

MINUTES OF THE  
BOARD OF REGENTS OF HIGHER EDUCATION  
MONTANA UNIVERSITY SYSTEM

May 9, 1975  
Helena, Montana

The Board of Regents conferred by telephone on May 9, 1975 at 4:30 p.m. to discuss the Budget Committee's recommendations pertaining to the distribution of funds from the four million dollars appropriated by the 44th Legislature. The matter was discussed by all the Regents except John Peterson.

Mrs. Pace moved that the Budget Committee recommendations resulting from the meeting of May 7-8, 1975 be approved as follows: The following policy guidelines as suggested by Commissioner Pettit:

1. Each campus should be directed to give first priority to increasing faculty salaries. Moreover, since the greatest inequities over the years have been visited upon the professionally outstanding faculty, each campus should allocate its faculty salary allotment strictly on the basis of merit. Each president should be required to demonstrate to the Board subsequently that he did in fact allocate salary money on the basis of professional merit.
2. Presidents should be directed to take advantage of retirements, resignations, terminations, non-recurring capital expenditures, etc., to increase the faculty salary pool.
3. Each president should be directed to re-assess all administrative positions, with the aim of reducing as many positions as is practicable.
4. The Regents should direct that all necessary preparations be undertaken toward reducing fee waivers effective Fall term, 1976.
5. The presidents should be directed to cooperate with the Commissioner and his staff in program review aimed at pruning programs effective Fall term, 1976.
6. Each institution's role and scope should be reviewed with the goal of consolidation of programs and the elimination of unnecessary duplication as soon as possible.

7. A study should be initiated at once to assess the need for an increase in student fees effective Fall term, 1976.
8. Each president should submit a written statement to the Commissioner of Higher Education in June outlining the financial and program implications of the 1976-77 fiscal year funding level in accordance with House Bill 271.

The dollar amounts to be distributed to each institution is based on the following assumptions:

1. PERSONAL SERVICES

- A. Salaries were projected from a revised 1974-75 base as follows:
 

Classified Personnel	HJR 37 + 12.5% fringe
All Contract Personnel (includes faculty)	10% + 13.5% fringe
Part-time and GTA's	10% + 12.5% fringe
- B. New positions were considered separately.
- C. Funds from retirements, resignations and non-recurring capital and operating costs may be regenerated to increase the salary pool available for contract personnel.

2. OPERATIONS

- A. Utilities - current expenditure base plus 30%  
Other - current expenditure base plus 10%

3. CAPITAL

- A. The average of the last three years' expenditures for capital provided the guideline base.

UNIVERSITY OF MONTANA - The committee concurred with the guideline amount of \$1,171,683.

MONTANA STATE UNIVERSITY - The committee concurred with the guideline amount of \$915,320.

NORTHERN MONTANA COLLEGE - The committee concurred with the guideline amount of \$93,625.

WESTERN MONTANA COLLEGE - The committee adjusted the guideline amount by reducing the transfer out from \$111,786 to \$80,783. The \$31,000 reduction was to maintain the previous year's adjusted base for the summer session.

EASTERN MONTANA COLLEGE - The committee concurred with the guideline amount of \$36,495. The committee rejected a request for an IBM 370 computer. The committee acknowledged that Eastern's computer needed updating but the request was rejected for the following reasons:

1. Not all of the alternatives to the IBM 370 series have been explored.
2. The request was inconsistent with the guidelines.
3. The cost estimate did not take into consideration the total indirect cost commitment.

The committee suggested that the purchase be delayed for one year, pending further review.

MONTANA TECH - The committee adjusted the guideline amount by \$20,000 to provide additional money for operating costs. The revised amount is \$86,394.

#### AGRICULTURAL EXPERIMENT STATION - COOPERATIVE EXTENSION SERVICE

The committee voted to give the Agricultural Experiment Station and the Cooperative Extension Service an opportunity to address it later next year. The budget situation of both agencies is based upon uncertain revenue estimates. The committee agreed that a decision to allocate additional funds should be made only if the revenue estimates prove to be unrealizable.

#### OFFICE OF THE COMMISSIONER OF HIGHER EDUCATION

The committee provided additional funds for approximately five new positions in the central office. The amount included funds for additional office space, operating expenses and capital. Funds were also provided to accommodate the language in House Bill 271 which pertains to developing a uniform centralized accounting system. The recommended total is \$315,000.

An additional \$100,000 was provided to the three community colleges.

#### SUMMARY OF THE TOTAL FUNDS DISTRIBUTED:

1. University of Montana	\$1,171,683
2. Montana State University	915,320
3. Eastern Montana College	36,495
4. Northern Montana College	93,625
5. Montana Tech	86,394
6. Western Montana College	(80,783)
7. Community Colleges - Dawson College \$25,000	
Miles Community \$25,000	
Flathead Valley \$50,000	100,000
8. Commissioner's Office	315,000
Total Distributed	<u>\$2,637,734</u>

The motion to approve the Budget Committee recommendations was seconded by Mr. Evans and carried.

It was determined that the next meeting would be held on June 9, 1975 at 9:00 a.m. in the Office of the Commissioner of Higher Education.