

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

DATE: April 26-27, 1990

LOCATION: Lewis & Clark Room  
Mathews Hall  
Western Montana College  
Dillon, Montana

REGENTS PRESENT: Mathers, Redlin, Schwanke, Clouse, Johnson,  
Topel, Kaze  
Commissioner of Higher Education Carrol  
Krause

REGENTS ABSENT: None

PRESIDENTS PRESENT: Koch, Carpenter, Kerins, Norman, Tietz,  
Provost Easton

PRESIDENTS ABSENT: None

Minutes of Thursday, April 26, 1990

Chairman Mathers called the meeting to order at 1:30 p.m. Roll call was taken and it was determined a quorum was present.

Chairman Mathers welcomed newly-appointed Regent Cordell Johnson, of Helena, Montana, to the Board of Regents. Regent Johnson was appointed to fill the unexpired term of Regent Dennis Lind, and will serve a term ending February 1, 1996.

Chairman Mathers called for additions or corrections to the minutes of the previous meeting.

April 26-27, 1990

None were stated and the minutes of the March 22-23, 1990 meeting were approved as submitted.

COMMITTEE SCHEDULE

Budget Committee

Budget Amendment Report

Deputy Commissioner Noble presented the Budget Amendment Report, noting at the last meeting the Regents gave preliminary approval to several budget amendments, pending review and comment by the Legislative Finance Committee. That Committee concurred in the approval of all except the vo-tech administration budget amendment in the amount of \$5,000. The reason cited was that the funds were available for consideration during the last legislative session, and therefore do not meet the criteria for budget amendment approval. Mr. Noble explained the vo-techs were in the process of governance transition during the last legislative session, and the funds requested are needed to pay costs of the audit mandated by both the legislature auditor and the federal government. He requested the Regents let stand its approval of the budget amendment.

After discussion of the issues raised by Mr. Noble and the preliminary approval granted the budget amendments at the March 1990 meeting, Regent Kaze moved final approval of the following items from the March agenda:

Item 66-103-R0390, FY 90 \$1,268,023  
Tuition and Fees; FY 91 \$1,268,023 Tuition and Fees;  
University of Montana;

April 26-27, 1990

Item 66-206-R0390, Budget Amendment;  
\$365,000 Tuition and Fees; Montana State University;

Item 66-301-R0390, \$10,500 Unexpended Fund  
Balance; Agricultural Experiment Station;

R Item 66-702-R0390, \$98,000 Tuition and Fees;  
Eastern Montana College;

Item 66-901-R0390, A) Montana Tracks  
Project - \$72,000 (Private); B) Vo-Tech  
Administration - \$5,000 (Federal) C) GSL Program FY 90  
- \$120,000 (Federal); D) GSL Program FY 91 - \$231,038  
(Federal); Office of Commissioner of Higher Education;

Item 66-6001-R0390, \$2,000 Federal Funds;  
Fire Services Training School;

Item 66-8503-R0390, \$37,200 Tuition and  
Fees; Great Falls Vocational-Technical Center;

Item 66-9502-R0390, \$18,935 Tuition and Fees; Missoula  
Vocational-Technical Center.

Staff was instructed to write to the  
Legislative Finance Committee and the Governor's Budget  
Office to communicate the action, and the reasons the  
action was taken.

Report on Higher Education Expenditure; 1979-1991

Mr. Noble distributed copies of a report  
titled "Budget Projections for the 1993 Biennium"  
prepared for the Legislative Finance Committee by the  
Legislative Fiscal Analyst's Office regarding the  
financial condition of the state of Montana and  
presenting alternatives available in the next  
legislative session to address funding needs through  
budget cuts or other revenue adjusting alternatives.  
The material was for informational purposes only.

April 26-27, 1990

Next Mr. Noble distributed copies of the Legislative Fiscal Analyst's recently released "State of Montana Historical Expenditure Report." While the cost and expenditure data is accurate, it was prepared using the State and Local Government Price Index. The conclusion reached by the press that higher education has kept pace with inflation in Montana over the nearly 13 year period covered by the report is erroneous. Mr. Noble distributed and reviewed copies of two graphs covering the same 13-year period (on file) prepared using the Higher Education Price Index which accurately depicts higher education's "market basket", and which clearly reveal that higher education funding has far from kept pace with inflation since 1983. An additional handout, "Montana University System Tuition and Fees; 1979-1990" (on file) also highlights the extreme increase in tuition experienced by Montana's students in the period 1979-1990. Tuition as a percent of budget was 13.3% in 1979; in 1990 it was 22.5%. This information puts the report issued by the Fiscal Analyst's Office in perspective, and should be particularly useful in the Budget Committee's deliberations while reviewing budget requests for the next biennium.

Mr. Noble also distributed copies of a document showing appropriations of state tax funds for operating expenses of 28 consolidated systems of higher education, FY's 1979-80, 1987-88, and 1989-90, with percentages of gain over the most recent two and ten years. The report indicates the Montana University System experienced a 4% gain in the most recent 2-year period, and an 88% gain over the 10-year period.

April 26-27, 1990

Chairman Mathers noted the information bears out something that is well-known to people attending this meeting - the Montana System has been down at the bottom and is still there.

OCHE Audit - Fee Waivers

Mr. Noble referenced a letter from the Office of the Legislative Auditor dated April 6, 1990 (on file) requesting discussion of the Regents' fee waiver policies, including a position on the issues involved and what legislative alternatives could be proposed during the next legislative session to solve the problem. The recommendation of the Audit Committee is that the Board change its policy on nonresident fee waivers to comply with state law.

Mr. Noble discussed the three categories of nonresident fee waivers established by the Regents through policy, and the response provided to the Audit Committee. The audit report asserts that Regents policy must be exactly parallel to statute. This language predates the 1972 constitution, and if it is accepted that a statutory restriction on waivers is valid, it would seem to create a conflict with the Regents specific statutory authority to "prescribe tuition rates. . . for students in institutions under their jurisdiction." It would seem also to convey the authority to determine "who doesn't pay." Regents' policy on nonresident fee waivers has been in existence for several years, and was last updated in June 1986. Further discussion on this topic will be held in discussion of the next agenda item, revision of the Regents Fee Waiver Policy.

April 26-27, 1990

Addition to Agenda

Item 67-106-R0490, Program Transfer; University of Montana

Mr. Noble distributed copies of the requested program transfer from the University of Montana. The item requests a program transfer of \$83,500 from instruction to fee waivers. The factors requiring the transfer are contained in the item. Mr. Noble recommended the item be approved. On motion of Regent Kaze, Item 67-106-R0490, and addition to the agenda, was approved.

Item 18-005-R1077, Fee Waivers; Montana University System (Revised) was reviewed by Chief Counsel Schramm. He referenced his memorandum to the Board dated April 13, 1990 (on file) sent with the agenda material which explains the requested revisions. The revisions are housekeeping in nature, and contain no major policy change. The revisions include changing the permissive "may" to "shall" in four places where it now appears (Native American, veteran, custodial students, and faculty and staff, pp. 4 and 5; corrects an omission of the age limit for the war orphans fee waiver and places the limit at age 25 instead of 23 (p. 4); changes the definition of a normal credit load used to calculate the value of a full waiver from 12-18 credits to 14-18 credits (p. 4); and amends the faculty and staff fee waiver to make clear that only the incidental fee is waived (p. 5).

In discussion of the revisions, President Tietz noted that on page 6 of the item, Section 1. Athletic Fee Waiver, the Association for Intercollegiate Athletics for Women is no longer in existence, and

April 26-27, 1990

should be deleted. On motion of Regent Schwanke, the item 18-005-R1077 was so amended, and approved as amended.

Chief Counsel Schramm noted there have been requests made of the Commissioner's Office to put forward amendments creating two new classes of fee waivers; one for participants in the Western Undergraduate Exchange (WUE) and one for Presidential Scholars at MSU. Because this issue is complicated, no amendments have been drafted until the matter can be further discussed. Commissioner Krause cautioned these requests involve major policy issues, and should be put on the agenda for discussion rather soon in context with a discussion of the overall direction for the entire System, particularly in light of the criticism and audit exceptions the System has been receiving regarding numbers of fee waivers granted. He suggested under the new committee structure proposed by the Board it would be appropriate for the Budget Committee to schedule discussion of proposed legislation that would take the entire issue of fee waivers out of statute.

INVITATION TO STATEWIDE COLLEGE AND UNIVERSITY PRESIDENTS MEETING; SALISH KOOTENAI COLLEGE

Chairman Mathers noted Ms. Karen Fenton, Salish Kootenai College Board, was now present, and wished to extend an invitation for a joint meeting. Ms. Fenton spoke to the mutual interests and concerns facing the University System and the tribally controlled community colleges. These have been discussed with presidents of the units and the Commissioner. Salish Kootenai College wishes to extend an invitation to the presidents, vo-tech center directors, admissions

April 26-27, 1990

officers, and the academic vice presidents to hold a meeting on the College's campus on September 7, 1990, and if agreeable, expand it to include a meeting of the Board of Regents. The invitation would also be extended to presidents of all other colleges in Montana.

Commissioner Krause expressed appreciation to Ms. Fenton for the invitation. He accepted the invitation on behalf of the Council of Presidents, and suggested Ms. Fenton coordinate the request to include a Board of Regents meeting with Dr. John Hutchinson, who will become Acting Commissioner of Higher Education on July 1, 1990.

Item 67-9001-R0490, Approve Loan Agreement No. S208-75149-95149 between the United States Defense Logistics Agency and the Board of Regents for a horizontal shaper, I.D. #3419-08397, Serial #93HC90; Helena Vocational-Technical Center was reviewed by Dr. Schramm. The shaper has been on loan to the Helena Vo-Tech Center since 1977, and is an essential piece of equipment to the Center's training needs. With the change of governance of the vo-tech centers to the Board of Regents, it is necessary that the new agreement reflect the Board of Regents rather than the School District. On motion of Regent Kaze, the item was approved.

The following items on the Budget Committee agenda were reviewed concurrently:

Item 67-702-R0490, Building Fee; Eastern Montana College  
Item 67-703-R0490, Student Health Fee Increase; Eastern Montana College  
Item 67-704-R0490, Student Union Use Fee; Eastern Montana College  
Item 67-705-R0490, Student Activity Fee; Eastern Montana College



April 26-27, 1990

President Carpenter, Eastern Montana College, noted the four fees before the Board for increase represent a series of fees that have not been increased in many years. In looking at the College's ability to meet student needs, the alternative to curtailing the student union or health service's open hours for instance is to increase the fees. The increases have been adopted by the Student Senate of Eastern Montana College by resolution without a dissenting vote.

Vice President for Student Affairs Whipple, EMC, spoke to support of the students for the fee increases. He introduced the new student government officers from EMC for 1990-91, Kirk Lacy, ASEMC President; Greg Adkins, ASEMC Vice President, and Melanie Thompson, ASEMC Business Manager. Mr. Lacy spoke to student support of the fee increases, noting also the student recommendation to the administration that a committee consisting of students and administrators be established to meet on a regular basis to review the need for such increases in the future.

Regents questions were responded to including comparisons of the student fees at EMC with those of other units.

After discussion, on motion of Regent Topel Item 67-702-R0490, Building Fee; Eastern Montana College and Item 67-703-R0490, Student Health Fee Increase; Eastern Montana College were approved.

On motion of Regent Clouse, Item 67-704-R0490, Student Union Use Fee; Eastern Montana College Item 67-705-R0490, and Student Activity Fee; Eastern Montana College were approved.

April 26-27, 1990

Item 67-501-R0490, Authorization to Increase the Building Maintenance and Use Fee; Montana College of Mineral Science and Technology, was reviewed by President Lindsay Norman. He explained Montana Tech's situation is very similar to that experienced at Eastern Montana College. The building maintenance and use fee is in need of increase because of loss of land grant income and loss of investment income, at the same time the College is experiencing escalating costs in maintaining student use facilities. Even with this increase, Montana Tech will have one of the lowest building and maintenance fees in the System. The increase is critical also to the College's bonded indebtedness on the facilities.

Speaking also to Item 67-502-R0490, Authorization to Increase the Student Health Fee; Montana College of Mineral Science and Technology, President Norman noted this is a very nominal increase needed to meet inflationary increases in health care.

President Norman noted for the record that both increases are brought forward with full student support.

President Norman introduced Montana Tech's new president of the Associated Students, Montana Tech, who spoke to student participation in the development of these fee increases, and endorsed the administration's recommendation they be approved.

In response to a question from Regent Redlin, President Norman clarified that the use fee proposed applies only to student use areas such as the SUB, dormitories, etc., covered under the bond indenture.

April 26-27, 1990

On motion of Regent Redlin, Item 67-501-R0490, Authorization to Increase the Building Maintenance and Use Fee; Montana College of Mineral Science and Technology was approved.

On motion of Regent Johnson, Item 67-502-R0490, Authorization to Increase the Student Health Fee; Montana College of Mineral Science and Technology, was approved.

Report on Bid Results; Montana University System Group Insurance Plan

Dave Evenson, Director of Benefits, reviewed the process through which the Montana University System Employee Benefits Group Plan was taken to market to determine how competitive the program is. In addition, major modifications in the plan were being considered to effect cost containment on claims. Mr. Evenson distributed copies of the summary of evaluations of the companies responding to the request for bid. There were 24 responses to the request for bid, which is an excellent response. Mr. Evenson stated he believed the prices established are as competitive as possible for the plan at this time.

Four companies were interviewed for the utilization services management program after evaluating the bid results. Managed Care of Montana, a subsidiary of Blue Cross/Blue Shield, was recommended to the Commissioner as the company to provide the managed care program.

Under the administrative services only contract portion of the bid, two companies were interviewed. Based on the interviews and evaluations of the bids, the most cost effective program was determined to be that provided by United of Omaha, the incumbent company.

April 26-27, 1990

Mr. Evenson reviewed the medical plan trend line of cost per employee for medical costs. Medical costs in Montana are increasing between 18% to 22% per year on average. Cost containment efforts that have been incorporated into the plan were reviewed by Mr. Evenson. He noted, however, that medical inflation is a volatile issue that will be of central concern to the legislature in the next session. The rates quoted to employees are guaranteed for only six months, in the interests of prudent management. If the projections and trend lines are not accurate, the situation could arise that employees will be asked to make additional contributions to prevent bankruptcy of the program.

Commissioner Krause commended the Inter-Unit Benefits Committee and Mr. Evenson for the hours and days involved in development of the plan presented today, and their attempts to keep the System's plan on a sound financial basis.

President Carpenter urged the Inter-Unit Benefits Committee to keep employees apprised of the possible need for additional contributions at the end of the six month guaranteed rate period, and make an effort to let them know what that contribution might be.

Commissioner Krause noted information on the changes will be sent to all enrollees in the program, and will include the information that the rates are guaranteed for only six months.

In response to Regents' questions, Mr. Evenson noted there are approximately 5,400 active employees and retirees in the plan. With dependents, the plan covers approximately 12,000 lives. The legislature now appropriates \$150 per month per employee

April 26-27, 1990

towards health care costs. Presently that covers the employees cost; if dependents are included, the employee pays an additional out-of-pocket cost; retirees pay the full amount. The plan is slightly different than that covering other state employees outside the University System. Those differences were briefly discussed by Chief Counsel Schramm.

Mr. Evenson concluded his report, noting it was informational only and no action was required.

Item 51-901-R0686, Self-insured Group Insurance Program; Montana University System (Revised) was reviewed by Mr. Evenson. The revision allows establishment of a self-insured (Administrative Services only) group insurance plan, changing from the previous partially self-insured minimum premium plan.

Regent Kaze noted there was no mention on the vocational-technical centers' participation in the plan in the item as presented. He moved the item be amended to insert the vo-tech centers in the appropriate places to indicate their participation. The motion carried.

Regent Redlin then moved that amended Item 51-901-R0686 be approved. The motion carried.

By-Laws and Policy Committee

Submission Agenda

The following items were received for consideration at the June 1990 meeting:

Item 2-901-R097, Commissioner of Higher Education; establishment (Revised)

Item 20-008-R0578, Presidents, Duties and Responsibilities (Revised)

Chief Counsel Schramm reviewed Regent Topel's direction to Deputy Commissioner Hutchinson and himself

April 26-27, 1990

to draft amendments to more accurately reflect the Commissioner as the chief executive officer of the System. The thrust of the policy changes is to more clearly show that the presidents report to the Commissioner, and the Commissioner then reports to the Board. Revisions to Item 20-008-R0578 are made to be consistent with the changes in Item 2-901-R097, and should include inclusion of the vo-tech center directors and community colleges where appropriate.

President Koch provided a cautionary note regarding the changes to the policy that speak to political and legislative involvement of the presidents and commissioner. What is outlined in the policy is simple and straightforward, but President Koch noted from his experience it does not comport well with political reality. When the Board seeks to accomplish something politically, it has to use the presidents as perhaps the primary means to accomplish those goals - to talk with local legislators, organize alumni, talk with media, provide financial support. The Board should be careful about adopting regulations that reality will cause to be stretched, if not violated, rather consistently. The Board should insist on loyalty and consistency, but should be cautious about adopting rules that fly in the face of reality.

President Tietz concurred with the statements of President Koch. He added he hoped the same feelings would exist with regard to the Regents and with members of the Commissioner's staff in their discussions with the legislature.

April 26-27, 1990

Other concerns were raised with various wordings in the revisions to the two policies. Other Board members and presidents had varying suggestions for revisions. It was agreed the two policies would be placed on the agenda of the May 1990 Regents workshop and concerns expressed in today's meeting will be fully addressed.

Regent Mathers stressed the importance of making changes in the way the System operates, particularly with the legislature. All elements of the System must cooperate and communicate their discussions with individuals or delegations in the legislature. It is imperative the System speak with one voice; that is one of the reasons Regent Topel proposed the changes to the policy regarding the Commissioner's duties, and one of the reasons Chairman Mathers supports it wholeheartedly.

#### Action Agenda

Deputy Commissioner Hutchinson reviewed Item 18-002-R1077, Admission Requirements; General Policies (Revised). He explained this policy deals basically with G.E.D. students and how they will be assimilated into the System in light of the new College Preparatory Program. The revision proposed today states they will be admitted as conditional freshmen and must take a prescribed program of study approved by the Board of Regents.

Since this policy will be implemented prior to next fall's enrollment it seemed necessary to put the prescribed program of study in place as quickly as possible. G.E.D. students will be expected to take a reasonably rigorous set of courses, take a full load,

April 26-27, 1990

and demonstrate the capability to complete the set of requirements. The guidelines for the course of study, set out on page 1 of the policy, were developed by the academic vice presidents working with Dr. Hutchinson.

In discussion, Regents questioned whether the term "full load" was adequate. It was suggested Section 4. a. be amended to read: "Student must enroll in and complete a course load of at least 12 credits." For clarity, Section 4.c. should be amended to read: "Student must maintain passing grades in at least three general education courses."

Hearing no further discussion, Regent Kaze moved Item 18-002-R1077 be amended as proposed above and approved as amended. The motion carried.

Commissioner Krause reviewed Item 12-006-R0676, Governance and Organization; Campus Entertainment (Revised). The proposed revision is contained in Section 2., Procedures, and raises the aggregate amount from \$10 to \$30 of entertainment expenses which must be approved prior to the event as provided in Section 4 of the policy. The \$10 amount was no longer believed to be realistic. On motion of Regent Kaze, the item was approved.

President Kettner, Dawson Community College, asked clarification on two issues. He asked first if the legislative appropriation for health insurance costs was part of the individual budget or of the Commissioner's budget. Dr. Krause responded it was part of the campus budget.

President Kettner next stated his support for the proposed revisions on the Commissioner's and presidents' duties, and asked if the community colleges



April 26-27, 1990

could assume their concerns would also be considered in the "one voice" being carried to the legislature. The community colleges and the six units operate on two different kinds of formulas, but the support of the Regents is extremely important to the community colleges. Dr. Krause assured President Kettner that assumption was correct.

Change of Location of Friday's Meeting

Provost Easton announced the meeting on Friday, April 27, would be moved to the office classroom building in room 114 A and B because it is handicapped accessible. The present meeting room is not.

Provost Easton also announced that upon adjournment of Friday's meeting the student government organization of WMC will host a luncheon in the student union. All participants are invited.

The meeting recessed at 3:45 p.m. The Regents reconvened immediately in executive session.

Minutes of Friday, April 27, 1990

Chairman Mathers reconvened the meeting at 9:00 a.m. with the same members present.

Capital Construction Committee

Items on the Capital Construction Committee agenda were presented and reviewed by William Lannan of the Commissioner's office. After appropriate discussion, the following actions were taken:

On motion of Regent Redlin, Item 67-102-R0490, Technical Grid System for Field House; University of Montana was approved.

On motion of Regent Clouse, Item 67-103-R0490, Remodel McGill Hall Room 204; University of Montana was approved.

April 26-27, 1990

On motion of Regent Redlin, Item 67-104-R0490, Water Well, Health Science Building; University of Montana was approved.

On motion of Regent Schwanke, Item 67-105-R0490, New Roads, Lubrecht Forest; University of Montana was approved.

Item 67-601-R0490, Purchase of Real Property; Western Montana College of the University of Montana was discussed at some length. Provost Easton explained the property consists of 4.66 acres, a residence, and a small shop facility, and adjoins the campus on the southeast side. The property is part of an estate, and is available to the College at a purchase price of \$98,000, established by two appraisals. Funds for the purchase will come from rental of the property and other properties now owned by the College.

Regent Topel expressed concern with the acquisition. It would apparently increase the size of the campus by 20+% and add additional buildings to a maintenance program already severely strained.

Provost Easton responded there is increasing need for parking on Western's campus, and the acquisition would preserve the integrity of the campus by preventing the land from being sold in parcels. Some of the land would also be used for recreational purposes for students. No construction is anticipated on the property.

Regent Redlin stated she recognized the reasons for Regent Topel's concern, but since the acquisition would be utilized as property rather than an extension of the campus as a physical entity, the purchase appears reasonable. Regent Redlin moved that

April 26-27, 1990

Item 67-601-R0490 be approved. The motion carried with Regent Topel voting no.

Addition to Agenda

President Norman reviewed Item 67-503-R0490, Authorization to Sell Real Property; Montana College of Mineral Science and Technology, an addition to the agenda. The item requests approval to sell a brick veneer building containing four apartments which was given to the College in 1984. The fourplex, built in 1915, can no longer be rented because of its condition. The current offer of \$4,000 is considered fair given the condition of the building and the potential liability it represents. On motion of Regent Redlin, the item was approved.

Curriculum Committee

Submission Agenda

Deputy Commissioner Hutchinson noted the System's role and scope document is now available in published form, and is available for distribution. Anyone wishing a copy should so state at the conclusion of the meeting.

The following items were received for consideration at the July 1990 meeting:

Item 67-101-R0490, New Minor Degree Designation for Wilderness Studies; University of Montana. The Wilderness Institute at the University currently offers an inter-disciplinary program called "Wilderness and Civilization". The University now desires to formally grant a minor to give students recognition for completion of that program which was expanded in 1988 from one to two quarters. No objections have come forward from other units of the System.

April 26-27, 1990

President Koch stated this program speaks extensively to the role of wilderness in society. It is a multi-disciplinary program, and is a good thing for the University to offer. No new faculty or increase in revenue will be needed to offer the minor degree. President Koch stated basically it consists of "putting a label" on things the University is already doing. The retrenchment procedure, which established priorities for the University, designated the School of Forestry as one of the University's priorities. This is viewed on the campus as one of the centerpieces of the curriculum. Wilderness continues to be of pressing interest in Montana.

Provost Habbe noted it is significant that this proposal originated within the faculty; went through the campus review process; and created no consternation in the University community.

Regents expressed some concern with the public relations aspect of such an offering outside the University community. Commissioner Krause explained creation of a minor has a whole different emphasis than for instance creating a center would have. All aspects of the offering will be carefully examined and presented to the Board when the item is on the action agenda in July.

Dr. Hutchinson noted Item 67-201-R0490, Authorization for the Institute for Biological and Chemical Process Analysis (IPA) for Change of Official Name to the Center for Interfacial Microbial Process Engineering; Montana State University is proposed in response to the National Science Foundation's designation of the institute as a engineering research

April 26-27, 1990

center and NSF's award of \$7.2 million to the center from NSF. This is essentially a "fine tuning" of the title. The name change and other aspects of the item will be discussed in more detail at the July meeting when the item is on the action agenda.

Item 67-202-R0490, Authorization to Establish a Center for High-Elevation Studies; Montana State University was presented by Dr. Michael Malone, MSU. The Center will provide a unifying basis to promote multidisciplinary research focused on natural and human-induced processes and response occurring within fragile mountain environments. Reallocation of some resources may be involved. Funding for a three year implementation phase has been awarded by the Pew Charitable Trusts. There is major student interest in the offering.

Item 67-9501-R0490, Approval of Proposed Associate of Applied Science Degree in Commercial Maintenance Technology with a One-Year Certificate in Facilities Maintenance; Missoula Vocational- Technical Center was presented by Deputy Commissioner Vardemann. The program will supply the Montana workforce with adults trained in the skills required to maintain and operate commercial facilities and grounds. The curriculum meets all criteria for awarding the Associate of Applied Science Degree and does not duplicate any program in the state. Further discussion will be held when the item is on the action agenda in July 1990.

Before moving to the action agenda, Commissioner Krause reported on conversations he has had with Steve Huntington, Director of the Science and Technology Alliance, regarding the four centers of

April 26-27, 1990

excellence so designated by the Science and Technology Board. Questions have been raised that the centers have not been given formal recognition by the Board of Regents, and there is interest on the part of the Science and Technology Board that such recognition be requested. Commissioner Krause stated if it is the designated institutions' desire to seek Regents' approval of the centers, that they be brought forward under the approved procedures for center designation.

Action Agenda

Item 66-101-R1289, Bachelor of Liberal Studies; Western Montana College of the University of Montana; University of Montana (Revised) was reviewed by President Koch. The BLS is designed to (1 broaden the baccalaureate degree offering at Western; 2) provide an alternative to teacher education training on the Dillon campus; 3) provide an opportunity for enrolled students to extend their studies beyond the associate degree; and 4) increase and diversify career opportunities for baccalaureate graduates of WMC of the U of M. The proposal is the result of the work of a fourteen-member task force on the Dillon campus, has the endorsement of the Dean of Faculty and the Provost of WMC, as well as the final endorsement of the President of the University of Montana. Implementation of the degree will require no additional funding and no new courses beyond those currently taught.

Dr. Hutchinson noted also that when Western was told to discontinue its Natural Heritage, American Studies, and Business programs it was offered the opportunity to bring forward a general degree program that would broaden its offerings. This proposal is a partial response to that opportunity. Staff recommends approval of the item.

April 26-27, 1990

The positive impact of such an offering on placebound students was discussed, as were courses contained in the offering. Dean of Faculty Parker stated it is a more efficient and effective use of resources already in use.

Hearing no further discussion, on motion of Regent Redlin Item 66-101-R1289 was approved.

Item 66-8501-R0190, Certificate in Interior Design Technology; Great Falls Vocational-Technical Center, was presented by Deputy Commissioner Vardemann. Staff from the vo-tech center was present to respond to questions. Based on a formal survey, the Center has general and business community support for the establishment of the program. Informal studies demonstrated a high interest by potential students.

After discussion, on motion of Regent Kaze, Item 66-8501-R0190 was approved.

#### Old Business

#### Reorganization of the Board of Regents Committee Structure

Chairman Mathers referenced previous discussion on restructuring of the Board's committee structure. Under the new structure, the following committees would be constituted and function as follows:

Administrative Committee: This group, consisting of the Chairman of the Board of Regents, one other Regent, the Commissioner, and the campus presidents and directors of the vo-tech centers (if appropriate), would meet to discuss the following: (1) broad policy issues, (2) system-wide needs, (3) system priorities, (4) long-range planning, (5) collective bargaining, (6) capital construction. The Commissioner

April 26-27, 1990

in conjunction with the Chairman of the Board would set the agenda. Agenda items may also be suggested to the Commissioner by the campus presidents and the center directors.

Academic Affairs Committee: This committee would consist of three Regents, the Deputy Commissioner for Academic Affairs, and the Academic Vice Presidents from the senior institutions. The committee would be responsible for (1) all new program submissions, (2) matters relating to academic policy, (3) reports and recommendations from the Telecommunications Advisory Council, (4) changes in academic structure on the campuses, (5) research policy, (6) academic program reviews, (7) admissions, (8) transfer of courses and credits, (9) system-wide computer acquisitions, policy and networking. The agenda will be set by the Deputy Commissioner for Academic Affairs in cooperation with the committee chairperson.

Budget Committee: This committee would consist of three Regents, the Deputy Commissioner for Management and Fiscal Affairs, and the Chief Fiscal Officers. The committee would be responsible for all matters related to campus and system financial matters. The agenda will be set by the Deputy Commissioner for Management and Fiscal Affairs in cooperation with committee chairperson.

Under this structure, vo-tech fiscal matters will be referred to the Budget Committee; vo-tech instructional issues to the Academic Affairs Committee; administrative and policy issues to the Administrative Committee.



April 26-27, 1990

Regent members appointed to the committees are as follows:

Administrative Committee: Chairman Mathers and Vice Chairman Redlin;

Academic Affairs Committee: Regent Kaze, Chairman; Regents Johnson and Clouse;

Budget Committee: Regent Topel, Chair; Regent Schwanke. Chairman Mathers noted the committee structure for the Budget Committee calls for three members. Because of the limited number of Regents, three appointments are not possible. When needed, Chairman Mathers and/or Vice Chairman Redlin will serve on the Budget Committee.

The Native American Issues Task Force is not perceived as a standing committee, but rather an ad hoc committee, and should remain in place as long as needed.

Chairman Mathers also noted that the by-laws of the MHESAC Board of Directors state the Chairman of the Regent Budget Committee will serve as a member of the MHESAC Board. Because of a possible conflict of interest, Regent Topel, Chairman of the Budget Committee, declined to accept that appointment. Regent Kaze is therefore appointed to fill the position on the MHESAC Board during the period the Regent Budget Committee Chairman is unable to serve.

Deputy Commissioner Hutchinson discussed comments received on the proposed committee structure.

The community college presidents are provided no relationship under this structure. Dr. Hutchinson proposed they serve on the Administrative Committee with voice but no vote.

Another concern raised is how the Board will deal with student affairs. Two possible solutions

April 26-27, 1990

include creating yet another committee (not recommended), or, since most student affairs relate to either the academic or fiscal arenas, those concerns be channeled to either of those committees.

In addition, the Deputy Commissioner for Vocational-Technical Education would be expected to sit on the Administrative Committee, but would float to other areas as needed, particularly in the area of academic affairs to lend expertise on vo-tech proposals coming forward.

With these changes, the new committee structure will be implemented at the June 1990 meeting. Regent Chairman will participate in development of the committee agendas. The Regent chairman of each committee will report to the full Board on actions of the committees.

#### New Business

##### Submission of Appeal

Chief Counsel Schramm stated the appellant had been notified the Board has the documentation on the appeal, and will decide at this meeting whether to entertain the appeal. If the decision is to hear the appeal, the appellant will be so notified and the hearing will occur at the July 1990 meeting. If the Board chooses not to entertain the appeal, by that action the decision of the Commissioner is upheld.

Chairman Mathers called for questions or comments from the Board and the institution from which the appeal originated. Regent Kaze questioned whether discussion of the details of the appeal should be held. The issue is whether the appeal will be entertained by the Board. That decision should be made based on

April 26-27, 1990

whether sufficient doubt exists in the minds of the Regents on any fact or any matter brought forward that would require the Board to hold a hearing.

At the conclusion of the discussion, Regent Kaze moved the appeal not be heard, and the Commissioner's decision be upheld. The motion carried unanimously.

Chief Counsel stated Regent Kaze's observation is a wise one. Under the new procedure, the appellant is not present when the decision to entertain or not entertain the appeal is heard. The discussion then must be limited to procedural matters and what is on the record. Otherwise, the integrity of the appeals process might be impaired.

Commissioner's Report

Vocational-Technical Education State Plan

At Commissioner Krause's request, Deputy Commissioner Vardemann distributed and reviewed copies of the state plan for vocational-technical education, the compliance document which must be provided to the Department of Education in order to receive the \$4.5 million of Carl Perkins funds which flow to Montana. Ms. Vardemann noted for the record that because of actions underway in Congress, the document will undergo far-reaching changes. Anticipated changes in the new, reauthorized vocational-technical act were briefly reviewed by Ms. Vardemann. Funding for Regents staff in the vo-tech area is heavily dependent on these federal monies, including the Deputy Commissioner position, the Director of Federal Projects, the Human Resource Development Officer, and a portion of the secretarial service and the financial assistant position in the

April 26-27, 1990

fiscal area. Commissioner Krause cautioned it will be imperative to address this matter with the legislature in the coming session. Also, federal government accountability requirements will increase under either of the reauthorization plans, and no additional funds are provided.

Gubernatorial Appointments to Local Executive Boards

Commissioner Krause distributed copies of a letter received from Governor Stephens appointing members to the units' Local Executive Boards. Regent confirmation of the appointments is requested.

On motion of Regent Redlin, the following gubernatorial appointments to Local Executive Boards were confirmed:

Eastern Montana College: Mr. Dale Fasching

Montana State University: Ms. Cindy Shewey

University of Montana: Mr. Bob Greil

Northern Montana College: Mr. Kirk Miller

Montana Tech: Mr. Haley Beaudry

Western Montana College: Ms. Agnes Helle

Each appointment is for a three year term ending the third Monday in April, 1993.

Presidential Searches - NMC and U of M

Commissioner Krause reported on the progress of the two search processes. It was agreed the interviews with the candidates recommended to the Regents would be held in Helena on May 16. The Search Committee recommendation to the Regents is not expected to be made until May 21. An attempt will be made to coordinate these interviews with the Regents Workshop scheduled on May 24th. The University of Montana presidential candidate interviews will be tentatively

April 26-27, 1990

scheduled on May 24. Regents will be kept advised.

Regents Workshop

Commissioner Krause stated the Regents Workshop is scheduled to be held on May 24. The agenda will be limited, and will include discussion of governance issues, review of the budgeting process, legislative priorities, and perhaps telecommunications issues. The workshop is tentatively scheduled to be held in Helena. Director Capdeville offered the vo-tech facility as a possible location for the workshop. Details will be determined, and all participants will be kept informed.

Presidential Evaluations

Presidential evaluations will be scheduled in conjunction with the July 30-31, 1990 meeting in Helena. An extra day will be required for that process. Regent Kaze requested discussion of the format for presidential evaluations before that meeting date.

Education Commissioner for the 90's

Dr. Krause reported the Commission has been meeting every week, working on its draft preliminary report. Public hearings will be scheduled on that report, and the Commission would like interaction on that preliminary report with the Regents. Funding for the Commission is still an issue. Approximately \$100,000 has been raised; another \$60,000 will be needed.

Regent Redlin noted it is becoming essential that the Commission meet with the Regents. Actions are continuing, and communication between the two groups needs to occur. Commissioner Krause agreed that is the Commission's feeling also.

April 26-27, 1990

Change of Chairman

Chairman Mathers stated at this point he, and Commissioner Krause had to leave to attend a meeting in Helena. Vice Chairman Redlin will chair the remainder of the meeting, assisted by Deputy Commissioner Hutchinson.

Council of Presidents

President Lindsay Norman reported on negotiations Montana Tech has entered into with the USSR on exchange agreements. This exchange will be one of the first of its type in the United States, and while it is early in the negotiation process, Montana Tech is excited with the prospects.

President Carpenter, Eastern Montana College, referenced information sent to the Regents some days ago relative to EMC's NCATE accreditation. The NCATE Board met last Tuesday, and confirmed their reaction to EMC's situation. However, recognizing the problems are primarily financial, and Montana will be in legislative session in January, NCATE has continued its accreditation to the spring of 1992 at which time a complete campus visit will occur.

President Carpenter also expressed appreciation to Provost Mike Easton for the hospitality extended to all attending the Regents meeting on the Western Montana College campus.

President Koch, University of Montana, noted while the Board is talking about Russia he should note there is an institution in Missoula that teaches Russian, has a Russian major, and has been sending people back and forth to the Soviet Union for many years now. It has been a successful exchange.

April 26-27, 1990

President Koch also reported with some delight that the American Assembly of Collegiate Schools of Business removed the University of Montana from probationary status. It was a long, demanding struggle. AACSB is very rigorous in terms of their requirements. It was difficult for UM to satisfy those requirements, but now says UM has made significant progress. AACSB has also made clear that UM will be closely monitored in the future. With the Regents support, UM hopes at the end of the next legislative session to have a new business building; that would be very helpful. Of the 2,000+ business programs in the United States, only about 250 are accredited both at the undergraduate and graduate level. UM is proud to have received that designation.

The Vocational-Technical Center Directors, Board of Public Education, Superintendent of Public Instruction, and Faculty Association had no reports.

#### Montana Associated Students

Chris Warden, newly elected President of the Associated Students of the University of Montana introduced newly elected members of the ASUM Senate.

Mr. Warden also thanked President Koch and the UM administration for its reprioritizing of UM's long range building program priorities and the placement of disabilities services as the number 2 priority. He also distributed copies of material provided by Larry Watson, President, Alliance for Disability and Students, University of Montana, and commended other units of the System for the progress they have made in this area. Mr. Warden urged the Regents to hold all meetings in handicapped accessible buildings as a practical matter, and a demonstration of commitment.

April 26-27, 1990

The Vocational-Technical Student Association had no report.

Regular Agenda

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

- Item 67-100-R0490, Staff; University of Montana  
(Includes 1 post-retirement contract)  
University of Montana 1989-90  
Faculty Roster  
(Submitted for Informational  
Purposes Only)
- Item 67-200-R0490, Staff; Montana State University
- Item 66-300-R0490, Staff; Agricultural Experiment  
Station
- Item 67-400-R0490, Staff; Cooperative Extension Service
- Item 67-500-R0490, Staff, Montana College of Mineral  
Science and Technology  
(Includes 3 post-retirement  
contracts)
- Item 67-600-R0490, Staff; Western Montana College of  
the University of Montana
- Item 67-610-R0490, Degrees; Western Montana College of  
the University of Montana
- Item 67-700-R0490, Staff; Eastern Montana College
- Item 67-701-R0490, Dr. John M. Self to Professor of  
Habilitative Services Emeritus;  
Eastern Montana College  
AND  
Dr. Flora Katherine Willett to  
Associate Professor of English  
Emeritus; Eastern Montana College
- Item 67-800-R0490, Staff; Northern Montana College
- Item 67-900-R0490, Staff; Office of Commissioner of  
Higher Education

The meeting adjourned at 10:55 a.m.

At the conclusion of the regular meeting, an open forum was held for Regents, students, faculty, staff, and interested persons.

The next regularly scheduled meeting of the Board of Regents will be held on June 13-14-15, 1990, in Helena, Montana.