

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

DATE: September 13-14, 1984
LOCATION: Conference Room
Montana University System
33 South Last Chance Gulch
Helena, Montana
REGENTS PRESENT: Morrison, Keck, McCarthy, Hurwitz, Lind, Redlin
Commissioner of Higher Education Irving E. Dayton
REGENTS ABSENT: Pace
PRESIDENTS ATTENDING: Bucklew, Carpenter, DeMoney, Erickson, Tietz, Thomas
PRESIDENTS ABSENT: None

THURSDAY, SEPTEMBER 13, 1984

The Board of Regents of Higher Education met in executive session from 3:05 p.m. to 6:00 p.m. on matters of collective bargaining and litigation.

FRIDAY, SEPTEMBER 14, 1984

The Board of Regents and the Board of Public Education met as the State Board of Education in the Governor's Conference Room from 9:00 a.m. to 10:40 a.m.

Chairman Morrison called the regular meeting of the Board of Regents to order at 11:00 a.m. Roll call was taken and it was determined that a quorum was present.

Chairman Morrison called for additions or corrections to the minutes of the previous meetings. None were stated, and the minutes of the July 20, 1984 meeting and the August 23, 1984 Conference Call meeting were ordered approved.

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Chairman Morrison stated that the Board would act on all matters on the committee agenda as a Committee of the Whole, and separate committee meetings would not be held.

By-Laws and Policy Committee

Regent Keck, Chairman of the By-Laws and Policy Committee, stated that four items were on the agenda for action. She reviewed Item 7-002-R0175, Security Operations; Montana University System (REVISED), explaining that the revision allows a unit to contract with a private security company rather than hiring its own security officers and provides that courses in other states may be recognized as equivalent to the courses offered by the Montana Law Enforcement Academy. After brief discussion, on motion of Regent McCarthy the item was approved.

Regent Keck next explained that Item 35-007-R0682, By-Laws; Board of Regents (REVISED) was presented to bring Article VII, Committees, up-to-date. The proposed revision reflects current practice, and also provides a new committee on Information Technology.

Commissioner Dayton noted that the proposed new committee on Information Technology was suggested at the last meeting by Mr. Paul Dunham of the Commissioner's staff. The intent would be to form a sub-group of Regents who would become more knowledgeable in the area of computer technology and provide direction for the System in that area. The Commissioner made reference to the recent detailed discussions with the Regents on the impact of computer technology to the System as a whole. The question before the Regents is, is forming such a new committee the direction the Regents wish to take, or are they satisfied with the status quo?

Chairman Morrison stated he did not believe forming another committee would serve any good purpose. With a Board membership of only seven to draw upon it is difficult to convene the present five

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committees. Regent Keck suggested a Board liaison person be selected. Mr. Dunham mentioned that the state has formed a Data Processing Advisory Council which is recommending and establishing statewide policies in data processing and related areas. The System is expected to work with that council but has no related body within the Regents to provide the direction that the Regents wish the System to take. Chairman Morrison suggested that role might be assumed by the By-Laws and Policy Committee.

Regent Keck then moved that Item 35-007-R0682 be amended to delete the formation of the proposed Information Technology committee in Article VII, and approved as amended. The motion carried.

Regent Keck briefly reviewed Item 44-003-R0784, Indemnification, Montana University System (REVISED). She explained that the proposed revision does two things. First, part 1 rewords present policy to make the language more parallel to statutory language adopted by the legislature in 1983. Second, part 2 creates a notification procedure so the System can only be held liable upon proper notification. Upon notification, the Board may acknowledge the acts as being in the course and scope of employment which serves to immunize the employees. These changes were believed to be necessary because of recent court actions which increase the likelihood of System employees being named personally as defendants.

Chief Counsel Schramm requested that Section 1 under Board Policy be amended to delete the remainder of the sentence in line 4 by striking "as provided by state law in Title 2, Chapter 9, MCA" following "employment". Discussion was held on the phrase "campus based employees" in the same section. After discussion with Chief Counsel it was agreed to delete "campus based" and insert "unit" in the last sentence of Section 1. Regent Keck moved that both amendments be accepted, and the item approved as amended. The motion carried.

Item 44-002-R0784, Removal Demolition or Substantial Alternation of University System Buildings, was discussed. Regent Lind expressed his concern with putting in place a policy on heritage properties which does not deal with the identification of those properties. The

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statute covering what qualifies as a heritage property is very broad, and the Board may wish to allow as much discretion as possible for identifying those properties to allow flexibility on the campuses when they wish to make changes to such properties.

Assistant Chief Counsel Weinberg spoke to the detailed policy being prepared by the State Historical Society for the identification of heritage properties. That policy is now in its second draft, and is much stricter with respect to both identification and demolition than what the System is proposing. If the System has nothing in place when the Historical Society adopts its policy, anything proposed by the System after that adoption will in essence be suspect if it appears the System is trying to circumvent that more detailed policy.

In the discussion, it was agreed that the campuses need a policy in place to provide a means to make necessary changes to properties which are now or may be identified as heritage properties. President Bucklew suggested that because the statute is unclear as to who makes that determination, the Board might claim that responsibility for properties owned by the System. He suggested the first line of the Item under "Procedure" be amended to read: "The Commissioner of Higher Education, working with the unit presidents, shall identify heritage properties." The remainder of the policy as proposed then puts in place procedures to be followed if removal, demolition or substantial alteration of the building is planned. Regent Keck moved that President Bucklew's amendment be accepted and Item 44-002-R0784 be approved as amended. The motion carried.

Budget Committee

At Chairman Morrison's request, Jack Noble, Deputy Commissioner for Management and Fiscal Affairs, reviewed Item 45-108-R0984, Final Bond Resolution; University of Montana. Mr. Noble noted that the preliminary authorization was approved in the Regents' Conference Call meeting of August 23, 1984. The resolution now before the Board authorized the final terms and provisions for the issuance, sale and delivery of approximately \$4,980,000 aggregate principal amount of the

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University of Montana, Auxiliary Enterprises Facilities Improvement and Refunding Revenue Bonds, Series 1984, at an interest rate of 10.4%. With the proceeds of this issuance and available reserves, the University of Montana will defease some \$10.3 million of outstanding indebtedness under the 1956 Indenture, and will realize approximately \$1.4 million for new projects authorized in the resolution. He recommended the item for approval. On motion of Regent McCarthy, Item 45-108-R0984 was approved.

Mr. Noble next explained that Item 45-701-R0984, Final Bond Resolution; Eastern Montana College, authorizes the final terms and provisions for the issuance, sale and delivery of \$7,380,000 aggregate principal amount of Series A revenue Bonds at an interest rate of 10.37%. Preliminary authorization for this sale was also approved at the August 23, 1984 Conference Call meeting. With the completion of this transaction, Eastern Montana College will have defeased approximately \$4.4 million of outstanding indebtedness including the long-range building program general obligation bond indenture. Approximately \$4.5 million will be realized for projects authorized in the resolution. Mr. Noble recommended approval. On motion of Regent McCarthy, Item 45-701-R0984 was approved.

Mr. Noble explained that Item 45-501-R0984, Bond Resolution; Montana College of Mineral Science and Technology, an addition to the agenda, is a preliminary authorization. He requested that the item be amended on page 2 to increase the aggregate principal amount from \$7,000,000 to \$8,000,000. Mr. Noble explained that consideration is being given to include defeasing Montana Tech's long-range building program general obligation bonds currently outstanding, and if after review of bond counsel and underwriters the decision is made to defease that obligation, the larger amount will be required. If amended as requested, this resolution would authorize Montana Tech to sell \$8,000,000 of facilities improvement and refunding revenue bonds, series A 1984, to finance land

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acquisition and improvement and construction of certain facilities as set out in the resolution. Mr. Noble recommended approval as amended. Regent Hurwitz moved that the item be amended as requested, and approved as amended. The motion carried.

Item 45-2001-R0984, Authorization for Dawson Community College to deposit district money with First National Bank, Glendive, First Fidelity Bank, Glendive, and/or First Security Bank of Glendive, and American National Bank of Chicago; Dawson Community College, and Item 45-4001-R0984, Authorization for Miles Community College to deposit district money with American Bank of Chicago; Miles Community College, were reviewed.

Approval of these items is requested in conformance with an auditor's review which stated that under Section 20-15-308 MCA, the Board of Regents' authorization is necessary to deposit district money in depositories other than the County Treasurer of the county where the community college is located. These items provide those authorizations for Dawson and Miles Community Colleges. On motion of Regent Hurwitz, both items were approved.

Capital Construction Committee

Item 45-101-R0984, Remodeling Work Within the Maureen and Mike Mansfield Library to Create an Office Suite for the Maureen and Mike Mansfield Center; University of Montana was reviewed as set out in the explanation on the item. On motion of Regent Hurwitz, the item was approved.

At President Bucklew's request, the following four items were reviewed concurrently:

Item 45-102-R0984, Purchase of Real Property; University of Montana

Item 45-103-R0984, Purchase of Real Property; University of Montana

Item 45-104-R0984, Purchase of Real Property; University of Montana

Item 45-107-R0984, Purchase of Real Property; University of Montana

President Bucklew explained that the four properties described in the above items are adjacent to the campus and are available for purchase.

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The prices submitted for approval are firm prices, and all are at or below the asking price. All four properties lie between the campus and the river. Regent Lind stated his concurrence with the University purchasing properties in this location as they become available. On motion of Regent Hurwitz, Items 45-102-R0984, 45-103-R0984, 45-104-R0984, and 45-107-R0984 were approved.

Item 45-105-R0984, Authorization to Plan and Construct a Satellite Auxiliary Service Facility at the University of Montana Biological Station at Yellow Bay; University of Montana, was reviewed by President Bucklew. He reviewed the University's request to fund this facility through the state long-range building program. Because it was determined that this was an auxiliary function, there was no willingness on the part of the Regents or the state to fund the facility through the long-range building program. Funds are now available through the bond sale at the University for this project, and the University is seeking approval to proceed. The amount requested is higher than the earlier request because the project has been designated an auxiliary service. To be self-supporting, the facility will have to be larger than the central service facility originally planned. President Bucklew also asked that funding for this project be deleted from the University's long-range building program proposal. Regent McCarthy moved that Item 45-105-R0984 be approved, and that the necessary deletion be made to the University's long-range building program request. The motion carried.

Bill Lannan of the Commissioner's staff reviewed Item 45-106-R0984, Remodel of Room 204, Chemistry/Pharmacy Building; University of Montana. He requested that the third line of the first paragraph be amended to read: "steps necessary to remodel Room 204" to make the item more clear. President Bucklew noted that the item is considered a minor or "house-keeping" item, but requires Board approval because of recent statutory changes. More of these will be brought to the Board as resources become available. On motion of Regent Hurwitz, the item was approved as amended.

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On motion of Regent Hurwitz, Item 45-207-R0984, Request approval for naming of 90 Student Family Apartments; Montana State University, was approved.

Bill Lannan, Director of Special Projects, reviewed the status of major maintenance projects report (on file). In order to award the bid on the brick repair project on Johnson and Wilson Halls at Montana State University it was necessary to encumber all unallocated funds appropriated to the major maintenance projects. However, in accordance with Regental direction, the \$50,000 deducted from the University of Montana major maintenance amount will be replaced. All roof repairs have now been bid and are on contract.

Commissioner Dayton noted that Dr. Weinberg of the Commissioner's staff had requested a brief meeting with the presidents at the conclusion of the Regents' meeting to report on the asbestos problem in the System.

Curriculum Committee

Dr. Carrol Krause, Deputy Commissioner for Academic Affairs, reviewed the two items on the Curriculum Committee Action Agenda. There were no Submission Agenda items.

Item 44-102-R0784, Approval of a New Minor in Studies in Human Development; University of Montana, was reviewed as set out in the memorandum to the Commissioner dated August 16, 1984. No objections to the proposal were received from other units of the System. Dr. Krause recommended approval. On motion of Regent Keck, the item was approved.

Item 44-701-R0784, Changing the Name of the Center for Organizational Development to the Center for Business Enterprise; Eastern Montana College was also recommended for approval by Dr. Krause. He stated that the name change is appropriate because the focus of the center has shifted from organizational development to operational business activities. On motion of Regent Hurwitz, the item was approved.

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The Collective Bargaining Committee had no report.

Commissioner's Report

President Fred DeMoney, Montana Tech, introduced two new staff members at the College: Dr. Ronald M. Hays, Dean of Engineering, and Dr. Harold R. Cheuvront, Dean of Student Services. The Board joined with President DeMoney in welcoming Dr. Hays and Dr. Cheuvront to the System.

President DeMoney announced that he would be retiring as President of Montana College of Mineral Science and Technology "no earlier than July 1, 1985 and no later than September 1, 1985." Chairman Morrison expressed the Board's appreciation to Dr. DeMoney for his years of outstanding service to Montana Tech, and stated that the institution will miss Dr. DeMoney, and so will the Board. Commissioner Dayton endorsed the Chairman's statements, and added that President DeMoney has served Montana Tech for thirteen years during which time enrollments have tripled, the physical plant has been enhanced and the campus is thriving. Dr. DeMoney will be missed throughout the System.

Commissioner Dayton next reviewed the memorandum sent earlier to the Regents proposing the make-up of the search committee to replace Dr. DeMoney. He noted that the composition will follow fairly closely that used in the recent searches at Eastern Montana College and the University of Montana which were successful as to process, and certainly successful as to outcome. The recommendation was as follows: 4 faculty; 2 students; 1 administrator; 1 professional staff; 1 support staff; 1 alumni; 1 foundation representative; 2 community representatives; 1 member of the local executive board; 2 Regents; the Commissioner of Higher Education ex officio. The proposed format of the search committee was approved by the Board. Commissioner Dayton will take the steps necessary to obtain slates of names in each category and submit them to the Board for approval or disapproval.

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President Bucklew distributed copies of the University of Montana's publication "Vision" which illustrates examples of current research and creative activities at the University.

Jim McGarvey, Executive Director, Montana Federation of Teachers, AFT, AFL-CIO, was recognized by the Chairman. Mr. McGarvey stated he was appearing before the Board on behalf of the Western Montana College Faculty Association to convey to the Board that the faculty at Western Montana College is very concerned about many recent events at Western and the perceived direction the College is taking. The second part of the directive given to Mr. McGarvey by the Faculty Association was to invite the Board to the campus for discussion of those concerns. Mr. McGarvey added he had been informed that Commissioner Dayton had scheduled a meeting with the faculty, members of the community and student groups on September 24. Chairman Morrison and Regent Hurwitz will also participate in that meeting, which Mr. McGarvey stated would be most welcome.

Commissioner Dayton reported that all eight engineering programs at Montana Tech were reaccredited by the Engineering Accreditation Commission of the Accreditation Board for Engineering and Technology. He also reported that the nursing program at Montana State University received state approval after review.

The Commissioner reported that a letter was received from Howard L. Fryett, President of Flathead Valley Community College, stating that the Board of Trustees of FVCC have adopted Resolution No. 85-1 calling for a ten million dollar bond election of November 6, 1984. The proceeds from such a bond would be used for the purpose of building, furnishing and equipping buildings, and for campus facilities for school purposes. The Regents will be kept informed of the progress of the election.

Commissioner Dayton also reported that staff of the Commissioner's office will meet with the Legislative Finance Committee at 3:00 p.m. today for discussion of a service payback requirement for students in

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inter-state health education programs. He briefly reviewed the make-up of those attending a meeting on that subject held last year. Most of those attendees did not recommend such a payback. The Legislative Fiscal Analyst has prepared several options for the Finance Committee's consideration, and a response was prepared by the Commissioner's office to the Analyst's report. Commissioner Dayton will keep the board informed.

The proposed schedule of future Board of Regents' meeting dates was reviewed. After brief discussion, the following schedule covering meetings through December 1985 was adopted:

1984

Sept.	13-14	(Th,F)	Board of Regents; Joint Board
Nov.	2	(F)	Board of Regents (Missoula)
Nov.	4- 5	(S,M)	Regents' Workshop (Seeley Lake)
Dec.	13-14	(Th,F)	Board of Regents (Havre) approval of Regents' legislative budget request

1985

Feb.	7- 8	(Th,F)	Board of Regents (Butte)
March	21-22	(Th,F)	Board of Regents
May	2- 3	(Th,F)	Board of Regents; Joint Board salary guidelines set
June	20-21	(Th,F)	Board of Regents approval of FY 86 operating budgets
July	25-26	(Th,F)	Board of Regents
Sept.	12-13	(Th,F)	Board of Regents; Joint Board
Oct.	25	(F)	Board of Regents (Bozeman) date tentative
Dec.	12-13	(Th,F)	Board of Regents

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

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Les Morse, Chairman, Montana Associated Students, reported on the Third Annual Student Legislative Conference sponsored by the MAS and scheduled on October 27-28, 1984 in Missoula, Montana. Invitations and a detailed agenda will be sent to the Regents, gubernatorial candidates, and legislative candidates.

Regular Agenda

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

- Item 45-100-R0984, Staff, University of Montana (including 8 post-retirement contracts)
- Item 45-110-R0984, Degrees, 1983-1984; University of Montana
- Item 45-200-R0984, Staff, Montana State University
- Item 45-201-R0984, Retirement of Charles H. Payne; Montana State University
- Item 45-202-R0984, Post-Retirement Contract for John Bashor; Montana State University
- Item 45-203-R0984, Post-Retirement Contract for Lloyd Berg; Montana State University
- Item 45-204-R0984, Post-Retirement Contract for George Shroyer; Montana State University
- Item 45-205-R0984, Post-Retirement Contract for Lucille Thompson; Montana State University
- Item 45-206-R0984, Post-Retirement Contract for Andrew Van Teylingen; Montana State University
- Item 45-210-R0984, Degrees, 1983-1984; Montana State University
- Item 45-300-R0984, Staff, Agricultural Experiment Station
- Item 45-400-R0984, Staff, Cooperative Extension Service
- Item 45-500-R0984, Staff, Montana College of Mineral Science and Technology
- Item 45-500A-R0984, Staff, Montana Bureau of Mines and Geology
- Item 45-600-R0984, Staff, Western Montana College, amended to change the heading at the bottom of the page from "Resignation" to "Resignations and Retirements" and to indicate the appropriate category for each person listed.
- Item 45-700-R0984, Staff, Eastern Montana College
Eastern Montana College 1984-85 Faculty Roster
(Submitted for informational purposes only)
- Item 45-800-R0984, Staff, Northern Montana College
(including one post-retirement contract)

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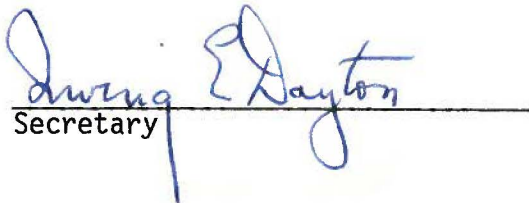
Item 45-801-R0984, Resolution Concerning the Retirement of Jean Christian Talmage, Instructor of Nursing, School of Arts and Sciences; Northern Montana College

Item 45-900-R0984, Staff, Office of Commissioner of Higher Education

The meeting adjourned at 12:05 p.m. The next regularly scheduled meeting of the Board of Regents is November 2, 1984 in Missoula, Montana.

APPROVED:


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


Secretary