

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

DATE: March 20-21, 1986

LOCATION: Conference Room
Montana University System
33 South Last Chance Gulch
Helena, Montana

REGENTS Thursday, March 20
PRESENT: Morrison, Hurwitz, McCarthy, Redlin, Paoli
Scully
Friday, March 21
Morrison, McCarthy, Redlin, Paoli, Scully

REGENTS Thursday, March 20
ABSENT: Lind
Friday, March 21
Hurwitz, Lind

PRESIDENTS Thursday, March 20
PRESENT: Bucklew, Carpenter, Merwin, Treadway
Vice President Turley for Acting President
Dayton
Friday, March 21
Bucklew, Carpenter, Merwin, Tietz, Treadway
Vice President Turley for Acting President
Dayton

PRESIDENTS Thursday, March 20
ABSENT: Dayton, Tietz
Friday, March 21
Dayton

Minutes of Thursday, March 20, 1986

The Board of Regents and the Board of Public Education met as the State Board of Education from 1:00 p.m. to 1:45 p.m. in the Governor's Reception Room, State Capitol, Helena, Montana.

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The Board of Regents convened in executive session in the Montana University System offices on matters including collective bargaining, litigation, and honorary degrees from 2:25 p.m. to 3:20 p.m.

Chairman Morrison called the regular meeting of the Board to order at 3:25 p.m.

Proposed Vocational Technical Centers Governance Models

Commissioner Krause stated the proposed models for governance of Montana's Vocational Technical Centers are before the Regents for consideration as the result of a request from the Interim Legislative Committee on Vocational Education. That Committee requested the Commissioner propose governance models which it might consider in its deliberations which would place the centers under the aegis of the Board of Regents. A similar request was made of the Superintendent of Public Instruction. The centers were also requested to state their views on governance issues.

Commissioner Krause briefly reviewed the legislature's previous actions which resulted in the centers being placed under the Office of Public Instruction. Issues of governance and funding have not been resolved, and the legislature is seeking suggested solutions to those problems.

Commissioner Krause noted the responses to the Interim Committee's request for comments from the centers indicated three would prefer the governance structure be transferred to the Board of Regents, two were unsure, and one was satisfied with the present structure.

Four models were presented to the Regents for consideration. Dr. Krause stated it is believed any

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one of them would be suitable, and the advantages and disadvantages of each as perceived by staff are included in the discussion paper (on file). None of the models address the funding issue. Dr. Krause stated it will be difficult to resolve the governance issues without addressing funding of the centers.

Dr. Krause briefly reviewed the four governance models. He noted they are in rough draft form. It is requested the Board determine which model(s) should be submitted to the Interim Committee, and after that determination, more detail and data will be added before submission to the committee. Chairman Morrison asked for clarification as to whether it is required that all five of the centers have the same governance system. Would the Regents have to assume governance responsibility for all the centers, or none of them. He was advised the Interim Committee had indicated that would not necessarily be the case. It was agreed that option could be considered in making the governance determinations.

An extensive discussion followed on the philosophical and practical aspects of placing the centers under the Board of Regents. It was agreed the Board of Regents is the logical governing body for the centers, but if that is the decision of the legislature, the assignment of vocational technical education governance must carry with it its own funding. It was also agreed the vo-techs currently serve a large constituency, and any change in governance must assure that service will continue and increase coordination among postsecondary educational units within the state. Any model selected should enhance the sharing and coordination of facilities, staff,

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faculties and technical equipment, and reduce duplication of services among the vo-techs and the units of the University System. The legislative prerogative to assign the governance of the centers was briefly discussed.

Three models were selected for additional revision and review. They were: (1) Multi-Branch Campus Model; (2) State System Model; and (3) Single Branch Campus Model. Commissioner's staff was instructed to revise the models in accordance with today's discussion and submit the revisions to the presidents of the System and the community college presidents. The presidents were instructed to provide written comments, and these comments will be submitted to the Regents along with the revised models for further review prior to submission to the Interim Committee.

Enrollment Report

Paul Dunham, Director of Special Services, distributed and reviewed advance copies of the "Enrollment in Higher Education Institutions in the State of Montana, Fall 1985" (on file). The report summarized those data for Fall 1985 and made comparisons with the previous year or years.

The meeting recessed at 4:25 p.m.

Minutes of Friday, March 21, 1986

Chairman Morrison called the meeting to order at 9:05 a.m.

The first order of business was the joint public hearing between the Board of Directors of the Montana Higher Education Student Assistance Corporation and the Montana Board of Regents of Higher Education. The

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purpose of the public hearing was to allow for public comment on the proposed tax-exempt student loan revenue bonds to be issued by the Montana Higher Education Student Assistance Corporation as required by H.R. 3838 passed by the U.S. House of Representatives in December 1985.

Minutes of the public hearing may be obtained from the Montana Higher Education Student Assistance Corporation, 33 South Last Chance Gulch, Helena, Montana 59620.

At the conclusion of the public hearing, the Board of Regents convened in open meeting. Roll call was taken and it was determined 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 January 30-31, 1986 meeting, and the February 24, 1986 and March 3, 1986 Conference Call meetings were ordered approved.

Collective Bargaining Committee

Commissioner Krause stated the Tentative Agreement January 17, 1986 Collective Bargaining Agreement between the American Association of University Professors, Eastern Montana College and the Montana University System was ratified by mail ballot. The Board was requested to ratify and confirm the mail ballot approval of the agreement. On motion of Regent McCarthy, the mail ballot approval was confirmed.

By-Laws and Policy Committee

Each of the following items was reviewed briefly by Commissioner Krause. All had been on the submission agenda for one or more months to allow for comment or question.

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On motion of Regent Paoli, Item 50-001-R0186, Eligibility for WICHE, WAMI, and Minnesota Dental Programs; Montana University System, was approved.

On motion of Regent Scully, Item 16-003-R0577, Appointment, ~~Adjunct--Faculty~~ of Faculty; Montana University System, (Revised) was approved.

On motion of Regent McCarthy, Item 26-021-R0380, Tenure; Faculty; Montana Univeristy System, (Revised) was approved.

Capital Construction Committee

The following items were reviewed by Commissioner Krause, and Regents' questions were responded to by the Commissioner and campus personnel. The following actions were taken:

Item 50-101-R0386, Asbestos Removal-University Center; University of Montana

On motion of Regent Redlin, the item was approved.

Item 50-201-R0386, Authorization to Engage an Architect and Construct an addition to, and Remodel Portions of, the Poultry Industry Residence; Montana State University

On motion of Regent Scully, the item was amended as follows, and approved: Delete the last four sentences in Section 2 of the Explanation and insert "Kellog Adult Learning Project". Section 2 now reads: "2. The proposed project is necessary to create sufficient office space for the Kellog Adult Learning Project".

Item 50-203-R0386, Authorization to Engage an Architect to Remodel Two Wings of the Lewis &

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Clark Residence Hall for Older Students;
Montana State University.

On motion of Regent McCarthy, the item was approved.

Item 50-204-R0386, Authorization to Engage an Architect to Remodel a Portion of Roskie Residence Hall; Montana State University

On motion of Regent McCarthy, the item was approved.

Item 50-205-R0386, Authorization to Develop Computer Terminal Rooms in Each Residence; Montana State University

On motion of Regent Paoli, the item was approved, with Regent Scully voting no.

Item 50-206-R0386, Authorization to Engage an Architect to Construct 75 Family Housing Apartments and a Daycare/ Community Center; Montana State University

On motion of Regent Redlin, the item was approved with Regent Scully voting no.

Item 50-602-R0386, Authorization to lease property to the Dillon Alano Club; Western Montana College

Regent Scully moved the item be approved subject to approval of the final lease agreement by the Board. The motion carried.

Item 50-701-R0386, Purchase of Real Property; Eastern Montana College

On motion of Regent Scully, the item was approved.

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Item 50-702-R0386, Increase in Scope and Spending Authorization to the Recreation Field project located north of the Physical Education Building; Eastern Montana College

President Carpenter stated Eastern Montana College has determined it would be in the College's best interest to postpone this project at this time. Approval of the item is requested to allow planning of the project, and to allow the total project to be bid at one time when it is in the College's best interest to do so. With that understanding, on motion of Regent Scully, the item was approved.

Item 50-801-R0386, Authorization to Proceed with Second Phase of Parking Lot Construction at an estimated cost of \$95,000; Northern Montana College

On motion of Regent Scully, the item was approved.

Commissioner Krause reported construction of the swimming pool at Western Montana College has been "put on hold" until a study is completed of the revenue flow from the interest and income monies. He will keep the Board informed as to whether the project will be delayed, or abandoned.

Long Range Building Program Campus Visits

Discussion was held on the schedule of campus visits to review requests for submission to the legislature in the Long Range Building Program. Regent Scully expressed dissatisfaction with the format. He stated the present format does not provide an adequate assessment of priorities, and because all Regents can't visit all campuses, it is difficult to evaluate what you have not

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seen. He concurred with the present format for this year, but asked for a revision of the format for next year. He suggested a paring down of the campus lists to establish a priority list, then schedule a one to one-and-a-half day tour by the full Board to visit only the campuses that have designated priority building requests. Problems with assessing deferred maintenance requests using this format were discussed. It was agreed to follow the established process for the present time. The Commissioner will prepare a revised process for campus visits for the next biennium.

Chairman Morrison recommended the Board seriously consider recommending construction of only one new building to the 1987 Legislature. Maintenance needs will remain a priority. With the budget constraints facing the state, Chairman Morrison felt the Regents should exhibit leadership in this arena by recommending only that which is at least feasible.

Campus visits to evaluate long range building program requests will be scheduled in early May as proposed by Mr. Lannan. Representatives from the state Architecture & Engineering Division, the Governor's Budget Office, and the Legislative Fiscal Analyst will participate in the tour. A revised schedule will be sent to the Regents and other participants. The Long Range Building Program requests will be presented to the Regents at the May meeting.

Budget Committee

Submission Agenda

Jack Noble, Deputy Commissioner for Management and Fiscal Affairs, reviewed the four items on the Budget Committee Submission Agenda. He explained staff of

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the Commissioner's office is working with the respective campuses on these items. The proposed increase in building fees and the establishment of a student union use fee are necessary for the stability of the bond indentures at the two campuses. The fees will be mandatory. Mr. Noble distributed a comparison of mandatory fees, building fees and student union use fees in the System (on file). NMC and WMC have the lowest fees in the system. At Western, dormitory occupancy is down to 67%; at NMC, occupancy is down to approximately 50%. The dormitories are old and unattractive, and have not been well maintained. Off-campus housing is readily available. Food services located within the student union facilities may have to be remodeled and modernized if the campuses are going to increase and maintain higher occupancy rates.

The bond covenants contained in the two indentures require the Regents to establish such actions as are necessary, including fees for the use of the facilities, to assure maximum occupancy and use and to provide sufficient revenues for the maintenance and operation of the facilities, including obligations to the sinking fund account and repair and replacement reserve. Without the fees proposed in the four items, the indentures are not stable. Action will probably be required at the May meeting to improve the financial stability of the bond indentures at WMC and NMC. The financial analysis will be shared with the respective student governments when it is mailed to the Board. Ample time will be provided for student participation in the process.

Regents' questions regarding the affect additional fees will have on student use of the facilities were responded to by Mr. Noble. The question was asked if

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the alternate source of revenue for the indentures would be general fund monies or resources of the system if sufficient monies are not produced through use fees to prevent default. Mr. Noble responded the system has never defaulted on an agreement. The general resources of the system are the back-up. The system would be faced with going to the legislature for a supplemental appropriation. Chief Counsel Schramm elaborated on the response. He stated that as a legal matter the general fund of the state would not be at risk. The revenue bonds are narrowly drawn, and the obligation of the Regents is to assess fees for the projects funded through those bonds. As a practical matter, if default of the obligation appeared to be a reality, the System would have to obtain other funds or face the prospect of never being able to issue bonds in the future. While there may not be a legal obligation, there certainly is a practical one.

The following four items were received for consideration at a future meeting:

Item 50-601-R0386, Authorization to increase Building Fees pledged to the 1966 Housing and Dining System Bond Indenture from \$15 per semester to \$30 per semester for all students enrolled for seven credits or more effective Fall Semester 1986; Western Montana College

Item 50-603-R0386, Authorization to establish a student union use fee of \$4.50 per semester for part-time students taking six credits or less; and

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to establish a \$9 per semester student union use fee for students enrolled for 7 credits or more effective Fall Semester 1986; Western Montana College

Item 50-802-R0386, Authorization to increase the building fee \$5 per quarter for part-time students taking six credits or less; and to increase the building fee \$10 per quarter for students taking seven credits or more effective Fall Quarter 1986; Northern Montana College

Item 50-803-R0386, Authorization to establish a student union use fee of \$3 per quarter for part-time students taking six credits or less; and to establish a \$6 per quarter student union use fee for students enrolled for seven credits or more effective Fall Quarter 1986; Northern Montana College.

Action Agenda

Item 50-3002-R0386, Authorization to Deposit District Money with First Interstate Bank of Kalispell; Flathead Valley Community College was reviewed by Mr. Noble. The item authorizes FVCC to deposit memorial fund monies with a specific bank as requested by the donor of the monies. Mr. Noble responded to Regent Scully's questions concerning fragmentation of the college's deposits through allowing variations to Section 20-15-398 MCA. On motion of Regent McCarthy, the item was approved, with Regent Scully voting no.

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Item 50-202-R0386, Authorization to increase the Health fee component of Student fees from \$29.50 to \$35.50; Montana State University was reviewed by Mr. Noble. The item addresses only the student health service at MSU, and does not address the problems regarding health insurance which will be brought to the Regents at a future meeting. The health fee has not been increased since Autumn Quarter 1982. Since that time there has been an improvement and addition of services, normal salary increases, and highly inflationary increases in medical supplies, equipment and contracted services. The MSU Student Health Committee and the ASMSU Student Senate strongly endorse the increase. President Tietz responded to Regents' questions concerning the services provided by the health service. The fee increase implements no supplemental programs. The health service provides an essential service for students, particularly those who lack transportation and funds to avail themselves of downtown physician and hospital services. On motion of Regent Paoli, the item was approved, with Regent Scully voting no.

Item 50-003-R0386, Authorization to establish a separate non-resident tuition rate on a two year trial basis for students living in the residence halls at Western Montana College and Northern Montana College; Montana University System, was reviewed by Mr. Noble. He referenced the Board's review of the dormitory situation at Western Montana College during the January meeting held on the WMC campus. The item is proposed as part of a solution to increase dormitory occupancy at both campuses. Increased revenue from the dormitories is essential

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from both NMC and WMC to increase the stability of the bond indentures, and is needed in addition to the increased use and building fees on the submission agenda. The dormitory vacancy rates for the current terms were 57% for NMC and 66% for WMC. It is crucial to the terms and conditions of the indentures that this trend be changed. The item before the Board is a trial proposal, and would be reevaluated at the end of a two-year period. Mr. Noble stated there is some uncertainty in his mind if this approach will alleviate the problem.

President Treadway spoke in support of the proposal, stating not only would Western and Northern benefit under this proposal, but the economy of the communities would benefit from an increase in out-of-state students. The auxiliary enterprises are enhanced by the additional input of students, and the overhead is handled by the current budget. If the campuses gain only 60-75 new students, and these live in the residence halls, every dollar gained would be a new dollar. Speaking to the complexity of the issue, President Treadway stated enrollments at Western are stable, and the reserves for the bond indenture are adequate at this time. The future is in doubt. The economy of the Dillon area is in a severe decline, and this spawns a glut of low-cost housing available for students. This proposal is based on a working model which has been used in other states, and takes nothing away from the other units. He concluded if this two-year experiment is approved, the other units may want to take a look at this as a partial answer to problems on other campuses. Western is looking at a residence hall problem, but the problem is larger than that.

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Commissioner Krause stated he could conceptually support a differing tuition, but not necessarily the way this one is presented. He asked the Board consider deferring this item to allow further study of the proposal, and discussion with the Council of Presidents.

President Bucklew stated he applauded the innovative approach to the circumstances that need to be dealt with at Western and Northern, but he believed there were implications in the proposal for all the campuses that should be dealt with in the Council of Presidents. At least four of the campuses in the System have declining enrollments, dorm occupancy problems, and debt service requirements. He also urged the Board to defer the item to allow a more "generic" approach. Actions of neighboring states proposing to bolster their enrollments with Montana students through reciprocity arrangements were briefly reviewed. President Bucklew was informed this issue had been discussed at the previous Council of President's meeting. How such an action would be viewed by the legislature was discussed. The policy issue of reducing out-of-state tuition without addressing the issue directly was also discussed.

At the conclusion of the discussion it was the consensus of the Board that Item 50-003-R0386 be deferred. The item will be placed on the agenda of the Regents' April workshop.

Jim Stipcich, Director of the Montana Higher Education Student Assistance Corporation, explained the Board was provided a resolution requesting authorization of certain documents relating to the MHESAC bond sale with the agenda material. Since that material was provided, the structure of the financing has changed. Mr. Stipcich

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distributed copies of Item 50-901-R0386, Approval of the respective forms and authorization of execution and delivery of a Guarantee Reserve Agreement, a Depository Agreement, and a Guarantee Agreement; and approval and ratification of a Guarantee Agreement and a Servicing Agreement; Montana Higher Education Student Assistance Corporation.

(REVISED) Mr. Stipcich briefly reviewed the changes between the original item and the revised item. He described the documents relating to the bond sale which would be approved by adoption of the Resolution. On motion of Regent McCarthy, Item 50-901-R0386 (REVISED) was approved.

Jack Noble distributed copies of a memorandum from the Governor's Budget Office dated March 20, 1986 on FY 1987 millage and Regents' Coal Fund Interest Income (on file). Mr. Noble explained part of the reason the general fund is down is the reduced interest earnings on investments. That also affects both the anticipated millage income and Coal Fund interest income. The estimated revenue from the Coal Tax Trust interest income for FY 87 is \$358,373 below the amount appropriated. Mr. Noble outlined how this would affect the WICHE and WAMI programs. If the revenue projections are accurate, the number of students the programs could finance would be severely reduced. Mr. Noble explained the legal obligations contained in the WAMI contract. In the absence of receiving some additional resources in the special legislative session in June, it is possible that to meet the contractual obligations in the WAMI contract, the state work study program for the coming year would be reduced. The millage shortfall is not as serious. Mr. Noble stated the cash balance in that account should cover the shortfall in 1987. Letters outlining the situation may have to be sent

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to participants in the WICHE/WAMI programs. Mr. Noble will keep the Board informed.

President Carpenter, Eastern Montana College, briefly reviewed the financial aid problems at EMC, and outlined the steps the College has taken to provide assistance to students until additional financial aid funds are forthcoming. He explained some students have found alternate sources of funds; the College is working to provide jobs for students both on and off campus; some short-term loans have been secured; and the College is working individually to counsel the student affected. For a limited number of students, a deviation from Regents' Policy 940.6 allowing deferral of fee payments to a date certain would be beneficial. A copy of a motion which would allow the deviation was distributed to the Board.

Regent Scully stated his review indicated that motion was sufficiently specific and self-explanatory. Regent Scully moved that authorization be granted to Eastern Montana College to deviate from Regents' Policy 940.6 for spring quarter, 1986. Specifically, that fee payments for those students who were notified by the college of their financial aid reduction on February 28, 1986, may defer fee payments no later than September 22, 1986. It is understood that the deferral shall only apply to students who:

- a) are in academic and financial good standing;
- b) whose aid was reduced \$250 or more;
- c) are enrolled for 12 or more credit hours for spring quarter, 1986, at EMC;
- d) have reviewed guaranteed student loan options with the financial aid office or already have received the maximum amount from this program; and

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e) have worked with the Job Locator for available work opportunities where appropriate.

It is further understood that the total number of students eligible for this deferral is 150, based on a first come, first served basis. The motion carried.

Item 50-002-R0186, Administrative Salaries, 1986-87 Scale; Montana University System, was reviewed. It was explained these are salary ranges, and deviations above the approved ranges must be justified to the Board before placing them on the public agenda. Adopting the scale does not mean an automatic increase to the next step. The Administrative Salary Scale is a guideline used by the campuses in hiring, and in keeping the campuses approximately on a par with one another on administrative positions. On motion of Regent McCarthy, the item was approved, with Regent Scully voting no.

Paul Dunham, Director, Research and Services, presented the annual report required by the computer fee policy (on file). He reviewed the material attached which showed the amount of fees generated, and the uses which have been made of the fees.

Curriculum Committee

Submission Agenda

Commissioner Krause reviewed Item 50-3001-R0386, Authorization to offer an Associate of Arts Degree Curriculum at the Flathead Valley Community College Education Center in Lincoln County. He explained the Center was approved in 1983 with certain offerings which are set out in the Explanation on the item. The College is now requesting an expansion to add a transfer curriculum to the Center offerings to allow Lincoln County students to complete up to two years of college work in preparation

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for transfer to one of the System's four year colleges or universities. Commissioner Krause stated he plans to visit the center for a review before the item is placed on the action agenda. There is strong local support. A presentation by the community will be made to the Regents when the item appears on the action agenda.

Action Agenda

Dr. Krause explained Items 50-004-R0386, System Goals and Objectives; Montana University System, and 50-005-R0386, Approval of Recommendations on Institutional Academic Plans; Montana University System were placed on the action agenda because they need to be discussed. Speaking to the curriculum recommendations, Commissioner Krause stated he would like to defer action on those and plan for further discussion at the April workshop. He explained the curriculum recommendations are in response to the academic planning process. Overall, the recommendations focus on longer term needs for continuing curriculum development on the campuses. It is necessary to continue that planning even in difficult times. The campuses were conservative in the original planning documents submitted to the Commissioner's office, and the recommendations in response to those plans are even more conservative.

Speaking to the System goals and objectives in Item 50-004-R0386, Commissioner Krause stated it is critical that goals and objectives be adopted by the Regents because they provide the framework for future planning, both academic and in the System's approach to the legislature. The System goals and objectives propose some reorganization and program elimination, priorities for funding are established, areas of access are reviewed,

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and methods to involve the System more fully in promoting the economic development of the state are included. Commissioner Krause stated he believed the Board should study these carefully. The Regents will be asked to review the proposed System goals and objectives at the April workshop.

Chairman Morrison asked if any of the presidents wanted to comment.

President Tietz stated he had no problem in terms of the overall goals and objectives. He concurred the System should be developing such goals, and that they are a long term issue. He felt otherwise concerning the curriculum recommendations. He did not feel those should precede discussions on role and scope issues. He felt to put forward specific changes in individual programs on the campuses before role and scope discussions would be inappropriate. President Tietz referenced a planning document released yesterday on MSU's campus that was the result of a great deal of internal study and discussion. He requested discussion on that before action is taken on individual curriculum recommendations. He suggested the Council of Presidents discuss role and scope issues and bring that discussion forward to the Board. Curriculum adjustments could be put in place following those discussions.

Commissioner Krause acknowledged there are alternate methods to address curriculum issues, but it is difficult to discuss role and scope in the abstract. Role and scope revisions can also be adopted as curriculum issues are resolved. Dr. Krause referenced the figures released by the Governor's Budget Office yesterday which clearly will mean elimination of some programs. The severe fiscal constraints now facing the state were not

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anticipated when the academic planning process was initiated two years ago. It should be kept in mind that nothing is static. Modifications will be made in view of changing needs and aspirations, and in response to the fiscal crisis facing the state.

President Carpenter spoke to the role and scope discussions that evolved out of discussions with the Board some two years ago, and the time spent on that topic at a previous workshop. Recommendations that came forward in the academic plans previously received by the Board evolved from those discussions, and are the result of a great deal of effort by a great many people on each of the campuses. He questioned whether this is an appropriate time to replace that planning with role and scope planning in the abstract.

It was agreed that both the curriculum recommendations and the goals and objectives would be discussed at the April workshop. Commissioner Krause cautioned that the workshop is not designed to concentrate only on role and scope. Goals and objectives must be looked at to determine what the System needs to preserve as programs are cut or merged. The Regents and the campuses must not lose sight of what is essential to maintain over the long term.

At the conclusion of the discussion it was agreed a conference call meeting with the presidents would be held as soon as possible to develop a tentative agenda for the April workshop. The agenda will be sent to the Regents as soon as it is prepared. The Regents' Workshop will be held on April 17-18, 1986 at the Yogo Inn, in Lewistown, Montana.

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Commissioner's Report

Commissioner Krause reported on behalf of Paul Gordon Lauren, Director and Professor of the Maureen and Mike Mansfield Center, that the Center has received a grant from the Japan-United States Friendship Commission to provide initial funding for an exchange program between Montana and Kumamoto. This grant will eventually make possible a program of exchange for both students and faculty.

Commissioner Krause distributed copies of a summary of impact of the Governor's 2% reduction on programs in the University System (on file).

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

Bill Mercer, out-going President of the Associated Students, University of Montana, expressed his appreciation for the opportunity of working with the Regents. He stated he believed the Regents did a good job overseeing the System, and he had enjoyed the association. Chairman Morrison responded the Regents had also enjoyed the association, and Mr. Mercer had been an effective president of ASUM.

Council of Presidents

President Tietz reported that Montana State University has just completed the first phase of program evaluations and an overall campus plan for the next several years. He distributed copies of the document (on file). The work was begun in early January by a distinguished group of faculty, students, and administrative staff to establish priorities for MSU's future. While the task is by no means complete, the committee has produced

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an initial set of recommendations that address the shape of MSU for years to come.

President Bucklew reported on the University of Montana's contingency plan which will be carried out under the direction of Acting President Habbe. The final report on that plan will be brought to the May meeting.

President Bucklew reported also that Montana produced two Rhodes Scholars this year, one at the University of Montana, and one from Bozeman who is studying out of state. He noted this is symbolic that throughout the System things of excellence are working, and are there in the tightest of times. This should be viewed as the source of our joy. The current Rhodes Scholar is the twenty-third from the University of Montana, and President Bucklew stated his great pleasure that the University of Montana is recognized nation-wide for its high rank in the number of Rhodes Scholars selected from the University.

President Bucklew stated because this is the last meeting he will attend as the President of the University of Montana, he would like to thank each member of the Board and each president for being good colleagues and good friends. Chairman Morrison responded he would also take this opportunity on behalf of the Board and the people of the state of Montana to thank President Bucklew for his loyal service and outstanding leadership during his term as president.

Regular Agenda

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

Item 50-100-R0386,	<u>Staff; University of Montana</u>
Item 50-200-R0386,	<u>Staff; Montana State</u>
	<u>University</u>

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Item 50-300-R0386, Staff; Agricultural Experiment
Station
Item 50-400-R0386, Staff; Cooperative Extension
Service
Item 50-500-R0386, Staff; Montana College of
Mineral Science and Technology
Item 50-700-R0386, Staff; Eastern Montana College
Item 50-900-R0386, Staff; Office of Commissioner
of Higher Education

The meeting adjourned at 11:50 a.m. The next regularly scheduled meeting of the Board of Regents is May 15-16, 1986 in Helena, Montana.

APPROVED:

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

Cassal Thrause
Secretary