREASE			\$2,146,605		\$1,674,989		\$664,580
			384.2		319.6		72.4

Montana University System Initiatives

Priority	Initiative	Amount	Brief Description of Initiative
1	Improve Transferability and Student Data	\$1,900,000	Funds needed data systems, faculty program council expenses, and P-20 work (\$1.3 million OTO); and sustainability of initiative (\$600,000).
2	Expand Indian Education for All	\$500,000	Funds programs needed to implement IEFA at postsecondary institutions.
3	Improve Affordability	\$3,900,000	Includes MPACT scholarship program (\$2.5 million) and 2-year program tuition buy-down (\$1.4 million).
4	Coordinate and Expand Distance Learning	\$600,000	Continue implementation of distance learning coordination and program expansion, including creation of "gateway" for MUS distance programs.
5	Healthcare Worker Education	\$4,900,000	Includes developing healthcare worker strategic plan, creation of data and program advisory groups, expansion of WWAMI medical school (\$1.9 million) and new allied health programs, principally in 2-year colleges, to address critical shortage areas (\$3 million).
6	Create Montana Energy Center	\$2,000,000	Create a Montana Energy Center to coordinate and promote energy development (including research) in Montana.
Total		\$13,800,000	

MONTANA UNIVERSITY SYSTEM
2009 BIENNIUM BUDGET PLANNING – NEW PROPOSALS (JANUARY 2006)

UNIT/CAMPUS: MONTANA UNIVERSITY SYSTEM	UNIT PRIORITY: 1
NEW PROPOSAL NAME: TRANSFERABILITY & INTEGRATED STUDENT DATA SYSTEM	
BOARD OF REGENT STRATEGIC GOAL: <input checked="" type="checkbox"/> ACCESS <input type="checkbox"/> ECONOMIC DEVELOPMENT <input checked="" type="checkbox"/> EFFICIENCY	
TOTAL BIENNIAL COST: \$ 1,900,000	FUNDING SOURCES AND PERCENT: 100% GENERAL FUND APPROPRIATION
ADDITIONAL STAFF IN FY08 (FTE): 2.5	ADDITIONAL STAFF IN FY09 (FTE): 2.5

DESCRIPTION OF NEW PROPOSAL:

In today's global economy, the economic well-being of Montana depends on an educated citizenry. That education is essential for both the viability and health of the State's economy and the long-term career success of Montana's citizens. It isn't enough to focus on just the workforce needs of Montana in 2007. The State and its educational entities must develop a future perspective to insure that Montanans are not left behind. That perspective requires that more and more of Montana's citizens complete as much education beyond high school as possible. And they need help in that effort by assuring that post-secondary education in Montana is available, affordable and efficiently delivered.

To accomplish that lofty goal, a multi-faceted approach is necessary. It will require the following:

- a comprehensive program to improve transferability between campuses of the Montana University System. In response to a 2004 Legislative audit, the Montana Board of Regents made an initial start in this effort with the adoption of several System-policies. The most difficult work has yet to be done, however. The work requires the development of multiple pathways for students to follow as they work on a degree program in the System. Those pathways could include program-to-program/institution-to-institution articulation agreements, common coursework for some degree programs, agreement on course content, and possibly common course numbers. In the handful of states that have undertaken such an effort, the participation and consensus of program faculty is essential. In fact, the accreditation status of Montana's post-secondary institutions could be jeopardized without that involvement.
- the development of a comprehensive information database. The success of all these projects depends on the development of a much more sophisticated and comprehensive data base that is also integrated with the data systems of other State agencies. It is imperative that this information system be integrated with the Student Education Information Data System currently being developed by the Office of Public Instruction. The impact and effectiveness of all these programs on students and Montana citizens is simply not determinable without good data, especially data that tracks students from the K-12 system through post-secondary education and on to the work force. The Office of the Commissioner of Higher Education would continue the Director of Institutional Information and Research on its staff to enhance the capacity and effectiveness of the existing Montana University System Data Warehouse and to develop assessment models to monitor the impact of all these programs.

The transferability effort and the comprehensive information database are inherently connected and would require the following effort and investment:

- development of a comprehensive and refined Data Warehouse and implement the required assessment models (OTO)	\$ 750,000
- faculty program council expenses (OTO)	<u>430,000</u>
Total (OTO)	\$1,180,000

Management and sustainability of this project will require a 09 biennium investment of \$ 600,000

Total Biennial Cost \$ 1,780,000

The management and sustainability investment would include 2 FTE (1 FTE with the requisite academic credentials to lead the transferability effort and 1 FTE to lead the comprehensive database effort) office space, equipment and operating expenses. Some ongoing funds would be needed for faculty program councils and faculty release time.

- a coordinated and collaborative educational system that begins with pre-school and continues all the way through graduate education. The most significant “educational transfer” for any student is the move from high school to post-secondary education. In order to insure Montana’s economic vitality now and into the future, more and more of its citizens. . .both traditional college-going students and adult workers. . .need to make that transition. The groundwork for a collaborative educational system has already been established in Montana, with the work of the Board of Education and its P-20 Committee. That effort has no full-time staff person to work on these important activities, however. Any achievements to date have been the result of personnel in both the Office of Public Instruction and the Office of the Commissioner of Higher Education who committed to a project at the expense of other essential work that needs to be done. The P-20 effort is a major commitment of many states, with large staffs to spearhead the effort. Montana needs to get started by adding .5 FTE position in the Office of the Commissioner of Higher Education to work exclusively on this important and unprecedented collaboration. A biennial investment to cover the salary, benefits and operating costs for the .5 FTE would be \$120,000.

HOW SUCCESS IS MEASURED:

- transfer pathways are created in 22 different program and subject areas; those pathways may include common coursework, a common curriculum, common course content, articulation agreements, etc.
- appeals of transfer credit decisions are reduced by 50% from the baseline year of 2006 – 2007.
- a 25% increase in the number of pre-post-secondary educational credits that are accepted by the Montana University System, in such programs as dual enrollment, running start, advanced placement, tech prep, etc.
- the development of an integrated and comprehensive data system for the Montana University System, particularly a data system that does not rely unnecessarily on the campuses for information.
- alignment of K-12 graduation standards and post-secondary proficiency standards in composition, mathematics and science.

Are there any external partners proposed to join in the funding of this initiative? If yes, please note proposed partners.
None.

Is this proposal in place of something presently being done? If yes, please note activity that would cease once new proposal was initiated. No.

Can this proposal be absorbed into current services without additional funding? The work on transferability initiatives would continue, but at a significantly reduced level; the P-20 efforts would continue, using the part-time assistance of current staff at OCHE and OPI who do this work now as part of their many responsibilities.

Would this proposal be undertaken irrespective of additional state funding (i.e. 100% tuition funding)? No

Would this proposal be undertaken only with funding other than tuition? Yes.

MONTANA UNIVERSITY SYSTEM
2009 BIENNIUM BUDGET PLANNING – NEW PROPOSALS (JANUARY 2006)

UNIT/CAMPUS: MONTANA UNIVERSITY SYSTEM	UNIT PRIORITY: 2
NEW PROPOSAL NAME: INDIAN EDUCATION FOR ALL	
BOARD OF REGENT STRATEGIC GOAL: <input checked="" type="checkbox"/> X ACCESS <input type="checkbox"/> ECONOMIC DEVELOPMENT <input type="checkbox"/> EFFICIENCY	
TOTAL BIENNIAL COST: \$500,000	FUNDING SOURCES AND PERCENT: 100% GENERAL FUND APPROPRIATION
ADDITIONAL STAFF IN FY08 (FTE): 1	ADDITIONAL STAFF IN FY09 (FTE): 1

DESCRIPTION OF NEW PROPOSAL:

Section 20-1-501, Montana Codes Annotated, states that “. . .every educational agency will work cooperatively with Montana tribes. . .to include information specific to the cultural heritage and contemporary contributions of American Indians, with particular emphasis on Montana Indian tribal groups and governments.” Individual campuses that make up the Montana University System have developed individual programs to meet that statutory mandate, particularly in the area of teacher education. The Montana University System has not been as responsive, however, until recently. A work group, made up of representatives from several of the campuses, will meet during the 2006 – 2007 academic year to develop a system-wide plan. That plan will be presented to the Montana Board of Regents, for its review and approval, in November 2006. The money in this budget request is intended to implement that plan.

The money will be used as follows:

- \$10,000 to fund the travel expenses of an advisory board on Indian Education for All and other Indian issues, made up of representatives from the tribes throughout Montana.
- \$50,000 to develop an Indian Education for All website, with information on resources for academic programs in the Montana University System.
- \$130,000 to fund the development of Indian Education for All instructional materials and programs for the Montana University System, using an RFP process.
- \$85,000 to fund a faculty development program on Indian Education for All in the Montana University System.
- \$25,000 to sponsor a symposium or research conference on Indian Education for All.
- \$200,000 for 1 FTE to work exclusively on this effort, along with office space, equipment and operating expenses for that person.

HOW SUCCESS IS MEASURED:

--implementation of all of the projects described in the proposed budget. I.E., creation of an advisory board for the Office of the Commissioner of Higher Education, creation of the web site, establishment of a faculty development program, etc.

--creation of at least ten (10) “public domain” courses that can be used by other faculty members throughout the System in the area of Indian Education for All.

--implementation of a faculty development program that a) results in at least one Indian Education for All “lead faculty” member in each unit of the Montana University System, to advise and support his/her colleagues at that campus; and b) results in at least one program on each campus that has imbedded Indian Education for All materials throughout its curriculum.

Are there any external partners proposed to join in the funding of this initiative? If yes, please note proposed partners.
None.

Is this proposal in place of something presently being done? If yes, please note activity that would cease once new proposal was initiated.

The proposal will not replace current activities undertaken by the campuses to satisfy the statutory requirements of Indian Education for All. The proposal is intended to supplement those plans.

Can this proposal be absorbed into current services without additional funding?

Some campuses may be able to implement the expectations of the System-wide Indian Education for All proposal, without this appropriation, using the resources available on their campuses. For many campuses, however, particularly the smaller units, the resources to comply with an Indian Education for All policy or statement are simply not available without additional funding.

Would this proposal be undertaken irrespective of additional state funding (i.e. 100% tuition funding)? No.

Would this proposal be undertaken only with funding other than tuition? Yes.

MONTANA UNIVERSITY SYSTEM
2009 BIENNIUM BUDGET PLANNING – NEW PROPOSALS (JANUARY 2006)

UNIT/CAMPUS: MONTANA UNIVERSITY SYSTEM	UNIT PRIORITY: 3
NEW PROPOSAL NAME: AFFORDABILITY	
BOARD OF REGENT STRATEGIC GOAL: ACCESS	
TOTAL BIENNIAL COST: \$ 3,900,000	FUNDING SOURCES AND PERCENT: 100% GENERAL FUND APPROPRIATION
ADDITIONAL STAFF IN FY08 (FTE):	ADDITIONAL STAFF IN FY09 (FTE):

DESCRIPTION OF NEW PROPOSAL:

According to Tom Mortenson of the Pell Institute, postsecondary education “has become the dominant factor in the growth of personal incomes and the living standards of people, families, cities and states.” It is a well accepted fact that more education correlates highly with increased wages. Over a 40-year working career, those with some postsecondary education will earn about 75% more than those who have only a high school education. But the correlations between higher educational attainment and non-monetary benefits are equally strong. Improved health, decreased crime, higher charitable giving, and greater civic participation, among others, are all strongly related to the education of the individual and the overall education levels of a community. In addition to all the important things a university system does on a daily basis for the state and its communities, a central tenet of our mission must be to continue to prepare students for life by getting them into, and successfully through, a postsecondary education.

Montana faces increasingly high postsecondary education costs relative to income levels. In 1994 Montana’s average tuition was \$27 below the 15 western states’ average; in 2004 it was \$703 above the average. Montanans must now pay a 40% higher share of their incomes for resident tuition and fees than residents of the other western states. The average student debt for a Montana university graduate is \$20,000 and rising. With these trends, it is no surprise that in 2000-01 the college participation rate for Montana students from low-income families was 27.9% compared to 42% for the general population. According to *Measuring Up 2000*, the state of Montana received a grade of “D-” for affordability. In 2002, the affordability grade sank to “F” and remained there in 2004.

High tuition does not create as much of a barrier to education if it is coupled with relatively high tuition assistance. Virtually every state in the US has a substantial need-based aid program, but Montana is far behind every other state in the region in the amount of aid provided our students. Montana appropriations for need-based aid are just \$70 per student as compared to \$238 per student for the other 15 western states. Even in Montana’s two-year colleges – in most states the low-cost point of entry for many students – cost is increasingly a barrier. On average, a Montana family pays 25% of its income at two-year colleges compared to 16% nationally.

Federal loan limits no longer provide many Montana students and families with sufficient lending capacity to satisfy the cost of education. For the first time, the cost of education (including room and board) now exceeds the amount of borrowing available to many Montanans. There simply isn’t enough need-based aid to serve our Montana residents and this lack of aid impacts enrollment, persistence, and success in postsecondary environments.

The purpose of this initiative is to provide Montana residents with greater access to Montana’s postsecondary institutions, through entry-level scholarships based upon financial need and buying down the tuition increases of two-year programs, with the goal of alleviating student debt burdens. In addition, the MUS strongly supports full funding of the Governor’s Postsecondary Scholarship Program.

MPACT Scholarship Proposal	\$2.5 million
2 Year Program Tuition buy-down	\$1.4 million

HOW SUCCESS IS MEASURED:

Success will be measured as follows:

- the dollar amount is distributed in the form of scholarships to qualifying Montana residents
- increase the participation rates of Montana resident students

Are there any external partners proposed to join in the funding of this initiative? If yes, please note proposed partners.

- No, although it should be noted that businesses and individuals are already significant partners in providing scholarships, and yet the need is demonstrably well beyond what the private foundations can meet.

Is this proposal in place of something presently being done? If yes, please note activity that would cease once new proposal was initiated.

- No

Can this proposal be absorbed into current services without additional funding?

- No

Would this proposal be undertaken irrespective of additional state funding (i.e. 100% tuition funding)?

- No. Tuition increases presently help fund the MTAP – Baker Grants and tuition waivers. Further burden on tuition for all students to fund need-based grants would be disadvantageous for Montana's middle income students.

Would this proposal be undertaken only with funding other than tuition?

- Yes. This initiative proposes to enhance existing aid programs (PSGS, MTAP, MPACT) and Pell grants so that Montana more nearly compares with similar states that are providing an average of \$238 per student, over three times Montana's level.

MONTANA UNIVERSITY SYSTEM
2009 BIENNIUM BUDGET PLANNING – NEW PROPOSALS

UNIT/CAMPUS: MUS	UNIT PRIORITY: 4
NEW PROPOSAL NAME: EXPAND DISTANCE LEARNING	
BOARD OF REGENT STRATEGIC GOAL: ACCESS & ECONOMIC DEVELOPMENT	
TOTAL BIENNIAL COST: \$600,000	FUNDING SOURCES AND PERCENT: 100% GENERAL FUND
ADDITIONAL STAFF IN FY08 (FTE): 0	ADDITIONAL STAFF IN FY09 (FTE): 0

DESCRIPTION OF NEW PROPOSAL:

The funds will be used to continue the 1.0 FTE position in the Office of the Commissioner of Higher Education, create and implement a web portal for MUS distance courses, and develop new distance learning programs. The current position of Director Distance Education Business Development was created with funds allocated by the 2005 Montana Legislature. In addition to continuing the projects that have already been implemented by the current Director of Distance Education and Business Development, the money will also be used to create and refine the Montana Distance Learning Gateway, an informational website that will ultimately serve as the single portal entrance to distance learning programs in Montana. The funds will also be used to develop new distance education programs in Montana, both credit and non-credit bearing, that will serve place-bound students, workers and employers who do not have access to traditional campus educational and training opportunities in the State.

HOW SUCCESS IS MEASURED:

Funding for this initiative will result in: 1) reduced duplications of redundant offerings, saving money; 2) expanded offerings through greater state-wide collaborative efforts to deliver additional courses and programs at no significant additional cost; 3) development and delivery of new courses and programs focused on workforce development and training; 4) enhanced student user-friendliness of all aspects of distance education delivery, which in turn supports a higher quality higher education attainment by place-bound citizens.

Specifically, this funding will allow us to:

- Develop consensus, identify a web-based platform that will serve the campuses, and create the Montana Distance Learning Gateway that was a high priority recommendation of the Shared Leadership Steering Committee. This will allow significantly more students to access the numerous distance learning courses offered across all our campuses.
- Develop and deliver new credit and non-credit bearing distance education programs in the State, including new collaborative offerings, intended to serve primarily workers in need of career training and employers in need of specially skilled workers.
- Significantly expand the number of distance education programs and increase the number of students enrolled in distance education.

Are there any external partners proposed to join in the funding of this initiative? If yes, please note proposed partners. None have been formally identified as of this time, but they are being developed over the next year. Priority for distance education program expansion will be given to those programs that have strong industry partnerships.

Is this proposal in place of something presently being done? If yes, please note activity that would cease once new proposal was initiated: It is a continuing extension of the 2005 Session funding to support distance education development for students, workers, and employers, across Montana and beyond.

Can this proposal be absorbed into current services without additional funding? Present funding includes the initial cost of 1.0 FTE to develop the program described, to lay out the plan and the timeline, and to identify possible solutions to the many related challenges. The development of a collaborative and supported approach across all campuses is a primary mission of the present process.

Would this proposal be undertaken irrespective of additional state funding (i.e. 100% tuition funding)? It would likely continue to be piecemeal and based upon the preferences and concerns of each individual campus. As clearly stated in the Shared Leadership report, "...Montana is too small and too poor to continue down its current path with distance education." (Sally Johnstone, Western Cooperative for Educational Telecommunications)

Would this proposal be undertaken only with funding other than tuition? In part. The gateway would not be developed without funding other than tuition. The campuses have the ability to generate certain tuition for distance education support and development, but a successful approach is dependent on the willingness and ability to coordinate programs across the state and build the distance education portal. In addition, a strong central-coordination approach almost eliminates the present conflict of "traditional vs. distance" education funding and development that exists on each campus.

MONTANA UNIVERSITY SYSTEM
2009 BIENNIUM BUDGET PLANNING – NEW PROPOSALS (JANUARY 2006)

UNIT/CAMPUS: MUS	UNIT PRIORITY: 5
NEW PROPOSAL NAME: ELIMINATE HEALTHCARE WORKER SHORTAGES	
BOARD OF REGENT STRATEGIC GOAL: ACCESS	
TOTAL BIENNIAL COST: \$4.9 MILLION	FUNDING SOURCES AND PERCENT: 100% GENERAL FUND APPROPRIATION
ADDITIONAL STAFF IN FY08 (FTE): 0	ADDITIONAL STAFF IN FY09 (FTE): 0

DESCRIPTION OF NEW PROPOSAL:

Montana faces a severe shortage of allied health professionals, due to increased demand, an aging workforce, and an aging society. Current projections indicate we will need about 6,100 additional health professionals in the workforce to meet the needs of Montana’s citizens in 2010 – about a 30% increase. Also, we currently have 47 of our 56 counties that are, in whole or in part, designated as Health Professional Shortage Areas (generally less than one primary care physician per 3,500 people). While there are many aspects to healthcare affordability and access, if there are inadequate numbers of trained professionals in the workforce it is impossible to have access to basic healthcare throughout the state. While the university system can play a supporting role in solving many of our state’s healthcare access problems, it unquestionably has a lead role in educating the healthcare workforce in all of our communities.

There are many initiatives in the university system that are underway or being proposed to address this problem, but we lack a coordinated statewide plan for meeting our current and future needs. Without such a plan, it is exceedingly difficult to make an informed decision as to what combination of programs is most likely to address our workforce shortages over the next decade in the most cost-effective way.

This initiative proposes that the Board of Regents require a statewide plan be developed, with clear long-term goals, before funding individual initiatives to expand healthcare training programs. This plan should also include data that give us a clear understanding of the current capacity of existing programs and the cost effectiveness of these programs. New or non-traditional programs should also be considered, with the goal of eliminating the shortage of qualified healthcare workers in each of the state’s regions, regardless of the source of those workers.

The following is a DRAFT proposal, which outlines programs and alternatives which should be considered in developing a comprehensive and systematic approach to healthcare worker training in Montana. Cost estimates are approximations only.

Goal: Develop a comprehensive plan, including associated costs, to close the healthcare worker gap in ten years with the most cost-effective combination of programs.

1. Establish a healthcare data team to evaluate, over time, the state’s healthcare worker shortages (both existing and anticipated).

This team should consist of, as a minimum, representatives of the following agencies or organizations:

- Montana Department of Labor and Industry Research and Analysis Bureau
- Montana Department of Labor and Industry Licensing Business and Occupational Licensing Bureau.
- Office of Commissioner of Higher Education
- MHA

- Others agencies or organizations as appropriate.

Cost: none additional

2. Establish an advisory group to evaluate proposals and make recommendations on the most cost-effective options to train, recruit, and retain healthcare workers.

This group should consist of 10-15 individuals and have approximately 50% of its members from non-government organizations. The group should also contain representatives of the Montana University System, including the state's community colleges and tribal colleges.

Cost: none additional

3. Work with the advisory group to evaluate options to reduce shortages of non-physician healthcare workers:

- Improve efficiency of current programs, including transferability and use of common curriculum across institutions, to lower attrition rates and speed graduation rates.
- Expand capacity in existing programs.
- Create funding pool to attract and retain targeted faculty in high-demand healthcare fields.
- Create new programs at strategically targeted institutions.
- Expand partnership with tribal colleges to offer more allied health training programs.
- Expand distance learning, either in-state or in cooperation with other states' programs (e.g. expand participation in WICHE's WRGP nursing Ph.D. program or offer on-line advanced degree programs similar to Arizona and Colorado).
- Expand partnerships with rural hospitals (or other options) to increase the number and size of clinical training sites.
- Create a fast-track for BA degree holders wanting to become nurses.
- Create programs to encourage/facilitate professionals not in the workforce to re-enter the workforce through re-certifications or incentives.
- Increase career pathways and dual-enrollment programs to increase supply of students wanting to enter healthcare professions.
- Expand programs to offer and encourage advanced degrees in nursing to build stronger base of potential instructors.

Cost: The advisory group should estimate the total costs, over the next 10 years, to reach our goal of eliminating worker shortages. The group should also make recommendations for priority funding requests in the next biennium. Estimate \$3 million in next biennium

4. Develop stronger support from industry (primarily hospitals and clinics) to provide additional matching funds for expanding the number of trained healthcare workers in the state in a systematic way.

Cost: none additional

5. Actively solicit federal and/or non-profit grants and funds, as a state or university system, to help eliminate the healthcare shortage in Montana.

Cost: none additional

6. Expand physician education to increase the number of physicians in Montana, with particular emphasis on increasing the number of primary care physicians practicing in rural areas.

- Increase WWAMI slots for entering class from 20/year to 40/year (total in 4-year program increases from 80 to 160 after four years).

Cost: \$1.9 million next biennium, \$3.4 million subsequently

- Implement selection criteria for WWAMI to increase percentage of physicians returning to Montana rural areas in primary care specialties.
Cost: none to MUS or general fund
- Implement a third year WWAMI medical training program in Montana.
Cost: none to MUS or general fund
- Develop a proposal to expand MT Family Practice Residency Program.
Cost: none in the next biennium, possibly funding required subsequently
- Consider adding residency program in another specialty area in 3 years, possibly in a community other than Billings.
Cost: none in the next biennium, possibly funding required subsequently.

7. Increase the funding for, and more carefully target, incentives to encourage primary care physicians to locate in high-need areas by considering the following options:

- Charge higher rates (on par with all other WWAMI states) for first year WWAMI students and put funds into Montana Rural Physician Incentive Program (MRPIP) and WWAMI program.
Cost: none to general fund or MUS. Increases tuition for medical students that is more-than-offset by future incentives if they return to practice in Montana high-need areas.
- Phase out current Rural Physician Tax Incentive (grandfather current enrollees for time left under current law), put equivalent funds into MRPIP.
Cost: none to general fund or MUS. Requires legislative action to change tax code and reallocate funds.
- Increase “surcharge” for WWAMI program from \$2K to \$4-5K per year, put additional funds into MRPIP.
Cost: none to general fund or MUS. Increases tuition for medical students that is more-than-offset by future incentives if they return to practice in Montana’s high-need areas.
- Use combination of above proposals to generate \$approximately \$1 million per year for MRPIP. Revise MRPIP to increase incentive amounts and to better target locations in most need of primary care physician with a goal to eliminate all Health Professional Shortage Areas (HPSAs) in 10 years. Include a larger selection team for awards to have greater rural representation and to ensure incentives are targeted at highest-need areas.
Cost: none to general fund or MUS.
- Consider adding other healthcare professional which are also in critical short-supply to the incentive program.
Cost: none to general fund or MUS

8. Continue to evaluate options for increasing the number of dentists through expanded partnerships with other states (including WICHE and WWAMI).

This is currently being evaluated by the Montana Dental Association and the MUS through a \$5,000 grant from the Legislature and a \$20,000 grant from the American Dental Association. Particular emphasis is being placed on training dentists likely to practice in Montana’s rural areas.

HOW SUCCESS IS MEASURED:

Montana will have a strategic plan for meeting the healthcare worker needs of the state during the next decade. Healthcare program expansion or creation of new programs will be substantiated and monitored with accurate data. The MUS will have significantly better coordination with state agencies and other healthcare organizations in Montana and the region to ensure all are better working together to achieve common workforce and healthcare access goals. An advisory group from both the public and private sector will be able to advise the Regents on program and spending priorities over time. Ultimately, Montana’s citizens (and particularly those in rural, historically underserved areas) will have improved access to healthcare.

Are there any external partners proposed to join in the funding of this initiative? Yes, as noted above.

Is this proposal in place of something presently being done? If yes, please note activity that would cease once new proposal was initiated: None, although current efforts both inside and outside the MUS should be better coordinated.

Can this proposal be absorbed into current services without additional funding? Yes, with the exception of new or expanded education programs.

Would this proposal be undertaken irrespective of additional state funding (i.e. 100% tuition funding)? Partially. It is unlikely new or expanded programs could be undertaken without significant funds, but the planning and coordination efforts could proceed without additional funding. Changes to the location incentive program may not require new funds, but it will require Regent's and Legislature's action.

Would this proposal be undertaken only with funding other than tuition? Partially. It is unlikely new or expanded programs could be undertaken without significant funds, but the planning and coordination efforts could proceed without additional funding. Changes to the location incentive program may not require new funds, but it will require Regent's and Legislature's action.

MONTANA UNIVERSITY SYSTEM
2009 BIENNIUM BUDGET PLANNING – NEW PROPOSALS (JANUARY 2006)

UNIT/CAMPUS: MUS	UNIT PRIORITY: 6
NEW PROPOSAL NAME: MUS ENERGY CENTER	
BOARD OF REGENT STRATEGIC GOAL: ECONOMIC DEVELOPMENT	
TOTAL BIENNIAL COST: \$2,000,000	FUNDING SOURCES AND PERCENT: 100% GENERAL FUND APPROPRIATION
ADDITIONAL STAFF IN FY08 (FTE): 4	ADDITIONAL STAFF IN FY09 (FTE): 4

DESCRIPTION OF NEW PROPOSAL:

The state of Montana has tremendous energy resources at its disposal at a time which national needs for developing energy independence and security are dramatically increasing in priority. Additionally, there is clear interest in state government in the development of energy resources and in investigation of newly developing technologies for doing so. Potential areas of state interest include understanding fossil resources in the state, new, clean coal power generation technologies, biofuels and environmental issues. The Montana University System has a number of nationally and internationally recognized research programs that overlap significantly with state needs including the Zero Emission Research and Technology Center (ZERT), the Big Sky Carbon Sequestration Regional Partnership, the Bureau of Mines, the Montana Wind Energy Consortium, the Load Control and Grid Optimization Program (GridWise), the High Temperature Electrochemistry Center, Hydrogen Transportation Project. These programs are federally funded and involve specific research projects and goals which do not provide freedom to meet state needs with the federal funds. However, the expertise and infrastructure built by these programs provides the MUS and the state a unique leveraging opportunity for state funds. Additionally, these programs have involved MUS researchers in collaborations with six national labs (PNNL, INL, LANL, NETL, LLNL, LBNL) other universities, and other federal programs (including FutureGen) providing the state with access to external resources and expertise. State funding will provide integration of these capabilities and expertise, the ability to focus on state needs, and the ability to coordinate with state offices. The table below indicates some of Montana's activities and potential impacts.

	Natural Resources	Power Generation	Transmission & Distribution	Alternative Energy	Environmental Issues	Policy and Economics
MUS Research Programs	ZERT, Bureau of Mines	ZERT, HiTEC	HiTEC, Grid Optimization	Wind Energy, Oilseed Biofuels, Biobased Institute, Hydrogen Futures Project	Big Sky Partnership, ZERT, Reclamation Res. Center, CBM Water	
Impacts	Understanding oil, gas, coal resources, extraction	Evaluating new generation technologies (including coal – liquids), clean coal technologies	Research in distributed power, alternative power impacts on grid, grid management	New turbine materials, Evaluation of Wind resources, Dispatch and grid issues, Oilseed crops for fuel	Mine reclamation, water quality issues, carbon management,	Technical input from MUS can assist DEQ, Dept. of Economic Opportunity, Dept. Natural Resources, etc

The MUS has approximately \$7-8 million of research directly related to energy generation (conventional and alternative) or transmission but almost no resources dedicated toward linking these research projects together to address state issues and potential economic development. A Montana Energy Center would provide the resources to coordinate the extensive energy-related research and expertise in the state in order to focus on opportunities specific to Montana. The Center

would consist of a director with a small staff that would have expertise to coordinate energy projects, resources, and data across state agencies, federal agencies, MUS campuses, and private companies. The center would maintain a database of active energy projects and resources in, or available to, the state. It would also coordinate periodic seminars and conferences to convene related experts and businesses to promote Montana energy resources and/or address state priorities.

As an example, a basin scale, high resolution characterization of the Powder River Basin would be beneficial to the state and to the private sector for understanding fossil fuel resources, extraction issues, and carbon storage potential. This work is unlikely to be performed by the private sector or by the Bureau of Mines because it is too labor intensive. It would be very appropriate to assign to a team of several geology professors and about 5-6 grad students and it would result in several theses and a data set useful to the state and the private sector. This could be done in cooperation with the Bureau of Mines, using resources in the Montana Energy Center.

Other activities of the center could include: variety development for oilseed plants for bio-diesel; detailed characterization of wind resources in the state (at higher resolution than the NREL map); and development of coal expertise to understand impact of coal type and altitude on coal utilization technologies (gasification, liquefaction).

HOW SUCCESS IS MEASURED:

The Montana Energy Center will significantly increase Montana's competitiveness for private and federal projects. For example, the state's ability to attract large energy projects (such as the FutureGen project or the development of a large coal gasification or liquefaction facility) will depend on our capability to coordinate technical, regulatory, environmental, and state agency resources. The Montana Energy Center will not guarantee our state is successful in attracting these, or other, projects. However, without some dedicated, professional resources to help coordinate the state's efforts it is highly unlikely we can be successful.

The energy center will increase the amount of energy related research funding and the number of technical experts available within the state – not only within the center, but also by better coordinating our existing resources and helping to attract additional energy professionals and researchers to the state. The coordination and interaction between the MUS and state agencies will be greatly increased which will lead to better data and technical expertise being available to both entities. The center will also help to increase the level of energy related research funding, publications, and students graduated – and in fields potentially more valuable to meeting the state's needs.

Ultimately, the center will lead to increased energy generation in MT, including that from alternative sources, which brings the associated economic development and expanded tax base to the state. The positive impacts of increased energy development also fall disproportionately on the rural and most in-need regions of the state.

2009 Biennium Budget Planning - Montana University System
 Estimated Tuition Rate Increases and Dollar Increase per Student by Campus
 As Calculated and Reported by the Campuses

CAMPUS	Percent per Year Increase		Estimated Dollar Increase per Year	
	FY08	FY09	FY08	FY09
UM-Missoula	5.5%	5.2%	\$217.00	\$214.00 Per Resident Student
MT Tech	8.1%	6.6%	\$378.00	\$333.00 Per Resident Student
UM-Western	9.4%	4.8%	\$315.00	\$176.00 Per Resident Student
HCOT	6.5%	4.9%	\$152.00	\$122.00 Per Resident Student
MSU-Bozeman	6.8%	4.7%	\$342.10	\$285.51 Per Total Student
MSU-Billings	4.7%	4.2%	\$280.36	\$227.02 Per Total Student
MSU-Northern	7.9%	7.2%	\$359.28	\$357.38 Per Total Student
GFCOT	7.4%	8.4%	\$495.04	\$309.78 Per Total Student
SYSTEM AVERAGE	6.9%	6.9%	\$363.07	\$295.61 Per Total Student

**MONTANA STATE UNIVERSITY
FY-08/09 Budget Initiatives**

22-Feb-06

	FY08	FY09	Biennium
	Additional Tuition Revenue		
.5% of tuition = \$329,798	330,000	660,000	990,000
ACCESS			
Expansion of High demand programs	\$150,000	300,000	450,000
Continued Implementation of Core 2.0	\$18,334	36,666	55,000
Expand Internship Program for Undergraduate Students	\$16,667	33,333	50,000
ACCESS & ECONOMIC IMPROVEMENT			
Expand Internship Program for Undergraduate Students	\$16,667	33,333	50,000
Increased Capacity in Professional Programs	\$33,334	66,666	100,000
EFFICIENCY			
Affiliate Campus Costs of Banner Module Team Leaders	\$38,334	76,666	115,000
Classified Council Support Staff	\$29,000	58,000	87,000
ACCESS, ECONOMIC IMPROVEMENT, & EFFECIENCY			
Presidential Support for Bozeman Campus Initiatives	\$20,000	40,000	60,000
TOTAL	\$322,336	644,664	967,000
1.0% of tuition = \$659,596	650,000	1,300,000	1,950,000
ACCESS			
Expansion of High demand programs	\$150,000	300,000	450,000
Continued Implementation of Core 2.0	\$18,334	36,666	55,000
Expand Internship Program for Undergraduate Students	\$16,667	33,333	50,000
Continued Implementation of Core 2.0	\$33,334	66,666	100,000
ACCESS & ECONOMIC IMPROVEMENT			
Expand Internship Program for Undergraduate Students	\$16,667	33,333	50,000
Increased Capacity in Professional Programs	\$33,334	66,666	100,000
EFFICIENCY			
Affiliate Campus Costs of Banner Module Team Leaders	\$38,334	76,666	115,000
Classified Council Support Staff	\$29,000	58,000	87,000
Asst to VP Intercampus Affairs & Dir Planning&Analysis/CIO	\$42,000	84,000	126,000
Human Resources Staff FTE	\$32,500	65,000	97,500
Development of Web Payment Program	\$20,000	40,000	60,000
ACCESS, ECONOMIC IMPROVEMENT, & EFFECIENCY			
Presidential Support for Bozeman Campus Initiatives	\$20,000	40,000	60,000
ACCESS & EFFICIENCY			
Increased Capacity in Professional Programs	\$66,667	133,333	200,000
Enhanced Advising and Student Support Services	\$35,000	70,000	105,000
ECONOMIC IMPROVEMENT			
Strengthening Graduate Enrollments and Programs	\$66,667	133,333	200,000
TOTAL	\$618,504	1,236,996	1,855,500

2.0% of tuition = \$1,319,192	1,300,000	2,600,000	3,900,000
ACCESS			
Expansion of High demand programs	\$150,000	300,000	450,000
Continued Implementation of Core 2.0	\$18,334	36,666	55,000
Expand Internship Program for Undergraduate Students	\$16,667	33,333	50,000
Continued Implementation of Core 2.0	\$33,334	66,666	100,000
Expansion of High demand programs	\$149,334	298,666	448,000
Enhanced Advising and Student Support Services	\$15,000	30,000	45,000
Continued Implementation of Core 2.0	\$16,667	33,333	50,000
Enhanced Advising and Student Support Services	\$20,667	41,333	62,000
Continued Implementation of Core 2.0	\$16,667	33,333	50,000
ACCESS & ECONOMIC IMPROVEMENT			
Expand Internship Program for Undergraduate Students	\$16,667	33,333	50,000
Increased Capacity in Professional Programs	\$33,334	66,666	100,000
Increased Capacity in Professional Programs	\$33,334	66,666	100,000
EFFICIENCY			
Affiliate Campus Costs of Banner Module Team Leaders	\$38,334	76,666	115,000
Classified Council Support Staff	\$29,000	58,000	87,000
Asst to VP Intercampus Affairs & Dir Planning&Analysis/CIO	\$42,000	84,000	126,000
Human Resources Staff FTE	\$32,500	65,000	97,500
Development of Web Payment Program	\$20,000	40,000	60,000
Branded Web Site Development	\$33,334	66,666	100,000
Campus Staff Training and Development Program	\$10,000	20,000	30,000
Student Security Program	\$2,667	5,333	8,000
Admin/Finance Accounting Staff	\$39,834	79,666	119,500
ITC Staffing Plan - 1 additional FTE per year	\$75,000	150,000	225,000
Custodian Staff Wage Increases	\$100,000	200,000	300,000
ACCESS, ECONOMIC IMPROVEMENT, & EFFECIENCY			
Presidential Support for Bozeman Campus Initiatives	\$20,000	40,000	60,000
ACCESS & EFFICIENCY			
Increased Capacity in Professional Programs	\$66,667	133,333	200,000
Enhanced Advising and Student Support Services	\$35,000	70,000	105,000
Police Staff Training and Development	\$6,667	13,333	20,000
ECONOMIC IMPROVEMENT			
Strengthening Graduate Enrollments and Programs	\$66,667	133,333	200,000
Strengthening Graduate Enrollments and Programs	\$36,667	73,333	110,000
Graduate Education	\$36,667	73,333	110,000
Research	\$20,334	40,666	61,000
TOTAL	\$1,231,343	2,462,657	3,694,000

Under current OCHE guidelines, the full cost of 2008-09 Initiatives is to be funded with tuition increases. MSU would be opposed to any increase in tuition for these initiatives if the budget process does not first provide sufficient State and tuition revenues to ensure a fully funded current level budget to support the on-going work of each campus.

MONTANA STATE UNIVERSITY - BILLINGS

FY 08/09 PROPOSED NEW BUDGET INITIATIVES

	FY08	FY09	Biennium
	Additional Tuition Revenue		
.5% of tuition increase each year	\$ 85,210	\$ 170,420	\$ 255,630
ACCESS AND EFFICIENCY			
Competitive Recruitment of Faculty/Staff	\$ 85,210	\$ 170,420	\$ 255,630
1% of tuition increase each year	\$ 170,420	\$ 340,840	\$ 511,260
ACCESS AND EFFICIENCY			
Competitive Recruitment of Faculty/Staff	\$ 170,420	\$ 340,840	\$ 511,260
2% of tuition increase each year	\$ 340,840	\$ 681,680	\$ 1,022,520
ACCESS AND EFFICIENCY			
Competitive Recruitment of Faculty/Staff	\$ 340,840	\$ 681,680	\$ 1,022,520

Under current OCHE guidelines, the full cost of 2008-09 Initiatives is to be funded with tuition increases. MSU would be opposed to any increase in tuition for these initiatives if the budget process does not first provide sufficient State and tuition revenues to ensure a fully funded current level budget to support the on-going work of each campus.

MONTANA STATE UNIVERSITY - NORTHERN FY 08/09 PROPOSED NEW BUDGET INITIATIVES

	FY08	FY09	Biennium
	Additional Tuition Revenue		
.5% of tuition increase each year	\$ 22,900	\$ 45,800	\$ 68,700
ACCESS			
Retention and Recruitment at Tribal Colleges	\$ 22,900	\$ 45,800	\$ 68,700
1% of tuition increase each year	\$ 45,800	\$ 91,600	\$ 137,400
ACCESS			
Retention and Recruitment at Tribal Colleges	\$ 45,800	\$ 91,600	\$ 137,400
2% of tuition increase each year	\$ 91,600	\$ 183,200	\$ 274,800
ACCESS			
Retention and Recruitment at Tribal Colleges	\$ 45,800	\$ 91,600	\$ 137,400
EFFICIENCY			
Improved data for Campus, MSU and MUS	\$ 45,800	\$ 91,600	\$ 137,400
TOTAL INITIATIVES COST	\$ 91,600	\$ 183,200	\$ 274,800

Under current OCHE guidelines, the full cost of 2008-09 Initiatives is to be funded with tuition increases. MSU would be opposed to any increase in tuition for these initiatives if the budget process does not first provide sufficient State and tuition revenues to ensure a fully funded current level budget to support the on-going work of each campus.

MONTANA STATE UNIVERSITY-GREAT FALLS
FY-08/09 Budget Initiatives
21-Feb-06

.5% OF TUITION = \$20,512 INCREASE EACH YEAR

	FY 08	FY 09	BIENNIUM
ACCESS AND EFFICIENCY Competitive Recruitment of Faculty/Staff	\$20,512	\$41,024	\$61,536

1% OF TUITION = \$41,024 INCREASE EACH YEAR

ACCESS AND EFFICIENCY Competitive Recruitment of Faculty/Staff	\$41,024	\$82,047	\$123,071
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2% OF TUITION = \$82,047 INCREASE EACH YEAR

ACCESS AND EFFICIENCY Competitive Recruitment of Faculty/Staff	\$82,047	\$41,024	\$123,071
ACCESS AND ECONOMIC IMPROVEMENT Workforce Development Programs	\$0	\$41,024	\$41,024

Under current OCHE guidelines, the full cost of 2008-09 Initiatives is to be funded with tuition increases. MSU would be opposed to any increase in tuition for these initiatives if the budget process does not first provide sufficient State and tuition revenues to ensure a fully funded current level budget to support the on-going work of each campus.

**THE UNIVERSITY OF MONTANA
FY 08/09 PROPOSED NEW BUDGET INITIATIVES**

	FY08	FY09	Biennium
	Additional Tuition Revenue		
.5% of tuition increase each year	\$ 334,680	\$ 671,318	\$ 1,005,998
ACCESS			
Mountain Campus Faculty	\$ 46,000	\$ 132,000	\$ 178,000
COT Faculty	\$ 70,000	\$ 150,000	\$ 220,000
ECONOMIC IMPROVEMENT			
Speech Pathology	\$ 130,000	\$ 260,000	\$ 390,000
EFFICIENCY			
Marketing	\$ 50,000	\$ 50,000	\$ 100,000
Custodians/equipment	\$ 40,000	\$ 80,000	\$ 120,000
TOTAL INITIATIVES COST	\$ 336,000	\$ 672,000	\$ 1,008,000
1% of tuition increase each year	\$ 669,360	\$ 1,342,636	\$ 2,011,996
ACCESS			
COT Faculty	\$ 170,000	\$ 256,000	\$ 426,000
Presidential Scholars	\$ 100,000	\$ 100,000	\$ 200,000
Mountain Campus Faculty	\$ 79,000	\$ 223,000	\$ 302,000
ECONOMIC IMPROVEMENT			
Speech Pathology	\$ 130,000	\$ 350,000	\$ 480,000
EFFICIENCY			
Marketing	\$ 50,000	\$ 100,000	\$ 150,000
Custodians/equipment	\$ 40,000	\$ 80,000	\$ 120,000
Retention	\$ 100,000	\$ 229,000	\$ 329,000
TOTAL INITIATIVES COST	\$ 669,000	\$ 1,338,000	\$ 2,007,000
2% of tuition increase each year	\$ 1,338,720	\$ 2,685,272	\$ 4,023,992
ACCESS			
COT Faculty	\$ 170,000	\$ 256,000	\$ 426,000
COT Adjunct Pay	\$ 50,000	\$ 100,000	\$ 150,000
Presidential Scholars	\$ 90,000	\$ 90,000	\$ 180,000
Mountain Campus Faculty	\$ 100,000	\$ 300,000	\$ 400,000

ECONOMIC IMPROVEMENT

Speech Pathology	\$ 130,000	\$ 520,000	\$ 650,000
Research Assistants	\$ 125,000	\$ 125,000	\$ 250,000

EFFICIENCY

Retention	\$ 190,000	\$ 380,000	\$ 570,000
Student Advising	\$ 20,000	\$ 50,000	\$ 70,000
Marketing	\$ 280,000	\$ 380,000	\$ 660,000
Custodians & Equipment	\$ 40,000	\$ 120,000	\$ 160,000
Media Art	\$ 57,000	\$ 57,000	\$ 114,000
Electronic Library Resources	\$ 86,000	\$ 178,000	\$ 264,000
IT Staff	\$ -	\$ 120,000	\$ 120,000

TOTAL INITIATIVES COST	\$ 1,338,000	\$ 2,676,000	\$ 4,014,000
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Special Appropriations Revenue

ECONOMIC IMPROVEMENT

County Development/OTO	\$ 300,000	\$ 300,000	\$ 600,000
Speech Pathology-Equipment/OTO	\$ 250,000	\$ -	\$ 250,000

MONTANA TECH OF THE UNIVERSITY OF MONTANA FY 08/09 PROPOSED NEW BUDGET INITIATIVES

	FY08	FY09	Biennium
	Additional Tuition Revenue		
.5% of tuition increase each year	\$ 43,000	\$ 43,000	\$ 86,000
EFFICIENCY			
Marketing (1)	\$ 43,000	\$ 43,000	\$ 86,000
1% of tuition increase each year	\$ 86,000	\$ 86,000	\$ 172,000
ACCESS			
Articulation (2)	\$ 36,000	\$ 36,000	\$ 72,000
2% of tuition increase each year	\$ 172,000	\$ 172,000	\$ 344,000
ACCESS			
Articulation (2)	\$ 50,000	\$ 50,000	\$ 100,000
EFFICIENCY			
Marketing (1)	\$ 100,000	\$ 100,000	\$ 200,000
Program Development (3)	\$ 22,000	\$ 22,000	\$ 44,000
TOTAL INITIATIVES COST	\$ 172,000	\$ 172,000	\$ 344,000

**UNIVERSITY OF MONTANA - WESTERN
FY 08/09 PROPOSED NEW BUDGET INITIATIVES**

	FY08	FY09	Biennium
	Additional Tuition Revenue		
.5% of tuition increase each year	\$ 17,411	\$ 34,822	\$ 52,233
EFFICIENCY			
Retention & Completion			
Teaching & Learning Center Staff	\$ 17,411	\$ 17,411	\$ 34,822
Peer Tutoring		\$ 17,411	\$ 17,411
TOTAL INITIATIVES COST	\$ 17,411	\$ 34,822	\$ 52,233
1% of tuition increase each year	\$ 34,822	\$ 69,644	\$ 104,466
EFFICIENCY			
Retention & Completion			
Teaching & Learning Center Staff	\$ 17,411	\$ 34,822	\$ 52,233
Peer Tutoring	\$ 17,411	\$ 17,411	\$ 34,822
Faculty Development Program		\$ 17,411	\$ 17,411
TOTAL INITIATIVES COST	\$ 34,822	\$ 69,644	\$ 104,466
2% of tuition increase each year	\$ 69,644	\$ 139,288	\$ 208,932
EFFICIENCY			
Retention & Completion			
Teaching & Learning Center Staff	\$ 34,822	\$ 34,822	\$ 69,644
Peer Tutoring	\$ 17,411	\$ 34,822	\$ 52,233
Faculty Development Program	\$ 17,411	\$ 34,822	\$ 52,233
Writing, Math & Technology Program		\$ 34,822	\$ 34,822
TOTAL INITIATIVES COST	\$ 69,644	\$ 139,288	\$ 208,932

**UM HELENA COLLEGE OF TECHNOLOGY
 FY 08/09 PROPOSED NEW BUDGET INITIATIVES**

	FY08	FY09	Biennium
	Additional Tuition Revenue		
.5% of tuition increase each year	\$ 8,315	\$ 16,796	\$ 25,111
EFFICIENCY			
Faculty (Part-time)		\$ 25,111	\$ 25,111
1% of tuition increase each year	\$ 16,631	\$ 33,595	\$ 50,226
EFFICIENCY			
Faculty (One full-time in the second year)		\$ 50,226	\$ 50,226
2% of tuition increase each year	\$ 33,262	\$ 67,189	\$ 100,451
EFFICIENCY			
Faculty (Part-time in first year and full in the second year)	\$ 33,262	\$ 67,189	\$ 100,451

MEMORANDUM

DATE: March 1 – 3, 2006

TO: Montana Board of Regents

FROM: Roger Barber, Deputy Commissioner for Academic & Student Affairs

SUBJECT: Level I Approvals and Announcements

This memorandum is intended to inform you of the Level I changes in academic programs that have been approved in the Office of the Commissioner of Higher Education since the November 2005 meeting of the Board of Regents. It also includes announcements that may be of interest to the Board. If you have any questions, I would be happy to answer them with the help of my colleagues in academic affairs.

Montana State University-Bozeman:

- **ITEM 129-2012+R1105:** Montana State University-Bozeman filed a Notice of Intent to terminate its Justice Studies Option in the Bachelor of Science degree program in Sociology. That Notice of Intent was included in the Level I memorandum distributed to the Board at the November 2005 meeting. All of the steps in the termination process have been completed, according to the termination checklist, and 60 days have elapsed since the Notice of Intent was included in the Board of Regents' meeting documents. The Justice Studies Option in the Bachelor of Science degree in Sociology is, therefore, eliminated from Montana State University-Bozeman's degree and program inventory.
- **ITEM 130-2006+R0306:** Montana State University-Bozeman asked that the Bachelor of Science degree in Range Science be changed to a Bachelor of Science degree in *Natural Resources and Rangeland Ecology*. It also asked to create two new options in that degree program: Rangeland Ecology and Management; and Wildlife Habitat Ecology and Management.
- **ITEM 130-2007+R0306:** Montana State University-Bozeman asked permission to create a new organizational entity on that campus entitled the Extended University. The Extended University would include the Burns Technology Center and the Office of Distance and Continuing Education.
- **ITEM 130-2008+R0306:** Montana State University-Bozeman requested that the Community Health/Public Health focus in its Option in Clinical Nurse Specialist be eliminated. The option is part of its Master of Nursing program. This Notice of Intent is included in the Level I memorandum to satisfy the public notice requirements associated with the termination of a program of study in the Montana University System.

Montana State University-Billings:

- **ITEM 130-2705+R0306:** Montana State University-Billings asked that the Bachelor of Science degree in Rehabilitation and Related Services be changed to a Bachelor of Science degree in *Psychiatric Rehabilitation*.

Montana State University-Northern:

Montana State University-Northern notified the Office of the Commissioner of Higher Education that it has removed the Bachelor of Science degree and minor in Civil Engineering Technology from moratorium. The degree was placed on moratorium by the institution in May 2005, under the provisions of Board of Regents' Policy 303.4. The Policy also requires the institution to notify the Office of the Commissioner of Higher Education when that moratorium is lifted.

The University of Montana-Missoula:

- **ITEM 130-1001+R0306:** The University of Montana-Missoula asked that the Option in Scientific Applications, in the Bachelor of Science degree in Computer Science, be eliminated. This Notice of Intent is included in the Level I memorandum to satisfy the public notice requirements associated with the termination of a program of study in the Montana University System.
- **ITEM 130-1002+R0306:** The University of Montana-Missoula requested that the Option in Software Systems, in the Bachelor of Science degree in Computer Science, be terminated. This Notice of Intent is included in the Level I memorandum to satisfy the public notice requirements associated with the termination of a program of study in the Montana University System.
- **ITEM 130-1003+R0306:** The University of Montana-Missoula asked permission to change the name of the Department of Geology to the *Department of Geosciences*.
- **ITEM 130-1004+R0306:** The University of Montana-Missoula asked permission to change the name of the Ph.D. degree in Pharmacology/Pharmaceutical Sciences to *Biomedical Sciences*.

The University of Montana-Missoula College of Technology:

- **ITEM 128-1007+R0905:** The University of Montana-Missoula College of Technology filed a Notice of Intent to terminate its Human Resources Option in the Associate of Applied Science degree in Administrative Management. That Notice of Intent was included in the Level I memorandum distributed to the Board at the September 2005 meeting. All of the steps in the termination process have been completed, according to the termination checklist, and 60 days have elapsed since the Notice of Intent was included in the Board of Regents' meeting documents. The Human Resources Option in the Associate of Applied Science degree in Administrative Management is, therefore, eliminated from The University of Montana-Missoula College of Technology's degree and program inventory.
- **ITEM 128-1008+R0905:** The University of Montana-Missoula College of Technology filed a Notice of intent to terminate its Office Administration Option in the Associate of Applied Science degree in Administrative Management. That Notice of Intent was included in the Level I memorandum distributed to the Board at the September 2005 meeting. All of the steps in the termination process have been completed, according to the termination checklist, and 60 days have elapsed since the Notice of Intent was included in the Board of Regents' meeting documents. The Office Administration Option in the Associate of Applied Science degree in Administrative Management is, therefore, eliminated from The University of Montana-Missoula College of Technology's degree and program inventory.

- **ITEM 130-1007+R0306:** The University of Montana-Missoula College of Technology asked to terminate the Certificate program in Baking. This Notice of Intent is included in the Level I memorandum to satisfy the public notice requirements associated with the termination of a program of study in the Montana University System.
- **ITEM 130-1008+R0306:** The University of Montana-Missoula College of Technology requested permission to eliminate the Associate of Applied Science degree and Certificate in Human Services. This Notice of Intent is included in the Level I memorandum to satisfy the public notice requirements associated with the termination of a program of study in the Montana University System.
- **ITEM 130-1009+R0306:** The University of Montana-Missoula College of Technology requested permission to terminate the Associate of Applied Science degree in Legal Support Services. This Notice of Intent is included in the Level I memorandum to satisfy the public notice requirements associated with the termination of a program of study in the Montana University System.
- **ITEM 130-1010+R0306:** The University of Montana-Missoula College of Technology asked to eliminate the Food and Beverage Management Option in its Associate of Applied Science degree in Management. This Notice of Intent is included in the Level I memorandum to satisfy the public notice requirements associated with the termination of a program of study in the Montana University System.
- **ITEM 130-1011+R0306:** The University of Montana-Missoula College of Technology requested permission to change the name of its Option in Information Coding Specialty in the Associate of Applied Science degree in Medical Information Technology to *Health Information Coding Specialty*.

Montana Tech of The University of Montana:

- **ITEM 130-1504+R0306:** Montana Tech of The University of Montana requested permission to convert its current coursework, entitled professional electives on that campus, to five options in both the Bachelor of Science degree in Computer Science and the Bachelor of Science degree in Software Engineering. The new options would be called Business Applications, Electronic Control Systems, Engineering Applications, Statistical Applications and Technical Communications.

Montana Tech of The University of Montana College of Technology:

- **ITEM 130-1501+R0306:** Montana Tech of The University of Montana College of Technology asked permission to offer a Certificate in Diagnostic Medical Sonography as part of its program offerings under the Associate of Applied Science degree in Radiologic Technology.
- **ITEM 130-1502+R0306:** Montana Tech of The University of Montana College of Technology asked for authority to deliver its Associate of Applied Science degree in Radiologic Technology to eastern Montana in collaboration with Miles Community College.

The University of Montana-Western:

- **ITEM 130-1601+R0306:** The University of Montana-Western asked permission to change the name of the Biological and Biomedical Sciences Option in the Bachelor of Arts degree to *Biology*.
- **ITEM 130-1602+R0306:** The University of Montana-Western requested authority to expand its existing Minor in Earth Science, under the Bachelor of Science degree in Secondary Education, into an Option.
- **ITEM 130-1603+R0306:** The University of Montana-Western asked for authority to add an Option in Environmental Interpretation to its Bachelor of Arts degree.
- **ITEM 130-1604+R0306:** The University of Montana-Western asked permission to add an Option in Psychology to the Associate of Applied Science degree in Equine Studies, the Associate of Applied Science degree in Natural Horsemanship and the Bachelor of Science degree in Natural Horsemanship.

The University of Montana-Helena College of Technology:

- **ITEM 130-1901+R0306:** The University of Montana-Helena College of Technology asked for authority to move its current Option in Network Architecture from the Associate of Applied Science degree in Computer Technology to the Associate of Applied Science degree in Electronics Technology. It also asked that the name of that Option be changed to *Information Technology Architecture*.
- **ITEM 130-1902+R0306:** The University of Montana-Helena College of Technology asked for permission to change the name of its Option in Administrative Assistant, under the Associate of Applied Science degree in Office Technology, to *Office Technology Specialist*.
- **ITEM 130-1903+R0306:** The University of Montana-Helena College of Technology asked to change the name of its Option in Administrative Medical Assistant, under the Associate of Applied Science degree in Office Technology, to *Medical Administrative Specialist*.
- **ITEM 130-1904+R0306:** The University of Montana-Helena College of Technology asked for authority to change the name of its Option in Legal Support Professional, under the Associate of Applied Science degree in Office Technology, to *Legal Administrative Specialist*.

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.:	130-2006+R0306	Date of Meeting:	March 1-3, 2006
Institution:	Montana State University - Bozeman		
Program Title:	B.S. in Natural Resources and Rangeland Ecology		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-2006+R0306	Institution: Montana State University - Bozeman
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

Montana State University – Bozeman seeks approval from the Montana Board of Regents to re-title its B.S. in Range Science to a B.S. in Natural Resources and Rangeland Ecology. In addition, MSU-Bozeman seeks approval to create two options with options in the degree (there are currently no options):

- Rangeland Ecology and Management, and
- Wildlife Habitat Ecology and Management.

The MSU College of Agriculture, Department of Animal and Range Sciences, currently offers B.S., M.S. and Ph.D. degree programs. The proposed Natural Resources and Rangeland Ecology with Options in Rangeland Ecology and Management or Wildlife Habitat Ecology and Management reflects the interest of students, expertise of faculty, employers and advisory groups knowledgeable about contemporary livestock-wildlife and vegetation-land-water issues.

M O N T A N A B O A R D O F R E G E N T S

NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

Institution: Montana State University – Bozeman
Program Title: B.S. in Natural Resources and Rangeland Ecology

1. How does this program advance the campus' academic mission and fit priorities?

An important component of MSU-Bozeman, as the land grant institution, is to provide an environment for students and faculty in which discovery and learning are closely integrated and valued. This is particularly true in the Department of Animal and Range Sciences, one of six departments in the College of Agriculture. This re-titling an existing B.S. major and defining two options builds upon existing strengths of the "range" faculty who have academic credentials, research and outreach programs in natural resources, livestock-wildlife interactions, rangeland ecology and plant-land-water habitats.

2. How does this program fit the Board of Regents' goals and objectives?

The proposed re-titling and delineation of distinctive options is a result of student-driven demand, employer input and advisory group recommendations. It reflects a growing demand for professionals who are trained in integrative multi-disciplinary fields.

3. How does this program support or advance Montana's needs and interests?

Rangelands comprise 70% of Montana's land are and help to support Montana's \$1.5 billion per year livestock industry. These lands and their natural resources provide wildlife habitat, clean water and unparalleled aesthetic beauty. Livestock-wildlife interactions on managed and natural habitat require an increasing level of professional management.

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

The qualitative aspects are provided above. Quantitative impacts with livestock are \$1.5B, while wildlife and livestock-wildlife and their habitat values are difficult to quantify.

5. What is the program's planned capacity?

• Break-even point?	0	FTE students
• Enrollments / year?	15	
• Graduates / year?	15	
• MT jobs / year?	10	

6. Resource Allocation:

• Total program budget?	\$ 0
• Faculty FTE?	5
• Staff FTE?	0

7. Does this program require new resources? Yes No

If yes, what is the amount? \$ _____

8. How will the campus fund the program?

Currently, the faculty required to manage, lead and grow the re-titled major are in place. Over the past several years new courses have been successfully added to the curriculum. Three additional courses will be added to support the curriculum associated with the re-titling effort (Wildlife-Livestock Habitat Restoration, Wildlife-Livestock Range Nutrition, and Contemporary Topics in Wildlife-Livestock Habitat Management).

9. If internal reallocation is necessary, name the sources.

n/a

**Proposal for
Department of Animal and Range Sciences
College of Agriculture
Montana State University - Bozeman**

PROPOSAL:

The Animal and Range Sciences Department in the College of Agriculture at Montana State University requests permission to re-title a B.S. degree, and the number and names of options offered under that degree. The current and re-titled names are:

	<u>Current</u>	<u>Re-title</u>
Degree Name	Range Science	Natural Resources and Rangeland Ecology
Options	Range Science	Rangeland Ecology and Management Wildlife Habitat Ecology and Management

OBJECTIVES AND NEEDS:**Why change the title from “Range Science” to “Natural Resources and Rangeland Ecology”?**

Research and education programs of the Department represented by the current Range Science degree are better described by the name “Natural Resources and Rangeland Ecology.” Urban high school students have a poor understanding of the word “range”, thinking of “range” as a verb or associating the word solely with the cattle industry. In truth, range science is the study of the natural resource ecology and management of “rangelands” (i.e., a descriptive term for landscapes), encompassing many inter-related disciplines addressing wildlife habitats. Rangeland management continues to be extremely important to the livestock industry, yet livestock grazing is just a part of the study of ecology and management of rangelands. The term “Natural Resources” is a more contemporary and recognizable term than Range Science that better reflects the integration of research and education activities in the Department – i.e., multiple landscapes that include grasslands, shrub communities, forests, riparian and upland habitats, multiple wild rangeland species including elk, deer, antelope, prairie dogs and other wild rodents, a myriad of plant species, and the study of habitat ecology and management for ungulates, rodents, fish, and birds. “Rangeland” more accurately identifies a resource rather than an activity or grazing livestock. “Ecology” reflects the central scientific element of range science, which is *applied* ecology.

Natural Resources and Rangeland Ecology is an integrative and multi disciplinary program of applied ecology. Students integrate and apply concepts and principles of plant ecology, animal nutrition, fish and wildlife biology, botany, plant physiology, livestock production, nutrient cycling, soil development and classification, hydrology, watershed management, geology, and weed science. They develop a holistic approach to understanding the interrelationships among ecosystem components, and integrate and apply ecological and socioeconomic knowledge to conserve, restore, preserve, and manage natural resources in ways that are ecologically sustainable, socially acceptable and economically viable. A degree in Natural Resources and Rangeland Ecology prepares students to help society derive a wealth of important environmental, social, and economic values from rangeland and forest ecosystems, including diverse wildlife habitats, clean and plentiful water, nutritious and productive livestock forage, open space, and scenic beauty. Potential occupations include managing and rehabilitating wildlife habitat, controlling noxious weed invasions, managing livestock grazing systems, conducting prescribed burns, managing wild horses and burros, restoring degraded sites, and mitigating non-point source pollutants.

Careers for our majors are among the few where a graduate can expect to work outdoors in a natural environment. Our graduates manage natural resources that are the focal points for some of the most important ecological, economic, social and contentious issues of our generation. This new descriptive title will help recruit high school students from an agricultural and an even broader base, especially urban students, from throughout Montana and the West. Terms in the title will be recognizable by high school students and their parents. Internet searches will lead students to the Department.

Why add options to the Natural Resources and Rangeland Ecology degree, and why these options?

First, natural resource sciences are broad, integrative, multi disciplinary fields. The options give students opportunity to match their interests and professional goals with their educational experiences. Second, research results as well as the experiences of peer institutions indicate that adding diversity and (or) specialization within a degree improves recruiting effectiveness. Third, excellent newly added courses in the Department as well as supporting courses are available from other departments on campus. These have been incorporated as electives into each degree option (see the attached curricula).

Each option title includes the words "Ecology and Management." These words accurately reflect the subject matter addressed, and emphasize strengths in teaching and research programs of the Department. Managing natural resources is a central theme to our academic programs, and requires the application of ecological concepts and principles.

"Rangeland Ecology and Management" emphasizes the interactions between natural resource ecology and rangeland livestock production. This option serves students interested in rangeland livestock management as well as those desiring a broader approach on issues associated with rangeland management in the West. This option provides a strong link to more traditional degree programs in rangeland management and more directly prepares students for employment with natural resource agencies where diverse skills and knowledge are expected. "Wildlife Habitat Ecology and Management" emphasizes issues associated with habitat management of numerous wildlife species in the West. Habitat management is one of the primary tools of wildlife management and conservation. Agencies are looking for wildlife professionals with an applied education in habitat evaluation, manipulation and management. This option also allows study of the numerous issues associated with riparian habitats in the West, and the critical roles riparian areas play in ecosystem function and management.

Because wildlife and their habitat are an integral part of rangeland ecosystems, Range Science curricula have included various wildlife biology courses since the late 1940s. With its strong focus on plant community ecology, soil-plant interaction and the effect of herbivory on plant growth and reproduction, Range Science instruction and research has consistently addressed the interaction between the recruitment and survival of native grass and shrub species and grazing/browsing by a wide variety of native and domestic herbivores. At the same time, many range management professionals have also been actively engaged in the development of reseeding techniques and the identification of native grass/shrub germplasm for the rehabilitation of rangelands degraded by extensive overgrazing and wildfires or drastically altered by coal, oil and gas development. One of the primary goals of range improvement and disturbed land rehabilitation efforts has been the re-establishment of grass, forb and shrub species important as cover and forage for wildlife species. The knowledge gained from extensive efforts to rehabilitate wildlife habitat on disturbed lands has added considerable detail to the rangeland ecology and management courses taught

today. Consequently, the creation of an area of emphasis on the management and restoration of wildlife habitat within the proposed Natural Resources and Rangeland Ecology degree is a natural outgrowth of efforts by current MSU College of Agriculture faculty and their colleagues throughout the West.

What new courses will be offered?

Several new courses have been developed in the Department over the past several years. Three new courses taught by Department faculty are proposed as part of the Rangeland Ecology and Management and Wildlife Habitat Ecology and Management Options. These courses provide subject matter not available in currently offered courses and provide alternatives to lessen potential impacts on currently offered high demand courses. The courses are to be taught by faculty in the Department of Animal and Range Sciences. These faculty are qualified by their advanced degree and/or teaching and research experiences. The courses proposed are: Wildlife-Livestock Habitat Restoration; Wildlife-Livestock Range Nutrition; and Contemporary Topics in Wildlife-Livestock Habitat Management. The options proposed also integrate courses from several departments across campus (see below).

What are the career opportunities for graduates in the Natural Resources and Rangeland Ecology B.S. Degree?

- Careers:
 - Land/natural resource management
 - Wildlife habitat management
 - Ranch management
 - Land use planning
 - Resource conservation/restoration
 - Consulting
- Application areas:
 - Livestock production
 - Wildlife habitat
 - Water quality and use
 - Native plant communities

How does the Natural Resources and Rangeland Ecology program relate to the mission of MSU?

Our faculty, staff and resources position us to deliver a unique program that utilizes a multi-disciplinary scientific approach to the dynamic interactions between livestock production/marketing systems and natural resource management, and prepares leaders to address some of the most critical issues facing livestock production, wildlife habitat and natural resource management in Montana and the West. The Department's teaching, research and Extension Service programs mirror key components of Montana's economy, culture, and natural resources.

Important strengths of the Department include the genuine integration of science and management and the integration of academic programs with research and Extension Service programs. Our extension specialists also teach undergraduate courses. Our applied research and Extension Service projects include industry and agency partners and connect us with the diverse problems faced by rangeland and natural resource users and managers. The Department has several advisory committees composed of ranchers, natural resource managers, and other stakeholders. These committees strengthen the connection of the Department to the resource management issues, policies, and opportunities in Montana. Discussions with these committees and students have refined and strengthened our vision.

Rangelands comprise 70% of Montana's land area and help support Montana's \$1.5 billion per year livestock industry. Montana's rangelands also provide wildlife habitat, clean water and unparalleled aesthetic beauty. The location of the MSU campus within the Greater Yellowstone Ecosystem further immerses the Department in science and policy issues of regional, national and international importance.

ADEQUACY, ACCREDITATION, AND ASSESSMENT ISSUES:

The changes requested pertain to an existing degree program. Present faculty, facilities, equipment, and library holdings are all adequate to support the program. No special accreditation will be required. A revised assessment plan was developed last spring. No changes in the assessment plan will be required.

IMPACT ON FACULTY, FACILITIES, COSTS, STUDENTS, AND OTHER DEPARTMENTS AND CAMPUSES:

What are the expected impacts on faculty?

The changes requested pertain to an existing degree program. Any increase in load will result from increased recruiting effectiveness. Faculty course-loads will not change significantly, though we expect student/faculty ratios to increase. Faculty advising loads will increase, but should remain within manageable levels for the near future, enabling us to maintain quality in the classroom.

What are the expected impacts on facilities?

Library resources are adequate to deliver the program. Impacts on facilities will not be changed. Current classrooms are large enough to handle anticipated short-term growth. New facilities, including state-of-the-art classrooms and labs, are currently being planned, and fundraising efforts are underway. New facilities will complement recruitment and support additional growth.

What are the expected impacts on expenses?

Costs to deliver the degrees should not change above inflation common to all programs. No additional faculty positions are included in this request. Several courses have lab fees that cover most costs associated with delivering labs (transportation and consumables).

What are the expected impacts on students?

Over twenty students were asked their opinion about the new proposed revisions. Students represented Range Science and other majors in the College of Agriculture. Their responses were universally enthusiastic; especially if the option name would appear on their transcript and most importantly new courses were added.

We expect these changes to impact students in several positive ways: increased enrollment, richer classroom experiences with more non-resident students, increased student satisfaction, and expanded career opportunities.

How do the proposed degree options relate to other natural resource and environmental degree programs at MSU and UM?

The changes proposed better communicate to potential students the opportunities available through the academic programs delivered by the unit. The proposed revisions do not represent a change in direction for the Department.

Montana State University departments that offer supporting courses may experience increased enrollment. The proposed curriculum balances the value of the subject matter of specific courses taught by different departments with the learning objectives of the options with the potential availability of those courses to students in the option. Desirable, but high demand courses were utilized in restricted electives blocks

rather than made absolute required courses. The University of Montana campus should not be impacted. At the University of Montana, there is a Range Resources Management Option within the Forest Resources B.S. Degree. Historically, UM has emphasized forested landscapes, whereas MSU has emphasized non-forested landscapes. This unique difference will remain.

Range Science traditionally integrates several disciplines into management systems in a wide variety of landscapes. The proposed new structure continues to reflect this approach. Hence, the degree complements degrees and options offered by other departments. For example, related degrees offered by the Department of Land Resources and Environmental Sciences reflect faculty strengths and emphasize science related to soils, cultivated and native plants, rehabilitation of drastically disturbed lands, and basic microbe-plant-soil-water environmental sciences. Our degree emphasizes the interaction of vegetation, livestock enterprises, wildlife habitat and associated management applications in agricultural and wildland systems. Related degrees offered by the Ecology Department reflect faculty strengths and emphasize fish and wildlife ecology. Our degree options place the emphasis on habitat management.

How do the proposed degree options integrate coursework offered from other MSU departments?

- Courses used in required, option and choice blocks from other MSU departments.
 - AGEC 210 – Economics of Ag Bus
 - BCHM 122 – Organic & Biochem Prin
 - BIOL 101 – Biology of Organisms
 - BIOL 230 – Identification of Seed Plants
 - BIOL 303 – Prin Ecology
 - BIOL 405 – Advanced Animal Ecology
 - BIOL 418 – Mammology
 - BIOL 419 – Ornithology
 - BIOL 439 – Stream Ecology
 - BUS 201 – Managerial Communication
 - CHEM 121 – Intro General Chemistry
 - ECON 101 – Economic Way of Thinking
 - ENGL 221 – College Writing II
 - ENGL 223 – Technical Writing
 - ESCI 112 – Physical Geography
 - ESCI 432 – Surface-Water Resources
 - F&WL 301 – Principles of F&WL Mgt
 - GEOG 305 – Intro to Geographic Information Systems
 - LRES 201 – Soil Resource
 - LRES 357 – GPS Fundamentals & Appl. in Mapping
 - LRES 443 – Weed Ecology and Management
 - LRES 444 – Watershed Hydrology
 - LRES 454 – Pedology
 - LRES 460 – Soil Remediation
 - LRES 461 – Restoration Ecology
 - MATH 160 – Pre-Calculus
 - MATH 170 – Survey of Calculus
 - PHYS 205 – College Physics I
 - PSPP 318 – Biometry
 - PSPP 342 – Forages
 - PSPP 450 – Plant Physiology
 - PSPP 454 – Agrostology

- PSPP 456 – Plant Systematics
- STAT 216 – Elementary Statistics
- See attached curricula.

PROCESS LEADING TO SUBMISSION OF PROPOSAL:

The scope of work in the Department of Animal and Range Sciences has broadened, reflecting the expertise of our faculty and changes in private and public natural resource management and in society. The Department needs to better communicate to students and other clientele the scope of its programs.

Enrollment in the Range Science B.S. program has remained flat, while job opportunities increase. Many other universities and relevant professional societies have experienced this same trend. Historically, the majority of students entering the Range Program have come from agricultural families and families employed by government resource management agencies. Many were introduced to Range Science through FFA or 4-H. These potential students had prior experience with Range Science, so they understood Range Science as a discipline and as a profession. This historical recruiting base is decreasing as the number of agricultural families decreases and as some of these individuals choose careers in other fields. Universities that have failed to change have lost their programs (e.g., Washington State University), while those that have made changes to better market their degrees are thriving (e.g., North Dakota State University).

Urban high school students have a poor understanding of the scope and breadth of Range Science as a discipline and a profession. Such students with no agricultural experience or no exposure to Range Science think of “range” as a verb (i.e., something animals do), rather than a noun (i.e., a resource or a field of study). Further, many urban high school students assume that Range Science is strictly a “production ag” degree that is only associated with livestock grazing. We need to market and deliver our degree program in a way that accurately communicates the true breadth and content of the program and the opportunities afforded its graduates. Research results and the experiences of peer institutions indicate that changes we propose will be successful in attracting students.¹

Career opportunities for our majors are excellent. Our graduates find employment in many sources including: USDA Forest Service, USDA Natural Resources Conservation Service, USDI Bureau of Land Management, USDI National Park Service, MT Department of Fish, Wildlife, and Parks (and corresponding agencies in other western states), private resource management and consulting firms, private ranches, and university extension. Natural resource management issues are of increasing importance, especially in the West. MSU is located near the center of more natural resource issues than any land grant university in America. Some students continue their education in graduate school before joining the workforce. Federal agencies have traditionally employed many of our Range Science graduates. These agencies have increased the number of rangeland management hires in the last five years and anticipate high rates of retirement in the near future². For example, the Forest Service has started interviewing students and making on-the-spot job offers to Range Science students at the Society for Range Management annual meetings.

¹ References:

McClaran, M. P. 2000. History of the Range Curriculum: Are there new trails? *Rangelands* 22(1):23-27.
 Range Science Education Symposium, 2002 Society for Range Management Annual Meeting, Kansas City.
 Heitschmidt, R. 2003. President, Society for Range Management. (paper in preparation).
 Wildman, M. L., and R. M. Torres. 2002. Factors influencing choice of major in agriculture. *NACTA Journal*, Sept:4-7.

² USDI (BLM, BIA, NPS, FWS), USDA-USFS. Data provided by Society for Range Management.

We have shared our plans with Departmental advisory groups and clientele and they have encouraged us to proceed. They understand the need for this change and support it. We have met with representatives of the Bureau of Land Management, the Natural Resources Conservation Service, and the U.S. Forest Service regarding educational requirements for federal employment. Because many of our current graduates find careers with these agencies, and these agencies anticipate many job openings in the near future, we asked for their input on curricula. Each option under the Natural Resource and Rangeland Ecology B.S. degree has been tailored to qualify graduates for positions with these agencies.

The proposal was created by Range Science faculty. With support of the Dean of the College of Agriculture, the proposal was presented to the University Undergraduate Studies Committee and was approved. Since the proposed degree would potentially impact courses in departments outside the College of Agriculture (especially Ecology), the proposal was reviewed and the Provost requested modest changes to the proposal to address some concerns that were raised. The department responded to these concerns resulting in the current proposal.

06-08 Catalog
9/30/05

Montana State University
COLLEGE OF AGRICULTURE
ANIMAL AND RANGE SCIENCES DEPARTMENT

B.S. in Natural Resources and Rangeland Ecology
PROPOSAL

Name: _____ ID#: _____ Date: _____

A minimum of 120 credits is required to graduate, 42 must be 300 level or above.

DEPARTMENTAL REQUIREMENTS FOR THIS DEGREE						
CREDITS: 93						
Dept/#	Course Title	Credits	Class/Sem		Year	Sub/Transfer
ARNR 100	Intro Animal Science	3	FR	S		
ARNR 101	Natural Resource Conservation	3	FR	F		
ARNR 102	Principles of Rangeland Mgmt Lab	1	FR	F		
ARNR 230	Range Livestock Production	3	SO	F		
ARNR 235	Rangeland Monitoring	1	SO	F		
ARNR 240	Natural Resource Ecology	3	SO	F		
ARNR 345	Riparian Ecology & Management	3	JR	S		
ARNR 350	Vegetation of Western Wildlands	3	JR	S		
ARNR 351	Biomes of Western Wildlands	2	JR	S		
ARNR 353	Grazing Ecology & Management	3	JR	S		
ARNR 354	Fire Ecology & Management	3	JR	F		
ARNR 401	Planning and Program Analysis I	1	SR	F		
ARNR 402	Planning and Program Analysis II	1	SR	S		
ARNR 438	Wildlife Habitat Ecology	3	SR	S		
ARNR 453	Habitat Inventory & Analysis	3	SR	F		
ARNR 456	Conflict Resolution Natrl Res Mgmt	1	SR	F		
AGED 251US OR	Leadership Dev for Ag	3	FR	FS(S)		
COM110 US	Public Communication	3	FR	FS(S)		
BCHM 122	Organic & Biochemical Principles	4	FR	FSSu (S)		
BIOL 101N	Biology of Organisms	4	FR	FS (F)		
BIOL 230	Identification of Seed Plants	4	SO	S		
BIOL 303	Principles of Ecology	3	SR	S		
BIOL 430	Plant Physiology	3	SR	S		
BIOL 434 OR	Agrostology (Alt Yrs 2005)	3	JR	F		
BIOL 436	Plant Systematics (Alt Yrs 2006)	3	JR	F		
BUS 201 OR	Managerial Communication	3	SO	FSSu (F)		
ENGL 221 OR	College Writing II	3	SO	FS (F)		
ENGL 223	Technical Writing	3	SO	S		
CHEM 121N	Intro General Chemistry	4	FR	FSSu (F)		
ECON 101 IS	Economic Way of Thinking	3	FR	FSSu (F)		
ENGL 121W	College Writing I	3	FR	FSSu (F)		
F&WL 301	Principles of F&WL Mgt	3	JR	S		
GEOG 305 OR	Intro to Geographic Information Syst	3	JR	F		
LRES 357	GPS Fundamentals & Appl in Mapping	3	JR	F		
LRES 201	Soil Resource	3	SO	F		
LRES 454	Pedology	3	SR	F		
MATH 160Q OR	Pre-Calculus	4	FR	FSSu (S)		
MATH 170Q	Survey of Calculus	4	FR	FSSu (S)		

PS 318 OR STAT 216Q	Biometry Elementary Statistics	3 3	SO SO	F S		
CHOOSE ONE OPTION BELOW TO COMPLETE						
RANGELAND ECOLOGY AND MANAGEMENT OPTION						
CREDITS REQUIRED: 14-16						
ARNR 4XX	Wildlife-Livestock Range Nutrition	3		S		
MGMT 473	Modern Management of Western Resources	3		F		
PS 342	Forages	3		F		
CHOOSE at least TWO OF THE FOLLOWING:						
AGEC 210	Economics of Ag Business	3		s		
ARNR 320	Animal Nutrition	4		F		
ARNR 410	Veterinary Entomology	2		S		
ARNR 432 OR ARNR 434	Sheep Management Beef Cattle Management	3 4		S F		
BIOL 439	Stream Ecology	3		F		
LRES 443	Weed Ecology and Management	3				
LRES 444 Or ESCI 432	Watershed Hydrology Surface Water Resources	3 3		F F		
LRES 460	Soil Remediation	3		S		
LRES 461	Restoration Ecology	3		F		
WILDLIFE HABITAT ECOLOGY AND MANAGEMENT OPTION						
CREDITS REQUIRED: 14-15						
ARNR 355	Wildlife-Livestock Habitat Restoration	3		F		
ARNR 4XX	Wildlife-Livestock Range Nutrition	3		S		
ARNR 4XX	Contemporary Topics in Wildlife-Livestock Habitat Mgmt	3		FS		
CHOOSE at least TWO OF THE FOLLOWING						
ARNR 480Z	Yellowstone Range Ecology	2		Su		
BIOL 405	Advanced Animal Ecology	3		S		
BIOL 415	Ichthyology	3		S		
BIOL 418	Mammalogy	3		F		
BIOL 419	Ornithology	3		S		
BIOL 439	Stream Ecology	3		F		
LRES 444 OR ESCI 432	Watershed Hydrology Surface Water Resources	3 3		F F		
BIOL 310 Or VTMB 271	Comparative Vertebrate Anatomy Functional Anatomy of Domestic Animals	4 4		S S		
FREE ELECTIVES						
CREDITS REQUIRED 0-1						

CORE 2.0 Not Included in curriculum – 12 credits

BUDGET ANALYSIS

Proposed Program: B.S. in Natural Resources and Rangeland Ecology										
Campus: Montana State University-Bozeman										
	Year 1		Year 2		Year 3		Year 4		Year 5	
Estimated Enrollment										
FTE Enrollment	34		38		42		46		46	
Estimated Incremental Revenue*										
Use of Current General Operating Funds	0		0		0		0		0	
State Funds	0		0		0		0		0	
State Funding for Enrollment Growth	0		0		0		0		0	
Tuition Revenue	0		0		0		0		0	
A. Gross Incremental Tuition Revenue	0		0		0		0		0	
B. Reductions to Incremental Tuition	0		0		0		0		0	
C. Net Applied Tuition Revenue (A-B) →	0		0		0		0		0	
Program Fees										
External Funds										
Other Funds										
TOTAL Estimated Revenue	0		0		0		0		0	
Estimated Incremental Expenditures										
	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost
Personal Services										
Operating Expenses										
Equipment										
Start-up Expenditures										
TOTAL Estimated Expenditures	0		0		0		0		0	
Estimated Revenues Over/Under (-) Expenditures	0		0		0		0		0	

* Although the proposed option could result in an overall increase in FTE through improved recruitment and retention (the above estimates 4/year to a new steady-state of 46), the ability to support the re-titled major with options is not contingent on increased resources and therefore the most conservative estimate is to assume no incremental revenue. If we experience true growth, this will be re-evaluated.

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.:	130-2007+R0306	Date of Meeting:	March 1-3, 2006
Institution:	Montana State University-Bozeman		
Program Title:	Extended University		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-2007+R0306	Institution: Montana State University-Bozeman
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

Montana State University requests to establish an umbrella title for the entity of "Extended University", consolidating the outreach, distance learning and continuing education activities of the institution. MSU's "Extended University" will include the Burns Technology Center (BTC) and the Office of Distance and Continuing Education. This change is made to adhere to the new MSU identity and branding standards and to clarify the roles and relationship of BTC and Distance and Continuing Education in the academic structure of the University. This proposed change is a name change only and does not create, modify or eliminate any existing operations within the institution or require any budgetary modifications.

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.:	130-2008+R0306	Date of Meeting:	March 1-3, 2006
Institution:	MSU-Bozeman		
Program Title:	Elimination of the Community Health/Public Health Nursing focus area of the Clinical Nurse Specialist option in the MN degree program.		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-2008+R0306	Institution: MSU-Bozeman
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

Montana State University-Bozeman requests approval to eliminate the Community Health/Public Health focus within the Clinical Nurse Specialist option of the Master of Nursing program. Over the three-year period of federal support for this option, there has been minimal student interest: only two enrollees, one of whom dropped when the national certification exam was discontinued. All items in the program termination checklist have been addressed. The effective date of the termination would be May 2007, and no new students are being admitted to this program.

M O N T A N A B O A R D O F R E G E N T S

LEVEL I REQUEST FORM

Item No.:	130-2705+R0306	Date of Meeting:	March 1–3, 2006
Institution:	Montana State University-Billings		
Program Title:	Bachelor of Science in Psychiatric Rehabilitation		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the

request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-2705+R0306	Institution: Montana State University-Billings
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

Montana State University-Billings' Department of Rehabilitation and Human Services is requesting the name of the Bachelor of Science in Rehabilitation and Related Services be changed to the Bachelor of Science in Psychiatric Rehabilitation.

Four years ago the Federal Government changed the requirements for rehabilitation counselors in the state/Federal system of Vocational Rehabilitation to a minimum of a Masters degree. Since this change (known as CSPD), Bachelors level graduates in rehabilitation counseling have sought employment in the mental health field. The largest employer of MSU-Billings rehabilitation counseling graduates has been the Mental Health Center. The rehabilitation approach when applied to the mental health context is known as "psychiatric rehabilitation", and has been well received by employers and consumers alike because of its emphasis on vocational and community integration goals.

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.:	130-1001+R0306	Date of Meeting:	March 1-3, 2006
Institution:	The University of Montana - Missoula		
Program Title:	Eliminate the Option in Scientific Applications for the B.S. Degree in Computer Science		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-1001+R0306	Institution: University of Montana – Missoula
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

The University of Montana-Missoula seeks to eliminate the Option in Scientific Applications for the B.S. degree in Computer Science. Few students graduate in this Option each year.

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.:	130-1002+R0306	Date of Meeting:	March 1-3, 2006
Institution:	The University of Montana – Missoula		
Program Title:	Eliminate the Software Systems Option for the B.S. degree in Computer Science		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-1002+R0306	Institution: The University of Montana-Missoula
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

The University of Montana-Missoula seeks permission to eliminate the Software Systems Option for the B.S. degree in Computer Science.

Explanation: The Scientific Applications Option for the B.S. in Computer Science is being deleted because of low enrollment. This would leave a single Option, Software Systems, and the requirements for the Software Systems Option are the requirements for the B. S. degree in Computer Science. Consequently, there is no need to list a software systems option.

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.:	130-1003+R0306	Date of Meeting:	March 1-3, 2006
Institution:	The University of Montana - Missoula		
Program Title:	Re-title the Department of Geology to the Department of Geosciences		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-1003+R0306	Institution: University of Montana - Missoula
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

The University of Montana—Missoula requests permission to re-title the Department of Geology to the Department of Geosciences for the following reasons:

- (a) The new name better represents the composition of the curriculum and scholarship.
- (b) It will better present the focus and evolution of the department to prospective graduate students and future hires.
- (c) The change is consistent with international learned societies and funding agencies.
- (d) The University of Montana has scholars across departments with whom faculty in the current Geology Department conduct joint research.
- (e) The name change will help broaden the national awareness of a scholarly niche in which UM is well poised to compete.

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.:	130-1004+R0306	Date of Meeting:	March 1-3, 2006
Institution:	The University of Montana - Missoula		
Program Title:	Re-title the Existing Ph.D. Major in Pharmacology/Pharmaceutical Sciences to a Ph.D. Major in Biomedical Sciences		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-1004+R0306	Institution: University of Montana - Missoula
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

The University of Montana—Missoula requests permission to re-title the existing Ph.D. major in Pharmacology/Pharmaceutical Sciences to a Ph.D. major in Biomedical Sciences. The major is offered by the Department of Biomedical and Pharmaceutical Sciences in the College of Health Professions and Biomedical Sciences.

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.:	130-1007+R0306	Date of Meeting:	March 1-3, 2006
Institution:	The University of Montana-Missoula College of Technology		
Program Title:	Delete the Food Service Management—Baking Certificate		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-1007+R0306	Institution: The University of Montana—Missoula College of Technology
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

The University of Montana—Missoula College of Technology requests permission to delete the Food Service Management—Baking Certificate. This program has no students enrolled and is not actively enrolling students.

MONTANA BOARD OF REGENTS
LEVEL I REQUEST FORM

Item No.:	130-1008+R0306	Date of Meeting:	March 1-3, 2006
Institution:	The University of Montana-Missoula College of Technology		
Program Title:	Delete the Human Services A.A.S. and Certificate		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-1008+R0306	Institution: The University of Montana—Missoula College of Technology
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

The University of Montana—Missoula College of Technology requests permission to delete the Human Services A.A.S. and Certificate. The Human Services program has no students currently enrolled and is not actively enrolling students.

MONTANA BOARD OF REGENTS
LEVEL I REQUEST FORM

Item No.:	130-1009+R0306	Date of Meeting:	March 1-3, 2006
Institution:	The University of Montana-Missoula College of Technology		
Program Title:	Delete the Legal Support Services A.A.S		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-1009+R0306	Institution: The University of Montana—Missoula College of Technology
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

The University of Montana—Missoula College of Technology requests permission to delete the Legal Support Services A.A.S. This program has no students enrolled and is not actively enrolling students.

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.:	130-1010+R0306	Date of Meeting:	March 1-3, 2006
Institution:	The University of Montana-Missoula College of Technology		
Program Title:	Delete the Management A.A.S.—Food & Beverage Mgmt. Option		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-1010+R0306	Institution: The University of Montana—Missoula College of Technology
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

The University of Montana—Missoula College of Technology requests permission to delete the Management A.A.S.—Food & Beverage Mgmt. Option. This program has no students enrolled and is not actively enrolling students.

MONTANA BOARD OF REGENTS
LEVEL I REQUEST FORM

Item No.:	130-1011+R0306	Date of Meeting:	March 1-3, 2006
Institution:	The University of Montana-Missoula College of Technology		
Program Title:	Re-title the Medical Information Technology A.A.S.—Information Coding Specialty Option to Medical Information Technology A.A.S.—Health Information Coding Specialty Option		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-1011+R0306	Institution: The University of Montana—Missoula College of Technology
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

The University of Montana—Missoula College of Technology requests permission to re-title the Medical Information Technology A.A.S.—Information Coding Specialty Option to Medical Information Technology A.A.S.—Health Information Coding Specialty Option to better describe the curriculum.

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.: 130-1504+R0306 Date of Meeting: March 1-3, 2006
Institution: Montana Tech of The University of Montana
Program Title: B.S. in Computer Science; and B.S. in Software Engineering

Level I proposals are those may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

Level I action requested (check all that apply): **Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.**

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Departmental mergers and name changes;
- 5. Program revisions; and
- 6. Distance delivery of previously authorized degree programs.

Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major of degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals. All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

See page 2 to specify request.

Item No.: 130-1504+R0306

Level I Request Form

Page 2

Specify Request:

Montana Tech of The University of Montana requests that the professional electives for the B.S. Computer Science and B.S. Software Engineering programs in Business Applications, Electronic Control Systems; Engineering Applications; Statistics; or Technical Communications be approved as options. Students in these majors are required to select one of five sequences of courses (called professional electives) offered by departments throughout campus. These sequences allow the students to concentrate in an area other than computer science in a focused effort to prepare them to work in the industry of their choice. Promoting these sequences to options that appear on student transcripts will enhance a student's degree by showing the area of specialization.

1. Briefly describe the proposed new program. Please indicate if it is an expansion of an existing program, a new program; cooperative effort with another institution, business or industry; or an on-campus or off-campus program. Attach any formal agreements established for cooperative efforts.

The specific objective to be achieved by changing the professional electives concentrations to options is to provide transcribed documentation of the course of study. Computer Science and Software Engineering require the electives to be concentrated into one of five areas: Business Applications, Electronic Control Systems; Engineering Applications; Statistics; or Technical Communications. This focuses the students area of study and provides a concentration outside of computer science that better prepares them for professional practice of computer science in that area of industry.

2. Summarize a needs assessment conducted to justify the proposal. Please include how the assessment plan was developed or executed and the data derived from this effort.

The students are required to pursue one of five professional concentrations. For the professional concentration to appear on the transcript, they need to be approved as options under the degree.

3. Explain how the program relates to the Role and Scope of the institution as established by the Board of Regents.

Montana Tech of The University of Montana's mission statement includes the following statement: "It promotes science literacy, generally, specifically encourages careers in engineering and science, and offers an expanding array of external studies and outreach programs".

4. Please state what effect, if any, the proposed program will have on the administrative structure of the institution. Also indicate the potential involvement of other departments, divisions, colleges, or schools.

No impact on the administrative structure will take place. The courses currently required in the professional concentration are offered outside of computer science/software engineering on a regular and predictive basis.

5. Describe the extent to which similar programs are offered in Montana, the Pacific Northwest, and the states bordering Montana. How similar are these programs to the one proposed?

Computer Science is offered at MSU and UM. Montana Tech is the only institution in Montana to offer a B.S. in Software Engineering.

6. Please name any accrediting agency(ies) or learned society(ies) that would be concerned with the particular program herein proposed. How has this program been developed in accordance with criteria developed by said accrediting body(ies) or learned society(ies)?

This program underwent a review by ABET in fall 2003. The curriculum is not being modified from the last review. The change from professional concentration to options was approved by the Montana Tech Curriculum Review Committee on October 10, 2005 and subsequently approved by the faculty on December 7, 2005.

Prepare an outline of the curriculum showing course titles and credits. Please include any plans for expansion of the program during its first three years

PROPOSED COMPUTER SCIENCE and SOFTWARE ENGINEERING DEGREE OPTIONS

Junior and Senior Years
12 Credits for Each Option

Business Applications				
Junior Year			<u>Fall</u>	<u>Spring</u>
BUS	2146	Accounting I	3	
BUS	2156	Accounting II		3
Senior Year				
*	BUS	3416	Business Law I	3
*	BUS	3616	Management	3
*	BUS	3316	Marketing	3
*	BUS	3516	Business Finance	3
* select 2 courses out of 4				

Electronic Control Systems				
Junior Year			<u>Fall</u>	<u>Spring</u>
Phys.	3036	Electronics (prereq Phys. 2086 and 2106)	3	
Engr.	2530	Intro to Electric Circuits (coreq Phys 2086)		3
*	Engr.	2550	Electric Circuits Lab (coreq Engr 2530 & Phys 2106)	1
Senior Year				
*	Engr.	3270	Digital Circuit Design (prereq Phys. 3036)	3
*	Engr.	3500	Introduction to Signals, & Systems (prereq Engr 2530)	3
*	Engr.	3560	Electric Circuits II (prereq Engr 3500)	3
*	Engr.	3570	Electronic Design (prereq Phys 3036 & Engr 3500)	3
*	Engr.	4410	Control System Theory and Design (prereq Engr 3500)	3
*	Engr.	4450	Process Instrumentation and Control (prereq Engr 2530)	3
*	Engr.	4460	Process Instrumentation and Control Lab (prereq Engr 2530)	1
*	Phys.	4806	Intro to Microprocessors (prereq Phys. 3036)	3
* select 2 or more courses to reach a minimum of 12 elective credits within the option.				

Engineering Applications				
Junior Year			<u>Fall</u>	<u>Spring</u>
Engr.	2050	Statics (prereq Phys. 1046)	3	
Engr.	2150	Engineering Computer Graphics		3
Senior Year				
Engr.	3350	Mechanics of Materials	3	

Engr.	3150	Introductory Engineering Computer Applications		3
Statistics				
Junior/Senior Year			<u>Fall</u>	<u>Spring</u>
*	MATH	4316	Experimental Design (prerequisite Math 3316)	3
*	MATH	4326	Regression and Model Building (prerequisite Math 3316)	3
Junior/Senior Year				
	MATH	4336	Probability Theory (prerequisite Math 3316)	3
*	MATH	4346	Statistical Theory (prerequisite Math 4336)	3
* select 3 courses out of 4				
Technical Communication				
Junior Year			<u>Fall</u>	<u>Spring</u>
	PTC	3406	New Media Design I	3
+*	PTC	3216W	Scientific & Technical Writing	3
+*	PTC	3896W	Business & Professional Writing	3
Senior Year				
+*	PTC	3256W	Scientific Report Writing	3
*	PTC	4406	New Media Design II	3
*	PTC	4056	Technical Editing	3
*	PTC	4126	Advanced Writing	3
*	PTC	4426	History, Technology, & Communication	3
+ only one of these courses may be used to satisfy the required GER 300-level writing course				
* select 3 courses out of 7				

FACULTY AND STAFF REQUIREMENTS

1. Please indicate, by name and rank, current faculty who will be involved with the program proposed herein.

Dr. Celia Schahczenski, Professor and Head of Computer Science
 Dr. Louis Glassy, Assistant Professor of Computer Science
 Dr. Michael Grinder, Associate Professor of Computer Science
 Mr. Gary Mannix, Associate Professor of Computer Science

2. Please project the need for new faculty over the first five years of the program. Include special qualifications or training. If present faculty are to conduct the new program, please explain how they will be relieved from present duties.

No new faculty will be needed to support these options. The courses are offered by other programs on campus and are integral to their associated curriculum.

3. Please explain the need and cost for support personnel or other required personnel expenditures.

The degrees are currently being offered with the proposed options as professional concentrations. No new costs will be associated with personnel support or otherwise.

4. Please indicate special clinical, laboratory, and/or computer equipment that will be needed. List those pieces of equipment or computer hardware presently available in the department.

The current classroom and facilities are adequate.

5. Please describe facilities and space required for the proposed program. Are current facilities adequate for the program? If not, how does the institution propose to provide new facilities?

The existing space in Museum Building is adequate to house the options.

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.:	130-1501+R0306	Date of Meeting:	March 1-3, 2006
Institution:	Montana Tech of The University of Montana College of Technology		
Program Title:	A.A.S. Radiologic Technology, new Certificate in Diagnostic Medical Sonography		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision

will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-1501+R0306	Institution: Montana Tech of The University of Montana College of Technology
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

This request is for Montana Tech of The University of Montana to offer the Advanced Certificate of Completion in Diagnostic Medical Sonography through the College of Technology. The program will provide comprehensive didactic and clinical education to prepare Radiologic Technologists to become qualified practicing Sonographers. This intensive program provides a combination of classroom and hospital-based instruction. Ultrasound is a fast growing field that uses sonography equipment to produce high-frequency sound waves to create diagnostic images and data that help healthcare professionals diagnose patients with disease. Ultrasound imaging is used on many body parts including the abdomen, blood vessels, and developing fetus of a pregnant woman. The Diagnostic Medical Sonography Certificate Program would be a statewide program placing one student in each partnering healthcare facility and utilizing web delivery for didactic instruction.

Please refer to the attached curriculum sheet.

MONTANA BOARD OF REGENTS
LEVEL I REQUEST FORM

Item No.:	130-1501+R0306	Date of Meeting:	March 1-3, 2006
Institution:	Montana Tech of The University of Montana College of Technology		
Program Title:	A.A.S. Radiologic Technology, new Certificate in Diagnostic Medical Sonography		

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- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
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- 4. Adding new minors or certificates where there is an option in a major;
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- 6. Program revisions; and
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- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

ITEM 130-1501+R0306 PROPOSAL

~~All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.~~

Specify Request:

~~This request is for Montana Tech of The University of Montana to offer the Advanced Certificate of Completion in Diagnostic Medical Sonography through the College of Technology. The program will provide comprehensive didactic and clinical education to prepare Radiologic Technologists to become qualified practicing Sonographers. This intensive 18-month program provides a combination of classroom and hospital-based instruction. Ultrasound is a fast growing field that uses sonography equipment to produce high-frequency sound waves to create diagnostic images and data that help healthcare professionals diagnose patients with disease. Ultrasound imaging is used on many body parts including the abdomen, blood vessels, and developing fetus of a pregnant woman.~~

~~The Diagnostic Medical Sonography Certificate Program would be a statewide program placing one student in each partnering healthcare facility and utilizing web delivery for didactic instruction.~~

~~Please refer to the attached curriculum sheet.~~

**MONTANA TECH of UNIVERSITY OF MONTANA
COLLEGE OF TECHNOLOGY
DIAGNOSTIC MEDICAL SONOGRAPHY PROGRAM**

Program Outline

Diagnostic Medical Sonography Advanced Certification Program

FALL ENTRY

1st Semester

RAD 0311	Introduction to Sonographic Imaging	1
RAD 0312	Sonographic Physics and Instrumentation I	2
RAD 0313	Sonographic Interpretation I	3
RAD 0314	Clinical Education	<u>8</u>
		14

2nd Semester

RAD 0322	Sonographic Physics and Instrumentation II	2
RAD 0323	Sonographic Interpretation II	4
RAD 0324	Clinical Education II	<u>8</u>
		14

3rd Semester

RAD 0334	Clinical Education III	<u>10</u>
		10

4th Semester

RAD 0333	Sonographic Interpretation III	3
RAD 0344	Clinical Education IV Special Project	<u>2</u>
		5

Total credits = 43

Award: Advanced Certificate of completion in Diagnostic Medical Sonography

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.:	130-1502+R0306	Date of Meeting:	March 1-3, 2006
Institution:	Montana Tech of the University of Montana College of Technology		
Program Title:	A.A.S. in Radiologic Technology		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-1502+R0306

**Institution: Montana Tech of The University of Montana
College of Technology**

All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

Montana Tech of The University of Montana College of Technology requests permission to offer an Associate of Applied Science degree in Radiologic Technology to students in eastern Montana through a learning consortium agreement with Miles Community College. The program will be delivered via distance learning on-line classes. An on-site part time instructor will be engaged to deliver the face-to-face portions of various classes for this unique blended learning program. Area healthcare facilities will provide clinical instruction.

The shortage of Radiologic Technologists is statewide and results in healthcare facilities relying on traveling providers at greater expense. The distance learning component will allow for students in eastern Montana to train for a much needed occupation, with those students possibly remaining in their own community upon graduation.

The estimated number of outreach students admitted annually will be 10 beginning in spring 2007. Miles Community College will provide the pre-health core courses and assist with the formal selection of students into the Radiologic Technology program.

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.:	130-1601+R0306	Date of Meeting:	March 1-3, 2006
Institution:	The University of Montana-Western		
Program Title:	B.A., Biological and Biomedical Sciences Option		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

X A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

 B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

 C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-1601+R0306	Institution: The University of Montana--Western
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

UMW proposes to change the name of the Biological and Biomedical Sciences Option in its B.A. degree to a Biology Option. Because not all students in the existing option select areas of study pertaining to biomedical sciences, the name change better reflects the diversity available under the option area. Having a more recognizable and easier to understand option name is expected to further recruitment efforts.

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.:	130-1602+R0306	Date of Meeting:	March 1-3, 2006
Institution:	The University of Montana-Western		
Program Title:	B.S. in Secondary Education - Earth Science minor		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision

will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-1602+R0306	Institution: The University of Montana--Western
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

The University of Montana—Western requests permission to expand an existing Earth Science minor in the B.S. in Secondary Education degree to an option using existing coursework.

MONTANA BOARD OF REGENTS

NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

ITEM 130-1602+R0306

Institution: The University of Montana-Western

Program Title: Bachelor of Science in Secondary Education Earth Science minor

1. How does this program advance the campus' academic mission and fit priorities?

Western's historical mission has been centered on the education of future educators, especially future public school teachers for Montana. This proposal is consistent with this mission since these students are preparing for careers as public school teachers. The university's mission statement strongly supports "education through experiential learning that combines theory and practice." Western's unique setting in one of the best natural laboratories in the country, in combination with our unique Experience One scheduling model allows us to offer a significant portion of this program through field-and-project-based curricula designed to provide students with real-world experiences that cannot be duplicated in classroom-based curricula.

2. How does this program fit the Board of Regents' goals and objectives?

This proposal meets the Board of Regent's goals and objectives by providing a stimulating, responsive and effective environment for student learning and academic achievement and by being responsive to market and employment needs of the state and nation.

3. How does this program support or advance Montana's needs and interests?

The objective of this proposal is to meet the demand for Earth Science teachers in the state. Earth Science is taught at most high schools and middle schools across the state and the requirements of the No Child Left Behind Act have increased the need for teachers with specific content area certification in Montana. At present, few teachers of Earth Science in the public schools in Montana have this certification, so the addition of this certification at UMW will help to meet this demand.

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

This program will contribute to economic growth in Montana indirectly by improving the quality of secondary science education within the state. K-12 students taught by these graduates will have a better understanding of earth science that may interest them in careers in the earth sciences. There are also the direct impacts of the teacher salaries on the Montana economy.

5. What is the program's planned capacity?

• Break-even point?	20	FTE students
• Enrollments / year?	30	
• Graduates / year?	7	
• MT jobs / year?	5	

6. Resource Allocation:

• Total program budget?	\$ 0
• Faculty FTE?	2 (existing positions)

• Staff FTE?	0
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7. **Does this program require new resources?** Yes No

If yes, what is the amount? \$ _____

8. **How will the campus fund the program?**

All of the courses required for this program are already being taught on-campus for existing programs and have unused course capacity. This program will thus increase efficiency by increasing class sizes. The relatively minor costs of administering and marketing the program will come out of existing campus resources.

In the third year of the program, if projected student numbers materialize, there may be a need to hire one additional faculty member. That is shown in the budget with a cost of \$55,500, including salary plus benefits.

9. **If internal reallocation is necessary, name the sources.**

No reallocation of resources is necessary.

B.S. SECONDARY EDUCATION, MAJOR IN EARTH SCIENCE
SUBMITTED BY
THE UNIVERSITY OF MONTANA-WESTERN

Objectives and Needs

1. *Centrality to or enhancement of the institution's approved mission and institutional objectives to be achieved by the addition of this program.*
 - a. We propose to elevate an existing teaching minor in Earth Science to the level of a major. This would be within The University of Montana-Western's existing Bachelor of Science in Secondary Education degree. The objective of this proposal is to meet the demand for Earth Science teachers in the state and beyond. Earth Science is taught at most high schools and middle schools across the state and the requirements of the No Child Left Behind Act have increased the need for teachers with specific content area certification in Montana and beyond. At present, few teachers of Earth Science in the public schools in Montana have this certification, so the addition of this certification at UMW will help to meet this demand.
 - b. Western's historical mission has been centered on the education of future educators, especially future public school teachers for Montana. This proposal is consistent with this mission since these students are preparing for careers as public school teachers. The university's mission statement strongly supports "education through experiential learning that combines theory and practice." Western's unique setting in one of the best natural laboratories in the country, in combination with our unique Experience One scheduling model allows us to offer a significant portion of this program through field-and-project-based curricula designed to provide students with real-world experiences that cannot be duplicated in classroom-based curricula. No other campus in the system offers such a field-intensive preparation for earth science teachers, making this proposal unique among existing programs.
 - c. Most of the content courses will be taught in a field-based setting, making the exposure to the Earth Sciences real and less abstract. No additional telecommunications methods are proposed at this time.
 - d. This proposal utilizes existing courses that are utilized for other Earth Science-centered degrees on campus (i.e., Environmental Science, Environmental Interpretation and the Earth Science teaching minor). The proposed course of study is shown below: *[Note: all courses included in the proposed major are currently being taught at UMW. No new courses are proposed at this time.]*

New or Revised Catalog Description

GENERAL EDUCATION

32 credits

Including for science general education:

Chem 131	General Chemistry	(4)
Take 1 from these 2:		(4)
GEOL 101	Intro to Geology	
GEOL 150	Environmental Geology	

CLASSES FOR THE MAJOR (Total of 48 credits)

CHEM 132	General Chemistry	4
GEOL 226	Rocks, Minerals and Resources	4
GEOL 230	Geology of the American West	4
GEOL 330	Structure and Tectonics	4
GEOL 378	Surficial Processes	4
GEOL 409	Geology Seminar	4
GEOL 432	Depositional Environments (Oceanography)	4
ENVS 201	History & Philosophy of Science	4
ENVS 348	Soil Science	4
MATH 232	Statistics	4
PHYS 239	Physical Meteorology	4
PHYS 240	Astronomy	4
Major Credits		48
Professional Education Core Credits		26
Elective Credits		10
Student Teaching Credits		12
TOTAL		128

2. *Need for the program.*

- a. An informal survey of science education and Environmental Science students indicates that approximately 25% (of approximately 100 students) expressed an interest in the availability of a Secondary Education Earth Science major at UMW. The existing minor has been well subscribed in the past, but with the changes associated with the No Child Left Behind Act, fewer students are interested in minor certification, and prefer content-area major certification.
- b. Out of state public school growth has increased the demand for Earth Science teachers, especially in states like California, Nevada and Utah. However, the demands of the No Child Left Behind Act will most likely require them to have a content major, so UMW needs to elevate the Earth Science minor to the level of a major.
- c. This degree option is particularly well suited for Montana students (by far the bulk of the UMW student population) because of their interest in the outdoors and the importance of geology in the economy of the state.
- d. This expanded offering would further UMW's strong reputation as the historic teacher's school of the state. The Earth Science faculty at UMW are very strong and have built a number of well recognized non-education programs in the Earth and Environmental Sciences. The addition of this teaching major will enhance our recognition for excellence in these areas.

3. *New courses the program will add to the curriculum and the course requirements for the degree.*

- a. No new courses or resources are required for this major. Furthermore, based on the anticipated number of majors the degree will attract, no additional sections of the existing courses will be necessary at this time.

Adequacy, Accreditation and Assessment Issues

1. *Adequacy of present faculty, facilities, equipment and library holdings in support of the program.*
 - a. The current faculty, facilities, equipment or specific library holdings should prove adequate to start this program. Since we have been offering this program as a minor for many years, the resources necessary for elevation of the program to the level of a major are well understood and will not require expansion.
2. *Needs for special accreditation.*
 - a. The proposal was designed to meet the requirements for secondary education certification in Earth Science through the Montana Office of Public Instruction.
3. *Assessment plan.*
 - a. Prior to graduation, students will be assessed based on outcomes-based performance in their academic courses, assessment of their portfolios for entrance into the Teacher Education Program (TEP), and their knowledge of content and pedagogy during their student teaching experiences. Once graduates are in the public schools, additional assessments via surveys of employer satisfaction will be pursued.

Impact on Faculty, Facilities, Costs, Students and Other Departments and Campuses

1. *Additional faculty requirements.*
 - a. No additional faculty will be hired at this time. If students numbers grow as anticipated, one new faculty hire may be needed in year three of the program.
2. *Impact on facilities.*
 - a. Present library and computer resources are adequate for this program.
 - b. No additional telecommunications courses are anticipated.
3. *Costs estimated over a five-year period.*
 - a. As this proposal is for an elevation of an existing minor to the level of a major, the costs are anticipated to be small. Additional resources will only be needed if the anticipated student growth occurs in the program.
4. *Impact on enrollment.*
 - a. Anticipated student enrollment in this major is projected over the next ten years to approximate 2 to 3% of the total student population of the campus. There will be no special requirements or enrollment limits associated with this major. No critical mass of students enrolled in this major is mandatory for its existence as all classes are currently being taught.

5. *Relationship to other programs on campus.*

- a. This program is strongly tied to the program in Environmental Science since most of the courses are taught by the faculty members in this department.

6. *Relationship to other institutions.*

- a. This program will prepare undergraduate students well for entrance into existing graduate programs at UM-Missoula and MSU-Bozeman in Education.

Process Leading to Submission of Proposal

1. This proposal has evolved over the years. It began as a minor in the Earth Science Option at UMW, but the demands of the No Child Left Behind Act for content-area majors has prompted us to seek elevation of the program to the level of a major. The proposal was constructed in collaboration with the Education Department at UMW, and has passed through the on-campus curricular proposal processes with high marks.

BUDGET ANALYSIS

Secondary Education Option (Major) in Earth Sciences										
The University of Montana-Western										
	Year 1		Year 2		Year 3		Year 4		Year 5	
Estimated ENROLLMENT										
FTE Enrollment	10		15		25		30		30	
Estimated Incremental REVENUE										
Use of Current General Operating Funds	\$0		\$0		\$0		\$0		\$0	
State Funding for Enrollment Growth	\$0		\$18,800		\$28,200		\$47,200		\$56,640	
Tuition Revenue										
A. Gross Incremental Tuition Revenue	\$31,000		\$48,825		\$85,444		\$107,659		\$113,042	
B. Reductions to Incremental Tuition	\$15,500		\$24,413		\$42,722		\$53,830		\$56,521	
C. Net Tuition Revenue (A-B)	\$15,500		\$24,412		\$42,722		\$53,829		\$56,521	
Program/Course Fees	\$1,000		\$1,500		\$2,500		\$3,000		\$3,000	
External Funds	\$0		\$0		\$0		\$0		\$0	
Other Funds (please specify)	\$0		\$0		\$0		\$0		\$0	
TOTAL Estimated Incremental Revenue	\$16,500		\$44,712		\$73,422		\$104,029		\$115,921	
Estimated Incremental EXPENDITURES										
Personal Services	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost
Faculty		0		0	1	\$55,500	1	\$55,500	1	\$55,500
Other Staff		0		0		0		0		0
Operating Expenses	0		0		0		0		0	
Equipment	0		0		0		0		0	
Start-up Expenditures	0		0		0		0		0	
TOTAL Estimated Incremental Expenditures	0		0		\$55,000		\$55,000		\$55,000	
Estimated Revenues Over/(Under) Expenditures	\$16,500		\$44,712		\$18,422		\$49,029		\$60,921	

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.:	130-1603+R0306	Date of Meeting:	March 1-3, 2006
Institution:	The University of Montana-Western		
Program Title:	B.A., New Environmental Interpretation Option		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision

will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-1603+R0306	Institution: The University of Montana--Western
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Specify Request:

The University of Montana—Western requests permission to add an option in Environmental Interpretation to the Bachelor of Arts degree, to replace an existing focus area (related area) within the existing Environmental Science option of the B.A. degree.

MONTANA BOARD OF REGENTS

NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

ITEM 130-1603+R0306

Institution: The University of Montana-Western

Program Title: B.A., new Environmental Interpretation Option

1. How does this program advance the campus' academic mission and fit priorities?

Western's mission has always been centered on the education of future educators, especially at the undergraduate level. This proposal is consistent with this mission since students are preparing for careers in an industry with the primary focus of educating the public about the natural environment. The university's mission statement strongly supports "education through experiential learning that combines theory and practice." Western's unique setting in one of the best natural laboratories in the country, in combination with our unique Experience One scheduling model allows us to offer a significant portion of this program through field-and-project-based curricula designed to provide students with real-world experiences that cannot be duplicated in classroom-based curricula. In addition, the program requirement for an internship allows students to (1) gain first-hand experience in the industry and (2) make contacts with potential employers that will enhance their potential for employment upon graduation. As a result, this proposal meets the university's mission of "education through experiential learning that combines theory and practice", as well as the Board of Regents' goals and objectives "To be responsive to market, employment, and economic development needs of the State and nation."

2. How does this program fit the Board of Regents' goals and objectives?

This proposal meets the Board of Regent's goals and objectives by providing a stimulating, responsive and effective environment for student learning and academic achievement and by being responsive to market and employment needs of the state and nation.

3. How does this program support or advance Montana's needs and interests?

The objective of this proposal is to meet the growing need in the tourism and outdoor therapy industries for qualified naturalists, interpreters and outdoor educators. The University of Montana-Western has offered a successful related area (focused study within an existing option area) to meet this need for ten (10) years, and now proposes to elevate this related area to the option level. The intellectual basis for the degree is a strong foundation in the field-based natural sciences in combination with courses that focus on communicating and engaging the public in understanding how the natural world works.

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

Educational tourism is a growth industry in the state and in the nation and increasingly there are environmental interpretive components of therapy programs. Individuals such as those trained in this program are needed to fully develop areas that are important components of the state's economy.

5. What is the program's planned capacity?

• Break-even point?	20	FTE students
• Enrollments / year?	50	
• Graduates / year?	12	
• MT jobs / year?	10	

6. Resource Allocation:

• Total program budget?	\$ 0
• Faculty FTE?	1
• Staff FTE?	0

7. Does this program require new resources? Yes No

If yes, what is the amount? \$ _____

8. How will the campus fund the program?

All of the courses required for this program are already being taught on-campus for existing programs and have unused course capacity. The relatively minor costs of administering and marketing the program will come out of existing campus resources.

In the third year of the program, if projected student numbers materialize, there may be a need to hire one additional faculty member. That is shown in the budget with a cost of \$55,500, including salary plus benefits.

9. If internal reallocation is necessary, name the sources.

There will be internal reallocation of faculty resources to serve this new option area instead of the existing area of study (related area) within the Environmental Science option.

BACHELOR OF ARTS OPTION IN ENVIRONMENTAL INTERPRETATION

SUBMITTED BY

THE UNIVERSITY OF MONTANA-WESTERN**Objectives and Needs**

1. *Centrality to or enhancement of the institution's approved mission and institutional objectives to be achieved by the addition of this program.*
 - a. The objective of this proposal is to meet the growing need in the tourism and outdoor therapy industries for qualified naturalists, interpreters and outdoor educators. The University of Montana-Western has offered a successful related area (focused study within an existing option area) to meet this need for ten (10) years, and now proposes to elevate this related area to the option level. The intellectual basis for the degree is a strong foundation in the field-based natural sciences in combination with courses that focus on communicating and engaging the public in understanding how the natural world works.
 - b. Western's mission has always been centered on the education of future educators, especially at the undergraduate level. This proposal is consistent with this mission since students are preparing for careers in an industry with the primary focus of educating the public about the natural environment. The university's mission statement strongly supports "education through experiential learning that combines theory and practice." Western's unique setting in one of the best natural laboratories in the country, in combination with our unique Experience One scheduling model allows us to offer a significant portion of this program through field-and-project-based curricula designed to provide students with real-world experiences that cannot be duplicated in classroom-based curricula. In addition, the program requirement for an internship allows students to (1) gain first-hand experience in the industry and (2) make contacts with potential employers that will enhance their potential for employment upon graduation. As a result, this proposal meets the university's mission of "education through experiential learning that combines theory and practice", as well as the Board of Regents' goals and objectives "To be responsive to market, employment, and economic development needs of the State and nation."
 - c. All classes will be taught in traditional classroom/lab and field-based settings. No additional telecommunications methods are proposed at this time.
 - d. No other degrees are affected by the proposal. The proposed course of study for the Option with the suggested related areas are shown below: *[Note: all courses included in the proposed Option are currently being taught at UMW. No new courses are proposed at this time.]*

New or Revised Catalog Description**GENERAL EDUCATION REQUIREMENTS (32)**

Students in this option should take BIO 112, GEOL 150 and either Math 131 or Math 232 as their Gen Ed science and math requirements

OPTION: ENVIRONMENTAL INTERPRETATION (42)

BIO	270	Conservation Biology	4
BIO	351	Systematic Botany	4

ENVS	260	Wildlands Skills	4
ENVS	269	Map, Compass, & GPS	2
ENVS	329	Natural Resource Issues	4
ENVS	372	Our Wildland Heritage	4
ENVS	480	Environmental Interpretation	4
GEOL	150	Environmental Geology	4
GEOL	226	Geology of the American West	4
PHYS	239	Physical Meteorology	4
PHYS	240	Astronomy	4
ENVS	400	Internship	4-12

Integrative Electives (8-16 credits; a max of six lower division, min of 1/2 must be outside the related area)

SUGGESTED RELATED AREAS: CHOOSE AT LEAST ONE

BIOLOGICAL NATURALIST (28)

BIO	111	Biology I	4
BIO	153	Survey of MT Wildlife & Habitats	4
BIO	477	Ecology	4
ENVS	452	Environmental Education	4
MATH	232	Statistics	4

Two of the following courses:

BIO	222	Invasive Species	4
BIO	273	Entomology	4
BIO	473	Ornithology	4
BIO	475	Mammalogy	4
BIO	479	Vertebrate Zoology	4

GEOLOGICAL NATURALIST (28)

ENVS	348	Soil Science	4
ENVS	452	Environmental Education	4
GEOL	226	Rocks, Minerals and Resources	4
GEOL	330	Structure and Tectonics	4
GEOL	378	Surficial Processes	4
GEOL	432	Depositional Environments	4

One of the following courses:

ENVS	441	Sustainable Resource Management	4
GEOL	409	Geology Seminar	4
GEOL	480	Hydrogeology	4

PRE-PROFESSIONAL FISH AND WILDLIFE ENFORCEMENT (28)

BIO	111	Biology I	4
BIO	153	Survey of MT Wildlife and Habitats	4
BIO	473	Ornithology	4
BIO	475	Mammalogy	4
BIO	477	Ecology	4
MATH	232	Statistics	4

One of the following courses:

BIO	222	Invasive Species	4
ENVS	441	Natural Resource Management	4

ELECTIVES (18)

Total Credits = 120**2. *Need for the program.***

- a. An informal survey of Environmental Science program students indicates that approximately 40% of our students indicate an interest in an option tailored specifically for careers in environmental interpretation and outdoor education. The existing related area has been well subscribed in the past, demonstrating that the option will attract students.
- b. An informal survey of tourism and recreation businesses shows a growing need for outdoor educators to serve this expanding industry. We have established a number of contacts in the outdoor tourism and therapy industries (including the Professional Guide Institute), which allows us to place our students in internships and jobs. Placement through the existing related area in wildlands interpretation has been 100% for those students seeking employment in the field.
- c. This degree option is particularly well suited for Montana students (by far the bulk of the UMW student population) because of their interest in the outdoors and their desire to find employment in Montana. The tourism industry is the second largest industry in this state, and it is growing every year. As a result, the need for interpreters, naturalists and outdoor educators (especially in the wildlands therapy industry) has also grown, providing options for Montana students to stay in state and expand the local economy.
- d. This expanded offering would further UMW's strong reputation as the place for prospective students to pursue a field-based, undergraduate education in the natural sciences. Our Environmental Science program has consistently attracted about 10% of the total student population at UMW. There is little doubt that the Environmental Interpretation program will be equally successful and attract new students to the campus.

3. *New courses the program will add to the curriculum and the course requirements for the degree.*

- a. No new courses or resources are required to start this new Option area. Furthermore, based on the anticipated number of majors the degree will attract, no additional sections of the existing courses will be necessary at this time.

Adequacy, Accreditation and Assessment Issues**1. *Adequacy of present faculty, facilities, equipment and library holdings in support of the program.***

- a. The current faculty, facilities, equipment or specific library holdings should prove adequate to start this program. Since we have been offering this program as a related area for many years, the resources necessary for elevation of the program to the level of an option are well understood and will not require expansion.

2. *Needs for special accreditation.*

- a. No special accreditation is required for the University System.

3. *Assessment plan.*

- a. Prior to graduation, students will be assessed based on performance in academic classes and skills learned in applied classes (such as the wildlands skills courses and internships). Once graduates are at place in the workforce, additional assessments via surveys of employer satisfaction will be pursued.

Impact on Faculty, Facilities, Costs, Students and Other Departments and Campuses

1. Additional faculty requirements.

- a. No additional faculty will be hired at this time. If student numbers grow as anticipated, one new faculty hire may be needed in year three of the program.

2. Impact on facilities.

- a. Present library and computer resources are adequate for this program.
- b. No additional telecommunications courses are anticipated.

3. Costs estimated over a five-year period.

- a. As this proposal is for additional Option area only, the costs are anticipated to be small. Additional resources will be needed only if the anticipated student growth occurs in the program, requiring some increases in hardware (e.g., additional GPS units) and one additional faculty position.

4. Impact on enrollment.

- a. Anticipated student enrollment in this Option area is projected over the next ten years to exceed 5% of the total student population of the campus. There will be no special requirements or enrollment limits associated with this Option area. No critical mass of students enrolled in this Option area is mandatory for its existence as all classes are currently being taught.

5. Relationship to other programs on campus.

- a. This program is strongly tied to the program in Environmental Science and the Professional Guide Institute. In addition, future collaborations can be established with our growing Equine Studies programs, our Business programs and our History, Philosophy and Social Sciences programs.

6. Relationship to other institutions.

- a. This program will prepare undergraduate students well for entrance into existing graduate programs at UM-Missoula and MSU-Bozeman in Geography, Environmental Studies, Environmental Law and others.

Process Leading to Submission of Proposal

This proposal has evolved over the years. It began as a related area in the Environmental Science Option at UMW, which was started as a collaborative effort between faculty in the Environmental Science Department, the Professional Guide Institute and the wilderness therapy industry in order to meet the needs of the outdoor education industry. The proposed elevation of the degree to Option status allows the program to now be specifically tailored for students pursuing a career in the expanding outdoor education industry and continues to be designed in collaboration with industry and state and federal agencies who employ students

with this type of educational background. The proposal has passed through the on-campus curricular proposal process at UMW with high marks.

Bachelor of Arts Option in Environmental Interpretation										
The University of Montana-Western										
	Year 1		Year 2		Year 3		Year 4		Year 5	
Estimated ENROLLMENT										
FTE Enrollment	15		20		25		30		30	
Estimated Incremental REVENUE										
Use of Current General Operating Funds										
State Funding for Enrollment Growth	0		\$28,200		\$37,600		\$47,200		\$56,640	
Tuition Revenue										
A. Gross Incremental Tuition Revenue	\$46,500		\$65,100		\$85,444		\$107,659		\$113,042	
B. Reductions to Incremental Tuition	\$23,250		\$32,550		\$42,722		\$53,830		\$56,522	
C. Net Tuition Revenue (A-B)	\$23,250		\$32,550		\$42,722		\$53,829		\$56,520	
Program/Course Fees	\$1,500		\$2,000		\$2,500		\$3,000		\$3,000	
External Funds	\$0		\$0		\$0		\$0		\$0	
Other Funds (please specify)	\$0		\$0		\$0		\$0		\$0	
TOTAL Estimated Incremental Revenue	\$24,750		\$62,750		\$82,822		\$104,029		\$116,160	
Estimated Incremental EXPENDITURES										
Personal Services	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost
Faculty		0		0	0	0	1	\$50,000	1	\$50,000
Other Staff		0		0		0		0		0
Operating Expenses	0		0		0		0		0	
Equipment	0		0		0		0		0	
Start-up Expenditures	0		0		0		0		0	
TOTAL Estimated Incremental Expenditures	\$0		0		0		\$50,000		\$50,000	
Estimated Revenues Over/(Under) Expenditures	\$24,750		\$62,750		\$82,822		\$54,029		\$66,160	

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.:	130-1604+R0306	Date of Meeting:	March 1-3, 2006
Institution:	The University of Montana-Western		
Program Title:	Psychology Option in A.A.S. in Equine Studies and A.A.S. & B.S. in Natural Horsemanship		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-1604+R0306	Institution: The University of Montana--Western
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Specify Request:

The University of Montana—Western requests permission to offer an Option in Psychology using existing courses, to be added to three degree programs: the A.A.S. in Equine Studies; the A.A.S. in Natural Horsemanship; and the B.S. in Natural Horsemanship. This will especially service those students with an interest in equine assisted therapy but also provides a strong background in psychology useful both in working with horses and with the interactions between horses and people.

MONTANA BOARD OF REGENTS

NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

ITEM 130-1604+R0306

Institution: The University of Montana-Western

Program Title: Psychology Option in A.A.S. in Equine Studies and B.S. and A.A.S. in Natural Horsemanship

1. How does this program advance the campus' academic mission and fit priorities?

The University's mission statement supports "education through experiential learning that combines theory and practice." This program delivers that type of learning experience while taking advantage of existing coursework to create areas of study that meet student demand. This option area of psychology aids in preparing our equine program students for entry as professionals in the new and rapidly expanding field of equine-assisted therapy (including equine-assisted learning, therapy for the emotionally disturbed, and leadership training for adults).

2. How does this program fit the Board of Regents' goals and objectives?

The proposed degree program fits the Board of Regents' goals and objectives, primarily: Goal D ("To be responsive to market, employment, and economic development needs of the State and nation") of the Strategic Plan. Specifically, the proposed program would support Goals D 1, 3 and 4: 1) "To offer programs and services consistent with the changing market and employment needs of the state and nation..."

3. How does this program support or advance Montana's needs and interests?

Several professionals in the field, both on-campus and off-site, had indicated interest in the development of such an Option area at UMW, particularly associated with the applied discipline of natural horsemanship. A final factor in bringing forth the proposal was the strong interest by a number of students in pursuing a potentially lucrative career in some aspect of equine-assisted therapy.

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

This program will contribute to economic development in Montana by preparing individuals with unique skill sets that are likely to find immediate employment or are well prepared to enter graduate school for further preparation to deliver some type of therapy or training to other individuals.

5. What is the program's planned capacity?

• Break-even point?	20	FTE students
• Enrollments / year?	30	
• Graduates / year?	7	
• MT jobs / year?	5	

6. Resource Allocation:

• Total program budget?	\$ 0
• Faculty FTE?	3 (existing)
• Staff FTE?	0

7. **Does this program require new resources?** Yes No

If yes, what is the amount? \$ _____

8. **How will the campus fund the program?**

The existing coursework is funded by a combination of tuition, state-support and private funds provided by La Cense Montana. If the program expands as projected extra faculty will be needed to cover additional course sections. Funds for this will be provided by the extra tuition and state support generated by the additional students.

9. **If internal reallocation is necessary, name the sources.**

This program requires no internal reallocation of funds.

Psychology Option for A.A.S. in Equine Studies and A.A.S. and B.S. in Natural Horsemanship—The University of Montana - Western

Objectives and Needs

1. *Centrality to or enhancement of the institution's approved mission and institutional objectives to be achieved by the addition of this program.*
 - a. The goal of this Proposal is to provide a basis for the addition of a new option area in Psychology for the existing and successful equine programs at University of Montana – Western (UMW). The University's mission statement supports "education through experiential learning that combines theory and practice." This expansion of the existing Equine Studies program remains consistent with the University's priorities. The proposed degree program fits the Board of Regents' goals and objectives, primarily: Goal D ("To be responsive to market, employment, and economic development needs of the State and nation") of the Strategic Plan. Specifically, the proposed program would support Goals D 1, 3 and 4: 1) "To offer programs and services consistent with the changing market and employment needs of the state and nation..."
 - b. The use of horses (or other equids) has been shown to be a powerful and effective alternative treatment modality in the clinical and human development fields. This expanded option area of psychology aids in preparing our equine program students for entry as professionals in this new and rapidly expanding field of equine-assisted therapy (including equine-assisted learning, therapy for the emotionally disturbed, and leadership training for adults).
 - c. The degrees affected by the proposed change include the Bachelor of Science in Natural Horsemanship, the Associate of Applied Science in Natural Horsemanship, and the Associate of Applied Science in Equine Studies.

The proposed course of study for each of the option areas associated with each of the above degrees is as follows: *[Note: all courses included in the proposed Option areas and marked by an asterisk are currently being taught at UMW. No new courses are proposed at this time.]*

New or Revised Catalog Description:

20 credit option for the Associate of Applied Science: Equine Studies degree

*PSY 220-Introduction to research methods	4 credits
*PSY 265 Intro to motivation	4 credits
*PSY 360 Learning and memory	4 credits
*PSY 437 Psychology of personality	4 credits
*PSY 438 Abnormal psychology	<u>4 credits</u>
Total	20 credits

24 credit option for Associate of Applied Science: Natural Horsemanship degree

*PSY 220-Introduction to research methods	4 credits
*PSY 265 Intro to motivation	4 credits
*PSY 360 Learning and memory	4 credits
*PSY 437 Psychology of personality	4 credits
*PSY 438 Abnormal psychology	4 credits
Psychology electives	<u>4 credits</u>

Total 24 credits

28 credit option for the Bachelor of Science: Natural Horsemanship degree

*PSY 220-Introduction to research methods	4 credits
*PSY 265 Intro to motivation	4 credits
*PSY 360 Learning and memory	4 credits
*PSY 437 Psychology of personality	4 credits
*PSY 438 Abnormal psychology	4 credits
Psychology electives	<u>8 credits</u>
Total	28 credits

- d. It is anticipated that the classes will be taught in a traditional classroom setting. No additional telecommunications methods are proposed at this time.

2. *Need for the program.*

- a. An informal in-house survey of equine program students indicates that approximately 20-25% of our students have indicated an interest in some aspect of the new and rapidly expanding field of equine-assisted therapy (including equine-assisted learning, therapy for the emotionally disturbed, and leadership training for adults). This field provides a new and potentially lucrative career option for those students interested in helping people and horses.
- b. This expanded option area of psychology aids in preparing our equine program students for entry as equine professionals into this field. Additionally, the psychology option associated with the Bachelor's degree in Natural Horsemanship prepares a student for graduate school as a clinical therapist (psychologist, social work, etc).
- c. This expanded offering would further UMW's reputation for "cutting edge" equine programs, particularly through the marriage of our unique natural horsemanship degree with training in psychology. Both disciplines rely on the study of behavior, be it equine, human or interactive behavior between the two species, which is the basis for equine-assisted therapy. Already, the natural horsemanship program has attracted a diverse group of highly qualified students from throughout Montana and across the United States, which has had a very positive influence on the UMW student population. It is anticipated that this new option area would further interest in UMW's academic programs.

3. *New courses the program will add to the curriculum and the course requirements for the degree.*

- a. As noted above in the proposed course of study, all of the courses included in the proposed Option areas for the equine degrees listed above (marked by an asterisk) are currently being taught at UMW. No new courses are required for these new Option areas. Furthermore, based on the anticipated number of majors each degree would attract, no additional sections of these existing courses are necessary at this time.

Adequacy, Accreditation and Assessment Issues.

1. *Adequacy of present faculty, facilities, equipment and library holdings in support of the program.*
 - a. The current faculty, facilities, equipment or specific library holdings should prove adequate for the initial stages of the program. On the short-term, spreading the

ever increasing number of equine majors into additional Option areas will take student pressure off required classes in existing Option areas, thereby limiting the need for additional faculty or facilities in the near future. On the longer term, when the need arises, additional student entries drawn to this Option area of the equine program will aid in supporting hiring of additional FTEs. Some minor increases in library holdings may be required to serve the specific area of equine-assisted therapy, but such increases should be easily accommodated by existing budgets for the equine and psychology programs, respectively.

2. *Needs for special accreditation.*
 - a. No special accreditation is required for the University System. Currently, the primary organization that certifies equine professionals in the field of equine-assisted psychotherapy is the Equine Assisted Growth and Learning Association (EGALA), a non-profit 501(c)(3) organization developed to address the need for resources, education and professionalism within this field. It is anticipated that UMW graduates from equine programs with an Option area in psychology would become certified through this nationally recognized organization.
3. *Assessment plan:*
 - a. Prior to graduation, students will be assessed based on performance in academic classes, skills learned in applied classes (such as the natural horsemanship, and performance during outside applied internships. Once graduates are at place in the workforce, additional assessments via surveys of employer satisfaction can be pursued.

Impact on Faculty, Facilities, Costs, Students and Other Departments and Campuses.

1. *Additional faculty requirements.*
 - a. No additional faculty will be hired at this time.
2. *Impact on facilities.*
 - a. Present library and computer resources are adequate for this program. Materials will be added, as needed, to support the psychology options areas for the Equine Studies and Natural Horsemanship degrees as part of the Business Department's long-range resource acquisition plan.
 - b. No additional telecommunications courses are anticipated.
 - c. Application-based courses and activities for the Natural Horsemanship program will occur at the La Cense facility outside Dillon through the partnership with La Cense Montana. This facility remains adequate to provide, per the partnership agreement, students with the necessary resources for the hands-on or laboratory components of the program including barn, pens and other physical facilities.
 - d. The current support personnel within the Business and Technology department are adequate to support the addition of these Option areas within the Natural Horsemanship and Equine Studies programs.
3. *Costs estimated over a five-year period.*
 - a. As this proposal is for additional Option Areas only, and not for addition of an entirely new program, the costs directly related to these Options are anticipated to be small. Anticipated costs associated with student needs over the first five years of this program expansion can be accommodated by existing funds and re-

allocation of funds directed to current costs associated with existing Option Areas.

4. *Impact on enrollment.*
 - a. Anticipated student enrollment in these Option areas projected over the next ten years is speculative. Many of the students attracted to these options may have chosen UMW primarily for the strength of the equine program, and the availability of the psychology areas merely expands student opportunities for post-graduate employment and graduate school. There will be no special requirements or enrollment limits associated with this Option Area. No critical mass of students enrolled in this Option Area is mandatory for its existence as all classes are currently being taught of psychology majors within other departments.
5. *Relationship to other programs on campus.*
 - a. The Psychology Option Area does result in an inter-departmental interaction between the Business and Technology Department, home department of the Equine Studies Program, and the History, Philosophy, and Social Science Department, home of the psychology division. This is considered a positive result of this Option Area.
6. *Relationship to other institutions.*
 - a. By virtue of the uniqueness of UMW's Natural Horsemanship program, a psychology Option Area, leading potential graduates into the field of equine-assisted therapy, has no parallel in the State of Montana or within the United States. This Option Area will provide a student a novel combination of utilization of the principles of behavior to "teach" both horses and humans.

Process Leading to Submission of Proposal

1. This proposal has evolved based on a number of factors. First and foremost, the recognition of the increasing interest in the role of the horse in facilitating changes in human behavior and learning activities. Several professionals in the field, both on-campus and off-site, had indicated interest in the development of such an Option area at UMW, particularly associated with the applied discipline of natural horsemanship. A final factor was the strong interest by a number of students in pursuing a potentially lucrative career in some aspect of equine-assisted therapy. Salaries or income will vary depending on the student's final goal; an independent EGALA-certified Horse Professional might earn somewhat less than a clinical therapist (which will require a student go on to get an advanced degree). Given that an inter-departmental association of existing coursework could easily create this Option area, the program seems a "natural" for Western's equine programs.

ITEM 130-1604+R0306 BUDGET

Psychology Option in B.S. Natural Horsemanship, A.A.S. Natural Horsemanship, and A.A.S. Equine Studies										
The University of Montana-Western										
	Year 1		Year 2		Year 3		Year 4		Year 5	
Estimated ENROLLMENT										
FTE Enrollment	15		20		25		30		30	
Estimated Incremental REVENUE										
Use of Current General Operating Funds										
State Funding for Enrollment Growth	\$0		\$28,200		\$37,600		\$47,000		\$56,400	
Tuition Revenue										
A. Gross Incremental Tuition Revenue	\$46,500		\$65,100		\$85,444		\$107,659		\$113,042	
B. Reductions to Incremental Tuition	\$23,250		\$32,550		\$24,722		\$53,830		\$56,521	
C. Net Tuition Revenue (A-B)	\$23,250		\$32,550		\$24,722		\$53,829		\$56,521	
Program/Course Fees	\$0		\$0		\$0		\$0		\$0	
External Funds	\$0		\$0		\$0		\$0		\$0	
Other Funds (please specify)	\$0		\$0		\$0		\$0		\$0	
TOTAL Estimated Incremental Revenue	\$23,250		\$60,750		\$62,322		\$100,829		\$112,921	
Estimated Incremental EXPENDITURES										
Personal Services	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost
Faculty		0		0	0	0	1	\$50,000	1	\$50,000
Other Staff		0		0		0		0		0
Operating Expenses	0		0		0		0		0	
Equipment	0		0		0		0		0	
Start-up Expenditures	0		0		0		0		0	
TOTAL Estimated Incremental Expenditures	0		0		0		\$50,000		\$50,000	
Estimated Revenues Over/(Under) Expenditures	\$23,250		\$60,750		\$62,322		\$50,829		\$62,921	

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.:	130-1901+R0306	Date of Meeting:	March 1-3, 2006
Institution:	University of Montana Helena College of Technology		
Program Title:	A.A.S. in Computer Technology, Network Architecture Option		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-1901+R0306	Institution: The University of Montana Helena College of Technology
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

The University of Montana Helena College of Technology seeks to re-title the A.A.S. in Computer Technology, Network Architecture Option to the A.A.S. in Electronics Technology IT Architecture Option. No changes will be made in the curriculum.

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.:	130-1902+R0306	Date of Meeting:	March 1-3, 2006
Institution:	University of Montana Helena College of Technology		
Program Title:	A.A.S. in Office Technology, Administrative Assistant Option		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-1902+R0306	Institution: The University of Montana Helena College of Technology
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

The University of Montana Helena College of Technology seeks to re-title the A.A.S. in Office Technology, Administrative Assistant Option to the A.A.S. in Office Technology, Office Technology Specialist Option. This change will more accurately describe the components of the option.

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.:	130-1903+R0306	Date of Meeting:	March 1-3, 2006
Institution:	University of Montana Helena College of Technology		
Program Title:	A.A.S. in Office Technology, Administrative Medical Assistant Option		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-1903+R0306	Institution: The University of Montana Helena College of Technology
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

The University of Montana Helena College of Technology seeks to re-title the A.A.S. in Office Technology, Administrative Medical Assistant Option to the A.A.S. in Office Technology, Medical Administrative Specialist Option. This change will more accurately describe the components of the option.

MONTANA BOARD OF REGENTS

LEVEL I REQUEST FORM

Item No.:	130-1904+R0306	Date of Meeting:	March 1-3, 2006
Institution:	University of Montana Helena College of Technology		
Program Title:	A.A.S. in Office Technology, Legal Support Professional Option		

Level I proposals are those that may be approved by the Commissioner of Higher Education or the Commissioner's designee. The approval of such proposals will be conveyed to the Board of Regents at the next regular meeting of the board. The institution must file the request with the Office of the Commissioner of Higher Education by means of a memo to the Deputy Commissioner.

A. Level I action requested (check all that apply): Level I proposals include campus initiatives typically characterized by (a) minimal costs; (b) clear adherence to approved campus mission; and (c) the absence of significant programmatic impact on other institutions within the Montana University System and Community Colleges.

- 1. Re-titling existing majors, minors, options and certificates; (e.g. from B.S. in Mechanized Agriculture to B.S. in Agricultural Operations Technology);
- 2. Eliminating existing majors, minors, options and certificates via a Program Termination Checklist;
- 3. Adding new minors or certificates where there is a major;
- 4. Adding new minors or certificates where there is an option in a major;
- 5. Departmental mergers and name changes;
- 6. Program revisions; and
- 7. Distance delivery of previously authorized degree programs.

B. Level I with Level II documentation: With Level II documentation circulated to all campus chief academic officers in advance, the Commissioner or designee may propose additional items for inclusion in the Level I process. For these items to move forward, the Commissioner or designee must reach consensus with the chief academic officers. When consensus is not achieved, the Commissioner or designee will move the item to the Level II review process.

- 1. Options within an existing major or degree;
- 2. Eliminating organizational units within larger institutions such as departments, divisions and colleges or schools *with the exception of the five Colleges of Technology where changes require Board action;*
- 3. Consolidating existing programs and/or degrees.

C. Temporary Certificate or A.A.S. degree programs: Certificate or Associate of Applied Science Degree Programs may be submitted as Level I proposals, with memo and backup documentation, when they are offered in cooperation with and/or at the request of private or public sector partners and the decision point to offer the program is not consistent with the regular Board of Regents program approval process. Level I approval for programs under this provision will be limited to two years. Continuation of a program beyond the two years will require the normal program approval process as Level II Proposals.

Item No.: 130-1904+R0306	Institution: The University of Montana Helena College of Technology
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All other Certificate or Associate Degree programs may be placed on submission at any Board of Regents meeting. They will be placed on action agendas at subsequent meetings. All campuses agree to insure that all other campuses receive program information well in advance of submission.

Specify Request:

The University of Montana Helena College of Technology seeks to re-title the A.A.S. in Office Technology, Legal Support Professional Option to the A.A.S. in Office Technology, Legal Administrative Specialist Option. This change will more accurately describe the components of the option.

MEMORANDUM

DATE: March 1 - 3, 2006
TO: Montana Board of Regents
FROM: Roger Barber, Deputy Commissioner for Academic & Student Affairs
RE: Level II Action Items

Under the Level II approval process, several new academic programs or changes were proposed by some of the campuses of the Montana University System in January 2006. All of the proposed programs or changes were listed in the academic plans submitted by the respective campuses earlier this winter. The proposals were reviewed and approved by the academic officers, in January 2006, and now move to the Montana Board of Regents for action.

The University of Montana-Missoula:

- **ITEM 130-1002-R0106:** The University of Montana-Missoula asks permission to offer a Bachelor of Arts degree in Media Arts. Media Arts began as a graduate program in 1998, and an undergraduate minor was added in 2000. The proposed degree will consist of a core curriculum with additional coursework that will permit students to concentrate in either digital art/design or video production. **Request Summary Proposal**
- **ITEM 130-1003-R0106:** The University of Montana-Missoula seeks approval to convert its Bachelor of Science degree in Business Administration, with an Option in Accounting, to a Bachelor of Science degree in Accounting. The change should improve employment opportunities for graduates in the program, since recruiters have occasionally suggested that students are not qualified for particular jobs because they only have an option, instead of a major, in accounting. The current Option in Accounting also contains coursework and a total credit requirement that is very similar to majors in accounting at comparable business programs throughout the country. As a consequence, no additional resources are required to offer the new degree. **Request Summary Proposal**
- **ITEM 130-1004-R0106:** The University of Montana-Missoula seeks approval to convert its Bachelor of Science degree in Business Administration, with an Option in Financial Management, to a Bachelor of Science degree in Finance. The reasons for the change are the same as ITEM 130-1003-R0106 above. No additional resources are required to offer the new degree, for the same reasons as explained in ITEM 130-1003-R0106. **Request Summary Proposal**
- **ITEM 130-1005-R0106:** The University of Montana-Missoula asks permission to convert its Bachelor of Science degree in Business Administration, with an Option in Information Systems, to a Bachelor of Science degree in Information Systems. The reasons for the change are the same as ITEM 130-1003-R0106 above. No additional resources are required to offer the new degree, for the same reasons as explained in ITEM 130-1003-R0106. **Request Summary Proposal**

- **ITEM 130-1006-R0106:** The University of Montana-Missoula asks permission to convert its Bachelor of Science degree in Business Administration, with an Option in International Business, to a Bachelor of Science degree in International Business. The reasons for the change are the same as ITEM 130-1003-R0106 above. No additional resources are required to offer the new degree, for the same reasons as explained in ITEM 130-1003-R0106. **Request Summary Proposal**
- **ITEM 130-1007-R0106:** The University of Montana-Missoula seeks approval to convert its Bachelor of Science degree in Business Administration, with an Option in Management, to a Bachelor of Science degree in Management. The reasons for the change are the same as ITEM 130-1003-R0106 above. No additional resources are required to offer the new degree, for the same reasons as explained in ITEM 130-1003-R0106. **Request Summary Proposal**
- **ITEM 130-1008-R0106:** The University of Montana-Missoula seeks approval to convert its Bachelor of Science degree in Business Administration, with an Option in Marketing, to a Bachelor of Science degree in Marketing. The reasons for the change are the same as ITEM 130-1003-R0106 above. No additional resources are required to offer the new degree, for the same reasons as explained in ITEM 130-1003-R0106. **Request Summary Proposal**
- **ITEM 130-1010-R0106:** The University of Montana-Missoula asks permission to offer an interdisciplinary Master of Science degree in Information Systems. The proposed graduate degree will be a collaborative effort between the Department of Computer Science and the Department of Information Systems and Technology at The University of Montana-Missoula. **Request Summary Proposal Budget**

The University of Montana-Western:

- **ITEM 130-1601-R0106:** The University of Montana-Western seeks approval to retain its Associate of Applied Science degree in Natural Horsemanship with options in Natural Horsemanship Management and Natural Horsemanship Science. The program was initially approved by the Montana Board of Regents, under the Level I process, in March 2004. That temporary approval is only good for two years, however, and The University of Montana-Western must have Level II approval to retain the program. The program has been offered in collaboration with La Cense Montana since its inception, and that partner continues to provide funding for training equipment and facilities, instructors, and the creation of an Academic Center of Equine Studies near the campus. In the intervening two years, The University of Montana-Western has also added a Bachelor of Science degree in Natural Horsemanship to its program offerings. Because of the success of both programs, the institution asks for Regent approval to keep the Associate of Applied Science degree in Natural Horsemanship, and the options, as part of its official degree and program inventory. **Request Summary Proposal Budget**

Dawson Community College:

- **ITEM 130-201-R0106:** Dawson Community College asks permission to offer a Certificate in Agricultural Marketing and Financial Analysis. The new program builds on the successful Farm Ranch Business Management certificate program at Dawson Community College, which is offered at several locations throughout eastern Montana. A similar model of course delivery and instruction may eventually be available with this new certificate program. At this point, however, Dawson Community College is only asking for authorization to offer the program on campus. **Request** **Summary** **Proposal**
Budget
- **ITEM 130-202-R0106:** Dawson Community College seeks approval to offer an Associate of Applied Science degree in Web Development. The new degree program will prepare students for employment in the fast-growing and exciting fields of Website development and E-Commerce. **Request** **Summary** **Proposal** **Budget**

January 11-12, 2006

ITEM 130-1002-R0106 **Approval of a B.A. major in Media Arts; The University of Montana-Missoula**

THAT: In accordance with Montana University System Policy, the Board of Regents of Higher Education authorizes The University of Montana-Missoula to create a Bachelor of Arts major in Media Arts.

EXPLANATION: Media Arts, which began as a graduate program in 1998 and added an undergraduate minor in 2000, has grown to serve more than 15 M.F.A. candidates, 136 minors, and 600 undergraduates through its general education courses, would like to create a Bachelor of Arts major in Media Arts to serve interested undergraduate students. The major will consist of a core curriculum and recommended tracks of additional credits that will allow students to concentrate either on digital art/design or video production.

MONTANA BOARD OF REGENTS

LEVEL II REQUEST FORM

Item No.: 130-1002-R0106 Date of Meeting: January 11-12, 2006
Institution: The University of Montana-Missoula
Program Title: Media Arts

Level II proposals require approval by the Board of Regents.

Level II action requested (check all that apply): Level II proposals entail substantive additions to, alterations in, or termination of programs, structures, or administrative or academic entities typically characterized by the (a) addition, reassignment, or elimination of personnel, facilities, or courses of instruction; (b) rearrangement of budgets, cost centers, funding sources; and (c) changes which by implication could impact other campuses within the Montana University System and community colleges. Board policy 303.1 indicates the curricular proposals in this category:

- 1. Change names of degrees (e.g. from B.A. to B.F.A.)
- 2. Implement a new minor where there is no major;
- 3. Establish new degrees and add majors to existing degrees;
- 4. Expand/extend approved mission; and
- 5. Any other changes in governance and organization as described in Board of Regents' Policy 218, such as formation, elimination or consolidation of a college, division, school, department, institute, bureau, center, station, laboratory, or similar unit.

Specify Request:

The University of Montana-Missoula seeks permission to offer a Bachelor of Arts major in Media Arts.

MONTANA BOARD OF REGENTS

NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

ITEM 130-1002-R0106

Institution: The University of Montana-Missoula

Program Title: Media Arts

1. How does this program advance the campus' academic mission and fit priorities?

The Media Arts major will fulfill the academic mission of the campus in the following ways:

1. By filling needs for the undergraduate students of the state and region that are not being addressed presently.
2. By supporting the liberal arts goals of the campus, providing education in digital media aesthetic and narrative implementation that is needed by students from numerous backgrounds with varied professional goals.
3. The focus on integration that is at the center of faculty and student work creates a rich educational experience.
4. The Media Arts faculty takes as its primary purpose to allow for the growth of humanism within our students, focusing on study of the human condition, collaborative work and rigor in the process of creation.
5. The Media Arts Program exists at the borderline between the arts and the rest of this campus. It is our belief that digital media work is able to create synthesis between many areas of study that will allow our students to be leaders within communities where their collaboration, creativity and problem solving skills are needed.
6. The faculty of Media Arts is dedicated to the creative research work that is being fostered within the program and supported by The International Digital Media and Arts Association and the University Film and Video Association.

2. How does this program fit the Board of Regents' goals and objectives?

This program is consistent with stated Regents' goals, as indicated.

The faculty of Media Arts brings a deep understanding of the application of meaningful work into the stimulating world of digital media (Goal A 3, 4).

The program will allow students from the state to access education less expensively (B2).

Media Arts has 5 labs and over 80 computers dedicated only to the work of our students. The accessibility of these facilities is better than that of many universities offering similar programs (A5).

The program is a perfect fit for students who wish to be immediately employable upon leaving school, as it trains them not only in the principles behind their work but in the digital tools that are often the key to opening the first doors of opportunity in the professional world(D 2, 3).

The Media Arts student produces an ongoing portfolio of work that demonstrates work place competencies to prospective employers throughout the state and region. (E1, 3)

3. How does this program support or advance Montana's needs and interests?

Montana needs university graduates who understand the importance of the integration of new media along with the principles of narrative and aesthetic creation. With this combination, the students leave the university ready to lead the next generation of Montanans through a meaningful application of digital technology to help solve some of the challenges in communication and the arts that will be faced in the 21st century.

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

Highly competent graduates from these programs will attract attention from employers across the state. It is a bonus that a student from a liberal arts institution has the ability to apply the creative/problem-solving skills on the digital platform. The program is also unique within the region and

can serve to attract out-of-state students. Given the recent graduation of students from the Media Arts minor and graduate programs, a connective network of employment has started between those graduates that allows work to be exchanged between out-of-state and in-state sites. The creative centers of the media industry are still on the coasts, but that model is shifting, with production houses finding life in many areas across the West. Also, more and more computer-based workers are able to do their work anywhere that they can carry their laptops. Current and developing technologies have created the potential for people to remain in the state, while telecommuting their work to distant locations. It is hoped that, each year, as many as twenty to thirty graduates of the program will remain to work in Montana, contributing significantly to the local economy.

5. What is the program's planned capacity?

• Break-even point?	32 FTE students
• Enrollments / year?	110 (after year 3)
• Graduates / year?	30
• MT jobs / year?	20

6. Resource Allocation:

• Total program budget?	\$ 180,878
• Faculty FTE?	3.66*
• Staff FTE?	1.0* (*Please note that some faculty and staff have FTE appointments outside of this undergraduate degree.)

7. Does this program require new resources? Yes No

If yes, what is the amount? \$ _____

8. How will the campus fund the program?

Faculty, staff and funding are already in place.

9. If internal reallocation is necessary, name the sources.

n/a

PROPOSAL

I. Objectives and Need

1. Description of Program: Media Arts, which began as a graduate program in 1998 and added a minor in 2000, has grown to serve each year some 15 MFA candidates, 136 minors and nearly 600 undergraduate students through its general education classes. The graduate MFA program focuses on digital moviemaking. The minor is designed to service students from all majors who need to work with digital media and its story-based applications. Students join us from a wide array of majors, but particularly from Radio/Television, Education, Communication Studies, Drama/Dance, Business, Art, Journalism and Music. Because of the success of both the graduate and undergraduate programs and the increasing student demand for a major, the Media Arts Program proposes adding a Bachelor of Arts major in Media Arts. The major will consist of a core curriculum of four classes (12 credits) and 30 additional credits that will allow students to focus on either digital art/design or video production, bringing the B.A. to a total of 42 credits.

The size of major requirements for the B.A. fits within the liberal arts nature of the university, as it allows room outside of the major for the student to investigate a broad range of courses and learning experiences that are important for a liberal arts education. Through experience with our minor, we have found that students from other majors find value in combining studies in Media Arts with their major area of study and believe that a significant number of them, given the opportunity, would take advantage of the opportunity to double major.

Over the past twenty years the modes of communication and interaction in our culture have shifted significantly. Students realize that they need the ability to interact creatively with new technologies and present their ideas through digital toolsets if they are to be prepared for life after graduation, whether that be in the workplace or a higher level of more specialized graduate or professional education.

2. Documented Need for the Program: The two internal indicators for program need are found in the growth of our minor and direct requests for a major from students.

Growth of the Media Arts Minor

The minor in Media Arts began in Autumn of 2000. Until that point Media Arts served the undergraduate population through its two general education courses: Intro to Media Arts (101L) and Fundamentals of Media Arts Production (111A). These two classes were always full, with the 111 class expanding to five sections and still having a waiting list each semester. The Intro class began with 28 students and now is capped at between 160 and 180 each semester.

The first year of the minor, two students graduated with that distinction. The list of registered minors has grown steadily since then:

Autumn 01	12
Autumn 02	23
Autumn 03	57
Autumn 04	85
Spring 05	135

Requests for the Major

In a survey presented to students attending Media Arts classes Spring Semester 2005, more than one hundred indicated interest in the major. Our concern is not whether the numbers will justify initiation of a major degree offering, but if we can accommodate all the students waiting to enter the program. There is a backlog of students who will have finished the core classes before the implementation of the major, since the core of the major is ostensibly the same as the minor. The fact is, the Media Arts Program has never lacked for numbers. We have always had to limit class size based on the small number of faculty available to deliver classes. Fortunately, the addition of two new faculty lines has overcome this problem.

Digital Media as a Focal Point for Integration

While respecting the traditional teachings of all departments on campus, Media Arts offers a unique opportunity for utilizing digital media in teaching of creative thinking, visualization and problem solving skills. Digital media projects require the collaboration of many individuals and the integration of varied aspects of production: audio, video, writing, production design, production organization, etc. Over the

past seven years, Media Arts has attracted a diverse student body. Through digital media, the arts integrate with other areas of study, and The University of Montana has the opportunity to give students a liberal arts experience that supports this fact. This is an arts curriculum for those within and outside of the normal boundaries of the arts.

Media Literacy

As methods of communication have advanced over the past fifty years, universities have adapted to technological change in order to give students learning experiences that prepare them for real world interactions. During that period, technology has changed not only what, but how we teach. The variety of technologies available for transmission of ideas from teacher to student is larger than ever. The next step is to have students graduating who are not only capable of communicating through written and verbal means, but who are media literate. Students who are not fluent in the languages of media are at risk of falling behind those who have that knowledge. In fact, those students educated in a liberal arts curriculum with a strong core in these areas of literacy have the potential to affect large numbers of people in a positive, forward-looking way.

Media Arts as a Regional Force

The Bachelor of Arts in Media Arts is not offered on any other campus in the Montana University System. The particular skill sets that are taught, plus the emphasis on training liberal arts students in digital media production, make the major unique in the region.

3. Additional Courses and Course Requirements

The following is a list of courses to be added. The first represents a new core course to be required of students enrolled in both tracks. This is followed by a list of those courses specific to the offerings in *Digital Art and Design* and *Video Production*.

<u>Class</u>	<u>Credits</u>	
MAR 211 Principles of Digital Video Production	3	New Core Class

Recommended courses for students interested primarily in *Art and Design*

MAR 221 Fundamentals of Digital Image Design	3
MAR 222 Fundamentals of Digital Compositing	3
MAR 321 Digital Image Design Techniques	3
MAR 322 2D Motion Design	3
MAR 325 Fundamentals of Digital Animation	3
MAR 330 Principles of Sound Design	3
MAR 340 Principles of Web Design	3
MAR 422 3D Motion Design	3
MAR 425 Techniques of Digital Animation	3
MAR 440 Web Design Techniques	3
Total	30

Recommended courses for students interested primarily in *Video Production*

MAR 250 Visions of Film	3
MAR 251 Digital Video Production Techniques	3
MAR 353 Production Management	3
MAR 355 Directing the Fiction Movie	3
MAR 357 Digital Video Editing	3
MAR 450 Contemporary Trends in Digital Media	3
MAR 455 Experimental Documentary	3
MAR 465 Commercial Video Production	3
MAR 301 Practicum	6
Total	30

SEMESTER BY SEMESTER COURSE REQUIREMENTS/TEACHING ASSIGNMENTS

Media Arts, emphasizing *Digital Art and Design*

Total Credits: 42

Semester One (Fall)

MAR 101 Intro. to Media Arts (core)	3	Michael Murphy
MAR 111 Fund. of Digital Design (core)	3	Richard Hughes
Semester Two (Spring)		
MAR 210 Creation of Media Story (core)	3	James Kriley
MAR 211 Prin. of Dig. Video Production (core)	3	James Kriley
Semester Three (Fall)		
MAR 221 Fund. of Digital Image Design	3	Gregory Twigg
MAR 222 Fund. of Digital Compositing	3	Richard Hughes
Semester Four (Spring)		
MAR 321 Digital Image Design Techniques	3	Gregory Twigg
MAR 322 2D Motion Design	3	Richard Hughes
Semester Five (Fall)		
MAR 325 Fund. of Digital Animation	3	Gregory Twigg
MAR 330 Principles of Sound Design	3	Richard Hughes
Semester Six (Spring)		
MAR 340 Principles of Web Design	3	Staff
MAR 422 3D Motion Design	3	Richard Hughes
MAR 425 Techniques of Digital Animation	3	Gregory Twigg
Semester Seven (Fall)		
MAR 440 Web Design Techniques	3	Staff
Total	42 credits	

Media Arts, emphasizing Digital Video Production

Total credits: 42

Semester One (Fall)		
MAR 101 Intro. to Media Arts (core)	3	Michael Murphy
MAR 111 Fund. of Digital Design (core)	3	Richard Hughes
Semester Two (Spring)		
MAR 210 Creation of Media Story (core)	3	James Kriley
MAR 211 Prin. of Dig. Video Production (core)	3	James Kriley
Semester Three (Fall)		
MAR 250 Visions of Film	3	Andrew Smith
MAR 251 Dig.Video Production Techniques	3	Digital Cinematographer
Semester Four (Spring)		
MAR 353 Production Management	3	Staff
MAR 355 Directing the Fiction Movie	3	Andrew Smith
MAR 357 Digital Video Editing	3	Grad. TA
Semester Five (Fall)		
MAR 450 Contemporary Trends in Dig. Media	3	Andrew Smith
MAR 455 Experimental Documentary	3	Michael Murphy
Semester Six/Eight (Spring)		
MAR 465 Commercial Video Production	3	Digital Cinematographer
MAR 301 Practicum	6	Staff
Total	42 credits	

II. Adequacy, Accreditation, and Assessment Issues**1. Adequacy of Present Faculty**

Professors/Academic Areas

(FTE stated here applies specifically to the undergraduate major)

Michael Murphy, Director, Media Arts, Associate Professor (MFA): Directing, Experimental Documentary, Digital Narrative Editing, Acting for the Camera. FTE load for major .25

Richard Hughes, Associate Professor (MFA): Compositing, 2D/3D Motion Design, Sound Design and Digital Audio Engineering, Digital Effects. FTE load for major 1.0

Andrew Smith, Assistant Professor (MFA) (contract begins August 05): Directing, Writing, Digital Video Directing. FTE load for major .33

Gregory Twigg, Adjunct Professor (MFA) (search for tenure track 05-06, contract begins August 06): Digital Still Image Design, Animation, Motion Design, Effects, Color Correction/Composition. FTE load for major 1.0

Dr. James Kriley, Professor (PhD): Directing, Film Studies, Writing. FTE load for major .33

Digital Cinematography Position (MFA) (search for tenure track 05-06, contract begins August 06): Digital Cinematography, Commercial Video Production, Advanced Cinema Studies, Techniques of Video Production. FTE load for major .5

Timothy Howard, Director, Digital Media Services (Staff) Production Management, Computer Systems Administration, Camera/Lighting Training. FTE load for major .25

Total Faculty FTE for major: 3.66

2. Facilities and Equipment

Media Arts has five computer labs with more than 80 stations. Of these, the undergraduate program occupies three labs with 54 stations. These classrooms/labs will accommodate the predicted student load, because they are limited to use by Media Arts students only. This means adequate time exists for the scheduling of classes. In addition, all labs are swipe-card accessible and available during posted hours outside of scheduled class times. Students in the major will be required to have their own hard-drives on which to store projects. This allows them to move easily from station to station and to be able to work at home, using suitable equipment that many of them already possess. Media Arts also has its own video production lab space that will accommodate all classes in video production. The *Digital Video Production* coursework will use existing camera and sound equipment, which includes eight digital video cameras. Media Arts is in the process of securing funds for additional equipment through its network of outside donors as well as from traditional university equipment funds.

3. Accreditation Status

There are no accrediting agencies at the present time that deal with digital media programs. Media Arts will be a part of the Northwest Association of Schools and Colleges (NASC) accreditation reviews as it has in the past.

4. Assessment Issues

Student Assessment

Portfolio Review

Media Arts is predominantly a project-based major. Most classes deal with understanding and application of principles of narrative and design through the creation of media products, including video, motion design, web design and animation. The student creates an ongoing portfolio of work that can be organized either on the web or via DVD to allow for critique and comparison. All faculty will have access to former work and can help address needs and challenges faced by the student each academic term.

Acceptance and Continuation of the Major

After the completion of 101L and 111A (introductory level courses), students must have achieved a 3.5 grade point average in Media Arts courses to move on to MAR 210 and 211. Once they have completed these classes, they may apply to the major. Acceptance requires

faculty approval (based on student portfolio ranking), a 3.0 GPA in Media Arts classes and no less than a 2.5 GPA in the student's overall studies. These requirements continue through each assessment period, with annual reviews occurring at the end of spring semester each year and including portfolio review.

Grading

It is important for faculty to maintain rigor in grading. Successful students must demonstrate:

- the understanding and application of theory and craft principles in their creative work
- the ability to apply developmental processes to their work
- competency in aesthetic construction and composition
- the ability to listen to and incorporate feedback to their work
- the ability to work positively in collaborative situations
- the ability to deliver meaningful feedback to the work of others
- competency in the hardware and software associated with a given class or project
- self-motivation
- the ability to complete projects to deadline
- growth in their artistic/analytical work
- understanding and application of professional techniques and standards

Public Showings

Each academic year, a presentation forum of student work, open to the public, will be scheduled for which students submit creative projects to a jury for entry. The jury will consist of faculty and/or professionals from the various areas in which students would be seeking to engage upon graduation.

Program Assessment

Standard Assessment

Media Arts participates in all present forms of UM program and faculty assessment through its graduate and minor programs. Input from students in the undergraduate major will be included in these reviews.

Alumni Interaction

Media Arts is interested in tracking the professional lives of program alumni to follow their post-graduate experiences. Part of this is to track success stories, but also to learn what has been valuable about their education here and what they feel they could have used that we perhaps do not yet provide. Our MFA graduates have been very helpful at providing this kind of feedback, and we will carry it on in the undergraduate program.

Professional Interaction

Inviting professionals to interact with our students and faculty is important for broadening our students' educational experience. Professionals also help us with feedback on our program. We have numerous professional visitors to our program each year. The undergraduate majors will be able to join in these enriching experiences.

International Digital Media & Arts Association/University Film & Video Association

Involvement with professional organizations such as these is critical to the ongoing growth and success of the program. It is essential that faculty and students interact with their counterparts from other campuses. It is also important to note that as digital media programs grow around the country, The University of Montana needs to play a leading role in shaping dialogue and developing academic standards on a national level.

Yearly Faculty Retreat

Digital Media programs, arguably more than any other campus programs, must continually assess and revise curricula based on new information, theory and technology. For this reason it is important for faculty to have time to reflect and discuss these areas away from the classroom or traditional faculty meetings.

5. Library Holdings

Media Arts already has a library budget in place (\$2,322) that will adequately support our student and faculty needs.

III. Impact on Faculty, Costs, Students, and Other Departments and Campuses

1. **Additional Faculty Requirements:** The initiation of a Media Arts major requires no additional faculty beyond the current staffing plan. All positions listed above will be in place by August '06.

2. **Costs:** Media Arts has been a part of the ongoing challenge of bringing our campus up-to-date in digital technology. The support of the university has been a critical part of our success in this area as well as support by our donor base, with whom we have worked in concert with the university to see that our technology goals are met. We expect this relationship to continue in a positive fashion as we move forward purchasing the additional video and sound equipment needed for the undergraduate major. As was stated before, all computer equipment and labs essential are already in place.

Media Arts has completed half of its renovation of the McGill gymnasium space. This progress results from collaboration among faculty in the Schools of Fine Arts and Education, specifically in four units (Drama/Dance, Health and Human Performance, Educational Research and Service, and Media Arts), the upper administration and a generous donor. Finishing the facilities is one of the present goals of the UM Foundation Capital Campaign as we move forward. As a result of the first phase of renovation, McGill Hall now includes a large graduate student lab, two undergraduate labs, two seminar teaching spaces and an unfinished production lab. As part of this, the computer and telecommunications infrastructure has been upgraded. The next phase will finish the production space, sound lab, third undergraduate lab and viewing space.

3. **Students: Enrollment Impact:**

Planned Student/Faculty Ratios: 15:1

Special Admission Standards or Enrollment Limits: 3.5 GPA in the first two classes of core and 3.0 in Media Arts course work subsequent years. Because of the technological training involved in most classes, sections must be capped at 15 students. (See II. 4., Acceptance and Continuation of the Major, above.)

Special Procedures to recruit students from under-represented populations: We have found the program very viable for students with disabilities who can create their work on computers. The program may also recruit under-represented populations from within Montana.

Projected Employment Possibilities: Students from Media Arts have found employment almost anywhere digital media is used to communicate ideas and stories. This includes obvious areas like advertising, video production houses, television stations and as designers for web work. Additional opportunities exist in such areas as education, business, the arts and anywhere the need exists for professionals with the collaborative, creative and critical thinking skills this program fosters.

Projected size of the program: (see appendix A, page 1)

4. **Impact on Other Departments:** As Media Arts has evolved we have communicated with UM programs and departments in Drama/Dance, Radio/Television, Curriculum and Instruction, Information Technology in the School of Business, Communications, Art, Music and Journalism as to the viability and usefulness of our programs. All areas have been supportive of the opportunities that Media Arts offered their students. We believe that the B.A. adds the opportunity for students in these and other areas to double major, adding to their portfolio and educational experience in a way that does not take away from these programs. The major in Media Arts may also attracted new students to the university, whether they decide eventually to obtain a B.A. in Media Arts or major in some other related field.
5. **Impact on Other Campuses:** The proposed Media Arts Bachelor of Arts major does not duplicate any existing program in the Montana University System and is unique within our region. It is not expected other campuses will be impacted by the existence of this offering.

6. Cost Analysis

(Faculty FTE is based on percentage of faculty load devoted to undergraduate major)

	Year 1		Year 2		Year 3	
FTE Enrollment	48		78		87	
Estimated Incremental Revenue						
Use of Current General Operating Funds						
State Funds						
State Funding for Enrollment Growth					149,118	
Tuition Revenue	160,829		261,347		291,502	
A. Gross Incremental Tuition Revenue						
B. Reductions to Incremental Tuition						
C. Net Applied Tuition Revenue (A-B)						
Program Fees						
External Funds						
Other Funds						
TOTAL Estimated Revenue	160,829		261,347		440,620	
Estimated Incremental Expenditures						
	FTE	Cost	FTE	Cost	FTE	Cost
Personal Services	3.21*	176,463	3.21	179,992	3.21	183,591
Operating Expenses	4,415		4,800		5,124	
Equipment					38,000	
Start-up Expenditures						
TOTAL Estimated Expenditures	180,878		184,792		226,715	
Estimated Revenues Over/Under (-) Expenditures	-20,049		+76,555		+64,787	

* FTE when program is in full delivery

IV. Process Leading to Submission of Proposal

This proposal has been created and approved by Media Arts Program faculty, who have worked on its development for the past two years. It has also received further approval from the Media Arts Program Director and the Dean of the School of Fine Arts. The document is now submitted for consideration by the Provost and Vice President for Academic Affairs, the Academic Standards and Curricular Review Committee (ASCRC) along with its Education/Fine Arts Subcommittee, Faculty Senate, and the President of The University of Montana, prior to receipt by the Office of the Commission of Higher Education and Board of Regents.

Appendix A

Breakdown of Calculations on Cost Analysis for UG Major Proposal

Out-of-State students figured at 20% of enrollment, based on Registrar's Fall '04 benchmark of 2,113 out-of-state paid fees against 10,445 in-state paid fees.

	FTE Students	Income generated by FTE
Year 1 Total Students	48	
Out-of-State (20%)	9.6X \$6933	\$66,557
In-State	38.4X \$2455	94,272
Year 1 Total income		\$160,829

= = 160,829

Year 2 Total FTE 78
 Out-of-State 15.6X6933= 108,155
 In-State 62.4X2455= 153,192
 261,347

Year 3 Total FTE 87
 Out-of-State 17.4X6933= 120,634
 In-State 69.6X2455= 170,868
 291,502

FTE of faculty salary in dollars when program is in full delivery

Kriley	.33	25,741
Murphy	.25	12,998
Hughes	1.0	45,224
Smith	.33	15,000
Dig. Design	1.0	45,000
Dig. Cinema	.5	22,500
Dir. Dig.	.25	<u>10,000</u>
		176,463
		3.66

Three Year Projection of Media Arts Student FTE:

Media Arts Major Projected Numbers by Semester and Year									
	Autumn 06	Spring 07	Totals 06-07	Autumn 07	Spring 08	Totals 07-08	Autumn 08	Spring 09	Totals 08-09
1st Year Core	15	15	30	15	15	30	15	15	30
2nd Year Design	15	Cont.	15	15	Cont.	15	15	Cont.	15
2nd Year Video	15	Cont.	15	15	Cont.	15	15	Cont.	15
Total Students			60						
Total FTE students			48						
3rd Year Design				15	Cont.	15	15	Cont.	15
3rd Year Video				15	Cont.	15	15	Cont.	15
Total Students			90						
Total FTE students			78						
4th Year Design							10	Cont.	10
4th Year Video							10	Cont.	10
Total Students			110						
Total FTE students			87						

Graduate Digital Moviemaking/Undergraduate Video Production Load Distribution

Year designates the first implementation of a class

Fall		Spring	
Undergraduate		Undergraduate	
Intro to Media Arts Creation of Media Story Prin. Video Production '06 Production Management '07 Dig Video Prod. Tech. '07 Advanced Writing G/UG '06 Contemp. Trends Med. '08 Experimental Doc. '08 Practicum/Crew '07	Murphy Kriley Kriley Howard Cinematog. Smith Cinematog. Murphy Howard	Intro to Media Arts Creation of Media Story Video Production '06 Digital Video Directing '07 Narrative Editing (U) '07 Visions of Film '07 Dig. Commer. Vid. Prod. '07 Practicum/Crew '07	Murphy Grad T. A. Cinematog. Smith Grad T. A. Smith Cinematog. Howard
Graduate		Graduate	
Directing I Directing III Screenwriting I Screenwriting II G/UG Digital Production I Int. Digital Cinematography Graduate Media Research	Kriley Smith Smith Smith Cinematog. Cinematog. Murphy	Directing II Directing the Actor Narrative Editing Production Management '06 Digital Production II Grad. Advanced Film Study Adv. Dig. Cinematography '07	Smith Murphy Murphy Howard Cinematog. Smith Cinematog.
<u>Other courses covered</u>		<u>Other courses covered</u>	
Dramatic Lit Acting for the Camera	Kriley Murphy		
Load per teacher	Murphy 3 Kriley 4 Smith 4 Cinematog. 4 Howard 2	Load per teacher	Murphy 3 Kriley 0 Smith 4 Cinematog. 4 Howard 2

Undergraduate Digital Design Load distribution by semester

Fall		Spring	
Undergraduate		Undergraduate	
Fund. of Digital Integrated Art Fundamentals of Compositing Princ. of Sound Design Fund. of Integrated Digital Art Digital Still Image Design I Fund. of Dig. Animation Multi-linear Presentation	Hughes (2sec) Hughes Hughes Twigg Twigg Twigg Twigg	Fund. of Digital Integrated Art 2D Motion Design 3D Motion Design Prin. of Web Design Fund. of Digital Integrated Art Digital Still Image Design II Tech. of Digital Animation	Hughes Hughes Hughes Hughes Twigg (2sec) Twigg Twigg
Load per teacher	Hughes 4 Twigg 4	Load per teacher	Hughes 4 Twigg 4

January 11-12, 2006

ITEM 130-1003-R0106

Approval of Proposal to convert B.S. major in Business Administration—Option in Accounting to a B.S. major in Accounting

THAT:

The Board of Regents authorizes The University of Montana—Missoula to convert the B.S. major in Business Administration—Option in Accounting to a B.S. major in Accounting.

EXPLANATION:

Students who graduate from the School of Business Administration with majors instead of options will enhance opportunities to obtain employment and compete favorably with graduates from other universities. Compared to majors from other leading business programs, our options require similar course work and similar required credit hours. However, some recruiters have suggested to our graduates that they are not qualified for particular jobs because they have an option instead of a major. Each of the programs already exists and no additional resources are required.

MONTANA BOARD OF REGENTS

LEVEL II REQUEST FORM

Item No.: 130-1003-R0106 Date of Meeting: January 11-12, 2006
Institution: University of Montana-Missoula
Program Title: B.S. major in Accounting, School of Business Administration

Level II proposals require approval by the Board of Regents.

Level II action requested (check all that apply): Level II proposals entail substantive additions to, alterations in, or termination of programs, structures, or administrative or academic entities typically characterized by the (a) addition, reassignment, or elimination of personnel, facilities, or courses of instruction; (b) rearrangement of budgets, cost centers, funding sources; and (c) changes which by implication could impact other campuses within the Montana University System and community colleges. Board policy 303.1 indicates the curricular proposals in this category:

- 1. Change names of degrees (e.g. from B.A. to B.F.A.)
- 2. Implement a new minor where there is no major;
- 3. Establish new degrees and add majors to existing degrees;
- 4. Expand/extend approved mission; and
- 5. Any other changes in governance and organization as described in Board of Regents' Policy 218, such as formation, elimination or consolidation of a college, division, school, department, institute, bureau, center, station, laboratory, or similar unit.

Specify Request:

The School of Business Administration at The University of Montana-Missoula requests permission to convert the B.S. major Business Administration--Option in Accounting to a B.S. major in Accounting.

MONTANA BOARD OF REGENTS

NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

ITEM 130-1003-R0106

Institution: The University of Montana

Program Title: B.S. major in Accounting, School of Business Administration

1. How does this program advance the campus' academic mission and fit priorities?

This program is already available as an Option in Business Administration. Converting the options to majors allows the campus to offer students more marketable degrees, thereby being responsive to the needs of Montanans.

2. How does this program fit the Board of Regents' goals and objectives?

Converting the options to majors is consistent with goals A, D, and E of the Strategic Plan, developed by the Board of Regents in 2001:

A. To provide a stimulating, responsive, and effective environment for student learning, student living, and academic achievement.

D. To be responsive to market, employment, and economic development needs of the State and the nation.

E. To improve the support for and understanding of the Montana University System as a leading contributor to the State's economic success and social and political well-being.

3. How does this program support or advance Montana's needs and interests?

The options in business administration compare favorably with majors from leading business schools around the country. The School of Business Administration is fully accredited by the Association to Advance Collegiate Schools of Business. The course work and the number of credit hours required in each option are both similar to those of our AACSB accredited counterparts. However, some recruiters have suggested to our graduates that they are not qualified for particular jobs because they have an option instead of a major. Montana recruiters should not be confused about the quality of education received by graduates of the School of Business Administration. Converting to majors should mitigate any confusion about the relative value of the SOBA programs.

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

Students who graduate with a major in accounting, finance, information systems, international business, management, or marketing will be poised to find employment in the state of Montana.

5. What is the program's planned capacity? The programs already exist as options.

• Break-even point?	FTE students
• Enrollments / year?	
• Graduates / year?	
• MT jobs / year?	

6. Resource Allocation:

• Total program budget?	\$
• Faculty FTE?	
• Staff FTE?	

7. Does this program require new resources? Yes No

If yes, what is the amount? \$ _____

8. How will the campus fund the program?

The programs already exist as options. No new resources are necessary.

9. If internal reallocation is necessary, name the sources.

Proposal

Description of program

The change requested is to convert all options in the School of Business Administration to majors. Currently, the School of Business Administration at The University of Montana—Missoula offers six options for its undergraduate program. All business students take a core set of courses plus an option.

Core Courses (Requested changes for the 2006-07 catalog are included.)

Enex 101	English Composition
Comm 111	Introduction to Public Speaking
Math 117	Probability and Linear Math
CS 172	Introduction to Computer Modeling
Math 241	Statistics
IS 270	Management Information Systems
Econ 111	Microeconomics
Econ 112	Macroeconomics
Acct 201	Financial Accounting
Acct 202	Managerial Accounting
Badm 257	Business Law
Fin 322	Business Finance
Mgmt 340	Management and Organizational Behavior
IS 341	Operations Management
Mktg 360	Marketing Principles

One capstone course chosen from:

Mgmt 445	Small Business Management and Strategic Planning
Mgmt 446	Strategic Management
IS 448	Management Game

In addition, all students must choose an option from the following:

Accounting

Acct 310	Accounting Information Systems
Acct 311	Intermediate Accounting I
Acct 312	Intermediate Accounting II
Acct 421	Cost Management I
Acct 431	Income Tax
Acct 441	Auditing
Acct 451	Non Profit Accounting

Plus one of the following

Acct 313	Advanced Accounting Topics
Acct 422	Cost Management II
Acct 495	Special Topics

Finance

Fin 420	Investments
Fin 424	Financial Markets
Fin 429	Financial Management I Theory and Analysis
Fin 439	Financial Management II Analysis and Problems
Math 150	Applied Calculus instead of Math 117

Plus one of the following:

Acct 311	Intermediate Accounting I
Acct 421	Cost Management I
Fin 301	Financial Statement Analysis
Fin 495	Financial Analysis of Business
Econ 311	Intermediate Microeconometrics
Econ 460	Econometrics

Plus three additional courses at the 300-400 level, in one of the following programs of study: Banking/Investments, Financial Planning/Services, Accounting/Corporate, Economics, Information Systems, or International Finance.

Information Systems

IS 370 Database Management Systems
 IS 371 Business Applications Development
 IS 372 Telecommunications Management
 IS 373 Systems Analysis and Design
 IS 476 Project Management

Plus one of the following

IS 491 Information Systems Practicum
 IS 498 Information Systems Internship

Plus two of the following

IS 452 Management Science
 IS 453 Manufacturing Planning and Control
 IS 471 Fundamentals of Network Management
 IS 472 Advanced Network Management
 IS 474 Quality Management Systems
 IS 475 Advanced Technology Support
 IS 477 Multimedia Development for Business
 IS 478 Development of E-Commerce Systems
 IS 495 Special Topics (up to 6 credits)
 IS 496 Independent Study (up to 6 credits)
 Mktg 460 High-Technology Products and Innovations
 Acct 310 Accounting Information Systems
 Upper-division computer science (up to 6 credits)
 C&I 341 Information Management and Design
 C&I 444 Advanced Technology and Supervision
 CS 181 Electronic Publishing on the World Wide Web
 Math 381 Discrete Optimization
 Math 382 Linear Optimization

International Business

Four semesters of a foreign language
 Mgmt 368 International Business
 Mgmt 480 Cross-Cultural Management
 Fin 473 Multinational Financial Management

Plus one of the following

Mgmt 465 World Trade and Commerce
 Mgmt 485 Seminar in Contemporary International Issues

Nine credits approved by the international business advisor and selected from internationally-focused courses on campus, an international exchange, an international internship, or a study-abroad program.

Management

Mgmt 344 Human Resource Management
 Mgmt 348 Entrepreneurship
 Mgmt 368 International Business
 Mgmt 420 Leadership and Motivation
 Mgmt 444 Management Communication

Plus three of the following

Mgmt 430 Business Negotiations
 Mgmt 440 Business Ethics
 Mgmt 449 Business Plan Implementation
 Mgmt 480 Cross-Cultural Management
 Mgmt 495 Special Topics
 Mgmt 498 Management Internship

Marketing

Mktg 362	Consumer Behavior
Mktg 363	Marketing Communication
Mktg 366	Marketing Research
Mgmt 368	International Business
Mktg 461	Marketing Management
Plus three of the following	
Mktg 369	Advertising Competition
Mktg 410	Marketing Channels
Mktg 411	Service and Relationship Marketing
Mktg 412	Nonprofit Marketing
Mktg 460	High-Technology Products and Innovations
Mktg 495	Special Topics
Mktg 498	Marketing Internship
Mgmt 444	Management Communications

Documented Need

The School of Business Administration has served Montana since 1916, when our first class graduated from the Department of Commerce. Since that time, SOBA has grown to be a major participant in the vitality and health of The University of Montana. In 2004 (the most recent data available), SOBA graduated 411 undergraduates, 22.5% of all undergraduate degrees awarded by the university. Over the last five years, SOBA programs annually graduated, on average:

Accounting	55.0
Finance	49.5
Information Systems	42.8
International Business	23.2
Management	95.2
Marketing	96.5

As our programs have developed over the years, students have been exposed to richer and more diverse experiences. In response to student demand, SOBA developed new options in international business and information systems. In addition, students can choose groups of courses in areas such as entrepreneurship and entertainment management. The depth of courses available in each of the current options surpasses the perception of a mere concentration, emphasis or option. Our programs are now equivalent, in content and credit hours, to the majors offered by leading business schools in the country.

A survey of a small sample of AACSB accredited schools indicated that programs are variously called concentrations, emphases, options, and majors with little correlation to the number of credit hours required in the program. All of our programs require at least 24 credit hours beyond the 49 credit hour core (22 of those credits are taken outside of SOBA). Many of the programs designated as majors in our sample required fewer than 24 additional hours in a particular subject area beyond the core. Our programs were among the most extensive of the programs that were designated as majors.

Although we have no way to know how many of our students have failed to obtain jobs because of the taxonomy of our programs, we do have anecdotal evidence. In an interview with the FBI, one exceptional graduate was told that the FBI only hires people with majors in information systems. The recruiter questioned the student's background because he had an option instead of a major. A faculty member in SOBA researched the top information systems programs in the country and was able to satisfy the recruiter that the material covered in the student's option was comparable to majors in information systems at several prestigious schools of business.

The School of Business Administration requests that all options be converted to majors. Our many outstanding graduates deserve to be on a level playing field with graduates from other leading business schools.

Additional Courses

No additional courses are necessary.

Adequacy of Current Resources

No additional resources are necessary.

Accreditation Status

The School of Business Administration at The University of Montana—Missoula has been continuously accredited by the prestigious Association to Advance Collegiate Schools of Business (AACSB) since 1949, one of the first 50 schools to be accredited. There are no additional standards that must be met for programs called majors instead of options.

Assessment Plan

Assessment plans for each department are already filed with the Provost's Office.

Additional Faculty Requirements

No new faculty members are required to offer majors instead of options.

Impact on Facilities

Majors instead of options will not cause additional impact on SOBA or university facilities.

Cost Analysis

No additional costs will be incurred in converting from options to majors.

Enrollment Impact

We expect to see an increase in enrollment as prospective students perceive our programs to be of better quality than schools offering concentrations, emphases, and options.

Relationship to other campus programs

Most undergraduate programs on campus are designated as majors. No other program will be affected in a material way by converting options to majors. Some catalog copy may have to be edited if other programs refer to our options in their descriptions of joint or cooperative programs.

Relationship to Other Institutions

The School of Business Administration should be able to compete more favorably for new students if options are converted to majors. Otherwise, there should be no impact on other institutions.

Description of Proposal Development Process

The proposal originated in the SOBA Undergraduate Curriculum and Assessment Committee. The committee brought a seconded motion to the SOBA faculty, where the motion was approved. The Dean of the School of Business Administration then signed the documents necessary to submit the proposal to the Provost's Office and the Faculty Senate. The Senate approved the proposal in November 2005.

ITEM 130-1004-R0106

Approval of Proposal to convert the B.S. major in Business Administration—Option in Financial Management to a B.S. major in Finance

THAT:

The Board of Regents authorizes The University of Montana—Missoula to convert the B.S. major in Business Administration--Option in Financial Management to a major in Finance.

EXPLANATION:

Students who graduate from the School of Business Administration with majors instead of options will enhance opportunities to obtain employment and compete favorably with graduates from other universities. Compared to majors from other leading business programs, our options require similar course work and similar required credit hours. However, some recruiters have suggested to our graduates that they are not qualified for particular jobs because they have an option instead of a major. Each of the programs already exists and no additional resources are required.

MONTANA BOARD OF REGENTS

LEVEL II REQUEST FORM

Item No.: 130-1004-R0106 Date of Meeting: January 11-12, 2005
Institution: University of Montana-Missoula
Program Title: B.S. major in Finance, School of Business Administration

Level II proposals require approval by the Board of Regents.

Level II action requested (check all that apply): Level II proposals entail substantive additions to, alterations in, or termination of programs, structures, or administrative or academic entities typically characterized by the (a) addition, reassignment, or elimination of personnel, facilities, or courses of instruction; (b) rearrangement of budgets, cost centers, funding sources; and (c) changes which by implication could impact other campuses within the Montana University System and community colleges. Board policy 303.1 indicates the curricular proposals in this category:

- 1. Change names of degrees (e.g. from B.A. to B.F.A.)
- 2. Implement a new minor where there is no major;
- 3. Establish new degrees and add majors to existing degrees;
- 4. Expand/extend approved mission; and
- 5. Any other changes in governance and organization as described in Board of Regents' Policy 218, such as formation, elimination or consolidation of a college, division, school, department, institute, bureau, center, station, laboratory, or similar unit.

Specify Request:

The School of Business Administration at The University of Montana (Missoula) requests permission to convert the B.S. major in Business Administration--Option in Financial Management to a B.S. major in Finance.

MONTANA BOARD OF REGENTS

NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

ITEM 130-1004-R0106

Institution: The University of Montana

Program Title: B.S. major in Finance, School of Business Administration

1. How does this program advance the campus' academic mission and fit priorities?

This program is already available as an Option in Business Administration. Converting the options to majors allows the campus to offer students more marketable degrees, thereby being responsive to the needs of Montanans.

2. How does this program fit the Board of Regents' goals and objectives?

Converting the options to majors is consistent with goals A, D, and E of the Strategic Plan, developed by the Board of Regents in 2001:

A. To provide a stimulating, responsive, and effective environment for student learning, student living, and academic achievement.

D. To be responsive to market, employment, and economic development needs of the State and the nation.

E. To improve the support for and understanding of the Montana University System as a leading contributor to the State's economic success and social and political well-being.

3. How does this program support or advance Montana's needs and interests?

The options in business administration compare favorably with majors from leading business schools around the country. The School of Business Administration is fully accredited by the Association to Advance Collegiate Schools of Business. The course work and the number of credit hours required in each option are both similar to those of our AACSB accredited counterparts. However, some recruiters have suggested to our graduates that they are not qualified for particular jobs because they have an option instead of a major. Montana recruiters should not be confused about the quality of education received by graduates of the School of Business Administration. Converting to majors should mitigate any confusion about the relative value of the SOBA programs.

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

Students who graduate with a major in accounting, finance, information systems, international business, management, or marketing will be poised to find employment in the state of Montana.

5. What is the program's planned capacity? The programs already exist as options.

• Break-even point?	FTE students
• Enrollments / year?	
• Graduates / year?	
• MT jobs / year?	

6. Resource Allocation:

• Total program budget?	\$
• Faculty FTE?	
• Staff FTE?	

7. Does this program require new resources? Yes No

If yes, what is the amount? \$ _____

8. How will the campus fund the program?

The programs already exist as options. No new resources are necessary.

9. If internal reallocation is necessary, name the sources.

Proposal

Description of program

The change requested is to convert all options in the School of Business Administration to majors. Currently, the School of Business Administration at The University of Montana—Missoula offers six options for its undergraduate program. All business students take a core set of courses plus an option.

Core Courses (Requested changes for the 2006-07 catalog are included.)

Enex 101	English Composition
Comm 111	Introduction to Public Speaking
Math 117	Probability and Linear Math
CS 172	Introduction to Computer Modeling
Math 241	Statistics
IS 270	Management Information Systems
Econ 111	Microeconomics
Econ 112	Macroeconomics
Acct 201	Financial Accounting
Acct 202	Managerial Accounting
Badm 257	Business Law
Fin 322	Business Finance
Mgmt 340	Management and Organizational Behavior
IS 341	Operations Management
Mktg 360	Marketing Principles

One capstone course chosen from:

Mgmt 445	Small Business Management and Strategic Planning
Mgmt 446	Strategic Management
IS 448	Management Game

In addition, all students must choose an option from the following:

Accounting

Acct 310	Accounting Information Systems
Acct 311	Intermediate Accounting I
Acct 312	Intermediate Accounting II
Acct 421	Cost Management I
Acct 431	Income Tax
Acct 441	Auditing
Acct 451	Non Profit Accounting

Plus one of the following

Acct 313	Advanced Accounting Topics
Acct 422	Cost Management II
Acct 495	Special Topics

Finance

Fin 420	Investments
Fin 424	Financial Markets
Fin 429	Financial Management I Theory and Analysis
Fin 439	Financial Management II Analysis and Problems
Math 150	Applied Calculus instead of Math 117

Plus one of the following:

Acct 311	Intermediate Accounting I
Acct 421	Cost Management I
Fin 301	Financial Statement Analysis
Fin 495	Financial Analysis of Business
Econ 311	Intermediate Microeconometrics
Econ 460	Econometrics

Plus three additional courses at the 300-400 level, in one of the following programs of study: Banking/Investments, Financial Planning/Services, Accounting/Corporate, Economics, Information Systems, or International Finance.

Information Systems

- IS 370 Database Management Systems
- IS 371 Business Applications Development
- IS 372 Telecommunications Management
- IS 373 Systems Analysis and Design
- IS 476 Project Management
- Plus one of the following
 - IS 491 Information Systems Practicum
 - IS 498 Information Systems Internship
- Plus two of the following
 - IS 452 Management Science
 - IS 453 Manufacturing Planning and Control
 - IS 471 Fundamentals of Network Management
 - IS 472 Advanced Network Management
 - IS 474 Quality Management Systems
 - IS 475 Advanced Technology Support
 - IS 477 Multimedia Development for Business
 - IS 478 Development of E-Commerce Systems
 - IS 495 Special Topics (up to 6 credits)
 - IS 496 Independent Study (up to 6 credits)
 - Mktg 460 High-Technology Products and Innovations
 - Acct 310 Accounting Information Systems
 - Upper-division computer science (up to 6 credits)
 - C&I 341 Information Management and Design
 - C&I 444 Advanced Technology and Supervision
 - CS 181 Electronic Publishing on the World Wide Web
 - Math 381 Discrete Optimization
 - Math 382 Linear Optimization

International Business

- Four semesters of a foreign language
- Mgmt 368 International Business
- Mgmt 480 Cross-Cultural Management
- Fin 473 Multinational Financial Management
- Plus one of the following
 - Mgmt 465 World Trade and Commerce
 - Mgmt 485 Seminar in Contemporary International Issues
- Nine credits approved by the international business advisor and selected from internationally-focused courses on campus, an international exchange, an international internship, or a study-abroad program.

Management

- Mgmt 344 Human Resource Management
- Mgmt 348 Entrepreneurship
- Mgmt 368 International Business
- Mgmt 420 Leadership and Motivation
- Mgmt 444 Management Communication
- Plus three of the following
 - Mgmt 430 Business Negotiations
 - Mgmt 440 Business Ethics
 - Mgmt 449 Business Plan Implementation
 - Mgmt 480 Cross-Cultural Management
 - Mgmt 495 Special Topics
 - Mgmt 498 Management Internship

Marketing

Mktg 362	Consumer Behavior
Mktg 363	Marketing Communication
Mktg 366	Marketing Research
Mgmt 368	International Business
Mktg 461	Marketing Management
Plus three of the following	
Mktg 369	Advertising Competition
Mktg 410	Marketing Channels
Mktg 411	Service and Relationship Marketing
Mktg 412	Nonprofit Marketing
Mktg 460	High-Technology Products and Innovations
Mktg 495	Special Topics
Mktg 498	Marketing Internship
Mgmt 444	Management Communications

Documented Need

The School of Business Administration has served Montana since 1916, when our first class graduated from the Department of Commerce. Since that time, SOBA has grown to be a major participant in the vitality and health of The University of Montana. In 2004 (the most recent data available), SOBA graduated 411 undergraduates, 22.5% of all undergraduate degrees awarded by the university. Over the last five years, SOBA programs annually graduated, on average:

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As our programs have developed over the years, students have been exposed to richer and more diverse experiences. In response to student demand, SOBA developed new options in international business and information systems. In addition, students can choose groups of courses in areas such as entrepreneurship and entertainment management. The depth of courses available in each of the current options surpasses the perception of a mere concentration, emphasis or option. Our programs are now equivalent, in content and credit hours, to the majors offered by leading business schools in the country.

A survey of a small sample of AACSB accredited schools indicated that programs are variously called concentrations, emphases, options, and majors with little correlation to the number of credit hours required in the program. All of our programs require at least 24 credit hours beyond the 49 credit hour core (22 of those credits are taken outside of SOBA). Many of the programs designated as majors in our sample required fewer than 24 additional hours in a particular subject area beyond the core. Our programs were among the most extensive of the programs that were designated as majors.

Although we have no way to know how many of our students have failed to obtain jobs because of the taxonomy of our programs, we do have anecdotal evidence. In an interview with the FBI, one exceptional graduate was told that FBI only hires people with majors in information systems. The recruiter questioned the student's background because he had an option instead of a major. A faculty member in SOBA researched the top information systems programs in the country and was able to satisfy the recruiter that the material covered in the student's option was comparable to majors in information systems at several prestigious schools of business.

The School of Business Administration requests that all options be converted to majors. Our many outstanding graduates deserve to be on a level playing field with graduates from other leading business schools.

Additional Courses

No additional courses are necessary.

Adequacy of Current Resources

No additional resources are necessary.

Accreditation Status

The School of Business Administration at The University of Montana—Missoula has been continuously accredited by the prestigious Association to Advance Collegiate Schools of Business (AACSB) since 1949, one of the first 50 schools to be accredited. There are no additional standards that must be met for programs called majors instead of options.

Assessment Plan

Assessment plans for each department are already filed with the Provost's Office.

Additional Faculty Requirements

No new faculty members are required to offer majors instead of options.

Impact on Facilities

Majors instead of options will not cause additional impact on SOBA or university facilities.

Cost Analysis

No additional costs will be incurred in converting from options to majors.

Enrollment Impact

We expect to see an increase in enrollment as prospective students perceive our programs to be of better quality than schools offering concentrations, emphases, and options.

Relationship to other campus programs

Most undergraduate programs on campus are designated as majors. No other program will be affected in a material way by converting options to majors. Some catalog copy may have to be edited if other programs refer to our options in their descriptions of joint or cooperative programs.

Relationship to Other Institutions

The School of Business Administration should be able to compete more favorably for new students if options are converted to majors. Otherwise, there should be no impact on other institutions.

Description of Proposal Development Process

The proposal originated in the SOBA Undergraduate Curriculum and Assessment Committee. The committee brought a seconded motion to the SOBA faculty, where the motion was approved. The Dean of the School of Business Administration then signed the documents necessary to submit the proposal to the Provost's Office and the Faculty Senate. The Senate approved the proposal in November 2005.

January 11-12, 2006

ITEM: 130-1005-R0106 **Approval of Proposal to convert the B.S. major in Business Administration—Option in Information Systems to a B.S. major in Information Systems**

THAT: The Board of Regents authorizes The University of Montana—Missoula to convert the B.S. major in Business Administration—Option in Information Systems to a B.S. major in Information Systems.

EXPLANATION: Students who graduate from the School of Business Administration with majors instead of options will enhance opportunities to obtain employment and compete favorably with graduates from other universities. Compared to majors from other leading business programs, our options require similar course work and similar required credit hours. However, some recruiters have suggested to our graduates that they are not qualified for particular jobs because they have an option instead of a major. Each of the programs already exists and no additional resources are required.

MONTANA BOARD OF REGENTS

LEVEL II REQUEST FORM

Item No.: 130-1005-R0106 Date of Meeting: January 11-12, 2006
Institution: University of Montana-Missoula
Program Title: B.S. major in Information Systems, School of Business Administration

Level II proposals require approval by the Board of Regents.

Level II action requested (check all that apply): Level II proposals entail substantive additions to, alterations in, or termination of programs, structures, or administrative or academic entities typically characterized by the (a) addition, reassignment, or elimination of personnel, facilities, or courses of instruction; (b) rearrangement of budgets, cost centers, funding sources; and (c) changes which by implication could impact other campuses within the Montana University System and community colleges. Board policy 303.1 indicates the curricular proposals in this category:

- 1. Change names of degrees (e.g. from B.A. to B.F.A.)
- 2. Implement a new minor where there is no major;
- 3. Establish new degrees and add majors to existing degrees;
- 4. Expand/extend approved mission; and
- 5. Any other changes in governance and organization as described in Board of Regents' Policy 218, such as formation, elimination or consolidation of a college, division, school, department, institute, bureau, center, station, laboratory, or similar unit.

Specify Request:

The School of Business Administration at The University of Montana-Missoula requests permission to convert the B.S. major in Business Administration--Option in Information Systems to a B.S. major in Information Systems.

MONTANA BOARD OF REGENTS

NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

ITEM 130-1005-R0106

Institution: The University of Montana

Program Title: B.S. major in Information Systems, School of Business Administration

1. How does this program advance the campus' academic mission and fit priorities?

This program is already available as an Option in Business Administration. Converting the options to majors allows the campus to offer students more marketable degrees, thereby being responsive to the needs of Montanans.

2. How does this program fit the Board of Regents' goals and objectives?

Converting the options to majors is consistent with goals A, D, and E of the Strategic Plan, developed by the Board of Regents in 2001:

A. To provide a stimulating, responsive, and effective environment for student learning, student living, and academic achievement.

D. To be responsive to market, employment, and economic development needs of the State and the nation.

E. To improve the support for and understanding of the Montana University System as a leading contributor to the State's economic success and social and political well-being.

3. How does this program support or advance Montana's needs and interests?

The options in business administration compare favorably with majors from leading business schools around the country. The School of Business Administration is fully accredited by the Association to Advance Collegiate Schools of Business. The course work and the number of credit hours required in each option are both similar to those of our AACSB accredited counterparts. However, some recruiters have suggested to our graduates that they are not qualified for particular jobs because they have an option instead of a major. Montana recruiters should not be confused about the quality of education received by graduates of the School of Business Administration. Converting to majors should mitigate any confusion about the relative value of the SOBA programs.

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

Students who graduate with a major in accounting, finance, information systems, international business, management, or marketing will be poised to find employment in the state of Montana.

5. What is the program's planned capacity? The programs already exist as options.

• Break-even point?	FTE students
• Enrollments / year?	
• Graduates / year?	
• MT jobs / year?	

6. Resource Allocation:

• Total program budget?	\$
• Faculty FTE?	
• Staff FTE?	

7. Does this program require new resources? Yes No

If yes, what is the amount? \$ _____

8. How will the campus fund the program?

The programs already exist as options. No new resources are necessary.

9. If internal reallocation is necessary, name the sources.

Proposal

Description of program

The change requested is to convert all options in the School of Business Administration to majors. Currently, the School of Business Administration at The University of Montana—Missoula offers six options for its undergraduate program. All business students take a core set of courses plus an option.

Core Courses (Requested changes for the 2006-07 catalog are included.)

Enex 101	English Composition
Comm 111	Introduction to Public Speaking
Math 117	Probability and Linear Math
CS 172	Introduction to Computer Modeling
Math 241	Statistics
IS 270	Management Information Systems
Econ 111	Microeconomics
Econ 112	Macroeconomics
Acct 201	Financial Accounting
Acct 202	Managerial Accounting
Badm 257	Business Law
Fin 322	Business Finance
Mgmt 340	Management and Organizational Behavior
IS 341	Operations Management
Mktg 360	Marketing Principles

One capstone course chosen from:

Mgmt 445	Small Business Management and Strategic Planning
Mgmt 446	Strategic Management
IS 448	Management Game

In addition, all students must choose an option from the following:

Accounting

Acct 310	Accounting Information Systems
Acct 311	Intermediate Accounting I
Acct 312	Intermediate Accounting II
Acct 421	Cost Management I
Acct 431	Income Tax
Acct 441	Auditing
Acct 451	Non Profit Accounting

Plus one of the following

Acct 313	Advanced Accounting Topics
Acct 422	Cost Management II
Acct 495	Special Topics

Finance

Fin 420	Investments
Fin 424	Financial Markets
Fin 429	Financial Management I Theory and Analysis
Fin 439	Financial Management II Analysis and Problems
Math 150	Applied Calculus instead of Math 117

Plus one of the following:

Acct 311	Intermediate Accounting I
Acct 421	Cost Management I
Fin 301	Financial Statement Analysis
Fin 495	Financial Analysis of Business
Econ 311	Intermediate Microeconometrics
Econ 460	Econometrics

Plus three additional courses at the 300-400 level, in one of the following programs of study: Banking/Investments, Financial Planning/Services, Accounting/Corporate, Economics, Information Systems, or International Finance.

Information Systems

- IS 370 Database Management Systems
- IS 371 Business Applications Development
- IS 372 Telecommunications Management
- IS 373 Systems Analysis and Design
- IS 476 Project Management
- Plus one of the following
 - IS 491 Information Systems Practicum
 - IS 498 Information Systems Internship
- Plus two of the following
 - IS 452 Management Science
 - IS 453 Manufacturing Planning and Control
 - IS 471 Fundamentals of Network Management
 - IS 472 Advanced Network Management
 - IS 474 Quality Management Systems
 - IS 475 Advanced Technology Support
 - IS 477 Multimedia Development for Business
 - IS 478 Development of E-Commerce Systems
 - IS 495 Special Topics (up to 6 credits)
 - IS 496 Independent Study (up to 6 credits)
 - Mktg 460 High-Technology Products and Innovations
 - Acct 310 Accounting Information Systems
 - Upper-division computer science (up to 6 credits)
 - C&I 341 Information Management and Design
 - C&I 444 Advanced Technology and Supervision
 - CS 181 Electronic Publishing on the World Wide Web
 - Math 381 Discrete Optimization
 - Math 382 Linear Optimization

International Business

- Four semesters of a foreign language
- Mgmt 368 International Business
- Mgmt 480 Cross-Cultural Management
- Fin 473 Multinational Financial Management
- Plus one of the following
 - Mgmt 465 World Trade and Commerce
 - Mgmt 485 Seminar in Contemporary International Issues
- Nine credits approved by the international business advisor and selected from internationally-focused courses on campus, an international exchange, an international internship, or a study-abroad program.

Management

- Mgmt 344 Human Resource Management
- Mgmt 348 Entrepreneurship
- Mgmt 368 International Business
- Mgmt 420 Leadership and Motivation
- Mgmt 444 Management Communication
- Plus three of the following
 - Mgmt 430 Business Negotiations
 - Mgmt 440 Business Ethics
 - Mgmt 449 Business Plan Implementation
 - Mgmt 480 Cross-Cultural Management
 - Mgmt 495 Special Topics
 - Mgmt 498 Management Internship

Marketing

Mktg 362	Consumer Behavior
Mktg 363	Marketing Communication
Mktg 366	Marketing Research
Mgmt 368	International Business
Mktg 461	Marketing Management
Plus three of the following	
Mktg 369	Advertising Competition
Mktg 410	Marketing Channels
Mktg 411	Service and Relationship Marketing
Mktg 412	Nonprofit Marketing
Mktg 460	High-Technology Products and Innovations
Mktg 495	Special Topics
Mktg 498	Marketing Internship
Mgmt 444	Management Communications

Documented Need

The School of Business Administration has served Montana since 1916, when our first class graduated from the Department of Commerce. Since that time, SOBA has grown to be a major participant in the vitality and health of The University of Montana. In 2004 (the most recent data available), SOBA graduated 411 undergraduates, 22.5% of all undergraduate degrees awarded by the university. Over the last five years, SOBA programs annually graduated, on average:

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Information Systems	42.8
International Business	23.2
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Marketing	96.5

As our programs have developed over the years, students have been exposed to richer and more diverse experiences. In response to student demand, SOBA developed new options in international business and information systems. In addition, students can choose groups of courses in areas such as entrepreneurship and entertainment management. The depth of courses available in each of the current options surpasses the perception of a mere concentration, emphasis or option. Our programs are now equivalent, in content and credit hours, to the majors offered by leading business schools in the country.

A survey of a small sample of AACSB accredited schools indicated that programs are variously called concentrations, emphases, options, and majors with little correlation to the number of credit hours required in the program. All of our programs require at least 24 credit hours beyond the 49 credit hour core (22 of those credits are taken outside of SOBA). Many of the programs designated as majors in our sample required fewer than 24 additional hours in a particular subject area beyond the core. Our programs were among the most extensive of the programs that were designated as majors.

Although we have no way to know how many of our students have failed to obtain jobs because of the taxonomy of our programs, we do have anecdotal evidence. In an interview with the FBI, one exceptional graduate was told that the FBI only hires people with majors in information systems. The recruiter questioned the student's background because he had an option instead of a major. A faculty member in SOBA researched the top information systems programs in the country and was able to satisfy the recruiter that the material covered in the student's option was comparable to majors in information systems at several prestigious schools of business.

The School of Business Administration requests that all options be converted to majors. Our many outstanding graduates deserve to be on a level playing field with graduates from other leading business schools.

Additional Courses

No additional courses are necessary.

Adequacy of Current Resources

No additional resources are necessary.

Accreditation Status

The School of Business Administration at The University of Montana—Missoula has been continuously accredited by the prestigious Association to Advance Collegiate Schools of Business (AACSB) since 1949, one of the first 50 schools to be accredited. There are no additional standards that must be met for programs called majors instead of options.

Assessment Plan

Assessment plans for each department are already filed with the Provost's Office.

Additional Faculty Requirements

No new faculty members are required to offer majors instead of options.

Impact on Facilities

Majors instead of options will not cause additional impact on SOBA or university facilities.

Cost Analysis

No additional costs will be incurred in converting from options to majors.

Enrollment Impact

We expect to see an increase in enrollment as prospective students perceive our programs to be of better quality than schools offering concentrations, emphases, and options.

Relationship to other campus programs

Most undergraduate programs on campus are designated as majors. No other program will be affected in a material way by converting options to majors. Some catalog copy may have to be edited if other programs refer to our options in their descriptions of joint or cooperative programs.

Relationship to Other Institutions

The School of Business Administration should be able to compete more favorably for new students if options are converted to majors. Otherwise, there should be no impact on other institutions.

Description of Proposal Development Process

The proposal originated in the SOBA Undergraduate Curriculum and Assessment Committee. The committee brought a seconded motion to the SOBA faculty, where the motion was approved. The Dean of the School of Business Administration then signed the documents necessary to submit the proposal to the Provost's Office and the Faculty Senate. The Senate approved the proposal in November 2005.

January 11-12, 2006

ITEM: 130-1006-R0106 **Approval of Proposal to Convert B.S. Major in Business Administration—Option in International Business to a B.S. Major in International Business**

THAT: The Board of Regents authorizes The University of Montana—Missoula to convert the B.S. major in Business Administration—Option in International Business to a B.S. major in International Business.

EXPLANATION: Students who graduate from the School of Business Administration with majors instead of options will enhance opportunities to obtain employment and compete favorably with graduates from other universities. Compared to majors from other leading business programs, our options require similar course work and similar required credit hours. However, some recruiters have suggested to our graduates that they are not qualified for particular jobs because they have an option instead of a major. Each of the programs already exists and no additional resources are required.

MONTANA BOARD OF REGENTS
LEVEL II REQUEST FORM

Item No.: 130-1006-R0106 **Date of Meeting:** January 11-12, 2006
Institution: University of Montana-Missoula
Program Title: B.S. major in International Business, School of Business Administration

Level II proposals require approval by the Board of Regents.

Level II action requested (check all that apply): Level II proposals entail substantive additions to, alterations in, or termination of programs, structures, or administrative or academic entities typically characterized by the (a) addition, reassignment, or elimination of personnel, facilities, or courses of instruction; (b) rearrangement of budgets, cost centers, funding sources; and (c) changes which by implication could impact other campuses within the Montana University System and community colleges. Board policy 303.1 indicates the curricular proposals in this category:

- 1. Change names of degrees (e.g. from B.A. to B.F.A.)
- 2. Implement a new minor where there is no major;
- 3. Establish new degrees and add majors to existing degrees;
- 4. Expand/extend approved mission; and
- 5. Any other changes in governance and organization as described in Board of Regents' Policy 218, such as formation, elimination or consolidation of a college, division, school, department, institute, bureau, center, station, laboratory, or similar unit.

Specify Request:

The School of Business Administration at The University of Montana-Missoula requests permission to convert the B.S. major in Business Administration--Option in International Business to a B.S. major in International Business.

MONTANA BOARD OF REGENTS

NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

ITEM 130-1006-R0106

Institution: The University of Montana

Program Title: B.S. major in International Business, School of Business Administration

1. How does this program advance the campus' academic mission and fit priorities?

This program is already available as an Option in Business Administration. Converting the options to majors allows the campus to offer students more marketable degrees, thereby being responsive to the needs of Montanans.

2. How does this program fit the Board of Regents' goals and objectives?

Converting the options to majors is consistent with goals A, D, and E of the Strategic Plan, developed by the Board of Regents in 2001:

- A. To provide a stimulating, responsive, and effective environment for student learning, student living, and academic achievement.
- D. To be responsive to market, employment, and economic development needs of the State and the nation.
- E. To improve the support for and understanding of the Montana University System as a leading contributor to the State's economic success and social and political well-being.

3. How does this program support or advance Montana's needs and interests?

The options in business administration compare favorably with majors from leading business schools around the country. The School of Business Administration is fully accredited by the Association to Advance Collegiate Schools of Business. The course work and the number of credit hours required in each option are both similar to those of our AACSB accredited counterparts. However, some recruiters have suggested to our graduates that they are not qualified for particular jobs because they have an option instead of a major. Montana recruiters should not be confused about the quality of education received by graduates of the School of Business Administration. Converting to majors should mitigate any confusion about the relative value of the SOBA programs.

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

Students who graduate with a major in accounting, finance, information systems, international business, management, or marketing will be poised to find employment in the state of Montana.

5. What is the program's planned capacity? The programs already exist as options.

• Break-even point?	FTE students
• Enrollments / year?	
• Graduates / year?	
• MT jobs / year?	

6. Resource Allocation:

• Total program budget?	\$
• Faculty FTE?	
• Staff FTE?	

7. Does this program require new resources? Yes No

If yes, what is the amount? \$ _____

8. How will the campus fund the program?

The programs already exist as options. No new resources are necessary.

9. If internal reallocation is necessary, name the sources.

Proposal

Description of program

The change requested is to convert all options in the School of Business Administration to majors. Currently, the School of Business Administration at The University of Montana—Missoula offers six options for its undergraduate program. All business students take a core set of courses plus an option.

Core Courses (Requested changes for the 2006-07 catalog are included.)

Enex 101	English Composition
Comm 111	Introduction to Public Speaking
Math 117	Probability and Linear Math
CS 172	Introduction to Computer Modeling
Math 241	Statistics
IS 270	Management Information Systems
Econ 111	Microeconomics
Econ 112	Macroeconomics
Acct 201	Financial Accounting
Acct 202	Managerial Accounting
Badm 257	Business Law
Fin 322	Business Finance
Mgmt 340	Management and Organizational Behavior
IS 341	Operations Management
Mktg 360	Marketing Principles

One capstone course chosen from:

Mgmt 445	Small Business Management and Strategic Planning
Mgmt 446	Strategic Management
IS 448	Management Game

In addition, all students must choose an option from the following:

Accounting

Acct 310	Accounting Information Systems
Acct 311	Intermediate Accounting I
Acct 312	Intermediate Accounting II
Acct 421	Cost Management I
Acct 431	Income Tax
Acct 441	Auditing
Acct 451	Non Profit Accounting

Plus one of the following

Acct 313	Advanced Accounting Topics
Acct 422	Cost Management II
Acct 495	Special Topics

Finance

Fin 420	Investments
Fin 424	Financial Markets
Fin 429	Financial Management I Theory and Analysis
Fin 439	Financial Management II Analysis and Problems
Math 150	Applied Calculus instead of Math 117

Plus one of the following:

Acct 311	Intermediate Accounting I
Acct 421	Cost Management I
Fin 301	Financial Statement Analysis
Fin 495	Financial Analysis of Business
Econ 311	Intermediate Microeconometrics
Econ 460	Econometrics

Plus three additional courses at the 300-400 level, in one of the following programs of study: Banking/Investments, Financial Planning/Services, Accounting/Corporate, Economics, Information Systems, or International Finance.

Information Systems

IS 370	Database Management Systems
IS 371	Business Applications Development
IS 372	Telecommunications Management
IS 373	Systems Analysis and Design
IS 476	Project Management
Plus one of the following	
IS 491	Information Systems Practicum
IS 498	Information Systems Internship
Plus two of the following	
IS 452	Management Science
IS 453	Manufacturing Planning and Control
IS 471	Fundamentals of Network Management
IS 472	Advanced Network Management
IS 474	Quality Management Systems
IS 475	Advanced Technology Support
IS 477	Multimedia Development for Business
IS 478	Development of E-Commerce Systems
IS 495	Special Topics (up to 6 credits)
IS 496	Independent Study (up to 6 credits)
Mktg 460	High-Technology Products and Innovations
Acct 310	Accounting Information Systems
Upper-division computer science (up to 6 credits)	
C&I 341	Information Management and Design
C&I 444	Advanced Technology and Supervision
CS 181	Electronic Publishing on the World Wide Web
Math 381	Discrete Optimization
Math 382	Linear Optimization

International Business

Four semesters of a foreign language	
Mgmt 368	International Business
Mgmt 480	Cross-Cultural Management
Fin 473	Multinational Financial Management
Plus one of the following	
Mgmt 465	World Trade and Commerce
Mgmt 485	Seminar in Contemporary International Issues
Nine credits approved by the international business advisor and selected from internationally-focused courses on campus, an international exchange, an international internship, or a study-abroad program.	

Management

Mgmt 344	Human Resource Management
Mgmt 348	Entrepreneurship
Mgmt 368	International Business
Mgmt 420	Leadership and Motivation
Mgmt 444	Management Communication
Plus three of the following	
Mgmt 430	Business Negotiations
Mgmt 440	Business Ethics
Mgmt 449	Business Plan Implementation
Mgmt 480	Cross-Cultural Management
Mgmt 495	Special Topics
Mgmt 498	Management Internship

Marketing

Mktg 362	Consumer Behavior
Mktg 363	Marketing Communication
Mktg 366	Marketing Research

Mgmt 368	International Business
Mktg 461	Marketing Management
Plus three of the following	
Mktg 369	Advertising Competition
Mktg 410	Marketing Channels
Mktg 411	Service and Relationship Marketing
Mktg 412	Nonprofit Marketing
Mktg 460	High-Technology Products and Innovations
Mktg 495	Special Topics
Mktg 498	Marketing Internship
Mgmt 444	Management Communications

Documented Need

The School of Business Administration has served Montana since 1916, when our first class graduated from the Department of Commerce. Since that time, SOBA has grown to be a major participant in the vitality and health of The University of Montana. In 2004 (the most recent data available), SOBA graduated 411 undergraduates, 22.5% of all undergraduate degrees awarded by the university. Over the last five years, SOBA programs annually graduated, on average:

Accounting	55.0
Finance	49.5
Information Systems	42.8
International Business	23.2
Management	95.2
Marketing	96.5

As our programs have developed over the years, students have been exposed to richer and more diverse experiences. In response to student demand, SOBA developed new options in international business and information systems. In addition, students can choose groups of courses in areas such as entrepreneurship and entertainment management. The depth of courses available in each of the current options surpasses the perception of a mere concentration, emphasis or option. Our programs are now equivalent, in content and credit hours, to the majors offered by leading business schools in the country.

A survey of a small sample of AACSB accredited schools indicated that programs are variously called concentrations, emphases, options, and majors with little correlation to the number of credit hours required in the program. All of our programs require at least 24 credit hours beyond the 49 credit hour core (22 of those credits are taken outside of SOBA). Many of the programs designated as majors in our sample required fewer than 24 additional hours in a particular subject area beyond the core. Our programs were among the most extensive of the programs that were designated as majors.

Although we have no way to know how many of our students have failed to obtain jobs because of the taxonomy of our programs, we do have anecdotal evidence. In an interview with the FBI, one exceptional graduate was told that the FBI only hires people with majors in information systems. The recruiter questioned the student's background because he had an option instead of a major. A faculty member in SOBA researched the top information systems programs in the country and was able to satisfy the recruiter that the material covered in the student's option was comparable to majors in information systems at several prestigious schools of business.

The School of Business Administration requests that all options be converted to majors. Our many outstanding graduates deserve to be on a level playing field with graduates from other leading business schools.

Additional Courses

No additional courses are necessary.

Adequacy of Current Resources

No additional resources are necessary.

Accreditation Status

The School of Business Administration at The University of Montana—Missoula has been continuously accredited by the prestigious Association to Advance Collegiate Schools of Business (AACSB) since 1949, one of the first 50 schools to be accredited. There are no additional standards that must be met for programs called majors instead of options.

Assessment Plan

Assessment plans for each department are already filed with the Provost's Office.

Additional Faculty Requirements

No new faculty members are required to offer majors instead of options.

Impact on Facilities

Majors instead of options will not cause additional impact on SOBA or university facilities.

Cost Analysis

No additional costs will be incurred in converting from options to majors.

Enrollment Impact

We expect to see an increase in enrollment as prospective students perceive our programs to be of better quality than schools offering concentrations, emphases, and options.

Relationship to other campus programs

Most undergraduate programs on campus are designated as majors. No other program will be affected in a material way by converting options to majors. Some catalog copy may have to be edited if other programs refer to our options in their descriptions of joint or cooperative programs.

Relationship to Other Institutions

The School of Business Administration should be able to compete more favorably for new students if options are converted to majors. Otherwise, there should be no impact on other institutions.

Description of Proposal Development Process

The proposal originated in the SOBA Undergraduate Curriculum and Assessment Committee. The committee brought a seconded motion to the SOBA faculty, where the motion was approved. The Dean of the School of Business Administration then signed the documents necessary to submit the proposal to the Provost's Office and the Faculty Senate. The Senate approved the proposal in November 2005.

January 11-12, 2006

ITEM: 130-1007-R0106 Approval of Proposal to convert the B.S. major in Business Administration—Option in Management to a B.S. major in Management

THAT: The Board of Regents authorizes The University of Montana—Missoula to convert the B.S. major in Business Administration—Option in Management to a B.S. major in Management.

EXPLANATION: Students who graduate from the School of Business Administration with majors instead of options will enhance opportunities to obtain employment and compete favorably with graduates from other universities. Compared to majors from other leading business programs, our options require similar course work and similar required credit hours. However, some recruiters have suggested to our graduates that they are not qualified for particular jobs because they have an option instead of a major. Each of the programs already exists and no additional resources are required.

MONTANA BOARD OF REGENTS

LEVEL II REQUEST FORM

Item No.: 130-1007-R0106 Date of Meeting: January 11-12, 2006
Institution: University of Montana-Missoula
Program Title: B.S. major in Management, School of Business Administration

Level II proposals require approval by the Board of Regents.

Level II action requested (check all that apply): Level II proposals entail substantive additions to, alterations in, or termination of programs, structures, or administrative or academic entities typically characterized by the (a) addition, reassignment, or elimination of personnel, facilities, or courses of instruction; (b) rearrangement of budgets, cost centers, funding sources; and (c) changes which by implication could impact other campuses within the Montana University System and community colleges. Board policy 303.1 indicates the curricular proposals in this category:

- 1. Change names of degrees (e.g. from B.A. to B.F.A.)
- 2. Implement a new minor where there is no major;
- 3. Establish new degrees and add majors to existing degrees;
- 4. Expand/extend approved mission; and
- 5. Any other changes in governance and organization as described in Board of Regents' Policy 218, such as formation, elimination or consolidation of a college, division, school, department, institute, bureau, center, station, laboratory, or similar unit.

Specify Request:

The School of Business Administration at The University of Montana-Missoula requests permission to convert the B.S. major in Business Administration--Option in Management to a B.S. major in Management.

MONTANA BOARD OF REGENTS

NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

ITEM 130-1007-R0106

Institution: The University of Montana

Program Title: B.S. major in Management, School of Business Administration

1. How does this program advance the campus' academic mission and fit priorities?

This program is already available as an Option in Business Administration. Converting the options to majors allows the campus to offer students more marketable degrees, thereby being responsive to the needs of Montanans.

2. How does this program fit the Board of Regents' goals and objectives?

Converting the options to majors is consistent with goals A, D, and E of the Strategic Plan, developed by the Board of Regents in 2001:

- A. To provide a stimulating, responsive, and effective environment for student learning, student living, and academic achievement.
- D. To be responsive to market, employment, and economic development needs of the State and the nation.
- E. To improve the support for and understanding of the Montana University System as a leading contributor to the State's economic success and social and political well-being.

3. How does this program support or advance Montana's needs and interests?

The options in business administration compare favorably with majors from leading business schools around the country. The School of Business Administration is fully accredited by the Association to Advance Collegiate Schools of Business. The course work and the number of credit hours required in each option are both similar to those of our AACSB accredited counterparts. However, some recruiters have suggested to our graduates that they are not qualified for particular jobs because they have an option instead of a major. Montana recruiters should not be confused about the quality of education received by graduates of the School of Business Administration. Converting to majors should mitigate any confusion about the relative value of the SOBA programs.

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

Students who graduate with a major in accounting, finance, information systems, international business, management, or marketing will be poised to find employment in the state of Montana.

5. What is the program's planned capacity? The programs already exist as options.

• Break-even point?	FTE students
• Enrollments / year?	
• Graduates / year?	
• MT jobs / year?	

6. Resource Allocation:

• Total program budget?	\$
• Faculty FTE?	
• Staff FTE?	

7. Does this program require new resources? Yes No

If yes, what is the amount? \$ _____

8. How will the campus fund the program?

The programs already exist as options. No new resources are necessary.

9. If internal reallocation is necessary, name the sources.

Proposal

Description of program

The change requested is to convert all options in the School of Business Administration to majors. Currently, the School of Business Administration at The University of Montana—Missoula offers six options for its undergraduate program. All business students take a core set of courses plus an option.

Core Courses (Requested changes for the 2006-07 catalog are included.)

Enex 101	English Composition
Comm 111	Introduction to Public Speaking
Math 117	Probability and Linear Math
CS 172	Introduction to Computer Modeling
Math 241	Statistics
IS 270	Management Information Systems
Econ 111	Microeconomics
Econ 112	Macroeconomics
Acct 201	Financial Accounting
Acct 202	Managerial Accounting
Badm 257	Business Law
Fin 322	Business Finance
Mgmt 340	Management and Organizational Behavior
IS 341	Operations Management
Mktg 360	Marketing Principles

One capstone course chosen from:

Mgmt 445	Small Business Management and Strategic Planning
Mgmt 446	Strategic Management
IS 448	Management Game

In addition, all students must choose an option from the following:

Accounting

Acct 310	Accounting Information Systems
Acct 311	Intermediate Accounting I
Acct 312	Intermediate Accounting II
Acct 421	Cost Management I
Acct 431	Income Tax
Acct 441	Auditing
Acct 451	Non Profit Accounting

Plus one of the following

Acct 313	Advanced Accounting Topics
Acct 422	Cost Management II
Acct 495	Special Topics

Finance

Fin 420	Investments
Fin 424	Financial Markets
Fin 429	Financial Management I Theory and Analysis
Fin 439	Financial Management II Analysis and Problems
Math 150	Applied Calculus instead of Math 117

Plus one of the following:

Acct 311	Intermediate Accounting I
Acct 421	Cost Management I
Fin 301	Financial Statement Analysis
Fin 495	Financial Analysis of Business
Econ 311	Intermediate Microeconometrics
Econ 460	Econometrics

Plus three additional courses at the 300-400 level, in one of the following programs of study: Banking/Investments, Financial Planning/Services, Accounting/Corporate, Economics, Information Systems, or International Finance.

Information Systems

IS 370	Database Management Systems
IS 371	Business Applications Development
IS 372	Telecommunications Management
IS 373	Systems Analysis and Design
IS 476	Project Management

Plus one of the following

IS 491	Information Systems Practicum
IS 498	Information Systems Internship

Plus two of the following

IS 452	Management Science
IS 453	Manufacturing Planning and Control
IS 471	Fundamentals of Network Management
IS 472	Advanced Network Management
IS 474	Quality Management Systems
IS 475	Advanced Technology Support
IS 477	Multimedia Development for Business
IS 478	Development of E-Commerce Systems
IS 495	Special Topics (up to 6 credits)
IS 496	Independent Study (up to 6 credits)
Mktg 460	High-Technology Products and Innovations
Acct 310	Accounting Information Systems
Upper-division computer science (up to 6 credits)	
C&I 341	Information Management and Design
C&I 444	Advanced Technology and Supervision
CS 181	Electronic Publishing on the World Wide Web
Math 381	Discrete Optimization
Math 382	Linear Optimization

International Business

Four semesters of a foreign language

Mgmt 368	International Business
Mgmt 480	Cross-Cultural Management
Fin 473	Multinational Financial Management

Plus one of the following

Mgmt 465	World Trade and Commerce
Mgmt 485	Seminar in Contemporary International Issues

Nine credits approved by the international business advisor and selected from internationally-focused courses on campus, an international exchange, an international internship, or a study-abroad program.

Management

Mgmt 344	Human Resource Management
Mgmt 348	Entrepreneurship
Mgmt 368	International Business
Mgmt 420	Leadership and Motivation
Mgmt 444	Management Communication

Plus three of the following

Mgmt 430	Business Negotiations
Mgmt 440	Business Ethics
Mgmt 449	Business Plan Implementation
Mgmt 480	Cross-Cultural Management
Mgmt 495	Special Topics
Mgmt 498	Management Internship

Marketing

Mktg 362	Consumer Behavior
Mktg 363	Marketing Communication
Mktg 366	Marketing Research
Mgmt 368	International Business
Mktg 461	Marketing Management
Plus three of the following	
Mktg 369	Advertising Competition
Mktg 410	Marketing Channels
Mktg 411	Service and Relationship Marketing
Mktg 412	Nonprofit Marketing
Mktg 460	High-Technology Products and Innovations
Mktg 495	Special Topics
Mktg 498	Marketing Internship
Mgmt 444	Management Communications

Documented Need

The School of Business Administration has served Montana since 1916, when our first class graduated from the Department of Commerce. Since that time, SOBA has grown to be a major participant in the vitality and health of The University of Montana. In 2004 (the most recent data available), SOBA graduated 411 undergraduates, 22.5% of all undergraduate degrees awarded by the university. Over the last five years, SOBA programs annually graduated, on average:

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Information Systems	42.8
International Business	23.2
Management	95.2
Marketing	96.5

As our programs have developed over the years, students have been exposed to richer and more diverse experiences. In response to student demand, SOBA developed new options in international business and information systems. In addition, students can choose groups of courses in areas such as entrepreneurship and entertainment management. The depth of courses available in each of the current options surpasses the perception of a mere concentration, emphasis or option. Our programs are now equivalent, in content and credit hours, to the majors offered by leading business schools in the country.

A survey of a small sample of AACSB accredited schools indicated that programs are variously called concentrations, emphases, options, and majors with little correlation to the number of credit hours required in the program. All of our programs require at least 24 credit hours beyond the 49 credit hour core (22 of those credits are taken outside of SOBA). Many of the programs designated as majors in our sample required fewer than 24 additional hours in a particular subject area beyond the core. Our programs were among the most extensive of the programs that were designated as majors.

Although we have no way to know how many of our students have failed to obtain jobs because of the taxonomy of our programs, we do have anecdotal evidence. In an interview with the FBI, one exceptional graduate was told that the FBI only hires people with majors in information systems. The recruiter questioned the student's background because he had an option instead of a major. A faculty member in SOBA researched the top information systems programs in the country and was able to satisfy the recruiter that the material covered in the student's option was comparable to majors in information systems at several prestigious schools of business.

The School of Business Administration requests that all options be converted to majors. Our many outstanding graduates deserve to be on a level playing field with graduates from other leading business schools.

Additional Courses

No additional courses are necessary.

Adequacy of Current Resources

No additional resources are necessary.

Accreditation Status

The School of Business Administration at The University of Montana—Missoula has been continuously accredited by the prestigious Association to Advance Collegiate Schools of Business (AACSB) since 1949, one of the first 50 schools to be accredited. There are no additional standards that must be met for programs called majors instead of options.

Assessment Plan

Assessment plans for each department are already filed with the Provost's Office.

Additional Faculty Requirements

No new faculty members are required to offer majors instead of options.

Impact on Facilities

Majors instead of options will not cause additional impact on SOBA or university facilities.

Cost Analysis

No additional costs will be incurred in converting from options to majors.

Enrollment Impact

We expect to see an increase in enrollment as prospective students perceive our programs to be of better quality than schools offering concentrations, emphases, and options.

Relationship to other campus programs

Most undergraduate programs on campus are designated as majors. No other program will be affected in a material way by converting options to majors. Some catalog copy may have to be edited if other programs refer to our options in their descriptions of joint or cooperative programs.

Relationship to Other Institutions

The School of Business Administration should be able to compete more favorably for new students if options are converted to majors. Otherwise, there should be no impact on other institutions.

Description of Proposal Development Process

The proposal originated in the SOBA Undergraduate Curriculum and Assessment Committee. The committee brought a seconded motion to the SOBA faculty, where the motion was approved. The Dean of the School of Business Administration then signed the documents necessary to submit the proposal to the Provost's Office and the Faculty Senate. The Senate approved the proposal in November 2005.

January 11-12, 2006

ITEM: 130-1008-R0106 **Approval of Proposal to convert a B.S. major in Business Administration—Option in Marketing to a B.S. major in Marketing**

THAT: The Board of Regents authorizes The University of Montana—Missoula to convert the B.S. major in Business Administration--Option in Marketing to a B.S. major in Marketing.

EXPLANATION: Students who graduate from the School of Business Administration with majors instead of options will enhance opportunities to obtain employment and compete favorably with graduates from other universities. Compared to majors from other leading business programs, our options require similar course work and similar required credit hours. However, some recruiters have suggested to our graduates that they are not qualified for particular jobs because they have an option instead of a major. Each of the programs already exists and no additional resources are required.

MONTANA BOARD OF REGENTS
LEVEL II REQUEST FORM

Item No.: 130-1008-R0106 **Date of Meeting:** January 11-12, 2006
Institution: University of Montana-Missoula
Program Title: B.S. major in Marketing, School of Business Administration

Level II proposals require approval by the Board of Regents.

Level II action requested (check all that apply): Level II proposals entail substantive additions to, alterations in, or termination of programs, structures, or administrative or academic entities typically characterized by the (a) addition, reassignment, or elimination of personnel, facilities, or courses of instruction; (b) rearrangement of budgets, cost centers, funding sources; and (c) changes which by implication could impact other campuses within the Montana University System and community colleges. Board policy 303.1 indicates the curricular proposals in this category:

- 1. Change names of degrees (e.g. from B.A. to B.F.A.)
- 2. Implement a new minor where there is no major;
- 3. Establish new degrees and add majors to existing degrees;
- 4. Expand/extend approved mission; and
- 5. Any other changes in governance and organization as described in Board of Regents' Policy 218, such as formation, elimination or consolidation of a college, division, school, department, institute, bureau, center, station, laboratory, or similar unit.

Specify Request:

The School of Business Administration at The University of Montana-Missoula requests permission to convert the B.S. major in Business Administration--Option in Marketing to a B.S. major in Marketing.

MONTANA BOARD OF REGENTS

NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

ITEM 130-1008-R0106

Institution: The University of Montana

Program Title: B.S. major in Marketing, School of Business Administration

1. How does this program advance the campus' academic mission and fit priorities?

This program is already available as an Option in Business Administration. Converting the options to majors allows the campus to offer students more marketable degrees, thereby being responsive to the needs of Montanans.

2. How does this program fit the Board of Regents' goals and objectives?

Converting the options to majors is consistent with goals A, D, and E of the Strategic Plan, developed by the Board of Regents in 2001:

- A. To provide a stimulating, responsive, and effective environment for student learning, student living, and academic achievement.
- D. To be responsive to market, employment, and economic development needs of the State and the nation.
- E. To improve the support for and understanding of the Montana University System as a leading contributor to the State's economic success and social and political well-being.

3. How does this program support or advance Montana's needs and interests?

The options in business administration compare favorably with majors from leading business schools around the country. The School of Business Administration is fully accredited by the Association to Advance Collegiate Schools of Business. The course work and the number of credit hours required in each option are both similar to those of our AACSB accredited counterparts. However, some recruiters have suggested to our graduates that they are not qualified for particular jobs because they have an option instead of a major. Montana recruiters should not be confused about the quality of education received by graduates of the School of Business Administration. Converting to majors should mitigate any confusion about the relative value of the SOBA programs.

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

Students who graduate with a major in accounting, finance, information systems, international business, management, or marketing will be poised to find employment in the state of Montana.

5. What is the program's planned capacity? The programs already exist as options.

• Break-even point?	FTE students
• Enrollments / year?	
• Graduates / year?	
• MT jobs / year?	

6. Resource Allocation:

• Total program budget?	\$
• Faculty FTE?	
• Staff FTE?	

7. Does this program require new resources? Yes No

If yes, what is the amount? \$ _____

8. How will the campus fund the program?

The programs already exist as options. No new resources are necessary.

9. If internal reallocation is necessary, name the sources.

Proposal

Description of program

The change requested is to convert all options in the School of Business Administration to majors. Currently, the School of Business Administration at The University of Montana—Missoula offers six options for its undergraduate program. All business students take a core set of courses plus an option.

Core Courses (Requested changes for the 2006-07 catalog are included.)

Enex 101	English Composition
Comm 111	Introduction to Public Speaking
Math 117	Probability and Linear Math
CS 172	Introduction to Computer Modeling
Math 241	Statistics
IS 270	Management Information Systems
Econ 111	Microeconomics
Econ 112	Macroeconomics
Acct 201	Financial Accounting
Acct 202	Managerial Accounting
Badm 257	Business Law
Fin 322	Business Finance
Mgmt 340	Management and Organizational Behavior
IS 341	Operations Management
Mktg 360	Marketing Principles

One capstone course chosen from:

Mgmt 445	Small Business Management and Strategic Planning
Mgmt 446	Strategic Management
IS 448	Management Game

In addition, all students must choose an option from the following:

Accounting

Acct 310	Accounting Information Systems
Acct 311	Intermediate Accounting I
Acct 312	Intermediate Accounting II
Acct 421	Cost Management I
Acct 431	Income Tax
Acct 441	Auditing
Acct 451	Non Profit Accounting

Plus one of the following

Acct 313	Advanced Accounting Topics
Acct 422	Cost Management II
Acct 495	Special Topics

Finance

Fin 420	Investments
Fin 424	Financial Markets
Fin 429	Financial Management I Theory and Analysis
Fin 439	Financial Management II Analysis and Problems
Math 150	Applied Calculus instead of Math 117

Plus one of the following:

Acct 311	Intermediate Accounting I
Acct 421	Cost Management I
Fin 301	Financial Statement Analysis
Fin 495	Financial Analysis of Business
Econ 311	Intermediate Microeconometrics
Econ 460	Econometrics

Plus three additional courses at the 300-400 level, in one of the following programs of study: Banking/Investments, Financial Planning/Services, Accounting/Corporate, Economics, Information Systems, or International Finance.

Information Systems

IS 370	Database Management Systems
IS 371	Business Applications Development
IS 372	Telecommunications Management
IS 373	Systems Analysis and Design
IS 476	Project Management

Plus one of the following

IS 491	Information Systems Practicum
IS 498	Information Systems Internship

Plus two of the following

IS 452	Management Science
IS 453	Manufacturing Planning and Control
IS 471	Fundamentals of Network Management
IS 472	Advanced Network Management
IS 474	Quality Management Systems
IS 475	Advanced Technology Support
IS 477	Multimedia Development for Business
IS 478	Development of E-Commerce Systems
IS 495	Special Topics (up to 6 credits)
IS 496	Independent Study (up to 6 credits)
Mktg 460	High-Technology Products and Innovations
Acct 310	Accounting Information Systems
Upper-division computer science (up to 6 credits)	
C&I 341	Information Management and Design
C&I 444	Advanced Technology and Supervision
CS 181	Electronic Publishing on the World Wide Web
Math 381	Discrete Optimization
Math 382	Linear Optimization

International Business

Four semesters of a foreign language	
Mgmt 368	International Business
Mgmt 480	Cross-Cultural Management

Plus one of the following

Mgmt 465	World Trade and Commerce
Mgmt 485	Seminar in Contemporary International Issues

Nine credits approved by the international business advisor and selected from internationally-focused courses on campus, an international exchange, an international internship, or a study-abroad program.

Management

Mgmt 344	Human Resource Management
Mgmt 348	Entrepreneurship
Mgmt 368	International Business
Mgmt 420	Leadership and Motivation
Mgmt 444	Management Communication

Plus three of the following

Mgmt 430	Business Negotiations
Mgmt 440	Business Ethics
Mgmt 449	Business Plan Implementation
Mgmt 480	Cross-Cultural Management
Mgmt 495	Special Topics
Mgmt 498	Management Internship

Marketing

Mktg 362	Consumer Behavior
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Mktg 363	Marketing Communication
Mktg 366	Marketing Research
Mgmt 368	International Business
Mktg 461	Marketing Management

Plus three of the following

Mktg 369	Advertising Competition
Mktg 410	Marketing Channels
Mktg 411	Service and Relationship Marketing
Mktg 412	Nonprofit Marketing
Mktg 460	High-Technology Products and Innovations
Mktg 495	Special Topics
Mktg 498	Marketing Internship
Mgmt 444	Management Communications

Documented Need

The School of Business Administration has served Montana since 1916, when our first class graduated from the Department of Commerce. Since that time, SOBA has grown to be a major participant in the vitality and health of The University of Montana. In 2004 (the most recent data available), SOBA graduated 411 undergraduates, 22.5% of all undergraduate degrees awarded by the university. Over the last five years, SOBA programs annually graduated, on average:

Accounting	55.0
Finance	49.5
Information Systems	42.8
International Business	23.2
Management	95.2
Marketing	96.5

As our programs have developed over the years, students have been exposed to richer and more diverse experiences. In response to student demand, SOBA developed new options in international business and information systems. In addition, students can choose groups of courses in areas such as entrepreneurship and entertainment management. The depth of courses available in each of the current options surpasses the perception of a mere concentration, emphasis or option. Our programs are now equivalent, in content and credit hours, to the majors offered by leading business schools in the country.

A survey of a small sample of AACSB accredited schools indicated that programs are variously called concentrations, emphases, options, and majors with little correlation to the number of credit hours required in the program. All of our programs require at least 24 credit hours beyond the 49 credit hour core (22 of those credits are taken outside of SOBA). Many of the programs designated as majors in our sample required fewer than 24 additional hours in a particular subject area beyond the core. Our programs were among the most extensive of the programs that were designated as majors.

Although we have no way to know how many of our students have failed to obtain jobs because of the taxonomy of our programs, we do have anecdotal evidence. In an interview with the FBI, one exceptional graduate was told that the FBI only hires people with majors in information systems. The recruiter questioned the student's background because he had an option instead of a major. A faculty member in SOBA researched the top information systems programs in the country and was able to satisfy the recruiter that the material covered in the student's option was comparable to majors in information systems at several prestigious schools of business.

The School of Business Administration requests that all options be converted to majors. Our many outstanding graduates deserve to be on a level playing field with graduates from other leading business schools.

Additional Courses

No additional courses are necessary.

Adequacy of Current Resources

No additional resources are necessary.

Accreditation Status

The School of Business Administration at The University of Montana—Missoula has been continuously accredited by the prestigious Association to Advance Collegiate Schools of Business (AACSB) since 1949, one of the first 50 schools to be accredited. There are no additional standards that must be met for programs called majors instead of options.

Assessment Plan

Assessment plans for each department are already filed with the Provost's Office.

Additional Faculty Requirements

No new faculty members are required to offer majors instead of options.

Impact on Facilities

Majors instead of options will not cause additional impact on SOBA or university facilities.

Cost Analysis

No additional costs will be incurred in converting from options to majors.

Enrollment Impact

We expect to see an increase in enrollment as prospective students perceive our programs to be of better quality than schools offering concentrations, emphases, and options.

Relationship to other campus programs

Most undergraduate programs on campus are designated as majors. No other program will be affected in a material way by converting options to majors. Some catalog copy may have to be edited if other programs refer to our options in their descriptions of joint or cooperative programs.

Relationship to Other Institutions

The School of Business Administration should be able to compete more favorably for new students if options are converted to majors. Otherwise, there should be no impact on other institutions.

Description of Proposal Development Process

The proposal originated in the SOBA Undergraduate Curriculum and Assessment Committee. The committee brought a seconded motion to the SOBA faculty, where the motion was approved. The Dean of the School of Business Administration then signed the documents necessary to submit the proposal to the Provost's Office and the Faculty Senate. The Senate approved the proposal in November 2005.

ITEM: 130-1010-R0106 Approval of a M.S. major in Information Systems

THAT: In accordance with Montana University System Policy, the Board of Regents of Higher Education authorizes The University of Montana-Missoula to create a Master of Science major in Information Systems.

EXPLANATION: The departments of Computer Science and Information Systems and Technology propose to offer a Master of Science major in Information Systems. Information technology is a core part of almost all modern enterprises. The IT infrastructure of an enterprise includes hardware such as PCs, servers, networks, data storage facilities and software systems such as ERP (Enterprise Resource Planning), CRM (Customer Relationship Management), knowledge management systems, security systems, and e-mail. The student will learn to understand the IT infrastructure and how to manage it. The program will prepare students to be systems analysts and IT managers in the field of Information Technology (IT). Often, the competitive advantage of US workers in the global IT marketplace is their knowledge of the business and their ability to communicate technical issues on a personal level with the users of IT. The program will emphasize technical knowledge, business concepts, and communication skills throughout, and there will be an emphasis on those aspects of IT where US workers are competitive in the global marketplace. Graduates of the program should be able to participate in and manage many different kinds of IT projects, working effectively with technical staff, users, and management. With additional experience, graduates will progress toward positions such as CIO (Chief Information Officer) of an organization.

MONTANA BOARD OF REGENTS

LEVEL II REQUEST FORM

Item No.: 130-1010-R0106 Date of Meeting: January 11-12, 2006
Institution: University of Montana-Missoula
Program Title: Master of Science major in Information Systems

Level II proposals require approval by the Board of Regents.

Level II action requested (check all that apply): Level II proposals entail substantive additions to, alterations in, or termination of programs, structures, or administrative or academic entities typically characterized by the (a) addition, reassignment, or elimination of personnel, facilities, or courses of instruction; (b) rearrangement of budgets, cost centers, funding sources; and (c) changes which by implication could impact other campuses within the Montana University System and community colleges. Board policy 303.1 indicates the curricular proposals in this category:

- 1. Change names of degrees (e.g. from B.A. to B.F.A.)
- 2. Implement a new minor where there is no major;
- 3. Establish new degrees and add majors to existing degrees;
- 4. Expand/extend approved mission; and
- 5. Any other changes in governance and organization as described in Board of Regents' Policy 218, such as formation, elimination or consolidation of a college, division, school, department, institute, bureau, center, station, laboratory, or similar unit.

Specify Request:

The University of Montana-Missoula requests permission to offer an interdisciplinary Master of Science major in Information Systems, a collaboration of the Department of Computer Science and the Department of Information Systems and Technology.

MONTANA BOARD OF REGENTS

NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

ITEM 130-1010-R0106

Institution: University of Montana-Missoula
Program Title: Master of Science major in Information Systems

1. How does this program advance the campus' academic mission and fit priorities?

The Master of Science major in Information Systems is an interdisciplinary degree offered by the departments of Computer Science and Information Systems and Technology. The degree combines technological and managerial expertise to train individuals to manage the information resources at the highest levels of the firm. One unique aspect of the program is a required course in globalization and outsourcing. Teams of students will participate in a cross-cultural software development project, coordinated across two campuses, one at UM and one overseas.

2. How does this program fit the Board of Regents' goals and objectives?

This program furthers the following Montana University System goals as follows:

Goal B. "To make a high quality, affordable higher education experience available to all qualified citizens who wish to further their education and training."

This will be the only graduate program in Information Systems in the state and the immediate region.

Goal D. "To be responsive to market, employment, and economic development needs of the State and the nation."

Jobs such as computer system administrators, database administrators, and network administrators are among the fastest growing occupations in the nation, according to the Bureau of Labor Statistics. *CIO* magazine conducted a survey that indicated that 69% of the nation's Chief Information Officers were concerned that they would not be able to staff IT administrative positions within the next five years. This program will provide a talented pool of IT administrators for our state.

Goal E. "To improve the support for and understanding of the Montana University System as a leading contributor to the State's economic success and social and political well-being."

This program will support the state's effort to attract more businesses to Montana.

3. How does this program support or advance Montana's needs and interests?

As Montana cultivates more clean industry, the need for a technologically advanced workforce increases. This program trains computer professionals for IT administrative jobs. It will be the only graduate program in the state that focuses on preparing graduates for the Chief Information Officer (CIO) position, once they have achieved job experience.

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

Firms locate in areas where they can reasonably expect to hire well-qualified individuals as openings arise. Every medium- to large-sized organization depends on its information technology infrastructure and the administrators who seek to gain competitive advantage for the firm through that technology. This program provides both computer science and information systems skills for those people who wish to remain in Montana, pursuing an interesting and lucrative career.

5. What is the program's planned capacity?

• Break-even point?	FTE students
• Enrollments / year?	30 (3 rd year)
• Graduates / year?	25
• MT jobs / year?	15

6. Resource Allocation:

• Total program budget?	\$ 147,844 (3 rd year)
• Faculty FTE?	1 (new)
• Staff FTE?	0

7. Does this program require new resources? X Yes No

If yes, what is the amount? \$ 147,844

8. How will the campus fund the program?

New funding from tuition revenue

9. If internal reallocation is necessary, name the sources.

Proposal for M.S. with a major in Information Systems

Description of Program

Program Overview

The departments of Computer Science and Information Systems and Technology propose to offer a Master of Science Degree with a major in Information Systems. This program includes a unique combination of elements related to software engineering, project management, and computer science. The program emphasizes both the technical and business aspects of information technology. It takes advantage of the strengths of our faculty in software engineering, strategy and leadership, human computer interaction, consulting, and IT infrastructure. The participation of the Information Technology Office will give students the benefit of real-world experience in the leadership an IT organization.

Information technology is a core part of almost all modern enterprises. The IT infrastructure of an enterprise includes hardware such as PCs, servers, networks, data storage facilities and software systems such as ERP (Enterprise Resource Planning), CRM (Customer Relationship Management), knowledge management systems, security systems, and e-mail. The student will learn to understand the IT infrastructure and how to manage it.

When upgrades or additions to the IT infrastructure are needed, there is a choice of whether to build in-house, to build by outsourcing, to buy commercial off the shelf products and run in-house, or to use a service provider. These decisions now are made in the context of a global IT marketplace of software products, services, and employment. The student will learn how to choose the best solution approach to fulfill IT infrastructure needs.

The first step of addressing IT need is to document the requirements for the upgrade or addition. Next, IT managers must plan and then manage IT projects. Because IT projects historically had a high failure rate, and successful projects often run over budget, over schedule, or both, it is important for the manager to understand how IT systems are constructed, even if the construction of the system is contracted or the system is purchased. In each of these cases, the IT system must be tested and its quality must be assessed. The quality of software includes not only its correctness and reliability, but also ease and efficiency of use, maintenance and upgrade cost, and extendibility to future needs.

IT is an integral part of the strategy of an enterprise. In the past, IT has often consisted of a number of separate systems; the current trend is to integrate these separate systems into a powerful, integrated enterprise system. Many businesses have used powerful and adaptive IT infrastructure to obtain competitive advantage. The "Strategy and Leadership" course covers these aspects of IT.

The proposed program is derived from on the MSIS 2000 Curriculum Recommendations¹ and the MSIS 2006 Curriculum Preview². Both the prerequisites and the core courses correspond to those courses recommended by MSIS 2006, with a few exceptions to capitalize on the strengths of our faculty.

This program will prepare students to be systems analysts and IT managers in the field of Information Technology (IT). Often, the competitive advantage of US workers in the global IT marketplace is their knowledge of the business and their ability to communicate technical issues on a personal level with the users of IT. The program will emphasize technical knowledge, business concepts, and communication skills throughout, and there will be an emphasis on those aspects of IT where US workers are competitive in the global marketplace. Graduates of the program should be able to participate in and manage many different kinds of IT projects, working effectively with technical staff, users, and management. With additional experience, graduates will progress toward positions as CIO (Chief Information Officer) of an organization.

A unique aspect of this program will be that students will have the opportunity to participate in a team cross-cultural software development project. In the course "Globalization and Outsourcing," students will participate in a project that is coordinated across two campuses, one at UM and one overseas. This will give students a sound appreciation for the cross-cultural and technical problems associated with such a project, and with offshored outsourcing projects in general.

¹ MSIS 2000 Model Curriculum and Guidelines for Graduate Degree Programs in Information Systems, John T. Gorgone, et al., Communications of the Association for Information Systems, Vol. 3, Article 1, January 2000. <http://www.cudenver.edu/.../msis2000model.pdf>

² MSIS 2006 Curriculum Preview, John T. Gorgone, et al, Communications of the Association for Information Systems, Vol. 15, Article 30, April 2005. <http://facweb.cs.depaul.edu/aburns/is435/MSIS2006.pdf>

Audience

The program is oriented toward students who have an undergraduate major in either computer science or in information systems. The program includes the basic courses in both undergraduate programs as prerequisites. The program also requires as prerequisites courses in areas of database, software engineering, and computer networking. Students with undergraduate majors in other areas will be able to complete the program by taking additional prerequisites. All of the prerequisites are offered at many institutions, including online universities, and do not have to be taken at the University of Montana.

The program will appeal to people working toward or currently working in commercial IT positions who want to broaden and deepen their IT knowledge. Organizations will continue to increase their IT needs and demands in the coming years. This program will produce graduates ready to meet these needs.

Detailed Description of Program

Prerequisites Equivalent courses can be taken at other institutions or online.

Basic CS prerequisites:

CS 131	Fundamentals of Computer Science I
CS 132	Fundamentals of Computer Science II
MATH 225	Discrete Math
CS 241	Data Structures

Basic Business prerequisites:

ACCT 201	Financial Accounting or (ACCT 509 Financial Reporting & Control)
FIN 322	Business Finance (or FIN 522 Principles of Financial Analysis)
MKTG 360	Marketing Principles (or MGMT 340 Mgmt. and Org. Behavior)
IS 341	Operations Management

More advanced courses:

IS 370 or CS 365	Database
IS 372 or CS 388	Telecommunications/networks
IS 373 or CS 346	Systems Analysis and Design/Software Engineering

Program Requirements**Credits****Computer Science Core****15**

CS 565 Database Systems
CS 511 Analysis, Modeling, and Design (new course, 3 credits)
CS 512 Software Quality Assurance (new course, 3 credits)
CS 521 IT Infrastructure (new course, 3 credits)
CS 522 Globalization and Outsourcing (new course, 3 credits)

Information Systems Core**10**

IS 571 Enterprise Modeling (new course, 2 credits)
IS 572 Strategy and Leadership (new course, 2 credits)
IS 573 Business Process and Security (new course, 2 credits)
IS 574 Management of Information Systems (new course, 2 credits)
IS 575 Introduction to Consulting (new course, 2 credits)

Computer Science Electives**6**

CS 576 Human Computer Interface
CS 435 Web Programming
CS 415 Computer Ethics
CS 455 Artificial Intelligence
CS 477 Machine Learning

Information Systems Electives**5**

IS 471 Fundamentals of Network Management
IS 472 Advanced Network Management
IS 475 Advanced Technology Support
IS 476 Project Management

IS 477 Multimedia Development for Business
 IS 478 Development of E-Commerce Systems
 IS 495 Special Topics
 MBA 655 International Entrepreneurship and High Tech Legal Issues (1 credit)
 MBA 655 Marketing of High Tech Products (2 credits)

Total

36

Rationale for Program

A number of similar degrees are available around the country, although no universities in Montana currently offer an M.S. in Information Systems. We think our program will reach a steady state of 35 students within five years.

We have contacted people from five Master of Science in Information Systems programs. They all have healthy enrollments, as shown by the following table:

School	Active Students
Oklahoma State	70 to 80
Baylor	29
University of Colorado at Denver	50
Boise State University	30
Central Michigan	40 to 60

Contacts all said that enrollments were about double the enrollments before 2001, and that they were experiencing a small up-tick in enrollments this year. We anticipate reaching an enrollment of 35 students within five years.

According to the Bureau of Labor Statistics³, administrative jobs in technology fields are among the fastest growing and highest paying jobs in the nation and are projected to continue to flourish over the next ten years. Employment for computer and information systems managers is estimated to increase 36% over the period 2002 to 2012. The mean annual wage for this job classification is \$98,260. Other administrative career opportunities, such as database administrator and network administrator, also are expected to increase at a rapid rate.

A survey cited in the trade journal *CIO* indicates that 69% of the CIOs in the country are concerned that they will not be able to fill IT management jobs with qualified people in the next five to ten years.⁴ As the gap increases between the number of IT management jobs and the number of qualified candidates, university programs positioned to prepare IT leaders will become even more attractive to potential students.

The program follows the prerequisite structure recommended by the MSIS 2006 Curriculum Preview and includes most of the core courses recommended by MSIS 2006. The following core courses recommended by MSIS 2006 are included: "Enterprise Modeling," "Analysis, Modeling, and Design," and "IT Infrastructure." The recommended course, "Strategy and Policy" is replaced by "Strategy and Leadership." The recommended "Project and Change Management" is replaced by "IT Management," and the recommended "Integrated Capstone" is implemented as "Globalization and Outsourcing." MSIS recommends either "Implications of Digitization" or "Human Computer Interactions" as a core course. "Implications of Digitization" is implemented by "Business Processes and Security," which includes many of the same topics as the recommended course. "Human Computer Interface" is offered as an elective in the proposed program. In addition, the proposed program includes "Software Quality Assurance" as a core course. The program contains 6 credits of electives allowing students to broaden or deepen their skill sets.

Databases are core to almost all current uses of IT, and the "Database Systems" course will give students a sound theoretical and practical knowledge of databases. "Analysis, Modeling, and Design" shows students how a business problem is analyzed and described in preparation for the design of a software solution. Much of this analysis must be done even if software to solve the problem is purchased or development of the software is outsourced. "Software Quality Assurance" shows students how quality software can be produced. Again, even if software is purchased, it is important for the manager to know how the software can be tested to determine if it

³ <http://www.bls.gov>

⁴ <http://www2.cio.com/research/surveyreport.cfm?id=70>

will serve its intended purpose. Security threats to IT seem to be increasing in severity and frequency--the course "Business Processes and Security" covers this very important topic in IT. "IT Infrastructure" covers the hardware and software systems that make up an enterprise-computing environment. "Enterprise Modeling" covers the technical aspects of managing the IT environment, whereas "Management of Information Systems" considers the role of IT within the organization and the management of the day-to-day operations of the IT function. Most people with a career in IT will either be consultants or hire consultants at some time in their career, and "Introduction to Consulting" covers this topic. It also covers the interpersonal skills necessary for consulting. "Strategy and Leadership" will provide students with a clear understanding of how IT can influence an organization's strategy.

Outsourcing is defined as the management and/or day-to-day execution of an entire business function by a third party service provider.⁵ Outsourcing has substantially changed the field of Information Technology (IT) in recent years. Many organizations are finding that it is more efficient outsource aspects of their IT operations to a company that specializes in that kind of IT. The improvement in communications technologies has made it possible to outsource many functions overseas where labor rates can be much lower than in the US. Computer programming is one function that often has been outsourced overseas, sometimes successfully and sometimes unsuccessfully. "Globalization and Outsourcing" relates to these topics.

Start date:

Required courses would be offered for the first time in the fall semester of 2007.

Additional Courses:

The following new courses are associated with this program.

Computer Science:		Credits
CS 511	Analysis, Modeling, and Design	3
CS 512	Software Quality Assurance	3
CS 521	IT Infrastructure	3
CS 522	Globalization and Outsourcing	3
Information Systems*:		
IS 571	Enterprise Modeling	2
IS 572	IT Strategy and Leadership	2
IS 573	Business Process and Security	2
IS 574	Management of Information Systems	2
IS 575	Introduction to Consulting	2

* The Information Systems classes will also be used as electives in the MBA and MACCT programs.

Adequacy of Current Resources:

We are requesting one new faculty member and funds for graduate assistants (one in each department, beginning in Fall 2009). See the Cost Analysis section below.

The program will use online resources, including the existing library subscription to the ACM Digital Library. Additional library facilities are not needed.

Accreditation Status:

The Association to Advance Collegiate Schools of Business (AACSB) does not accredit programs in which the business school teaches fewer than 50% of the credit hours. In the proposed program, the Information Systems and Technology Department will teach 15 of the 36 required credits. In addition, the administration of the program is in the Computer Science Department, with an interdisciplinary advisory committee. Computer Science programs are not accredited at the graduate level.

Assessment Plan:

Learning Outcomes:

⁵<http://en.wikipedia.org/wiki/Outsourcing>, Sept. 13, 2005.

- M.S. in Information Systems graduates will possess a broad business background.
- M.S. in IS graduates will be competent in information technology.
- M.S. in IS graduates will understand contemporary issues surrounding the management of the enterprise's information resources.
- M.S. in IS graduates will exhibit interpersonal and team skills and will be able to communicate effectively in an oral and written manner.
- M.S. in IS graduates will think critically and analytically.

Method of Assessment:

The M.S. major in Information Systems program will be assessed using a portfolio approach. Examples of each student's work from each class will be maintained electronically. At the end of each year, a sample of portfolios will be evaluated by a committee that includes faculty from the Computer Science Department and the Information Systems and Technology Department. The committee will prepare a report for the existing advisory boards for both departments, and these boards will make recommendations for improvements to the program.

Additional Faculty Requirements:

An additional faculty member will be hired in the Information Systems and Technology Department. An additional faculty member will be hired in the Computer Science department in Fall 2008. The CS department will have primary responsibility for administration and advising for the program.

Impact on Facilities:

The existing facilities will not be adversely affected. Students will be required to purchase their own laptop computer, so additional pressure will not be placed on existing computer laboratories.

Relationship to Other Institutions:

To our knowledge, no other university in Montana has a similar program.

Description of Proposal Development Process:

An interdisciplinary committee met bi-monthly during the spring semester of 2005 to design the curriculum. Members of the committee were Alden Wright, Ray Ford, Belva Jones, Joel Henry, Jerry Evans, Lee Tangedahl, and David Firth. Committee members based the proposed program on a model curriculum endorsed by the Association for Computing Machinery (ACM) and the Association for Information Systems (AIS). The program was approved by vote of the faculty of the two departments and the faculty of the School of Business Administration.

Cost Analysis

Proposed Program: Master of Science in Information Systems						
Campus: Missoula						
	2007-2008		2008-2009		2009-2010	
Estimated ENROLLEMENT						
Resident FTE Enrollment	7		11		15	
Nonresident FTE Enrollment	7		11		15	
Estimated Incremental Revenue						
Use of Current General Operating Funds						
State Funding for Enrollment Growth	\$13,216		\$20,768		\$28,320	
Tuition Revenue						
A. Gross Incremental Tuition Revenue	\$76,132		\$119,636		\$163,140	
B. Reductions to Incremental Tuition						
C. Net Tuition Revenue (A-B)	\$76,132		\$119,636		\$163,140	
Program/Course Fees						
External Funds						
Other Funds (please specify)						
TOTAL Estimated Incremental Revenue	\$76,132		\$119,636		\$163,140	
Estimated Incremental EXPENDITURES						
Personnel Services	FTE	Cost	FTE	Cost	FTE	Cost
Faculty	0.5	\$47,000	1.0	\$94,000	1.0	\$94,000
Graduate TAs						\$35,844
Other Staff (administrative assistant)	0.5	\$18,000	0.5	\$18,000	0.5	\$18,000
Operating Expenses						
Equipment						
Start-up Expenditures	5000		2000			
TOTAL Estimated Incremental Expenditures	\$70,000		\$114,000		\$147,844	
Estimated Revenues Over/(Under) Expenditures	\$6,132		\$5,636		\$15,296	
State funding enrollment growth/FTE	\$1,888.00					
Resident Tuition Fee Resident for 12 credits:		2006 \$2,674	6.4% increase to 2006		2006 \$2,846	
Nonresident Tuition Fee for 12 credits:		\$7,456	7.7% increase to 2006		\$8,030	
http://www.umt.edu/bussrvcs/files/MSLATuitionFee06.pdf						

January 11-12, 2006

ITEM 130-1601-R0106

Approval of proposal to continue offering an Associate of Applied Science in Natural Horsemanship Degree with two options; The University of Montana-Western

THAT:

The Board of Regents of Higher Education authorizes The University of Montana-Western to continue to award the Associate of Applied Science in Natural Horsemanship degree with two options, Natural Horsemanship Science and Natural Horsemanship Management.

EXPLANATION:

The University of Montana-Western (UMW) is now in its second year of offering this very popular degree program in collaboration with La Cense Montana. This degree originally received provisional approval two years ago and, due to its major success, UMW seeks regular approval through the Level II process. The campus already has regular approval for its B.S. in Natural Horsemanship, which has also received much attention and high student enrollment from Montana and beyond

Western has developed a collaborative agreement with La Cense Montana, which provides necessary training equipment and facilities, funding for horse trainer instructors and funding for dedicated office and laboratory space near campus known as the Academic Center for Equine Studies. Graduates of the program will not only be actively engaged in the local, statewide, and national equine business community but will also be involved in the internationally-recognized discipline of natural horsemanship. This method of equestrianism incorporates an understanding of Horse Ethology, (i.e. horse behavior) in order to create a more sophisticated working relationship between human and horse. The natural horsemanship method is quickly becoming the international standard by which horsemanship is judged.

MONTANA BOARD OF REGENTS

LEVEL II REQUEST FORM

Item No.: 130-1601-R0106 Date of Meeting: January 11-12, 2006

Institution: The University of Montana-Western

Program Title: Associate of Applied Science in Natural Horsemanship

Level II proposals require approval by the Board of Regents.

Level II action requested (check all that apply): Level II proposals entail substantive additions to, alterations in, or termination of programs, structures, or administrative or academic entities typically characterized by the (a) addition, reassignment, or elimination of personnel, facilities, or courses of instruction; (b) rearrangement of budgets, cost centers, funding sources; and (c) changes which by implication could impact other campuses within the Montana University System and community colleges. Board policy 303.1 indicates the curricular proposals in this category:

- 1. Change names of degrees (e.g. from B.A. to B.F.A.)
- 2. Implement a new minor or certificate where there is no major or no option in a major;
- 3. Establish new degrees and add majors to existing degrees;
- 4. Expand/extend approved mission; and
- 5. Any other changes in governance and organization as described in Board of Regents' Policy 218, such as formation, elimination or consolidation of a college, division, school, department, institute, bureau, center, station, laboratory, or similar unit.

Specify Request:

The University of Montana-Western is currently in its second year of offering it's A.A.S. degree in Natural Horsemanship. This degree, together with its four-year B.S. in Natural Horsemanship, has attracted much state-wide and national attention as well as larger than originally projected numbers of students. Since the program is in high demand, is offered in collaboration with industry, which provides part of the funding, and meets an important educational need for Montana and its students, UMW is requesting regular approval to continue offering this program.

MONTANA BOARD OF REGENTS

NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

ITEM 130-1601-R0106

Institution: The University of Montana-Western

Program Title: Associate of Applied Science in Natural Horsemanship

1. How does this program advance the campus' academic mission and fit priorities?

The University's mission statement supports "education through experiential learning that combines theory and practice." The A.A.S. degree supplements the B.S. degree in Natural Horsemanship for those students who desire a two-year degree instead of a four-year degree. These degrees represent an effective partnership between business/industry and the University, whereby students are provided the opportunity to engage in both classroom work and application-based, hands on learning activities on-site at the business partner's facility.

2. How does this program fit the Board of Regents' goals and objectives?

The proposed continued offering of the degree program supports Goal B ("To make a high quality, affordable higher education experience available to all qualified citizens who wish to further their education and training") and Goal D ("To be responsive to market, employment, and economic development needs of the State and nation") of the Strategic Plan. Specifically, the proposed program would support Goal B1: "To identify or seek creative funding alternatives that will expand public and private resources;" and Goal D 1, 3 and 4: 1) "To offer programs and services consistent with the changing market and employment needs of the state and nation;" 3) "To promote the full spectrum of higher education needs and opportunities in 2-year, 4-year, and graduate and professional education;" and 4) "To make the Montana University System more accessible and responsive to business, government and other constituencies."

3. How does this program support or advance Montana's needs and interests?

The proposed program will provide students additional employment options in the equine and farm and ranch industries both through the core Natural Horsemanship program and through the two option areas: science and management. The success of the existing Equine Studies program indicates that the interest in this area is high both within the state and outside. Moreover, graduates from this program will have a university level credential, increasing their job competitiveness.

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

The farm and ranch industry, according to the Bureau of Labor Statistics (2001) will grow by a rate of 6% over the next five years. The horse industry alone provides over \$112 billion to the United States Gross Domestic Product. This revenue includes 1.4 million people employed full-time and over 7 million individuals that are horse owners or otherwise are involved in the industry. Students who graduate with a A.A.S. degree in Natural Horsemanship will enter the job market with a competitive edge: a state of the art education that combines both classroom instruction and hands on experience through the cooperative partnership between the University and La Cense Montana.

5. What is the program's planned capacity?

• Break-even point?	10
• Enrollments / year?	40
• Graduates / year?	20

• MT jobs / year?	15
-------------------	----

6. Resource Allocation:

• Total program budget?	\$
• Faculty FTE?	3 (in all equine programs)
• Staff FTE?	0

7. Does this program require new resources? Yes No

If yes, what is the amount? \$ _____

8. How will the campus fund the program?

The program will continue to be funded by a combination of tuition, state support and private industry support. La Cense Montana has provided over \$100,000 this year in funds and services to help support this program as well as the B.S. in Natural Horsemanship. This has made it possible to offer the program without any course or program fees. Students pay only regular tuition and the standard mandatory fees.

9. If internal reallocation is necessary, name the sources.

No internal reallocation is necessary to continue offering this program.

ASSOCIATE OF APPLIED SCIENCE DEGREE IN NATURAL HORSEMANSHIP
SUBMITTED BY
THE UNIVERSITY OF MONTANA-WESTERN

Objectives and Needs

1. Centrality to or enhancement of the institution's approved mission and institutional objectives to be achieved by the addition of this program.

The University's role and mission statement reads:

*"The unique mission of The University of Montana-Western provides **interdisciplinary education through experiential learning that combines theory and practice**. Western serves citizens of all ages with its academic, community service and lifelong-learning programs. As a part of a global community, Western encourages diversity, international awareness, environmental responsibility and mastery of technology as a gateway to the world."*

The Natural Horsemanship Associate's Degree built on the successful UM-W Equine Studies degree. The new degree provides students the opportunity to gain experiential learning through the laboratory classes at La Cense Montana and through the equine theory classes offered at the university, effectively combining theory and practice through a unique partnership between business and education.

This program prepares students for the world of work by providing them with the education and skills necessary to find employment in the Equine industry. Additionally, providing an option in either Natural Horsemanship Management or Natural Horsemanship Science and a university accredited credential in Natural Horsemanship enhances employment opportunities for program graduates.

1. Need for the program.

Evidence of the ever-increasing international interest in the discipline of Natural Horsemanship can be deduced by doing a simple search on the Internet. By typing the words "natural horsemanship" into any popular search engine or directory, one can view literally thousands of pages of information on the books, clinics, equestrian equipment, ranches etc. that promote natural horsemanship. (*Google*: 57,100 entries; *Yahoo*: 79,964 entries).

Natural horsemanship was first developed in Europe over two hundred years ago, and as such is not a new development in equestrianism. However, concurrent with the recent international resurgence in equestrianism, there has been a similar growth of interest in the natural horsemanship method around the globe, and especially within the past 10-15 years. Robert Redford's internationally acclaimed film *The Horse Whisperer* has played no small role in the renaissance of the natural horsemanship method.

William Kriegel, owner of La Cense Montana, recognized this growing interest in natural horsemanship several years ago when he established his equestrian farm in France- Haras de la Cense. It was in the mid 1990's that he made the acquaintance of Pat Parelli, an internationally recognized horsemen who promotes natural horsemanship, and one of the only horsemen who has created a comprehensive pedagogic system for learning natural horsemanship.

William Kriegel started the first European school for natural horsemanship at Haras de la Cense, which not only offers short-term clinics & courses, but also offers a two-year program in natural horsemanship for those who wish to pursue a career in the discipline. The program began in 2000 and in two years has graduated 10 students: 6 are employed as natural horsemanship instructors; 2 are professional horse trainers; 1 is an instructor at La Cense Montana; 1 is a free-lance instructor in Switzerland.

Haras de la Cense has hired some of its program's alumni in order to teach the courses and clinics offered at Haras de la Cense for which there is an ever-increasing demand, especially among equestrian instructors who teach at the many equestrian clubs and centers in France. Much of this demand is a result of the official recognition for the discipline of natural horsemanship by the FFE (French Federation of Equestrianism), the national association which oversees these equestrian clubs and centers, numbered at more than 800. Most recently, the FFE has developed-in conjunction with Haras de la Cense-a 3-part series of manuals, the first of which having been recently published, that explain the methods of natural horsemanship to the French rider.

These developments in the French market have influenced William Kriegel and La Cense to pursue the development of a similar program in the United States in conjunction with the University of Montana-Western, so that the discipline of natural horsemanship can develop within the parameters of an officially recognized and accredited industry standard.

Below is additional information regarding the equine industry, procured from the American Horse Council that reflects the magnitude of the horse industry in terms of participant and economic impact.

The horse industry is a highly diverse industry that supports a wide variety of activities in all regions of the country. It combines the primarily rural activities of breeding, training, maintaining and riding horses with the more urban activities of operating racetracks, horse shows and public sales.

For years, horsemen and women have known that the American horse industry is a serious, economically diverse and productive business that deserves the attention and appreciation of government, media and the public. But they had no written documentation to support their claims. Following are some industry statistics from ***The Economic Impact of the Horse Industry in the United States***, conducted by the *Barents Group* of Washington, DC for the American Horse Council.

The horse industry has a total impact of **\$112.1 billion** on U.S. Gross Domestic Product (GDP).

- The horse industry provides **1.4 million** full time jobs.
- The horse industry pays **\$1.9 billion** in taxes.
- Racing, showing and recreation each contribute more than **25%** to the total value of goods and services produced by the industry.
- The horse industry's contribution to the U.S. GDP is greater than the motion picture services, railroad transportation, furniture and fixtures manufacturing and tobacco product manufacturing industries. It is only slightly smaller than the apparel and other textile products manufacturing industry.
- In terms of employment, the industry directly employs more people than

railroads, radio and television broadcasting, petroleum and coal products manufacturing and tobacco product manufacturing.

There are **7.1 million** Americans are involved in the industry as horse owners, service providers, employees and volunteers.

- **4.3 million** individuals participate in recreation activities
- **3.6 million** individuals participate in showing
- *With some overlap in cases of people who participate in both showing and recreation.*
- **1.9 million** people own horses
- **941,000** people participated in racing in either a professional or volunteer capacity
- ***In addition to the people actually involved in the industry, tens of millions more Americans participate as spectators.***
- The median income for horse owning households is **\$60,000**
- **14%** of horse-owning households have incomes under **\$25,000**
- **38%** of horse-owning households have incomes under **\$50,000**
- **64%** of horse-owning households have incomes under **\$75,000**

There are **6.9 million** horses in the U.S., including both commercial and recreational horses.

- **2,970,000** are used in recreation
- **1,974,000** are used in showing
- **1,262,800** are used in other activities, such as farm and ranch work, rodeo, polo, police work, etc.
- **725,000** of those horses are involved in racing and racehorse breeding.

An increasing number of ranches, especially in the western of the United States, are offering courses and clinics teaching the methods of natural horsemanship. As the UM-W Natural Horsemanship degree would be the first program to offer accreditation in this discipline, UM-W graduates would clearly have an enormous advantage over other candidates in acquiring positions at these businesses promoting natural horsemanship.

According to the Bureau of Labor Statistics' *2001 National Occupation Employment and Wage Estimates* the farm and ranch industry is estimated to grow at a rate of 6% over the next five years. Wages for all occupations average \$8.56 an hour; however, the national median wage for animal trainers is \$10.90 per hour with top wages averaging \$20 per hour; the national median wage for animal breeders is \$10.30 with top wages of \$24 per hour. The average national median wage for farm and ranch management positions is \$21 per hour with top wages of \$45 per hour. These data suggest that the industry is vital, growing and well-paying.

2. *New courses the program will add to the curriculum and the course requirements for the degree. (courses have already been taught for three semesters)*

New or Revised Catalog Description

AAS: Natural Horsemanship

Degree Requirements

AAS General Education Core	16
POLS 121 American Government	3

COMS 101 Intro. to Computers	3
ENG 101 Freshman Composition	3
ENG 131 Oral Communication	3
MATH 104 Math for Liberal Arts or higher level Math*	4

AAS Natural Horsemanship Core 29

EQST 101 Intro to Equine Studies	3
EQST 105 Introduction to Groundwork	4
EQST 252 Practice in Groundwork	4
EQST 200 Internship	4
EQST 201 Prin. of Equine Nutrition	3
EQST 202 Physiol/Equine Reprod. I	3
EQST 254 Adv. Round Pen Groundwork	4
EQST 255 Intro. to Horseback Riding	4

Natural Horsemanship Option .27Select one Option Area**AAS: Natural Horsemanship****Total Credits Required 72 cr****AAS: Natural Horsemanship Options****Natural Horsemanship Management Option 27 cr****Natural Horsemanship Management Option Core 15**

BUS 201 Entrepreneurship	3
BUS 241 Financial Accounting	3
BUS 281 Business Law I	3
BUS 347 Marketing Prin. & E-Commerce	3
ECON 252 Prin. of Microeconomics	3

Natural Horsemanship Management**Professional Electives 12****12 credits** from the following:

ART 380 Artist Blacksmithing	(3)
BUS 202 Customer Service	(3)
BUS 242 Managerial Accounting	(3)
BUS 282 Business Law II	(3)
COMS 135 Microcomputer Applications	(3)
COMS 236 Adv. Microcomputer Applications	(3)
ENVS 260 Wildlands Skills	(2-4)
HHP 231 First Aid & Safety	(1)
HTR 112 Fundamentals of Tourism	(3)
HTR 143 Intro. to Leisure Services	(3)
HTR 204 Leadership	(3)
SPAN 101 Elementary Spanish I	(5)

Electives: Any EQST course not taken in Natural Horsemanship Core

Natural Horsemanship Science Option 27 cr

Natural Horsemanship Science Option Core 15

BIO 101 Intro to Life Science	3
BIO 151 Zoology	4
BIO 262 Microbiology	4
CHEM 131 General Chemistry	4

Natural Horsemanship Science Professional Electives 12

12 credits from the following:

BIO 150 Conservation Biology	(4)
BIO 251 Systematic Botany	(3)
CHEM 132 General Chemistry	(4)
ENVS 260 Wildlands Skills	(2-8)
GEOL 150 Environ. Geology	(4)
GEOL 230 Geol. of American West	(4)
HHP 231 First Aid & Safety	(1)
PHYS 239 Physical Meteorology	(3)

Electives: Any EQST course not taken in Natural Horsemanship Core

Course Descriptions**Core Courses****EQST 101 INTRODUCTION TO NATURAL HORSEMANSHIP STUDIES (4)**

Preview of the horse industry: evolution, breeds, skeletal structure, anatomy, physiology, genetics, health, uses and economic impact. (existing course, title change only)

EQST 105: INTRODUCTION TO GROUNDWORK (4)

The primary objective of this course will be to gain the horse's confidence by approaching it as a partner as opposed to a predator, while at the same time making the horse respect the rider's personal space. Students will learn about the various types of tools used in equine groundwork, which include body language, energy management, control of emotions and the basic principles of approaching/retreating, successive phases and giving in to pressure. Further into the semester students will explore the different types of groundwork approaches and how they affect the horse, the importance of training both left-handed and right-handed and will finally learn how to put on a halter with the horse's cooperation. (new course)

EQST 200 INTERNSHIP (4)

A laboratory field experience providing a practical application of acquired knowledge and theory in a professional setting. Students serve under the guidance of professional personnel with the support of a university faculty supervisor. Students will complete a series of written periodic reports and a portfolio in the form of a final comprehensive report on their experience. (existing course)

EQST 201 PRINCIPLES OF NATURAL HORSEMANSHIP NUTRITION (4)

Presents digestive anatomy and physiology in addition to basic nutrition. Topics include principles of digestion, nutrient requirements, and ration formulations. (existing course; title change only)

EQST 202 PHYSIOLOGY OF NATURAL HORSEMANSHIP REPRODUCTION I (4)

Studies the fundamental anatomy and physiological function of the horse. Systems covered include circulatory, respiratory, urinary, nervous, and genetic principles. Topics

covered include reproductive anatomy and physiology, stallion, mare and foal management, and artificial insemination. (existing course; title change only)

EQST 252: PRACTICE IN GROUNDWORK (4)

The main objective of this course will be to achieve a high level of cooperation with the horse while working in close quarters with a minimum 3-yard rope and bridle or halter. On the ground, students will learn to find the horse's release, relaxation and attention at all times during a session and will begin to work on controlling the gait and direction of a horse on an empty field with no obstacles. Over the course of the semester students will begin to use simple obstacles in order to increase groundwork capabilities and will be introduced to going forward and backwards in certain drills. The basics of "horse mobilization" will be introduced at the end of the course, whereby students will learn how to mobilize each part of the horse independently of the other. This will set the foundation to be able to effectively put a horse into a trailer in the successive course, *Advanced Round-Pen Groundwork- Natural Horsemanship 254*. (new course)

EQST 254: ADVANCED ROUND-PEN GROUNDWORK (4)

The primary objective of this course will be to take the skills and techniques learned in EQST 105 and EQST 252 and perfect them through practice in the more confined area of the round-pen. Working in the round-pen on foot, students learn to find the horse's points of release, relaxation and attention while moving the horse away and bringing it closer both un-tethered and using a rope. Students will also work on controlling the speed and direction of the horse in a precise route and for every gait, un-tethered in the round pen, using a rope and with and without obstacles. Also explored in this course will be the link between groundwork and work on horseback. (new course)

EQST 255 INTRODUCTION TO HORSEBACK RIDING (4)

The primary objective of this course will be to introduce to the student the basic principals of horseback riding. Having already accomplished many hours of groundwork, students prepare to get into the saddle and will learn more about equine equipment and especially about the saddle, bridle and protective equipment and their proper maintenance. Methods of communication available to the rider are to be explored extensively before the student is to ride and the students will learn the qualities required to be a leader in the saddle. On horseback with bridle or halter and a single active rein, the student will learn to effectively find the horse's points of release, relaxation and attention at all times. (new course)

Adequacy, Accreditation and Assessment Issues

1. Adequacy of present faculty, facilities, equipment and library holdings in support of the program.

UMW currently has one full-time tenure-track Equine Science Assistant Professor who has both a D.V.M and a Ph.D. as well as some training in Natural Horsemanship. Beginning August 2005 the campus also has a highly skilled natural horsemanship instructor who instructs the students as they actually work with horses. Other campus faculty members, as well as adjunct faculty members, also teach courses in the program. If the program continues to grow as anticipated, new positions will be added to serve that growth.

2. Needs for special accreditation.

There are no current plans to seek special accreditation for this program.

3. *Assessment plan.*

Prior to graduation, students will be assessed based on performance in academic classes, skills learned in applied classes (such as the natural horsemanship, and performance during outside applied internships. Once graduates are at place in the workforce, additional assessments via surveys of employer satisfaction can be pursued. Summarized results of these assessments will be used to improve the program.

Impact on Faculty, Facilities, Costs, Students and Other Departments and Campuses

1. *Additional faculty requirements.*

Current faculty are able to handle the current numbers of students. If the program grows, additional generated funds will be used to hire additional faculty members.

2. *Impact on facilities.*

Classroom facilities are adequate to handle the classroom classes. Facilities at La Cense Montana are adequate to handle the student work with horses. Other options are being explored, should extensive program growth occur.

3. *Costs estimated over a five-year period.*

These are outlined in the attached budget sheet. The costs associated with the on-campus classroom courses are covered by state funds that are generated by tuition and state support. Costs associated with direct student work with horses are covered by La Cense Montana.

4. *Impact on enrollment.*

Projected enrollments are also found in the attached budget sheet. The number of students who have declared that they are working towards completion of one of Western's three equine degrees has increased from 7 in 2002-3 to 19 in 2003-4 to 32 in 2004-5 to 51 in 2005-6. Enrollment is expected to exceed 80 students by 2006-7.

5. *Relationship to other programs on campus.*

The A.A.S. is closely related to the B.S. in Natural Horsemanship and the A.A.S. in Equine Studies. It shares all of its coursework and faculty with one or both of these other faculty.

6. *Relationship to other institutions.*

This program is unique to UMW.

Process Leading to Submission of Proposal

The proposed program and curriculum have been cooperatively developed by personnel from La Cense Montana and the University. Both the curriculum and the program components have been reviewed and approved by the Business and Technology Department, the University Curriculum Committee, the Faculty Senate, and the Vice Chancellor for Academic Affairs.

**Budget Assumptions
A.A.S. Natural Horsemanship
The University of Montana-Western**

NOTE: This budget covers both the A.A.S. and the B.S. in Natural Horsemanship since the A.A.S. degree utilizes the same faculty and much of the same coursework as the B.S. Year 1 is 2004-5, the first year that the A.A.S. was offered.

Line items:

1. Use of Current Operating Funds

One-Half Quist salary/benefits + annual phone/data cost, incremented by 3 percent annually.

2. State Funding for Enrollment Growth

Factored in beginning year 3, per budget instructions formula

3. Tuition Revenue

Gross Incremental Tuition Revenue

Assumes 70% in state/30% out of state (one half of out of state WUE) with 70% lower division students and 30% upper division students and tuition increases of three percent per year beginning in year 2.

4. Reductions to Incremental Tuition

Reduction is taken at 60 percent after first year to cover estimated costs of academic and institutional support, fee waivers, and enrollment and expenditure contingencies. \$10,000 used in first year.

5. Program fees

No need for a program fee is currently anticipated

6. External funds

Arena space: \$100/hr X 18 hrs (1block course) X 2 courses = \$3,600 per semester X 2 semesters in year 1; 3 per semester in year 2 and 4 in years 3-5

Instructor costs: \$40/hr 3.5 hours (1/2 hour prep hence 3.5) = \$140/day X 18 days = \$2520 X number of courses shown above in *Arena space*. Inflation figured at 3 percent per year after first year.

7. Total Estimated Revenue

Calculated as C (Net Applied Revenue) + External Funds

8. Estimated Incremental Revenue

Personal Services

FTE

Please see my notes in the budget for my explanation and calculation. .50 UMW is ½ of Quist salary throughout with 3% increase as in **Revenue** above, growing to a 1.00 FTE in year 5, but additional .5 FTE is calculated at part time rate; La Cense increase is calculated at University formula; i.e., 1 course = ¼ time

Cost

Calculated as total of UMW instructor costs + La Cense instructor costs

Operating Expenses

- Supplies, etc. @\$1400 per year each year
- Phone/data @ \$384 per year each year
- Library @ 800 per year for years 1&2; @ \$500 per year for years 3-5
- Accreditation visit expenses in year 2 of \$2,400 (based on information from Sally Munday for 2 evaluators)
- Marketing@ \$2000 year one only
- Computer/printer in year 5 to support additional FTE@ \$2000

BUDGET ANALYSIS

Proposed Program: BS, Natural Horsemanship										
Campus: The University of Montana-Western										
	Year 1		Year 2		Year 3		Year 4		Year 5	
Estimated Enrollment										
FTE Enrollment	10		20		30		40		40	
Estimated Incremental Revenue										
Use of Current General Operating Funds	\$24,358		\$25,077		\$25,818		\$26,581		\$27,366	
State Funds	0		0		0		0		0	
State Funding for Enrollment Growth					\$38,280		\$38,280		\$76,560	
Tuition Revenue										
A. Gross Incremental Tuition Revenue	\$35,710		\$73,563		\$113,655		\$140,478		\$144,692	
B. Reductions to Incremental Tuition @ 60%	\$10,000		\$44,138		\$68,193		\$84,287		\$86,815	
C. Net Applied Tuition Revenue (A-B)	\$25,710		\$29,425		\$45,462		\$56,912		\$57,897	
Program Fees	0		0		0		0		0	
External Funds (La Cense arena space & donated instructor time)	\$7200/arena + \$10,080 instructor time = \$17,280		\$11,124 arena + \$15,574 instructor time = \$26,698		\$15,277 arena + \$21,383 instructor time = \$36,660		\$15,735 + \$22,024 = \$37,159		\$16,207+ \$22,685 = \$38,892	
Other Funds	0		0		0		0		0	
TOTAL Estimated Revenue (C + External?)	\$42,990		\$56,123		\$82,122		\$94,071		\$96,789	
Estimated Incremental Expenditures										
	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost
Personal Services (initial .50 full time/remaining FTE at part time rate of \$2520 per class for La Cense)	.50 UMW +.75 La Cense	\$23,974 +\$10,080 = \$34,054	.50 UMW + 1.00 La Cense	\$24,693 + \$15,120 = \$39,813	.50 + 1.25	\$25,434 + \$20,160 = \$45,594	.75 + 1.25	\$28,597 + \$20,160 = \$48,757	1.00 + 1.25	\$30,997 + \$20,160 = \$51,157
Operating Expenses (Library acquisitions, supplies & phone/data costs; accreditation visit in year 2; computer/printer year 5)	\$2,584		\$4,984		\$3,184		\$3,184		\$3,184	
Equipment	0		0		0		0		\$2,000	
Start-up Expenditures (marketing)	\$2,000									
TOTAL Estimated Expenditures	\$38,638		\$44,797		\$48,778		\$51,941		\$56,341	
Estimated Revenues Over/Under (-) Expenditures	\$4,352		\$11,326		\$33,344		\$42,130		\$40,448	

BOARD OF REGENTS
STATE OF MONTANA

ITEM 130-1601-R0106

PROPOSAL

TO INITIATE A NEW, EXPANDED, COOPERATIVE, OR
OFF-CAMPUS INSTRUCTIONAL PROGRAM

Submitted By:

THE UNIVERSITY OF MONTANA – WESTERN

School of Education, Business & Technology
Name of College, School, or Division

Business and Technology
Name of Department(s) or Area

A NEW, EXPANDED, COOPERATIVE, OR OFF-CAMPUS
INSTRUCTIONAL PROGRAM LEADING TO:

Associate of Applied Science
Certificate, Associate, Bachelor's
Master's, or Doctoral Degree
(give complete name of degree)

Natural Horsemanship
Academic Specialty or Area

FALL 2003

Proposed Starting Date

THE DEVELOPMENT OF THIS PROPOSAL HAS BEEN APPROVED BY:

Department Chair/Division Head Date

Dean of College or School Date

Vice Chancellor for Academic Affairs Date

Provost/VP Academic Affairs Date

Vice Chancellor for Admin. & Finance Date

VP Administration & Finance Date

Chancellor Date

President Date

ITEM 130-201-R0106

Approval of Proposal to Offer a One Year Certificate Program in Agricultural Marketing and Financial Analysis

THAT:

The Board of Regents of Higher Education authorizes Dawson Community College (DCC) to award a Certificate to any student who completes the one year program.

EXPLANATION:

Dawson Community College requests approval to offer a 1-year certificate program in Agricultural Marketing and Financial Analysis.

This proposal presents the effort of Dawson Community College to meet the financial analyses and marketing needs of the agricultural community. The curriculum design borrows from the successful Farm Ranch Business Management Program (FRBM), in that the majority of the student contact is in a one on one environment, serving each student's individual learning requirements. The program is designed to work with the time constraints of the fully employed agricultural producers. The program will consist of classroom presentations of general information relative to financial analyses and marketing alternatives and individualized instruction focused on each student's marketing or financial analysis needs.

All students will be actively involved in production agriculture and as such are not seeking new employment but rather skills to improve their current situation.

This program is intended to develop risk management, commodity marketing, value-added marketing, and financial analysis skills among Montana's agricultural producers. Students will learn principles and research skills in these areas and concentrate in particularly relevant areas for their farm or ranch with one or more major, long term projects.

Production Agriculture is a major Montana industry. This program has the potential to further increase net income to Montana's agricultural producers. By teaching the marketing and financial analysis tools needed by today's ever more sophisticated farmers and ranchers, DCC will increase the stability of those family businesses.

Additionally, as this program expands to the other locations served by DCC's Farm/Ranch Business Management certificate program, this program will provide benchmarking data for Montana's agricultural producers. Similar programs in other states, including North Dakota, submit anonymous statistics from producers to a national database. DCC would send Montana's information to be included in this database after a sufficient number of producers become involved. That goal will take approximately two or three years to accomplish assuming that the AMFA program starts in those other locations in Fall Semester 2006.

Inclusion in this national database (FINBIN) would mean the availability of benchmarking financial and production data for Montana's farmers and ranchers. Such information has been available for years in other states and those states have found it valuable enough to continue their financial support.

MONTANA BOARD OF REGENTS
LEVEL II REQUEST FORM

Item No.: 130-201-R0106

Date of Meeting: January 11-12, 2006

Institution: Dawson Community College

Program Title: Agricultural Marketing and Financial Analysis

Level II proposals require approval by the Board of Regents.

Level II action requested (check all that apply): Level II proposals entail substantive additions to, alterations in, or termination of programs, structures, or administrative or academic entities typically characterized by the

(a) addition, reassignment, or elimination of personnel, facilities, or courses of instruction; (b) rearrangement of budgets, cost centers, funding sources; and (c) changes which by implication could impact other campuses within the Montana University System and community colleges. Board policy 303.1 indicates the curricular proposals in this category:

- 1 Change names of degrees (e.g. from B.A. to B.F.A.)
- 2 Implement a new minor where there is no major;
- 3 Establish new degrees and add majors to existing degrees;
- 4 Expand/extend approved mission; and
- 5 Any other changes in governance and organization as described in Board of Regents' Policy 218, such as formation, elimination or consolidation of a college, division, school, department, institute, bureau, center, station, laboratory, or similar unit.

Specify Request:

Dawson Community College requests approval to offer a 1 year certificate program in Agricultural Marketing and Financial Analysis.

This proposal presents the effort of Dawson Community College to meet the financial analyses and marketing needs of the agricultural community. The curriculum design borrows from the successful Farm Ranch Business Management Program (FRBM), in that the majority of the student contact is in a one on one environment, serving each student's individual learning requirements. The program is designed to work with the time constraints of the fully employed agricultural producers. The program will consist of classroom presentations of general information relative to financial analyses and marketing alternatives and individualized instruction focused on each student's marketing or financial analysis opportunities.

MONTANA BOARD OF REGENTS
NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

ITEM 130-201-R0106

Institution: Dawson Community College

Program Title: Agricultural Marketing and Financial Analysis

1. How does this program advance the campus' academic mission and fit priorities?

The institution's mission states that DCC is "committed to creating and continuously improving accessible and effective learning environments for the lifelong educational needs of the diverse communities we serve". The development of this program is a strong example of this commitment. This certificate program will enable producers to accurately evaluate their financial position, costs of production and compare their data to regional benchmark data. Participants will receive classroom instruction and individualized instruction with instructors who will teach them to analyze their financial situation, costs of production and to compare their operations to benchmark data prepared from the University of Minnesota FINPACK program. In addition, students will choose a marketing specialization to pursue. Some participants will receive in-depth instruction of marketing and risk management strategies, including the use of futures, options, forward contracts, hedge-to-arrive contracts, and production contracts. Others will choose to learn value-added marketing strategies and techniques. The ever tightening cost/price squeeze and the perception that producers must enlarge their operations emphasize the need for producers to become astute managers of their financial and marketing risk.

2. How does this program fit the Board of Regents' goals and objectives?

The Mission of the Montana University System is to serve students through the delivery of high quality, accessible postsecondary educational opportunities, while actively participating in the preservation and advancement of Montana's economy and society.

- A. To provide a stimulating, responsive, and effective environment for student learning, student living, and academic achievement.
- B. To make a high quality, affordable higher education experience available to all qualified citizens who wish to further their education and training.
- C. To deliver higher education services in a manner that is efficient, coordinated, and highly accessible.
- D. To be responsive to market, employment, and economic development needs of the State and the nation.
- E. To improve the support for and understanding of the Montana University System as a leading contributor to the State's economic success and social and political well-being.

This program delivers higher education services in a highly accessible manner. By offering individualized instruction in the areas of most concern to agricultural producers, DCC provides a unique opportunity for efficient and coordinated higher education to this important segment of our economy. By helping Montana's agricultural producers better understand the business skills needed in today's changing environment, DCC directly affects Montana's economic development for the better.

This program will directly provide students with skills that will be useful to the economic development of their production agricultural businesses. It will be the only program of its type in Montana. Similar programs have been highly successful over many years in other states.

3. How does this program support or advance Montana's needs and interests?

Production Agriculture is a major Montana industry. This program has the potential to further increase net income to Montana's agricultural producers. By teaching the marketing and financial analysis tools needed by today's ever more sophisticated farmers and ranchers, DCC will increase the stability of those family businesses.

Additionally, as this program expands to the other locations served by DCC's Farm/Ranch Business Management certificate program, this program will provide benchmarking data for Montana's agricultural producers. Similar programs in other states, including North Dakota, submit anonymous statistics from producers to a national database. DCC would send Montana's information to be included in this database after a sufficient number of producers become involved. That goal will take approximately two

or three years to accomplish assuming that the AMFA program starts in those other locations in Fall Semester 2006.

Inclusion in this national database (FINBIN) would mean the availability of benchmarking financial and production data for Montana's farmers and ranchers. Such information has been available for years in other states and those states have found it valuable enough to continue their financial support.

4. How will this program contribute to economic development in Montana?

Students will choose to study either commodity marketing or value-added marketing. One of the areas of greatest potential impact on production agricultural operations today is in the arena of marketing. Improvements in marketing of commodities can have a significant impact on net income for Montana farmers and ranchers. For some students, value-added agricultural products can be the best solution to increase family financial stability. Value-added marketing requires skills not commonly practiced among producers and education is the best means of developing those skills.

Financial analysis is important in any business and is becoming increasingly important in agriculture. This program will provide skills in financial analysis that are critical to improving the long term success of family farms and ranches in Montana. In addition to the benefits of benchmarking data, FINPACK software also provides producers with a framework for cash flow planning and analysis of major changes to the business.

If this program were able to teach producers new skills that would allow them to increase their net income by an average of only \$5,000 - \$10,000 per year, the economic impact for those Montana areas served could be very significant. Such estimates are reasonable.

5. What is the program's planned capacity?

• Break-even point?	4.5 FTE students
• Enrollments / year?	10-15 half time students
• Graduates / year?	10-15 starting S08
• MT jobs / year?	N/A as all students are active agricultural producers

The above table outlines expected capacity per instructor involved, since that will be the relevant measurement for breakeven points. Currently, DCC has six instructors. Three or four are expected to start this program in the Fall of 2006 and the remaining instructors would be adding this program in Fall of 2007 or 2008. Because instructors will be balancing their workloads between students involved in this program and those enrolled in the FRBM program, it will be difficult to project exactly how many students will be enrolled in each program at each location. The attached budget includes estimates that assume the program expanding to DCC's other FRBM locations.

6. Resource Allocation:

• Total program budget?	\$ 84,215
• Faculty FTE?	1.58
• Staff FTE?	None

Unlike item 5, these amounts are taken directly from the first year of the 5 year budget document that has been submitted with this program proposal.

7. Does this program require new resources? Yes No

If yes, what is the amount? \$ 3,000

8. How will the campus fund the program?

Funding for ongoing expenses will continue through existing resources. Initially, DCC's in place full time FRBM faculty would divide their time between students enrolled in the FRBM program and students enrolled in the AMFA program. Enrollment in the two programs should combine to result in reasonable full time work loads for those instructors that will range between nine and ten month contracts. DCC's experience to date with the FRBM program indicates that providing more options for potential students and for instructors is needed to maximize our return on faculty resources.

It is not anticipated that the program will require new, ongoing faculty resources within the first few years because the faculty resources are in place and available. However, approximately \$3,000 will be budgeted for startup costs for training for instructors. Funding for the initial training for instructors will be provided by the institution's Ullman Trust Fund.

9. If internal reallocation is necessary, name the sources.

The college's very successful Farm and Ranch Business Management program currently employs two well qualified faculty members on campus and four in field locations. These instructors will have time available in their loads to begin this related program starting Fall of 2006. Therefore, these resources can be reallocated without causing hardship in the existing program. It is anticipated that the two programs will compliment each other because they will provide a more comprehensive offering to potential students and because they will more easily accommodate the management of faculty work loads, including the possible additions of tenth months to contracts that will strengthen faculty recruitment opportunities for DCC.

**Proposal to Offer a One Year Certificate in
Agricultural Marketing and Financial Analysis
at Dawson Community College**

Program Summary

Dawson Community College requests approval to offer a one year certificate program in Agricultural Marketing and Financial Analysis.

This proposal presents the effort of Dawson Community College to meet the financial analyses and marketing needs of the agricultural community. The curriculum design borrows from the successful Farm Ranch Business Management Program, in that the majority of the student contact is in a one on one environment, serving each student's individual learning requirements. The program is designed to work with the time constraints of the fully employed agricultural producers. The program will consist of classroom presentations of general information relative to financial analyses and marketing alternatives and individualized instruction focused on each student's marketing or financial analysis needs.

Program Description and Objectives

This program is intended to develop risk management, commodity marketing, value-added marketing, and financial analysis skills among Montana's agricultural producers. Students will learn principles and research skills in these areas and concentrate in particularly relevant areas for their farm or ranch with one or more major, long term projects. Upon completion of the program, all students will be able to:

- 1 Identify and describe the critical components of a risk marketing plan;
- 2 Compile the necessary financial data for a complete financial analysis;
- 3 Interpret the results of their financial analysis to improve performance;
- 4 Identify the economic reasons for the consideration of a value-added product or service;
- 5 Identify the necessary components of a value added business venture;
6. Complete one or more major projects relevant to the student's farm or ranch, including, but not limited to:
 - a. Develop a commodity marketing plan and monitor and re-evaluate and adjust that plan, and/or,
 - b. Develop a value-added agricultural product or service feasibility study, and/or;
 - c. Develop a long range plan for alternative enterprises, including short and long term projected cash flows and financial statements.

Specify the objectives to be reached by the addition of this program.

DCC's successful Farm and Ranch Business Management (FRBM) program was started in the Fall of 2000 and has since provided well over 100 Montana farm and ranch families with computer and accounting skills. This program has highlighted for DCC the agricultural community's increasing need for more business skills. This program offers an opportunity for DCC to reach the agricultural producer who wants to learn marketing skills and financial analysis skills.

DCC's expansion of its FRBM program to remote locations around Montana has also highlighted a need for a wider variety of offerings to allow DCC to maximize the return on our faculty resources.

Specify in detail present faculty, facilities and equipment, and library holdings in support of this program, and compare them to known or anticipated minimum standards for accreditation.

Currently, DCC has 6 full time FRBM instructors. These instructors will teach the classes in the AMFA program as well.

Some faculty training will be necessary. The University of Minnesota's Center for Farm Financial Management is currently providing DCC's instructors with training on their financial analysis software at no charge through their Uniform Project grant funding. Additional training is budgeted in operating expenses after the first two years in case the CFFM loses their grant. Currently that grant is paying for the software as well.

Facilities and equipment, other than the above mentioned software, is already in place to serve the FRBM program. The FRBM program is accredited. Computer equipment for all of DCCs faculty is replaced every three years with funds provided by the Technology Fees paid by students.

The DCC’s online library holdings are exceptional, particularly in the area of Agriculture and will provide DCC’s AMFA students with extensive online research opportunities. In addition to more general databases such as InfoTrac and LexisNexis, DCC subscribes to Agricola and ProQuest Agricultural Journals databases. All of these databases are available to DCC students online.

Detail additional faculty requirements as to qualifications, salary, and recruitment.

As with the FRBM program, the faculty for the AMFA program will need strong computer, financial, marketing and agricultural backgrounds. It will continue to be a challenge to find and recruit qualified faculty to teach both programs given DCC’s limited resources and salary schedule. No initial recruitment is necessary.

Submit budget information that describes estimated incremental revenues and expenditures associated with the program for a three- to five-year period; and estimated student enrollments for the same period of time.

The final page of this proposal presents the projected budget for the AMFA program.

Specify the number of students expected to graduate over a ten-year period.

Over a ten year period approximately 225-250 students can be expected to graduate.

List the new courses this program will add to the curriculum and specify the course requirements for the degree.

All courses in this plan of study are new, unless noted.

Plan of Study

In order to make this program more effective and accessible for busy agricultural producer students, it is designed to be taken as a part time instructional program over two years. After completion of the program, students will have continuing education available to insure long term success.

Semester 1		Semester 2	
AF141	6 credits	AF142	6 credits
Marketing and Financial Analysis I		Marketing and Financial Analysis II	
AF145	½ credit	AF146	½ credit
Financial Analysis in Production Agriculture I		Financial Analysis in Production Agriculture II	
AF121	1 credit	AF122	1 credit
Introduction to Value Added Marketing I		Using the Internet as a Value Added Marketing Tool	
or		or	
AF131	1 credit	AF132	1 credit
Introduction to Commodity Marketing		Marketing Plan Development	
BU 110*	1 credit	BU 112*	1 credit
Practical Math for Farmers/Ranchers		Practical Communications for Farmers/Ranchers	
Semester 3		Semester 4	
AF151	6 credits	AF152	6 credits
Marketing and Financial Analysis III		Marketing and Financial Analysis IV	
AF155	½ credit	AF156	½ credit
Financial Analysis in Production Agriculture III		Financial Analysis in Production Agriculture IV	
AF123	1 credit	AF124	1 credit
Market Research Skills I		Market Research Skills II	
or		or	
AF133	1 credit	AF134	1 credit
Contracting and Risk Management		Long Term Marketing Strategy Development	
BU 111*	1 credit		
Practical Human Relations for Farmers/Ranchers			
		Total	<u>33 credits</u>

Suggested Electives:

- ◆ CA 214 Spreadsheet Applications *
- ◆ CA 215 Introduction to Effective Web Site Development *
- ◆ CA 216 Web Page Aesthetics *
- ◆ CA 235 Database Applications *
- ◆ CA 201 Desktop Publishing *
- ◆ CA 125 Introduction to Computer Technology *

Other electives may be determined necessary for a particular student based on the judgment of their advisor.

*existing course

Indicate the inter-departmental implications of additions to this program or supporting courses in departments which contribute to the new program of studies.

The adult farm management programs reside in the Department of Management and Technology. This department includes business, computer, and all of the agricultural programs.

No impact is expected on other departments at DCC.

Explain how the recommendation to submit this proposal to the Board of Regents was made: Include information about process followed, faculty involvement, employer or community input, market demand for graduates, employment prospects and starting salaries, as well as other justifications.

The genesis of this program was input from students in the first cohort of FRBM students. Feedback on assessment documents filled out by them indicated that they were interested in a program offering in-depth marketing instruction and financial analysis skills.

Additional input came from the FRBM advisory committee that now has developed into the Adult Farm/Ranch Management Advisory Committee to serve both programs. This is a very strong committee made up of leaders in the agriculture community and their input over time has been exceptionally valuable to DCC. Their advice was to form a second program to serve the agricultural producer that needed marketing and analysis skills but already had or was not interested in computer and accounting skills. Additionally, they recommended that the program be designed so that students attended part time because the full time schedule and cost of the FRBM program is burdensome for some producers. Lastly, they recommended that the program be designed so that students can start at any semester to make the program more accessible for students and make workload management less of a concern to instructors. All of their recommendations were utilized in the design of this program.

The members of the Management and Technology Department, the Academic Affairs Committee and the Board of Trustees of DCC have reviewed and approved the current program format.

BUDGET ANALYSIS

ITEM 130-201-R0106 Budget	Agricultural Marketing and Financial Analysis:				Dawson Community College					
	2006-2007		2007-2008		2008-2009		2009-2001		2010-2011	
Estimated ENROLLMENT										
FTE Enrollment	20		30		40		50		50	
Estimated Incremental REVENUE										
Use of Current General Operating Funds										
State Funding for Enrollment Growth	55,140		82,710		110,280		137,850		137,850	
Tuition Revenue										
A. Gross Incremental Tuition Revenue	45,040		67,560		90,080		112,600		112,600	
B. Reductions to Incremental Tuition	15,764		23,646		31,528		39,410		39,410	
C. Net Tuition Revenue (A-B)	29,276		43,914		58,552		73,190		73,190	
Program/Course Fees										
External Funds	3,000									
Other Funds (please specify)										
TOTAL Estimated Incremental Revenue	87,416		126,624		168,832		211,040		211,040	
Estimated Incremental EXPENDITURES										
Personal Services	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost
Faculty	1.58	69,340	2.25	98,536	2.92	127,731	3.58	156,927	3.58	156,927
Other Staff										
Operating Expenses	11,875		16,875		24,792		30,458		30,458	
Equipment										
Start-up Expenditures	3,000									
TOTAL Estimated Incremental Expenditures	84,215		115,411		152,523		187,385		187,385	
Estimated Revenues Over/(Under) Expenditures	3,201		11,213		16,309		23,655		23,655	

ITEM 130-202-R0106

Approval of Proposal to Offer a Two-Year Associate of Applied Science Degree in Web Development

THAT:

The Board of Regents of Higher Education authorizes Dawson Community College (DCC) to award an Associate of Applied Science degree in Web Development to any student who completes the two year program.

EXPLANATION:

Dawson Community College requests approval to offer a two-year Associate of Applied Science Degree in Web Development.

The Web Development program addresses two of DCC's four purpose statements: 1) Acquiring Necessary Occupational Skills and 2) Promoting and Providing Life-Long Learning Opportunities as outlined in the college's mission and purpose statement. Furthermore, Web Development and E-Commerce skills will provide the opportunity for students to remain in the state and utilize these skills in three ways: entrepreneurship, contract-based Web design work, and enhanced employability.

A skilled labor pool is essential for economic development in Montana. DCC is committed to addressing the educational needs of individuals and business entities within the local service area. The Web Development program will provide students with the required training and skills for obtaining employment, or advancement in their fields of employment in the area of technology. Also, the Web Development program will provide value-added employment skills for rural, place-bound or agricultural producers seeking supplemental income.

In keeping with the Board of Regents' goal of being responsive to market, employment, and economic development needs of the State and the nation, DCC recognizes that Web Development and E-commerce have become critical to the survival and success of business and industry in eastern Montana.

**MONTANA BOARD OF REGENTS
LEVEL II REQUEST FORM**

Item No: 130-202-R0106 **Date of Meeting** January 11-12, 2006
Institution: Dawson Community College
Program Title: Web Development

Level II proposals require approval by the Board of Regents.

Level II action requested (check all that apply): Level II proposals entail substantive additions to alterations in, or termination of programs, structures, or administrative or academic entities typically characterized by the (a) addition, reassignment, or elimination of personnel, facilities, or courses of instruction; (b) rearrangement of budgets, cost centers, funding sources; and (c) changes which by implication could impact other campuses within the Montana University System and community colleges. Board policy 303 1 indicates the curricular proposals in this category:

- 1. Changes names of degrees (e.g. from B.A. to B.F.A.)
- 2. Implement a new minor where there is no minor;
- 3. Establish new degrees and add majors to existing degrees;
- 4. Expand/extend approved mission; and
- 5. Any other changes in governance and organization as described in Board of Regents' Policy 218, such as formation, elimination or consolidation of a college, division, school, department, institute, bureau, center, station, laboratory, or similar unit.

Specify Request:

Dawson Community College requests the approval to add an Associate of Applied Science (AAS) Degree Program in Web Development.

**MONTANA BOARD OF REGENTS
NEW ACADEMIC PROGRAM PROPOSAL SUMMARY**

ITEM 130-202-R0106

Institution: Dawson Community College
Program Title: Web Development

1. How does this program advance the campus' academic mission and fit priorities?

Dawson Community College's (DCC) mission is to create and continuously improve accessible and effective learning environments for the lifelong educational needs of the diverse communities it serves. In 1987, DCC received approval from the Board of Regents to offer an AAS degree in Computer Technology, currently listed as Computer Technical Support Specialist. In 1997, in response to regional employer needs, DCC began offering courses in Internet and Web Page Design. Based on surveys, advisory committee recommendations, and student interest DCC is requesting Board of Regents' approval for an Associate of Applied Science degree in Web Development. This program will fill the growing needs for skilled workers in the area of development and management of Web and E-commerce sites.

Dawson Community College is committed to creating and continuously improving accessible and effective learning environments for the lifelong educational needs of the diverse communities we serve. Web Development addresses two of our four purpose statements, specifically **Acquiring Necessary Occupational Skills and Promoting and Providing Life-Long Learning Opportunities** as outlined in the college mission and purpose statement.

DCC is committed to addressing the educational needs of individuals and business entities within the local service area. Web Development and E-commerce have become critical to the survival and success of business and industry in eastern Montana.

2. How does this program fit the Board of Regents' goals and objectives?

The Mission of the Montana University System is to serve students through the delivery of high quality, accessible postsecondary educational opportunities, while actively participating in the preservation and advancement of Montana's economy and society.

- A. To provide a stimulating, responsive, and effective environment for student learning, student living, and academic achievement.
- B. To make a high quality, affordable higher education experience available to all qualified citizens who wish to further their education and training.
- C. To deliver higher education services in a manner that is efficient, coordinated, and highly accessible.
- D. To be responsive to market, employment, and economic development needs of the State and the nation.
- E. To improve the support for and understanding of the Montana University System as a leading contributor to the State's economic success and social and political well-being.

DCC is responding to student and local business economic development demands and requests in the field of Web development and E-commerce. In order for eastern Montana's placebound workers to have affordable higher education in this field, DCC is requesting approval to implement this program. This program will provide accessible and affordable computer technology training in Web development for students in Eastern Montana and the DCC service region.

3. How does this program support or advance Montana's needs and interests?

Addressing the issue of youth out-migration from the state of Montana in general and eastern Montana in particular, Web Development and E-Commerce skills will provide the opportunity for students to stay in the state and utilize these skills in three ways: entrepreneurship, contract-based Web design work, and enhanced employability.

For example, agricultural producers are expanding markets by developing a farm/ranch Website advertising their products globally. Main street eastern Montana businesses in rural communities are demanding skillsets similar to those of metropolitan corporate America allowing them to access markets in more affluent regions. Through the use of telecommuting, place-bound, rural residents will become employed at large, possibly urban corporations while remaining at home.

Dawson Community College assists students in acquiring necessary occupational skills. The Web Development program will provide students with the required training and skills for obtaining employment, or advancement in their field of employment in the area of technology.

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

A skilled labor pool is essential for economic development in Montana. Unique to Montana, the rural eastern counties must develop and rely on E-commerce and E-marketing for survival and growth. Given the population decline in eastern Montana, businesses are demanding the specialized training delivered through this program.

Web Development will provide value-added employment skills for rural, place-bound or agricultural producers seeking supplemental income. The Montana Department of Labor and Industry reports a projected increase of 28 percent for Computer Support Specialists in Montana by the year 2012.

5. What is the program's planned capacity?

Break-even point?	14
FTE studentsEnrollments/ year?	Year One = 12 Year Two = 22
Graduates/year?	Year Two = 9 Year Three = 16
MT jobs/year?	20

6. Resource Allocation:

Total program budget?	\$56,203
Faculty FTE?	Year One = .83 Year Two = 1.0
Staff FTE?	None

7. Does this program require new resources? Yes

If yes, what is the amount? \$15,600 includes equipment and training.

8. How will the campus fund the program?

The program will be funded using the Ullman Trust Fund (\$15,600), Tuition Revenue, Student Fees, the Technology Fee, and State appropriations.

Estimated Year One Revenue: \$ \$40,368

9. If internal reallocation is necessary, name the sources.

No new faculty will be required to offer this program. Limited reallocation of faculty work loads will be required. Low enrollment sections of a few computer classes have been combined, other low enrollment courses have been phased out in DCC's continuing course assessment process. These changes, along with limited use of adjunct faculty, will allow current full time faculty to add new courses.

**Proposal to Offer a Two-Year Associate of Applied
Science Degree in Web Development at
Dawson Community College**

Program Summary

Dawson Community College requests approval to offer a two year Associate of Applied Science degree in Web Development.

This proposal presents the effort of Dawson Community College to fulfill the employment needs of the individual and the economic development needs of business entities within the local service areas.

The curriculum will provide students with the essential training and skills for obtaining employment or advancement in their fields in the area of Web development and E-commerce. This program includes traditional classroom delivery methods and a capstone Web development project in cooperation with local non-profit businesses providing them with services which might otherwise be cost prohibitive.

Program Description and Objectives

The Web Development program prepares students for employment in the fast-growing and exciting field of the Web site development and E-Commerce.

Upon successful completion of the program requirements, the students will be able to:

- Create a Web site that is aesthetically pleasing and demonstrates acceptable design principles
- Create a Web site that is dynamic and varies according to users' responses
- Create a Web application that uses shopping carts
- Manage the Web server security for E-commerce transactions
- Develop Web sites that utilize JavaScript, XML, and other Web programming techniques
- Create a Web site using the current versions of Dreamweaver, Fireworks, Flash, and Cold Fusion
- Understand ethical responsibilities in maintaining a Web or intranet/Internet site and the potential chances of misuse
- Collaborate with clients and co-workers to constantly improve sites with the latest Internet technology
- Effectively market Web and E-commerce sites
- Investigate the employment opportunities for Web developers, and be aware of self-employment opportunities

Specify the objectives to be reached by the addition of this program.

Dawson Community College is committed to addressing the educational needs of individuals and business entities within the local service area. Web Development and E-commerce have become critical to the survival and success of business and industry in eastern Montana.

In its mission statement, Dawson Community College is committed to creating and continuously improving accessible and effective learning environments for the lifelong educational needs of the diverse communities we serve. Web Development addresses two of our four purpose statements, specifically:

- Acquiring necessary occupational skills
- Promoting and providing life-long learning opportunities as outlined in the college mission and purpose statement

Specify in detail present faculty, facilities and equipment, and library holdings in support of this program, and compare them to known or anticipated minimum standards for accreditation.

Currently, DCC has four full-time instructors teaching computer application courses. Two of these instructors will teach the majority of the Web development computer courses. Each instructor will devote approximately half of his or her time to this program's courses. DCC has always had a strong art program, and is further strengthening the program with the addition of graphic design for the Web program.

Of the two Web development instructors, one currently holds an M.B.A. and the other a B.S. degree and has completed a Montana 4A Vocational Certificate in Computers. The instructors have strong computer and Web development work experience, and over ten years DCC or college teaching experience each. Some faculty training will be necessary to stay abreast of new technologies in the rapidly advancing area of Web development and E-commerce.

Computer equipment for all of DCC's faculty is replaced every three years with funds provided by the Technology Fees paid by students. Student computer labs are equipped with new computers on a three year rotation. DCC currently maintains an in-house Web server available for student Web projects.

The DCC's library and staff are exceptional and were commended in our recent report from Northwest Accreditation. Part of the current DCC building project includes a library expansion. Computers are available in the library for student use.

The library subscribes to a wide variety of on-line databases including the computer database on InfoTrac and LexisNexis. E-books about computer topics are available from NetLibrary, and the Proquest database includes further computer resources. All of these databases are available on campus as well as to DCC students online.

Detail additional faculty requirements as to qualifications, salary, and recruitment.

No additional faculty will be required at this time.

Submit budget information that describes estimated incremental revenues and expenditures associated with the program for a three- to five-year period; and estimated student enrollments for the same period of time.

The final page of this proposal presents the projected budget for the Web Development program.

Specify the number of students expected to graduate over a ten-year period.

Over a ten year period approximately 100 - 125 students can be expected to graduate.

List the new courses this program will add to the curriculum and specify the course requirements for the degree.

Following is the Plan of Study for this degree. ** new courses

Freshman Year

AR101	Foundations of Art	3
CA125	Intro to Computer Technology**	3
CA215	Intro to Effective Web Site Development	3
CM110	Information Literacy	1
CS151	Intro to Programming	4
MA100	Mathematics component	3
AR170	Graphic Design I**	3
BU125	Technical Writing**	3
CA140	Graphics Applications	3
CA235	Data Base Applications	3
CS160	Markup Languages and Scripts**	3

Sophomore Year

CA270	Intro to Flash Animation**	3
CA272	Web Page Aesthetics	3
CA276	Secure Transactions**	3
CS220	JAVA I- Object Oriented Programming**	3
CS230	Web Data Base Connectivity**	3
BU236	E-Commerce & E-Marketing**	4
BU206	Business Communication	3
CA278	Capstone Project/Certification Prep**	4
CA273	Web Server Administration**	3
PY/SOC	Psych, Soc, or Human Relations	3
Degree Total		64

Indicate the inter-departmental implications of additions to this program or supporting courses in departments which contribute to the new program of studies.

Web Development program majors are required to complete two art courses, one of which currently exists. The new Graphic Design course will be taught by an instructor with substantial industry experience.

Explain how the recommendation to submit this proposal to the Board of Regents was made: Include information about process followed, faculty involvement, employer or community input, market demand for graduates, employment prospects and starting salaries, as well as other justifications.

DCC has offered a semester course in Web Development since 1997, and recently included a second semester in response to student interest. The Web Development program was developed in response to service area employer requests including those from the agricultural community interested in value-added marketing opportunities. The vocational advisory committees for Office Technology and Computer Support have encouraged the development of this program. The members of the Management and Technology Department, the Academic Affairs Committee and the Board of Trustees of DCC have reviewed and approved the current program format.

Unique to Montana, the rural eastern counties must develop and rely on E-commerce and E-marketing for survival and growth. Given the population decline in eastern Montana, businesses are demanding the specialized training delivered through this program.

Web Development will provide value-added employment skills for rural, place-bound or agricultural producers seeking supplemental income. The Montana Department of Labor and Industry reports a projected increase of 28 percent for Computer Support Specialists in Montana by the year 2012. Web Development positions range up to \$46,000 per year. Self-employed Web Developer's hourly billing rate depends on region and qualifications with a range of \$10 to \$50 per hour.

ITEM 130-202-R0106 BUDGET

**Proposed Program: Web Development
Campus: Dawson**

	Year 1		Year 2		Year 3		Year 4		Year 5	
Estimated ENROLLMENT										
Expected Enrollment (New Cohorts Only)	7		10		10		10		10	
FTE Enrollment Maximum Enrollment	12		22		22		22		22	
Estimated Incremental REVENUE										
Use of Current General Operating Funds	\$235.25									
State Funding for Enrollment Growth	\$19,299.00		\$60,654.00		\$60,654.00		\$60,654.00		\$60,654.00	
Tuition Revenue										
A. Gross Incremental Tuition Revenue	8,414.00		26,444.00		26,444.00		26,444.00		26,444.00	
B. Reductions to Incremental Tuition	2,944.90		9,255.40		9,255.40		9,255.40		9,255.40	
C. Net Tuition Revenue (A-B)	5,469.10		17,188.60		17,188.60		17,188.60		17,188.60	
Program/Course Fees										
External Funds - Ullman Trust	15,600.00		3,500.00		3,500.00		3,500.00		3,500.00	
Other Funds (please specify)										
TOTAL Estimated Incremental Revenue	\$40,368.10		\$81,342.60		\$81,342.60		\$81,342.60		\$81,342.60	
Estimated Incremental EXPENDITURES										
Personnel Services	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost
Faculty	.83	31,894	1.0	35,193	1.0	36,293	1.0	36,656	1.0	37,393
Other Staff										
Fringe Benefits		10,209		12,898		13,113		13,185		13,329
Operating Expenses		8,500		3,500		3,500		3,500		3,500
Equipment		5,600								
Start-up Expenditures		14,100		3,500		3,500		3,500		3,500
TOTAL Estimated Incremental Expenditures		56,203.35		51,590.83		52,906.43		53,340.49		54,222.03
Estimated Revenues Over/(Under) Expenditures		-\$15,835.25		\$29,751.77		\$28,436.17		28,002.09		\$27,120.57

MEMORANDUM

DATE: March 1 – 3, 2006

TO: Montana Board of Regents

FROM: Roger Barber, Deputy Commissioner for Academic & Student Affairs

RE: Level II Program Submissions

Several new academic programs, and program changes, were submitted to the Office of the Commissioner of Higher Education in February, as part of the Level II approval process. All of the proposed programs were listed in the academic plans submitted by the respective campuses earlier this year. Those programs and changes will be reviewed by the academic officers at the Board of Regents' meeting in March, and may move to the action agenda of the Board in May 2006. The proposals are as follows:

Flathead Valley Community College:

- **ITEM 130-301-R0306:** Flathead Valley Community College asked for permission to change the name of several of its current Certificates to Certificates of Applied Science. The revision of Montana Board of Regents' Policy 301.12, which was part of the package of policies adopted last year in response to the Transfer of Credits audit, authorized another name for certificates. I.E., Certificates of Applied Science. Flathead Valley Community College has decided to use that designation for some of its certificate programs. Ordinarily, a change in degree name requires a Level II request, with extensive documentation. Since that documentation seems unnecessary and tedious, if the only change in the degree program is from Certificate to Certificate of Applied Science, I have "authorized" the campuses to forego that detail if they decide to take advantage of the recent policy change in names for certificate programs. Flathead Valley Community College is the first to do so. The certificate programs that will become Certificates of Applied Science are: Accounting Technology; Building Trades; Business Administration; Goldsmithing Bench; Heating, Ventilation, Air Conditioning, and Refrigeration; Information Technology; Medical Coding; Medical Transcription; and Office Technology Clerical.

Montana State University-Great Falls College of Technology:

- **ITEM 130-2851-R0306:** Montana State University-Great Falls College of Technology requested permission to offer an Associate of Applied Science degree in Radiologic Technology. The program will be developed in collaboration with Benefis Healthcare and the Great Falls Clinic.
- **ITEM 130-2852-R0306:** Montana State University-Great Falls College of Technology asked for authority to change its current Associate of Applied Science degree in Nursing to a Certificate of Practical Nursing, to comply with the model curriculum for

Licensed Practical Nursing programs that was approved by the Montana Board of Regents in May 2005. The Level II document also included information about course and program revisions that were part of the model curriculum.

- **ITEM 130-2804-R0306:** Montana State University-Great Falls College of Technology asked for permission to offer an Associate of Science degree with a Program of Study in Civil Engineering Technology. The degree program will be offered in collaboration with Montana State University-Northern, which has a Bachelor of Science degree in Civil Engineering Technology.

Montana State University-Northern:

- **ITEM 130-2804-R0306:** Montana State University-Northern requested permission to offer its Bachelor of Science degree in Civil Engineering Technology in Great Falls, in collaboration with Montana State University-Great Falls College of Technology. The partnership is also described in the previous paragraph in this memorandum.

The University of Montana-Missoula:

- **ITEM 130-1018-R0306:** The University of Montana-Missoula asked for authority to establish a minor in Irish Studies.

Montana Tech of The University of Montana:

- **ITEM 130-1503-R0306:** Montana Tech of The University of Montana asked for authority to offer a Bachelor of Science degree and a Master of Science degree in Electrical Engineering. Montana Tech currently has an Option in Electrical Engineering, in both its Bachelor of Science and Master of Science degrees in General Engineering. This program request would change those options to stand-alone baccalaureate and graduate degrees.

March 1-3, 2006

ITEM 130-301-R0306

**Authorization to Change the names of approved
Certificates to Certificates of Applied Science; Flathead
Valley Community College**

THAT:

The Board of Regents of Higher Education authorizes Flathead Valley Community College to change the name of the following programs from Certificates to Certificates of Applied Science:

Accounting Technology
Building Trades
Business Administration
Goldsmithing Bench
Heating, Ventilation, Air Conditioning, and Refrigeration
Information Technology
Medical Coding
Medical Transcription
Office Technology Clerical

EXPLANATION:

Because the Montana Board of Regents' Policy 301.12, Undergraduate Degree Requirements: Associate Degrees and Certificates of Applied Science, adopted in May 2005, creates a Certificate of Applied Science as a new degree in the Montana University System, Flathead Valley Community College seeks approval to change the name of approved Certificates to Certificates of Applied Science. All the Certificates of Applied Science listed above will remain the same. The name of the program and the number of credits in the program will remain the same. The only change that is requested is the name of the degree, which will become a Certificate of Applied Science.

MONTANA BOARD OF REGENTS

LEVEL II REQUEST FORM

Item No.: 130-301-R0306 Date of Meeting: March 1-3, 2006
Institution: Flathead Valley Community College
Program Title: Certificates of Applied Science

Level II proposals require approval by the Board of Regents.

Level II action requested (check all that apply): Level II proposals entail substantive additions to, alterations in, or termination of programs, structures, or administrative or academic entities typically characterized by the (a) addition, reassignment, or elimination of personnel, facilities, or courses of instruction; (b) rearrangement of budgets, cost centers, funding sources; and (c) changes which by implication could impact other campuses within the Montana University System and community colleges. Board policy 303.1 indicates the curricular proposals in this category:

- 1. Change names of degrees (e.g. from B.A. to B.F.A.)
- 2. Implement a new minor or certificate where there is no major or no option in a major;
- 3. Establish new degrees and add majors to existing degrees;
- 4. Expand/extend approved mission; and
- 5. Any other changes in governance and organization as described in Board of Regents' Policy 218, such as formation, elimination or consolidation of a college, division, school, department, institute, bureau, center, station, laboratory, or similar unit.

Specify Request:

Montana Board of Regents' Policy 301.12, Undergraduate Degree Requirements: Associate Degrees and Certificates of Applied Science, adopted by the Board in May 2005, creates a Certificate of Applied Science as a new degree in the Montana University System. Before the adoption of that new policy, a Certificate was the only name available for such a credential.

A name change for a degree program (i.e., from Certificate to Certificate of Applied Science) ordinarily requires a Level II document with all of the supporting paperwork and information. This Level II request is being submitted, without all of that documentation, to change the following Certificates to Certificates of Applied Science:

Accounting Technology
Building Trades
Business Administration
Goldsmithing Bench
Heating, Ventilation, Air Conditioning, and Refrigeration
Information Technology
Medical Coding
Medical Transcription
Office Technology Clerical

All of the Certificates of Applied Science listed above will remain the same. The name of the program and the number of credits in the program will remain the same. The only change that is requested is the name of the degree, which will become a Certificate of Applied Science.

March 1-3, 2006

ITEM 130-2851-R0306 **Authorization to establish an Associate of Applied
Science Degree in Radiologic Technology**

THAT: The Board of Regents of Higher Education authorizes Montana State University – Great Falls, College of Technology to establish an AAS degree program in Radiologic Technology.

EXPLANATION: Montana State University – Great Falls seeks approval from the Montana Board of Regents to establish an AAS degree in Radiologic Technology. This program will be developed as a partnership with Benefis healthcare and the Great Falls Clinic to increase the supply of trained radiographic technicians in the Great Falls region.

MONTANA BOARD OF REGENTS
LEVEL II REQUEST FORM

Item No.: 130-2851-R0306 **Date of Meeting:** March 1-3, 2006
Institution: Montana State University – Great Falls, College of Technology
Program Title: Associate of Applied Science degree in Radiologic Technology

Level II proposals require approval by the Board of Regents.

Level II action requested (check all that apply): Level II proposals entail substantive additions to, alterations in, or termination of programs, structures, or administrative or academic entities typically characterized by the (a) addition, reassignment, or elimination of personnel, facilities, or courses of instruction; (b) rearrangement of budgets, cost centers, funding sources; and (c) changes which by implication could impact other campuses within the Montana University System and community colleges. Board policy 303.1 indicates the curricular proposals in this category:

- 1. Change names of degrees (e.g. from B.A. to B.F.A.)
- 2. Implement a new minor or certificate where there is no major or no option in a major;
- 3. Establish new degrees and add majors to existing degrees;
- 4. Expand/extend approved mission; and
- 5. Any other changes in governance and organization as described in Board of Regents' Policy 218, such as formation, elimination or consolidation of a college, division, school, department, institute, bureau, center, station, laboratory, or similar unit.

Specify Request:

MSU-Great Falls, College of Technology proposes the creation of an Associate of Applied Science degree program in Radiologic Technology. The proposed program will provide the didactic and clinical training necessary for a graduate to pass the American Society of Radiologic Technologists national certification examination as well as provide the skills necessary to enter the work force as a Registered Radiologic Technologist (RT). The proposed Radiologic Technology program requires 23 credits of prerequisite work designed to be taken over the course of an academic year. Students who complete all of the pre-requisite courses with a grade of C- or better may submit an application for entry into the program itself. The program advisory board meets each April to review applications and select the incoming class for the following fall semester. The Radiologic program is made up of a total of 65 credits distributed over four semesters and one summer session. The program will be offered as a partnership with Benefis Hospital and the Great Falls Clinic. MSU-Great Falls will fund a program director and provide instruction in all pre-requisite courses and some radiology courses. Benefis hospital will fund a full-time instructor and clinical supervisor while the Great Falls Clinic will fund a half-time (.5 fte) instructor and clinical supervisor.

M O N T A N A B O A R D O F R E G E N T S
NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

Institution: Montana State University - Great Falls, COT
Program Title: Associate of Applied Science degree in Radiologic Technology

1. How does this program advance the campus' academic mission and fit priorities?

MSU-Great Falls is committed to addressing the educational and workforce development needs of the Golden Triangle and the state. The institution has a well-deserved reputation for responding to the needs of the healthcare industry. Radiologic technologists are in short supply locally, statewide, and nationally with increasing demand anticipated as the field of radiology develops more diverse applications. The development of the Radiologic Technology program at MSU-Great Falls is the result of a partnership with Benefis Hospital and the Great Falls Clinic. Under this collaborative effort, the two hospitals are providing financial support for the Radiologic Technology program by financing an instructor/clinical coordinator at each institution.

2. How does this program fit the Board of Regents' goals and objectives?

The mission of the Montana University System is to serve students through the delivery of high quality, accessible postsecondary educational opportunities, while actively participating in the preservation and advancement of Montana's economy and society. In particular the Montana University System is committed to "be responsive to market, employment, and economic development needs of the State and the nation."

The Radiologic Technology program provides accessible, affordable, efficient, and practical learning opportunities for individuals in Great Falls and Montana. Benefis Healthcare approached MSU-Great Falls requesting the institution join it in a collaborative effort to transform its radiology program it into a college based degree program. The program being phased out has been very successful contributing six highly qualified, well paid, graduates to the local and state economy every year since 1954. The new college based program will expand that number and provide improved training thanks to MSU-Great Falls rigorous pre-requisite courses.

3. How does this program support or advance Montana's needs and interests?

Montana's needs for a well trained radiology workforce will continue to increase as the current labor pool ages and workers retire. Healthcare and Social Services are projected to have the largest nonagricultural sector increase in terms of payroll for 2003-2005 as per the Labor Day Report 2004. Radiologic Technology and Technician job growth is expected to increase 26% from 710 in 2002 to 890 in 2012. The average annual job openings in radiologic technology during this time period are projected at 30 positions per year. Due to the wage difference between Montana and other states, it has been very difficult for the healthcare community to recruit Radiologic Technologists from out of state.

The Radiologic Technology program at MSU-Great Falls will increase the pool of certified technologists. Without an available resource pool of technologists to perform radiographic examinations, the resultant shortage of qualified radiologic technologist could have an adverse impact on the quality of healthcare in Montana.

State and National Trends					
	Employment		Percent Change	Average Annual Job Openings	
Montana	2002				2012
Radiologic Technologists and technicians	710	890	+26%	30	
	Employment		Percent Change	Average Annual Job Openings	
United States	2002				2012
Radiologic Technologists and technicians	174,100	214,100	+23%	7,250	

Source: U.S. Dept. of Labor, America's Career InfoNet: Occupation Profile

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

The healthcare industry is one of the largest economic segments of the State of Montana. Benefis Hospital, the largest healthcare provider in the state requested the assistance of MSU-Great Falls in preserving a Radiologic Technology program in Great Falls and the Great Falls Clinic the second major healthcare provider in the area offered its assistance as soon as it was asked. Currently the Benefis Program graduates six individuals a year, the addition of clinical sites at the Great Falls Clinic allows the program to immediately increase to 8 with 10 graduates the target in the third year. The graduates have the potential to earn approximately \$35,000 per year. The 10 graduates each year after year three will be compensated approximately \$350,000 in yearly salary, which will have a positive effect on the local economy.

5. What is the program's planned capacity?

• Break-even point?	20 FTE students
• Enrollments / year?	10 3 rd year and after
• Graduates / year?	10
• MT jobs / year?	10

6. Resource Allocation:

• Total program budget?	\$ 53,500
• Faculty FTE?	2.5 fte
• Staff FTE?	0

7. Does this program require new resources? Yes No

If yes, what is the amount? \$ 53,500

8. How will the campus fund the program?

Through tuition, state allotment, student fees and funding in the form of salaries from local industry.

9. If internal reallocation is necessary, name the sources.

None needed

Associate of Applied Science in Radiographic Technology**PROGRAM DESCRIPTION**

1. Briefly describe the proposed new program. Please indicate if it is (a) an expansion of an existing program or a new program; (b) a cooperative effort with another institution, business, or industry; or (c) an on-campus or off-campus program. Attach any formal agreements established for cooperative efforts.

The proposed program in Radiologic Technology at MSU-Great Falls is a two year Associate of Applied Science program. It is designed to provide the didactic and clinical training necessary for a graduate to pass the American Society of Radiologic Technologists national certification examination as well as provide the skills necessary to enter the work force as a Registered Radiologic Technologist (RT). The proposed Radiologic Technology program requires 23 credits of prerequisite work designed to be taken over the course of an academic year. Students who complete all of the pre-requisite courses with a grade of C- or better may submit an application for entry into the program itself. The program advisory board meets each April to review applications and select the incoming class for the following fall semester. The Radiologic program is made up of a total of 65 credits distributed over four semesters and one summer session.

(b) The program will be offered as a partnership with Benefis Hospital and the Great Falls Clinic. MSU-Great Falls will fund a program director and provide instruction in all pre-requisite courses and some non-clinical instruction. Benefis hospital will fund a full-time instructor and clinical supervisor while the Great Falls Clinic will fund a half-time (.5 fte) clinical supervisor.

(c) All pre-requisite courses and some radiology courses will be delivered at MSU-Great Falls, the remaining didactic, procedural (lab) courses, and clinicals will be delivered at Benefis and the Great Falls Clinic. Specific rotation will be determined by academic requirements.

2. Summarize the needs assessment conducted to justify the proposal.

Benefis hospital and its predecessor institutions have offered a very successful hospital based radiology program since 1954 however, the profession is moving away from hospital based programming towards programs accredited through institutions of higher education. Similar changes have already taken place in Billings and Kalispell, Montana. In March of 2005 the staff of the Radiologic program at Benefis hospital approached MSU-Great Falls about taking over management of the program. The hospital based program has produced a minimum of six graduates a year throughout its operation all of its graduates have found employment.

The need for trained radiologic technicians will only increase as the number of imaging exams performed per year rises, retirement from the field will also create an increasing demand over the next ten years. Available and well trained healthcare workers are vital for maintaining the health of Montana's population. For a number of years the healthcare facilities within this region have had significant problems filling vacant positions for technologists. The American Hospital Association reported the current hospital vacancy rate of radiologic technologists at 15.3% (17% in the west). The U.S. Department of Labor reported the United States will need 55,000 more technologists by 2008. This program is designed to provide high quality, certified radiologic technologists to meet this current and projected shortage.

3. Explain how the program relates to Role and Scope of the institution as established by the Board of Regents.

MSU-Great Falls is charged by the Montana Board of Regents with responding to regional workforce needs by training students for high skills jobs that will contribute to the economy. This proposal fits these criteria perfectly as industry is no longer able to offer Radiologic training as a hospital based program.

4. State (a) what effect, if any, the proposed program will have on the administrative structure of the institution. Also indicate (b) the potential involvement of other departments, divisions, colleges, or schools.

The Radiologic program will be administered as a part of the Health Sciences department at MSU-Great Falls and will have its own Advisory Board drawn from industry.

5. Describe the extent to which similar programs are offered in Montana, the Pacific Northwest, and states bordering Montana. How similar are these programs to the one proposed?

Four AAS degrees in Radiological Technology are currently offered in Montana, At MSU-Billings, Montana Tech, Flathead Valley Community College, and UM-COT at Missoula, the programs serve the needs of widely scattered geographic regions. The proposed program is modeled on the program delivered at Flathead Valley Community College.

6. Please name any accrediting agency (ies) or learned society (ies) that would be concerned with particular program herein proposed. How has this program been developed in accordance with criteria developed by said accrediting body (ies) or learned society (ies)?

The program conforms to the requirements of the Northwest Commission on Colleges and Universities. A request for substantial change will be submitted to NWCCU upon approval by the Board of Regents. The American Registry of Radiologic Technologists (ARRT) recognizes the Northwest Commission on Colleges and Universities as an approved accrediting body, students graduating from the program will be qualified to take the ARRT licensing exam.

7. Prepare an outline of the proposed curriculum showing course titles and credits. Please include any plans for expansion of the program during its first three years.

MSU-Great Falls' Radiologic Technology program spans five semesters (four regular semesters plus one summer semester). Students average 40 hours per week in classroom, lab, and clinical work in fulfilling the 65 credits leading to an Associate of Applied Science degree. After graduation, students are eligible to take the American Registry examination for credentialing as a Registered Radologic Technologist. The program will be delivered at three separate sites, MSU-Great Falls, Benefis Hospital and the Great Falls Clinic.

To be considered for admission into the program, applicants are required to submit documentation showing completion of the following courses with a grade of C- or better.

Current capacity of the hospital based program is 6 students per year. With the

addition of clinical sites at the Great Falls Clinic this will increase to 8 and to 10 students per year (20 at any one time) by the third year. One final intake of students into the current hospital based program will take place in fall of 2006. Students intending to enroll in the proposed program will be advised into pre-requisite classes for the 2006/2007 academic year. The first intake of students into the proposed MSU-Great Falls program will be in fall 2007.

Prerequisite Courses

ENGL 121	Composition I	3
AH 145	Intro Med Terms	1
MATH 103	Introductory Algebra	4
CHEM 111	Princ. of Inorganic Chem OR	
BIO 107	Human Biology	4
BIO 213	A & P I	4
BIO 214	A & P II	4
	Human Relations	<u>3</u>
		23

Students in the Radiologic Technology Program must earn a "C-" or better in ALL classes in the two-year program. Any grade less than a "C-" in any class will result in the student having to retake that class.

Radiologic Technology

1st Fall Semester

RAD 235	Radiation Bio & Protection	4
RAD 105	Intro Radiography	2
RAD 110	Radiographic Proc I	2
RAD 115	Radiographic Princ I	2
RAD 140	Clinical Education I	<u>8</u>
		18

1st Spring Semester

RAD 111	Radiographic Proc II	2
RAD 116	Radiographic Princ II	2
RAD 130	Patient Care	2
RAD 141	Clinical Education II	<u>6</u>
		12

Summer Semester

RAD 240	Clinical Education III	<u>9</u>
		9

2nd Fall Semester

RAD 106	Radiation Physics	4
RAD 210	Radiographic Proc III	2
RAD 220	Radiographic Princ III	2
RAD 241	Clinical Education IV	<u>6</u>
		14

2nd Spring Semester

RAD 215	Radiographic Proc IV	2
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RAD 242	Clinical Education V	8
RAD 270	Registry Review	<u>2</u>
		12
Total Credits		65

FACULTY AND STAFF REQUIREMENTS

1. Please indicate, by name and rank, current faculty who will be involved with the program proposed herein.

Cherie Mckeever, Anatomy and Physiology Instructor, Level 3
 Roger Peffer, Biology Instructor, Level 2
 Adam Wentz, Chemistry Instructor, Level 1
 Colleen Hazen, English Instructor, Level 3
 Jana Carter, English Instructor, Level 2
 Rebecca Johnson, Mathematics Instructor, Level 2
 Mark Plante, Mathematics Instructor, Level 2
 Heidi Pasek, Psychology Instructor, Level 3

2. Please project the need and cost for new faculty over the first five years of the program. Include special qualifications or training. If present faculty is to conduct the new program, please explain how they will be relieved from present duties.

Program Director, full-time – to be funded by MSU-Great Falls the program director will provide student advising, oversee admissions into the program, conduct Advisory Board meetings, supervise instructors and clinical supervisors, liaison between partners, handle academic administration. The director must hold a Masters degree and have experience with radiology. Salary - \$50,000

Radiographic instructor and clinical supervisor, full-time – to be funded by Benefis Healthcare – will provide didactic and laboratory instruction as well as clinical supervision for that portion of the course work to be delivered onsite at Benefis hospital.

Radiographic instructor and clinical supervisor, half-time (.5 fte) – to be funded by the Great Falls Clinic - will provide didactic and laboratory instruction as well as clinical supervision for that portion of the course work to be delivered onsite at the Great Falls Clinic.

3. Please explain the need and cost for support personnel or other required personnel expenditures.

None needed.

CAPITAL OUTLAY, OPERATING EXPENSES AND PHYSICAL FACILITIES

1. Please summarize operating expenditure needs.

Supplies -	1,000
Communications -	<u>1,000</u>
Total -	2,000

2. Please evaluate library resources. Are they adequate for operation of the proposed program? If not, how will the library need to be strengthened during the next three years?

A substantial amount of library resources are available at Benefis hospital, this material, which is non-circulating, will be supplemented by material purchased by the MSU-Great Falls library out of the library's collection development budget. The Chief Librarian will work closely with the Program Director to develop the collection.

3. Please indicate special clinical, laboratory, and/or computer equipment that will be needed. List those pieces of equipment or computer hardware presently available in the department.

All specialized equipment is currently available at either Benefis or the Great Falls Clinic, classroom and lab facilities required for the pre-requisite courses are currently available at MSU-Great Falls.

4. Please describe facilities and space required for the proposed program. Are current facilities adequate for the program? If not, how does the institution propose to provide new facilities?

No new facilities are required.

BUDGET ANALYSIS

Proposed Program: Associate of Applied Science Degree in Radiological Technology

Campus: Montana State University - Great Falls, College of Technology

	Year 1		Year 2		Year 3		Year 4		Year 5	
Estimated ENROLLMENT										
FTE Enrollment	8		16		20		20		20	
Estimated Incremental REVENUE										
Use of Current General Operating Funds										
State Funding for Enrollment Growth	15,104		15,104		7,552		-		-	
Tuition Revenue										
A. Gross Incremental Tuition Revenue	22,208		45,920		57,400		57,400		57,400	
B. Reductions to Incremental Tuition										
C. Net Tuition Revenue (A-B)	22,208		45,920		57,400		57,400		57,400	
Program/Course Fees	1,200		2,400		3,000		3,000		3,000	
External Funds										
Other Funds (please specify)										
TOTAL Estimated Incremental Revenue	23,408		48,320		60,400		60,400		60,400	
Estimated Incremental EXPENDITURES										
Personal Services	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost
Faculty										
Other Staff	1	50,000	1	51,500	1	51,500	1	51,500	1	51,500
Operating Expenses	2,000		2,000		2,000		2,000		2,000	
Equipment										
Start-up Expenditures										
TOTAL Estimated Incremental Expenditures	52,000		53,500		53,500		53,500		53,500	
Estimated Revenues Over/(Under) Expenditures	(28,592)		(5,180)		6,900		6,900		6,900	

March 1- 3, 2006

ITEM 130-2852-R0306

Authorization to convert an Associate of Applied Science Degree in Practical Nursing to a Certificate of Practical Nursing; Montana State University-Great Falls, College of Technology

THAT:

The Board of Regents of Higher Education authorizes Montana State University – Great Falls College of Technology to convert its existing AAS degree in Practical Nursing to a Certificate of Practical Nursing.

EXPLANATION:

Montana State University – Great Falls seeks approval from the Montana Board of Regents to convert its existing AAS degree in Practical Nursing to a Certificate of Practical Nursing in order to bring its program into conformity with the common curriculum for two-year nursing programs recently adopted by the Office of the Commissioner for Higher Education. MSU-Great Falls has offered an AAS Degree in nursing for 11 years, graduating an average of 16 students a year. For the last 12 years our students have maintained a 100% pass rate on the Licensed Practical Nurse exam, with all but two students in that time period passing the exam on their first attempt. Licensed practical nurse employment in the Great Falls area will continue to increase in response to long-term care needs of an increasing elderly population and the expansion of health care facilities such as the new Sletten Cancer Institute in Great Falls. Conversion to a Certificate program will allow MSU-Great Falls to remain in conformity with state-wide academic standards and to continue to serve the medical needs of our community.

MONTANA BOARD OF REGENTS
LEVEL II REQUEST FORM

Item No.: 130-2852-R0306 **Date of Meeting:** March 1–3, 2006
Institution: Montana State University – Great Falls
Program Title: Practical Nursing Certificate

Level II proposals require approval by the Board of Regents.

Level II action requested (check all that apply): Level II proposals entail substantive additions to, alterations in, or termination of programs, structures, or administrative or academic entities typically characterized by the (a) addition, reassignment, or elimination of personnel, facilities, or courses of instruction; (b) rearrangement of budgets, cost centers, funding sources; and (c) changes which by implication could impact other campuses within the Montana University System and community colleges. Board policy 303.1 indicates the curricular proposals in this category:

- 1. Change names of degrees (e.g. from B.A. to B.F.A.)
- 2. Implement a new minor or certificate where there is no major or no option in a major;
- 3. Establish new degrees and add majors to existing degrees;
- 4. Expand/extend approved mission; and
- 5. Any other changes in governance and organization as described in Board of Regents' Policy 218, such as formation, elimination or consolidation of a college, division, school, department, institute, bureau, center, station, laboratory, or similar unit.

Specify Request:

Montana State University – Great Falls College of Technology seeks permission to convert its existing Associate of Applied Science degree in Practical Nursing to a Certificate of Practical Nursing in accordance with the common curricula for two-year nursing programs adopted by the Office of the Commissioner of Higher Education.

M O N T A N A B O A R D O F R E G E N T S
NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

Institution: Montana State University - Great Falls College of Technology

Program Title: Certificate of Practical Nursing

1. How does this program advance the campus' academic mission and fit priorities?

MSU-Great Falls has offered the AAS in Practical Nursing since 1995 to respond to the needs of the healthcare industry for qualified nurses. During that time the institution has graduated over 200 students, the majority of whom secured employment in Great Falls or in the Golden Triangle. In order to continue to respond to the healthcare needs of the community and remain in compliance with Board of Regents criteria, it is necessary to transform the program from its current state as an AAS degree to a Certificate program.

2. How does this program fit the Board of Regents' goals and objectives?

The LPN program has responded to the regional needs since its inception in 1995. The need for licensed practical nurse employment will only increase in coming years in response to the long-term care needs of an increasing elderly population and the general growth of health care (U.S. Department of Labor). The demographics of Cascade and Chouteau Counties show a growing increase in the elderly population. In 2000, the Montana population of those 65 years and older was 13.4 percent (13.4%). While the national figure was 12.4 percent (12.4%). In Cascade County, the percentage of people 55 and older increased by over 15% between 2000 and 2004 (U.S. Census Bureau).

3. How does this program support or advance Montana's needs and interests?

The Montana Hospital Association conducted a recent survey on healthcare worker needs in the state. Seventy-five percent (75%) of all Montana hospitals participated in the survey. The following data is from that report, which was presented to the Nursing Coordinating Group in June 2004:

Thirty-nine licensed practical nursing (LPN) positions were vacant, representing 5.7 percent (5.7%) of the budgeted LPN positions;

The vacancy rate is significantly higher at so-called "critical access hospitals," which are the smaller, more rural facilities. At those facilities, the vacancy rate for LPNs is 9.7 percent (9.7%).

According to the respondents, they spent approximately \$27 million in the previous year on "replacement strategies" such as overtime pay and travelers. That figure included all healthcare workers, but most of the money was spent on additional nursing staff.

Conversion of the current program from a two-year AAS degree to a Certificate program will not only bring MSU-Great Falls into conformity with current OCHE requirements but will also allow students to complete their degree in one year, increasing the number of graduates to fill critical nursing vacancies in the Great Falls region.

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

The Montana Department of Labor & Industry, Research & Analysis Bureau reports that out of the state's 20 top employers, six are hospitals. The Bureau predicts that Montana will employ 2,812 LPNs by the year 2010. Montana can keep up with the nursing demand only by educating more nurses. Montana's Nursing Program Directors report that graduates are readily hired. In Montana, licensed practical nurses average \$25,450 annually, plus benefits. Providing individuals with employment opportunities upon graduation contributes to the economic development of the state and region. In Montana, employment for licensed practical nurses is projected to grow faster than the statewide average for all occupations through 2012 (Montana Department of Labor & Industry - Research & Analysis Bureau).

The health care industry includes establishments ranging from small town private physician practices employing only one licensed practical nurse to nursing homes, which provide the majority of jobs. Many health services establishments operate around the clock and need staffing at all hours. Shift work is common in LPN

practice. The economic impact of Montana’s health care industry shown in the tables below illustrates all sectors of the economy are interconnected, and the impacts are captured in multipliers, which are ratios used to calculate the estimated total economic effect for a variety of economic activities. The multipliers quantify the induced and indirect effects of the health care industry and add it to the known demand and supply side effects. According to 2001 data below, employment multipliers were generated for hospitals and nursing and residential care facilities in Montana:

Total Employment Impact of Montana’s Hospitals:

Jobs from Hospitals
 Hospital employment 19,123 number of workers
 Hospital multiplier 2.03 (in rural settings, the multiplier be lower than in rural areas)
 Jobs created in other businesses 19,774
 Total Jobs 38,897

Total Employment Impact of Montana’s Nursing and Residential Care Facilities:

Jobs from nursing and residential care facilities
 Nursing and residential care facilities employment 9,704
 Nursing and residential care facilities multiplier 1.36
 Jobs created in other businesses 3,537 Total Jobs 13,241

Source: Research and Analysis Bureau, Montana Department of Labor and Industry, QCEW program Summary

There is a shortage of LPNs statewide and regionally. In addition, there are limited numbers of instructors and directors for Practical Nursing programs, which could provide an opportunity for those who graduate from this Practical Nursing program to pursue further education and consider teaching or directing. With Montana’s aging population and rural setting, providing quality health care will continue to become an increasing problem. Without additional support to create solutions to nursing shortages, health care will increasingly become unavailable and unaffordable.

5. What is the program’s planned capacity?

• Break-even point?	Program does not break even
• Enrollments / year?	22 FTE students
• Graduates / year?	16
• MT jobs / year?	16

6. Resource Allocation:

• Total program budget?	\$ 183,512
• Faculty FTE?	3 FTE (down 1 FTE from current level)
• Staff FTE?	0

7. Does this program require new resources? Yes No

If yes, what is the amount? \$ _____

8. How will the campus fund the program?

Through tuition, fees and the State allocation as previously

9. If internal reallocation is necessary, name the sources.

None Required

Licensed Practical Nursing -- PROGRAM DESCRIPTION

- 1. Briefly describe the proposed new program. Please indicate if it is (a) an expansion of an existing program or a new program; (b) a cooperative effort with another institution, business, or industry; or (c) an on-campus or off-campus program. Attach any formal agreements established for cooperative efforts.**

The proposed transformation of the Licensed Practical Nursing (LPN) program at MSU-Great Falls College of Technology will continue our tradition of providing well qualified Practical Nurses to the healthcare industry in Great Falls and throughout the Golden Triangle. The program will transform itself from its current configuration as an Associate of Applied Science degree of 65 program credits, to a Certificate degree program of 50 credits. The transformation will allow students to pass through the program faster and bring the program into conformity with the common curriculum adopted by the Board of Regents.

- 2. Summarize the needs assessment conducted to justify the proposal.**

From 2002 to 2004 MSU-Great Falls graduated 32 LPNs, all of whom are currently employed in the field. The success of the program in placing 100% of its graduates over the last 3 years and the continuing demand, both locally and at the state level, for healthcare professionals indicate the need to continue the well-established program under the new Board of Regents configuration.

- 3. Explain how the program relates to Role and Scope of the institution as established by the Board of Regents.**

MSU-Great Falls is charged with responding to the workforce needs of Great Falls and the North Central Montana region. Our servicing of the healthcare industry is a large part of that mission. Conversion of the current AAS program in Practical Nursing to a Certificate program will allow the institution to continue serving the needs of the healthcare industry.

- 4. State (a) what effect, if any, the proposed program will have on the administrative structure of the institution. Also indicate (b) the potential involvement of other departments, divisions, colleges, or schools.**

As a change in culminating award for an existing program, the Certificate program will have no impact on administrative structure and no new impact on other departments. Currently the Arts and Sciences department provides general education courses to satisfy that portion of the Nursing curriculum and under the new proposal will continue to do so.

- 5. Describe the extent to which similar programs are offered in Montana, the Pacific Northwest, and states bordering Montana. How similar are these programs to the one proposed?**

There are currently five other Practical Nursing programs offered in Montana at UM-Helena, UM, COT – Missoula, MSU-Billings, Montana Tech in Butte and at Flathead Valley Community College. All of these programs will be converting to the mandated

Board of Regents program and all serve regional and state wide Licensed Practical Nursing needs.

6. Please name any accrediting agency (ies) or learned society (ies) that would be concerned with particular program herein proposed. How has this program been developed in accordance with criteria developed by said accrediting body (ies) or learned society (ies)?

The proposed changes to the Practical Nursing program, should it be approved by the Board of Regents, will be submitted for approval to the Montana Board of Nursing at its October 2006 meeting. A memo reporting a substantive program change will also be submitted to the Northwest Commission on Colleges and Universities upon approval by the Montana Board of Regents.

7. Prepare an outline of the proposed curriculum showing course titles and credits. Please include any plans for expansion of the program during its first three years.

The LPN curriculum consists of 50 credits divided between 26 pre-requisite credits and 24 nursing credits. Students will also have the opportunity to enroll in a one credit IV therapy seminar, a specialized course requested by the local healthcare community and open to all interested persons not just those enrolled in the LPN program, as an option enhancing local employability. The course titles and credits are listed below courses will be sequenced based upon student demand, faculty resources and availability of clinical sites.

Pre-requisite courses: Many students need preliminary math, science, and English courses before enrolling in the LPN prerequisite coursework. These courses may increase the total number of program credits.

BIO 213 Anatomy & Physiology I w/lab -	4 credit hours
BIO 214 Anatomy & Physiology II w/lab -	4 credit hours
ENG 121 Composition I -	3 credit hours
CHM 111 Inorganic Chemistry w/lab -	4 credit hours
MATH 161 College Algebra -	3 credit hours
AH 221 Human Nutrition -	2 credit hours
PSY 109 Lifespan Developmental -	3 credit hours
AH/NURS 140 Pharmacology -	3 credit hours

Nursing Courses:

NURS 100 Introduction to Nursing -	1 credit hour
NURS 150 Fundamentals of Nursing -	7 credit hours

NURS 250 Gerontology -	2 credit hours
NURS 260 Adult Nursing -	7 credit hours
NURS 270 Maternal/Child Nursing -	3 credit hours
NURS 280 Mental Health Nursing -	2 credit hours
NURS 290 Nursing Leadership -	2 credit hours

Transition of Students:

One more intake of students into the AAS program in Practical Nursing will take place in August of 2006. Students entering at that time will complete the current program with the last graduating no later than December of 2007. Students may also begin the proposed Certificate program in 2006 as well. The first certificate class will graduate in August of 2008.

FACULTY AND STAFF REQUIREMENTS

1. Please indicate, by name and rank, current faculty who will be involved with the program proposed herein.

Cheryl Alt, Nursing Program Director, Level 2
 Patti Kercher, Nursing Instructor, Level 2
 Cynthia Myles, Nursing Instructor, Level 2
 Susan Cooper, Nutrition Instructor, Level 2
 Cherie Mckeever, D.V.M., Anatomy and Physiology Instructor, Level 3
 Roger Peffer, Biology Instructor, Level 2
 Adam Wentz, Chemistry Instructor, Level 1
 Heidi Pasek, Psychology Instructor, Level 3
 Rebecca Johnson, Mathematics Instructor, Level 2
 Mark Plante, Mathematics Instructor, Level 2

2. Please project the need and cost for new faculty over the first five years of the program. Include special qualifications or training. If present faculty is to conduct the new program, please explain how they will be relieved from present duties.

No new faculty positions will be needed. Instead the reduction in credits from 65 to 50 will allow for a reduction in the size of the current nursing program. Such reductions will be carried out in accordance with the collective bargaining agreement and institutional policies.

3. Please explain the need and cost for support personnel or other required personnel expenditures.

None needed.

CAPITAL OUTLAY, OPERATING EXPENSES AND PHYSICAL FACILITIES**1. Please summarize operating expenditure needs.**

Contracted Services –	3,000
Supplies -	1,000
Communications -	1,800
Rent -	100
Repairs and Mntn -	400
Misc -	300
Total -	6,600

2. Please evaluate library resources. Are they adequate for operation of the proposed program? If not, how will the library need to be strengthened during the next three years?

Library resources for the Practical Nursing program are regularly evaluated and updated by the Chief Librarian in consultation with the Nursing Faculty. Books and other materials housed in the Library are purchased from the Library's general fund.

3. Please indicate special clinical, laboratory, and/or computer equipment that will be needed. List those pieces of equipment or computer hardware presently available in the department.

The Practical Nursing program currently has primary use of R-220, a 35-seat classroom equipped with 10 computer terminals. The program also has use of a fully equipped nursing lab complete with beds, sinks, and all necessary nursing supplies and equipment.

4. Please describe facilities and space required for the proposed program. Are current facilities adequate for the program? If not, how does the institution propose to provide new facilities?

Current facilities have been and will continue to be adequate to house the program.

BUDGET ANALYSIS

Proposed Program: LPN

Campus: Montana State University - Great Falls College Of Technology

	Year 1		Year 2		Year 3		Year 4		Year 5	
Estimated ENROLLMENT										
FTE Enrollment	22		22		22		22		22	
Estimated Incremental REVENUE										
Use of Current General Operating Funds										
State Funding for Enrollment Growth										
Tuition Revenue										
A. Gross Incremental Tuition Revenue	61,072		62,040		62,040		62,040		62,040	
B. Reductions to Incremental Tuition										
C. Net Tuition Revenue (A-B)	61,072		62,040		62,040		62,040		62,040	
Program/Course Fees	2,970		2,970		2,970		2,970		2,970	
External Funds										
Other Funds (please specify)										
TOTAL Estimated Incremental Revenue	64,042		65,010		65,010		65,010		65,010	
Estimated Incremental EXPENDITURES										
Personal Services	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost
Faculty	3	183,512	3	189,017	3	189,017	3	189,017	3	189,017
Other Staff										
Operating Expenses	6,600		6,600		6,600		6,600		6,600	
Equipment										
Start-up Expenditures										
TOTAL Estimated Incremental Expenditures	190,112		195,617		195,617		195,617		195,617	
Estimated Revenues Over/(Under) Expenditures	(126,070)		(130,607)		(130,607)		(130,607)		(130,607)	

March 1-3, 2006

ITEM 130-2804-R0306 **Approval of Proposal to Offer a Bachelor of Science Degree in Civil Engineering Technology (Montana State University-Northern) and an Associate of Science Degree with a Program of Study in Civil Engineering Technology (Montana State University – Great Falls College of Technology)**

THAT: The Board of Regents of Higher Education authorizes Montana State University-Northern to award a Bachelor of Science Degree in Civil Engineering Technology, and Montana State University – Great Falls College of Technology to award an Associate of Science Degree with a Program of Study in Civil Engineering Technology

EXPLANATION: Montana State University-Northern and Montana State University – Great Falls College of Technology propose the creation of a Bachelor of Science degree program in Civil Engineering Technology (CET) to be offered jointly in Great Falls through a 2+2 articulation agreement of the Associate of Science degree offered by MSU – Great Falls with the Bachelor of Science degree offered by MSU-Northern. The Civil Engineering program is also offered in Havre at the MSU-Northern campus. Students entering the program will take 124 credits leading to a BS degree in CET. MSU-Great Falls will offer the lower division courses, with the exception of four specialized courses that will be offered by MSU-Northern. One lower-division course, CET 173, will continue to be offered by MSU-Great Falls, but MSU-Great Falls will retain MSU – Northern faculty to teach the course in order to preserve program continuity and meet accreditation requirements. All other CET courses will be offered through and taught by MSU-Northern on the MSU – Great Falls Campus. Upon the completion of the General Education core and 27 additional program credits, students will be eligible to receive an Associate of Science degree from MSU-Great Falls.

MONTANA BOARD OF REGENTS

LEVEL II REQUEST FORM

Item No.: 130-2804-R0306 Date of Meeting: March 2-3, 2006
Institution: MSU-Northern and MSU-Great Falls
Program Title: Bachelor of Science Degree in Civil Engineering Technology (Montana State University Northern), and Associate of Science Degree w/ Program of Study in Civil Engineering Technology (Montana State University – College of Technology Great Falls)

Level II proposals require approval by the Board of Regents.

Level II action requested (check all that apply): Level II proposals entail substantive additions to, alterations in, or termination of programs, structures, or administrative or academic entities typically characterized by the (a) addition, reassignment, or elimination of personnel, facilities, or courses of instruction; (b) rearrangement of budgets, cost centers, funding sources; and (c) changes which by implication could impact other campuses within the Montana University System and community colleges. Board policy 303.1 indicates the curricular proposals in this category:

- 1. Change names of degrees (e.g. from B.A. to B.F.A.)
- 2. Implement a new minor or certificate where there is no major or no option in a major;
- 3. Establish new degrees and add majors to existing degrees;
- 4. Expand/extend approved mission; and
- 5. Any other changes in governance and organization as described in Board of Regents' Policy 218, such as formation, elimination or consolidation of a college, division, school, department, institute, bureau, center, station, laboratory, or similar unit.

Specify Request:

MSU-Northern and MSU-Great Falls propose the creation of a Bachelor of Science degree program in Civil Engineering Technology (CET) to be offered jointly in Great Falls through a 2+2 articulation agreement of the Associate of Science degree offered by MSU – Great Falls with the Bachelor of Science degree offered by MSU-Northern. The Civil Engineering program is also offered in Havre at the MSU-Northern campus. Students entering the program will take 124 credits leading to a BS degree in CET. MSU-Great Falls will offer the lower division courses, with the exception of four specialized courses that will be offered by MSU-Northern. One lower-division course, CET 173, will continue to be offered by MSU-Great Falls, but MSU-Great Falls will retain MSU –Northern faculty to teach the course in order to preserve program continuity and meet accreditation requirements. All other CET courses will be offered through and taught by MSU-Northern on the MSU – Great Falls Campus. Upon the completion of the 32 credit General Education core and 30 additional program credits (for a total of 62 credits) students will be eligible to receive an Associate of Science degree from MSU-Great Falls.

M O N T A N A B O A R D O F R E G E N T S

NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

Institution: MSU-Northern and MSU-Great Falls
Program Title: Bachelor of Science Degree in Civil Engineering Technology.

1. How does this program advance the campus' academic mission and fit priorities?

MSU-Northern's Mission Statement commits the institution to providing high quality education in mechanical and engineering technologies while MSU-Great Falls is committed to providing technical training to serve workforce needs and provide access to higher degrees. The proposed program fits the mission of both institutions as it prepares individuals to advance into a four year program that graduates students into well paid jobs that fill the needs of local and national industry for Civil Engineers.

2. How does this program fit the Board of Regents' goals and objectives?

Among the Board of Regents goals is the promise to deliver higher education services in a manner that is efficient, coordinated, highly accessible and responsive to market, employment, and economic development needs of the State and the nation. The proposed program helps the Board of Regents meet both goals by delivering a high value program in an area where the need has been articulated by local employers. The proposed program will be delivered in a collaborative partnership format between two institutions, MSU-Northern and MSU-Great Falls. The Great Falls campus will rely on its current offerings to provide students with the Associate of Science degree, but will rely heavily on MSU-Northern's established lower-division course work for the program of study in Civil Engineering Technology. In turn, MSU – Northern will bring its upper division course work to the Great Falls campus to make it possible for students to complete with Bachelor of Science degree in Great Falls. This program is an example of partnerships encouraged by the Board of Regents where different institutions within the Montana University System share their resources in order to create better access for students.

3. How does this program support or advance Montana's needs and interests?

The types of projects that a CET graduate would be involved in includes design and construction projects for the municipal sector; like subdivisions, airports, traffic designs and configurations, water treatment plants, and sewage treatment plants; for county government with parks, recreational areas, and county roads; for state government with large regional plans, water supply facilities, flood control projects, interstate highway system and state roads, and for the federal government with every department and agency. A student graduating with a CET degree could seek employment at each level of government, with private firms (consultants) and contractors employed by various governments. The governmental agencies, consultants, and contractors could all be located within Montana. For example, Montana has over 1,200 miles of interstate highway and thousands more miles of paved and unpaved roads. Registered professional civil engineers are an essential element in the construction, repair and maintenance of these transportation links, which are vital to the economic and social health of the State. In addition the offering of this program in Great Falls was requested by Malmstrom Air Force Base as a vehicle for the training of military engineers who respond to regional and national disasters and play a vital role in national defense.

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

By the third year of it operation, the CET program in Great Falls is anticipated to be at 29 students per year. This number is conservative and allows for part-time enrollment of Malmstrom Air Force Base personnel. The CET program is accredited by the Technology Accreditation Commission of the Accreditation Board for Engineers and Technology, 111Market Place, Suite 1050, Baltimore, MD 21202-4012 – telephone (410) 347-7700 (TAC/ABET). As a graduate with a TAC/ABET CET program students can choose to fulfill the requirements to become a Licensed Registered Professional Engineer in the State of Montana. Montana Department of Labor statistics indicate that there are 38 openings per year for Civil Engineers in the state. As

of 2002, 1,222 civil engineers were employed in Montana in various capacities. Demand is projected to increase over the next decade reaching 1,401 by 2012. The annual mean income for civil engineers in Montana is \$53,720. The offering of MSU-Northern's program in Great Falls will provide additional individuals to fill the hiring needs of the profession in Montana to plan and manage large scale building projects.

In the 1960s and 1970s governmental activities like the development of the National Aeronautics and Space Administration (NASA) and increase protections for the environment through the creation of Environmental Protection Agency increased the need and participation in engineering and science education. During that period the enrollments in colleges and universities offering degrees in engineering and science increased. Since then the enrollments in these programs have been decreasing while at the same time many of those graduates are beginning to retire. The engineering community is concerned about an adequate supply of graduates to fill the anticipated vacancies in the near future. Governmental agencies and private industry are continually looking for trained and qualified personnel to fill the vacancies. In addition to the Civil Engineer projections stated above, there continues to be the need for adequately trained personnel to work in association with Civil Engineers such as graduates in Civil Engineering Technology. For students who do not plan to acquire a license as a Registered Professional Engineer, there is increasing demand for their knowledge and expertise.

5. What is the program's planned capacity?

• Break-even point?	9
• Enrollments / year?	12
• Graduates / year?	7
• MT jobs / year?	10 (new)

6. Resource Allocation:

• Total program budget?	\$115,480 by year 5
• Faculty FTE?	1.50 by year 5 plus utilization of existing faculty
• Staff FTE?	.25

7. Does this program require new resources? Yes No

If yes, what is the amount?

For MSU-Northern, \$76,400 per year by year 3 (see budget analysis) For MSU – Great Falls, \$7,800 by year 2 to develop and provide instruction for general education course work needed for the degree.

8. How will the campus fund the program?

Through tuition, fees and state allocation for FTE

9. If internal reallocation is necessary, name the sources.

None required

**Montana State University – Northern
and
Montana State University - College of Technology Great Falls**

Program Description

- 1. Briefly describe the proposed new program. Please indicate if it is an expansion of an existing program; a new program; cooperative effort with another institution, business or industry; or an on-campus or off-campus program. Attach any formal agreements established for cooperative efforts.**

The proposed delivery of the B.S. degree in Civil Engineering Technology at the Great Falls College of Technology is intended to provide access for individuals in the Great Falls area to a four-year degree program in Civil Engineering Technology. The program is nationally accredited (ABET) and has been delivered for over 15 years by MSU-Northern.

- 2. Summarize a needs assessment conducted to justify the proposal. Please include how the assessment plan was developed or executed and the data derived from this effort.**

During 2003, personnel from Malmstrom Air Force Base requested a meeting with MSU-Northern personnel to discuss the feasibility of delivering the bachelor's degree in Civil Engineering Technology (CET) in Great Falls for base personnel. After discussions with MSU – Great Falls and the Great Falls Higher Education Center Advisory Council, the two institutions concluded that the feasibility of offering the degree in Great Falls was possible if the two institutions developed a closely aligned partnership and articulation agreement for delivery of the program. The agreement between the two institutions allows the Great Falls COT to deliver all lower division course work (excluding four required CET courses) and MSU-Northern to deliver the four lower-division CET courses and all upper division coursework. One additional lower-division CET course (CET 173) will continue to be delivered by the Great Falls COT; however, MSU – Great Falls will retain an MSU-Northern-approved instructor in the CET program to teach the course.

- 3. Explain how the program relates to the Role and Scope of the institution as established by the Board of Regents.**

The program represents two-year transfer education and four-year baccalaureate education demanded by Montana business and industry. The delivery of this program would be a natural extension of the mission of both institutions and would provide access to a program needed by one of the largest employers (Malmstrom) in Great Falls. The delivery of the program also provides a close alliance between a two-year and four-year institution.

- 4. Please state what effect, if any, the proposed program will have on the administrative structure of the institution. Also indicate the potential involvement of other departments, divisions, colleges, or schools.**

There will be no change to the administrative structure of either institution. All courses and activities will take place either on-site within the Great Falls College of Technology, online, or via NorthNet. The delivery of the program will also enhance access to lower division math and science courses for students in the Great Falls area. Coordination of the program and related services such as advising, marketing, and curriculum revision will be ensured through regular communication between MSU-N's CET Program Director, dean and provost with MSU-Great Falls' Associate Dean for Academic Affairs.

- 5. Describe the extent to which similar programs are offered in Montana, the Pacific Northwest, and the states bordering Montana. How similar are these programs to the one proposed.**

MSU-Northern is the only institution that provides a bachelors degree in Civil Engineering Technology. MSU-Bozeman and Montana Tech of the University of Montana offer engineering degrees. Since all personnel at Malmstrom Air Force Base are full-time employees and are limited in area where they can take the courses, all course work will be offered late afternoon, evenings, weekends, or online. However, the program and courses will be available to all interested individuals.

6. Please name any accrediting agency/ies or learned society/ies that would be concerned with the particular program herein proposed. How has this program been developed in accordance with criteria developed by said accrediting body/ies or learned society/ies?

The bachelors degree in Civil Engineering Technology offered by MSU-Northern is accredited by ABET.

7. Prepare an outline of the proposed curriculum showing course titles and credits. Please include any plans for expansion of the program during its first three years.

Overview of Curriculum

Program Tech Requirements		Institutional Responsibility	
CET 173	3	GF-COT taught by MSU-N faculty	
CET 220	3	MSU-N	
CET 221	3	MSU-N	
CET 181	3	MSU-N	
CET 232	3	MSU-N	
CET 375	3	MSU-N	
CET 385	4	MSU-N	
CET 307	3	MSU-N	
CET 305	3	MSU-N	
CET 315	4	MSU-N	
CET 361	4	MSU-N	
CET 411	4	MSU-N	
CHEM 111 (meets Gen. Ed. Cat III)		GF-COT (CHM 150)	(3)
CIS 110 (meets Gen. Ed. Cat IX)		GF-COT (CS 110 or CHAL 104)	(3)
CIS 171		GF-COT (CS 205)	3
ISSET 410	3	GF-COT	
DRFT 131		GF-COT (DRFT 131)	4
DRFT 156		GF-COT (DRFT 156)	3
DRFT 244	3	GF-COT	
EET 110		GF-COT (EET 110)	3
ENGL 111 or Adv Approved Comm EI		GF-COT (ENGL 121)	(3)
ENGL 112 (meets Gen. Ed. Cat I)		GF-COT (ENGL 122)	(3)
ENGL 366 (meets Gen. Ed. Cat I)*	3	MSU-N	
IET 480	1	MSU-N	
IET 481	2	MSU-N	
IT 100	3	GF-COT	
IT 111	2	GF-COT	
MATH 112 (meets Gen. Ed. Cat II)		GF-COT (MATH 130)	(4)
MATH 125		GF-COT (MATH 131)	3
MATH 133		GF-COT (MATH 181)	4
MATH 220		GF-COT (MATH 182)	4
GSCI 412*	3	MSU-N	
ELECTIVE		Taught by either campus	2
MFGT 427	3	MSU-N	
PHYS 231 (meets Gen. Ed. Cat III)		GF-COT	(3)
PHYS 234 (meets Gen. Ed. Cat III)		GF-COT	(1)
CAT IV – Social Sciences		GF-COT	(3)
CAT V – History		GF-COT	(3)
CAT VI – Cultural Diversity		GF-COT	(3)
CAT VII – Fine Arts		GF-COT	(3)
CAT VIII – Humanities		GF-COT	(3)
General Education Requirements		GF-COT Equivalencies	
Cat I – Communications (6 credits)			

ENGL 112 (required Gen.Ed course)	ENGL 122	3
ENGL 111 (required for this degree) (See proposal for Adv. Communication)	ENGL 121, RI 121	3
<i>Cat II – Mathematics (3 credits)</i>		
MATH 112 (required for this degree)	MATH 130	4
<i>Cat III – Natural Sciences (6 credits)</i>		
CHEM 111 (required for this degree)	CHM 150	3
PHYS 231 (required for this degree)		3
PHYS 234 (required for this degree)		1
<i>Cat IV – Social Sciences (3 credits)</i>	MEETS GF-COT GEN ED.	
<i>Cat V – History (3 credits)</i>	MEETS GF-COT GEN ED.	
<i>Cat VI – Cultural Diversity (3 credits)</i>	MEETS GF-COT GEN ED.	
<i>Cat VII – Fine Arts (3 credits)</i>	MEETS GF-COT GEN ED.	
<i>Cat VIII – Humanities (3 credits)</i>	MEETS GF-COT GEN ED.	
<i>Cat IX – Technology (3 credits)</i>	MEETS GF-COT GEN ED.	
CIS 110 (required for this degree)	CS 110, CHAL 104	3

Course Descriptions

Since this degree is an existing degree, all course descriptions are included in the MSU-Northern or Great Falls COT online or hard copy catalogs.

Faculty and Staff Requirements

- Please indicate, by name and rank, current faculty who will be involved with the program proposed herein.**

Michael Miller, MS, PE
 Larry Strizich, MS, PE
 Jeremy Siemens, BS, PE
 Mark Plante, MS
 Rebecca Johnson, MS
 Adam Wenz, MS
 Colleen Hazen, MA
 Grayce Holzheimer, MFA
 Kirk Mattingly, adjunct

- Please project the need for new faculty over the first five years of the program. Include special qualifications or training. If present faculty are to conduct the program, please explain how they will be relieved from present duties.**

It is projected that during AY 2008, a new faculty member in Civil Engineering Technology will be hired by MSU-Northern for the Great Falls site. This individual will also coordinate and assist with delivery of the program. The Great Falls COT will use adjunct faculty to deliver the additional math and science courses required for the degree until increased enrollment necessitates the hiring of a full-time faculty member. Existing core classes will continue to be offered by current faculty.

- Please explain the need for support personnel or other personnel expenditures.**

No additional support personnel costs are expected. Current support personnel will assist with the program.

Capital Outlay, Operating Expenditures and Physical Facilities

- Please summarize operating expenditure needs.**

All equipment, labs and facilities are in place to support the required courses at either the Havre campus or the Great Falls campus. During the first two years of the program, lab equipment used in the CET classes will be rotated between the Havre campus and the Great Falls campus. Once the

new building in completed in Great Falls, new lab equipment for the physics classes and the CET classes will be added. In order to have an up-to-date CET lab for the Great Falls site, the further development of industry partnerships will continue to be a priority.

- 2. Please evaluate library resources. Are they adequate for operation of the proposed program? If not, how will the library need to be strengthened during the next three years?**

All online library resources to support the proposed degree are already in place. The librarians at the two campuses will continue to work closely together to provide library materials that will support the program at both locations.

- 3. Please indicate special clinical, laboratory, and/or computer equipment that will be needed. List those pieces of equipment or computer hardware presently available in the department.**

MSU-Northern already has a fully-equipped CET lab. During the first two years of the program (and until the new building is completed) equipment will be rotated between the Havre and Great Falls sites.

- 4. Please describe facilities and space required for the proposed program. Are current facilities adequate for the program? If not, how does the institution propose to provide new facilities?**

The space demands will be met by making space available in the present auto body facility, which is under-utilized in the late afternoon and evening hours.

Evaluation of the Proposed Program

- 1. Please name faculty committees or councils that have reviewed and approved the program herein proposed.**

The proposed program has been reviewed by the faculty and administration at Montana State University – Northern and the Great Falls College of Technology.

BUDGET ANALYSIS

Proposed Program: B.S. Civil Engineering Technology

Campus: Great Falls

Estimated ENROLLMENT	Year 1		Year 2		Year 3		Year 4		Year 5	
FTE Enrollment	7		17		29		39		45	
Estimated Incremental REVENUE										
Use of Current General Operating Funds										
State Funding for Enrollment Growth	\$13,216		\$32,096		\$54,751		\$73,632		\$84,960	
Tuition Revenue										
A. Gross Incremental Tuition Revenue	\$28,567		\$69,377		\$118,349		\$159,152		\$183,645	
B. Reductions to Incremental Tuition	\$0									
C. Net Tuition Revenue (A-B)										
Program/Course Fees	\$0		\$1,275		\$2,175		\$2,925		\$3,375	
External Funds										
Other Funds (please specify)										
TOTAL Estimated Incremental Revenue	\$41,783		\$102,748		\$175,276		\$235,709		\$271,980	
Estimated Incremental EXPENDITURES										
Personal Services	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost
Faculty		\$15,600		\$27,300	1.25	\$76,400	1.25	\$83,580	1.5	\$99,180
Other Staff		\$6,000		\$6,000		\$6,000		\$7,000		\$7,000
Operating Expenses	\$4,300		\$4,700		\$3,200		\$3,400		\$3,600	
Equipment	\$3,000		\$4,000		\$12,000		\$3,500		\$3,500	
Start-up Expenditures <i>Includes Library</i>	\$1,000		\$1,000		\$2,000		\$2,100		\$2,200	
TOTAL Estimated Incremental Expenditures	\$29,900		\$43,000		\$99,600		\$99,580		\$115,480	
Estimated Revenues Over Expenditures	\$11,883		\$59,748		\$75,676		\$136,129		\$156,500	

INSTRUCTIONS

Please Note: The narrative that is prepared for Level II items may be used to explain and expand the information in the budget analysis. In fact, a discussion of the numbers is encouraged.

Estimated Enrollment

FTE Enrollment

Provide estimates for each year until the proposed program is fully implemented and expenditures/revenues/enrollment reflect a mature program. For example, a two-year program would probably include estimated enrollment for only 2-3 years. If possible, in the Level II narrative, please provide an estimate of both new students and current students who may shift to this program. Although student FTE estimates are always tricky, additional details like number of resident, non-resident and WUE students may be appropriate information for the Level II narrative.

Revenue
General Operating Funds:
Include existing general operating funds allocated to support the proposed program. Please specify where the reallocated funds are coming from. For example, is another program being reduced?
State Funding for Enrollment Growth:
Include \$1,888/FTE for each year of the biennium following the next consideration of resident enrollment growth by the Legislature. For example, a program proposed in November 2003 could not receive enrollment growth funding until FY06.
Tuition:
Use lines A, B, & C to determine the tuition revenue available to be applied directly to the program.
Incremental Tuition Revenue:
Include gross incremental tuition revenue generated by the increased enrollment in the proposed program (enrollment times tuition rate, by category). Obtain these rates for your institution from the Inventory of Fees.
Reductions to Incremental Tuition:
Include fee waivers, academic support, institutional support, etc. Provide detail in narrative.
Net Tuition Revenue:
Calculate net revenue as gross incremental tuition revenue minus tuition reductions, then copy to next column(s).
Program/Course Fees:
Identify the estimated amount to be collected.
External Funds:
Include federal funds, state earmarked dollars, grant funds, private funds, and other external funds.
Expenditures (Incremental Expenditures for Proposed Program Only)
Personal Services:
Itemize new employee FTE salary and benefits using your institution's budgeted benefits rate. If faculty time is being reallocated, you may want to include this information in the Level II narrative along with the impact that will have on current responsibilities.
Operating Expenses:
Include library resources, professional services, travel, materials, supplies, equipment <\$5, 000, etc.
Equipment:
Include only capitalized equipment (>\$5,000). Equipment with a per item cost of less than \$5,000 should be included with operating expenses.
Start-up Expenditures:
Include one-time only expenditures, marketing expenditures, accreditation expenditures, etc.

March 1-3, 2006

ITEM 130-1018-R0306 **Approval of a minor in Irish Studies; The University of Montana-Missoula**

THAT: In accordance with Montana University System Policy, the Board of Regents of Higher Education authorizes The University of Montana-Missoula to create a minor in Irish Studies.

EXPLANATION: The College of Arts and Sciences, in collaboration with The School of Fine Arts, proposes a minor in Irish Studies that will provide students with access to instruction in the fields of language, history and literature. This academic and artistic approach to the subject of Irish culture involves an interdisciplinary and inter-collegiate collaboration that brings together leading scholars in the humanities and in the creative arts. A key objective of this minor is to build on the high quality of scholarship produced by past and present faculty and to enhance the reputation of The University of Montana as a center of excellence in language, literature, history and the creative arts.

MONTANA BOARD OF REGENTS

LEVEL II REQUEST FORM

Item No.: 130-1018-R0306 Date of Meeting: March 1-3, 2006
Institution: The University of Montana - Missoula
Program Title: Minor in Irish Studies

Level II proposals require approval by the Board of Regents.

Level II action requested (check all that apply): Level II proposals entail substantive additions to, alterations in, or termination of programs, structures, or administrative or academic entities typically characterized by the (a) addition, reassignment, or elimination of personnel, facilities, or courses of instruction; (b) rearrangement of budgets, cost centers, funding sources; and (c) changes which by implication could impact other campuses within the Montana University System and community colleges. Board policy 303.1 indicates the curricular proposals in this category:

- 1. Change names of degrees (e.g. from B.A. to B.F.A.)
- 2. Implement a new minor where there is no major;
- 3. Establish new degrees and add majors to existing degrees;
- 4. Expand/extend approved mission; and
- 5. Any other changes in governance and organization as described in Board of Regents' Policy 218, such as formation, elimination or consolidation of a college, division, school, department, institute, bureau, center, station, laboratory, or similar unit.

Specify Request:

The College of Arts and Sciences, in collaboration with The School of Fine Arts, proposes a minor in Irish Studies that will provide students with access to instruction, in the fields of language, history and literature. This academic and artistic approach to the subject of Irish culture involves an interdisciplinary and inter-collegiate collaboration that brings together leading scholars in the humanities and in the creative arts.

MONTANA BOARD OF REGENTS

NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

ITEM 130-1018-R0307

Institution: The University of Montana - Missoula

Program Title: Minor in Irish Studies

1. How does this program advance the campus' academic mission and fit priorities?

A key objective of this minor is to build on the high quality of scholarship produced by past and present faculty and to enhance the reputation of The University of Montana as a center of excellence in language, literature, history and the creative arts.

2. How does this program fit the Board of Regents' goals and objectives?

This unique program provides an educational experience across disciplines that focuses on scholarship and creative contribution. In addition, the program further promotes international exchange with the University College-Cork in Ireland.

3. How does this program support or advance Montana's needs and interests?

Given our historical connections in Montana to Ireland, the establishment of an Irish Studies minor will not only provide a greater understanding of the Irish, but also the people of Montana. Furthermore, the minor, by explicating the depth and breadth of Montana's and the nation's diversity, will contribute positively toward incorporating diversity as an integral component of Montana and The University of Montana's past, present, and future.

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

There are major cultural and economic benefits that could accrue to The University of Montana and to the state of Montana in general through the Irish Studies minor. Increased enrollment and acquisition of federal, international, and community funding will result from having the minor. A cross-disciplinary Irish Studies minor also will enhance a number of cooperative ventures between departments, colleges, and other universities in the region.

There are no developed Irish Studies programs in the American West that offer such a scholarly program. Thus we would attract students from a large market, with the potential to attract a broad spectrum of students.

5. What is the program's planned capacity?

• Break-even point?	8	FTE students
• Enrollments / year?	27	
• Graduates / year?	NA	
• MT jobs / year?	NA	

6. Resource Allocation:

• Total program budget?	\$ 37,000
• Faculty FTE?	1
• Staff FTE?	0

7. Does this program require new resources? Yes No

If yes, what is the amount? \$ _____

8. How will the campus fund the program?

Current funding within the College of Arts and Sciences and the School of Fine Arts will cover the expenditures associated with the program. In addition, external funding is being pursued in order to supplement tuition income.

9. If internal reallocation is necessary, name the sources.

NA

I. Objectives and Need

1. Description of Program: The College of Arts and Sciences, in collaboration with The School of Fine Arts, proposes a minor in Irish Studies that will provide students with access to instruction in the fields of language, history and literature. This academic and artistic approach to the subject of Irish culture involves an interdisciplinary and inter-collegiate collaboration that brings together leading scholars in the humanities and in the creative arts.

A key objective of this minor is to build on the high quality of scholarship produced by past and present faculty and to enhance the reputation of The University of Montana as a center of excellence in language, literature, history and the creative arts. Courses in Irish history will focus on the experience of the Irish in the United States, their role in shaping the course of American history and their impact on their homeland. Students in the history courses will receive a solid training in the skills and practices of primary research to complement the excellence of instruction imparted to them in the classroom.

Closely allied to the study of history is the study of literature in both the English and Irish languages. Irish writers in the English language such as Joyce, Beckett, Yeats and others form a core of writers whose work has been the subject of courses offered at The University of Montana for years. In addition, new coursework will focus on writing emanating from the contemporary conflict in Northern Ireland. This literature provides an understanding of the ravages of sectarian violence, as well as a look at the hopefulness of the peace process and its model for tolerance and multi-ethnic inclusiveness.

This minor assumes a pioneering role in offering students the opportunity to study the literary tradition of the Irish language, and offers a way to understand how the experience of conquest and colonization can be connected to the experience of other cultures and identities such as Native American peoples. By providing students with access to the literature of Gaelic Ireland in translation, The University of Montana stands alone as the only institution west of the Mississippi to offer such courses.

This minor is unique in the West for the centrality it accords Irish Gaelic culture in general and the Irish language in particular and in so doing places The University of Montana alongside the University of Notre Dame as the only two institutions in the country with this emphasis. While this commitment may be seen as a logical extension of UM's long involvement in the promotion of the Irish language, it is also true that the need to investigate the place of the Irish language and culture in the formation of the Irish identity in America is an equally important consideration. The dearth of investigative research in this area can be traced to a lack of scholars familiar with the Irish language. This minor proposes the first step towards producing a future crop of scholars with the linguistic training necessary to engage this important aspect of the Irish historical experience.

This minor also recognizes the need to accommodate a growing local and nationwide demand for instruction in the language. Indeed, it was in response to this demand that the University initially got involved in teaching Irish and became aware of the great need for teachers. This minor takes a bold step in meeting this need by providing students with intensive courses designed to produce fluent speakers and competent teachers of the language.

Coupled with the language and history courses are courses that give students access to the music, dance and various other artistic aspects of the Irish culture. It is an aim of this minor to bring together the artistic and imaginative impulse that has shaped theatre and film in Montana and Ireland in a manner that is not only intellectually rewarding for our students, but also appealing to the larger community.

Finally, the minor creates an opportunity for others to make a significant investment of financial and intellectual resources to the university. It will be an attractive investment for the Irish-American community, while, at the same time, will provide a means to access the financial support made available for programs of this sort through the Irish government and the European Union. Intellectually, it facilitates the development of new relationships with other institutions engaged in this field of study. Foremost among these institutions is our sister college, University College, Cork, Ireland [UCC], This minor will mediate the collaboration of student and faculty, the exchange of knowledge and expertise, and the integration of the Irish and American perspectives between both institutions. Such an alliance will be fruitful and will allow this minor to be a natural complement to the existing courses at UM and as a genuinely international program of study.

2. Documented Need for the Program: For the past five years faculty, students, Irish diplomats and members of the administration have been engaged in conversation regarding the implementation of an Irish Studies minor. One clear reason for the enthusiasm demonstrated by such conversations is that students themselves are keen to take courses in Irish Studies. Currently offered Irish and Irish-American history courses are popular, always full to capacity (80-100 students). Similarly, courses in Irish Literature are highly subscribed.

The Irish language courses, once they are listed in the course catalogue and accorded credit status by Modern and Classical Language, will be in equal demand.

This demand for coursework in Irish Studies is the result of a number of factors: the role of the Irish Diaspora in the forging and development of American history; a renaissance in Irish and Irish American culture; the place and role of Ireland in discourses and activities central to the development and devolution of nationalism and imperialism in the twentieth century; the connections between Irish and Native American Indians under colonialism; the regionally specific labor and ethnic experience of Butte; and, finally, the resurgence of the Irish language.

The plans for an Irish Studies minor at The University of Montana have already attracted a good deal of international attention. The former Irish Consul-General in San Francisco, Dónal Denham traveled to Montana several years ago in order to promote such a program. Moreover, one of Ireland's premier institutions of higher education, University College, Cork, has already guaranteed its support for such a program. University College Cork has already developed connections with The University of Montana.

There are major cultural and economic benefits that could accrue to The University of Montana and to the Montana in general through the Irish Studies minor. Increased enrollment and acquisition of federal, international, and community funding will result from having the minor. A cross-disciplinary Irish Studies minor also will enhance a number of cooperative ventures between departments, colleges, and other universities in the region.

There are no developed Irish Studies programs in the American West that offer such a scholarly program. Thus we would attract students from a large market, with the potential to attract a broad spectrum of students. Furthermore, the minor, by explicating the depth and breadth of Montana's and the nation's diversity, will contribute positively toward situating diversity as an integral component of Montana and University of Montana's past, present, and future.

3. Additional Courses and Course Requirements

The minor in Irish Studies will require the successful completion of at least six courses (18 credits), including four courses in the core area.

Required Courses: At least 18 credits, including twelve credits from the required core courses (4 classes) and six credits from the elective courses (2 classes).

Core Courses: Irish language, history, literature, and culture. The core courses are a required cluster of twelve credits (4 classes) for all students pursuing the minor.

MCLG 195 Irish Language Studies: Irish I	3 credits
MCLG 195 Irish Language Studies: Irish II	3 credits
HIST 249 The Irish and Irish-Americans	3 credits
ENLT 322 Irish and/or Northern Irish Literature (in English)	3 credits
or	
ENLT 395 Special topics in Irish and/or Northern Irish Literature, Culture, and Film	

Elective Courses: Students will complete at least six credits (2 classes) from the following courses:

DAN 195 Irish Dance	3 credits
DAN 395 Irish Dance	3 credits
DRAM 395 Irish Theatre: From Yeats to McDonagh	3 credits
ENLT 321 Major Author: Joyce	3 credits
ENLT 322 Irish/Northern Irish Literature	3 credits
ENLT 325 Poetry and Partition	3 credits
ENLT 395 Literature of the Gaelic Revival	3 credits
ENLT 395 Gaelic Culture in Crisis	3 credits
ENLT 395: Four Green Fields: Irish/Irish-American Film	3 credits
ENLT 395 The Troubles and its Tales	3 credits
ENLT 430 Multicultural British Literature	3 credits
ENLT 431 Senior Seminar: James Joyce	3 credits
HIST 249 The Irish and Irish-Americans	3 credits
LS 381 Special Topics: Irish Film	3 credits
MCLG 195 Irish Language Studies: Irish III	3 credits

MUS 195 Traditional Music in Ireland
 MUS 495 Traditional Music in Ireland

3 credits
 3 credits

The majority of core and elective courses are offered under the current curriculum structure.

II. Adequacy, Accreditation, and Assessment Issues

1. Adequacy of Present Faculty, Facilities, Equipment, and Library Holdings: All members of the faculty who will participate in the Irish Studies minor are active teachers and researchers with advanced degrees from major institutions of higher learning. Current faculty include:

Professors/Academic Areas

Ione Crummy: Language acquisition theory, French, French and Irish political and cultural relations, Irish language.

David Emmons: The Irish in the West, history of Butte, labor history, historiography, Irish-American history, Irish history.

Janet Finn: Labor, feminism, and Butte, social work, women's studies and Latin American studies.

Gregory Johnson: Artistic Director of the Montana Repertory Theatre, Irish theatre, Abbey Theatre, acting, directing.

John Hunt: Contemporary Irish Fiction, Joyce, literature of the English Renaissance.

Katie Kane: Irish and Native American colonial and post-colonial experience, ethnic studies, seventeenth century Ireland.

Michael Murphy: Film, film theory, filmmaking, Irish film, and Irish-American film.

Sean O'Brien: Irish and Irish American film, documentary, filmmaking, practical ethics, philosophy.

Traolach Ó Ríordáin: Irish language, nationalism, Gaelic culture, Irish literature in Irish, Irish history, Irish religious history and philosophy.

Eric Reimer: Contemporary Irish and Northern Irish literature and film; Troubles fiction; contemporary British literature; postcolonial theory.

Patrick Williams: music, composition, theory, aural perception, and 16th- and 18th-century counterpoint, Irish Music

Affiliated Faculty:

Kevin Canty: Creative writing, contemporary fiction.

Deirdre McNamer: Creative writing, contemporary fiction, literature of Montana.

Library Resources: A review of library holdings indicate that there exists a resource baseline, covering contemporary Irish literature, Irish history, Irish-American history, Butte, history of the American West, and colonial and post colonial theory. Particular strengths in history and culture lie in literature about Native Americans of North America, with additional strengths in Western history. There is, therefore, a strong infrastructure already in place that would allow for holistic, comparative, diachronic research.

Any deficiencies in research holdings are currently being addressed by several kinds of electronic-access procedures. Access to vital resources is further improved by interlibrary loan for student and faculty research. Future additions will be requested as part of the library's existing processes.

Facilities and Equipment: To implement the proposed minor requires no special equipment. Each faculty office is provided with a computer that is replaced on a three-year rotational cycle. The affiliated departments and Colleges operate and maintain language laboratories, theatre space, classrooms, and presentation technology. The departments have adequate faculty, facilities, equipment, and library holdings to maintain a successful minor. Space for physically housing all faculty is at capacity, but adequate for current needs.

2. Accreditation Status: There are no accrediting agencies identified that currently would have particular concerns with the program herein proposed. However, faculty at The University of Montana have developed links with at least two important Irish Studies programs in the country who are prepared to make their knowledge and expertise available. The proposed minor program fits the standards of professional training in these other programs.

3. Assessment Issues: The associated departments will use a number of instruments to track the degree of success achieved by students in the Irish Studies minor. Recruitment of undergraduate students and their completion of the minor are the critical points for measurement of program success. The departments and faculty will track the number of applications to the minor as well as the number of students who participate in course work. Students also will be tracked using average course work GPA, competence on exams, and other criteria to monitor program quality. The department also recognizes that student retention rates are an indicator

of program health. Accordingly the department will track the number of matriculating undergraduate students along with the number that complete the minor, withdraw, or are pursuing their degree objectives. Successful employment of graduates will also be tracked. Assessment results are reported to the faculty via the department's annual report and in faculty planning meetings. Based on these data, the associated faculty will make suggestions for changes to the faculty.

III. Impact on Faculty, Costs, Students, and Other Departments and Campuses

1. **Additional Faculty Requirements:** Dr. David Emmons

2. **Impact on Facilities:** The proposed program will have no immediate effects on either the College of Arts and Sciences or the College of Fine Arts. Support staff is adequate, given the current number of faculty, teaching assistants, students, and other departmental activities.

3. **Cost Analysis**

BUDGET ANALYSIS

Proposed Program: Minor in Irish Studies										
Campus: Mountain										
	Year 1		Year 2		Year 3		Year 4		Year 5	
Estimated ENROLLMENT										
FTE Enrollment	8		16		22		27		27	
Estimated Incremental REVENUE										
Use of Current General Operating Funds	0		0		0		0		0	
State Funding for Enrollment Growth	0		0		41,536		50,976		50,976	
Tuition Revenue										
A. Gross Incremental Tuition Revenue	40,207		80,413		110,568		135,698		135,698	
B. Reductions to Incremental Tuition	0		0		0		0		0	
C. Net Tuition Revenue (A-B)	40,207		80,413		110,568		135,698		135,698	
Program/Course Fees	0		0		0		0		0	
External Funds			0		0		0		0	
Other Funds (please specify)			0		0		0		0	
TOTAL Estimated Incremental Revenue	40,207		80,413		152,104		186,674		186,674	
Estimated Incremental EXPENDITURES										
Personal Services	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost
Faculty	1.0	37,000	1.0	37,000	1.0	37,000	1.0	37,000	1.0	37,000
Other Staff	0	0	0	0	0	0	0	0	0	0
Operating Expenses	0		0		0		0		0	
Equipment	0		0		0		0		0	
Start-up Expenditures	0		0		0		0		0	
TOTAL Estimated Incremental Expenditures	37,000		37,000		37,000		37,000		37,000	
Estimated Revenues Over/(Under) Expenditures	3,207		43,413		115,104		149,674		149,674	

4. Enrollment Impact: Planned Student Enrollment

	<u>First Year/05</u> <u>FTE Headcount</u>	<u>Second Year/06</u> <u>FTE Headcount</u>	<u>Third Year/07</u> <u>FTE Headcount</u>	<u>Third Year/08</u> <u>FTE Headcount</u>	<u>Fifth Year/09</u> <u>FTE Headcount</u>
A. New Enrollment	6	10	10	15	15
B. Shifting Enrollment	2	6	12	12	12
Total Enrollment	8	16	22	27	27

IV. Process Leading to Submission of Proposal

This proposal will be reviewed and approved by the Departments of English, History, Modern and Classical Languages and Literatures, the Dean of the College of Arts and Sciences, the Dean of the College of Fine Arts, the Provost and Vice President for Academic Affairs, and the Faculty Senate of The University of Montana. No outside consultants were employed for the development of this proposal.

March 1-3, 2006

ITEM 130-1503-R0306

Approval of Proposal to offer an Bachelors of Science and Masters of Science in Electrical Engineering; Montana Tech of The University of Montana.

THAT:

The Board of Regents of Higher Education authorizes Montana Tech of The University of Montana to offer a B.S. and M.S. in Electrical Engineering; Montana Tech of The University of Montana.

EXPLANATION:

Montana Tech of the University of Montana proposes that the B.S. and M.S. in General Engineering Electrical Engineering Option be offered as a standalone Bachelor of Science Degree in Electrical Engineering and a Master of Science Degree in Electrical Engineering. The change will improve the marketability and job opportunities for the graduates.

Through internal review and consultation with an external ABET expert, Montana Tech fully expects that the change proposed here will require no added faculty, laboratories, or costs. The BSEE program proposed here is anticipated to meet the requirements for a standalone EE accredited degree. Also, the proposed degrees will be housed within the General Engineering Department and maintain their multi-disciplinary character.

In addition to improving student opportunities, the proposed changes will also help support a growing externally funded research program at Montana Tech. In partnership with MSE Technologies, Montana Tech has recently been awarded a \$2,000,000 federally funded research grant to develop intelligent electric power technologies. The majority of this money will be dedicated to conducting research at Montana Tech. Tech's principal goal is to develop a world-class educational and research capability. The proposed degrees are the backbone to this capability.

MONTANA BOARD OF REGENTS

LEVEL II REQUEST FORM

Item No.:	130-1503-R0306	Date of Meeting:	March 1-3, 2006
Institution:	Montana Tech of The University of Montana		
Program Title:	B.S. and M.S. General Engineering Electrical Engineering Option		

Level II proposals require approval by the Board of Regents.

Level II action requested (check all that apply): Level II proposals entail substantive additions to, alterations in, or termination of programs, structures, or administrative or academic entities typically characterized by the (a) addition, reassignment, or elimination of personnel, facilities, or courses of instruction; (b) rearrangement of budgets, cost centers, funding sources; and (c) changes which by implication could impact other campuses within the Montana University System and community colleges. Board policy 303.1 indicates the curricular proposals in this category:

- 1. Change names of degrees (e.g. from B.A. to B.F.A.)
- 2. Implement a new minor where there is no major;
- 3. Establish new degrees and add majors to existing degrees;
- 4. Expand/extend approved mission; and
- 5. Any other changes in governance and organization as described in Board of Regents' Policy 218, such as formation, elimination or consolidation of a college, division, school, department, institute, bureau, center, station, laboratory, or similar unit.

Specify Request:

Montana Tech of the University of Montana proposes that the Electrical Engineering option in both the B.S. and M.S. degrees be offered as a Bachelor of Science Degree in Electrical Engineering and a Master of Science Degree in Electrical Engineering. The change will improve the marketability and job opportunities for the graduates.

M O N T A N A B O A R D O F R E G E N T S

NEW ACADEMIC PROGRAM PROPOSAL SUMMARY

Campus: Montana Tech of the University of Montana

Program Title: B.S. and M.S. in General Engineering Electrical Engineering Option

1. How does this program advance the campus' academic mission and fit priorities?

Montana Tech of The University of Montana is a specialty institution emphasizing science and engineering, with occupational programs through graduate work. The vision is to be a leader for undergraduate and graduate education and research in the Pacific Northwest in engineering, science, energy, health, information sciences and technology. Its mission is to meet the changing needs of society by supplying knowledge and education through a strong undergraduate curriculum augmented by research, graduate education and service.

2. How does this program fit the Board of Regents' goals and objectives?

The fundamental goal of: *Assist in the expansion and improvement of the state's economy through the development of high value jobs and the diversification of the economic base*, is the basis for this program. Energy generation and its delivery to the end user are critical in any economy. Many government and private sector studies have found that to alleviate the growing problem in failing systems, the electric energy industry must apply advanced technology solutions over the next several decades. Because modern electric power systems represent the largest and most complex engineering systems in the world, the projected demand for electrical engineers is significant.

3. How does this program support or advance Montana's needs and interests?

Of the 18 students who reported internships through the career services the last three years, 8 students in the General Engineering – Electrical Engineering Options worked in Montana. Over the last three years, 8 students have been placed in internships with Montana companies, including Northwestern Energy, Maxim Technologies, Stillwater Mining, MSE-TA, Semitool, and MT DOT. There were 28 graduates of the option from 2002, 2003, 2004, 4 were placed in permanent positions in MT. Those companies are Rightnow Technologies, MSE Power Engineer, and ASiMI.

4. How will this program contribute to economic development in Montana? (Note projected annual economic impact both regionally and statewide.)

While there are not clear examples of how this program will contribute to the economic development of Montana, the students will be clearly equipped to work in a variety of areas such as the Missoula Heart Institute.

5. **What is the program's planned capacity?** **80 full enrollment target**
 Break-even point? 45 FTE students
 Enrollments/year? 15/yr
 Graduates/year? 8 or 9
 MT jobs/year? 1-4

6. **Resource Allocation**

Total program budget? \$350,000

Faculty FTE? 3.5 S

Staff FTE? 0.25

Does this program require new resources? No

How will the campus fund the program?

The current option in electrical engineering is funded through the General Engineering program.

If internal reallocation is necessary, name the sources

The current options are housed within the administrative structure of the General Engineering Program. Funds currently allocated to the General Engineering Electrical Engineering Option operations will be allocated to the Electrical Engineering program.

Level II Request for a BSEE and MSEE programs at Montana Tech**1. Introduction**

Currently, Montana Tech of the University of Montana offers a Bachelor of Science Degree in General Engineering and Masters of Science Degree in General Engineering. Within the Bachelor of Science Degree, students choose from the following emphasis options: Civil Engineering; Electrical Engineering (EE); Mechanical Engineering; Welding Engineering, or no option. The General Engineering BS degree is accredited by the Accreditation Board of Engineering and Technology (ABET) while the options are not accredited. Within the MS degree, students have the choice of an EE option, or no option. When awarded a degree, the student's transcript reads

“B.S. in General Engineering, Electrical Engineering Option,” or

“M.S. in General Engineering, Electrical Engineering Option.”

Montana Tech of the University of Montana proposes that the Electrical Engineering option in both the B.S. and M.S. degrees be offered as a standalone Bachelor of Science Degree in Electrical Engineering and a Master of Science Degree in Electrical Engineering. This change will allow Montana Tech to seek ABET accreditation for the BSEE portion of the degree. The primary purpose of the change is to improve the marketability and job opportunities for the graduates.

Through internal review and consultation with an external ABET expert, Montana Tech fully expects that the change proposed here will require no added faculty, laboratories, or costs. The BSEE program proposed here is anticipated to meet the requirements for a standalone EE accredited degree. Accreditation will be sought upon approval of the proposal by the BOR. Also, the proposed degrees will be housed within the General Engineering Department and maintain their multi-disciplinary character.

In addition to improving student opportunities, the proposed changes will also help support a growing externally funded research program at Montana Tech. In partnership with MSE Technologies and federal government national labs, Montana Tech has recently been awarded a \$2,000,000 federally funded research grant to develop intelligent electric power technologies. The award is part of an expected \$9,000,000 over three-year award. The majority of this money will be dedicated to conducting research at Montana Tech. Tech's principal goal is to develop a world-class educational and research capability. The proposed degrees are the backbone to this capability.

2. Background, Objective, and Need

The primary objective of the proposed changes is to improve the marketability of and opportunities for Montana Tech graduates. After completing a rigorous degree program, Montana Tech students deserve the opportunity to compete for professional jobs on a level playing field. The proposed changes will provide this opportunity.

The current B.S. in General Engineering/EE option provides the graduate with a general engineering background with focused emphasis in EE. Graduates gain both the breadth of the general engineering degree and the depth of the traditional EE degree. Students can select upper-division design courses in the areas of instrumentation and control, and electric energy. The instrumentation and control emphasis is a long-standing tradition of the program that serves many needs in the process and minerals industries. The electric energy focus has been developed over the last few years primarily through externally funded research grants to serve the growing demand in the electric power industry. Electric energy technologies focus on the production and delivery of electric power. Modern power production examples include fossil fuel, hydro, wind, and fuel cells. Power delivery typically refers to high-voltage electric power grids.

Electrical Engineering is the largest engineering discipline in the world and serves nearly every modern industry. Approximately one-fourth of all engineering graduates today are of the electrical discipline. Electrical engineers are the principal technologists in areas such as communication systems, computer design, electronics, automation, and energy. The growing demand for electrical engineering expertise is especially acute in the energy industry. There are approximately 290 ABET-accredited BSEE programs in the United States, and the number continues to grow. Within the region, this includes three programs in Idaho (two added since 1999), two in North Dakota, two in South Dakota, one in Wyoming, and one at Montana State University – Bozeman, as well as Montana Tech's proposed program.

There are far fewer General Engineering/EE option programs, with the trend that some are re-accrediting as BSEE programs as proposed by Montana Tech. For example, Idaho State University re-

accredited the B.S. General Engineering/EE option as a BSEE degree in 1999. Their primary reason for the re-accreditation is the same as Tech's (i.e., improved marketability and competitiveness of students).

Despite the success of the current EE option, many potential employers that are not familiar with the program will not consider graduates for positions for which these graduates are qualified. Many employers require an ABET accredited EE degree and do not recognize the General Engineering degree with an EE option as a viable substitute. This occurs primarily because the EE-option portion of the General Engineering degree is not accredited, therefore, upper-level EE courses do not receive the scrutiny and evaluation that they would under an ABET accredited BSEE degree. Therefore, potential employers cannot be assured of the quality of the program. By offering the EE option as a standalone degree, Montana Tech will be able to seek ABET accreditation as a Bachelor of Science in Electrical Engineering program thus assuring quality graduates to potential employers. Renaming the M.S. program to a MSEE program will also benefit student marketability and opportunities.

A second issue in marketing General Engineering/EE option students relates to the method many companies use to search for potential employees. When looking to fill an electrical engineering position, the first contact many applicants will have with the company is the Human Resources (HR) department. The HR staff is typically instructed to screen all candidates with an ABET accredited BSEE or MSEE degree. This immediately removes General Engineering/EE option students. Use of web-based and automated searching software has made the problem worse.

This issue is best illustrated by comments from industry experts in their letters of support for this proposal (see Appendix I). Two examples include the letters from Dr. Matt Donnelly and Mr. Bob Morris. Dr. Donnelly is a senior member of the research staff at Pacific Northwest National Laboratory (PNNL). PNNL is a US Department of Energy (USDOE) national research laboratory employing approximately 4000 researchers and staff located in Richland, WA. His duties include directing and managing several million dollars of USDOE research funding aimed toward the electric energy industry. In this capacity he works closely with many universities and electric energy industrial entities. Also, he is a well-recognized research leader in the industry. In evaluating Montana Tech's proposal, he makes several points, one of them being:

"A second point I would like you to consider is the changing approach to recruiting within HR departments at large firms such as PNNL. I have appended a currently outstanding job requisition from PNNL's Energy and Engineering Division. Using web-based tools for submitting resumes and applications, most of the initial screening is now being handled by HR professionals with little expertise in my technical area. It would take a highly skilled HR staff member within my firm to recognize that Montana Tech has a high quality EE option within the General Engineering degree. It is more likely that prospective candidates would be screened as not meeting the Minimum Requirements (no EE degree) before the resume ever came to my desk."

Mr. Bob Morris is a Montana Tech graduate and has held positions of increasing responsibility at Schweitzer Engineering Laboratories (SEL) since 1991; this includes a Vice President position. SEL is a major supplier of control system components for the electric power industry employing over 1000 people located in Pullman, WA. In relating his experiences, Mr. Morris states:

"When a job opens up at a company, the first screen is usually a non-technical Human Resources (HR) professional. If the resume doesn't say EE, the HR people discard it before it gets to the hiring manager. Let's remove this obstacle and give the bright, hard working students of Montana Tech a fighting chance. An ABET recognized EE degree will help elevate the General Engineering program to the same prominence as the Petroleum, Mining, Environment Engineering, and Geology/Geophysics degrees."

Other letters of support in Appendix I echo similar concerns. From industry, this includes a letter from Mr. Jeff Ruffner, General Manager and Senior Vice President at MSE Technologies in Butte, and a letter signed by the members of the General Engineering Industrial Advisory Board (IAB). The IAB members consist of senior engineers and business leaders from several Montana and Northwest Regional companies and government agencies that employ engineers. A third letter is from students at Montana Tech who are currently in the electrical program. A student survey showing unanimous support was conducted at a student meeting and is contained in Appendix II.

2.1. Industry Needs

Montana Tech's BOR-approved vision is: **To be a leader for undergraduate and graduate education and research in the Pacific Northwest in engineering, science, energy, health, information**

sciences and technology. Consistent with this vision, the current EE-option programs have focused on serving the needs in the process, minerals, and energy industries. To serve these industries, the General Engineering department offers upper-division elective courses in the areas of instrumentation and control, and electric energy and power. Serving these industries and focus areas will continue to be the principal mission of the new BSEE and MSEE programs proposed here.

The projected demand for engineers in the electric energy industry is especially sharp. It is a well-documented fact that growth of the industry's infrastructure has not kept up with demand over the last four decades. Recent indicators of this include the significant increase in power outages over the last decade; this includes the massive outages experienced by the western North American power system in August and July 1996, and the August 2003 east-coast power outage. These are the first massive outages since the northeast coast outage in 1965. Many government and private sector studies have indicated that to alleviate the growing problem, the electric energy industry must apply advanced technology solutions over the next several decades. This is resulting in significantly increased federal government research funding in this area. Because modern electric power systems represent the largest and most complex engineering systems in the world, the projected demand for electrical engineers has been characterized in several studies to be significant.

Testimony on the regional industry needs are provided from several experts in the attached letters of support. One of these is given by Mr. David Gates, Vice President of Transmission Operation at NorthWestern Energy located in Montana, in his letter of support for this proposal, he states:

"The electric power industry is facing something of a crisis due to the lack of new electrical engineers trained in power engineering. NorthWestern Energy itself recently experienced a disappointing lack of qualified candidates for its most sophisticated electrical engineering positions in the area of Transmission Planning. I am pleased to see that you recognize this need and are proposing a solution."

Dr. Donnelly adds to this point with:

"Finally, I would like to bring to your attention the burgeoning need for engineers in the energy arena. The energy industry is currently bracing for massive retirements as over half of the workforce is expected to retire within the next 7-10 years. This has been reported in numerous journals and periodicals. ... Clearly there is a need for more EE graduates in the region and in the nation."

Because of its abundant natural resources, Montana has considerable potential for participating in the future national energy market. Currently, Montana is a major electric energy exporter despite the fact that Montana has yet to develop fully many of its resources. In a typical year, Montana produces double its consumption for electric energy with the over production transmitted to entities in other states. This occurs despite the fact many of our natural resources have yet to be developed. For example, Montana produces nearly zero energy from wind turbines; yet, it has one of the greatest wind resources in North America. It is the opinion of Montana Tech that the sustainable and environmentally sound development of these natural resources will be done by the hands of Montana's brightest graduates.

To compound the engineering problems faced by the electric energy industry, the industry has a significantly graying population of engineers; at the same time, many universities have reduced energy programs over the last few decades. Many estimate a large demand for power engineers in the near future. Experts estimate that approximately 50% of the engineering workforce in the electric industry will retire within the next 10 years resulting in a significant demand. Here in Montana, NorthWestern Energy is sharing in this crisis (see letter of support from Mr. Gates). In order to serve the industry needs, Montana Tech has added courses focused on electric energy and initiated industry-funded research projects. The goal is to continue to serve the industry in the extend future.

Under the new BSEE and MSEE programs proposed here, these activities will continue. The new advantage is that graduates will have improved marketability resulting in improved job opportunities and competitiveness.

3. Program relationship to the Role and Scope of the institution

Montana Tech of The University of Montana is a specialty institution emphasizing science and engineering, with occupational programs through graduate work. The vision is to be a leader for undergraduate and graduate education and research in the Pacific Northwest in engineering, science, energy, health, information sciences and technology. Its mission is to meet the changing needs of society by supplying knowledge and education through a strong undergraduate curriculum augmented by research, graduate education and service.

4. Please state what effect, if any, the proposed program will have on the administrative structure of the institution. Also indicate the potential involvement of other departments, divisions, colleges, or schools.

There will be no effect on the administrative structure of the institution. The program will remain under the direction of the head of the General Engineering department. This helps the program maintain the interdisciplinary nature.

5. Similar programs offered in Montana, the Pacific Northwest, and states bordering Montana. How similar are these programs to the one herein described?

There are approximately 290 ABET-accredited BSEE programs in the United States, and the number continues to grow. Within the region, this includes three programs in Idaho (two added since 1999), two in North Dakota, two in South Dakota, one in Wyoming, and one at Montana State University – Bozeman, as well as Montana Tech's proposed program.

6. Please name any other accrediting agency(ies) or learned society(ies) that would be concerned with the particular program herein proposed. How has this program been developed in accordance with criteria developed by said accrediting body(ies) or learned society(ies)?

The General Engineering B.S. degree is accredited by the Accreditation Board of Engineering and Technology (ABET) while the options are not accredited. ABET accredits the B.S. or M.S. but not both. Accreditation will be sought for the BS EE if approved.

7. Program Curriculums

7.1. BSEE Program

The new BSEE program will maintain principally the same goals and curriculum as the current EE option. That is, the program will maintain the breadth in general engineering areas while providing the depth of a traditional BSEE program. Students will be offered advanced courses in the areas of instrumentation and control, and electric energy systems. Consistent with ABET policy, the curriculum is centered around fulfilling program objectives. The individual program sets its objectives and then through the use of outcome assessment feedback, it carefully readjusts its curriculum to meet the objectives. The objectives of the BSEE program are provided in Table 1.

Table 1: BSEE program objectives.

The objectives of the BSEE program are to produce graduates who:

1. work effectively on cross-discipline and cross-functional teams, communicating and coordinating with co-workers, clients, contractors, and public agencies;
2. can successfully complete an advanced degree;
3. can apply the principles of mathematics, science, and general engineering science fundamentals (i.e., statics, dynamics, thermodynamics, fluid mechanics, and electric circuits) to solve modern technological problems;
4. are proficient in applying electrical engineering fundamentals to solve modern technological problems; and
5. can design and analyze advanced electrical engineering systems in the areas of instrumentation and control systems, or electrical energy systems.

Objectives 1 and 3 allow the proposed BSEE program to retain the multi-disciplinary nature of the current General Engineering Degree/EE option program. These two objectives are critical to continuing to serve the needs of the process, minerals, and energy industries. In order to meet these two objectives, students will be required to complete many more fundamental general engineering science courses than in a "typical" BSEE program. For example, students in the proposed program must complete 14 credits in fundamental engineering mechanics; this compares to 3 engineering-mechanics credits required in the BSEE program at Montana State University – Bozeman. This is the reason the program requires 136 credits.

Objectives 4 and 5 provide the depth of the program in electrical engineering. The program focuses upper division courses in the areas of instrumentation and control, and electric energy systems. Both these areas are fundamentally multi-disciplinary; therefore, objective 3 strongly supports object 5. For example, in the energy arena, nearly all electric power systems are driven by a thermal or fluid based

systems (this includes fossil fuel, hydro, wind, and fuel-cell based systems). Therefore, it is important for a technology expert in the energy arena to understand the basics of thermodynamics and fluid mechanics; topics left out of many traditional BSEE programs.

Table 2 shows the proposed BSEE curriculum. As stated earlier, the program is the same as the current BS General Engineering/EE option program except for one minor change: ENGR 3350, Mechanics of Materials, has been replaced with a second computer programming elective. This change was implemented based upon the assessment that the program needed more computer-programming exposure. Also, the content of ENGR 3350 was deemed to be of minimal values in meeting the program objectives. The curriculum includes 10 credits of professional electives. Allowed professional electives may be selected from the undergraduate courses listed in Table 3 and the non-seminar graduate courses listed in Table 4.

The professional elective courses in Table 3 allow students to develop expertise in the areas of instrumentation and control or electric energy (often termed power systems). Students desiring to emphasize in instrumentation and control would be advised to select professional elective courses ENGR 4420, 4450, 4460, as well as 5 more credits selected from ENGR 3290, 4470, PHYS 4536, GEOP 4300, or appropriate graduate-level courses. Alternatively, students interested in electric energy would be advised to select professional electives ENGR 4500, 45100, as well as 4 more credits selected from ENGR 4450, 4460, 4520, 4340, or appropriate graduate-level courses.

In addition to the elective and graduate courses listed in Table 3 and Table 4, Tech is currently actively planning to have upper-division and graduate courses from MSU-Bozeman taught on the Tech campus via MetNet (MT Educational Televised Communication Network). This is being planned through a cooperative effort between Tech's General Engineering Department and MSU's Electrical and Computer Engineering Department. The current projected start date for the first course is Fall semester 2006. Similarly, some of Tech's upper division courses will be taught via MetNet on the MSU campus.

The goal of the curriculum is to fulfill the objectives stated above. The curriculum was developed based upon consultation with industry experts, review by Montana Tech faculty, review of other similar programs, and review by an ABET expert. Industry experts included many from the process controls and electric energy industries. The ABET expert, Dr. Subbaram Naidu, visited Montana Tech this past fall semester. Dr. Naidu is a Professor and Associate Dean at Idaho State University. He was the principle leader in developing ISU's new EE program and has been an ABET program reviewer for the past several years. He has extensive knowledge and experience in the ABET requirements.

All courses shown in the BSEE curriculum in Table 2 currently exist at Montana Tech. Also, the curriculum has been approved by Montana Tech's curriculum review committee and the full faculty.

Table 2: BSEE Curriculum

Freshman year, Fall Semester	Credits	Freshman year, Spring Semester	Credits
CHEM 1056 Gen Chem I	3	MATH 1530 Calc II	3
CHEM 1136 Chem Lab I	1	PHYS 1046 Gen Phys	3
MATH 1520 Calc I	3	CHEM 1066 Gen Chem II	3
ENGR 1010 Intro Engr Calc&Problems	3	Social Science Elective	3
ENGL 1046 Engl Comp (C)	3	*Approved Electives	1
ENGR 1050 Intro to General Engring	1	**Computer Programming Elective 1	3
*Approved Electives	2	Total	16
Total	16		
Sophomore year, Fall Semester		Sophomore year, Spring Semester	
ENGR 2050 Engr Mechanics-Statics	3	ENGR 2150 CAD and problem solving	2
MATH 3256 Matrices and Linear Alg.	3	ENGR 2060 Engr Mechanics-Dynamics	3
MATH 2510 Calc III	4	MATH 2236 Differential Equations	3
PHYS 2076 Gen Phys	3	ENGR 2530 Electric Circuits	3
PHYS 2096 Phys Lab	1	ENGR 2550 Electric Circuits Lab	1
**Computer Programming Elective 2	3	PHYS 2086 Gen Phys	3
Total	17	PHYS 2106 Phys Lab	1
		Total	16

Junior year, Fall Semester		Junior year, Spring Semester	
MATH 3316 Statistics	3	***Signals & Systems	3
ENGR 3260 Fluid Mechanics	3	ENGR 3270 Digital Circuit Design	3
ENGR 3550 Circuits II	3	ENGR 3570 Electronic Design	4
PHYS 3036 Electronics	3	PHYS 4056 Electricity and Magnetism	3
ENGR 3210 Technical Writing	3	ENGR 3540 Electric Machines	3
Humanities Elective	3	***Professional Electives	2
Total	18	Total	18

Senior year, Fall Semester		Senior year, Spring Semester	
ENGR 4440 Communication Systems	3	Humanities Elective	3
ECON 2600 Economics	3	MEC 3630 Engr Economy	3
ENGR 4410 Control Systems Theory	3	ENGR 4040 Professional Engineering	1
ENGR 4270 Intro. Microprocessors	3	ENGR 4940 Seminar	1
ENGR 3340 Thermodynamics	3	ENGR 4920 Engineering Design (W)	3
***Professional Electives	3	***Professional Electives	6
Total	18	Total	17

PROGRAM TOTAL 136

*Approved electives -- do not include CHEM 1006, 1016, 1026, MATH 0XXX, 10XX, 11XX, 13XX, PHYS 1026, 1036

- HPER credits are limited to 2 credits.

**Computer Programming Elective -- select two from: CS 2136, CS 2146, and CS 2156

***Professional Electives -- must be selected from: ENGR 3290, ENGR 4420, ENGR 4450, 4460, ENGR 4470, ENGR 4500, ENGR 4510, ENGR 4520, PHYS 4536, GEOP 4300, graduate level Electrical Engineering courses, or consent of advisor.

****ENGR 3580 or GEOP 4460

Table 3: Undergraduate professional elective courses.

COURSE	Credits
ENGR 3290 Printed Circuit Board Construction	1
ENGR 4420 Control Systems Lab	1
ENGR 4450 Instrumentation and Control	3
ENGR 4460 Instrumentation and Control Lab	1
ENGR 4470 Analog and Discrete Network Synthesis	3
ENGR 4500 Power System Analysis	3
ENGR 4510 Power System Protection, Operation, Control	3
ENGR 4520 Power Electronics	3
PHYS 4536 Methods of Theor. Physics	3
GEOP 4300 Intro. to Artificial Neural Networks	3

7.2. MSEE Program

Similar to the B.S. program, the new MSEE will maintain principally the same goals and curriculum as the current M.S. General Engineering/EE option program. Course offerings allow students to emphasize in instrumentation and control, or electric energy systems. Other areas of emphasis may be tailored to the students' needs.

The program can be completed under Montana Tech's thesis or non-thesis policies. Under the thesis option, students must complete 20 credits of course work, 2 credits of seminar, and 8 credits of thesis research. Thesis students must also pass a thesis defense. Under the non-thesis option, students must complete 34 credits of course work and 2 credits of seminar; also, at least 6 credits of the course work must be special problems. Non-thesis options students must pass an oral and comprehensive written exam.

Course work must be selected using Table 4 as a guideline. Also, selective courses taught from MSU-Bozeman over MetNet will be allowed in the MSEE program. Students select at least 11 credits of courses from Table 4. The remaining courses may be selected from 4000-level or 5000-level engineering, math, or science courses with approval of the advising committee. All courses listed in Table 4 currently exist at Montana Tech.

Table 4: MSEE courses.

Required	Credits
ENGR 5940 Engineering seminar	1
ENGR 5150 Graduate writing seminar	1
ENGR 5380 Advanced Signals and Systems	3
Select 2 courses from the following	
ENGR 5220 Engineering Optimization	3
ENGR 5270 Embedded Controllers	3
ENGR 5370 Random Signals	3
ENGR 5400 Discrete-Time Control Systems	3
ENGR 5410 Advanced Control Systems	3
ENGR 5550 Power System Dynamics and Control	3

8. Faculty, Facilities, Equipment, and Research Support

The staffing, facilities, and equipment requirements for the new programs will be the same currently dedicated to the General Engineering/EE option programs. No additional resources will be required for the new programs. Also, this change will have no effect on the administrative structure of the institution as the program will be housed within the General Engineering Department.

Currently, an equivalent of three and one-half full-time tenure-track teaching faculty will be dedicated to the EE programs. Within the General Engineering Department, two faculty are dedicated 100% time to the EE programs, one is dedicated 67% time, and one is dedicated 33% time. Also, 50% faculty support is provided by the Geophysical Engineering Department. This staffing level allows all required courses for the BSEE degree to be taught as scheduled in Table 2. Professional elective courses ENGR 4470, 4500, 4510, and 4520 are taught on an every-other-year basis; all other professional elective courses are taught once per year. Also, at least two graduate-level course from Table 4 are taught every year, except the seminar courses which are taught every semester. Several of the faculty dedicated to the program have national or international expertise in their respective areas.

In addition to the above faculty, Tech is currently conducting a search for a new tenure-track electrical engineering faculty position that will be funded initially by a research grant for the first five years. Because the grant has an educational component, this position will also have teaching duties.

Based upon review of similar EE programs within the Northwest region and review by the ABET expert, the laboratory facilities available at Montana Tech are of excellent quality. Teaching laboratory facilities include an electrical engineering laboratory, an electric machines lab, and an instrumentation and controls lab.

8.1. Research Support

Over the past 10 years, Montana Tech has received steadily increasing support through externally funded research dedicated to electric energy research. Most recently, this includes a multi-million dollar grant dedicated to the development of intelligent electric power technologies. This support enables Montana Tech to hire the tenure-track position described above as well as non-tenure-track research faculty, award graduate research assistantships, and fund state-of-the-art laboratory development. Tech's principal goal under this grant is to develop a world-class educational and research capability. The proposed degrees are the backbone to this capability.

In partnership with MSE Technologies, Montana Tech is scheduled to receive a \$2,000,000 federal congressional earmark in the federal FY06 budget dedicated to intelligent electric powers research. The overall expected funding for the grant is \$9,000,000 over three years. The principal goal for the grant is to develop a world-class research capability at Montana Tech in the area of intelligent electric power and to help serve the US Department of Energy research needs in this area. The majority of this money will be dedicated to intelligent electric power research to be conducted at Montana Tech. This money will be used to hire research faculty with international reputations, pay graduate-student stipends, and develop and conduct laboratory research. The research also has a strong undergraduate participation component.

Prior to this most recent grant, faculty at Montana Tech have secured over \$1,000,000 of private and federal government research grants over the past 10 years primarily in the electric energy area. The

majority of this research has been directed toward the applications of wind energy and intelligent power system control.

9. Capital Outlay, Operating Expenditures, and Physical Facilities

Estimated Enrollment: The enrollment history for the General Engineering/EE option programs is summarized in Table 5. Although some growth is expected in the program after the proposed change, it is assumed the change will not be significant. If growth does occur, it is expected that the current staffing and facilities could accommodate approximately 15 B.S. graduates per year. With the increased research funding, it is expected that the number of M.S. graduates will increase to approximately 5 per year. For budget preparation purposes, estimated enrollment are the existing MTECH students in the electrical engineering option that are expected to switch to the major. The curriculum contains 136 credits. The average student takes 5 years to graduate. The average annual credit load is 27.2.

Table 5: Number of General Engineering/EE option graduates (Note: prior to 2002, the options was call the Control System option).

	2005/6 (expected)	2004/5	2003/4	2002/3	2001/2	2001/0
BS Graduates	10	9	5	5	12	8
MS Graduates	2	2	1	3	2	3

REVENUE

Use of Current General Operating Funds The funds currently allocated to the option in the general engineering program will be reallocated to the major. Of the general fund this amounts to 9,741,434 + 843,789 of general fund and COE reallocation for 2058 fte or 5143 per fte. Of the 5143 \$/fte 56% is allocated to instruction.

Gross Incremental Tuition Revenue

Tuition revenue is calculated as the tuition for 10% out of state and 90% instate for the flat spot with an average of the upper and lower division

Reductions to Incremental Tuition

Tuition revenue is reduced by 44% that is allocated outside of instruction.

Program Fees

Engineering students pay a \$90/semester program fee. \$70 is allocated directly to the engineering programs. \$20 is shared in the other related engineering labs.

External Funds

Grant funding from Federal Earmark will contribute 1 fte faculty for 5 years.

Equipment Fees

Equipment fees are allocated to General Engineering on the average of 25,000 per year. EE would receive 1.4 of that allocation on the average

Expenditures

Personal Services

The program requires 3.5 FTE. Actual salaries were utilized with 31% benefits. 8% was added each year to allow for promotions and increases.

Operating Expenses

1/4 of the operating expenses for General Engineering were re-allocated to Electrical engineering. This is a paper transaction since the program will continue to be housed under the general engineering umbrella.

Equipment

The equipment is sufficient and currently funded through the equipment fees. That rate will likely continue with some influx from the grant.

NEW FACILITIES AND SPACE

Current space in the Science and Engineering facility is sufficient to satisfy the needs of the program.

EVALUATION OF THE PROGRAM

Reviews:

Faculty in the School of Mines and Engineering - September 23, 2005

Graduate Council – November 18, 2005

Montana Tech Curriculum Review Committee – November 22, 2005

Montana Tech Faculty – December , 2005

Consultants:

Dr. Subbaram Naidu, visited Montana Tech this past fall semester as a consultant to the program. Dr. Naidu is a Professor and Associate Dean at Idaho State University. He was the principle leader in developing ISU's new EE program and has been an ABET program reviewer for the past several years. He has extensive knowledge and experience in the ABET requirements.

10. Appendix II: Student Survey

The following survey was conducted at a student meeting of the Montana Tech student chapter of the Institute of Electrical and Electronic Engineers (IEEE). Most of the students in the club are upper division EE students. 15 students attended the meeting and responded to the survey.

Student Survey Fall 2005

Montana Tech's General Engineering Department is considering pursuing accreditation of the Electrical Engineering options as standalone BS in Electrical Engineering and MS in Electrical Engineering degrees.

Currently, the EE option degrees read:

"BS in General Engineering, Electrical Engineering option"

"MS in General Engineering, Electrical Engineering option."

The new degrees would read:

"BS in Electrical Engineering"

"MS in Electrical Engineering."

Only minor curriculum changes will be required to accredit under the new names. Also, the program will continue to be housed within the General Engineering Department. The program will continue to focus on instrumentation and control, but, we will also add courses to allow students to focus in the area of energy and power systems.

The principal purpose for the change is to provide graduates with more job opportunities outside the traditional process industries that currently recruit Tech graduates. For more information, please see Professor Dan Trudnowski, SE 308.

As part of the proposal, we would like to poll the students. Please complete the following survey.

1. Are you currently enrolled in the BS or MS General Engineering, EE option program?

Yes No

Yes = 12 students

No = 3 student

2. Do you support the above stated proposal?

Yes No

Yes = 15 students

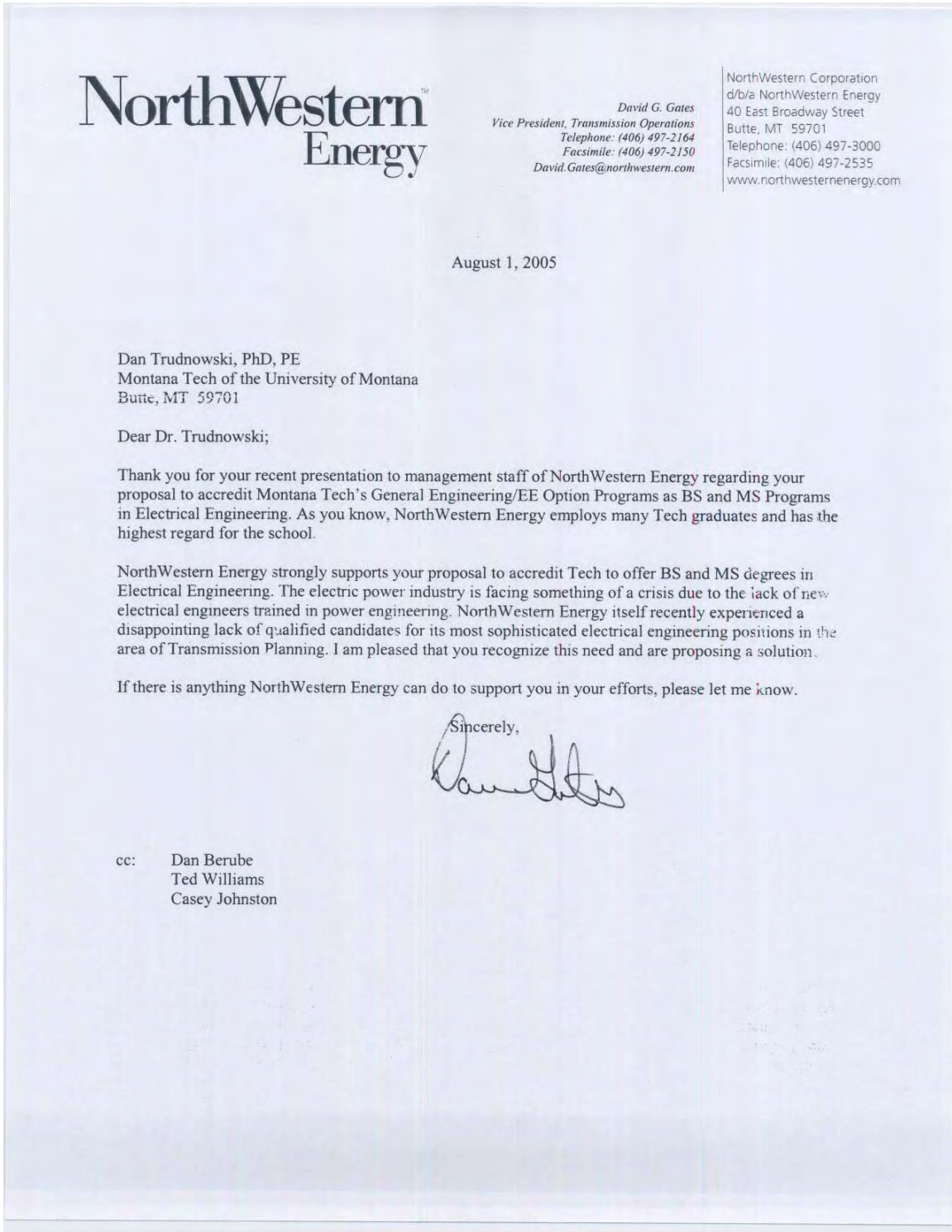
No = 0 students

3. Comments:

- I support the BSEE 100%. Looking for jobs now it seems all that is recruited is BSEE. I have never seen a job description requiring someone to have a BSGE/EE option, only BSEE. As an upcoming graduate, I want the best placement opportunities as possible.
- The implementation of a "BS in EE" will enhance the electrical program and bring new job opportunities to those students in the program.
- Could you get this through before I graduate please.
- What was the hold up?
- I also think you should eliminate any aspect of General Engineering in the EE because for the most part it does not pertain to EE's and those skills will more than likely never be used. If the companies want a General Engineer then they can hire one.
- Please get this in place before I graduate.
- GREAT!!

Proposed Program: BS and MS in Electrical Engineering										
Campus: Montana Tech of The University of Montana										
	06/07		07/08		08/09		09/10		10/11	
Estimated Enrollment	45		45		50		50		55	
FTE Enrollment	40.8		40.8		45.3		45.3		49.9	
Estimated Incremental Revenue										
Use of Current General Operating Funds	117507		117507		130564		130564		143620	
State Funds										
State Funding for Enrollment Growth										
Tuition Revenue										
A. Gross Incremental Tuition Revenue	280490		207222		230246		230246		253271	
B. Reductions to Incremental Tuition	123415		91177		101308		101308		111439	
C. Net Applied Tuition Revenue (A-B)	157074		116044		128938		128938		141832	
Program Fees	6300		6300		7000		7000		7700	
External Funds	20000		57000		74670		80644		87095	
Other Funds	6250		6250		6250		6250		6250	
TOTAL Estimated Revenue	307131		303101		347421		353395		386497	
Estimated Incremental Expenditures										
	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost
Personal Services	3.5	265702	3.5	286958	3.5	309915	3.5	334708	3.5	361485
Operating Expenses	8000		8000		8500		8500		9000	
Equipment	6250		6251		6252		6253		6254	
Start-up Expenditures										
TOTAL Estimated Expenditures	279952		301209		324667		349461		376739	
Estimated Revenues Over/Under (-) Expenditures	27179		1892		22755		3934		9758	

1 Appendix I: Letters of Support



NorthWesternTM
Energy

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www.northwesternenergy.com

August 1, 2005

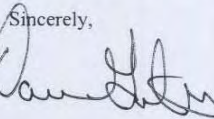
Dan Trudnowski, PhD, PE
Montana Tech of the University of Montana
Butte, MT 59701

Dear Dr. Trudnowski;

Thank you for your recent presentation to management staff of NorthWestern Energy regarding your proposal to accredit Montana Tech's General Engineering/EE Option Programs as BS and MS Programs in Electrical Engineering. As you know, NorthWestern Energy employs many Tech graduates and has the highest regard for the school.

NorthWestern Energy strongly supports your proposal to accredit Tech to offer BS and MS degrees in Electrical Engineering. The electric power industry is facing something of a crisis due to the lack of new electrical engineers trained in power engineering. NorthWestern Energy itself recently experienced a disappointing lack of qualified candidates for its most sophisticated electrical engineering positions in the area of Transmission Planning. I am pleased that you recognize this need and are proposing a solution.

If there is anything NorthWestern Energy can do to support you in your efforts, please let me know.

Sincerely,


cc: Dan Berube
Ted Williams
Casey Johnston



SCHWEITZER ENGINEERING LABORATORIES, INC.

2350 NE Hopkins Court • Pullman, WA 99163-5603 USA
Phone: (509) 332-1890 • Fax: (509) 332-7990
Internet: www.selinc.com

August 17, 2005

Dr. Butch Gerbrandt
Montana Tech General Engineering
West Park Street
Butte, MT 59701

Dear Butch,

I am excited to learn that Montana Tech is creating an ABET certified, stand-alone BS/MS Electrical Engineering degree program. I earned two degrees at Montana Tech: a BS Geophysical Engineering in 1984 and an MS Engineering Science – Control Systems Option (now General Engineering, Electrical Engineering Option) in 1991. My Montana Tech education has allowed me to serve in a wide variety of responsibilities in the petroleum and electrical energy industries. I have also learned that Montana Tech is well known in the petroleum industry and is virtually unknown in the electric power industry.

I started my career with a B.S. in Geophysical Engineering. Upon graduation, I had offers from several large oil companies all tripping over themselves to hire a Montana Tech graduate with a high GPA. I had recruiters calling me every week in my last semester. In the petroleum industry circles, Montana Tech is recognized as an industry leader.

After a few years in the oil industry, I decided to pursue a career in the electrical utility industry. I enrolled in the M.S. General Engineering (then Engineering Science) to sharpen my skills in electrical circuits and control systems. In the last few months of my education, I had no recruiters calling me. I applied to a small electrical engineering company for employment. The company did not understand my general engineering degree and asked for my transcripts. The company also invited me out to present my thesis project (automation of a hydro-electric dam spill gate) and learned that I knew what I was talking about. This small company is Schweitzer Engineering Laboratories (SEL), which is now the largest producer of electric power system relays in the world.

Making Electric Power Safer, More Reliable, and More Economical

Shortly after joining SEL, I applied for membership in the IEEE (Institute of Electrical and Electronic Engineers). The IEEE did not recognize my Montana Tech degree. I had to submit transcripts and get letters of reference from my peers (who had ABET certified degrees) to support my application. Ultimately, I was admitted to the IEEE. Membership in the IEEE allows me to participate in industry meetings and also gets me a great rate on life insurance.

Since joining SEL in 1991, I have held a wide variety of positions including Development Engineer, Engineering Manager, Software Process Manager, Program Manager, Director of Product Development, Vice President of Research and Development, and most recently, Revenue Product Engineering Manager. My Montana Tech education prepared me for a wide variety of multidisciplinary roles. My responsibilities over the past several years include software design, hardware design, mechanical design, technical writing, project management, chemical analysis, executive management, and product marketing. Without my Montana Tech education, I would not have had these opportunities.

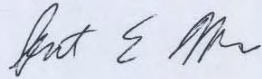
I have enjoyed a successful career in the electric power industry because I was able to convince the SEL hiring team that a General Engineering degree is just as good as an EE degree. I got lucky. I fear that many good Montana Tech graduates may not be as fortunate as I. When a job opens up at a company, the first screen is usually a non-technical Human Resources (HR) professional. If the resume doesn't say EE, the HR people discard it before it gets to the hiring manager. Let's remove this obstacle and give the bright, hard working students of Montana Tech a fighting chance. An ABET recognized EE degree will help elevate the General Engineering program to the same prominence as the Petroleum, Mining, Environment Engineering, and Geology/Geophysics degrees.

The electric power industry is a great place to invest in education. Since deregulation in 1995, electric utilities in North America have been seeking ways to reduce costs. The result is ten years of underinvestment in infrastructure. During that time, the utilities have lost a generation of experienced engineers and the electric power grid is stretched to the limits of stability. I know of one major utility that is so desperate for engineers that it is funding scholarships and promising jobs for high school graduates who enroll in electrical power systems programs. My company, SEL, has established SEL University that offers outreach education to electrical power industry employees. We offer dozens of technical training sessions throughout North America. The classes are routinely sold out with electric utility engineers and technicians in attendance.

Some people may consider the electric utility industry as "low tech". On the contrary, we are working on major improvements in electrical grid stability through advanced control systems utilizing microsecond precision data acquisition and phasor measurement, wide area network communications, and communications security. Other opportunities exist in military marine propulsion systems, industrial computing platforms and electric power metering systems.

I would like to see Montana Tech graduates earn these jobs. I strongly endorse Montana Tech's ABET accreditation for the EE degree, as it will remove the obstacles I faced in getting my career established.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert E. Morris".

Robert E. Morris
Revenue Product Engineering Manager
Schweitzer Engineering Laboratories, Inc.
B.S. Geophysical Engineering - 1984
M.S. Engineering Science - 1991

**Pacific Northwest
National Laboratory**

Operated by Battelle for the
U.S. Department of Energy

August 30, 2005

Dr. Butch Gerbrandt
General Engineering Dept. Head
Montana Tech
1300 W. Park St.
Butte, MT 59701

Dear Dr. Gerbrandt,

I am writing in support of Montana Tech's proposal to change the General Engineering/EE Option program to an ABET accredited EE program offering both BSEE and MSEE degrees. In our opinion this change would make it easier for your high quality graduates to find jobs in the energy arena as well as improving Tech's ability to market its teaching and research programs to a broader audience. The proposal appears to us to be a win-win – good for PNNL and good for Montana.

Having received my PhD from MSU more than a decade ago, I feel uniquely qualified to comment on the need for multiple EE programs within the state and on the potential benefit to Montana of the proposed change in accreditation. Throughout the 1980's the MSU EE Department was supported in part through research funded by Montana Power. MSU maintained a strong emphasis on power and energy throughout this period. With changes in the research funding profile coupled with faculty retirements, emphasis at MSU began to shift to optics, chip design and microtechnology. While this was a natural and logical response by MSU, it shifted the base of companies who are willing to recruit in Montana. With a broader spectrum of EE programs in the state more companies, such as PNNL, would be willing to make the trip to search for qualified candidates.

A second point I would like you to consider is the changing approach to recruiting within HR departments at large firms such as PNNL. I have appended a currently outstanding job requisition from PNNL's Energy and Engineering Division. Using web-based tools for submitting resumes and applications, most of the initial screening is now being handled by HR professionals with little expertise in my technical area. It would take a highly skilled HR staff member within my firm to recognize that Montana Tech has a high quality EE option within the General Engineering degree. It is more likely that prospective candidates would be screened as not meeting the Minimum Requirements (no EE degree) before the resume ever came to my desk.

Finally, I would like to bring to your attention the burgeoning need for engineers in the energy arena. The energy industry is currently bracing for massive retirements as over half of the workforce is expected to retire within the next 7-10 years. This has been reported in numerous journals and

902 Battelle Boulevard • P.O. Box 999 • Richland, WA 99352

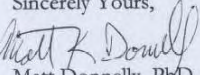
Telephone (509) 372-6472 ■ Email matthew.donnely@pnl.gov ■ Fax (509) 375-3614

Dr. Butch Gerbrandt
August 30, 2005
Page 2

periodicals. Many engineering programs are beginning to move to address the perceived need. The "EE Brochure" on MSU's website reinforces this unfulfilled need saying,
Although our graduates can be found working throughout the world, most tend to be found in the West and Northwest due to their rural background. The job opportunities in these regions now exceed the number of graduates.

Clearly there is a need for more EE graduates in the region and in the nation.

I wish you the best in your efforts to improve the job prospects for Montana graduates. If there is anything I can do to clarify our position or to assist you please don't hesitate to call.

Sincerely Yours,

Matt Donnelly, PhD, PE
Staff Engineer
Program Manager, Bulk Transmission Reliability
Pacific Northwest National Laboratory

APPENDIX - CURRENTLY OPEN PNNL JOB DESCRIPTION
=====

Job Description
Electrical Power System Engineer III/IV Energy Technology Development Group
Energy & Engineering Division Energy Science & Technology Directorate

Description:
This position will provide technical thought leadership and technical oversight to the Laboratory's research in high voltage electrical power system transmission and distribution. This position will focus on the electric power industry in one or more of the following areas: electric power transmission and distribution design and analysis, power system operations and control, and load flow and stability analysis using computer models. Primary emphasis of this position will be the use of industry standard software for load flow and control (e.g. GE PSLF, AREVA DTS). Other duties that would be expected of this position would be the development of automated computer programs and other advanced analysis methods for comprehensive evaluation of the operational performance of the transmission system and conducting operating studies and contingency analyses, including power flow, short circuit, stability, and post-transient analyses, to maintain reliable operation of the grid. Must also provide direction to supporting staff.

Minimum Requirements:
Level III:
-A minimum of a BS in Electrical Engineering with an emphasis in Power Systems Engineering, and 5 years of related experience, or a MS degree and 3 or more years of experience, or PhD degree and 1-2 years experience.
Level IV:
-A minimum of a BS in Electrical Engineering with an emphasis in Power Systems Engineering, and 7 or more years of related experience, or a MS degree and 5 or more years experience or PhD degree and 3 or more years experience.



MSE Technology Applications, Inc.
200 Technology Way
P.O. Box 4078
Butte, MT 59702
(406) 494-7100
FAX (406) 494-7230

Mike Mansfield Advanced Technology Center

January 3, 2006
2006MSE-81

Dr. Butch Gerbrandt
Montana Tech of the University of Montana
General Engineering Department
West Park Street
Butte, MT 59701

Dear Butch:

During a meeting last week with Dan Trudnowski, I was informed about your plans to establish an ABET Certified Electrical Engineering Program. I applaud your efforts to accomplish this action and encourage you to then do the same for a Mechanical Engineering Program and a Civil Engineering Programs. This is long overdue.

I received my B.S. and M.S. Engineering Science degrees from Montana Tech. I remember going on job interviews in 1982 and being asked "is that a real engineering degree." Here I had received a "top notch" engineering education (better than most get) and because of the name of the program was being hindered in trying to get my first job. My training was the same. I had passed the EIT and because of the name of the program was not getting the same opportunities as others.

I remember hearing during my tenure at Montana Tech that they couldn't call it a Mechanical, Electrical, or Civil Engineering Program because these programs were offered at Montana State University and they couldn't have the same programs at two institutions. Well it is time to correct that issue, call the programs what they are, and help graduates when they need it the most, when they are newly minted engineers entering the workforce.

If I can help in any way please do not hesitate to call.

Best regards,

A handwritten signature in black ink, appearing to read 'Jeff Ruffner', is written over the typed name.

Jeffrey W. Ruffner, P.E.
Senior Vice President and General Manager
Mike Mansfield Advanced Technology Center
MSE Technology Applications, Inc.

JWR/jz

January 19, 2006

Dr. Neil Wahl
General Engineering Acting Dept. Head
Montana Tech
1300 W. Park St.
Butte, MT 59701

Dear Dr. Wahl,

This is a letter of support for the General Engineering Department's proposal to change the General Engineering/EE Option program to an ABET accredited EE program offering both BSEE and MSEE degrees. The Industrial Advisory Board (IAB) is in clear agreement that the change will provide improved opportunities for both BS and MS graduates as well as help fill growing industrial needs. Montana Tech students work hard to complete an excellent academic program and they deserve every opportunity to be successful. These changes will certainly improve our graduate's employment opportunities, and facilitate Montana Tech's continuing contribution in building Montana's and the region's energy economy.

All members of the IAB are very familiar with the high quality of graduates from Montana Tech's General Engineering department. Unfortunately, most companies are unfamiliar with the General Engineering/EE option and do not realize that Montana Tech graduates are qualified to fill many electrical engineering positions. In most companies, hiring managers and human resources recruiters look for graduates with common degrees such as BS in Electrical Engineering and MS in Electrical Engineering. After completing a rigorous degree program, Montana Tech students deserve the opportunity to compete for professional jobs on a level playing field.

The proposed emphasis of the program in the energy and instrumentation & controls areas matches very well with growing Global, US, Northwest regional, and Montana industrial needs. Because of electric power de-regulation and the growing costs of producing energy, the projected needs of these industries for electrical engineering talent out pace the pool of available graduates. Certainly in the industries we represent as a group, we see this void growing larger each year. For example, worldwide demand for electric power is increasing at 4% per year. At the same time, most electric utilities and schools are curtailing their investment in electric power systems. Now is a great time to invest in the future by training more electrical engineers to fuel global, national, regional, and Montana's economies.

Dr. Butch Gerbrandt
August 30, 2005
Page 2

In conclusion, we are in strong support of this proposal and look forward to next phase of its implementation. Please let us know if there is more we can do to help move this important proposal forward.

Sincerely,

- Montana Tech's General Engineering Industrial Advisory Board
- Stacy Aguirre, District Engineer, Montana DOT
- Brad Archibald, President, Pioneer Technical, Butte
- Dan Berube, Retired, Montana Power Company, CEO
- Robert Carrington, Program Manager, Idaho National Laboratory
- Mark Danninger, Maintenance Superintendent, Advanced Silicon Materials, Butte
- Leroy Friel, Professor, Montana Tech
- Daniel Kunz, President, US Geothermal, Warm Springs
- John (Jack) Kovacich, Kalispell Area Manager, NorthWestern Energy Company
- Gary Morris, Engineer, CTA Architects Engineers, Missoula
- Robert Morris, Revenue Product Engineer Manager, Schweitzer Engineering Labs, Washington
- Nathan Ratz, Engineer, CTA Architects Engineers, Missoula
- Ray Rice, Senior Engineer, Schweitzer Engineering Labs, Washington
- Chris Stoll, Systems Engineer, Honeywell, Utah

Bob McWhorter

John T. ...

Daniel D. Berube

Pat E. ...

Raymond W. Rice

Gary Morris

Mark Danninger

John ...

Chris Stoll

Dr. Butch Gerbrandt
August 30, 2005
Page 3

A handwritten signature in cursive script, appearing to read "Alan Kiel".

MARCH 1 – 3, 2006

ITEM 130-101-R0306

Transfer Goals for the Montana University System

THAT:

The Board of Regents of Higher Education approves the attached goals for transferability of credits in the Montana University System.

EXPLANATION:

At the November 2005 Board of Regents' meeting, the members of the Academic and Student Affairs Committee discussed the next steps in the "transferability of credits" arena. Before the Board identified next steps, however, it was decided that the Regents should adopt goals that describe what they hope to accomplish with the transfer issue. The Chief Academic Officers were asked to develop some goals, and present them to the Board of Regents at the March 2006 meeting.

The attached goals are the result of that effort.

TRANSFER GOALS

For the Montana University System

- 1) Facilitate the transfer process for students who start at a two-year institution and decide to continue their education at a four-year institution.
- 2) Develop multiple pathways that transfer students can follow to complete their post-secondary educational plans. Those pathways may include course equivalency guides, articulation agreements, common learning outcomes, common coursework or course content, “block” transfers and other creative options.
- 3) Reduce the number of credits that transfer students need to complete so that number is as close to the total number of credits required to earn a degree as possible. I.E., 60 – 72 credits for an associate degree and 120 – 128 for a baccalaureate degree, depending on the degree program.
- 4) Develop policies and procedures that clarify and simplify the transfer process; and provide complete and comprehensive transfer information for students in the Montana University System.

ITEM 130-102-R0306

Revisions to Policies 301.1 and 301.2

THAT:

The Board of Regents of Higher Education approves the proposed revisions to Policies 301.1 and 301.2, dealing with admissions requirements for the Montana University System. The revisions:

- (1) authorize the admissions plan that was implemented at The University of Montana-Missoula in recent years;
- (2) permit other campuses in the Montana University System to develop a similar admissions plan, if they wish, based on criteria and rationale filed with the Office of the Commissioner of Higher Education.

The revisions are set out in the attachment to this Item.

EXPLANATION:

The University of Montana-Missoula adopted an admissions plan a few years ago that attempts to provide students with the best chance of success at the institution. After carefully studying the characteristics of its students, UM-Missoula determined that some students pose a risk of failure, even though they may meet the Board of Regents' threshold requirements for admission at the institution. If those students could begin their career at a smaller institution, however, with more personalized attention and skill development, they may well succeed. The University of Montana-Missoula, therefore, now directs some students to its affiliated College of Technology as they begin their career at that institution.

On at least two occasions in the past 18 months, The University of Montana-Missoula made a presentation to the Board of Regents concerning its admissions program. The Board was supportive of The University of Montana-Missoula's plan, especially since it was grounded in good data that identified the "at risk" students. The Board requested policy language to formally recognize the practice, so the attached revisions are being suggested.

MONTANA BOARD OF REGENTS OF HIGHER EDUCATION**Policy and Procedures Manual**

SUBJECT: ACADEMIC AFFAIRS

Policy 301.1 - Admission Requirements; In-State Undergraduates

I. Board Policy:

- A. A graduate of any Montana high school which is accredited by the Board of Public Education may enter any four-year campus of the Montana University System as a first-time, full-time undergraduate student, provided the graduate meets the College Preparatory Program outlined in Board [Policy 301.7](#) and at least one of the following requirements:
1. (a) has obtained a score of at least 20 on the Enhanced (Composite) American College Testing (ACT) test or a score of at least 1440 on the total mathematics/critical reading/writing exam of the Scholastic Aptitude Test (SAT), for admission to Montana State University-Northern and The University of Montana-Western,
 - (b) has obtained a score of at least 22 on the Enhanced (Composite) American College Testing (ACT) test or a score of at least 1540 on the total mathematics/critical reading/writing exam of the Scholastic Aptitude Test (SAT), for admission to Montana State University-Billings, Montana Tech of The University of Montana, Montana State University-Bozeman, and The University of Montana-Missoula. The campuses identified in 1(a) above may request permission from the Board of Regents to raise the Enhanced (Composite) American College Testing (ACT) test score or the Scholastic Aptitude Test (SAT) total mathematics/critical reading/writing exam score to those specified for The University of Montana-Missoula, Montana State University-Bozeman, Montana State University-Billings, and Montana Tech of The University of Montana; or
2. has obtained at least a 2.5 high school grade point average (GPA); or
 3. ranks in the upper half of the school's graduating class.
- B. A Montana resident who is a graduate of an out-of-state high school which is accredited by the state accrediting agency may enter any campus of the Montana University System as a first-time, full-time undergraduate student provided the student meets at least one of the requirements in subparagraphs 1, 2, or 3 above.
- C. In addition to the admissions requirements set out in paragraphs A and B above, any student seeking admission to a four-year program at one of the four-year institutions of the Montana University System must also satisfy the mathematics proficiency standard set out in Board [Policy 301.15](#).
- D. Some students may meet the admissions requirements set out in Sections I.A., B., and C., above, and still be at risk of not succeeding in their post-secondary educational career. The four-year institutions may adopt criteria to identify those at-risk students and
1. admit them to a two-year institution and the educational services available at that institution; or
 2. direct them to a two-year institution and the educational services available at that institution while they continue their enrollment at the four-year institution; or
 3. admit them to a two-year degree program.

The criteria for identifying at-risk students, and the rationale for those criteria, must be filed with the Office of the Commissioner of Higher Education.

~~D~~E. The following categories of students are exempt from the requirements in paragraphs A, B, and C above:

1. non-traditional students (those who do not enter college for a period of at least three years from the date of high school graduation or from the date when they would have graduated from high school),
2. summer only students, and
3. part-time students taking seven or fewer college-level semester credits.

~~E~~F. Institutions are authorized to exempt up to 15% of first-time, full-time undergraduates from the requirements of paragraphs A, B, and C above for students with special talents, minorities and others who demonstrate special needs. Institutions are also granted an additional exemption under Board [Policy 301.7](#), paragraph 5 under Procedures, dealing with the college preparatory program.

~~F~~G. An in-state transfer applicant must meet the criteria for "good academic standing," as defined by the receiving institution.

~~G~~H. Nothing herein shall guarantee any person entry into any four-year campus of the Montana University System nor shall this policy be construed to restrict any unit from establishing procedures to comply with any enrollment limitations adopted by the Board of Regents.

II. Definitions:

- A. In-state transfer means a Montana resident who has completed 12 or more GPA or Pass credits in college-level courses at another college or university, who is entering a new institution for the first time, and whose credits at the previous institution have been accepted by the receiving institution.
- B. For the purpose of this section, *GPA* and *Pass credits* mean those college-level credits for which grade points apply toward graduation.
- C. For the purpose of this section, *college-level work* means those courses that are applicable toward an associate of arts, associate of science or baccalaureate degree at their respective institution. Such courses shall include neither remedial nor developmental courses.

III. Cross Reference:

See Board [Policy 301.7](#), College Preparatory Program; Board [Policy 301.15](#), Mathematics Proficiency Admissions Standards.

IV. History:

Board of Education ex officio Regents of University of Montana, February 7, 1952 (Rescinded); Item 18-003-R1077, Admission Requirements: In-state Undergraduates; Montana University System, October 28, 1977, (Board of Regents Minutes) May 5-6, 1988, as revised May 5, 1989, September 14, 1989, March 22, 1990, December 13, 1990, March 22, 1991, September 14, 1992, May 3, 1993, May 4, 1995, and November 18, 1999 ([Item 104-103-R0999](#)); [Item 109-1602-R1100](#), Authorization for Institutional Name Change from Western Montana College of The University of Montana to The University of Montana-Western, approved by the Board of Regents January 18, 2001, with an effective date of July 1, 2001; editorial revisions made July 14, 2004. Revised May 20, 2005 ([Item 127-113-R0505](#)), adjusted SAT scores, format change.

Montana Board of Regents of Higher Education
Policies and Procedures Manual

SUBJECT: ACADEMIC AFFAIRS

Policy 301.2 - Admission Requirements; Out-Of-State Undergraduates

I. Board Policy:

- A. The campuses of the Montana University System are authorized to control the number of out-of-state first-time and transfer students.
- B. An out-of-state graduate of an out-of-state high school which is accredited by the state accrediting agency may enter any four-year campus of the Montana University System as a first-time, full-time undergraduate student, provided the graduate meets the College Preparatory Program outlined in Board [Policy 301.7](#) and at least one of the following requirements:
1. (a) has obtained a score of at least 20 on the Enhanced (Composite) American College Testing (ACT) test or a score of at least 1440 on the total mathematics/critical reading/writing exam of the Scholastic Aptitude Test (SAT), for admission to Montana State University-Northern and The University of Montana-Western,
 - (b) has obtained a score of at least 22 on the Enhanced (Composite) American College Testing (ACT) test or a score of at least 1540 on the total mathematics/critical reading/writing exam of the Scholastic Aptitude Test (SAT), for admission to Montana State University-Billings, Montana Tech of The University of Montana, Montana State University-Bozeman, and The University of Montana-Missoula. The campuses identified in B.1(a) above may request permission from the Board of Regents to raise the Enhanced (Composite) American College Testing (ACT) test score or the Scholastic Aptitude Test (SAT) total mathematics/critical reading/writing exam score to those specified for The University of Montana-Missoula, Montana State University-Bozeman, Montana Tech of The University of Montana, and Montana State University-Billings; or
 2. has obtained at least a 2.5 high school grade point average (GPA); or
 3. ranks in the upper half of the school's graduating class.
- C. In addition to the admissions requirements set out in paragraph B above, any student seeking admission to a four-year program at one of the four-year institutions of the Montana University System must also satisfy the mathematics proficiency standard set out in Board [Policy 301.15](#).
- ~~D.~~
- C. Some students may meet the admissions requirements set out in Sections I.B. and C., above, and still be at risk of not succeeding in their post-secondary educational career. The four-year institutions may adopt criteria to identify those at-risk students and
1. admit them to a two-year institution and the educational services available at that institution; or
 2. direct them to a two-year institution and the educational services available at that institution while they continue their enrollment at the four-year institution; or
 3. admit them to a two-year degree program.

The criteria for identifying at-risk students, and the rationale for those criteria, must be filed with the Office of the Commissioner of Higher Education.

- ~~D~~E. The following categories of students are exempt from the requirements in paragraph B and C above:

1. non-traditional students (those who do not enter college for a period of at least three years from the date of high school graduation or from the date when they would have graduated from high school),
2. summer only students, and
3. part-time students taking seven or fewer college-level semester credits.

~~EE~~. Institutions are authorized to exempt up to 15% of first-time, full-time undergraduates from the requirements of paragraphs B and C above for students with special talents, minorities and others who demonstrate special needs.

~~EG~~. After an out-of-state student has been admitted to a campus of the Montana University System, there shall be no differentiation between in-state and out-of-state students as far as enrollment in courses and programs is concerned.

~~EH~~. Out-of-state transfer applicants must present at least a 2.0 cumulative grade point average (i.e., equivalent to a "C" on a 4.0 scale), based on transferable credits carried from all colleges or universities previously attended to be eligible for consideration.

~~HI~~. In addition to satisfying the above requirements, campuses shall require applicants from foreign countries (excluding Canadian citizens) to present evidence of proficiency in the use of the English language. Campuses may impose additional requirements on applicants from foreign countries.

II. Definitions:

- A. An out-of-state transfer applicant is one who has completed 12 or more GPA or Pass credits in college-level courses at another college or university, who is entering a new institution for the first time, and whose credits at the previous institution have been accepted by the receiving institution.
- B. For the purpose of this section, *GPA* and *Pass credits* mean those college-level credits for which grade points apply toward graduation.
- C. For the purpose of this section, *college-level work* means those courses that are applicable toward an associate of arts, associate of science or baccalaureate degree at their respective institution. Such courses shall include neither remedial nor developmental courses.

III. Cross Reference:

See Board [Policy 301.7](#), College Preparatory Program, Board [Policy 301.15](#), Mathematics Proficiency Admissions Standards.

IV. History:

Item 183-004, State Board of Education ex officio Regents of University of Montana, August 13, 1963 (Rescinded); Item 18-004-R1077, Admission Requirements: Out-of-State Undergraduates; Montana University System, October 28, 1977; (Board of Regents Minutes) May 5-6, 1988, as amended May 5, 1989, September 14, 1989, March 22, 1990, May 3, 1993, May 4, 1995, and November 18, 1999 ([Item 104-103-R0999](#)); [Item 109-1602-R1100](#), Authorization for Institutional Name Change from Western Montana College of The University of Montana to The University of Montana-Western, approved by the Board of Regents January 18, 2001, with an effective date of July 1, 2001; editorial changes made July 14, 2004. Revised May 20, 2005 ([Item 127-113-R0505](#)), adjusted SAT scores, format change.

[Table of Contents](#) or [Section 300 Contents](#)

ITEM 130-104-R0306 **Revisions to Policy 301.5.1**

THAT:

The Board of Regents of Higher Education approves the proposed revision to Policy 301.5.1, dealing with the review and acceptance of credits from an institution that is a candidate for regional accreditation. The revision is a housekeeping item, to insure that the provisions in Policy 301.5.1 mesh with the expectations of Policy 301.5.

The revision is set out in the attachment to this item.

EXPLANATION:

Policy 301.5.1, entitled System of Controls, establishes deadlines for the analysis and acceptance of transfer credits. Policy 301.5 creates a waiting period for credits from institutions that have applied for regional accreditation, but have not yet received that formal designation. Obviously, the waiting period violates the timelines established by Policy 301.5.1, but it should not be ignored just because deadlines now exist. It is still good policy.

By incorporating a reference to Policy 301.5, and its waiting period, students and campuses are notified that that waiting period still applies.

Montana Board of Regents of Higher Education
Policies and Procedures Manual

ITEM 130-104-R0306

SUBJECT: ACADEMIC AFFAIRS
Policy 301.5.1 - System of Controls

I. Board Policy:

- A. This policy establishes a system of controls and decision-making throughout the Montana University System to ensure the fair and equitable evaluation of transfer credits for students. To that end, the policy requires each campus to:
1. make timely decisions about transfer credits and their applicability to program expectations at the new campus;
 2. document its decisions about transfer credits and identify the individuals responsible for those decisions; and
 3. maintain records concerning transfer credits in a central, safe location.

B. Board of Regents Policy 301.5, which establishes a waiting period for transfer credits from institutions that are candidates for regional accreditation, should be followed despite the timelines established in subsequent sections of this policy. In order to assist transfer students, however, the receiving institution should provide information about how the credits will be used if the provisions of Policy 301.5.I.C are ever satisfied.

II. Procedures:

A. Transfer Applications.

1. Within five (5) working days of receipt of an application for transfer or an admissions file, the institution will send the student a communication indicating receipt of the documents and identifying what additional information is necessary to complete the transfer application.
2. Receipt of the application or admissions file by the priority deadline will facilitate the processing of transfer applications. The priority deadline is one month before the first day of classes for the term for which the student is applying. The deadlines set out in sections A.3 and A.4, under this Procedures section, assume that the application or admissions file is complete on or before the priority deadline. For a transfer student from an institution that is not part of the Montana University System, a complete file must include appropriate information so courses can be evaluated. That information shall include, at a minimum, official transcripts and catalogues from post-secondary institution(s) attended by the student. For courses that may be used to satisfy an out-of-System transfer student's major, minor, option or certificate, course syllabi may be required. The three (3) community colleges in Montana will be considered part of the Montana University System, for purposes of this policy.
3. Within ten (10) working days of the receipt of the completed transfer application, the student will be notified in writing of the admission decision, the total credits accepted for transfer to the receiving institution, and the transferability of the student's general education credits to the receiving institution. If the student has identified a major, minor,

option and/or certificate, he/she will be provided with an explanation of the process and timelines for the review of the student's credits by the appropriate academic program(s).

4. The student will be apprised of the final credit decision, for purposes of his/her major, minor, option and/or certificate, no later than the last day on which it is possible to add courses for the term in progress.
5. The process for a student who does not complete the transfer application process on or before the priority deadline will be the same as that described in paragraphs A.3 and A.4 above, except that the deadlines will not be mandatory. A student who does not complete the transfer application process by the priority deadline, but who has completed the process by the start of classes for an academic term, will receive a complete transfer evaluation prior to the pre-registration date for the following academic term.
6. If a student applies to an institution, and then does not enroll, the transfer and admissions documentation for that student will be maintained for a period of one year from the first day of the term for which the student intended to enroll.

B. Standardization and Documentation of Course Evaluations.

1. The Montana University System units will utilize the *Banner* transfer module to record campus-based equivalencies and to document student transfer decisions. The course evaluation will detail the process used for the denial of transfer courses and record the reasons for the denial in *Banner* or, if necessary, by means of a paper record.
2. Current course transfer equivalencies for each campus will be posted online in *Banner* and updated at least annually. Changes to curriculum (courses and course descriptions) will be reported by each institution to the Office of the Commissioner of Higher Education (OCHE) by June 30 of each year, and will be posted electronically by OCHE for use by all of the institutions. OCHE will work with the community colleges to ensure that those institutions report their course transfer equivalencies in the same manner.

C. Location of Transfer Files.

The final transfer evaluation and documentation of transfer decisions, including the identities of the evaluators and the basis for the decisions, will be recorded in *Banner* and will reside in the Campus Advising Center or in the student's permanent file in the Registrar's office on each campus.

D. Compliance.

If an institution does not meet the applicable timelines established in Procedures, paragraphs A.1, A.3, and A.4, a student's transfer credits will not be automatically accepted for major, minor, option, certificate or general education purposes. Campuses will be expected to monitor their compliance with this policy, however, and report their success in meeting the timelines to the Board of Regents.

III. History:

Approval of System of Controls, March 18, 2005, [ITEM 126-104-R0305](#). Revised May 20, 2005 ([Item 127-115-R0505](#)), procedural clarifications and changes.

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MONTANA BOARD OF REGENTS OF HIGHER EDUCATION

Policy and Procedures Manual

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SUBJECT: FINANCIAL AFFAIRS

Effective: July 1, 2001

Section: 940.29 Tuition: Post-Baccalaureate Students;
Montana University System Approved:

Issued: November 8, 2005

Board Policy:

Residents of Montana who take additional courses after earning a baccalaureate degree will be charged 120% of the resident undergraduate rate at the four-year campuses. The exceptions to this policy will be granted for post-baccalaureate students who enroll for courses offered by the colleges of technology or post-baccalaureate students at The University of Montana-Western and Montana State University-Northern when it can be documented that a student is pursuing an associate degree. Nonresident students will pay the resident assessment plus a nonresident fee equivalent to nonresident graduate tuition.

History:

Item, 94-001-R0197--Tuition; Post-Baccalaureate Students; Montana University System (NEW), approved by the Board of Regents March 27, 1997, as revised on July 9, 1999 and November 19, 1999 (Item 105-103-R1199); Item 109-1602-R1100, Authorization for Institutional Name Change from Western Montana College of The University of Montana to The University of Montana-Western, approved by the Board of Regents January 18, 2001, with an effective date of July 1, 2001, and as revised by the [Task Force on Fees Report](#) approved by the Board of Regents on March 24, 2000 with an effective date of Academic Year 2002.

ITEM 130-105-R0306

ISBN Numbers and Textbooks

THAT:

The Board of Regents of Higher Education approves the proposed new policy on textbooks for the Montana University System. The policy is attached to this item.

If adopted, the policy will have an effective date of Fall Semester 2006.

EXPLANATION:

The Academic & Student Affairs Committee of the Montana Board of Regents spent time, at both the September and November 2005 Regents' meetings, discussing the "cost of textbooks" issue. Several possible actions were considered, but the one that seemed to make the most sense to the most people was a System-wide practice of posting ISBN numbers for all classroom materials so students can shop around for the materials.

The ISBN number is the identifying number for textbooks and other literary materials. With that number, students could try to buy the book from another source. Or they could decide that the purchase price at the campus bookstore is more than reasonable, given the convenience and immediate availability of the materials. Regardless of what happens, students would have more information to make a purchase decision. At least one bookstore in the Montana University System already follows this practice. The proposed policy would require all bookstores to do so.

The policy does have drawbacks. The MUS bookstores may lose textbook sales, and because of this policy, they will be providing the information that makes that possible. The posted ISBN numbers, under this policy, will correspond to textbooks available in the bookstores, based on faculty textbook adoption decisions. The same textbook, with additional (or fewer) features like CDs and study guides, typically have different ISBN numbers. Students will have to find the ISBN number for those different textbook versions on their own.

After weighing all of these advantages and disadvantages, however, the attached policy is being proposed for adoption by the Montana Board of Regents.

**Proposed policy revisions
for
employment contracts
in the
Montana University System**

Introduction

Individual employment contracts in the Montana University System (MUS) are subject to Board of Regents (BOR) approval, pursuant to the Board's constitutional authority to supervise and manage the system. BOR policies for non-faculty employment contracts with professionals and administrators are found at sections 711.1 and 711.2 of the Regents policy manual. The policy provisions appear in this report with a strikethrough symbol (i.e., ~~crossed-out lines~~) denoting language intended for deletion from policy. The proposed new policy language in this report appears after the denoted current policy language.

The MUS has approximately 7,590 full-time equivalent employees supported through all fund sources, or, approximately 4,360 full-time equivalent employees considering only unrestricted funds. The majority of employees in the MUS are faculty members working under faculty contracts, or staff members who are covered by the MUS job classification system and Staff Compensation Plan. A smaller group of non-faculty, non-classified employees is covered by individual employment contracts governed by BOR Policies 711.1 and 711.2. This group of professional-level employees and administrators totals approximately 800. Members of the BOR Staff and Compensation Committee have expressed interest in reducing the number of employment contracts that must go to the Board for formal action.

The BOR could accomplish this interest by delegating to the Commissioner the authority to approve most non-faculty employment contracts, while retaining BOR authority to approve the contracts of certain employees as designated by policy. The draft policy revisions in this document would reduce the non-faculty employment contracts on the BOR agenda from the current number of approximately 800 to a reduced number of approximately 60. At the same time, the revised policy would require the Commissioner to prepare an annual report to the BOR on salaries and trends of employment contracts throughout the MUS.

Integrated with the draft policy revisions on employment contracts is a draft policy on salary changes for non-faculty administrators and professionals. The draft salary policy follows the delegation model as described above, authorizing the Commissioner to approve salary changes for most contract employees within a designated range. The BOR would retain authority to approve salary changes beyond the designated range for most contract employees. The BOR also would retain full authority to approve any salary changes for approximately 60 employees whose contracts are subject to BOR approval.

Some notable draft policy revisions include:

- Campuses would submit staff items and contract matters to the Commissioner's Office as they have in the past, but most of the items would not have to be placed on the BOR meeting agenda for action. The information would be available to the BOR and the public in an annual report from the Commissioner.
- There would be two types of employment contracts: (1) an MUS employment contract covering roughly 740 employees, approved by the Commissioner as delegated by the Board, and; (2) a Board of Regents contract covering roughly 60 administrators and professionals that would remain subject to BOR approval.
- The new policy would allow for a two-year contract term in certain recruitment situations with the Commissioner's approval for employees covered by MUS employment contracts. The policy also would allow for a two-year contract term in certain recruitment situations for the roughly 60 employees covered by BOR employment contracts conditional upon BOR approval.

- The six-month notice of non-renewal for employees with at least two years of continuous service is modified to five months of notice.

Additional items for consideration:

- **Faculty contracts.**

The BOR may want to consider delegating to the Commissioner the approval of roughly 2,000 faculty contracts that currently go on the BOR agenda for action. Faculty contract information could be made available to the BOR and to the public in the same annual report fashion as proposed above for non-faculty professionals and administrators.

- **Coaches.**

Coaches currently are not covered by the BOR employment contracts policies, nor are they covered by the draft policy revision contained in this report. Despite this policy void, there has long been an unwritten policy or practice that coaches may only be hired on a year-to-year basis, which has been bolstered by the fact that on at least two occasions in the past few decades the Regents have expressly rejected proposals to allow for multi-year coaching contracts.

The treatment of coaches has naturally surfaced again during the course of the past year's discussion of system contracts. The Commissioner has asked the campuses to prepare and submit through MSU-Bozeman and UM-Missoula a written statement addressing coaching-related needs for employment contract procedures. Campuses should articulate their needs and desires in a number of areas, including but not limited to: possible guidelines or policies for coaches' contracts; relevant market factors; recruitment and retention trends; duration of contracts; contract renewal procedures; notice of non-renewal procedures; plans for fiscal solvency in contract termination buy-outs; relevant NCAA or NAIA regulations; financial incentives; outside compensation. This information from campuses may be used for BOR consideration of a future policy or procedure for coaches' contracts.

Employment Contracts

Options

Status Quo

The BOR approves contracts for approximately 800 non-faculty professionals and administrators (*and approximately 2,000 faculty members*). The BOR also approves pay adjustments for individual employees. The information appears on the agenda of each BOR meeting. Current policy limits the term of contracts to one year, with the exception of the initial contracts for Presidents and Commissioner, which may be two years. Coaches are excluded from current policy, therefore, the BOR has authority to approve multi-year contracts for coaches if the BOR so desired.

Option A (*appears in committee agenda materials*)

The BOR delegates to the Commissioner the authority to approve contracts and approve most pay adjustments for individual employees. The information would appear in an annual fall report. The exception would be for contracts covering the Commissioner, Commissioner's staff, Presidents, Vice Presidents, Provosts, Vice Provosts, Chancellors, Vice Chancellors, Deans of the Colleges of Technology in Helena and Great falls, and Legal Counsel, which would continue to require BOR approval. In a difficult recruitment situation, the Commissioner may approve a two-year initial contract for any employee subject to the policy.

Option B

The BOR delegates to chief executives (*Commissioner, Presidents, Chancellors, and Deans of the Colleges of Technology in Great Falls and Helena*) the authority to approve contracts and approve most pay adjustments for individual employees for their respective campuses. The information would appear in an annual fall report. The exception would be for contracts covering the Commissioner, Deputy and Associate Commissioners, Presidents, Vice Presidents, Provosts, Vice Provosts, Chancellors, Vice Chancellors, Deans of the Colleges of Technology in Helena and Great falls, and Legal Counsel, which would continue to require BOR approval. In a difficult recruitment situation, the Commissioner may approve a two-year initial contract for any employee subject to the policy.

Employment Contracts

Characteristics of Options

Status Quo

BOR approves all employment contracts and pay adjustments for contract employees.

- Frequent dissemination of public salary information (every BOR meeting)
- Centralized pay authority (e.g., system-wide view of equity and market issues)
- Contract employee items take a substantial amount of space on the BOR agenda
- Hinders ability of campus leaders to enter into contracts or adjust pay in a timely manner

Option A (*appears in committee agenda materials*)

Commissioner approves almost all employment contracts and pay adjustments for employees, except for high-level administrators and Commissioner's staff.

- Annual dissemination of public salary information, with summary report on status and trends
- Centralized pay authority (e.g., system-wide view of equity and market issues)
- Less bulk in the BOR meeting agenda
- Less restrictive on ability of campus leaders to enter into contracts or adjust pay in a timely manner

Option B

Campus chief executive officers approve almost all employment contracts and adjustments for employees on their campuses, except for high-level administrators.

- Annual dissemination of public salary information, with summary report on status and trends
- Decentralized pay authority (e.g., reduced system-wide view of equity and market issues)
- Less bulk in the BOR meeting agenda
- Least restrictive on ability of campus leaders to enter into contracts or adjust pay in a timely manner

SUBJECT: PERSONNEL

Policy 711.1 – Employment Instruments; Professional and Administrative Employees

Issued November 19, 1998; Issued December 30, 1998

Board policy:

1. All employees of the Montana University System except those excluded in Subsection 6 shall be hired through a University System professional employment contract or a letter of appointment in accordance with this policy.

2. Montana University System Professional Employment Contracts

a. Professional and administrative employees holding permanently budgeted positions shall be issued a Montana University System professional employment contract specifying salary and other terms of employment. Employees other than those holding permanently budgeted positions may be issued a Montana University System professional employment contract and when the contract is approved by the Board of Regents the employment shall be governed by this section.

b. Montana University System professional employment contracts are for a maximum of a one year period and must be signed by the applicable President, Chancellor, or the Commissioner of Higher Education, and be approved by the Board of Regents.

c. Except in situations involving termination for cause or loss of funding (see Section 4), professional and administrative employees hired through a Montana University System professional employment contract shall be given written notice of intent not to renew their contracts at least 30 days prior to expiration during the first year of employment, three (3) months prior to expiration during the second year of employment, or six (6) months prior to expiration during the third or subsequent years of employment with the institution in a full-time position.

3. Letters of Appointment

a. Employees not hired through a Montana University System professional employment contract shall be hired through a letter of appointment signed by the campus chief executive officer or the Commissioner.

b. Letters of appointment are for a specified period and are not to exceed one year. There is no restriction on the number of successive one-year letters of appointment which may be granted to an individual. However, in no case does an employee hired through a letter of appointment have a right to continuous employment beyond the one year period. Except in situations involving termination for cause the employment of employees hired by a letter of appointment automatically ends without notice at the end of the specified term or the end of the one year period, whichever occurs first.

4. Funding Contingency: Montana University System professional employment contracts and letters of appointment may include a notation that makes employment contingent upon continuation of external funding. If anticipated funding is not forthcoming, an employee hired through a contract or letter of appointment with such notation may be terminated at any time during the expected term of the contract upon 15 working days written notice.

5. Limitations: No agent of the Board of Regents may make commitments or promises to any employee to extend employment beyond the maximum one year term authorized in this policy. Any such promises, whether written, oral or implied, are invalid and unenforceable.

6. Tenure track faculty, student employees, classified employees, coaches, Presidents and the Commissioner are excluded from paragraphs one through five of this policy.

7. No later than October 1 of each year, the Presidents shall submit to the Commissioner a list containing:

~~a. The names, positions, dates of employment, and salaries of all employees employed through a letter of appointment in the preceding fiscal year.~~

~~b. The names and positions of all employees employed pursuant to a Montana University System professional employment contract for any part of the preceding fiscal year, who during that year received salary in excess of the amount listed on the Board of Regents' staff item in which the employee's contract salary was listed. The list should state for each person thereon both the previously approved salary, the amount by which the employee's compensation exceeded the previously listed salary, and the reason for the difference.~~

~~The Commissioner shall thereafter make available these lists, along with similar information from the Commissioner's Office, to the Regents.~~

**SUBJECT: ~~PERSONNEL~~
~~Policy 711.2 - Criteria for Board of Regents Contract; Non-faculty Personnel~~
~~Effective July 7, 1994; Issued September 28, 1994~~
~~Board policy:~~**

~~1. Administrative employees with substantial policy-making authority and professional employees are eligible to receive a Board of Regents employment contract upon recommendation of the university president and the Commissioner and approval of the Board of Regents.~~

~~2.~~

~~a. Each university shall develop a policy defining the specific criteria for receipt of a Board of Regents employment contract in order to:~~

~~1) provide for consistent treatment of similar positions throughout the university;~~

~~2) maintain the number of Regents' contract employees at the minimum necessary for efficient operation; and~~

~~3) distinguish between administrative and professional employees. Both universities should coordinate their policy development efforts through the Commissioner's Office in order to achieve as much system uniformity as is practical.~~

~~b. A university may change an occupied position from a Regents contract position to a classified position if such position does not meet the criteria established in university policy. The employee shall be provided the same notification required in policy 711.1 prior to any such involuntary change in employment status. The employee's salary will be set in accordance with the state pay plan rules.~~

~~c. A change in employment status may be a condition of a transfer or promotion to a new position~~

DRAFT POLICIES TO REPLACE CURRENT POLICY 711.1 AND 711.2

MONTANA BOARD OF REGENTS OF HIGHER EDUCATION

Policy and Procedures Manual

SUBJECT: PERSONNEL

(NEW) Policy 711.1 – Montana University System employment contracts (non-faculty)

1. Delegation of Authority:

The Board of Regents, pursuant to its constitutional authority to supervise and manage the Montana University System (MUS), hereby delegates to the Commissioner of Higher Education the authority to approve employment contracts offered to certain employees by Presidents, Chancellors, and Deans of the Colleges of Technology in Helena and Great Falls. MUS employment contracts in this policy cover non-faculty professional employees who are not on the MUS Staff Compensation Plan, and administrators who are not covered by a Board of Regents employment contract as provided in Regents Policy 711.2.

2. Accountability:

a. Campuses shall submit the terms and conditions of tentative MUS employment contracts to the Commissioner. Presidents are authorized to coordinate the submitted items on behalf of affiliated campuses. The submitted information should identify the employee's name, position title, department or program, proposed salary, position funding source, date of hire, and proposed duration of the contract. Upon the Commissioner's approval, the President, Chancellor, or appropriate College of Technology Dean shall be authorized to sign the approved contract into a binding agreement.

b. The Commissioner will prepare an annual report to the Board of Regents in November summarizing the status and trends of MUS employment contracts.

c. Salaries will be administered in accordance with Board of Regents Policy 8.XXX (Salaries for non-faculty contract employees).

d. In all cases for new and continuing employees, salary levels and guidelines shall be established with a goal of maintaining a balance between recruiting a high-quality workforce and recognizing the reality of scarce salary resources.

e. Montana University System employment contracts and letters of appointment (section 5) may include a notation that makes employment contingent upon continuation of external funding. If anticipated funding is not forthcoming, an employee hired through a contract or letter of appointment with such notation may be terminated at any time during the expected term of the contract upon 15 working days written notice.

3. Eligibility:

a. Employees eligible for hire through an MUS employment contract are non-faculty professional and administrative employees who perform work that is autonomous in nature or involves policy-making authority.

b. Tenure track faculty, student employees, classified employees, coaches, employees covered by a collective bargaining agreement, and employees covered by a Board of Regents employment contract (Policy 711.2) are excluded from this policy.

c. Not all positions exempt from the overtime provisions of state and federal wage statutes are appropriate for MUS employment contracts, however, positions must be exempt from the overtime regulations to be eligible for MUS employment contracts.

d. Eligibility for an MUS employment contract is not determined solely on the basis of the employee's job title or his/her supervisor's job title. Relevant factors include job duties and responsibilities, decision-making authority, and the essential business needs of the employer.

4. Terms and conditions:

a. The maximum term of a contract is one year, except in situations where a one-year term causes substantiated recruitment difficulty. A two-year contract may be offered to a new employee to resolve the recruitment difficulty with prior approval from the Commissioner.

b. Except in situations involving termination for cause or loss of funding for the position, professional and administrative employees hired through MUS employment contracts shall be given written notice of intent not to renew their contracts at least thirty (30) days prior to expiration during the first year of employment; three (3) months prior to expiration during the second year of employment; or five (5) months prior to expiration during the third or subsequent years of employment with the institution.

In the event the initial term of employment contract for a newly hired employee is for less than six (6) months, the employee shall be entitled to at least thirty (30) days written notice of non-renewal prior to expiration in both the first and second years of employment. Such employee will be entitled to at least three (3) months notice prior to expiration during the third year, and five (5) months prior to expiration during the fourth or subsequent years of employment.

5. Letters of Appointment:

a. A Letter of Appointment is an employment contract issued to administrative employees or professional employees whose appointments are temporary and/or funded through means not available from year to year. Non-tenurable faculty members are also eligible for a Letter of Appointment. In all cases, the appointment is for the fixed term specified in the Letter of Appointment, not to exceed one year. Employees hired through a Letter of Appointment have no right to continuous employment beyond the fixed term of the letter. The eligibility requirements articulated in Section 3 of this policy also apply to Letters of Appointment.

b. Letters of Appointment may include a notation that makes employment contingent upon continuation of funding. If anticipated funding is not forthcoming, an employee hired through a Letter of Appointment with such notation may be terminated at any time during the expected term of the contract upon 15 working days written notice.

c. Except in situations involving termination for cause or lack of funding, employment of employees hired by a Letter of Appointment automatically ends without notice at the end of the specified term.

d. Campuses shall submit to the commissioner by October 1 each year a list containing the names, positions, dates of employment, and salaries of all employees employed through a letter of appointment in the previous 12 months.

e. Aside from the annual report referenced in part 5d above, campuses are not required to submit terms and conditions of a Letter of Appointment contract to the Commissioner for prior approval.

* * * *

No agent of the Board of Regents or Montana University System executives may make commitments or promises to any employee to extend employment beyond the maximum term authorized in this policy. Any such promises, whether written, oral or implied, are invalid and unenforceable

MONTANA BOARD OF REGENTS OF HIGHER EDUCATION
Policy and Procedures Manual
SUBJECT: PERSONNEL
(NEW) Policy 711.2 – Board of Regents employment contracts

1. The following positions shall be hired through a Board of Regents employment contract:

Commissioner of Higher Education
Deputy / Associate Commissioner
President
Vice President
Provost
Vice Provost
Chancellor
Vice Chancellor
Deans of the Colleges of Technology in Helena and Great Falls
Legal Counsel
Other Commissioner's staff not covered by the MUS Staff Compensation Plan

2. Board of Regents employment contracts:

- a. Employees in positions referenced above shall be issued a Board of Regents employment contract specifying salary and other terms of employment. Board of Regents employment contracts are for a maximum of a one-year period and must be signed by the applicable President, Chancellor, or the Commissioner of Higher Education, and be approved by the Board of Regents. In cases of substantiated recruitment difficulty, if a one-year employment contract is the primary reason, a Board of Regents employment contract may be offered for a term not to exceed two years upon review by the Commissioner and approval by the Board of Regents. For the Commissioner and Presidents, the procedures for two-year contracts and certain other conditions are governed by BOR Policy 702.5 (Appointment; Executive Contracts; Commissioner and Presidents).

- b. Except in cases of mid-contract termination for cause or loss of funding, full-time employees hired through a Board of Regents employment contract shall be given written notice of intent not to renew their contracts at least thirty (30) days prior to expiration during the first year of employment; three (3) months prior to expiration during the second year of employment, or; five (5) months prior to expiration during the third or subsequent years of employment with the institution.

- c. All other terms and conditions of employment shall be outlined in the contract.

3. Limitations: No agent of the Board of Regents may make commitments or promises to any employee to extend employment beyond the maximum term authorized in this policy. Any such promises, whether written, oral or implied, are invalid and unenforceable.

4. Salary adjustments for executives working under Board of Regents employment contracts are subject to Board of Regents policy number 8XXX and Board approval (Salary increases for non-faculty contract employees).

DRAFT SALARY POLICY FOR NON-FACULTY CONTRACT EMPLOYEES

MONTANA BOARD OF REGENTS OF HIGHER EDUCATION

Policy and Procedures Manual

SUBJECT: COMPENSATION

(NEW) Policy 8XXX– Salary changes for non-faculty contract employees

Positions defined in Board Policy 711.1 and 711.2 are subject to the provisions of this policy, unless otherwise noted. Faculty members are excluded from this policy, with the exception of non-tenurable or adjunct faculty members covered by Letters of Appointment. Only those provisions specified are applicable to individuals on Letters of Appointment.

All requests for salary adjustments shall adhere to the following parameters. The Board of Regents has authority to approve requested salary adjustments for employees working under Board of Regents employment contracts (Policy 711.2).

The Commissioner has authority to approve requested salary adjustments for employees working under Montana University System employment contracts (Policy 711.1) up to an amount of fifteen (15) percent. Requested salary adjustments of greater than fifteen (15) percent require Board of Regents approval.

I. **Across-the Board Salary Adjustment**

A. Definition: An annual percentage or flat dollar amount salary increase, at least in part intended to be distributed equally among eligible employees.

B. Amount: The Board of Regents shall establish the amount of any across-the-board adjustment.

C. Eligibility: Employees eligible for across-the-board increases shall typically have been employed in their current position at least twelve (12) calendar months prior to the effective date for implementation.

D. Effective Date: The Board of Regents shall establish the effective date for implementation of the across-the-board salary increases for eligible employees.

E. Documentation Required: With input from OCHE staff, members of the Board of Regents Staff and Compensation Committee shall determine what, if any, documentation will be required (e.g., fiscal impact assessment, etc.).

F. Merit Salary Increases: Campuses may elect to award merit salary increases to employees using funds for across-the-board salary adjustment authorized under this policy. Merit increases will be based upon performance evaluations and may be available to an employee who demonstrates outstanding performance in a recent evaluation indicating the employee is above the average rating established by the campus.

II. **Retention Salary Increase**

A. Definition: Retention salary increases allow the Montana University System to retain an employee **a)** with valuable knowledge, skills or abilities that are vital to the achievement of the University's mission or strategic goals and **b)** whose resignation would have a significant adverse impact on the accomplishment of critical and/or urgent projects.

B. Amount: Retention salary increases may be permanent or temporary base adjustments or a onetime or periodic lump sum amount that is not added to the employee's base salary. The amount requested shall be supported by relevant salary comparison data from CUPA and other sources deemed relevant by OCHE staff, in consultation with the employing unit.

C. Eligibility: Normally, only those individuals employed at least three (3) full contract terms shall be eligible for a retention salary adjustment. An individual employee may normally receive no more than one (1) retention salary adjustment in any two (2) consecutive year period.

D. Effective Date: A retention salary adjustment shall be effective on the date established by the Board.

E. Documentation Required: A retention increase request shall be accompanied by:

1. Explanation of the adverse impact if the employee resigns, and a summary of the employee's value to the institution;
2. Relevant salary survey data, including the job titles and descriptions of duties for positions used for comparison purposes;

3. Existing salary relationships among positions with similar responsibilities and in supervisory hierarchies within the campus and Montana University System;
4. Budget availability, funding source and long-term impact on tuition;
5. Evidence the employee has higher-paying opportunities with other employers.

III. Internal Equity

A. Definition: A salary adjustment for an employee performing similar work under similar working conditions requiring a comparable level of knowledge, skill, or ability in order to resolve inequities. The fact that a retention salary adjustment is granted to one or more employees on the same or another campus may not be used as the sole justification for additional internal equity salary requests. Other relevant factors to be considered include: merit and length of service of the employee; market-based considerations; statutory protected class considerations; pay compression or inversion in existing pay relationships on a campus.

B. Amount: The amount requested shall be supported by salary comparison data from within the Montana University System, along with relevant salary comparison data from CUPA and other sources deemed relevant by OCHE staff in consultation with the employing unit.

C. Eligibility: Normally, only those individuals employed at least three (3) full contract terms shall be eligible for an internal equity salary adjustment.

D. Effective Date: An internal equity salary adjustment shall be effective after Board approval.

E. Documentation Required: An internal equity increase request shall be accompanied by:

1. Explanation of reason the inequity exists;
2. Position and salary comparisons within the Montana University System that confirm an internal equity problem; and
3. Budget availability and funding source.

IV. Non-base Performance Bonus

A. Definition: Non-base building compensation for exemplary service or contribution beyond the scope of the employee's regular job responsibilities and expectations.

B. Amount: Typically, the amount of a lump sum bonus may not exceed 10 percent of the employee's annual base salary or \$5,000, whichever is less.

C. Eligibility: Employees must have been continuously employed in their current position for at least twelve (12) calendar months and shall not have received a lump sum bonus in at least the most recent 12-month period.

D. Criteria: The following job performance criteria shall be used to further determine eligibility:

1. The work significantly exceeds standard expectations in terms of quality, quantity, creativity, initiative, and effort;
2. The employee shall have maintained a consistent level of exemplary job performance during the term of their employment with the Montana University System, as evidenced by regular performance evaluations;
3. The efficiency, effectiveness, revenue generation, and/or cost savings efforts of the campus and/or University System are measurably enhanced by the employee's documented work; and
4. The employee's accomplishments occurred within the prior 12-month period.

E. Effective Date: Approved non-base awards shall be effective December 1 of each year. The Board of Regents prior to December 1 shall approve these bonus requests.

F. Documentation Required: Written documentation addressing the above-described eligibility criteria shall be submitted to the Commissioner, along with the requested dollar amount.

Individuals on Letters of Appointment are ineligible for retention, internal equity, and non-base performance or merit awards during the term of their appointment contracts. Nothing in this policy shall be construed to mean that an employee is entitled to any type of salary adjustment at any time, nor shall any provision in this policy be construed to mean that any individual is entitled to employment beyond the term of their existing contract, or as provided for in Board of Regents policies.

Workforce Development Committee Minutes
November 17, 2005
Regent Foster, Chair

Opening Remarks:

Regent Foster provided comment on the career fairs as an excellent way to showcase all programs at an institution, but should be careful to not target one or two programs at the detriment of others. He also requested campuses investigate and submit an application for the \$150 million that Congress has targeted to address nursing shortages. The "Your Guide" brochure was highlighted as a good example of marketing opportunities at our two-year institutions in the state. He noted that healthcare workers and teachers are a priority for workforce training.

Dean Paul Williamson provided a handout on the plan for UM Missoula COT use of the HB2 funds (\$200,000) given to two-year colleges for program development. Regent Foster requested that OCHE provide to the committee the plan for the other colleges as they become available.

Two-Year Education Council Charter

Arlene Parisot reviewed the Charter reflecting changes that address the issues brought forward during the September Regents' meeting. These changes expanded membership of the committee, defined participation of business and industry on ad hoc committees and identified voting members.

The charter was approved unanimously. Regent Hamilton and Regent French added two amendments to the charter. These amendments added language as follows:

Role and Responsibility

- Advise and assist the Board of Regents and its committees on issues, opportunities, or challenges related to two-year education from a statewide, systemic focus.
Amended to read:
- Collaborate with all educational levels, K12 through higher education, to assure smooth transition of students.
- Provide a comprehensive annual report to the Board of Regents on the status of two-year education and workforce development in Montana.

Membership

- **Amended to read:**
One designee representing students will be a voting member

Information Item: Establish committee priorities for workforce development based on BBER (Dr. Polzin) research

Regent Foster requests that Dave Gibson and Arlene Parisot research other states that have models for delivery of workforce training in two-year institutions across the state and to bring four or five items for the Regents to consider during the March meeting. He

also made reference to Pennsylvania and its efforts to encourage high school students to consider and prepare for healthcare occupations.

Regent Hamilton questions how we define workforce need and does it mean local, regional or statewide. We can't have a program in demand in every institution in the state. System approach needs to be considered. Two-year council is important for this, but also needs to be an issue for the board and this committee to consider.

Roger Barber indicated that program wish lists would address this issue. Underlying factor is that we can't afford to have programs at every site.

Jane Karas pointed out that the mission of community colleges and colleges of technology is to meet local area needs, but recognizes that more collaboration and coordination required for delivery of programs across the state.

Dave Gibson will have a conversation with BBER before January meeting to design a simplified study on public sector needs.

Review options and establish priorities for physician training and rural location incentives/education.

Linda Hyman's presentation gave an update on the medical school issue held over from the September meeting. It targeted clinical expansion, Montana Rural Physician Incentive Program (MRPIP), and expansion of residency. The RFP for establishing a 3rd year of medical school in five Montana communities was approved by University of Washington. This will not result in additional cost to the system

The program MRPIP – supported by WAMI and WICHE - has a retention rate of 77% in Montana. It is difficult to provide the incentives other states have such as scholarships and loan repayment – Montana does not have any state sponsored programs.

Recommendations for the Board to consider are: 1) prepare a position paper for Board and legislative action in 2007, and 2) convene a working group to complete the task.

Regent Hamilton moved the board adopt recommendations and the board unanimously approved.

Information Item: Establishing speech pathologist undergraduate and advanced degree programs.

Presentation was given by President of the SPL/A Association on data showing the needs in Montana as well as nationally. It also identified masters level programs in other states. Montana SPL/A's primarily work in public schools. Montana is 48th for salaries. Establishing a Pre-Audiology program was recommended.

UM Provost Lois Muir reported on the potential of reestablishing BA/MA programs at UM Missoula in SLP/A as the campus has existing facilities from previous program. Provost Muir suggested that a graduate level program would be started first and then

move to the undergraduate level. A major concern is the low salary paid for an SPL/A in Montana. Question: What is the level of education for SPLA/A aides. There are three levels: High School diploma, some college, and bachelor degree.

The first step should be to put a full proposal before the board.

Regent Foster: the committee and board will need more information before making a recommendation. Provost Muir could put forth a proposal for the January meeting.

Public comments: John Cech – Audry Conner Roseberg- faculty member in MSU Billings COT nursing program elected as new president of MSU Billings Academic Senate. This is the first time this position has been held by a College of Technology faculty member.

Emily Lipp-Sirrota, Governor's Office of Economic Opportunity will help Arlene and Dave on recommending models to the Board that identify workforce needs in the state.

The following is a DRAFT proposal, which outlines programs and alternatives which should be considered in developing a comprehensive and systematic approach to healthcare worker training in Montana. Cost estimates are approximations only.

Goal: Develop a comprehensive plan, including associated costs, to close the healthcare worker gap in ten years with the most cost-effective combination of programs.

1. Establish a healthcare data team to evaluate, over time, the state's healthcare worker shortages (both existing and anticipated).

This team should consist of, as a minimum, representatives of the following agencies or organizations:

- Montana Department of Labor and Industry Research and Analysis Bureau
- Montana Department of Labor and Industry Licensing Business and Occupational Licensing Bureau.
- Office of Commissioner of Higher Education
- MHA
- DPHHS
- Others? (agencies or organizations that track data related to healthcare worker shortages).

2. Establish an advisory group to evaluate proposals and make recommendations on the most cost-effective options to train, recruit, and retain healthcare workers.

This group should consist of 10-15 individuals and have approximately 50% of its members from non-government organizations. The group should also contain representatives of the Montana University System, including the state's community colleges and tribal colleges.

3. Work with the advisory group to evaluate options to reduce shortages of non-physician healthcare workers:

- Improve efficiency of current programs, including transferability and use of common curriculum across institutions, to lower attrition rates and speed graduation rates.
- Expand capacity in existing programs.
- Create funding pool to attract and retain targeted faculty in high-demand healthcare fields.
- Create new programs at strategically targeted institutions.
- Expand partnership with tribal colleges to offer more allied health training programs.
- Expand distance learning, either in-state or in cooperation with other states' programs (e.g. expand participation in WICHE's WRGP nursing Ph.D. program or offer on-line advanced degree programs similar to Arizona and Colorado).
- Expand partnerships with rural hospitals (or other options) to increase the number and size of clinical training sites.
- Create a fast-track for BA degree holders wanting to become nurses.
- Create programs to encourage/facilitate professionals not in the workforce to re-enter the workforce through re-certifications or incentives.
- Increase career pathways and dual-enrollment programs to increase supply of students wanting to enter healthcare professions.
- Expand programs to offer and encourage advanced degrees in nursing to build stronger base of potential instructors.

Cost: The advisory group should estimate the total costs, over the next 10 years, to reach our goal of eliminating worker shortages. The group should also make recommendations for priority funding requests in the next biennium.

4. Develop stronger support from industry (primarily hospitals and clinics) to provide additional matching funds for expanding the number of trained healthcare workers in the state in a systematic way.

Cost: none to general fund or MUS

5. Actively solicit federal and/or non-profit grants and funds, as a state or university system, to help eliminate the healthcare shortage in Montana.

Cost: none to general fund or MUS

6. Designate campuses as “centers of excellence” to be the lead institution for specific types of healthcare education.

Cost: \$1 million to establish first three centers of excellence in next biennium.

7. Consider developing an incentive program (loan forgiveness, perhaps from industry partners) for allied health professionals in addition to physicians who locate in rural areas.

Cost: \$250,000 for pilot program in first biennium.

8. Expand physician education to increase the number of physicians in Montana, with particular emphasis on increasing the number of primary care physicians practicing in rural areas.

- Increase WWAMI slots for entering class from 20/year to 40/year (total in 4-year program increases from 80 to 160 after four years).
Cost: \$1.9 million next biennium, \$3.4 million subsequently
- Implement selection criteria for WWAMI to increase percentage of physicians returning to Montana rural areas in primary care specialties.
Cost: none to MUS or general fund
- Implement a third year WWAMI medical training program in Montana.
Cost: none to MUS or general fund
- Develop a proposal to expand MT Family Practice Residency Program.
Cost: none in the next biennium, possibly funding required subsequently
- Consider adding residency program in another specialty area in 3 years, possibly in a community other than Billings.
Cost: none in the next biennium, possibly funding required subsequently.

9. Increase the funding for, and more carefully target, incentives to encourage primary care physicians to locate in high-need areas by considering the following options:

- Charge higher rates (on par with all other WWAMI states) for first year WWAMI students and put funds into Montana Rural Physician Incentive Program (MRPIP) and WWAMI program.
Cost: none to general fund or MUS. Increases tuition for medical students that is more-than-offset by future incentives if they return to practice in Montana high-need areas.
- Phase out current Rural Physician Tax Incentive (grandfather current enrollees for time left under current law), put equivalent funds into MRPIP.
Cost: none to general fund or MUS. Requires legislative action to change tax code and reallocate funds.
- Increase “surcharge” for WWAMI program from \$2K to \$4-5K per year, put additional funds into MRPIP.
Cost: none to general fund or MUS. Increases tuition for medical students that is more-than-offset by future incentives if they return to practice in Montana’s high-need areas.
- Use combination of above proposals to generate approximately \$1 million per year for MRPIP. Revise MRPIP to increase incentive amounts and to better target locations in most need of primary care physician with a goal to eliminate all Health Professional Shortage Areas (HPSAs) in 10 years. Include a larger selection team for awards to have greater rural representation and to ensure incentives are targeted at highest-need areas.
Cost: none to general fund or MUS.

10. Continue to evaluate options for increasing the number of dentists through expanded partnerships with other states (including WICHE and WWAMI).

This is currently being evaluated by the Montana Dental Association and the MUS through a \$5,000 grant from the Legislature and a \$20,000 grant from the American Dental Association. Particular emphasis is being placed on training dentists likely to practice in Montana’s rural areas.

Center for Business Information and Research (CBIR)
Flathead Valley Community College
January 2006

Proposal for the Assessment of Workforce
Preparation and Retention in the Montana Public Sector

Several issues emerge when considering the ability of the public sector to recruit and retain qualified employees, particularly in occupations where technical expertise is required. The private sector is subject to the forces of demand and supply in its resource markets. Wages and benefits, along with job amenities, enter into the ability to attract and retain employees in a highly mobile employment economy.

This study proposes to identify and inventory government employment requiring technical expertise and which most likely confronts competitive challenges in recruiting and retaining qualified employees. Once identified and inventoried, key informants will be interviewed to assess individual departments and their ability to attract and retain technically qualified employees. A case study approach is proposed, using input from Bureau Chiefs and their counter-parts to determine public sector success in recruiting employees with at least minimal qualifications. Additionally, job retention will also be addressed. Important here is the ability of government compensation and promotion to parallel with compensation and promotion opportunities in the private sector.

The case study approach will identify three government sectors where employment recruitment and retention are most likely problematic. These sectors will be identified through preliminary interviews with Agency Heads and personnel from the Economic Development Office of the Commissioner of Higher Education. Critical occupations will be identified based on the ability to attract and retain qualified employees. Key informants will then be interviewed in several economic areas to assess any geographical considerations in recruiting and retaining employees. The economic areas could include, but not be limited to, two metro and one rural area representing different geographical locales in the state.

The study will serve as a possible template for further investigation into the public sector challenges with respect to workforce recruitment and retention.

Budget:

In cooperation with the Economic Development Office of the Commissioner of Higher Education, the Center for Business Information and Research will develop a timeline for project monitoring and completion. The CBIR will provide all services necessary to complete the study, and will submit progress reports once step by step project timelines are established.

Interviews will be conducted via a mix of on-site personal interviews and telephone conversations. The CBIR will also be available for all personal appearances necessary to present and report the study's findings.

A Research Assistant will work with the Director of CBIR to provide technical assistance and report generation.

Travel:

1500 miles @ \$.445/mile	\$667.50
5 days @ \$23.00/day	\$115.00

Office Supplies

Paper, telephone, copy charges	\$313.00
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Personnel

Research Assistant @ \$12.00/hour	\$1,200.00
Benefits @ 11%	\$132.00

Director, CBIR @ \$110.00/hour	\$8,250.00
Benefits @ \$13%	\$,072.50

CBIR/FVCC Overhead @ 10%	\$1,175.00
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TOTAL	\$12,925.00
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VITAE
GREGG EMERY DAVIS

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Personal Data: Married,
Two Adopted Children, India
Date of Birth: December 14, 1952

EDUCATION

August 1986 Doctor of Philosophy in Mineral Resource Economics
 West Virginia University, Morgantown, WV
 Environmental Economics
 Energy Economics
 Regional Economics

June 1978 Master of Arts in Economics
 University of Montana, Missoula, Montana
 General Economics

August 1975 Bachelor of Arts in Anthropology
 University of Montana, Missoula, Montana
 Physical Anthropology
 Archeology

PROFESSIONAL EXPERIENCE

January 2001 Director, Center for Business Information and Research, Flathead Valley
to present Community College

January 2001 Adjunct Professor, University of Montana, Liberal Studies Program
To May 2001

January 1999 Adjunct Professor, University of Montana, Liberal Studies Program
To May 1999

August 1998 Chair, Social Science Division, Flathead Valley Community College
To Present

January 1998 Adjunct Professor, University of Montana, MBA Program
to May 1998

August 1994 Instructor, Flathead Valley Community College
to Present

August 1993 Director, Center for Business and Economic Research
to May 1994 College of Business
 Marshall University

August 1991 Associate Professor of Economics
to May 1994 Department of Economics
 Marshall University

January 1990 to July 1990	Acting Chairman of Economics Department of Economics Marshall University
August 1988 to December 1989	Assistant Professor of Economics Department of Economics Marshall University
May 1988 to July 1988	Visiting Professor for Graduate Studies in Economics Shue Yan College Hong Kong
August 1985 to May 1988	Assistant Professor of Economics Department of Economics Northeast Louisiana University
January 1985 to May 1985	Teaching Assistant Department of Mineral & Energy Resources West Virginia University
August 1982 to December 1984	Research Assistant Department of Mineral & Energy Resources West Virginia University
January 1982 to July 1982	Health Planning Supervisor Montana Health Systems Agency, Inc. Helena, Montana
March 1981 to December 1981	Health Planning Consultant Helena, Montana
1979 to March 1981	Assistant Director Montana Health Systems Agency, Inc. Helena, Montana
Spring 1976	Teaching Assistant in Economics University of Montana Missoula, Montana

PUBLICATIONS

"The Revenue Contribution of Montana Department of Transportation Expenditures to the Montana General Fund," December 2002.

"An Economic Assessment for the U.S. Highway 93 Supplemental Environmental Impact Statement," October 2002.

"Economic Evaluation of Section 36, Montana Department of Natural Resources and Conservation," Supplemental Environmental Impact Statement, May 2001.

"A Statistical Tabulation of the Kalispell Area of Commerce 60 Second Survey," October, 2000

"If It's Money That Matters, How Do You Know If You Have More Of It?" Kalispell Chamber of Commerce Newsletter, March, 1999

"Everything in Life is Relative, It Need Not Be All Bad News," Kalispell Chamber of Commerce

"Understanding the Barrage of Federal Statistics, A Primer," Kalispell Chamber of Commerce Newsletter, February, 1999

"An Assessment of the Community Attitudes on Financial Services in the Flathead Valley," Glacier Bancorp, Inc., First Security Bank, Valley Bank and Bank West, December, 1996

"A Quality Assessment of Banking Services: A Shop of Glacier Bancorp, Inc.," October, 1997

The Teaching Economist, Southwestern Publishing, 1996.

"Eastern Kentucky Bio-Solids Study," U.S. Army Corps of Engineers, 1994.

"Economic Feasibility of a Front End Separation Unit," U.S. Army Corps of Engineers, 1993.

"A Readership Survey of the Ceramics Monthly Subscribing Population: Analysis and Summary Data," excerpted in Ceramics Monthly, Fall, 1993.

"Athletes on Steroids and the Law of Diminishing Returns," Great Ideas for Teaching Economics, 5th edition, Harper-Collins Publishers, 1992.

"Investments, Profits, and Your Waistline," Great Ideas for Teaching Economics, 5th edition, Harper-Collins Publishers, 1992.

Faculty Research Inventory, prepared for the College of Business, Marshall University, 1991.

"Small Investors and Mutual Fund Ownership," Central State Business Review, Central State University, Edmond, Oklahoma, January 1991 (co-author).

"Assessing Who Gains and Who Loses from Natural Resource Policy: Distributional Information and the Public Participation Process," Resources Policy, Vol. 15, No. 4, Dec., 1989 (co-author).

"Inside the Job Market for Economists: The Market Valuation of Attributes," Southern Business and Economic Journal, Vol. 12, No. 4, July 1989 (co-author).

"Diversification by Individual Stockholders," Central State Business Review, Vol. VII, No. 2, 1988 (co-author).

Natural Resource Policy and Income Distribution, with a foreword by Wassily Leontief, John Hopkins University Press, 1988 (co-author).

"Who Gains and Who Loses from Natural Resource Policy: An Application to Coal Surface Mining," Social Science Perspectives Journal Proceedings 1, 1986 (co-author).

The Regional Income Distribution Effects Resulting from Energy Resource Development on Public Lands: A Case Study. Dissertation, 1986.

"An Input-Output Approach to Modeling Income Distribution Effects from Surface-Mined Coal Production on Public Land," Journal of Modeling and Policy Simulation, Proceedings 16, 1985 (co-author).

Procedures for Estimating Income Distribution Effects. Report submitted to U.S. Department of Agriculture, Forest Service, Rocky Mountain Experiment Station, Fort Collins, Colorado, 1984 (co-author).

Economic Impacts of Whitewater Boating on the Gauley River. Report submitted to Corps of Engineers, Huntington, West Virginia, 1984 (co-author).

CONTRACT OR GRANT AWARDS

"A Study to Quantify the Economic Contribution of State Highway Spending on the Montana General Fund," Montana Department of Transportation, December 2002.

"An Economic Assessment for the U.S. Highway 93 Supplemental Environmental Impact Statement," Herrera Environmental Consultants, October 2002.

"A Statistical Analysis of the Kalispell Chamber of Commerce 60 Second Survey," Kalispell Chamber of Commerce, October 2002.

"Economic Impact of Kalispell Regional Hospital," Ongoing, 2001.

"Fitness Needs Assessment," The Summit, Ongoing, 2001.

"A Statistical Analysis of the Kalispell Chamber of Commerce 60 Second Survey," Kalispell Chamber of Commerce, 2001.

"Economic Evaluation of Section 36," Environmental Impact Statement for the Department of Natural Resources, State of Montana, May, 2001.

Loss of Earnings/Wrongful Death and Injury, for attorneys in Ohio, Kentucky, West Virginia and Montana:

Kentucky: 1989, 1990, 1992, 1993

Ohio: 194

West Virginia: 1993

Montana: 1996, 2001

"Purchasing Parity Index for Canadian Tourists in Montana," Flathead Convention and Visitor's Bureau, September, 2000.

"An Analysis and Summary of Responses to the YMCA Family Survey", Center for Business and Education Research, Marshall University, June, 1994.

"An Economic Analysis of Group B Streptococcal Infection in Pre-natal Care: A Model for West Virginia," submitted to Department of Obstetrics and Gynecology, Marshall University, December, 1993.

"A Proposal to Statistically Analyze the Ceramics Monthly Readership Population," submitted to Professional Publications, Columbus, Ohio, 1993.

U.S. Army Corps of Engineers, 1992, 1993: "Regional Bio-Solid Treatment: A Study for Eastern Kentucky; Development of a Front-End Separator at the Solid Waste Reduction Facility," (market feasibility studies).

U.S. Army Corps of Engineers, "Partners for Environmental Progress," economic analysis, 1992.

"1988 Middle South Institute," Middle South Utilities System, Inc., July 1988 .

"The Regional Economic Implications of the Ridgeway Mine Development in Fairfield County, South Carolina," submitted to Gold Camouflage, August, 1987.

"Educational Seminars for Organized Labor on the Automobile Business Climate, General Motors, Fisher-Guide Division, Monroe, Louisiana, 1987.

A Quantification of Motorboat Fuel Use in Montana. Master's Thesis, submitted to Montana Department of Fish and Game for use in the 1977 Montana Legislative Session, Helena, Montana, 1977.

PROFESSIONAL PROGRAM PRESENTATIONS

"Building a Purchasing Parity Index for Marketing Tourism," Association for University Business and Economic Research, Annual Conference, October 2002.

Academy of Learning, Workforce 2020, Helena and Bozeman, 2002.

Annual Montana Outlook Conference, Bureau of Business and Economic Research, University of Montana, 1995 to present.

Academy of Learning, Workforce 2020, Kalispell, Montana, September, 2001.

Academy of Learning, Workforce 2020, Kalispell, Montana, June, 2000.

"Assessing Learning Proficiencies," Washington Assessment Conference, 1997.

"Student Class Audits at Assessment Feedback," State of Washington's Higher Education Assessment Conference, 1996.

"Regional Bio-Solids Treatment for Reclaiming Disturbed Mining Lands," 34th annual meeting of Southern Regional Science Association, April, 1995, San Antonio, Texas.

"Bush, Clinton and the Environment," a public forum presented by the Department of Economics, Marshall University, October, 1992.

"Minority Employment in the Energy Sectors of the Economy: Projections for the 1990s," Socioeconomic Energy Research and Analysis Conference, Department of Energy, Washington, DC, May, 1987 (co-author).

"Who Gains and Who Loses From Natural Resource Policy: An Application to Coal Surface Mining," National Social Science Association, San Antonio, Texas, 1986 (co-author).

"A Social Accounting Matrix Approach to Evaluation of the Gains and Losses of Alternative Uses of Public Lands," Regional Science Association Meetings in Philadelphia, November 1985 (co-author).

NON-COMPENSATED PROFESSIONAL ACTIVITIES

Media Resource for Local Television and Newspaper, Kalispell, Montana

Select Featured Articles include:

"Great Growth," Daily Interlake, February, 1998.

"Job Dilemma," Daily Interlake, February, 1999.

"Puzzled About Pay?" The Great Falls Tribune, February, 1999.

"Big Mac Index," Daily Interlake, February, 2000.

Numerous presentations to Chambers of Commerce, Investment Groups, etc. 1987 to present.

Speaker, FVCC Honors Symposium, February, 1995.

"Recycling and the Economic Environment," Economic Development Through Recycling, Greenbrier Community Services, 1993.

"Economic Impact of the Owens Brockway Closing," television, October, 1993.

"Housing Starts and the Huntington Economy," television, October 1992.

"Credit Cards and Cash: How to Buy for the Christmas Season," television, November, 1992.

Media Resource for the Herald Dispatch, the Ashland Daily Independent, the Charleston Gazette and the Daily Mail, 1988-1994.

Invited Lecture, "Walt Disney's Law: Does it Work for the Environment?," Marshall University Earth Day Activities, Brown Bag Series, April 27, 1990.

Coordinator, Videoconference on "Corporate America and the Environment," for the College of Business, in cooperation with the College of Science, Marshall University, 1990.

Non-Compensated Professional Activities (continued)

Invited Lecture, "Environmental Economics," Biological Sciences, College of Science, Marshall University, Graduate Class BSC 481/581, September 24, 1990.

Invited Lecture, "Energy Policy in the U.S.," Students for an Active and Vital Earth (SAVE), October 17, 1990.

Invited Lecture for Alcohol Awareness Week, "Economics of a Private Good with Social Consequences," Marshall University, 1989.

FUNDED INTERNAL RESEARCH/PROJECTS

Mini Grants, FVCC, 1998 to present.

"Recycling as a Landfill Reduction Strategy: Perceptions by the Public Using the Contingent Valuation Method," Summer Research Award, 1991, Marshall University.

"College of Business Research Newsletter: Pilot Program" College of Business, Marshall University, 1990.

MANUSCRIPT REVIEWS

Reviewer for Journal of Ecological Economics, 1991 to present.

"The Impact of a Local Hospital on a Rural Economy: The Case of Southampton Hospital," The Review of Regional Studies, 1999.

"The Distributional Effects of Using a Before-Tax Standard in Damage Awards," Journal of Forensic Economics, 1993.

"The Effect of Government Size on Economic Growth: Evidence from Gross State Product Data," The Review of Regional Studies, 1991.

GRANT REVIEWS

"Net Economic Value and Local and State Impacts of Public Site Recreation in Coastal Georgia," School of Marine Programs, University of Georgia, December, 1993.

WORKSHOPS/CONTINUING EDUCATION

Association of Universities in Business and Economic Research, annual meetings, October, 1995 to present.

National Association for Business Economists, Washington Policy Conference, March, 2001.

Economic Development Summit: Focus on Education, invitation by Senator Max Baucus, Bozeman, Montana, February, 2001.

Minnesota IMPLAN Group, Input-Output Modeling, Fall, 2000.

Northwest Regional Service-Learning Institute, September, 1997.

Workshops/Continuing Education (continued)

Campus Compact Center for Community Colleges, 4th National Conference, Scottsdale, Arizona, May, 1995.

Classroom Research, Workshop, FVCC, January 1995.

AACSB Teaching Effectiveness Workshop, The Wharton School, University of Pennsylvania, February 1993.

Master Teacher Program, College of Business, Georgia State University, June 1993.

Writing Across the Curriculum, Marshall University, Hawk's Nest State Park, May 1993.

Faculty Training and Development Computer Seminars: MUnet, EMAIL, and BITNET and the Internet, 1993.

Institute for Professional Education, Economic Modeling and Forecasting, Arlington, Virginia, November 1992.

COMPENSATED BOOK REVIEWS

Explorations in Macroeconomics, Willis, CAT Publishing, 2001

Explorations in Microeconomics, Willis, CAT Publishing, 2001

Economics, John Taylor, Houghton Mifflin Company, 1993.

Principles of Economics, Harcourt, Brace, Jovanovich College Publishers, 1993.

Principles of Economics, West Educational Publishing, 1993.

Real World Economic Applications, M. Lehmann, Richard D. Irwin, 1990.

Basic Macroeconomics, Gregory and Ruffin; Scott, Foresman and Company, 1990.

Microeconomics, Michael Katz and Harvey Rosen, Richard D. Irwin, Inc., 1989.

REFERENCES

Dr. Jane Karas, President
Flathead Valley Community College
777 Grandview Drive
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Dr. Calvin Kent, Dean
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Marshall University
Hal Greer Boulevard
Huntington, WV 25755
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Dr. Roger Adkins
Department of Economics
Marshall University
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(304) 696-2609

Dr. Paul Polzin, Director
Bureau of Business and Economic Research
Business Administration Building
University of Montana
Missoula, MT 59812
(406) 243-5113

Recent State Policies/Activities

Economic/Workforce Development

This listing of examples of state policies enacted since 2000 was compiled using the Education Commission of the States (2006) summaries collected from state Web sites, state newsletters, *StateNet* and *Westlaw*. *StateNet* and *Westlaw* descriptions reflect the content of bills as introduced and may not reflect changes made during the legislative process. Following each example is the website to access the text of the bill or statute.

OREGON Signed into Law 08/2005 Postsecondary/Community Colleges

Creates the **Oregon Innovation Council** to provide advice to the Governor, the Legislative Assembly, public and private post-secondary educational institutions, public agencies that provide economic development and the private sector on issues related to:

- Promoting agreements between public and private post-secondary educational institutions and private industry that increase technology transfer and the commercialization of research;
- Promoting investment in specialized research facilities and signature research centers where Oregon has a distinct or emerging advantage for creating new products and businesses;
- Stimulating seed and start-up capital investment and entrepreneurial capacity that will promote economic growth in Oregon traded sector industries;
- Developing the entrepreneurial and management capacity critical to the competitiveness of Oregon traded sector industries and rapidly growing global markets;
- Enhancing the international competitiveness of Oregon traded sector industries; and (f) Identifying workforce issues for occupations critical to the competitiveness of Oregon traded sector industries, including but not limited to scientific, engineering, information technology and business management occupations.

<http://www.leg.state.or.us/05reg/measpdf/sb0800.dir/sb0838.en.pdf>

CONNECTICUT Signed into Law 07/2005 Postsecondary

Allows the **Commissioner of Higher Education** to create degree programs and pathways in the field of nanoscale science and engineering. Requires the Board for State Academic Awards and the Commissioner of Higher Education, in consultation with the Office of Workforce Competitiveness, to review how the state can accelerate the inclusion of discussion and segments of learning about nanotechnology, molecular manufacturing and advanced and developing technologies at institutions of higher education. <ftp://159.247.160.79/textofbill/s/2005SB-01167-R03-SB.htm>

TEXAS Sent to Governor 06/2005 Pre-K12/Postsecondary

The bill creates the **Texas Emerging Technology Fund** as a dedicated account in the general revenue fund. Requires that 50 percent of the money appropriated to the Texas Emerging Technology Fund be used for incentives for private or nonprofit entities to collaborate with public or private institutions of higher education on emerging technology projects.

The bill requires that 25 percent of the money appropriated to the Texas Emerging Technology Fund be used to match funding from research sponsors. The bill requires that 25 percent of the money appropriated to the Texas Emerging Technology Fund be used to acquire new or enhance existing research superiority at public institutions of higher education. The bill provides that the governor may reallocate money from one component of the fund to another component with prior approval of the lieutenant governor and speaker of the house of representatives.

<http://www.capitol.state.tx.us/cgi-bin/tlo/textframe.cmd?>

UTAH Signed into Law 03/2005 Postsecondary/Community College

This bill establishes a **Jobs Now Economic Development Initiative** within the state system of higher education to promote workforce preparation programs that meet critical needs and shortages throughout the state; and provides a distribution process for moneys received under the initiative to institutions within the state system of higher education, including the Utah College of Applied Technology. The initiative must provide support for technical training expansion that trains skilled potential employees within a period not to exceed 12 months for technical jobs in critical needs occupations.

<http://www.le.state.ut.us/~2005/bills/hbillenr/hb0313.pdf>

ARKANSAS Signed into Law 02/2005 Postsecondary

Defines a "**center of excellence**" as a consortium of two or more institutions of higher education working in collaboration with regional economic developers to address the workforce education and training needs of a region for existing, expanding, or attracting new business and industry in each of the economic development regions of the state. It authorizes the Arkansas Higher Education Coordinating Board to create centers of excellence at colleges and universities in Arkansas to improve the state's ability to compete in the knowledge-based economy. It also establishes a system for submission, review and approval of proposals.

<http://www.arkleg.state.ar.us/ftproot/bills/2005/public/sb285.pdf>

VIRGINIA Signed into Law 04/2004 Postsecondary

Directs the **State Council of Higher Education** to develop policies and strategies to eliminate the barriers between the Commonwealth's institutions of higher education and industry and enhance the development of human capital in the Commonwealth. More specifically, the State Council of Higher Education for Virginia (SCHEV) shall develop policies to eliminate the barriers between the Commonwealth's institutions of higher education and industry and enhance the development of human capital in the Commonwealth. These policies and strategies shall include a review of :

- Offering incentives for industry to partner with universities in the practical training of undergraduate and graduate students;
- Providing opportunities and incentives for corporate scientists and engineers to have adjunct appointments at universities to train and collaborate with faculty and students;
- Assisting universities in acquiring funding to build or buy facilities where academic labs and corporate entities can work together;
- Providing opportunities and assistance for academic researchers to take one- to two-year sabbaticals in a corporate setting or national lab and bring that experience back to the institution;
- Increasing the two-year leave of absence for science and engineering faculty to generate more industrial-sponsored research;
- Allowing industry to fully fund faculty salaries and allow the faculty to work in industry while remaining a university employee, with proper safeguards in place; and
- Allowing faculty to be part-time university employees and part-time industry employees, also with proper safeguards in place.

<http://leg1.state.va.us/cgi-bin/legp504.exe?041+ful+HB547ER>

NEW MEXICO Signed into Law 04/2003 Postsecondary

Provides a means for post-secondary educational institutions to address and improve the state's response to critical social, economic, educational and other issues; creates the **Higher Education Program Development Enhancement Fund**. At the beginning of each fiscal year in which the commission determines that the balance of the fund is sufficient to make awards, the commission must define or reaffirm no more than four critical issues to be addressed through awards from the fund. Issues to be addressed may include:

- Expanding instructional programs to meet critical statewide work force and professional training needs;
- Enhancing instructional programs that provide employment opportunity for New Mexico students in a global economy; and
- Developing mission-specific instructional programs that build on existing institutional academic strengths.

Grants are to be made based on competitive proposals submitted by postsecondary educational institutions. <http://legis.state.nm.us/Sessions/03%20Regular/FinalVersions/senate/SB0370.pdf>

NEW MEXICO Signed into Law 04/2003 Postsecondary/Community College

Creates the "**work force skills development fund**" in the state treasury. Provides matching funds for community college programs.

<http://legis.state.nm.us/Sessions/03%>

MAINE Signed into Law 04/2002 Pre-K12/Postsecondary

Establishes a tax credit for individuals or corporations that provide a contribution that promotes the postsecondary educational attainment of State residents or that promotes the migration of college-educated persons to work in the State.

H.B. 1655

OREGON Signed into Law 06/2001 Pre-K12/Postsecondary

Establishes the **Oregon Council for Knowledge and Economic Development** to advise the governor, the legislature, the state boards of K-12 and higher education, the Oregon Economic and Community Development Commission, the Oregon Growth Account Board and the Oregon Resource and Technology Development Board in matters pertaining to knowledge based economic development in Oregon and the collaboration of Oregon's higher education, business, industry and capital resources to promote the following:

- High quality research and development;
- Private-public models for sharing profit and intellectual property;
- The transfer and commercialization of technology and knowledge from higher education to the private sector;
- A technologically skilled workforce; and
- Capital resources for investment in and commercialization of technology developed by higher education or other research institutions, including but not limited to national labs and health care related research entities

<http://www.leg.state.or.us/01reg/measures/sb0200.dir/sb0273.en.html>

NEW MEXICO Signed into Law 04/2005 Postsecondary/Community College

Creates the **technology research collaborative** and relates to higher education. The purposes of the collaborative are to:

- Establish advanced technology centers based on the wealth of scientific and technical talent that exists in the member institutions;
- Develop and create new intellectual property for the state and encourage new opportunities for business and increased jobs;
- Commercialize the intellectual property; and
- Create a work force to support enterprises based on the intellectual property.

<http://legis.state.nm.us/Sessions/05%20Regular/final/SB0169.pdf>

CALIFORNIA 09/2005 Pre-K12/Postsecondary

Defines the competencies and personal skills identified in the Secretary of Labor's Commission on Achieving Necessary Skills (SCANS) report. Establishes legislative intent to investigate how and to what degree SCANS competencies can be incorporated into **teacher preparation programs** to ensure that pupils are well-rounded and prepared to enter the workforce by the time they complete high school. Requires the Commission on Teacher Credentialing to conduct a study about how any or all components of skills identified by the SCANS report can be integrated into existing teacher training programs to better prepare pupils for the workforce. Requires the commission to report the results of this study to the legislature on or before January 1, 2007.

http://www.leginfo.ca.gov/pub/bill/asm/ab_0651-0700/ab_693_bill_20050901_enrolled.pdf

NORTH CAROLINA Signed into Law 06/2005 Community Colleges

The **Community Colleges System Office** is designated as the primary lead agency for delivering workforce development training, adult literacy training, and adult education programs in the State.

<http://www.ncleg.net/Sessions/2005/Bills/House/HTML/H583v5.html>

NEW YORK Signed into Law 09/2003 Postsecondary

Amends the education law, in relation to university-related economic development facilities; authorizes the state university to establish an account to receive payments from leases of the pharmaceutical technology manufacturing building; allows any payments deposited in this account to be transferred to the fund for payments related to design, construction, reconstruction, rehabilitation or improvement of a certain academic incubator.

Title: S.B. 4000

Recent State Policies/Activities

Healthcare Workforce Development (Education Commissioner of the States., 2006)

ARIZONA Signed into Law 05/2005 Postsecondary

Establishes the **joint study committee on medical school education**. Requires the committee to: Evaluate the medical education and training needs for health professions and careers throughout the state, including the medical and nursing fields;

- Review and evaluate public and privately provided education programs in health professions and careers;
- Review plans submitted by the Arizona commission on medical education and research;
- Review and evaluate the funding necessary to address the medical education needs of the state;
- Review the implications of family practice on graduate medical education in the state;
- Study methods to retain medical practitioners trained in the state;
- Review locations for medical training facilities that are the most economical and that provide the most benefit to the state;
- Study the medical needs of the communities of the state as they relate to special health care districts and their coordination with existing medical training facilities;
- Study the funding for any phase of a newly established state medical campus and identify additional funding and capital commitments from other public and private entities;
- Study any other market or environmental factors that create barriers to the practice of medicine in Arizona; and,
- Submit a report by December 1, 2005 that summarizes the joint study committee's findings and conclusions to the governor, the president of the senate and the speaker of the house of representatives.

Requires the Committee to provide a copy of this report to the secretary of state and the director of the Arizona state library, archives and public records.

http://www.azleg.state.az.us/DocumentsForBill.asp?Bill_Number=1517

OREGON Signed into Law 06/2005 Postsecondary/Community College

Requires the Employment Department, in consultation with health care industry employers, to perform a statewide and regional needs assessment for health care occupations to identify emerging occupations and occupations for which there is high demand or a shortage of workers.

<http://www.leg.state.or.us/05reg/measpdf/sb0800.dir/sb0882.en.pdf>

CONNECTICUT Signed into Law 06/2004 Postsecondary/Community College

Creates a **State Allied Health Workforce Policy Board** to monitor data and trends in the allied health workforce including the state's current and future supply and demand for health professionals, identify recruitment and retention strategies and the capacity of the state system of higher education to educate and train students in health care professions.

<http://www.cga.state.ct.us/2004/act/Pa/2004PA-00220-R00SB-00519-PA.htm>

TEXAS Signed into Law 06/2005 Postsecondary/Community College

Gives nursing schools the tools to address the nursing shortage. This bill sets statewide goals for increasing the number of initial RN graduates, developing strategies for increasing graduation rates from nursing programs, and promoting innovation in nursing education through the regionalization of common administrative and instructional functions, interdisciplinary instruction, pooled or shared faculty, and new clinical instruction models to maximize use of existing resources and faculty.

<http://www.capitol.state.tx.us/cgi-bin/tlo/textframe.cmd?>

ARIZONA Signed into Law 05/2005 Postsecondary/Community College

Establishes the **Arizona partnership for nursing education demonstration project** to increase the capacity of nursing education programs in the state by fostering collaboration among the state's education and health care communities and the state and federal governments. Requires the demonstration project to address the state's nursing shortage by increasing the number of nurses graduating from the state's nursing education programs with the goal of doubling the number of nursing graduates by the end of fiscal year 2009-2010 from the number graduating in fiscal year 2004-2005.

Establishes the nursing education demonstration project fund and appropriates monies to this fund. States that the fund consists of monies appropriated to the fund and monies provided by any federal agency, entity or program for nursing education and workforce expansion, and that monies in the fund are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations. Requires monies in the nursing education demonstration project fund to be used to:

- Pay for salaries, benefits, training and related expenses and operational costs necessary to increase the number of qualified nursing education faculty members teaching in nursing degree programs operated or overseen by the Arizona board of regents or by community college districts.
- Pay for certain expenses only for additional nursing education faculty members based on the number of faculty members who provide this education on June 30, 2005.
- Supplement and not supplant monies that are appropriated by the legislature for the fiscal years 2005-2006 through 2009-2010 by funding the number of nursing education faculty members who provide this education in fiscal year 2004-2005.

This statute requires fund monies to be distributed in a manner designed to increase the number of nurses graduating from universities and community colleges by increasing available faculty and teaching resources in a manner that provides for the efficient use of available monies and shared resources, geographic distribution of nurses in this state and increased diversity in the nursing workforce. Allows the distribution systems to include grant programs that provide monies to universities and community colleges after submission of grant proposals.

http://www.azleg.state.az.us/DocumentsForBill.asp?Bill_Number=1517

ARKANSAS Signed into Law 04/2005 Postsecondary

Expands the opportunities for nurses to receive graduate education through the student loan and scholarship program. Defines "advanced nursing practice," "advanced practice nursing" and "nurse administrator." Eliminates definition of "primary care nursing." Allows **Graduate Nurse Educator Loan and Scholarship Board** to provide advanced nursing practice loans. Eliminates requirement that nurse education loans be for rural nurses. Allows loans to be granted to students studying to be a nurse anesthetist, nurse midwife, clinical nurse specialist, or nursing supervisor. Allows nurse educator recipient to teach as a nurse administrator or work as a nursing administrator in an Arkansas complex health care agency for one year. Requires the board to adopt regulations on the requirements for ensuring a pool of advanced nursing practitioners to serve the state with a priority on health professions shortage areas.

<http://www.arkleg.state.ar.us/ftproot/bills/2005/public/SB578.pdf>

WYOMING Emergency Rule Adoption 07/2004 Postsecondary

Establishes emergency rules to make funding available to individuals who wish to pursue a career in nursing and to alleviate a shortage of nurses within a state. Covers definitions, application and approval process, eligibility requirements, loan terms, loan amounts, interest, terms of repayment, and procedures for default.

[WYOMING REG 4505 \(SN\)](#)

RHODE ISLAND Became Law without Governor's Signature 07/2004 Postsecondary

Addresses the shortage of nurses in health care facilities by establishing a nursing education repayment program to provide loan repayment for nurses who agree to serve in health care facilities for designated periods of time; takes effect upon passage.

[H.B. 7680](#)

CONNECTICUT Signed into Law 06/2004 Community College

Establishes a **State Nursing Incentive Program** within the Department of Higher Education to provide program assistance to the state's 4 regional community-technical colleges; requires the Office of Workforce Competitiveness to establish a challenge grant program for regional workforce development boards for FY-2004-05.

<http://www.cga.state.ct.us/2004/act/Pa/2004PA-00253-R00HB-05571-PA.htm>

TENNESSEE Signed into law 06/2004 Postsecondary/Community College

Amends Tennessee Code Annotated, Title 49. Requires the Tennessee higher education commission to study and report to the general assembly by February 1, 2005, on the appropriateness and the relevance of current training and educational programs offered by institutions authorized for members of the allied health care professions to determine the extent to which training and educational activities are structured to assure the availability of up to date training that reflects current responsibilities of the various allied health fields. The regionally accredited, degree granting institutions are exempted from this provision. Authorizes the commission to require an institution to publish placement rates and other information indicating actual employment and earnings in relevant occupations post successful completion of offered programs. Creates a special committee to study issues related to the cost and adequacy of certain programs.

<http://www.legislature.state.tn.us/bills/currentga/Chapter/PC0831.pdf>

ITEM 130-1000-R0306; Staff; The University of Montana - Missoula							March 1 - 3, 2006	
NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase
Last	First							
(1) CHANGES IN RANK/TENURE, SALARY, RESPONSIBILITY:								
(A) NON-ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
Guffey BA	David	FR: Assistant Athletic Director for Media Relations, Intercollegiate Athletics TO: Associate Athletic Director, Media/External Affairs, Intercollegiate Athletics	49,507	59,507		3/3/2006 P	NT CU	20.20%
Wallwork MBA	Susan Selig	FR: Manager of Institutional Research and Assessment, Office of Planning, Budgeting and Analysis TO: (No Change)	51,752	57,000		3/3/2006 R	NT CU	10.14%
(B) ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
McGovern PhD	Dean	FR: Executive Director, Montana Campus Compact, Assistant Professor, Social Work (Adjunct) TO: (No Change)	55,580	55,580	4,556 ACT AT/CU	1/8/2006	NT .20 CU .80 D	0.00%
(C3) FACULTY; Assistant Professors								
Kia PhD	Ardeshir	FR: Lecture, Geography TO: Assistant Professor, Geography	36,050	45,000		8/24/2005	FR: NT TO: P FR: .67 CU .33 R TO: 1.0 CU	24.83%
TOTALS AND AVERAGE INCREASE			91,630	100,580				9.77%
(2) NEW POSITIONS AND REPLACEMENTS								
(C2) FACULTY; Associate Professors								
Luikart PhD	Gordon	Associate Professor, Division of Biological Sciences (Research)		45,000		12/1/2005 New	NT R FY	

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NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase
Last	First							
(C3) FACULTY; Assistant Professors								
Fehrer PhD	Steve	FR: Chair, Physical Therapy TO: (No Change)	65,947	65,947	FR: 2,800 DC/CU TO: 3,200 DC/CU	8/25/2005	P CU	0.00%
Lawrence PhD	Cameron	Assistant Professor, Information Systems and Technology		83,318		1/1/2006 New	P CU	
Morrison EdD	Susan	FR: Psychology (Research/Adjunct) TO: (No Change)	47,093	47,093		12/1/2005 CF	NT FR: .54 R TO: 88 R FY	0.00%
Yung MS	Laurie	FR: College of Forestry and Conservation (Adjunct) TO: Assistant Professor, Director of Wilderness Institute, College of Forestry and Conservation (Research)	49,033	58,000		1/1/2006	NT .75 R FY	18.29%
(3) END OF EMPLOYMENT								
ACADEMIC AND NON-ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
Snyder PhD	Conrad	Assistant Vice President for Research for International Projects, Professor, Educational Leadership and Counseling				2/2/2006 Resigned	T	
(A1) FACULTY; Professors								
Thomas PhD	Jack Ward	College of Forestry and Conservation				12/31/2005	NT	
(C) POST RETIREMENT CONTRACTS								
Miller PhD	Paul	Sociology		23,892		1/18/2006	NT .33 FTE	

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Last	First							
Townsend PhD	Burke	Philosophy		16,222		2/1/2006	NT .26 FTE	
FOR INFORMATIONAL PURPOSES ONLY 2004-2005 COLLEGE OF TECHNOLOGY FACULTY ROSTER: (Faculty salaries, rank and tenure reflect 2003-2004 status with approved applicable market adjustment increases, merit, promotion, inversions, and tenure changes in accordance with the Vocational Technical Educators of Montana Collective Bargaining Agreement. Academic year appointments unless otherwise specified. All increases are calculated at 0% unless otherwise stated.)								
Atkin JD	Steven	FR: Library Sciences, Level IV TO: (No Change)	51,091	52,879		10/1/2005 N	T CU FY	3.50%
Campbell AAS	Thomas	FR: Culinary Arts, Level I TO: (No Change)	45,500	47,093		10/1/2005 N	P CU FY	3.50%
Catlin BS	Robert	FR: Industrial Technology, Level III TO: (No Change)	37,180	40,981		10/1/2005 N/P	T CU	10.22%
Corr MEd	Cathleen	FR: Applied Arts and Sciences, Level IV TO: (No Change)	44,094	48,137		10/1/2005 N/P	T CU	9.17%
Crepeau MA	Josef	FR: Applied Arts and Sciences, Level IV TO: (No Change)	41,854	45,819		10/1/2005 N/P	T CU	9.47%
Delaney MBA	Anne	FR: Applied Arts and Sciences, Level II (Adjunct) TO: (No Change)	42,500	43,988	6,000 AD/CU	10/1/2005 N	NT CU FY	3.50%
Elam BA	Jacqueline	FR: Business Technology, Level I (Adjunct) TO: (No Change)	32,658	33,801		10/1/2005 N	NT CU	3.50%
Fillmore BA	Debbie	FR: Health Professions, Level III TO: (No Change)	43,382	44,900		10/1/2005 N	T CU	3.50%
Funkhouser PhD	Charles	FR: Applied Arts and Sciences, Level II TO: (No Change)	40,000	40,000			P CU	0.00%
Galipeau ME	Cheryl	FR: Business Technology, Level IV TO: (No Change)	41,196	45,138		10/1/2005 N/P	T CU	9.57%

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Last	First							
Gallagher MS	Tom	FR: Chair, Applied Computing and Electronics, Level III TO: (No Change)	39,910	43,307	2,500 DC/CU	10/1/2005 N/M	P CU	8.51%
Gleason MS	William	FR: Industrial Technology, Level III TO: (No Change)	41,454	44,905		10/1/2005 N/M	T CU	8.32%
Headlee MA	James	FR: Industrial Technology, Level IV TO: (No Change)	49,272	52,997		10/1/2005 N/M	T CU	7.56%
Henderson PhD	Colin	FR: Applied Arts and Sciences, Level III TO: (No Change)	38,500	42,348		10/1/2005 N/P	P CU	9.99%
			70,500	75,468				7.05%
Hill BS	Karen	FR: Chair, Applied Arts and Sciences, Level IV TO: (No Change)	48,560	50,260	3,500 DC/CU	10/1/2005 N	T CU	3.50%
Hinricher MA	Carol	FR: Business Technology, Level IV TO: (No Change)	50,462	52,228		10/1/2005 N	T CU	3.50%
Jakes MA	Penny	FR: Business Technology, Level IV TO: (No Change)	49,711	51,451		10/1/2005 N	T CU	3.50%
LaCasse BS	Allen	FR: Radiologic Technology, Level II (Adjunct) TO: (No Change)	42,000	43,470		10/1/2005 N	NT CU FY	3.50%
Larson BA	Brian	FR: Business Technology, Level I TO: (No Change)	33,304	36,470		10/1/2005 N/M	T CU	9.51%
Lizotte MA	James	FR: Chair, Industrial Technology, Level IV TO: (No Change)	55,221	57,154	3,500 DC/CU 1,600 BB/CU	10/1/2005 N	T CU	3.50%
Lodahl BA	Ross	FR: Culinary Arts, Level II TO: (No Change)	38,825	38,825			T CU	0.00%

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Last	First							
Lytle	Timothy	FR: Heavy Equipment Operations, Level I TO: (No Change)	32,500	33,638		10/1/2005 N	P CU	3.50%
Medvetz MFA	Mark	FR: Applied Arts and Sciences, Level II TO: (No Change)	42,000	43,470		10/1/2005 N	P CU	3.50%
Michelletto MA	Vicki	FR: Chair, Business Technology, Level IV TO: (No Change)	49,097	50,815	3,500 DC/CU	10/1/2005 N	T CU	3.50%
Moore MA	Eddie	FR: Applied Arts and Sciences, Level IV TO: (No Change)	49,669	53,407		10/1/2005 N/M	T CU	7.53%
Nielsen BS	Mary	FR: Health Professions, Level II TO: (No Change)	37,341	38,648		10/1/2005 N	P CU	3.50%
Olson MEd	Susan	FR: Business Technology, Level IV TO: (No Change)	45,213	46,795		10/1/2005 N	T CU	3.50%
Olson MBA	Timothy	FR: Business Technology, Level III TO: (No Change)	41,454	42,905		10/1/2005 N	T CU	3.50%
Rice MA	Steven	FR: Electronics Technology, Level IV TO: (No Change)	49,664	51,402		10/1/2005 N	T CU	3.50%
Robinson ME	Niki	FR: Business Technology, Level IV TO: (No Change)	43,035	47,041		10/1/2005 N/P	T CU	9.31%
Sare BSN	Michele	FR: Health Professions, Level II TO: (No Change)	32,583	36,223		10/1/2005 N/P	P CU	11.17%
Scott BA	Carl	FR: Industrial Technology, Level III TO: (No Change)	45,701	47,301		10/1/2005 N	T CU	3.50%

ITEM 130-1000-R0306; Staff; The University of Montana - Missoula							March 1 - 3, 2006	
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Last	First							
Shook MA	Robert	FR: Industrial Technology, Level IV TO: (No Change)	52,100	53,924		10/1/2005 N	T CU	3.50%
Sloan PhD	Deborah	FR: Applied Arts and Sciences, Level II TO: (No Change)	40,000	40,000			P CU	0.00%
Stanton JD	Thomas	FR: Business Technology, Level III TO: (No Change)	42,500	46,488		10/1/2005 N/P	P CU	9.38%
Stiff BS	Steven	FR: Electronics Technology, Level II TO: (No Change)	38,500	39,848		10/1/2005 N	P CU	3.50%
Strelnik BS	Linda	FR: Surgical Technology, Level II TO: (No Change)	33,223	34,386		10/1/2005 N	P CU	3.50%
Swallow MA	Lisa	FR: Business Technology, Level IV TO: (No Change)	47,212	48,864		10/1/2005 N	T CU	3.50%
Tabish BA	Rhonda	FR: Business Technology, Level II TO: (No Change)	39,619	41,006		10/1/2005 N	T CU	3.50%
Wafstet MA	Margaret	FR: Health Professions, Level IV TO: (No Change)	48,554	50,253		10/1/2005 N	T CU	3.50%
Wafstet MA	Robert	FR: Health Professions, Level IV TO: (No Change)	51,933	53,751		10/1/2005 N	T CU	3.50%
Walker MA	John	FR: Industrial Technology, Level IV TO: (No Change)	47,011	48,656		10/1/2005 N	T CU	3.50%
Warden AAS	Donald	FR: Respiratory Care, Level I TO: (No Change)	30,000	31,050		10/1/2005 N	P CU	3.50%

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Last	First							
Wrobel PharmD	Lisa	FR: Applied Arts and Sciences, Level II TO: (No Change)	42,500	43,988		10/1/2005 N	P CU	3.50%
TOTALS AND AVERAGE INCREASE			446,592	657,139				47.15%
SALARY CHANGE OR ADDITION LEGEND: CF = Change in Funding and/or FTE CL = Converted from Classified or Letter of Appointment D = Completion of Degree E = Equity Adjustment Increase I = Inversion Increase Included L = Professional Licensure Award M = Merit Increase N = Normal Increase P = Promotion Increase R = Retention / Market Adjustment Increase RR = Responsibilities Reduced SA=Stipend Added 1 = Plus Room and Board 2 = Plus Housing Allowance 3 = Plus Car Allowance			FUNDING SOURCE LEGEND: CU = Current unrestricted R = Restricted A = Auxiliary D = Designated O = Other	TENURE LEGEND: NT = Non-tenurable T = Tenured P = Probationary	STIPEND LEGEND: DC = Dept. Chair/Dean CC = Co-Chair BB = In lieu of Base Building AD=Administrative Duties	EXTRA COMP LEGEND: est = Estimated act = Actual GA = Grant administration ST = summer teaching SR = summer research AT = Additional AY teaching AR = Additional AY research SP = Speaking PM = Project management O = Other (must specify)		
* NOTE: Stipends/bonuses are not base building. They may be prorated throughout the year or awarded in one lump sum.								

March 1-3, 2006

ITEM 130-1012-R0306

Authorization to Confer the Titles of Dean Emeritus of the School of Fine Arts and Professor Emeritus of Drama/Dance Upon James D. Kriley; The University of Montana-Missoula

THAT:

Upon the occasion of the retirement of Professor James D. Kriley from the faculty of The University of Montana, the faculty wishes to express its appreciation for his years of dedicated and valued service to the School, the Department of Drama/Dance and Media Arts Program, and the State of Montana by recommending that the titles of Dean Emeritus of the School of Fine Arts and Professor Emeritus of Drama/Dance be conferred upon him by the Board of Regents of the Montana University System.

EXPLANATION:

Professor James D. Kriley has amassed an impressive record of accomplishment during his many years of service as a faculty member, department chair, dean and associate provost. He is widely recognized throughout the University, Missoula community, state and region for his many achievements as a teacher and arts administrator and is well known for his passionate commitment to his profession.

Dr. Kriley was hired in 1976 as Chair and Professor in the Department of Drama/Dance, a position he held until 1985. During that time, Dr. Kriley taught extensively, in addition to his administrative duties, and was the major force behind the establishment of the Montana Repertory Theatre as a professional, resident touring company. James Kriley's many accomplishments and earned reputation in the area of teaching are reflected in his record of promotion and tenure while at UM and his appointments to serve as a Visiting Scholar and Artist at UCLA and a Visiting Artist/Faculty member in the Graduate Film and Television Directing Program at the California Institute of the Arts.

As Dean of the School of Fine Arts, James Kriley co-founded *The Creative Pulse for Teachers of the Arts and Humanities*, a nationally recognized interdisciplinary arts education graduate program, and initiated, designed and implemented a successful program in Media Arts, which now provides offerings at both the undergraduate and graduate levels. During his thirteen-year term as Dean, he also provided vision and direction in the planning and development of the

Performing Arts/Radio and Television Center and served as Project Director for the renovation of the University Theatre. As Associate Provost, Dr. Kriley chaired the University's General Education Review Committee and served as General Education Coordinator for UM's satellite campuses.

In addition to his impressive record of directing productions staged by the Department of Drama/Dance, Dr. Kriley's activity as a creative artist has included serving as the Artistic Director of the Montana Repertory Theatre Company, for which he was awarded the Montana Governor's Arts Award for Excellence and the Rocky Mountain Theatre Association's award for Excellence in Directing. Also, he was selected a winner of the AMOCO Medallion for Excellence in Directing from the American College Theatre Festival at the Kennedy Center, Washington, D.C.

Recognition for his service to the School, University, community at large and his profession has taken many forms. In addition to his several on-campus roles, Dr. Kriley has been Chairman of The American Theatre Association's University Standards Commission, the entity which has developed all standards for the various undergraduate and graduate degree programs in theatre, along with the accreditation criteria and standards for those degrees nationally; recipient of an appointment by the Governor to membership on the Montana Arts Council; and a member of the Accreditation Team for the National Association of Schools of Theatre (NAST) on accreditation visits to six different universities.

As referenced above, Professor James D. Kriley has provided significant contributions to the Department of Drama/Dance, the Media Arts Program, the School of Fine Arts, The University of Montana, and the profession. There can be no doubt that Dr. Kriley has successfully fulfilled his self-stated goal "to serve the needs of our students and to help the faculty and administration achieve the various missions of the University," with dignity and honor. This recommendation is accompanied by sincere thanks to Dr. Kriley for 29 years of invaluable service to the State of Montana, The University of Montana, and the School of Fine Arts at The University of Montana. Congratulations and best wishes for the future.

March 1-3, 2006

ITEM 130-1013-R0306

Authorization to Confer the Titles of Dean Emeritus of the School of Education and Professor Emeritus of Educational Leadership and Counseling Upon Dr. Donald R. Robson; The University of Montana-Missoula

THAT:

Professor Donald R. Robson, after many years of dedicated service to The University of Montana, has merited the commendation of the Board of Regents of the Montana University System and has earned the titles of Dean Emeritus of the School of Education and Professor Emeritus of Educational Leadership.

EXPLANATION:

When Don Robson earned his Ph.D. in educational administration from Michigan State University, he had already been a high school teacher and principal. Consequently, he was uniquely poised to enter academe as a faculty member teaching future educational administrators, a role he fulfilled at both the beginning and end of his career. Dr. Robson was hired first at Purdue University, where he taught educational administration, published in all the premiere journals of the field, and directed doctoral dissertations. However, he and his wife Rosalie were drawn to the West; so they moved to Bozeman where Don accepted the position of Director of the Division of Educational Research at Montana State University in concert with a tenure-track faculty line teaching educational leadership. In 1990, The University of Montana selected Don to become Dean of Education, a position he held until 2000, when he was recruited to serve as Associate Provost. For the past two years, Don has returned to the professorate in Educational Leadership.

Dr. Robson has made contributions of incalculable worth to the State of Montana at large and to The University of Montana specifically. Don worked tirelessly in concert with the Office of Public Instruction to establish new guidelines for Montana principal and superintendent certification, and he was largely attributed with leading both MSU and UM in efforts to match their master's degree curricula to the new administrative rules. His work with Montana schools on such things as enrollment studies, school consolidation analyses, and most recently, with regard to school finance have given him a reputation as a true statesman in the field of K-12 education. This role has been expanded well beyond

Montana and is most evident in his election to the Board of Directors of Northwest Regional Education Labs and years of service to that prestigious entity.

Always one to believe in close connections between K-12 and higher education, Don has also been committed for many years to NCATE accreditation, and he has assessed numerous education programs in universities throughout the United States. Throughout his career he has maintained an outstanding research agenda, having published in all the tier-one journals in his field.

As an academic administrator, Don Robson has few parallels. His collaborative leadership style was characterized by a contagious joie de vivre, and he represented the School of Education locally, nationally, and internationally with great gusto. A valued member of

Montana's Education Forum, he helped shape the policies and practices affecting public schools and maintained a "big picture" perspective on problem solving. These skills also served the University, where he was responsible for contract oversight and assisted Deans and the Provost in strategic planning in his work as Associate Provost.

Upon returning to the Department of Educational Leadership and Counseling as Professor, Dr. Robson revitalized and revamped the unit's program in higher education. In addition, he has participated in the Division of Educational Research Services' grant for Safe Schools, and he simultaneously continues to direct doctoral students' research and dissertations. His contributions over the course of the previous two years match those made throughout his career, and the unit is most grateful for his intellectual gifts and positive collegial energy.

The School of Education and the Department of Educational Leadership and Counseling is honored to recommend Dr. Donald R. Robson for Emeritus status.

ITEM 130-1014-R0306

Authorization to Confer the Title of Professor Emeritus of Environmental Studies Upon Thomas Roy; The University of Montana-Missoula

THAT:

Upon the occasion of the retirement of Professor Tom Roy from the faculty of The University of Montana after 31 years of dedicated service, the faculty recommends that the title of Professor Emeritus be conferred upon him by the Board of Regents of the Montana University System.

EXPLANATION:

Thomas Roy received his M.A. from the University of Chicago, taught at Montana State University, and joined the faculty of The University of Montana in September 1974, as an assistant professor in Social Work. He first taught in the Environmental Studies Program (EVST) in 1981, when he instructed a course required of all entering graduate students. In 1984, with half of his line moved to EVST he assumed the role of Program Director, a position he maintained until August 2005. He was promoted to Associate Professor and received tenure in 1978; he was promoted to Full Professor in 1983. In 2000, his appointment became full-time in EVST. Throughout his career, Roy excelled in teaching, mentoring, fundraising and service to the university.

The faculty of the Environmental Studies Program very strongly support Tom Roy's appointment to Emeritus Professor based on his long record of teaching excellence, outstanding student mentoring, and service to the unit, university, and community. Honored with a Pantzer Award for service; the point person for raising millions of dollars for the University, including the Kittredge Visiting Writer Endowment and several student fellowships; and acknowledged for his community service with the naming of a Missoula Youth Home in his honor, Professor Roy has been regarded consistently by students as one of the most desirable committee chairs on the faculty. His work at the university and in the community has been recognized with numerous other awards, including the Academic Administrator Award (1991), the Faculty Service Award (1994), and the Tom Boone Town and Gown Award (2004). Roy has the ability to work across many disciplines and provided hundreds of students with solid direction that led to their ultimate success not only in the academy, but also in the community following graduation.

The Environmental Studies Program is pleased to recommend Professor Thomas Roy for Emeritus status.

March 1-3, 2006

ITEM 130-1015-R0306

Authorization to Confer the Title of Professor Emeritus of Wildlife Conservation Upon Jack Ward Thomas; The University of Montana-Missoula

THAT:

Upon the occasion of the retirement of Professor Jack Ward Thomas from the faculty of The University of Montana, the faculty wishes to express its appreciation for his years of dedicated service to the College of Forestry and Conservation, the Department of Ecosystem and Conservation Sciences, the Wildlife Biology Program, and the State of Montana by recommending that the title of Professor Emeritus be conferred upon him by the Board of Regents of the Montana University System.

EXPLANATION:

Professor Thomas retired on December 31, 2005 and the faculties of the Department of Ecosystem and Conservation Sciences and the Wildlife Biology Program have unanimously requested emeritus status for Professor Thomas. During his tenure he served as the Boone and Crockett Professor of Wildlife Conservation and acted as a senior statesman in the College.

Professor Thomas came to The University of Montana after his retirement as 13th Chief of the USDA Forest Service. Prior to becoming Chief he had served in a research capacity in the Forest Service for over 30 years and he was one of the two most highly graded researchers in that agency. He had led numerous special task forces for the Forest Service, the Office of the President of the United States, and the US Congress and at the time he was named Chief he was the leading research scientist in the agency. Upon the Forest Service's Centennial Celebration Professor Thomas was recognized as the leading Forest Service Scientist of its first century. The University of Montana was fortunate to be able to attract Professor Thomas to our faculty.

Since joining the UM faculty Professor Thomas has been a superb teacher, scientist, and public spokes person. He taught both graduate and undergraduate courses to considerable acclaim, mentored several graduate students, gave on average about 25 public addresses on behalf of the University each year, continued to serve on important university and national policy task forces and committees,

and served as an advisor to federal agency heads in the Nation's land management agencies. He is a prolific writer and published numerous papers and books during his time at UM.

Especially notable is his book, *The Journals of a Forest Service Chief*, which is a valuable read for anyone interested in the development of federal land management policy. In his dealings with faculty colleagues he was supremely gracious and served the role of senior statesman for the whole College. He mentored young faculty and helped his colleagues work through numerous difficult policy issues.

There is little doubt that Professor Thomas has been a significant influence on the programs of the College of Forestry and Conservation. He brought a considerable reputation to UM and then did everything we asked of him. Our students were well served as were our faculty and external relationships. He successfully fulfilled his roles and for this we commend him. We congratulate him upon his retirement and wish him the very best for his future.

March 1-3, 2006

ITEM 130-1016-R0306

Authorization to Confer the Title of Professor Emeritus of Journalism upon William L. Knowles; The University of Montana-Missoula

THAT:

The faculty of the Radio-Television Department of The University of Montana School of Journalism recommends that retired professor and former RTV chair William Knowles be conferred emeritus status.

EXPLANATION:

Prof. Knowles is retiring after more than 20 years at The University of Montana. He began teaching at UM in January 1986 as a visiting assistant professor. He was hired as an assistant professor in July 1986. He was promoted to associate professor in 1989 and to full professor in 1993. He was tenured in 1998. Knowles received a merit award in 1994. He also received a one-semester sabbatical in 1999. Prof. Knowles will retire following Spring semester 2006.

Bill Knowles was born in Los Angeles in 1935. He received his B.A. in Journalism from San Jose State University in 1959. He enlisted in the U.S. Army to acquire training at the U.S. Army Information School, Fort Slocum, N.Y. His work was so well recognized in the first four weeks of training that he was asked to accept an assignment as a faculty member for the remainder of his enlistment. He accepted, and later won the Army Commendation Medal for his teaching and for creating a military print-media style guide, segments of which are still in use today.

Upon his discharge in 1962, Knowles attended graduate school in the Department of Telecommunications at the University of Southern California. After one year he left and was immediately employed as a news reporter, photographer and producer at KSL-TV in Salt Lake City. In 1965, Knowles accepted a news producer position at WLS-TV in Chicago, where he worked until 1970, when he joined the staff of ABC News in Washington, D.C. After serving as a writer for noted anchor Howard K. Smith, Knowles became an associate producer and later operations producer. In 1977, he was made Southern Bureau Chief based in Atlanta. In 1981, he accepted a transfer back to Washington as Bureau Chief, and then in 1982 asked for a transfer to the Los Angeles bureau to be near his ailing parents. He remained there until 1985, when he left ABC.

At UM, Prof. Knowles has taught just about every broadcast journalism class in the Radio-Television department during his 20 years. He teaches the largest class in the School of Journalism, JOUR 100S, which is a general J-School requirement and general education class for the entire university. Bill does many hours of preparations to provide Powerpoint graphics and more than 150 audio and video clips for the class that routinely numbers more than 200 students per section.

Together, Knowles and the late R-TV Chair Joe Durso, Jr., founded the Student Documentary Unit in 1986. The unit

produces an hour-long television documentary on issues of importance to Montanans. The programs have been seen all over the state on commercial and public television and have won state, regional and national recognition for UM. Knowles also was the force behind a new class, RTV 403 Sports and Media, which has attracted large student numbers as well.

Prof. Knowles served as chair of the Radio-Television department from 2000-03. He was then named special assistant to the Dean of Journalism for assessment and accreditation in April 2004.

He has also been an active member of the Association for Education in Journalism and Mass Communication (AEJMC), a non-profit, educational association of journalism and mass communication faculty, administrators, students and media professionals. Founded in Chicago, Illinois, in 1912, AEJMC has some 3,500 members around the world. Knowles served as head of the Radio/Television Journalism Division of AEJMC in 1995-96 and programmed the annual AEJMC convention as division vice head in 1994-95. He's produced or appeared more than a dozen panels at AEJMC national conventions.

Prof. Knowles has been busy over the past 20 years with his own broadcasting efforts as well. He was the producer and director of *The Blaine Taylor Show*, the Grizzly basketball coach's weekly highlight program for cable television for the 1996-97 basketball season. He did halftime, pregame and sideline reports for the Grizzly football and basketball radio network from 1991-97. He also helped involve Radio-Television students with GrizVision, the giant video screen at Grizzly football and basketball games.

Working hard to serve the campus community as well, Prof. Knowles has been the School of Journalism's elected representative to the Faculty Senate since 2001 and served as its vice chair for AY 2002-03 and chair for AY 2003-04 and president from May 2003 to May 2004. He now serves on the Commencement Committee and as a marshal during Commencement exercises. He also served on the recent Athletics Director Search Committee.

Prof. Knowles continues to write and publish. He has written many articles that have appeared in Media Ethics magazine. He has received a grant to cover publication of his long anticipated book, *I Was Just Talkin': Adventures in Montana Broadcasting*, which will have 29 chapters and more than 100 pictures documenting pioneer broadcasting in the state.

Prof. Knowles, as always, has agreed to stay involved with the Radio-Television department and keep us connected to our alumni network. He's already received a number of well-wishes from alumni whose broadcasting careers he helped launch.

NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase
Last	First							
(1) CHANGES IN RANK/TENURE, SALARY, RESPONSIBILITY:								
(A) NON-ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
Kreysler M Ed	Molly	Director of Residence Life	35,190	36,190		1/1/2006 D	NT A	2.84%
(B) FACULTY Assistant Professor								
Kumar PhD	Vibha	Health Care Informatics	51,000	51,000		1/1/2006	P CU .67	0.00%
Associate Professor:								
Morrison PhD, EIT	John	General Engineering	53,421	55,291		10/1/2005	P CU	3.50%
Instructors:								
Bauer M Ed	Michael	Instructor; Head Men's Basketball Coach	36,743	37,743		1/1/2006 D	NT CU	2.72%
TOTALS AND AVERAGE INCREASE			176,354	180,224				2.19%
(2) NEW POSITIONS & REPLACEMENTS								
(A) NON-ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
Simonich BS	Edward	Interim Vice Chancellor Institutional Advancement and Development; President Montana Tech Foundation	85,500	85,000		1/3/06 (Kirschke)	NT CU O	-0.58%
(B) FACULTY Instructor								
LaMiaux BS	Rita	Level II, Business Program- COT	36,336	36,169		1/23/06 (Allen)	P CU	-0.46%
(3) END OF EMPLOYMENT								
Instructors:								
Crowther MS	Brian	Level II, Business Program- COT	35,720			1/4/06	P CU	

SALARY CHANGE OR ADDITION LEGEND:

CF = Change in Funding and/or FTE
 CL = Converted from Classified or Letter of Appointment
 D = Completion of Degree
 E = Equity Adjustment Increase
 I = Inversion Increase Included
 L = Professional Licensure Award
 M = Merit Increase
 N = Normal Increase
 P = Promotion Increase
 R = Retention / Market Adjustment Increase
 RR = Responsibilities Reduced
 SA=Stipend Added
 1 = Plus Room and Board
 2 = Plus Housing Allowance
 3 = Plus Car Allowance

FUNDING SOURCE

LEGEND:
 CU = Current unrestricted
 R = Restricted
 A = Auxiliary
 D = Designated
 O = Other

TENURE LEGEND:

NT = Non-tenurable
 T = Tenured
 P = Probationary

STIPEND LEGEND:

DC = Dept. Chair/Dean
 CC = Co-Chair
 BB = In lieu of Base Building
 AD=Administrative Duties

EXTRA COMP LEGEND:

est = Estimated
act = Actual
GA = Grant administration
ST = summer teaching
SR = summer research
AT = Additional AY teaching
AR = Additional AY research
SP = Speaking
PM = Project management
O = Other (must specify)

* **NOTE: Stipends/bonuses are not base building. They may be prorated throughout the year or awarded in one lump sum.**

ITEM 130-1500A-R0306; Staff, Montana Bureau of Mines & Geology							March 2, 2006		
NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase	
Last	First								
NEW POSITIONS AND REPLACEMENTS									
ADMINISTRATORS AND PROFESSIONALS									
Gunderson MA	Jay	Research Professor	new	60,000		4/3/2006	NT CU .80 R .20		
SALARY CHANGE OR ADDITION LEGEND: CF = Change in Funding and/or FTE CL = Converted from Classified or Letter of Appointment D = Completion of Degree E = Equity Adjustment Increase I = Inversion Increase Included L = Professional Licensure Award M = Merit Increase N = Normal Increase P = Promotion Increase R = Retention / Market Adjustment Increase RR = Responsibilities Reduced SA=Stipend Added 1 = Plus Room and Board 2 = Plus Housing Allowance 3 = Plus Car Allowance			FUNDING SOURCE LEGEND: CU = Current unrestricted R = Restricted A = Auxiliary D = Designated O = Other		TENURE LEGEND: NT = Non-tenurable T = Tenured P = Probationary		STIPEND LEGEND: DC = Dept. Chair/Dean CC = Co-Chair BB = In lieu of Base Building AD=Administrative Duties		EXTRA COMP LEGEND: est = Estimated act = Actual GA = Grant administration ST = summer teaching SR = summer research AT = Additional AY teaching AR = Additional AY research SP = Speaking PM = Project management O = Other (must specify)
* NOTE: Stipends/bonuses are not base building. They may be prorated throughout the year or awarded in one lump sum.									

ITEM 130-1600-R0306; Staff The University of Montana - Western							March 1-3, 2006	
NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase
Last	First							
(1) CHANGES IN RANK/TENURE, SALARY, RESPONSIBILITY:								
(A) NON-ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
Ripley M.S.	Annelie se A.	Dean of Outreach & Research; University Associate Dean	58,528	58,528		1/1/2006	NT FR .80 FTE .50 CU .30 DTO: 1.00 FTE .70 CU .30 D	
(2) NEW POSITIONS AND REPLACEMENTS								
(A) ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
Kish M.S.	Anne E.	Librarian; Assistant Professor of Library Science (replaces Heckard)	39,640	38,000		1/17/2006	NT CU	
(3) END OF EMPLOYMENT								
(A1) FACULTY; Assistant Professor								
Bailey M.R.E.	John W.	Assistant Professor, Tourism & Recreation (retirement)				5/31/2006	P	
(4) CORRECTIONS								
(A) FACULTY: Professor								
Roberts Ph.D.	Sheila	Professor, Geology		49,759		FR: 8/1/05 - 12/31- 05 TO: 1/1/2006 - 5/31/2006 (Sabbatical 2/3's pay)	T	

ITEM 130-1600-R0306; Staff The University of Montana - Western						March 1-3, 2006			
NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase	
Last	First								
SALARY CHANGE OR ADDITION LEGEND: CF = Change in Funding and/or FTE CL = Converted from Classified or Letter of Appointment D = Completion of Degree E = Equity Adjustment Increase I = Inversion Increase Included L = Professional Licensure Award M = Merit Increase N = Normal Increase P = Promotion Increase R = Retention / Market Adjustment Increase RR = Responsibilities Reduced SA=Stipend Added 1 = Plus Room and Board 2 = Plus Housing Allowance 3 = Plus Car Allowance			FUNDING SOURCE LEGEND: CU = Current unrestricted R = Restricted A = Auxiliary D = Designated O = Other		TENURE LEGEND: NT = Non-tenurable T = Tenured P = Probationary		STIPEND LEGEND: DC = Dept. Chair/Dean CC = Co-Chair BB = In lieu of Base Building AD=Administrative Duties		EXTRA COMP LEGEND: est = Estimated act = Actual GA = Grant administration ST = summer teaching SR = summer research AT = Additional AY teaching AR = Additional AY research SP = Speaking PM = Project management O = Other (must specify)
* NOTE: Stipends/bonuses are not base building. They may be prorated throughout the year or awarded in one lump sum.									

ITEM 130-2000-R0306; Staff Montana State University- Bozeman							March 1-3, 2006	
NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase
Last	First							
(1) CHANGES IN RANK/TENURE, SALARY, RESPONSIBILITY:								
(A) NON-ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
Allen	Diane	FR: Director of Student Accounts, University Business Services TO: (No Change)	52,025	52,025	*600/mo AT	1/1/06 - 5/15/06	CU, *CU	0.00%
Ballard	Michael	FR: Program Producer, KUSM TO: (No Change)	32,500	32,500	*542/mo AT	1/1/06 - 5/15/06	CU, *CU	0.00%
Deaton BS	S	FR: Associate Director, Information Technology Center TO: (No Change)	69,731	69,731	1,000 one-time AD	03/01/06	CU	0.00%
Denison	Patricia	FR: Managing Director, Libraries TO: Exec Dir for Libr Advncmnt/Extrnl Rltns, Libraries	52,050	70,000		3/1/06 R,P	CU 0.9FTE	34.49%
Haubenreiser MS	Jennifer	FR: Program Director, Student Health Service TO: (No Change)	47,000	47,000	*769/mo AT	12/1/05 - 5/5/06	A, *CU	0.00%
Phillips	Michael	FR: Information System Spec, Information Technology Center TO: (No Change)	72,114	72,114	1,000 one-time AD	03/01/06	CU	0.00%
Pilon	Leota	FR: Information Systems Manager, Admissions & New Student Services TO: Assoc Director of Admissions, Admissions & New Student Services	57,165	61,749		10/1/05 P	CU	8.02%
Rimpau PHD	James	FR: Exec Dir/Chief Info Officer, Office of Planning & Analysis TO: (No Change)	116,500	116,500	*900/mo AT	1/11/06 - 5/5/06	CU, R, *CU	0.00%
(B) ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
Seifert MS	Christin	FR: Director of Outreach, KUSM State Base Fund TO: (No Change)	33,049	33,049	*551/mo AT	1/1/06 - 5/15/06	D, *CU	0.00%
(C) FACULTY; Professors								

ITEM 130-2000-R0306; Staff Montana State University- Bozeman							March 1-3, 2006	
NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase
Last	First							
Brester PHD	Gary	FR: Professor, Agricultural Economics & Economics TO: (No Change)	78,597	78,597	*4,156 act Grant Work	8/16/05 - 5/16/06	T CU, *R	0.00%
Bullock PHD	Janis	FR: Professor, Health & Human Development TO: (No Change)	64,655	64,655	4,000 AD *2,552 act Course Dev	1/1/06 - 2/28/06	T CU, *CU	0.00%
Chafey PHD	Kathleen	FR: Professor, Nursing Departments TO: (No Change)	92,606	92,606		1/1/06	T CU 0.7 FTE	0.00%
Cherry	David	FR: Professor, History and Philosophy TO: (No Change)	59,133	59,133	*600/mo AT	1/1/06 - 5/15/06	T CU, *CU	0.00%
Nelson EDD	Mark	FR: Professor, Health & Human Development TO: (No Change)	59,143	59,143	4,000 AD *1,314/mo Grant Work	11/1/05 - 4/30/06	T CU, *R	0.00%
Reilly PHD	Michael	FR: Professor, College of Business TO: (No Change)	92,434	92,434		01/01/06	T CU 0.7 FTE	0.00%
(D) FACULTY; Associate Professors								
Bandyopadhyay PHD	Prasanta	FR: Associate Professor, History and Philosophy TO: (No Change)	46,665	46,665	*800/mo AT	1/1/06 - 5/16/06	T CU, *D	0.00%
Buschena	David	FR: Associate Professor, Agricultural Economics TO: (No Change)	48,118	48,118	*1,400/mo Grant Work	12/1/05 - 5/30/06	T CU, *R	0.00%
Frick	Martin	FR: Associate Professor, Agricultural Education TO: (No Change)	58,162	58,162	*3,001 act Extension Work	2/1/06 - 4/30/06	T CU, *D	0.00%
Hughes	Thomas	FR: Associate Professor, Cell Biology and Neuroscience TO: (No Change)	77,010	77,010	*385/mo Grant Work	1/1/06 - 5/15/06	T CU, *R	0.00%
Lefcort PHD	Frances	FR: Univ Spon Res Appt Assoc Prof, Cell Biology & Neuroscience TO: Associate Professor, Cell Biology & Neuroscience	104,000	72,220		1/1/06 LWOP on USRA, revert back to AY posn.	T R 0.10 FTE	-30.56%

ITEM 130-2000-R0306; Staff Montana State University- Bozeman							March 1-3, 2006	
NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase
Last	First							
Lund PHD	Priscilla	FR: Associate Professor, Education TO: (No Change)	50,284	50,284	4,000 AD *1,000/mo AT	9/1/05 - 11/30/05	T CU, *CU	0.00%
Massey EDD	Laura	FR: Associate Professor, Health & Human Development TO: (No Change)	52,676	52,676	6,000 AD *1,054/mo AT, Course Dev	1/1/06 - 5/15/06	T CU, *CU	0.00%
Myers PHD	Kimberly	FR: Associate Professor, English TO: (No Change)	48,211	55,000		4/1/06 R	T CU	14.08%
Ryker PHD	Lori	FR: Associate Professor, Architecture TO: (No Change)	49,566	49,566		01/01/06	T CU 0.684 FTE	0.00%
Stephens PHD	Jerry	FR: Associate Professor, Civil Engineering TO: (No Change)	72,740	72,740	*250 act STI Workshop	7/1/05 - 7/31/05	T CU, *R	0.00%
Swinford	Steven	FR: Associate Professor, Sociology and Anthropology TO: (No Change)	48,118	48,118	*750/mo AT	1/11/06 - 5/5/06	T CU, *CU	0.00%
(D) FACULTY; Assistant Professors								
Bradley	Roger	FR: Assistant Professor, Cell Biology and Neuroscience TO: (No Change)	47,862	47,862	*957/mo Grant Work	1/1/06 - 5/15/06	P CU, *R	0.00%
Mokwa PHD	Robert	FR: Assistant Professor, Civil Engineering TO: (No Change)	60,700	60,700	*250 act STI Workshop	7/1/05 - 7/31/05	P CU, *R	0.00%
Smith PHD	Adina	FR: Assistant Professor, Health & Human Development TO: (No Change)	42,708	42,708		01/01/06	P CU 0.938 FTE	0.00%
TOTALS AND AVERAGE INCREASE			1,785,522	1,783,065				-0.14%
(2) NEW POSITIONS AND REPLACEMENTS								
(A) NON-ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
Beyer	Cathy	Administrative Manager, Student Affairs & Services	38,912	45,000		12/1/05 CL	CU	15.65%

ITEM 130-2000-R0306; Staff Montana State University- Bozeman							March 1-3, 2006	
NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase
Last	First							
Carroll	Patsy	Asst to the Dean for Budget and Admin, College of EHHD	37,842	49,000		3/1/06 CL	CU	29.49%
Guilford	Hillary	Asst Director of Development, Bobcat Athletics	33,505	27,000		1/3/06 (Krepps)	CU	-19.42%
(C) FACULTY; Assistant Professors								
Hutchens	Chad	Electronic Resources Librarian, Library	40,500	44,000		1/17/06 (Allison)	P CU	8.64%
Larson MS	Robb	Assistant Professor, Mechanical Engineering	49,945	55,000		8/16/05 CL	CU	10.12%
SALARY CHANGE OR ADDITION LEGEND: CF = Change in Funding and/or FTE CL = Converted from Classified or Letter of Appointment D = Completion of Degree E = Equity Adjustment Increase I = Inversion Increase Included L = Professional Licensure Award M = Merit Increase N = Normal Increase P = Promotion Increase R = Retention / Market Adjustment Increase RR = Responsibilities Reduced SA=Stipend Added 1 = Plus Room and Board 2 = Plus Housing Allowance 3 = Plus Car Allowance			FUNDING SOURCE LEGEND: CU = Current unrestricted R = Restricted A = Auxiliary D = Designated O = Other		TENURE LEGEND: NT = Non-tenurable T = Tenured P = Probationary		STIPEND LEGEND: DC = Dept. Chair/Dean CC = Co-Chair BB = In lieu of Base Building AD=Administrative Duties	
							EXTRA COMP LEGEND: est = Estimated act = Actual GA = Grant administration ST = summer teaching SR = summer research AT = Additional AY teaching AR = Additional AY research SP = Speaking PM = Project management O = Other (must specify)	
* NOTE: Stipends/bonuses are not base building. They may be prorated throughout the year or awarded in one lump sum.								

March 1-3, 2006

ITEM 130-2001-R0306

Authorization to Confer the Title of Professor Emeritus of Cell Biology and Neuroscience upon James A. McMillan; Montana State University-Bozeman

THAT:

Upon the occasion of the retirement of James A. McMillan from the faculty of Montana State University, the Board of Regents wishes to express its appreciation for his service to the University, the Montana University System, and the people of the State of Montana.

EXPLANATION:

Dr. James A. McMillan was hired by MSU in 1973 to teach physiology in the new WAMI Program and in the former Department of Biology. He worked his way through the academic ranks and was promoted to Full Professor in 1988. In 1991 he began 12 years of administrative service to the College of Letters of Science, beginning with 4 years as Associate Dean and then 8 years as Dean. He returned to the faculty in 2003 and retired in May of 2005.

Dr. McMillan received several teaching awards from the WAMI Program, including the Outstanding Basic Science Teaching Award for the entire University of Washington School of Medicine in 1990. He served on grant review panels for the National Science Foundation and the American Heart Association, and served as Chair of the Idaho/Montana Affiliate of the American Heart Association for one year.

Dr. McMillan has been PI or co-PI on research grants totaling more than \$5.2 million from the American Heart Association, the National Institutes of Health, and the National Science Foundation. These grants not only supported his own neurophysiological research, but also helped other neuroscientists at MSU develop their programs. Included in the latter group was a grant from the National Science Foundation to establish the successful Center for Computational Biology at MSU. Also included are grants that have supported Native American students at MSU to work in faculty members' research laboratories.

For these and other contributions, the Board of Regents of Higher Education is pleased to confer upon James A. McMillan the rank of Professor Emeritus of Cell Biology and

Neuroscience at Montana State University and wishes him well for many years in the future.

March 1-3, 2006

ITEM 130-2002-R0306

Authorization to Confer the Title of Professor Emeritus of Education upon Ramona Marotz-Baden; Montana State University-Bozeman

THAT:

Upon the occasion of the retirement of Ramona Marotz-Baden from the faculty of Montana State University, the Board of Regents wishes to express its appreciation for her service to the University, the Montana University System, and the people of the State of Montana.

EXPLANATION:

Ramona Marotz-Baden was initially hired at MSU in 1978 as an associate professor in the Department of Home Economics. For the next 27 years Dr. Marotz-Baden focused much of her research on the intersection of work and family. Her projects ranged from looking at the occupational socialization of pre-school, second, and fourth graders to the socialization of adolescents cross-culturally (blue and white collar and peasant families in the US and Mexico) and finally to adult children (intergenerational succession into family farm and ranch businesses) in the US and Canada.

Dr. Marotz-Baden brought a plethora of training and experience to her hire at Montana State University. She completed her Bachelor's degree in Home Economics Education at the University of Idaho, her Masters degree in Home Economics from Montana State College, and her Doctoral degree in Family Social Science from the University of Minnesota. Dr. Marotz-Baden also did post-graduate work at the Presbyterian Counseling Service in Seattle in Marriage and Family Therapy.

Dr. Marotz-Baden was well respected for her teaching, research and mentoring skills. Dedicated to the art of helping students learn, she received the Award for Excellence in Teaching in 1999, 2000, and 2005. She also received the Influential Educator Award in 1996, 1997 and 2002. Former students continue to praise her commitments to the teaching and learning process that they experienced at MSU.

Dr. Marotz-Baden was active in publishing in a variety of areas. She authored numerous books, book chapters, journal articles, book reviews, conference papers and

reports. Topics of publication include courtship and marriage, exploring relationships, adolescent socialization, families in rural America, and family business.

Committed to the growth and well-being of the University, Dr. Marotz-Baden served on a long list of department, college and university committees. She was a distinguished member of and held offices in a number of professional associations such as the National Council on Family Relations and the Family Science Association.

Dr. Ramona Marotz-Baden has served Montana State University and the State of Montana with distinction. Her dedicated service has earned her the respect of students, colleagues and professional associates.

For these and other contributions, the Board of Regents of Higher Education is pleased to confer upon Ramona Marotz-Baden the rank of Professor Emeritus of Education at Montana State University and wishes her well for many years in the future.

March 1-3, 2006

ITEM 130-2003-R0306 **Authorization to Confer the Title of Professor Emeritus of Soil Science upon Gerald (Jerry) Nielsen; Montana State University-Bozeman**

THAT: Upon the occasion of the retirement of Gerald Nielsen from the faculty of Montana State University, the Board of Regents wishes to express its appreciation for his service to the University, the Montana University System, and the people of the State of Montana State University.

EXPLANATION: Dr. Jerry Nielsen retired on July 31, 1999, and has remained active in the university. He earned B.S. (Agriculture & Education), M.S. (Soil Science) and Ph.D. (Soil Science with Plant Ecology minor) degrees from the University of Wisconsin at Madison. As an Assistant Professor with the University of Wyoming's USAID contract team in Afghanistan, he developed soil science teaching and research programs in the Faculty of Agriculture, Kabul University. Four years in Afghanistan were followed by 33 years of outstanding teaching and research at Montana State University. Throughout his career, he has been recognized for excellence in research, scholarship, teaching, and service. He still undertakes part-time collaborative work through funded research grants.

At MSU, Professor Nielsen taught soil genesis, morphology and classification to 1,000 students, initiated a course in remote sensing applications taken by 450 students, supervised 25 M.S. and 9 Ph.D. students, and served on 80 graduate student advisory committees. He was awarded the Phi Kappa Phi Outstanding Teacher and College of Agriculture's "Top 10 Instructor" awards. Research areas included pedology, soil resource inventory methods, soil/plant/climate relationships, and applications of GIS and GPS technologies for site-specific management and technology transfer with applications to agriculture, range, forest, and mined-lands. He is internationally recognized as among the first few scientists who investigated precision farming. Dr. Nielsen published 100 technical papers and was supported largely with extramural funds from 98 grants and contracts totaling \$3.5 million. He served as Associate Editor of the *Soil Science Society of America Journal*, Chair of that society's Pedology Division (S-5), and is currently on the editorial board of the *Precision Agriculture* journal. He

devoted much effort to the National and Montana State Soil Survey programs, was elected President of the Montana Soil and Water Conservation Society and provided professional service on 80 boards, committees and review panels at the state, regional, national and international levels. He was recognized through election as a Fellow of the American Society of Agronomy, the highest recognition given by the society.

For these and other contributions, the Board of Regents of Higher Education is pleased to confer upon Gerald Nielsen the rank of Professor Emeritus of Soil Science at Montana State University and wishes him well for many years in the future.

March 1-3, 2006

ITEM 130-2009-R0306

Authorization to Confer the Title of Regents' Professor upon Paul A. Grieco, Montana State University

THAT:

In recognition of his service to Montana State University and his unique contribution to the science of organic chemistry, the Board of Regents appoints Paul A. Grieco as a Regents' Professor.

EXPLANATION:

Synthesis of new chemical compounds is the central art within the field of chemistry and is an enabling enterprise for all disciplines of science and technology. A decade ago, Montana State University established a Center for Discovery of Bio-Active Compounds, with the goal of better integrating this specialized art with research programs across the campus, and thus to synergistically advance scientific, technological, and economic ventures. The university was extremely fortunate at that time to recruit Paul A. Grieco – then the Earl Blough Professor and Chairman of the Department of Chemistry at Indiana University – to relocate to MSU and to be the founding director of the Center.

Paul is one the most distinguished scientists in the Montana University System: he is distinguished by the skill and creativity of his work; his international recognition within the scientific community; and his service in return to that community. Paul forged a reputation early in his career for elegant total synthesis of natural products. This work included development of new methodologies now widely used by numerous, other research groups. Paul's synthesis work later embraced the discovery, synthesis, and collaborative bioassays of a new generation of anti-tumor compounds. Paul broke new ground with his studies of the behavior of organic reactions in water and other polar media. This fundamental work has become very "hot" recently as his concepts are being imported into the arena of biochemistry. Paul authored the definitive monograph on the subject, published while at MSU "Organic Synthesis in Water" (ISBN: 0751404101 - Springer, 1999).

Paul has published over 250 articles in scientific journals. Over a dozen of them have been cited in more than one hundred scientific publications. In recognition of his achievements, Paul has received many major awards including – from the American Chemical Society – the

Ernest Guenther Award, the Arthur C. Cope Scholar Award, and the Award for Creative Work in Synthetic Organic Chemistry. He has also been recognized with numerous, named international lectureships. Paul is admired within the chemistry community for his service to the field, best exemplified by his leading NIH review panels on medicinal chemistry. Moreover, he has transformed every department that he has joined by being a catalyst for the recruitment and professional development of new faculty.

At MSU Paul has brought to fruition the founding vision of the Center. Paul is the campus genius for organic synthesis. He has generously collaborated with scientists in the Colleges of Letters & Science and Agriculture. His work has netted substantial dividends to the University. Paul has raised over six million dollars in research funds during his decade at MSU, not including his contribution to grants for shared instrumentation. The scope of Paul's impact also reaches into the private sector in Montana. In addition to consulting with local technology companies, he is a partner in a new venture – Zdye, LLC in Bozeman – that is highly likely to bring substantial royalties to MSU in the near term.

Not to be overlooked, Paul is an outstanding mentor and teacher. His students achieve. Over his career, Paul had mentored 98 Ph.D. students and 75 postdoctoral fellows who now hold prominent positions throughout the world in academia and major pharmaceutical firms. In the classroom, Paul represents the ideal of a teacher scholar. Students give him perfect marks and comment that his synthesis course is enormously challenging, but superbly presented – the best learning experience of their lives. They express the wish that the course could go on longer.

Finally, beyond Paul's excellence as a scholar, it should be mentioned that Paul is also a magnanimous benefactor to the Montana University System. Being a rancher, from a dairy farming background, Paul has a special love of agriculture. He has made generous contributions from his personal monies to scholarship and building funds in his own College of Letters and Science and in the College of Agriculture.

As a land-grant university with a mission of teaching, research and service, there are few who fulfill that mandate with as much dedication and excellence as Paul Grieco.

The Regents's Professorship is the highest honor that we can accord him. We urge the Board of Regents to approve our nomination.

ITEM 130-2300-R0306; Staff Agricultural Experiment Station							March 1-3, 2006		
NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase	
Last	First								
(1) NEW POSITIONS AND REPLACEMENTS									
(4) FACULTY; Assistant Professors									
Marshall	Lucy	Assistant Professor, Land Resources & Environ Sci		55,000		1/1/06 (New)	CU		
SALARY CHANGE OR ADDITION LEGEND: CF = Change in Funding and/or FTE CL = Converted from Classified or Letter of Appointment D = Completion of Degree E = Equity Adjustment Increase I = Inversion Increase Included L = Professional Licensure Award M = Merit Increase N = Normal Increase P = Promotion Increase R = Retention / Market Adjustment Increase RR = Responsibilities Reduced SA=Stipend Added 1 = Plus Room and Board 2 = Plus Housing Allowance 3 = Plus Car Allowance			FUNDING SOURCE LEGEND: CU = Current unrestricted R = Restricted A = Auxiliary D = Designated O = Other		TENURE LEGEND: NT = Non-tenurable T = Tenured P = Probationary		STIPEND LEGEND: DC = Dept. Chair/Dean CC = Co-Chair BB = In lieu of Base Building AD=Administrative Duties		EXTRA COMP LEGEND: est = Estimated act = Actual GA = Grant administration ST = summer teaching SR = summer research AT = Additional AY teaching AR = Additional AY research SP = Speaking PM = Project management O = Other (must specify)
* NOTE: Stipends/bonuses are not base building. They may be prorated throughout the year or awarded in one lump sum.									

ITEM 130-2400-R0306; Staff Cooperative Extension Service							March 1-3, 2006		
NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase	
Last	First								
(1) CHANGES IN RANK/TENURE, SALARY, RESPONSIBILITY:									
(A) ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS									
Gough PHD	Robert	FR: Interim Assoc Dean Acad Prog, Plant Sciences TO: Assoc Dean for Academic Programs, College of Agriculture	74,929	74,929	18,000 AD	10/01/05	T CU	0.00%	
(B) FACULTY; Professors									
Goetting	Marsha	FR: Professor, Agricultural Economics TO: (No Change)	87,055	87,055	*1,451/ mo Grant Work	10/1/05 - 6/30/06	CU *R	0.00%	
TOTALS AND AVERAGE INCREASE			161,984	161,984				0.00%	
(2) NEW POSITIONS AND REPLACEMENTS									
(A) FACULTY; Assistant Professors									
Daniels	Tanya	County Agent, ES Agents	49,719	40,420	300	12/14/05 (Vukonich)	CU, D FY	-18.70%	
SALARY CHANGE OR ADDITION LEGEND: CF = Change in Funding and/or FTE CL = Converted from Classified or Letter of Appointment D = Completion of Degree E = Equity Adjustment Increase I = Inversion Increase Included L = Professional Licensure Award M = Merit Increase N = Normal Increase P = Promotion Increase R = Retention / Market Adjustment Increase RR = Responsibilities Reduced SA=Stipend Added 1 = Plus Room and Board 2 = Plus Housing Allowance 3 = Plus Car Allowance			FUNDING SOURCE LEGEND: CU = Current unrestricted R = Restricted A = Auxiliary D = Designated O = Other		TENURE LEGEND: NT = Non-tenurable T = Tenured P = Probationary		STIPEND LEGEND: DC = Dept. Chair/Dean CC = Co-Chair BB = In lieu of Base Building AD=Administrative Duties		EXTRA COMP LEGEND: est = Estimated act = Actual GA = Grant administration ST = summer teaching SR = summer research AT = Additional AY teaching AR = Additional AY research SP = Speaking PM = Project management O = Other (must specify)
* NOTE: Stipends/bonuses are not base building. They may be prorated throughout the year or awarded in one lump sum.									

ITEM 130-2700-R0306; Staff Montana State University-Billings							March 1-3, 2006	
NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase
Last	First							
(1) CHANGES IN RANK/TENURE, SALARY, RESPONSIBILITY:								
(A) NON-ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
Cowen B.S.	Stephani e	FR: Asst Director of Admissions/COT College of Tech TO: Sr Assoc Director of New Student Serv/College of Tech	31,568	37,882		1/6/06	NT CU	20.0%
(B) ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
Khaleel Ph.D.	Tasnee m	FR: Interim Dean College of Arts and Sciences TO: Dean College of Arts and Sciences	88,493	95,000		10/17/05	T CU	7.4%
TOTALS AND AVERAGE INCREASE			120,061	132,882				10.68%
(2) NEW POSITIONS AND REPLACEMENTS								
(A) NON-ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
Overberg	Tracie	Head CheerLeading Coach Department of Intercollegiate Athletics	32,000	32,000		10/26/05 Ruoff	NT CU 0.25 FTE	0.00%
(B) FACULTY; Professors								
Elson- Riggins Ph.D.	Joclyn	Assistant Professor Biological and Physical Sciences	38,939	38,939		1/17/2005	NT CU 0.25 FTE	0.0%
McBride	Steve	Instructor, Heating, Ventilation, and Air Conditioning, College of Technology	32,000	34,550		1/17/06 Williams	NT CU 0.5 FTE	7.97%
(3) END OF EMPLOYMENT								
(A) ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS								
Michels Ph.D.	Joseph	Dean, College of Business				12/31/05	Resignation	
(B) FACULTY; Professors								
Gloege Ph.D.	Randall	Assistant Professor, Department of English and Philosophy				9/1/06	Retirement	
Karnos Ph.D.	David	Professor, Department of English and Philosophy				8/1/06	Retirement	

ITEM 130-2700-R0306; Staff Montana State University-Billings							March 1-3, 2006		
NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase	
Last	First								
Utroske M.A.	Walter	Associate Professor, Department of English and Philosophy				9/1/06	Retirement		
(C) POST RETIREMENT CONTRACTS									
Gloege Ph.D.	Randall	Assistant Professor, Department of English and Philosophy				Spring 2007			
Karnos Ph.D.	David	Professor, Department of English and Philosophy				Spring 2007			
Utroske M.A.	Walter	Associate Professor, Department of English and Philosophy				Spring 2007			
SALARY CHANGE OR ADDITION LEGEND: CF = Change in Funding and/or FTE CL = Converted from Classified or Letter of Appointment D = Completion of Degree E = Equity Adjustment Increase I = Inversion Increase Included L = Professional Licensure Award M = Merit Increase N = Normal Increase P = Promotion Increase R = Retention / Market Adjustment Increase RR = Responsibilities Reduced SA=Stipend Added 1 = Plus Room and Board 2 = Plus Housing Allowance 3 = Plus Car Allowance			FUNDING SOURCE LEGEND: CU = Current unrestricted R = Restricted A = Auxiliary D = Designated O = Other		TENURE LEGEND: NT = Non-tenurable T = Tenured P = Probationary		STIPEND LEGEND: DC = Dept. Chair/Dean CC = Co-Chair BB = In lieu of Base Building AD=Administrative Duties		EXTRA COMP LEGEND: est = Estimated act = Actual GA = Grant administration ST = summer teaching SR = summer research AT = Additional AY teaching AR = Additional AY research SP = Speaking PM = Project management O = Other (must specify)
* NOTE: Stipends/bonuses are not base building. They may be prorated throughout the year or awarded in one lump sum.									

March 1-3, 2006

ITEM 130-2701-R0306

Authorization to Confer The Title of Assistant Professor Emeritus of English upon Randall Gloege; Montana State University – Billings

WHEREAS, Dr. Gloege has completed a teaching career of twenty-five years at Montana State University – Billings;

WHEREAS, Dr. Gloege has contributed to the English profession by publishing a variety of academic papers and creative pieces;

WHEREAS, Dr. Gloege presented papers at state, regional, and national conferences;

WHEREAS, Dr. Gloege served as faculty advisor to *The Rook* (a student literary publication) and the Environmental Awareness Club;

WHEREAS, Dr. Gloege served as editor of *Alkali Flats*, initially a regional publication of creative writing, and later a creative writing publication of Montana State University – Billings;

WHEREAS, Dr. Gloege served as Chair of the Arts and Sciences Policy Committee and the Academic Senate committee on Academic Computing and Allied Technology;

WHEREAS, Dr. Gloege was an active promoter of computer technology at Montana State University – Billings;

WHEREAS, Dr. Gloege served in the Academic Senate, first as an elected representative, and later as a member of the Senate Executive Committee;

WHEREAS, Dr. Gloege participated in a working group whose task was to develop an assessable General Education program;

WHEREAS, Dr. Gloege served as a student mentor, and student teacher supervisor for a variety of Montana State University – Billings students;

WHEREAS, Dr. Gloege chaired several faculty search committees;

WHEREAS, Dr. Gloege chaired the committee which designed Senior Portfolio, a course serving as a vehicle for outcomes assessment of the MSU – Billings English program;

WHEREAS, Dr. Gloege helped initiate and served as Associate Director of the Environmental Studies Program at MSU – Billings;

WHEREAS, Dr. Gloege served the broader Montana community as a board member of the Alliance for the Wild Rockies and Big Wild Advocates;

and WHEREAS, Montana State University Billings wishes to honor Dr. Gloege for service to education, community, and the state of Montana;

THEREFORE, the Board of Regents of Higher Education, on the recommendation of Montana State University – Billings confers upon Dr. Gloege the title of Assistant Professor of English Emeritus, with all rights, privileges, and responsibilities appertaining thereto.

March 1-3, 2006

ITEM 130-2702-R0306

Authorization to Confer The Title of Professor Emeritus of Philosophy upon David Karnos; Montana State University – Billings

WHEREAS, David Karnos began his higher education as a freshman (plebe) at the United States Naval Academy in 1965, and marked his engagement with retirement as a Professor at the Montana State University-Billings in 2006;

WHEREAS, Dr. Karnos completed a distinguished teaching career of 31 years at six colleges and universities, including 28 years at Montana State University-Billings;

WHEREAS, Dr. Karnos has taught 7874 +/- students in 43 distinct courses he developed and delivered in the disciplines of Philosophy, Humanities, Religious Studies, English, and Gerontology;

WHEREAS, Dr. Karnos shared his passion for learning with students via a Fulbright fellowship to India, sabbaticals to Greece and Australia, and various academic assignments in Europe, Southeast Asia, Turkey, Hawaii, Fiji, Italy, Taiwan and Tasmania;

WHEREAS, Dr. Karnos served his profession through a dozen articles, over 30 papers presented at regional, national and international events, and was an invited speaker or commentator on fifty occasions;

WHEREAS, Dr. Karnos was an active publishers' reviewer, maintained his membership in several professional organizations in the U.S., Greece, and Australia, and was one of the first National Faculty Exchange Fellows (1984/85);

WHEREAS, Dr. Karnos was a recipient of five National Endowment for the Humanities Awards to sponsored Seminars and Institutes, and one with the National Science

Foundation for a two year workshop in Medical Ethics;

WHEREAS, Dr. Karnos co-edited a book, *Falling in Love With Wisdom: American Philosophers Talk about Their Calling* (NY: Oxford University Press 1993; Complex Chinese translation and edition 2002);

WHEREAS, Dr. Karnos served the University through service on over 60 committee assignments, as a member of the Executive Board of the EMC Foundation, and twice as Chair of the once upon a time Philosophy Area;

WHEREAS, Dr. Karnos holds the longest record of service as a college representative and officer on the Executive Board of the Faculty Association (1993-2006), and served as President of the FA in 1997/98;

WHEREAS, Dr. Karnos has been acknowledged by Eastern Montana College with Distinguished Awards for Excellence in Teaching (1987) and again in Community Service (1992);

WHEREAS, Dr. Karnos served the people of the State of Montana through 25 years of participation in over 30 programs of the Montana Committee for the Humanities, as well as serving on its Board of Directors (1990-94);

WHEREAS, Dr. Karnos participated in the community of Billings and Yellowstone County with volunteer service in the fields of thanatology, medical ethics, and mental health, providing over 30 presentations to a variety of public venues, and serving on the Ethics Board of St. Vincent's Healthcare;

WHEREAS, Dr. Karnos was a Founding member of the Yellowstone County Guardianship Council (1994), and served as Chair, and was acknowledged with the Mental Health Association of Montana Service Award in 2001;

WHEREAS, Dr. Karnos will be remembered by many students and healthcare professionals for teaching annually the interdisciplinary community based course "Death, Dying,

and Medical Ethics";

WHEREAS, Montana State University-Billings wishes to honor Dr. Karnos for his outstanding contributions;

THEREFORE, the Board of Regents of Higher Education, acting on the recommendation of the Chancellor of Montana State University-Billings, is pleased to confer upon Dr. David Karnos the title of Professor of Philosophy Emeritus, with all rights, privileges, and responsibilities pertaining thereto.

March 1-3, 2006

ITEM 130-2703-R0306

**Authorization to Confer The Title of Professor Emeritus
of Educational Theory and Practice upon George
Madden: Montana State University-Billings**

WHEREAS, Professor George Madden has completed a distinguished teaching career of 50 years, including 35 years at Montana State University-Billings, formerly Eastern Montana College;

WHEREAS, Professor Madden served the Division of Elementary and Secondary Education as Chair for three years;

WHEREAS, Professor Madden has served on numerous campus bodies including the Faculty Senate, the University Rank and Tenure Committee, and the Graduate Committee;

WHEREAS, Professor Madden was instrumental in the formation of the Faculty Senate of Montana State University-Billings (formerly Eastern Montana College, serving as its founding chair;

WHEREAS, Professor Madden has served his faculty colleagues as a leader in collective bargaining;

WHEREAS, Professor Madden has been recognized by many alumni for the impact he has had on their professional and personal lives;

WHEREAS, Professor Madden has served educators in Montana through leadership in the study of school law;

WHEREAS, Professor Madden has served higher educators in Montana through his editorship of *The Montana Professor*;

AND WHEREAS, Montana State University-Billings wishes to honor Professor Madden for his outstanding service to education and to his discipline;

THEREFORE, the Board of Regents of Higher Education, on the recommendation of the Chancellor of Montana State University-Billings, confers upon Dr. George Madden the title of Professor of Educational Theory and Practice Emeritus, with all the rights, privileges, and responsibilities pertaining thereto.

March 1-3, 2006

ITEM 130-2704-R0306

Authorization to Confer The Title of Associate Professor Emeritus of English upon Walter Utroske; Montana State University–Billings

WHEREAS, Mr. Utroske completed an effective teaching career of 40 years at Montana State University-Billings, formerly Eastern Montana College;

WHEREAS, Mr. Utroske served the English profession in a number of leadership and supporting roles on the local and state levels, including co-editor of the MA TELA Journal;

WHEREAS, Mr. Utroske contributed to the English profession by publishing journal articles on composition;

WHEREAS, Mr. Utroske was a member of a number of professional organizations and presented papers at state, regional, national, and international conferences;

WHEREAS, Mr. Utroske fostered ties between the University and various educational, corporate, and professional groups in Montana by conducting in-service seminars and workshops and by writing promotional and consumer health literature for the medical community in the greater Billings area;

WHEREAS, Mr. Utroske served his colleagues and the University as Coordinator of Composition Studies and as member and/or chair of numerous campus committees;

WHEREAS, Mr. Utroske served as academic advisor, internship and independent study mentor, and student teacher supervisor to innumerable students;

WHEREAS, Mr. Utroske earned an Excellence in Teaching Award in 1978;

WHEREAS, Mr. Utroske established the local chapter of Sigma Tau Delta, National English Honor Society, on campus;

WHEREAS, Mr. Utroske served as high school commencement speaker and as judge for numerous literary contests;

WHEREAS, Montana State University-Billings wishes to honor Mr. Utroske for his service to education, the community of Billings, and the state of Montana;

THEREFORE, the Board of Regents of Higher Education, on the recommendation of Montana State University-Billings, confers upon Mr. Walter F. Utroske the title of Associate Professor of English Emeritus, with all rights, privileges, and responsibilities appertaining.

ITEM 130-2800-R0306 Staff; MSU-Northern							March 1-3, 2006		
NAME		Position Title	Old Salary or (Salary Paid to Replaced Emp)	New Salary	Stipend or Extra Comp	Effective Date/ Reason for Change (Replaced)	Type of Appt/ Funding Source & FTE (1 FTE is assumed) FY assumed for admin & prof; AY assumed for faculty	% Increase	
Last	First								
(1) END OF EMPLOYMENT									
(A) NON-ACADEMIC EXECUTIVES, ADMINISTRATORS & PROFESSIONALS									
Salveson MBA	Jackie	Director of Human Resources and Payroll		42,778		2/28/2006	NT CU		
SALARY CHANGE OR ADDITION LEGEND: CF = Change in Funding and/or FTE CL = Converted from Classified or Letter of Appointment D = Completion of Degree E = Equity Adjustment Increase I = Inversion Increase Included L = Professional Licensure Award M = Merit Increase N = Normal Increase P = Promotion Increase R = Retention / Market Adjustment Increase RR = Responsibilities Reduced SA=Stipend Added 1 = Plus Room and Board 2 = Plus Housing Allowance 3 = Plus Car Allowance			FUNDING SOURCE LEGEND: CU = Current unrestricted R = Restricted A = Auxiliary D = Designated O = Other		TENURE LEGEND: NT = Non-tenurable T = Tenured P = Probationary		STIPEND LEGEND: DC = Dept. Chair/Dean CC = Co-Chair BB = In lieu of Base Building AD=Administrative Duties		EXTRA COMP LEGEND: est = Estimated act = Actual GA = Grant administration ST = summer teaching SR = summer research AT = Additional AY teaching AR = Additional AY research SP = Speaking PM = Project management O = Other (must specify)
* NOTE: Stipends/bonuses are not base building. They may be prorated throughout the year or awarded in one lump sum.									

March 1-3, 2006

ITEM 130-2801-R0306

Authorization to Confer the Title of Professor Emeritus of Biology on Dr. Reno Parker, Montana State University-Northern

THAT:

Dr. Reno Parker, Professor of Biology at Montana State University-Northern until his retirement at the conclusion of the 2005 summer session, merits the title of Professor Emeritus for his exemplary teaching, research and service during his career at the University.

EXPLANATION:

Dr. Parker joined the institution in 1988 as an Associate Professor of Biology. He was promoted to Professor in 1994. Before coming to Montana State University-Northern, Dr. Parker had held faculty appointments at Kent State University and at Huron College. He had also held several research appointments, as an NIH-USPHS Postdoctoral Fellow at Rocky Mountain Laboratory, as a research scientist at Hamilton Biochemical Research Laboratory, and as a research scientist at the University of Montana.

During his tenure at Montana State University-Northern, Dr. Parker taught courses in anatomy and physiology, molecular biology, biochemistry, paleontology, freshwater biology, essence of science, undergraduate research, and graduate research methods. He was recognized by students as a mentor in science research; undergraduate students regularly worked with Dr. Parker on his own ongoing research projects, and he advised and promoted a student Science Club. He was also recognized by nursing students for his work to support science education in the institution's Nursing program; in 2001 he received the Friend of Nursing Award from the Montana Nursing Association.

Dr. Parker's colleagues recognized him as a leader in the development and promotion of the institution's programs in science. He served as Chair of the Science and Mathematics department from 1993 to 1998, and both before and after those dates participated in grant projects to strengthen the program's research and teaching capabilities. He also assisted in the development of science education programs at regional tribal colleges, and he actively promoted science education through his contacts with regional school educators. For many years, he co-chaired a regional science fair for students in area schools.

Dr. Parker's exemplary career as a teacher, his service as a mentor in research to students, and his efforts to promote science education at Montana State University-Northern and in the region, merit conferral of the title of Professor Emeritus of Biology.

March 1-3, 2006

ITEM 130-109-R0306

**Appointments to the Student Loan Advisory Council:
Montana Guaranteed Student Loan Program.**

THAT:

The Board of Regents of Higher Education appoints the following nominees to three year terms beginning January 1, 2006 and ending December 31st, 2008, to the Student Loan Advisory Council: DW Eiler, Sales Representative for Wells Fargo and Leslie Venetz, ASUM Vice President.

EXPLANATION:

Montana Code Annotated, 2-15-1520, requires that the Board of Regents appoint a Student Loan Advisory Council to work with the Montana Guaranteed Student Loan Program. The Council advises MGSLP on policies, rules, and procedures, and assures that students, schools, and lenders are adequately served.