

MINUTES MINUTES

Montana Board of Regents of Higher Education

MINUTES APPROVED 7-0 AT THE
BOARD OF REGENTS SEPTEMBER,
2006 MEETING IN BUTTE, MONTANA

Regular Meeting

May 31-June 2, 2006

Montana State University-Northern
P.O. Box 7751
Havre, MT 59501

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

THURSDAY, JUNE 1, 2006

8:15 a.m.

I. EXECUTIVE SESSION

- a. Personnel Review – President Gamble
- b. Personnel Review – President Dennison
- c. Personnel Review – Commissioner Stearns

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

ROLL CALL

Roll Call indicated a quorum present

Regents Present: Stephen Barrett, Clayton Christian, Mike Foster Acting Chair, Lynn Hamilton, Heather O'Loughlin, Mark Semmens, Lila Taylor, and Linda McCulloch Superintendent of Public Instruction Ex-Officio. Also present was Commissioner Sheila Stearns.

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

Regents Absent: Governor Brian Schweitzer ex officio, excused.

APPROVAL OF MINUTES

- Regent Semmens** moved **approval** of the Minutes of the March 1-3, 2006 Regular Meeting in Dillon, MT with the addition of the following to the Budget and Audit Oversight Committee minutes:

Public Comment

Erik Burke, MEA-MFT, Mike Kupilik, President, University Faculty Association of The University of Montana, and **Professor John Brower**, President, Montana Tech Faculty Association, addressed the Committee regarding faculty salaries and ongoing retirement contribution inequities between faculty enrolled in TRS and those enrolled in TIAA-CREF. The group requested that the Regents work to prioritize faculty salaries and the retirement system issues as they prepare their budget proposal for the 2007 legislative session.

- Regent Hamilton** also noted the need to change a typo on Page 12.

- The minutes of the March 1-3, 2006 meeting were **approved unanimously** as amended on 7-0 vote.

Chair Foster reported that the Executive Session would resume at recess at the end of the day.

Chair Foster introduced the newest Regent, Clayton Christian.

Commissioner Stearns congratulated Chancellor Ron Sexton on receiving a distinguished leadership award for college and university presidents. His award is from the District Eight Council for the Advancement and Support of Higher Education.

Commissioner Stearns also congratulated Award Winners to be recognized at the meeting of the Montana Ambassadors. Those are Educator of the Year President George Dennison, The University of Montana, Dean Rich Semenik, Montana State University, and Ambassador Plenipotentiary Larry Gianchetta, The University of Montana.

SYSTEM ISSUES

- a. CI-97 – Information and Review

- Regent Semmens** moved **adoption** of this Resolution

Regent Semmens reported he had reviewed documents on state spending nationwide. The same concept as this item was approved in Colorado under the title of TABOR. Since then they have slipped to 48th or 50th in ranking for child care, and care of the elderly. The prison population has increased more highly than the general population, and education will be cut to fund these services. He noted this is bad public policy and bad business. **Regent O'Loughlin** introduced Cole Arthun Interim MAS President. He reported that students support disseminating this information. Superintendent of Public Instruction **Linda McCulloch** said that if CI-97 is approved it will stop all progress, and No Child Left Behind will be impacted more negatively than it is now in Montana. **Regent Barrett** emphasized that the university system has the obligation to educate the citizenry about the complexity of this issue. He indicated he would support this resolution.

 The Resolution was **approved unanimously** on 7-0 vote.

b. Strategic Plan – Discussion – Commissioner Stearns/Associate Commissioner Gibson

Item b. was deferred to later in the meeting.

c. Six-Mill levy - Guidance and discussion


There was discussion of changing the third step in the approval process from Legislative action to staff action, of removing the sunset clause, and possibly increasing the 6 mills. Regents Foster and Semmens will attend the PEPB meeting and discuss these issues to see if there is any openness to change. When the MUS took on the Vo-Techs there was going to be an added 2mills for them, but it did not occur. This should be considered since the 1.5 mills collected in the counties with those schools go directly into the general fund rather than to the schools.

d. SummitNet 3

Mr. Ray Ford, CIO at UM-Missoula explained this is the state network throughout Montana. Montana however is not on the national network and needs to get there. Lacking that network makes it difficult to build in-state. The current contract expires at the end of June 2007. They need to begin creating the RFP now. **Mr. Ford** indicated that through a grant program, they would be able to get the use of the dark fiber that runs down Route 95 and it would allow them to approach the contract in a new way. The State and MSU have signed on with Quest. UM had contracted with CenturyTel and others who acted as the integrator and acquired all needed assets and UM paid. **Mr. Ford** said they are now looking at MUS acquiring the rights to the dark fiber, and through a partnership share the integration. They currently spend the same amount or more with vendors. It will lower the cost on the core of the network so that more can be spent on the edges. This will allow getting the infrastructure to the outskirts in Montana without spending more money. There is no intention to build their own network and sell it to others. **Regent Foster** asked about the capacity of such a system and if other industries could join in as well. His example was health care which is interested in having access to electronic health records in outlying areas. Health care is an interesting challenge. Hospitals on one hand typically are non-profit, while doctors' offices are for-profit. A discount was granted for education and research, but did not include for-profits. Service will not be extended to any other entity as it is only for the University and State Government, with the possible exception of local governments and non-profits. It can be used for research and technology transfer. Since the reservations are federal they have not been included either, but eventually it might be offered to the tribal colleges and K-12. **Regent Barrett** asked what dark fiber is. **Mr. Ford** indicated it is fiber already in the ground that is not being used by anyone. If they take up the dark fiber, they will also be managing the equipment hookup at the ends.

e. Policy on Disposal of Computers [ITEM 131-107-R0506](#)

Mr. Mark Sheehan requested approval of this policy to bring the system into compliance with state and federal standards. **Chair Foster** announced that Mr. Sheehan was leaving the system and thanked him for all he had done to help the MUS.

 **Regent Barrett** moved **APPROVAL** of Item e.

 The Motion was **approved unanimously** on 7-0 vote.

i. Local Legislators - Discussion

Representative Bergren welcomed the Board to Havre, and apologized that none of his colleagues had arrived. **Rep. Bergren** indicated that during the next Legislative session he will be working to include higher education in the discussions. He said they had done great work in the last session with one-time funding, and a record amount in on-going funds for K-12. More work is needed, but he believes that higher education now has a greater stake. **Regent Barrett** indicated he hoped that Rep. Bergren and other legislators would spend more time in the Board meetings so they could see how they are managing the funds the State provides. **Rep. Bergren** agreed that education is an investment rather than an expense, and said that the rate of State funding was going the wrong way.

f. MIEA Resolutions

Commissioner Stearns reported to the Board that she would be presenting to them for Board adoption responses to one or more of the MIEA Resolutions.

g. Review of Residency Changes and the Related Policies

Associate Commissioner Robinson reported that after a review of the data, there had been no significant change over the years in the transition of non-resident students to resident students. He therefore saw no need to change the Board policy. **Regent Semmens** agreed with his recommendation.

h. General System Issues

Commissioner Stearns told the Board that at some point they will need to take action on some of the issues she was reporting on. Her first item was the breach of the server in OCHE. She thanked the many ITSD and campus people, Tyler Trevor, Edwina Dale, and Dave Gibson of OCHE for the tremendous amount of effort they dedicated to resolving this issue. Further, there may have been up to 1500 names connected with social security numbers. All of those were notified and given steps to follow.

The next issue was the Bitterroot Valley group looking at forming a community college. It is very premature, and possibly not the best idea. She advised the Board the group may at some point request time for public comment.

The Environmental Quality Control interim committee has taken on the task of the trust lands and will work on the issues of administrative fees. They provided a great report, and there is progress. The basic question is if it is constitutional to take the administrative fees on MUS trust lands. They are recommending some constitutional change in regard to the Morrell Act trust lands. More information and materials will be on the Agenda in September.

OCHE had received letters from the Legislative Auditors that there may have been conflict of interest or ethics statutes at INSA. They were copied to the Governor and President Dennison.

The last item was the progress on the OCHE building situation. They may need to have a special meeting or conference call meeting, or an action item at the July meeting. City Manager Tim Burton had come to the March meeting and assured the Board that Helena was eager to keep OCHE but that other issues of occupancy had arisen. There was a major change in the revenue stream for GSL. With the Federal Budget Reconciliation Act, they have lost a significant part of their income stream. They decided they should not give up their very favorable lease at 2500 Broadway. Under the circumstances, one third of the new building would house OCHE and BPE, and two thirds would be an unknown. In further discussions, they tried to find other tenants to make the bond payments. One more zoning issue will come to the Commission on June 5, and is another junction. Since it is very uncertain this can now be pulled together, OCHE may ask for approval of a change in direction on the building.

j. Faculty Appeal – Action Item – ITEM 131-118-R0506

No motion was made on Item j.

k. Student Appeal – Action Item – ITEM 131-119-R0506

Regent Barrett moved to have the Board **hear** this item due to the campus stating that it had no discretion to grant the appeal.

Chief Legal Counsel **Catherine Swift** advised the Board that, while the campus decision may have said that, OCHE did a complete review of the residency appeal and applied the rebuttable presumption properly so the case had been properly reviewed and denied.

Since the meeting was running late, it was decided to return to this issue immediately after lunch.

The Board recessed for lunch with the MAS at 12:15 p.m.

The meeting reconvened at 1:30 p.m.

Regent Barrett withdrew his motion on the student appeal.

i. Local Legislators – Discussion CONTINUED

Rep. Musgrove addressed the needs for the infrastructure at MSU-Northern. He is a member of the Appropriations Committee, and indicated that if these problems are not addressed, they will end up trying to catch up. He noted the ATC building was a magnificent public/private partnership. LRBP only provided half the money and the campus made it happen through donations for the other half. He advised the Board that the Indemnity Trust will sunset in 2014, and the science and water programs at Northern will be affected. The Legislative Finance Committee is looking at it and will meet on June 8. **Commissioner Stearns** said this is the first time she was aware they were trying to remove it from the statutory funding for MSU-Northern. **Chancellor Capdeville** indicated that if they lose that money, there would be no way they could backfill it from their funds. If the funds are removed from Northern, they remain in the Indemnity Trust Fund and will be given out to others as grants. **Mr. Alan Peura** noted that in the last session, HJR36 looked into this. The concern was the allocation had not been looked at to see if they were meeting the goals. They did a close evaluation to see what the priorities should be. The \$240,000 for MSU-N ended up at the bottom of the list. The intent of the Committee was to sponsor legislation to find a new allocation formula and not to fund the \$240,000 to Northern from that fund any longer. The Legislative Finance Committee will look at it on June 8. He indicated he would send the agenda to both Commissioner Stearns and Associate Commissioner Gibson. **Chair Foster** requested Commissioner Stearns, and Associate Commissioners Robinson and Gibson to monitor this issue closely and keep the Board informed on where it is headed and find an opportunity to visit with members of the Finance Committee to get their thinking.

END SYSTEM ISSUES

DISCUSSION WITH CAMPUS LEADERS

(President Geoff Gamble, Chancellor Alex Capdeville, and Dean Mary Moe)

This discussion was deferred until Friday morning before the Student Reports.

BUDGET AND AUDIT OVERSIGHT ITEMS

a. Strategic Plan

Item a. was deferred to the end.

b. Report from the Associate Commissioner for Fiscal Affairs

1. New Wellness Center – MSU-Northern

Associate Commissioner Robinson indicated he will visit with the Governor on this issue to get an understanding of the rationale, and what changes MUS needs to make in its process through that office.

2. Change in fees for Student Health Insurance

As directed by the Board, the Commissioner has approved an increase in Student Health Insurance fees of 4% to 5%.

3. Approval of Contract with new vendor for Montana Family Education Savings Plan – ITEM 131-109-R0506

This item requires approval by the Board. The Vendor will be looking at a new fee schedule sometime later this year, and will provide net fee reports as the Board had requested.

Regent Semmens moved **APPROVAL** of Item 3.

The Motion was **approved unanimously** on 7-0 vote.

4. Foundation Operating Agreement; The University of Montana-Missoula - [ITEM 131-1011-R0506](#)

5. Foundation Operating Agreement; The University of Montana-Western - [ITEM 131-1603-R0506](#)

Regent Semmens moved **APPROVAL** of Items 4 and 5.

The Motion was **approved unanimously** on 7-0 vote.

c. Approval of Project Priority List, Long Range Building Program Montana University System – [ITEM 131-112-R0506](#)

Regent Semmens moved **APPROVAL** of Item c.

The Motion was **approved unanimously** on 7-0 vote.

d. OTO Appropriations – [ITEM 131-113-R0506](#)

Regent Semmens affirmed that the number one priority is adequate funding for the core. If there are extra dollars, they could be used for the ideas presented here.

Regent Semmens moved **APPROVAL** of Item d.

Following extensive discussion on adding, removing, increasing, decreasing, or prioritizing the initiatives, Regent Semmens made the following amendment to his motion:

Regent Semmens AMENDED his motion with the following changes:

Priority one will be "Provide adequate funding to the educational units sufficient to limit tuition increases to 5% at the four-year campuses and 0% at the two-year campuses with a footnote that the amount is to be determined by the OCHE fiscal staff in collaboration with the Legislative Budget staff. The 2nd priority - Improve Affordability; 3rd - Transferability; 4th - Distance Learning; 5th - Indian Ed for All; 6th - Healthcare Ed; 7th - Equipment & Technology; 8th - Deferred Maintenance for CCs; 9th - Workforce Training & Prog. Dev. In High Demand fields. The Need-based Endowment is the final initiative with no dollar amount recommended.

The Motion **as amended** was **approved unanimously** on 7-0 vote.

Following a ten-minute break, the Board reconvened at 3:17 p.m.

e. FY07 Tuition Rates, Flathead Valley Community College, and Dawson Community College - [ITEM 131-104-R0506](#)

Regent Semmens moved **APPROVAL** of Item e.

The Motion was **approved unanimously** on 7-0 vote.

f. Montana University System Revised Tuition Matrices – FY07 - [ITEM 131-106-R0506](#)

This item is based on the directions from the Board at the March meeting to refund the retirement holdback to the students.

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

The Motion was **approved unanimously** on 7-0 vote.

g. Approval of Two Budget Amendment Requests; Office Commissioner of Higher Education - [ITEM 131-115-R0506](#)

Regent Semmens moved **APPROVAL** of Item g.

The Motion was **approved unanimously** on 7-0 vote.

h. Negative Fund Balance Report

*Regent Semmens indicated the reports show the funds are in good condition. MSU-Northern was delayed in providing their report, which is **attached** to these minutes.*

i. Proposed Transfer of Real Property Interest in Lots 1 Through 22 of Block 32 of the Homevale Addition in the City of Missoula to Missoula County High School District No. 1 (MCHS) Pursuant to a Mediated Settlement Agreement & Release; The University of Montana-Missoula - [ITEM 131-1001-R0506](#)

The funds from this mediated settlement are dedicated to the College of Technology. **President Dennison** asked the Board to authorize the Commissioner and himself to sign the final deed and details.

Regent Semmens moved **APPROVAL** of Item i. with the addition of President Dennison's request

The Motion was **approved unanimously** on 7-0 vote.

j. Authorization to Secure InterCap Loan from Board of Investments for campus expansion – FVCC – [ITEM 131-108-R0506](#)

Regent Semmens moved **APPROVAL** of Item j.

The Motion was **approved unanimously** on 7-0 vote.

k. Intercollegiate Athletics Financial Accomplishments and Revised Plan; The University of Montana-Missoula – [ITEM 131-1009-R0506](#)

Regent Semmens moved **APPROVAL** of Item k.

The Motion was **approved unanimously** on 7-0 vote.

The increased cost of game tickets for students will be addressed next year when the new plan is completed.

l. Authorization for Annual Automatic Indexing of Student Fees; The University of Montana-Missoula - [ITEM 131-1012-R0506](#)

Regent Semmens reported the Committee had taken no position on this item. He requested the President of ASUM to

speaking to it since it is a student initiative. **Cedric Jacobson** explained these are necessary evils to maintain current services. It will make inflationary increases automatic. The two fees selected are common to all and will be used for the test, and also a pilot program. The MOU stipulates it must be reviewed in the fall of 2008 and in four year intervals as well and be presented to the Board. **Mr. Jacobson** provided a page showing the price indices. They did not use precise language since they did not intend to provide automatically 3.5% every year, but rather to guarantee access to proper funding. These increases would not be to fund expansions, but only maintain the current level of services. It was the hope of the campus to have the item approved today, with implementation in the fall of 2008. **Chair Foster** asked that if a Regent moved this item they include language that this is a pilot project specific to UM and these two fees.

Regent Semmens recommended **deferring this item to the September 2006 meeting**. He indicated Associate Commissioner Robinson was putting together a Task Force on Fees that will work on these issues over the summer. A student will be appointed as a member of the Task Force.

m. Renew Authorization to Provide Fire Suppression in Johnstone Center; MSU-Bozeman - [ITEM 131-2005-R0506](#)

Regent Semmens moved **APPROVAL** of Item m.

The Motion was **approved unanimously** on 7-0 vote.

n. Naming the "Harlan & Terri Byker Auditorium"; MSU-Bozeman - [ITEM 131-2006-R0506](#)

Regent Semmens moved **APPROVAL** of Item n.

The Motion was **approved unanimously** on 7-0 vote.

o. Series K 2006 Facilities Revenue Refunding Bond Issue; MSU - [ITEM 131-2007-R0506](#)

Regent Semmens indicated the Committee did not take this item up yesterday, but deferred it to today since Bond Counsel is here today. **Mr. Craig Roloff** explained these are the remaining portions of 1996 and 1998 bond issues for about \$2.5mil. They are not changing the maturity, simply consolidating into one and receiving a better interest rate. These bonds are for Billings and Bozeman, and they expect net savings of over \$600,000.

Regent Semmens recused himself for any possible conflict of interest.

Regent Barrett moved **APPROVAL** of "both documents".

It was noted there is only one resolution to cover both bonds.

The Motion was **approved unanimously** on 6-0 vote with **Regent Semmens** abstaining.

Mr. Roloff will update the Board with the final interest rate.

p. Adoption of a Definition of "Academic Buildings"; MSU - [ITEM 131-2010-R0506](#)

Regent Semmens noted this document is a starting point for the definition. After collaborative work, it should be ready for the September 2006 meeting.

q. Business Process Redesign Incentive Payments; MSU-Bozeman - [ITEM 131-2011-R0506](#)

Regent Semmens moved **APPROVAL** of Item q.

Following discussion on the appropriateness of acting on this item before acting on [ITEM 131-116-R0506](#) – Revisions to BOR Policies 711.1 & 711.2 the following action was taken:

Regent Semmens WITHDREW his motion, indicating he would make another motion following a failed vote on the new policy on Friday.

r. Board of Regents Policy 940.13 Tuition Waivers: Montana University System - Discussion

These issues will be studied further, with the Board leaning toward changing all waivers from full to partial. It was also the thought that the registration fee should be retained.

s. Revision to language contained in Item 129-2801-R1105- Authorization to Establish a Mandatory Lewistown Building Fee; Montana State University-Northern - [ITEM 131-2801-R0506](#)

Regent Semmens moved **APPROVAL** of Item s.

This item clarifies that the O&M for this building will not be funded by the State.

The Motion was **approved unanimously** on 7-0 vote.

a. Strategic Plan

Associate Commissioner Gibson indicated the document they were dealing with here was an extract from the main plan. **Regent Semmens** noted the recommendation to double the Governor's Scholarship, and asked if that was the intent. **Associate Commissioner Gibson** replied the Governor's Scholarship had started at \$3mil but in the latter hours of the session it was cut to \$1.5mil. The Governor is working on the budget, and OCHE supports taking it back to the full funding. The first year of the scholarship had \$270,000 in need-based aid. That number doubles in the second year and remains steady from then on because these are two-year programs.

Associate Commissioner Gibson and Regent Semmens will meet after the meeting recesses this evening to clarify the numbers.

Further discussion was deferred till after the full Strategic Plan tomorrow.

t. Public Comment

There was no public comment.

The Board recessed at 5:15 p.m. and went directly into Executive Session to resume the personnel evaluations.

FRIDAY, JUNE 2, 2006

The full Board reconvened at 8:35 a.m.

DISCUSSION WITH CAMPUS LEADERS





Chancellor Capdeville reported that MSU-Northern is well positioned with Caterpillar, Case, Toyota, and Ford to become one of the leading institutions for doing research on applications, offering hands-on training, and being an incubator for small businesses. They can also work with other campuses, and in fact be a leader with some of the technology they have on campus. Their goal is to work with the Tribal colleges, but this depends on grants to be successful. A big problem in the rural areas is Meth. They work through their Meth Committee on the Board of Crime Control with Bill Slaughter, head of the Department of Crime Control to improve this situation. They are looking at working with the prison population to provide training in the trades to prevent the use of Meth and other drugs. **Regent Semmens** asked if any of the companies that are associated with MSU-Northern might have workers with children that might be interested in Northern. They could possibly be put on a direct mail list. **Chancellor Capdeville** indicated that some companies such as Caterpillar fly to Havre in a Lear Jet and take the CEO and others around to see what they are doing. They have worked on programs that are successful at their community colleges and they then sponsor those students to attend MSU-Northern. One big problem for Northern is the out of state tuition which takes away some of the appeal. Northern works with the HR departments. The students are paid \$27/hr and they are moved there and given housing.

Dean Mary Moe reported on the programs at MSU-Great Falls CoT for Kids at Risk. See [report](#) attached to this document. **Regent O'Loughlin** asked how they find the at-risk students. **Dean Moe** indicated they plan to work with United Way to better identify those students. The program for middle schools involves all students in middle school, but they receive only one day which is inadequate. **Regent Hamilton** mentioned that SAF partners with College Summit and will send ten students from Havre and Glasgow High Schools to Denver for a College Readiness Program. Next year they plan to reach 50 juniors from those two schools. This helps first generation students who do not have the guidance needed from their parents. The high school counselors are very helpful and have on-line documents. There is an 80% success rate, and this could be extended throughout the state.

President Gamble indicated two issues that heavily impact education are Meth and rural poverty, and there is a direct relationship. MSU held a Wheeler Conference on Meth in Helena, which is epidemic in Montana. Montana is rated at first or second in the country for Meth use. It is a very destructive drug. Data shows that every year that has a 1% decrease in educational funding, there is a 1% increase in Corrections. 80% of the women and 60% of the men are in for Meth. The Meth Task Force has spent a lot of money reaching the 12 to 17 year olds, but the actual average age to begin using Meth is 20. He indicated those are their students. **President Gamble** believes the system needs to raise awareness of this problem as well as funding in the local communities. There are two treatment centers – Boulder and Miles City. He offered to host workshops on Meth that would be presented on each campus, and they have kits available to use as well for middle schools and high schools. The other issue is poverty and the erosion of rural Montana. MSU-Bozeman has dealt with this off and on over the years. There is a lot of grant money available to deal with this erosion, and in 2004, they received a grant for \$360,000 and used it to develop leadership in Glendive to understand what caused this erosion and what steps they needed to take to correct it. Based on that pilot they received a \$1.3mil grant to expand into 20 counties with less than 5000 population and 10% or greater unemployment. He encouraged others to apply for these grants. A second approach is the use of the resource base on each campus made up of faculty and staff. They had a partnership between the Colleges of Arts and Engineering, and the Extension Service to revitalize Anaconda. They are helping to restore the historic lights which are the first west of the Mississippi. They helped plant 900 trees, and students went to Anaconda to help spruce up the store fronts and increase their appeal. There are ways to motivate economic development, but they take some investment. In Harlowton, they were able to jump start three businesses and they are doing a great job. Cream of the West produces cereals, and pancake and waffle mix in clever "Made in Montana" containers. Rocky Mountain Cookware produces high end professional steel griddles for commercial use worldwide. Elk River Systems is another great success. It is an internet company which makes tickets to order for any group or event. **Mr. Evan Barrett** of the Governor's Office appreciated the discussion about the Extension Agents. He indicated they had scheduled a meeting with staff and the head of the Extension Service, and they have become the drivers of economic development in local communities. **Regent Hamilton** asked if there was a way to track the effects on children of parents using Meth as far as getting through school and foster care. **President Gamble** indicated there is data being amassed, but it is not a happy story. The data covers total financial impact, health of children, broken homes, foster care, and physical and psychological impacts on children. He indicated he had the unfortunate duty to serve on a trial for a rape in a Meth house, and it was the most personally difficult thing he had ever done.

END CEO REPORTS

SYSTEM ISSUES Continued

- j. Faculty Appeal – Action Item – [ITEM 131-118-R0506](#)
 **Regent Taylor** moved to **AFFIRM** the decision of the Commissioner on Item j.
 -  The Motion was **approved unanimously** on 7-0 vote.
 - k. Student Appeal – Action Item – [ITEM 131-119-R0506](#)
 **Regent Barrett** moved to **AFFIRM** the decision of the Commissioner on item k.
 -  The Motion was **approved unanimously** on 7-0 vote.
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STUDENT REPORTS

Justine Kapperud, President of ASMSU-GF indicated this would be her last report to the Board. This year they have the largest graduating class ever. Election of Officers gave these results: President AJ (Arthur J.) Hernandez, Vice President Carla Wilson, Treasurer Danielle Tendetnik, and Secretary Lacy Crawford. See her attached **report**.

See the attached **report** by **Kevin Mathewski** of MSU-Billings. The new Student President is Kevin Mathewski and the Vice President is Dan Hansen. **Mr. Mathewski** reported that the former Treasurer for MAS said student funds should not be placed in OCHE. **Regent Semmens** didn't believe the Board had direct governance over MAS, but encouraged better governance. **Mr. Mathewski** said the funds had been well cared for over the years and MAS will continue that. **Ms. Pam Joehler** indicated that when OCHE took over the funds and implemented per diem MAS was unhappy. Chief Legal Counsel **Catherine Swift** indicated they are state funds, and they were moved for convenience. **Regent Semmens** asked that if these were state funds if there was the flexibility to determine where they are located, and are expenditures subject to state per diem. **Counsel Swift** noted there are some Attorney General opinions indicating they are subject to per diem with some exceptions. She will look at those again. **Commissioner Stearns** suggested that MAS add to their operating rules and MOU that they obtain guidance from the System.

See the attached **report** by **Cedric Jacobson** of UM-Missoula. **Mr. Jacobson** indicated they would like to see a student presence on the Task Force on Fees. **Regent Semmens** endorsed that idea. **President Dennison** acknowledged former President Brad Cederberg who could not attend the meeting. He is currently in training at DAD.

Cole Arthun is the new President of ASMSU replacing Blake Rasmussen who starts working at Boeing in September. The vote for MAS officers will be held in September when school begins. During the summer, the Interim Vice President of MAS will be Kevin Mathewski. **Mr. Arthun** indicated he had no idea MAS had a problem with its funds. He will write up a memo to acknowledge fully the problem so it doesn't happen again. He intends to take the message on Meth back to his campus to make students aware of the potential devastation.

END STUDENT REPORTS

Following a 10-minute break, the Board reconvened at 10:05 a.m.

WORKFORCE DEVELOPMENT ITEMS

- a. Review and approve minutes of last committee meeting.
- b. Review and approve committee meeting agenda.
- c. Update on the healthcare advisory group and data team (Representative from Advisory Group)

Regent Foster reported he had met with Dick Brown from the Hospital Association, and Tyler Trevor is working on the data. He noted that Dr. Arlene Parisot is also a member of the Board.

- d. Update on activities of the State Workforce Investment Board, including initiatives for healthcare workers and apprenticeship programs.

Dr. Parisot addressed the funds from the WIRED grant that will be managed in OCHE. She said they already have a career pathways model that shows how it can work, including developing cluster hubs.

Dr. Parisot made the following points regarding the WIRED grant:

1. Need for standardized technical curriculum
2. Use of distance education as a delivery mechanism
3. Development of a pipeline of workers
4. Development of Entrepreneurship education

The WIRED funds will be distributed through a competitive RFP process. If anyone wants more information on the process, they can go to the state website for an explanation. The WIRED grant will work with the Montana Department of Agriculture, Montana Department of Labor, Montana Department of Commerce, the Governor's Office, the project director, and OCHE.

- e. Update on WIRED grant

1. Three subcommittees have been appointed to work on the following issues identified to assist the state in developing a career cluster model of instruction that links secondary and postsecondary curriculum:
 - ✓ State Level Leadership
 - ✓ Career Pathways and Framework
 - ✓ Professional Development

Dr. Parisot told the group OPI also has a cluster segment included in their high school reform effort.

1. The Apprenticeship Advisory Committee under the State Workforce Investment Board has been formed, with members representing business, education, and labor. Because of the success of the work MSU-Northern has done with apprenticeship programs and working with Montana Department of Labor and Industry, the committee has drafted a Memorandum of Agreement that would outline a process based on the MSU Northern model for developing apprenticeable programs that collaborate with education. This will ensure state-wide consistency in terms of curriculum, program approval, and credit equivalency. The MOU will be brought to the Board of Regents for review and approval.
2. **Dr. Parisot** said the Governor's Office and Department of Labor and Industry requested the SWIB Economic Development Business Retention Committee evaluate the healthcare staffing shortages and then recommended SWIB develop a Healthcare Workforce Committee, which will look at the issues in preparation for the legislative session and will bring forth recommendations to the governor and the Board of Regents.

- g. Update on CBJT Mt BILT US-DOL Construction Trades Grant

1. Partner institutions in this grant are MSU-Billings COT, UM-Missoula COT, MT Tech College of Technology, and MSU-Northern.
2. Since the grant was awarded, Miles Community College, UM Helena COT, MSU Great Falls COT, and Flathead Valley Community College have also joined.
3. They have created a state-wide advisory committee for this grant, which includes a project director and project manager, Cleo Sutton.

Dean Cech stated the goals:

- ✓ Develop statewide common core (NCCER)
- ✓ Development of construction cluster" career and educational pathway portal,
- ✓ Data collection, aggregation and dissemination
- ✓ Develop sustainability plan
- ✓ Develop strong partnerships regionally & statewide and
- ✓ Improve math skills and basic competency of income construction students
- ✓ Statewide recruitment of students in construction
- ✓ Participate in community building activities
- ✓ Seek opportunities to leverage funds with Montana WIRED grant & other grants
- ✓ Expand outreach to K-12
- ✓ Develop additional construction programs at each institution based on local area

h. Perkins Quarterly Update – [ITEM 131-102-R0506](#)

Dr. Parisot reported the extension of the Perkins Grant, and indicated no action was needed at this time.

i. Discussion of integrated student/workforce data project

The following data needs to be researched: number of graduates, curriculums, number of population working currently, geographic distribution, institutional capacity, vacancies and openings, and projected workforce needs and demands.

f. Strategic plan – discussion of goals related to Workforce Committee - see attached updated [Plan](#).

Four key areas the Workforce Committee would like Board of Regents' action on:

1. To increase employer satisfaction - everybody gathers the data
2. Increase degrees/certificates in high-demand areas
3. Increase job placement rates
4. Grow 2 year degrees and certificates

Associate Commissioner Gibson told the committee he would like to present two conceptual goals for the Two Year Council to reach in the next year:

1. Develop some goals around certificates and degrees in high-demand occupational fields.
2. Develop goals in how to measure the goals in healthcare.

Chair Foster indicated they would wait for the full discussion before adopting this portion of the Strategic Plan.

Associate Commissioner Gibson provided the Board with the updated recommendations from the Committee for this portion of the Strategic Plan. **Regent Semmens** asked for input from Mr. Evan Barrett from the Governor's Office. He indicated they had a good report from the Montana DOL on trends and needs and asked if there were other resources the Board could use to understand better the needs of the State. **Mr. Barrett** indicated that most of this work is through SWIB as the focal point. The targets are the same and they see the same needs. MUS is the delivery mechanism. Rural areas are increasingly critical, and the efforts shown here dovetail with the Executive Branch.

END WORKFORCE DEVELOPMENT ITEMS

ACADEMIC/STUDENT AFFAIRS ITEMS

a. **Portion of the Meeting Devoted to Topics of Concern to Both Academic and Student Affairs Officers.**

1. Discussion of the Board of Regents' Strategic Plan

Regent Hamilton gave an overview of the new language developed by the Committee. See attached [Plan](#).

2. Discussion of Distance Education

Regent Hamilton summarized **Dr. Tom Gibson's** report on Distance Education.

3. Discussion of Emergency Preparedness

Regent Hamilton gave a brief overview of the report provided to the Committee by Lowell Goetting. A FEMA grant is funding the plan development for eight MUS campuses, and may provide implementation funds when the plans are approved by FEMA for both natural and man-made disasters.

4. Discussion of [Policy 940.29](#), tuition for post-baccalaureate students.

Regent Hamilton indicated this item will be deferred to the next meeting since there remain some issues to be considered.


b. **Portion of Meeting Devoted to Topics of Concern to Chief Academic Officers.**

1. Level I memorandum.

There were no questions on Item b.1.

2. Level II items.

a) [ITEM 130-301-R0306](#): Certificates of Applied Science, Flathead Valley Community College.

 **Regent Hamilton** moved approval of Item b.2.a.

✓ The Motion was **approved unanimously** on 7-0 vote.

b) ITEM 130-2851-R0306: A.A.S. degree in Radiologic Technology, MSU-Great Falls College of Technology. **Regent Hamilton** noted this item exceeds the number of credits allowed under Board Policy, and requested Great Falls to look to partner with another program rather than to start a new one. There are now five programs in Montana and one is distance delivered. It appears to be modeled after FVCC but there is no partnership. **Dean Moe** believes this item should be approved at this meeting. She explained that Benefis had approached her and asked that the COT assume the program. Benefis will be absorbing all the clinical requirements, so Dean Moe decided they needed a Program Director for the proper coursework. They asked MSU-Billings if they could use their Director, but she was already too busy. Flathead Valley Community College was also too busy. **Dean Moe** believes they need a full time Director and that is what this proposal indicated. She indicated they are ready to offer the position on a Letter of Appointment. Further, she is prepared to return to campus and bring the credits into compliance with the Policy. It could be accomplished in time for approval in July. The policy requires that the credits be acceptable and comparable to the rest of the System. **Dean Moe** said they will meet that requirement with documentation. **Deputy Commissioner Roger Barber** indicated there are three programs in the system at this time with 72 Credits, and Great Falls could follow those models. Since the hospital and clinic are absorbing the costs of providing all of the technical courses, it would cost more for the College to provide this as distance learning.

✓ **Regent Hamilton** moved **approval** of Item b.2.b. based on the need for speed with the **qualification** that the issue of Credits will be dealt with and presented to the Board by the September 2006 meeting.

✓ The Motion was **approved unanimously** on 7-0 vote.

c) ITEM 130-2852-R0306: Certificate of Practical Nursing, MSU-Great Falls College of Technology.

✓ **Regent Hamilton** moved **approval** of Item b.2.c.

✓ The Motion was **approved unanimously** on 7-0 vote.

c. ITEM 130-2804-R0306: Civil Engineering Technology program in Great Falls, MSU-Northern.

✓ **Regent Hamilton** moved **approval** of Item c.

✓ The Motion was **approved unanimously** on 7-0 vote.

d. ITEM 130-1018-R0306: Irish Studies minor, UM-Missoula.

✓ **Regent Hamilton** moved **approval** of Item d.

✓ The Motion was **approved unanimously** on 7-0 vote.

e. ITEM 130-1503-R0306: Bachelor and Master's degree in Electrical Engineering, Montana Tech.

✓ **Regent Hamilton** moved **approval** of Item e.

Mr. Dave Dooley indicated this is an area of obvious duplication, however MT Tech already has a General Engineering Degree with an Emphasis in Electrical Engineering. Their students have trouble with that kind of degree when approaching possible employers, and the proposal would correct that problem. Although it ends up with two campuses having the same degree programs MSU-Bozeman does not see a problem in this case. They are not opposed to this item since it is the sensible thing for students. There was discussion on the status of transferability of the credits and courses in this program to MSU-Bozeman and since no evaluation had yet been done, Mr. Dooley indicated his campus would do the evaluation expeditiously. **Regent Barrett** said he would be satisfied if action was taken today and the campuses followed up at the September 2006 meeting indicating completion of these issues.

✓ **Regent Hamilton** amended her motion to **include language** requiring Montana Tech to return to the September 2006 meeting with information on how the programs articulate with electrical engineer programs at MSU-Bozeman

✓ The Motion as amended was **approved unanimously** on 7-0 vote.

f. ITEM 131-101-R0506: Additional revisions to the model nursing curriculum.

Deputy Commissioner Barber gave an overview of the rationale for these changes. There will be a transition period using as much common curriculum as possible for those students already in the program, and those that will be entering. There was concern this model is considerably more rigorous, and the model will track the impact on students. **Regent Barber's** office is developing a template for students to know what they need to do for different circumstances. **Chair Foster** commented that Deputy Commissioner Barber has shown outstanding leadership and persistence in this effort and he thanked him on behalf of the Board.

✓ **Regent Hamilton** moved **approval** of Item f.

✓ The Motion was **approved unanimously** on 7-0 vote.

g. Review the Scope of the University of Montana-Missoula Paleontology Center and an associated Fort Peck Field Station.

It was explained that although the language is a little confusing, The University of Montana Center focuses on invertebrates, not dinosaurs. Although both materials are mixed in the field the bones are of more interest to the Fort Peck Field Station.

END ACADEMIC/STUDENT AFFAIRS ITEMS


STAFF AND COMPENSATION ITEMS

a. ITEM 131-116-R0506 – Revisions to BOR Policies 711.1 & 711.2 (*Employment contracts and pay guidelines for non-faculty administrators and professionals*) The BOR through this proposed policy delegates to the Commissioner of

Higher Education the authority to approve employment contracts and pay adjustments in accordance with approved pay guidelines.

 **Regent Barrett** moved **approval** of Item a.

Mr. Kevin McRae explained these changes would apply to approximately 800 non-faculty employees. It delegates the authority to approve contracts and pay adjustments to a defined level to the Commissioner. The faculty contracts are not changed at this time, however there is interest in treating faculty contracts similarly since those pay issues are already set by the Board through the Bargaining Agreements. There will be a recommendation for the July 2006 meeting.

 The Motion was **approved unanimously** on 7-0 vote.


b. Discussion of contract approval procedures for head coaches.

This item was discussed with Item a.

c. Discussion of CUPA salary survey (*College and University Professionals Association for Human Resources*)

See **comparison charts** attached to this report.

d. ITEM 131-111-R0506 – Revision to BOR Policy 804.1 (*Authorization of administrative positions for the self-insured group insurance plan*) The proposed revision would increase by .5 (one-half) the number of full-time equivalent positions authorized to the Commissioner of Higher Education for administration of the self-insured group insurance plan. The current authorization is 3.5 full-time employees (the proposal authorizes up to 4.0 positions).

 **Regent Barrett** moved **approval** of Item d.

 The Motion was **approved unanimously** on 7-0 vote.

e. Discussion of titles for the chief executive officers of the two “stand-alone” Colleges of Technology in Great Falls and Helena. A change from the current title of Dean to the title of Chancellor is under consideration.

Dean Moe will make suggestions in the future.

g. Public Comment


There was no public comment

END STAFF AND COMPENSATION ITEMS

SYSTEM ISSUES continued

b. Strategic Plan

Associate Commissioner Dave Gibson indicated OCHE would accept feedback on this document for the next three weeks since it needs to be ready for the July 2006 meeting. The cost of education is based on the budgets, and they need to set goals or boundaries on non-resident tuition. Since this is a living document, these can be revisited. Regent Hamilton noted that in the bar charts the two-year campuses are more in line with the peers, where the four-year campuses are not. Montana has continued to freeze tuition at the two-year campuses, but not the four-year. Regent Semmens said there were two different data. The two-year campuses were closer on spending. The four-year campuses spend less. In relation to tuition, in all three categories the four-year campuses are flat, and in all cases the two-year campuses are about \$700 above the peers. Regent Hamilton indicated it had been a number of years since they had implemented the differential tuition to bring the two-year campuses more in line, but there is no measurable difference. She asked if holding to a zero increase will make any real difference. Regent Semmens indicated he suspected it would make a difference. He indicated it hadn't been zero over the last several years but about 3.5% to 4% increases. If the Board holds them to zero they should make up some ground on the gap, at least slowly. Regent Semmens indicated the initiatives needed to be updated to reflect the actions taken yesterday, such as endowed scholarships, affordability, and the new Priority One to encourage adequate unrestricted funding for the 5 + 0 type of situation. Further, retention rates should be clarified with a note that they include students transferring within the system as being non-retention. Some numbers still need to be updated. Associate Commissioner Gibson indicated OCHE had negotiated this with PEPB, and they will continue to manage it because it is a piece of the puzzle.

 There was **Board Consensus** for Associate Commissioner David Gibson to refine further the Strategic Plan to have it ready for the July 2006 meeting.

It was noted that MPACT also needed to be included.

END SYSTEM ISSUES

BUDGET AND AUDIT OVERSIGHT ITEMS continued

q. Business Process Redesign Incentive Payments; MSU-Bozeman - ITEM 131-2011-R0506

Item q. was pulled from the Agenda.

END BUDGET AND AUDIT OVERSIGHT ITEMS

CONSENT AGENDA

Staff Items:

a. ITEM 131-100-R0506 – Staff; Office Commissioner of Higher Education

b. ITEM 131-1000-R0506 - Staff; The University of Montana-Missoula

c. ITEM 131-1005-R0506 - Authorization to Confer the Title Professor Emeritus of Library Science upon Bonnie Schuster; The University of Montana-Missoula

d. ITEM 131-1006-R0506 - Authorization to Confer the Title of Professor Emeritus of Library Science upon Dennis L. Richards; The University of Montana-Missoula

- e. ITEM 131-1500-R0506 - Staff; Montana Tech of The University of Montana
- f. ITEM 131-1507-R0506 - Authorization to Confer the Title Professor Emeritus of Mathematical Sciences upon Nina Lupkiewicz; Montana Tech of The University of Montana
- g. ITEM 131-1600-R0506 - Staff; The University of Montana-Western
- h. ITEM 131-1601-R0506 - Authorization to Confer the Title of Assistant Professor Emeritus of Business upon John Bailey; The University of Montana-Western
- i. ITEM 131-2000-R0506 - Staff; MSU-Bozeman
- j. ITEM 131-2001-R0506 - Professor Emeritus of Political Science-Raymond Pratt; MSU-Bozeman
- k. ITEM 131-2002-R0506 - Professor Emeritus of Cooperative Ext & Ag Econ-James Johnson; MSU-Bozeman
- l. ITEM 131-2003-R0506 - Professor Emeritus of Nursing-Kathleen Chafey; MSU-Bozeman
- m. ITEM 131-2004-R0506 - Professor Emeritus of Cooperative Extension-David Sharpe; MSU-Bozeman
- n. ITEM 131-2300-R0506 - Staff; Ag Experiment Station
- o. ITEM 131-2400-R0506 - Staff; Cooperative Extension Service
- p. ITEM 131-2700-R0506 - Staff; MSU-Billings
- q. ITEM 131-2708-R0506 - Authorization to Confer the Title of Professor Emeritus of Native American Studies upon Professor C. Adrian Heidenreich; Montana State University–Billings
- r. ITEM 131-2800-R0506 - Staff, MSU-Northern
- s. ITEM 131-2850-R0506 - Staff, MSU-Great Falls

Labor Agreements/Other Items

- a. ITEM 131-103-R0506 – Approval of Tentative Agreement with Helena College of Technology Faculty Union

Administrative/Budget Items

- a. Student Computer Fee Employment Allocation; The University of Montana-Missoula - ITEM 131-1002-R0506
 - b. Student Computer Fee Equipment Allocation; The University of Montana-Missoula - ITEM 131-1003-R0506
 - c. Authority Reports; The University of Montana-Missoula - ITEM 131-1004-R0506
 - d. Annual Status Report of Regents Authority; Montana State University-Bozeman – ITEM 131-2013-R0506
 - e. Authorization to Expend Student Computer Fees; Montana Tech of The University of Montana - ITEM 131-1503-R0506
 - f. Authorization to Expend Student Computer Fees; Montana Tech of The University Of Montana - ITEM 131-1506-R0506
 - g. Authorization to Expend Reverted Appropriations; The University of Montana-Western - ITEM 131-1602-R0506
 - h. Authorization to Expend Student Computer Technology Fees; The University of Montana-Helena College of Technology - ITEM 131-1900-R0506
 - i. Approval of Tentative Agreement with Faculty Union; Montana State University-Northern – ITEM 131-117-R0506
- Regent Semmens **moved approval** of the Consent Agenda.
- The motion was **approved unanimously** on 7-0 vote.

END CONSENT AGENDA

ELECTION OF OFFICERS

Chair Foster announced his resignation from the Board of Regents at the direction of his doctor. He indicated the resignation would be effective approximately June 15. He wished the Board and the System the best of luck and indicated they are headed in the right direction and he was pleased with the accomplishments of the Board thus far. Regent Semmens thanked Chair Foster for his service to the Board. His background in private business, the Legislature, and healthcare has been beneficial to the system. He expressed his respect for Chair Foster, and considered him a valued colleague and a good friend.

Chair Foster called for NOMINATIONS

Regent Semmens nominated Regent Hamilton for Chair of the Board

There were no further nominations

By unanimous acclamation of the nomination, Regent Hamilton was declared the new Chair of the Board.

Regent Taylor nominated Regent Barrett for Vice Chair of the Board

There were no further nominations

By unanimous acclamation of the nomination, Regent Barrett was declared the new Vice Chair of the Board.

With no further business to come before the Board, the meeting adjourned at 12:20 p.m.

Mailed to the Board of Regents on

Approved by the Board of Regents on

(Date)

(Date)

Sherry Rosette
Board Secretary

Lynn Morrison-Hamilton
Board Chair

**MINUTES
BUDGET AND AUDIT OVERSIGHT COMMITTEE MEETING**

Wednesday, May 31, 2006

The meeting convened at 1:10 p.m.

a. Strategic Plan – Discussion

Item a. was deferred to the full board.

b. Report from the Associate Commissioner for Fiscal Affairs

1. New Wellness Center – MSU-Northern

Associate Commissioner Mick Robinson reported on the Wellness Center at MSU-Northern which was approved by the Board at the March, 2006 meeting. It is to be built with all donated funds. He indicated that the Governor had declined to approve it, and on May 17, the Committee had discussed the impact on Northern's ability to receive donations. The item will be included in the LRBP for Authority Only. Chancellor Capdeville is concerned since they have already received \$500,000 from the gas and oil industries in their community. He indicated this action could tell donors that it is only tentative. They had never had this happen before. Regent Semmens asked Mr. Mark Bruno from the Governor's Office why there would be a problem when it will not involve state funds for anything, even O&M from the outset. Mr. Bruno mentioned that the Governor had approved the Lewistown project, and noted the Legislative Session was about 7 months away. Regent Semmens asked what the total was to be through fund raising, and Chancellor Capdeville indicated \$1mil to \$1.2mil. The campaign is active now, and they had hoped to have it complete in the next year. Associate Commissioner Robinson indicated he would like to have a visit with the Governor's office since this is a change of procedure, so he can get a better understanding of the rationale and how the MUS should approach projects in the future that will be built and maintained by 100% donated dollars. Should they go through the Legislature, or some other route? Mr. Bruno indicated it was no one's intention to affect adversely the ability of the campus to raise funds.

2. Change in fees for Student Health Insurance

It was reported that the Commissioner had approved the change in Student Health Insurance fees as directed by the Board.

3. Approval of Contract with new vendor for Montana Family Education Savings Plan – ITEM 131-109-R0506

Mr. Bruce Marks, Director the Montana Guaranteed Student Loan Program (GSL) indicated there are two issues in this. The Board needs to review annually reports from the vendor on the specific investment funds and revenues, less fees for a net return. According To Pacific Life, they are introducing a new pricing campaign nationwide that should bring them into line with other providers. They need to make the changes, and while there is no exact timeline, they hope to have a proposal by the end of summer or at least the end of the year. Regent Semmens indicated the Board had requested annual reports on fees and net of fees, and asked when that will be done. Mr. Marks noted that in the contract presented for approval, under Item 5 it is indicated they will provide that report to the Board by May 31 of each year. However, this year it will probably be the September meeting. Pacific Life wants to move from a high priced provider to a low priced, but certainly not more than middle priced provider. Regent Semmens indicated the median for fees is about 2%. Utah has about .3% because of indexed funds. He asked if GSL could encourage Pacific Life to go toward the indexed fund approach. Mr. Marks indicated these are included in the contract and it is not an exclusive agreement so they are able to use whatever funds they choose. Although the contract runs for 3 years, they can terminate it with 90 days notice.

Action must be taken at this meeting to approve the contract.

4. Foundation Operating Agreement; The University of Montana-Missoula - ITEM 131-1011-R0506

5. Foundation Operating Agreement; The University of Montana-Western - ITEM 131-1603-R0506

Both Operating Agreements meet the specifications of policy.

The Committee recommends approval of Items 4. and 5.

c. Approval of Project Priority List, Long Range Building Program Montana University System – ITEM 131-112-R0506

Regent Semmens recommended approval of the LRBP and there was consensus of the Committee.

d. OTO Appropriations – ITEM 131-113-R0506

Item d. was deferred until Commissioner Stearns and Associate Commissioner Gibson could be present for the discussion.

e. FY07 Tuition Rates, Flathead Valley Community College, and Dawson Community College - ITEM 131-104-R0506

The Local Boards have the option to present tuition for one year at a time. The Board of Regents approves tuition biannually. President Karas of Flathead Valley Community College explained that although the percentage is high, the actual dollar increase is low. They are attempting to catch up with the system. The State funding for community colleges has dropped per FTE. Each community college has local appropriations and mills, which are different in each community. President Cargill of Dawson Community College indicated their number is misleading. The Local Board approved 6% and also raised the cap to 15 hours. President Karas noted that one reason their mandatory fees increased is because building fees have not risen since 1989. All of these were approved by the Local Boards.

The Committee recommends approval of Item e.

f. Montana University System Revised Tuition Matrices – FY07 - ITEM 131-106-R0506

No action was required on this item since the Board had voted on the rebate in March, 2006. These were revised

calculations to reduce tuition in 2007. The changes are effective Fall 2006.

g. Approval of Two Budget Amendment Requests; Office Commissioner of Higher Education - ITEM 131-115-R0506
Additional authority is being requested for FY06 and FY07. Additional authority will be requested through the Budget process for FY08 and FY09. These are all Federal funds.

The Committee recommends approval of Item e.

h. Negative Fund Balance Report

Chancellor Capdeville reported MSU-Northern is meeting all payments on their deficits. Auxiliaries continue to be a challenge for Northern. **Regent Semmens** asked if the general operating deficit was to be decreased by \$150,000.

Chancellor Capdeville indicated that next year the balance will be \$142,000. The payoff has been built into the operating budgets.

See the attached late report from MSU-Northern on the Negative Fund Balances.

Reports for the other campuses were included with the Agenda.

i. Proposed Transfer of Real Property Interest in Lots 1 Through 22 of Block 32 of the Homevale Addition in the City of Missoula to Missoula County High School District No. 1 (MCHS) Pursuant to a Mediated Settlement Agreement & Release; The University of Montana-Missoula - ITEM 131-1001-R0506

This issue goes back to the transfer of the Vo-Techs to the University System. When the Missoula Vo-Technology became part of UM all the property was transferred with a dollar payment except for this piece. It is referred to as the Homevale Addition. It was originally purchased by Bill Gallagher for vocational education. The School District made payments on the Bonds. There was disagreement on ownership and it was sent to mediation. The decision was for 70-30 ownership, with UM having 30% ownership. The property should sell for a total of \$300,000. The Land Board must approve this, and the Board of Regents needs to approve it so the Commissioner and President Dennison can sign off when it is approved by the Land Board. Associate Commissioner Robinson indicated they needed the Board to authorize the Commissioner and President to approve the final settlement, which still needs to be completed. The language needs to be refined. The proceeds will go to the College of Technology as intended by Bill Gallagher.

The Committee will recommend approval of Item g.

j. Authorization to Secure InterCap Loan from Board of Investments for campus expansion – FVCC – ITEM 131-108-R0506

The Local Board of Trustees had approved the resolution to request the approval of the Board of Regents and then the Board of Investments. The bond issue was approved in 2002 for \$15.6mil, and the delay that ensued between 2002 and 2006 increased the cost extensively. After cutting back the scope of the building, the campus is left with a \$3.5mil gap between the bonds and the current cost. They are currently in the silent phase of a campaign to raise funds through donations through the foundation.

The Committee will recommend approval of Item h.

k. Intercollegiate Athletics Financial Accomplishments and Revised Plan; The University of Montana-Missoula – ITEM 131-1009-R0506

Regent Semmens congratulated The University of Montana on this accomplishment.

The Committee will recommend acceptance of the revised plan.

l. Authorization for Annual Automatic Indexing of Student Fees; The University of Montana-Missoula - ITEM 131-1012-R0506

*This item reflects an agreement struck between student government and management. **President Dennison** indicated they had narrowed the fees to two to be indexed. They recommend indexing fees by the inflation rate or up to 5%. Over 3.5% increases would be reviewed by the student senate and could be turned down. Any increase over 5% could be overturned by a super majority of students. There will be a biennial review, and they plan to move forward one year from now. **Associate Commissioner Robinson** asked how this would work with the Board approval of fees on a two year basis. **President Dennison** indicated they would present the actual increase for the first year and the estimated increase for the second year. **Commissioner Stearns** noted that Regent O'Loughlin wanted to be part of this discussion and requested it be revisited with the entire Board. **Regent Semmens** noted they are nearing the end of revising the Allocation Model which should indicate what the system concept of tuition and fees should be. He wanted to have time to consider this concept in the overall discussion of tuition and fees. **President Dennison** indicated he didn't know if timing was an issue, but said they had reached agreement on campus and would like to move forward. **Regent Semmens** asked if the Commissioner had a recommendation. **Commissioner Stearns** indicated her office had been waiting for this discussion as well. She said they tend to ask other campuses if they have looked at the particular issues and she is not aware that has been done on this item. In support of the item, she noted that it addresses the issue that came up two or four years ago when the Board advised the campuses and OCHE to have more steady and constant fee increases rather than holding them for ten or more years and then need a large increase. She questioned why only two fees were included, and although she has no stand against the item, she does have concerns about the need for more research on the system level. **Regent Semmens** indicated the item merits thought and consideration and asked if any other CEO had looked at this type of thing. None had done so.*

Further discussion was deferred to the full Board.

m. Renew Authorization to Provide Fire Suppression in Johnstone Center; MSU-Bozeman - ITEM 131-2005-R0506

The committee will recommend approval of Item k.

n. Naming the "Harlan & Terri Byker Auditorium"; MSU-Bozeman - ITEM 131-2006-R0506

The committee will recommend approval of Item l.

o. Series K 2006 Facilities Revenue Refunding Bond Issue; MSU - ITEM 131-2007-R0506

Item m. was deferred to the full Board the following day to allow Bond Counsel to be present for discussion.

p. Adoption of a Definition of "Academic Buildings"; MSU - ITEM 131-2010-R0506

Associate Commissioner Mick Robinson indicated this item was for clarification on the issue of O&M on academic buildings. **President Gamble** said he believes the State should cover O&M for any state building regardless of the source of funding to build. **Associate Commissioner Robinson** asked that no one take a position on this today but have the discussion and reference the cash funded on HB 5 which indicates OCHE should work with the Budget Office, the Legislature, and A&E to reach agreement on what is to be presented to the Legislature. He recommended adding the issue of O&M to the discussion. Some buildings that were moved forward by the Board outside the Legislative process always had the statement that O&M would not be covered with State funds. These are touchy issues and it reaches back to the earlier decision to use indirects for these costs. **Associate Commissioner Robinson** preferred that no action would be taken that would be a line in the sand. The ambiguity relates solely to academic buildings and the Legislature has said in HB 5 that O&M needs to be covered for academic buildings. He wants the MUS to be in line with other state agencies and get this straightened out. **Regent Barrett** asked if adoption of this item would apply retroactively and **Ms. Pam Joehler** indicated it would apply to buildings approved in the last Legislative Session, with a couple changes in previously approved buildings, and in the future. The balance would be dealt with down the road. In answer to Commissioner Stearns, **Mr. Craig Roloff** reported he had started working on this the first week of January and they did work with UM. They shared the item at the system level at the end of January. **Mr. Roloff** indicated they were presenting the item to the Board at this meeting to move it from behind the scenes to the forefront. He said they did not expect immediate endorsement. Further, the campuses were aware there was a meeting called between the Executive, Legislative, and MUS and they were pleased about it. However, they hope to be participants in future meetings. **Mr. Roloff** expressed the hope that both the State and the System would use reason in developing this. **Regent Semmens** indicated he hoped there would be no sides taken in the issue, but rather full collaboration. He said the key research campuses need to be at the table. A recommendation needs to be available to the board at the November meeting in order to have it ready for the Legislative session. It was noted that all research buildings are built with non-state funds, and a handful of academic buildings are built with non-state funds. **Chancellor Gilmore** reported that nationally, research is not considered separate from academia. The group will get together and continue to work on this issue.

Following a 15 minute break, the Committee reconvened at 3:30 p.m.

q. Business Process Redesign Incentive Payments; MSU-Bozeman - ITEM 131-2011-R0506

Mr. Craig Roloff explained that all four campuses and the three agencies were engaged in the review of all business processes under the umbrella of Administration and Finance. The objective was to establish a database of one set of data elements and one set of standard processes that would be shared by all entries at MSU. This was a three phase project: the first phase will be complete at the end of June, the second at the end of December or early January, and the third will be complete next academic year. There are ten teams doing an incredible amount of work, and the campus wants to recognize their efforts with some form of award. That is the purpose of this incentive bonus plan for all of the team members as described in the document. If they accomplish all the goals on time, then members could received a bonus up to \$350. **Mr. Kevin McRae** reviewed the item and found no problems, and indicated it was consistent with the strategic pay policy of the System. **Regent Barrett** asked why this was only being done on one side of the system. **President Dennison** said it would be good sense to have a system wide committee. He noted they had done it several years ago at UM for the Data warehouse project, and had hundreds of thousands of dollars in savings. **Regent Semmens** said he hopes this is considered by other campuses to show best practices.

The Committee will recommend approval of Item o.

r. Board of Regents Policy 940.13 Tuition Waivers: Montana University System

Associate Commissioner Mick Robinson referred the group to # 7 of the mandatory tuition waivers. He noted it still needs added language. Part 8 is discretionary waivers. Two percent of the dollar amount limits is allowed for out of state waivers. Part 9 a. is Financial Need, and he requested direction from the Board on some issues such as need-based versus merit based aid. By nature, some will be merit based, but they have included language in the original policy that requires a need. He asked if the Board believed that was appropriate, or if it should include financial need whenever possible. The bottom line for waivers in 2001 was short of \$10mil and in 2006 had grown to \$21mil. Those increases are paid by increased tuition costs. There will be a significant increase in the High School Honors Scholarship as it phases in. Most waivers fall under the mandatory category. **Mr. Doug Kaercher** spoke about the Boys and Girls Club which targets the most disadvantaged youths from the ages of 5 to 18 years and on the reservations. He reported that Wyoming now gives a full tuition waiver for the Youth of the Year, and Colorado gives one full waiver and a \$5000 scholarship for the club Youth of the Year. **Mr. Cole Hornan**, Youth of the Year received a \$5000 scholarship, and he reported that the Club had given him speaking skills, and the scholarship had changed his life. After one year of college he is now self sufficient and his parents no longer need to support him. **Mr. Kaercher** requested the Board to look at this as an investment rather than a waiver. **Mr. Bruce Marks** noted that MGSLP had funded this particular scholarship for Mr. Hornan. **Regent Barrett** said he feels like a grinch when trying to differentiate between need based groups since there is more need than money available. **Mr. Kaercher** indicated that most organizations are generally merit based in awarding scholarships, however the Boys and Girls Clubs deal with those who have taken their boot straps and pulled themselves up. **Regent Semmens** said he was concerned about the sharp increase in dollar amounts, with an annual growth rate of 18%. He noted it was not in the ether but real costs that affect the overall affordability of the institution. If it had grown at 5% like the rest of the costs, tuition would be 5% lower. Fee waivers increase from increased utilization, and by virtue of limited

state support. If these are allowed to grow at these rates, it directly relates to the affordability for all students.

Regent Semmens asked if it would be good to eliminate the Registration Fee. **Commissioner Stearns** indicated it should probably be left alone, but parents need to receive one bill, and not 18 discreet pieces. The System should look at folding in the costs that have been separated out. **Regent Semmens** said that was appropriate in order to get their arms around a more appropriate approach to tuition and fees, not that it means they are the same for all campuses. **Regent Christian** noted that a lot of fees aren't waived, and if they are put into tuition then those waivers increase. **Regent Semmens** addressed the issue of need based language and if there should be some hedge language included. His own inclination was that some are inherently need, and some inherently merit. **President Dennison** said they should make that provision in those that need it. His recent studies of merit with the need based element included work better than simply one way or the other. **Commissioner Stearns** noted there is a movement at the state and national levels to increase need based, and Montana is lower than most in that area. She believes the need based element should be included in those that logically should have it. **Regent Semmens** moved to partial waivers versus full waivers, and indicated he favored partial. **Associate Commissioner Robinson** noted there is language already in the discretionary waivers policy, but they want to move toward partial waivers for the mandatory waivers as well. The groups will work on this issue and make a full report at the July meeting.

On the National Guard waiver, **Regent Barrett** indicated it should be partial. **Regent Semmens** noted they also need to get funding for this waiver. They need to go to the Legislature for funding 50% of the fee waiver (several hundred thousand dollars), and show them that unfunded fee waivers are being funded by the other students. **Commissioner Stearns** stated that former Associate Commissioner Sundsted had handled this waiver. The Legislature did not misunderstand that these were unfunded, but they were looking strictly at the patriotic side of it. She indicated she was not anxious to run this through the Legislature again, but would rather have the Board make a decision. They need to make accommodation to the Legislative intent with a partial waiver, and if a full waiver is to be given then the state needs to fund it. She explained that these are permissive waivers but are called mandatory because not to give them would be problematic with certain interest groups. **Regent Semmens** indicated this would not be resolved today, but encouraged further discussion with the full Board tomorrow and then to have something for the September meeting. His concern is not that students are undeserving, but rather the impact on tuition.

This item will be further discussed with the Full Board tomorrow.

s. Revision to language contained in Item 129-2801-R1105- Authorization to Establish a Mandatory Lewistown Building Fee; Montana State University-Northern - ITEM 131-2801-R0506

This item is simply to remove the O&M paragraph from the previously approved item since it will be funded by the approved building fee. If the O&M issue is changed with the state, then the building fee would be reduced for the students.

The Committee will recommend approval of this item.

t. OTO Appropriations – ITEM 131-113-R0506

It was the general consensus that before any of these initiatives would be funded, the core needs must be fully funded. The Deferred Maintenance for the Community Colleges was added to the Initiatives.

u. Public Comment

A group of agriculture producers addressed the research needs and financial difficulties of their industries.

The Committee adjourned at 5:20 p.m.

END BUDGET AND AUDIT OVERSIGHT COMMITTEE

MINUTES

THE ACADEMIC & STUDENT AFFAIRS COMMITTEE

Regent Lynn Hamilton, Committee chair, called the meeting to order at 1:00 p.m.

I. Roll Call.

All committee members were present.

II. Review and adoption of the agenda.

Regent O'Loughlin moved to adopt the agenda. Motion carried.

III. Approval of the minutes from the March 1, 2006, meeting of the Committee.

Regent Taylor moved to approve the minutes. Motion carried.

IV. Portion of the Meeting Devoted to Topics of Concern to Both Academic and Student Affairs Officers.

a. Discussion of the Board of Regents' Strategic Plan

Commissioner Sheila Stearns noted that the Strategic Plan has been under development for over a year. Certain portions of the Plan are being presented to each of the Board committees for guidance today, prior to the full Board meeting tomorrow. Commissioner Stearns, Associate Commissioner Dave Gibson, and Director of Institutional Information and Research Tyler Trevor answered questions regarding each of the four goals the Academic and Student Affairs Committee was asked to consider.

Goal 1.4.2 Outreach to top-achieving students. There was considerable discussion about this goal, including the reduced number of students taking the ACT last year, the relationship of this goal to P-20 work, and the significance of the "top 10%" in high school classes that vary widely in size. The Committee supported this goal, but asked for increased clarification and monitoring.

Goal 1.4.3 Increase AP/dual-enrollment participation. Regent Hamilton said that higher education is too dependent on K-12 cooperation to be able to set target numbers for increasing AP testing, but thinks it is important to make this information part of our data system and to monitor progress. The Committee is comfortable with the 06/07 goals.

Goal 1.5.2 Expand non-traditional programs. This goal will be modified prior to the full Board meeting to define non-traditional students (in accordance with the IPEDS definition), and to increase the number of non-traditional students served, regardless of delivery method.

Goal 3.2.3 Improve transferability. These goals are intended to measure progress on the transfer goals adopted in March 2006. Regent Hamilton asked to refine and reorganize the seven items into strategies and measurable goals.

b. Discussion of Distance Education

Director of Distance Learning Business Development **Dr. Tom Gibson** gave an overview of the distance education work to date, identified issues that still need to be addressed, and then invited questions.

Regent Hamilton asked if campuses offer online courses to generate additional revenue. **Associate Commissioner Dave Gibson** said that this is a problem that needs to be addressed, especially since students can pay more for online courses on certain campuses. At others (MSU-Great Falls), students pay the same fees regardless of delivery method. Tuition and fee structures for distance learning need to be standardized throughout the system, and need to be competitive in the marketplace.

In response to a question about a common platform, Tom replied that students don't see it as issue. However, there could be system-wide cost savings if all campuses are using the same platform—both in terms of license fees and training costs. Beth Krueger noted that a common platform feeding into Banner may not work for the community colleges since they don't use Banner.

Dave Gibson noted that creating the online portal for delivering the MUS Core general education courses will be a huge step. It will create a structure for providing student services system-wide. Once the structure is in place, transferability can be addressed.

c. Discussion of Emergency Preparedness

Disaster Mitigation Coordinator **Lowell Goetting** reviewed the history of the MUS Disaster Preparedness Survey. The current revision follows a logical sequence of events from pre-disaster mitigation, to disaster response and recovery, and finally post-disaster restoration. A FEMA grant is funding plan development for eight MUS campuses, and may provide implementation funds when the plans are approved by FEMA. In response to a question regarding the national pandemic conversation, Lowell responded that this planning encompasses both natural and manmade disasters.

d. Discussion of Policy 940.29, tuition for post-baccalaureate students.

At the March meeting, the Academic and Student Affairs Committee asked what the fiscal impact would be across the four-year campuses if the post-baccalaureate tuition policy was repealed. **Associate Commissioner Mick Robinson** provided the campuses with a methodology, and the resulting estimated loss in revenue ranged from \$12,800 to \$240,000 annually.

The Committee had many questions and concerns about the policy including post-bacc vs. graduate tuition rates, the importance of life-long learning balanced against fiscal concerns, workforce needs vs. enrichment, and the intent of the original policy. **Deputy Commissioner Barber** said that he thinks this policy is the last remnant of a time when the Board was trying to increase efficiency and help students move through a degree program quickly by setting credit caps and encouraging campuses to establish four-year graduation programs.

Regent Hamilton asked the Chief Academic Officers to consider phasing-in the elimination of the super-tuition or eliminating it for programs that are important to Montana's workforce needs, like teacher education. She and Regent Foster also requested data regarding the students who are currently being charged the post-baccalaureate tuition rate.

V. Portion of Meeting Devoted to Topics of Concern to Chief Academic Officers.

a. Level I memorandum.

Deputy Commissioner Barber noted the large number of programs that have been terminated recently. The Program Review policy that the Board adopted last year provides a mechanism for continuing to eliminate obsolete programs. The Committee had no questions or concerns about the memorandum.

b. Level II items.

1. Action: ITEM 130-301-R0306: Certificates of Applied Science, Flathead Valley Community College.

Deputy Commissioner Barber recommended an accelerated process for campuses changing program names from Certificate to Certificate of Applied Science. Flathead Valley Community College is the first campus to make this change to its certificate programs. This item will be forwarded to the full Board with a recommendation for approval.

2. Action: ITEM 130-2851-R0306: A.A.S. degree in Radiologic Technology, MSU-Great Falls College of Technology.

Questions and concerns regarding program duplication, the break-even point, and the proposed number of credits were expressed. The Committee decided not to recommend the program to the full Board for approval until 1) the total number of credits in the program complied with Board policy and 2) the campus explored collaboration with existing radiologic tech programs in the Montana University System.

3. Action: ITEM 130-2852-R0306: Certificate of Practical Nursing, MSU-Great Falls College of Technology.

4. Action: ITEM 130-2804-R0306: Civil Engineering Technology program in Great Falls, MSU-Northern. **Regent Foster** asked about program duplication. MSU-Bozeman offers a Civil Engineering degree, but this is different from the Civil Engineering Technology degree that is proposed.

5. Action: ITEM 130-1018-R0306: Irish Studies minor, UM-Missoula.

6. Action: ITEM 130-1503-R0306: Bachelor and Master's degree in Electrical Engineering, Montana Tech.

Dan Trudnowski and **Susan Patton** answered questions regarding transferability. *This is generally not an issue because engineering accreditation is so strict. The issue of program duplication was raised regarding this proposal, too.* **Dave Dooley** said that they have been in conversation with Montana Tech as the program developed. *He doesn't think this change will impact their long-standing engineering programs, and Montana Tech's rationale regarding producing a better result for students is sound. Dave appreciated the spirit of cooperation that the Board fosters here in Montana.*

By consensus, action items 3-6 will be forwarded to the full Board with a recommendation for approval.

c. Action: ITEM 131-101-R0506: Additional revisions to the model nursing curriculum.

Deputy Commissioner Barber commented that the numerous nursing pathways that we have in Montana make for a complicated set of Operational Rules. *These rules are primarily intended for use by nursing program advisors, and something more user-friendly will be developed for students.*

MSU-Bozeman nursing staff are working on an articulation agreement for students who have completed the new model and wish to enter the MSU- Bozeman BSN program.

Nursing directors throughout the state have concerns regarding the impact of the new model curriculum. One concern is that the curriculum is very rigorous, and retention might become a problem. Another is that the number of LPNs being produced could decrease significantly. Both of these concerns will need to be assessed over time.

d. Review the Scope of the University of Montana-Missoula Paleontology Center and an associated Fort Peck Field Station.

Regent Barrett asked for further discussion and review of the scope of the Center to ensure that assurances made when the Board approved the program are being honored. **Dr. George Stanley**, the Center director, reiterated that his primary interest is invertebrate paleontology. *However, it's virtually impossible to avoid dinosaurs when at Fort Peck, so Dr. Stanley works collaboratively with Jack Horner at MSU-Bozeman and has dinosaurs on loan to him. Dave Dooley agreed that this is a synergistic research relationship between the campuses.*

VI. Announcements.

a. Delay in Flathead Valley's LPN nursing program.

FVCC will take their proposal to the Board of Nursing in July, and expects to bring it to the Board of Regents in September.

b. Academic administrative changes at UM-Western.

UM-Western is recruiting for an Assistant Provost for Accreditation, Assessment, and Academic Affairs.

VII. Other business.

There was none.

VIII. Public comment.

No additional comments were offered

The meeting adjourned at 4:30 p.m.

Submitted by Cathy Doyle

END ACADEMIC/STUDENT AFFAIRS COMMITTEE

MINUTES

STAFF AND COMPENSATION COMMITTEE MEETING

I. Approval of minutes of the March 2, 2006 committee meeting

Committee Minutes were approved as amended.

a. ITEM 131-116-R0506 – Revisions to BOR Policies 711.1 & 711.2 (*Employment contracts and pay guidelines for non-faculty administrators and professionals*) The BOR through this proposed policy delegates to the Commissioner of Higher Education the authority to approve employment contracts and pay adjustments in accordance with approved pay guidelines.

Mr. Kevin McRae reviewed the changes to these policies. **Regent Barrett** believes this is the right thing to do, because no normal group has direct line responsibility for over 2000 individuals. **Regent Semmens** noted they had worked for months and the changes are good from both the management and governance standpoints. He asked if the Board also wanted to delegate in the same manner individual faculty contracts. *It was noted that the Board now approves bargaining contracts which cover the vast majority of faculty.*

b. Discussion of contract approval procedures for head coaches.

Mr. Kevin McRae explained the rationale for maintaining the status quo on coaches' contracts. *Needs are not universal for all campuses, however some campuses have indicated they face increasing market factors unique to coaches. Although not favored, multi-year contracts seem to be needed now, and the attached survey shows they are overwhelmingly used for coaches and sometimes for presidents.*

c. Discussion of CUPA salary survey (*College and University Professionals Association for Human Resources*)

See attached **CUPA survey** comparison.

- d. **ITEM 131-111-R0506** – Revision to BOR Policy 804.1 (*Authorization of administrative positions for the self-insured group insurance plan*) The proposed revision would increase by .5 (one-half) the number of full-time equivalent positions authorized to the Commissioner of Higher Education for administration of the self-insured group insurance plan. The current authorization is 3.5 full-time employees (the proposal authorizes up to 4.0 positions).

Mr. Kevin McRae explained the need for additional help in this area is due to the decision not to drop retirees from the plan.

The Committee recommends approval of Item d.

- e. Discussion of titles for the chief executive officers of the two “stand-alone” Colleges of Technology in Great Falls and Helena. A change from the current title of Dean to the title of Chancellor is under consideration.

This item will be discussed by the full board tomorrow and more fully at the July meeting. Commissioner Stearns requested that the campus CEOs present their ideas to her in writing.

II. Public Comment

There was no public comment.

The Staff and Compensation Committee adjourned at 6:25 p.m.

END STAFF AND COMPENSATION COMMITTEE

**MINUTES
WORKFORCE DEVELOPMENT COMMITTEE MEETING**

Regent Foster called the meeting to order at 4:47 pm.

I. ROLL CALL

Regents Foster, Hamilton, and Taylor were present.

II. APPROVAL OF THE MINUTES

Regent Hamilton moved to adopt the Minutes from the March, 2006 meeting. Motion carried.

a. Update on the Healthcare Advisory Group and data team

1. **Dick Brown**, Montana Hospital Association updated the committee on the progress of the Healthcare Advisory Group and requested the Board's continued support of the advisory group and for the ad hoc data group also created.

2. The committee needs: a common definition of missions and a common standard throughout the state. The group will address how to get a high enough quality and quantity of Montana's needed healthcare workforce and investigate Montana's capacity to meet the workforce needs.

b. Discussion of integrated student/workforce data project

1. The following data needs to be researched: number of graduates, curriculums, number of population working currently, geographic distribution, institutional capacity, vacancies and openings, and projected workforce needs and demands.

c. Update on activities of the State Workforce Investment Board, including initiatives for healthcare workers and apprenticeship programs.

1. Three subcommittees have been appointed to work on the following issues identified to assist the state in developing a career cluster model of instruction that links secondary and postsecondary curriculum:
 - ✓ State Level Leadership
 - ✓ Career Pathways and Framework
 - ✓ Professional Development

Dr. Parisot told the group OPI also has a cluster segment included in their high school reform effort.

2. The Apprenticeship Advisory Committee under the State Workforce Investment Board has been formed, with members representing business, education, and labor. Because of the success of the work MSU-Northern has done with apprenticeship programs and working with Montana Department of Labor and Industry, the committee has drafted a Memorandum of Agreement that would outline a process based on the MSU Northern model for developing apprenticeable programs that collaborate with education. This will ensure state-wide consistency in terms of curriculum, program approval, and credit equivalency. The MOU will be brought to the Board of Regents for review and approval.
3. **Dr. Parisot** said the Governor's Office and Department of Labor and Industry requested the SWIB Economic Development Business Retention Committee evaluate the healthcare staffing shortages and then recommended SWIB develop a Healthcare Workforce Committee, which will look at the issues in preparation for the legislative session and will bring forth recommendations to the governor and the Board of Regents.

d. Update on WIRED grant – Recently held the official kick-off in Billings.

Dr. Parisot addressed the funds from the WIRED grant that will be managed in OCHE. She said they already have a career pathways model that shows how it can work, including developing cluster hubs.

Dr. Parisot made the following points regarding the WIRED grant:

1. Need for standardized technical curriculum
2. Use of distance education as a delivery mechanism
3. Development of a pipeline of workers
4. Development of Entrepreneurship education

The WIRED funds will be distributed through a competitive RFP process. If anyone wants more information on the process, they can go to state website for an explanation. The WIRED grant will work with the Montana Department of Agriculture, Montana Department of Labor, Montana Department of Commerce, the Governor's Office, the project director, and OCHE.

- e. Strategic plan – discussion of goals related to Workforce Committee
Four key areas the Workforce Committee would like Board of Regents' action on:
1. To increase employer satisfaction - everybody gathers the data
 2. Increase degrees/certificates in high-demand areas
 3. Increase job placement rates
 4. Grow 2 year degrees and certificates

Associate Commissioner Gibson told the committee he would like to present two conceptual goals for the Two Year Council to reach in the next year:

1. Develop some goals around certificates and degrees in high-demand occupational fields.
2. Develop goals in how to measure the goals in healthcare.

Regent Lynn Hamilton moved to approve the 4 goals, as well as the conceptual goals. Motion passed 3-0.

- f. Update on CBJT Mt BILT US-DOL Construction Trades Grant
1. Partner institutions in this grant are MSU-Billings COT, UM-Missoula COT, MT Tech College of Technology, and MSU-Northern.
 2. Since the grant was awarded, Miles Community College, UM Helena COT, MSU Great Falls COT, and Flathead Valley Community College have also joined.
 3. They have created a state-wide advisory committee for this grant, which includes a project director and project manager, Cleo Sutton.
 4. Dean Cech stated the goals:
 - ✓ Develop statewide common core (NCCER)
 - ✓ Development of construction cluster" career and educational pathway portal,
 - ✓ Data collection, aggregation and dissemination
 - ✓ Develop sustainability plan
 - ✓ Develop strong partnerships regionally & statewide and
 - ✓ Improve math skills and basic competency of income construction students
 - ✓ Statewide recruitment of students in construction
 - ✓ Participate in community building activities
 - ✓ Seek opportunities to leverage funds with Montana WIRED grant & other grants
 - ✓ Expand outreach to K-12
 - ✓ Develop additional construction programs at each institution based on local area

- g. Perkins Quarterly Update – ITEM 131-102-R0506

Dr. Parisot also notified the committee of the Carl Perkins extension plan.

III. Public Comment

No additional comments were offered.

The meeting adjourned at 6:10 p.m.

Submitted by Lynette Brown

END WORKFORCE DEVELOPMENT COMMITTEE
