

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

DATE: December 13, 1984

LOCATION: Donaldson Hall
Northern Montana College
Havre, Montana

REGENTS
PRESENT: Morrison, Keck, McCarthy, Hurwitz, Lind, Redlin

REGENTS
ABSENT: Pace

PRESIDENTS
ATTENDING: Bucklew, Carpenter, Erickson, DeMoney, Tietz, Thomas

PRESIDENTS
ABSENT: None

The Board of Regents of Higher Education met in executive session from 8:35 a.m. to 10:15 a.m. on matters of collective bargaining, litigation, and honorary degrees.

The published agenda stated that the Board would meet for two days. Notices were sent out prior to the meeting that the meeting would be shortened to one day and would be held on December 13, 1984. The order of the published agenda was changed somewhat to accommodate that decision.

The meeting began at 10:30 a.m. with the following informal discussion of role and scope revisions.

Role and Scope Discussion

Dr. Carrol Krause, Deputy Commissioner for Academic Affairs, began the discussion on role and scope with a brief review of the proposed revision of pages 1-5 of the System's Role and Scope Statement (on file). He explained that this was a draft working document, and the Board would not be asked to adopt it in its present form. The revision presented to the Board was his attempt to address the concerns expressed at the Regents' November 1984 workshop when the first draft was discussed.

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The presidents were generally supportive of the wording of the present draft. Questions were raised on including the regional service concept - that each unit's mission relates to its region--and on the overall tone of the document which it was felt should be positive throughout, with emphasis on the Systems' intent to provide high quality programs. Dr. Krause asked that each institution provide him with written comments on the draft revision of pages 1-5. Dr. Krause explained that the goal was to have the Board systematically go through the Role and Scope statement and make revisions where needed. This subject will continue to be placed on the agenda of future meetings.

Next Dr. Krause reviewed the document titled "Role and Scope Considerations" (on file) distributed to the Regents with the agenda material. This provided a summary of the academic programs for each institution which were approved by the Board from July 1979 through December 1984. It also summarized the list of programs included in each institution's academic planning report submitted to the Commissioner in June 1984. Dr. Krause explained that the purpose of the material was to show the Board how the System's role and scope statement has been expanded or changed through program authorizations, and what those authorizations have been for each campus. The review continued with discussion of how the campuses would provide input into the document for the next discussion with the Board.

Dr. Krause distributed copies of seven major role and scope issues (on file) as a starting point for future discussions with the Board. The issues identified were the impact of new programs on system budget allocations; the Board's stated priority to strengthen undergraduate curriculum; the Board's position on allied health; baccalaureate nursing programs in the System; and whether additional institutions should be authorized to offer doctoral programs, graduate work in business, and graduate programs to train public school superintendents and principals. Each of these issues was reviewed by Dr. Krause. He concluded by stating that it was his belief that these are the main issues facing the System,

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but there are others that impact the direction the System will take. By providing the campuses clear direction, the Board will enable the campuses to avoid developing programs which will be turned down because they are not within the unit's role and scope. Dr. Krause noted that planning is one of the most important tasks the Regents can assume. He recommended that at the next meeting of the Board each campus make a presentation on academic planning based on the reports submitted to the Commissioner's office. The Board could then determine if those plans are consistent with the direction the Board wished the unit to take.

Commissioner Dayton concurred with that recommendation, and urged the Board to consider especially its future plan for Western Montana College to be certain all has been done that can be done to assure Western has a sound academic and fiscal future.

At the conclusion of the discussion, it was suggested that availability and accessibility of programs in the System be added to the list of major role and scope issues, and whether all units should have as a minimum a baccalaureate degree in computer programs. Commissioner's staff was instructed to work with the Council of Presidents to determine the time frames and format for future role and scope discussions.

The meeting recessed at 11:15 a.m. to allow Regents and interested persons to tour selected areas on campus. Following that tour, the Regents were hosted at lunch by student representatives.

The meeting reconvened at 1:35 p.m.

Roll call was taken and it was determined that a quorum was present.

Chairman Morrison asked for additions or corrections to the minutes of the two previous meetings. None were stated, and the minutes of the November 2, 1984 meeting and the December 5, 1984 Conference Call Meeting were ordered approved.

Chairman Morrison stated that without objection all matters on the committee agenda would be acted on by the full Board. Separate committee meetings would not be held.

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By-Laws and Policy Committee

Submission Agenda

Regent Keck, Chairman of the Policy Committee, reported that the following items on the submission agenda were received for consideration at a future meeting:

- Item 42-002-R1284, Unit personnel policies;
Montana University System
- Item 30-007-R0281, Prohibition of Sexual Harassment;
Montana University System (TO BE RESCINDED)
- Item 19-002-R0178, Recruitment; Campus personnel
Montana University System (TO BE RESCINDED)
- Item 19-001-R0178, Performance evaluation; campus personnel;
Montana University System (TO BE RESCINDED)

President Bucklew requested discussion on Item 42-002-R1284, Unit Personnel Policies; Montana University System. He explained that the policy was brought to the Board by the Commissioner's office, but does not have the endorsement of the presidents. He distributed copies of a proposed revision which the presidents do endorse (on file).

The key change in the Presidents' revision is in section 2 under "Procedures". President Bucklew explained that under current policy the Board has by practice given the responsibility to develop and approve personnel policies to the presidents of the units. There is no objection to having those reviewed to be sure they meet acceptable standards, particularly in the areas of grievance procedures and due process. The presidents do not believe that it is necessary to have a written policy which in effect says "you will have a policy" to accomplish that. If the Board believes a written policy is necessary, the presidents strongly endorse the revision handed to the Board today which provides for review of personnel policies by the Commissioner, but not approval.

Chairman Morrison responded that the Board is ultimately responsible for all of the campuses, and the Commissioner is the Board's mechanism to see that the Board maintains that control. Areas of responsibility have been delegated to the campuses, but the ultimate responsibility rests with the Board acting through its arm, the Commissioner.

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Whether this policy would indeed indicate a change in direction in the System, or whether it is simply a reaffirmation of current Regents' policy was discussed at some length.

Chairman Morrison summed up the discussion by noting that the policy is now on the submission agenda, and this provides an opportunity to give the presidents a sense of where the Board is coming from, and the Board an opportunity to learn the same from the presidents, and to work out the differences. The item will be on the agenda of the February meeting for discussion and action.

Items 26-002-R0180, Performance evaluation; presidents/and 17-003-R0777, Performance Evaluation, Commissioner of Higher Education; Montana University System, were reviewed by Commissioner Dayton. He stated that these revisions put in place what the System has actually been doing in the matter of these reviews, and replaces the very formal, structured process which has not proven to be constructive. The Regents, presidents and Commissioner have been generally satisfied with the more informal method of conducting reviews in the last couple of years. Commissioner Dayton recommended both items be approved. On motion of Regent Keck, both items were approved.

Commissioner Dayton reviewed Item 46-003-R1284, Computer planning; Montana University System. He explained that the item is a short summary statement which has been reviewed with the Council of Presidents. Attached to the item will be the detailed campus computer plans submitted to the Regents in June 1984. This will comprise the System's computer plan for the next biennium, and will be used in funding discussions with the Legislature. On motion of Regent Keck, Item 46-003-R1284 was approved.

Regent McCarthy moved that the Board reconsider its previous action on Item 34-104-R1281, Collection and Remittance of Fees for Student Non-profit, Non-partisan Organization; University of Montana. The motion carried, with Regent Redlin voting no, and Regent Lind abstaining.

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Regent Keck then moved that action on the reconsideration of Item 34-104-R1281 be deferred to a future meeting. The motion carried unanimously.

Capital Construction Committee

The following items on the committee agenda were considered concurrently:

Item 46-101-R1284, Purchase of Real Property; University of Montana
Item 46-102-R1284, Purchase of Real Property; University of Montana
Item 46-103-R1284, Purchase of Real Property; University of Montana
Item 46-105-R1284, Purchase of Real Property; University of Montana

Chairman Morrison commented that these items give the University of Montana president authority to negotiate for and purchase four parcels of residential property at unspecified prices. This is a departure from Regents Policy 1003.3 which states in part that a minimum of two appraisals will be made available for consideration by the Board at the time authorization for purchase of real property is submitted to the Board. Appraisals on each of the properties were distributed to the Regents and were reviewed and discussed. Chairman Morrison stated that while the Board recognized the special circumstances involved in these purchases by the University, the Board would be more comfortable if procedures set out in Policy 1003.3 were followed. He recommended that the items be amended to include authorization to negotiate up to but not to exceed the appraised price, and any agreement so negotiated be reported to the Board. Regent Hurwitz so moved, and Items 46-101-R1284, 46-102-R1284, 46-103-1284, and 46-105-R1284 were approved as amended.

Item 46-106-R1284, University Center--Roof Repairs, University of Montana, was discussed. The item authorizes the University to plan and undertake all work necessary to repair the west wing roof of the University Center at an estimated project cost of \$70,000. On motion of Regent Hurwitz, the Item was approved.

After brief review of the explanations as set out on the items, on motion of Regent Hurwitz Item 46-201-R1284, Request approval for naming of the Arena in the Brick Breeden Fieldhouse; Montana State University; and

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Item 46-702-R1284, Appointment of Engineer to Plan Improvements to the Recreation Field north of the Physical Education Building, Eastern Montana College, were approved.

President Tietz reviewed Item 46-301-R1285, Montana State University/Aaker Land Exchange, Agricultural Experiment Station, as set out on the item. The exchange will provide a suitable buffer between the University's research activities and future development of the adjoining private land. On motion of Regent Hurwitz, the item was approved. Chairman Morrison stated that Item 46-202-R1284, Research and Technology Park Lease; Montana State University/Agricultural Experiment Station, would be held over for discussion at the next Regents' meeting.

President Tietz reported on conversations held between Montana State University and the office of the Attorney General on possible locations for the new building for the Law Enforcement Academy which the Attorney General will ask the 1985 Legislature to fund. He stated that while two parcels of land peripheral to Montana State University were discussed, no commitment had been made. In the discussion, Chairman Morrison questioned whether it would set a bad precedent to contribute a building site to another state agency on land under the governance of the Regents. President Tietz noted that in this instance only the site for the building would be provided and title to the land would remain with the System. Because the Law Enforcement Academy is a state-operated academic training unit he believed it would be desirable to have such a facility on or adjacent to a University System unit. President Tietz will keep the Board informed of any future negotiations.

Bill Lannan, Director of Special Projects, reviewed the Summary of the Regents recommended Long Range Building Program, 1985-87 Biennium (on file) which was sent to the Regents with the agenda material. He explained that the Summary is an up-date of priorities and estimated costs. The report was reviewed and discussed by the Regents.

Item 46-203-R1284, Request Authority to Appoint an Architect and Proceed with the Improvements of the Physical Education and Activities Facilities; Montana State University, an addition to the agenda, was

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discussed. The project was submitted to a student vote on December 5, 1984 and was approved by a vote of 1,348 to 761. Funds are available from Montana State University's recent bond sale. The item includes a list of projects being considered, but specific enumeration of projects will not be available until detailed studies have been made by a contract architect. On motion of Regent Hurwitz, the item was approved.

Joint Capital Construction/Budget Committee

President Carpenter presented the Board of Regents with information requested by the Board in Item 42-701-R1283 on planning and financing Student Union Building alterations at Eastern Montana College (on file). After discussion of the report, Regent McCarthy moved that the plan for the student union building alterations at Eastern Montana College be approved with a budget not to exceed \$4.5 million. The motion passed unanimously.

Item 46-702-R1284, Student Union Fee, Eastern Montana College, which establishes a Student Union fee to assist in the financing of the alterations to Eastern Montana College's student union approved above, was reviewed and discussed. On motion of Regent Hurwitz, the item was approved.

Budget Committee

Item 2-007-R0973, Continuing Education fees; Montana University System (REVISED) and Item 17-009-R0777, Salaries, continuing Education; Montana University System (REVISED) were discussed concurrently. The Deans and Directors of Continuing Education recommended the proposed increased rate of pay for faculty teaching credit courses in continuing education and the increased fee for continuing education credit courses. The items were discussed by the Council of Presidents and are recommended for approval. On motion of Regent Hurwitz, Item 2-007-R0973 and Item 17-009-R0777 were approved.

Jack Noble explained that Item 46-703-R1284, Combining Fees; Eastern Montana College, is proposed to meet one requirement of Eastern Montana College's refinancing of its bonded indebtedness which states all building

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fees will be deposited to a single accounting entity. The fees and accounting entities are set out on the item. On motion of Regent Hurwitz, the item was approved.

Mr. Noble next reviewed Item 46-204-R1284, Montana State University Final Bond Resolution for \$9,920,000 Student Housing System Facilities Improvement Revenue Bonds Series B 1984. He briefly reviewed the preliminary authorization for this issue granted by the Board at its November 1984 meeting, and stated that all aspects of the final resolution are within the limits of the preliminary approval. The resolution before the Board authorizes, approves and ratifies the final terms and provisions of the issuance, sale and delivery of Montana State University's \$9,920,000 Series B 1984 bond issue. On motion of Regent Hurwitz, the item was approved.

Mr. Noble also reviewed Item 46-205-R1284, Montana State University Final Bond Resolution for \$9,260,000 Student Building and Physical Education Fees Refunding and Facilities Improvement Revenue Bonds Series 1984. Preliminary authorization for this issuance was granted by the Board at its December 5, 1984 conference call meeting, and all aspects of this final resolution are within the limits of the preliminary approval. The resolution before the Board authorizes, approves and ratifies the final terms and provisions of the issuance, sale and delivery of Montana State University's \$9,260,000 student building and physical education fees refunding and facilities improvement revenue bonds Series 1984. On motion of Regent McCarthy, the item was approved.

Mr. Noble reviewed the Boettcher & Company Closing Memorandum (on file) which supplied the closing details for Item 45-504-R1184, Final Bond Resolution; Montana College of Mineral Science and Technology concerning the issuance of State of Montana, Board of Regents of Higher Education, Montana Tech Facilities Improvement Revenue Bonds Series A 1984. He reported that the sale was very successful with the bonds receiving a 10.34% rate of interest. No action was necessary on the item.

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William Lannan, Director of Special Projects, reviewed Item 46-901-R1284, Approval of the Revised Respective Forms and Authorization of the Execution and Delivery of a Guarantee Reserve Agreement; a Depository Agreement and two Guarantee Agreements, and Approval of a Guarantee Agreement; Montana Higher Education Student Assistance Corporation. He stated that MHESAC has been successful in the issuance and sale of \$68 million of Weekly Adjustable/Fixed Rate Student Loan Revenue Bonds, 1984-A, the proceeds of which will be used to acquire student loan notes incurred under the federal Higher Education Act of 1965. To consummate the final closing, certain language changes need to be made to documents previously approved by the Regents relating to the sale of those bonds. Mr. Lannan reviewed the changes requested, and recommended approval of the item. On motion of Regent Keck the item was approved.

Jack Noble reviewed the tuition increase recommendations made in his memorandum to the Board of Regents dated October 9, 1984 based on the 1984-85 tuition survey update (on file). Copies of the memorandum had previously been sent to presidents, chief fiscal officers, and student government officers. Mr. Noble explained the methodology used to develop the recommendations which are based on tuition charges at peer colleges and universities in surrounding states. He concluded that the recommendations before the Board would increase tuition cost for a resident student by \$108 in 1986, and \$72 in 1987. This would put the Montana System just slightly below the estimated peer institution average for 1987.

The out-of-state tuition increase would be \$180 in 1986 and \$126 in 1987. Those amounts include the in-state tuition increases all non-residents are required to pay. This recommendation would put University of Montana and Montana State University at the peer institution estimated non-resident tuition level in 1986 and 1987.

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Mr. Noble explained that the Governor's budget recommendation to the legislature, and the Regents' revised recommendation before the Board today for action, include the revenues generated by these tuition increases. He added, however, that the Executive branch has real concern regarding student assistance programs, and in addition to joining with the Regents in recommending 100% funding of the budgeting formula, has recommended that \$300,000 of state funds be appropriated for the student work study program. Mr. Noble outlined other sources of financial assistance available to students in Montana such as the Montana Guaranteed Student Loan Program. While tuitions have increased over 50% since 1980 and students will be paying a higher share of their instructional program, it is still less than 20% of the cost to provide that education. Students receive an excellent education for their dollars from the Montana University System.

Chairman Morrison commented on the considerable amount of assistance available to students to help pay the costs of their education. He also stated that in budgeting discussions with the legislature the Regents will make very clear that the reason they were willing to raise tuitions to these levels was the Governor's willingness to raise funding of the formula at the same rate.

Student government representatives and students present spoke against the proposed tuition increase. There was general consensus that students recognize an increase is unavoidable; it is the size of the increase that causes the concern. Students urged the Regents to reduce the increase to 6% or less over each year of the biennium. Increases in amounts and types of required fees were also discussed. If the proposed tuition increase is approved, several students have stated they will not be able to continue their education next quarter.

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Chairman Morrison and Mr. Noble stressed the importance of the recommended tuition increase to the Governor's recommendation of 100% funding of the formula. At a time when the state is faced with a revenue shortfall that type of recommendation from the Governor is very beneficial to the System. Chairman Morrison also spoke of the Regents' resistance to allowing the legislature to set tuition, which has been attempted in the past. Regent Keck expressed the Regents' strong continuing support of the students, and their commitment not only to the work study program, but to find new and innovative ways for students to make more money on campus.

President Tietz then asked if the tuition increase could be divided equally over the biennium, rather than adopt the proposed 12% increase the first year, and 7% the second. After brief discussion, Regent Lind moved that the recommended tuition increase be adopted as suggested by President Tietz. The motion carried.

The Board then moved on to the Curriculum Committee agenda without taking action on the revised 1987 Biennium Budget Recommendations on the Budget Committee agenda.

Under the report of the Council of Presidents, President Carpenter asked for clarification of the tuition increase motion. Discussion was held on the effect implementation of that increase evenly each year of the biennium would have on the executive budget recommendation, the Regents' revised recommendation, and on first-year spending authority for the System.

Regent McCarthy made a motion for reconsideration of the action taken on the tuition increase. The motion carried.

Mr. Noble explained that if the motion on the tuition increase stands, the Regents' 1987 biennium budget recommendation would have to be revised, and new negotiations entered into with the Governor's Budget Office. Without an analysis he could not be specific, but there would be a revenue loss to the System. The effect on the agreements reached by the Chairman and Mr. Noble with the Budget Office on funding work study, the I & I accounts, indirect costs, etc., was also unknown.

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Several matters were brought out in the discussion. While there was some discontent with the negotiations which led to the tuition recommendation, it appeared the wisest thing to do would be to pass the tuition increase as originally recommended.

Regent Lind then moved that the tuition increase as set out in the October 9, 1984 memorandum, and the Regents' 1987 Biennium Revised Budget Recommendations, be approved. The motion carried unanimously.

Curriculum Committee

Submission Agenda

Dr. Carrol Krause, Deputy Commissioner for Academic Affairs, reported the Item 46-601-R1284, Authorization for an Associate of Science Degree in Information Processing; Western Montana College; was received for action at a future meeting.

Action Agenda

Dr. Krause reviewed Item 46-001-R1284, Baccalaureate Programs; Yellowstone Baptist College. He explained that Yellowstone Baptist College wishes to begin offering a baccalaureate degree. Statute requires that Board of Regents' approval be obtained. Dr. Krause stated that after a review of the material and a visit to the institution he found the institution was capable of offering the proposed degree within the framework of a Bible College mission, and recommended approval. On motion of Regent Redlin, the item was approved.

Regular Agenda

New Business

Chief Counsel LeRoy Schramm informed the Board that the student appealing the residency determination for fee purposes had requested the matter be deferred. The student is taking finals at Bozeman and is unable to appear before the Board at its meeting in Havre. On recommendation of Chief Counsel and at the request of the appellant, the matter was deferred for action to the February 1985 meeting of the Board.

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Commissioner's Report

At the Commissioner's request, President Erickson of Northern Montana College, gave a brief history of Donaldson Hall, the building in which the Regents were meeting. President Erickson expressed his and the System's appreciation to the Northern Montana College Foundation for the beautiful remodel of the room used for the Regents' meeting which, when completed, will serve as a faculty lounge.

Commissioner Dayton reported that the Flathead Valley Community College bond issue recently submitted to the voters was defeated by a very narrow margin. The Commissioner stated it was his understanding that the Board of Trustees of Flathead Valley Community College will attempt to place the matter on the ballot again in the spring of 1985.

Commissioner Dayton next gave a status report on the progress of the three presidential searches under way in the System.

The Commissioner reported on the reaccreditation of two programs at the University of Montana. The Council on Social Work Education's Commission on Accreditation has voted to re-accredit the social work program at the University of Montana for seven years to June 1991, the maximum allowable period for social work programs. The American Psychological Association's Committee on Accreditation reaffirmed the accredited status of the University's doctoral program in clinical psychology. This program will be listed among doctoral programs in professional psychology accredited by that Association, with the next listing to be published in a forthcoming issue of the American Psychologist. Commissioner Dayton commended the University on receiving national recognition on its program, and cited this as an example of academic excellence in the Montana System.

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President Tietz reported that Montana State University ranked second nationally in numbers of students passing the entire CPA examination on the first try. Also, the all-conference academic football team membership was announced in the last week. Out of 30 players on the team, thirteen were Montana State University students.

The Council of Presidents, Superintendent of Public Instruction, Board of Public Education and Faculty Association had no reports.

The Montana Associated Students reported their intent to lobby effectively for student work study funds in the coming legislative session, and thanked the Regents for the support the students have received in the past. The student lobbyists will again be officed in the Commissioner of Higher Education's office. Mr. Morse reported on recent meetings among student government leaders and the Council of Presidents to discuss issues of mutual concern, particularly the matter of liability of student organizations.

Chairman Morrison stated that he hoped students would express the same concerns to the legislature that the Board heard today on the problems students face with the rising costs of higher education. That message is effective when delivered by the students.

Chairman Morrison next stated that on behalf of the Board he wished to express the Regents concern regarding a recent issue of the Kaiman which was in unexcusably bad taste. It is the hope of the Board that both ASUM representatives and students will let it be known how they feel about the type of activity recently participated in by the Kaiman.

On motion of Regent Keck, the following items were approved:

- Item 46-100-R1284, Staff, University of Montana
(Post-Retirement Contract)
- Item 46-200-R1284, Staff, Montana State University with Addendum
- Item 46-400-R1284, Staff, Cooperative Extension Service
- Item 46-401-R1284, Retirement of M. E. "Gene" Quenemoen
Cooperative Extension Service
- Item 46-500-R1284, Staff, Montana College of Mineral Science
and Technology

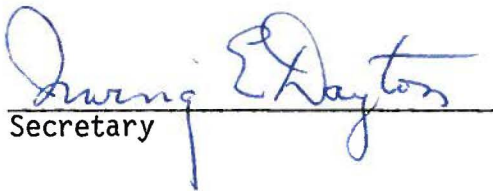
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Item 46-500A-R1284, Staff, Montana Bureau of Mines and Geology
Item 46-600-R1284, Staff, Western Montana College
Item 46-700-R1284, Staff, Eastern Montana College
Item 46-701-R1284, Post-Retirement Contract;
Eastern Montana College
Item 46-800-R1284, Staff, Northern Montana College
Item 46-900-R1284, Staff, Office of Commissioner of Higher Education

The meeting adjourned at 4:47 p.m. The next regularly scheduled meeting of the Board of Regents is February 7-8, 1985, in Butte, Montana.

APPROVED:


Chairman, Board of Regents of Higher
Education, Montana University System


Secretary