

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

DATE: September 13-14, 1990

LOCATION: Salish Kootenai College
Rooms 4, 5, 6 - Michel Building
Pablo, Montana

REGENTS Mathers, Redlin, Schwanke, Topel, Kaze, Musgrove,
PRESENT: Johnson
Acting Commissioner of Higher Education John M.
Hutchinson

REGENTS None
ABSENT:

PRESIDENTS Carpenter, Dennison, Norman, Tietz, Daehling
PRESENT: Provost Easton

PRESIDENTS None
ABSENT:

Minutes of Thursday, September 13, 1990

The Board of Regents participated in an opening ceremony general session at 8:30 a.m. hosted by President Joseph McDonald, Salish Kootenai College, and Michael Pablo, Chairman of the Tribal Council. Introductions and an overview were presented by Karen Fenton.

The Board of Regents attended the statewide presidents' meeting held from 9:00 a.m. to 12 noon on the campus of Salish Kootenai College. Higher education areas of mutual concern and interest were discussed by presidents of the

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tribally controlled community colleges, private institutions, presidents of units of the University System, directors of the vocational-technical centers and presidents of the state community colleges.

Board of Regent committee meetings were held concurrently from 1:00 to 3:00 p.m.

At 3:00 p.m., the Board of Regents and the Board of Public Education met jointly as the State Board of Education.

At the conclusion of the State Board of Education meeting, the Board of Regents convened in executive session.

Minutes of Friday, September 14, 1990

Evaluation of President William Tietz; Montana State University

Chairman Mathers called the meeting of the Board of Regents to order at 7:00 a.m. for the evaluation of President William Tietz, Montana State University. Chairman Mathers noted this will be President Tietz' last formal evaluation before his retirement at the end of the year, and he wished to state for the record the Board's appreciation to President Tietz for his many accomplishments and contributions to Montana State University and the State of Montana during his 13 year term.

President Tietz began the evaluation report by stating his appreciation for the support he personally has received from the Board of Regents during his tenure as President of MSU, and also the support the Board has provided MSU. He believed MSU has made significant progress in the last several years, and this could not have happened without that support.

President Tietz distributed and reviewed an organization chart showing the line relationships that exist at MSU (on file). The chart included summaries of responsibilities of the four vice presidential positions and the Agricultural Experiment Station and Extension Service,

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number of FTE, and budget amounts administered. He explained there are 60 separate campuses in a sense that are administered by Montana State University, not counting the 501(c)3 operations such as the Museum of the Rockies, KUSM, the MSU Foundation, and others.

Next President Tietz reviewed the Goals and Objectives for 1989-90 document sent the Regents prior to this meeting (on file). In discussion of goal number 1), Maintain Flexibility, President Tietz noted the principal effort at MSU over the past year has been that MSU realize as much control of its own fate as possible, which is in line with statements made by Acting Commissioner Hutchinson over the last months regarding the System as a whole. Control of one's agenda is absolutely linked to the ability to generate a broad funding base. Any operation confronted with a single funding base is controlled by whomever controls those funds. The information contained in Goal 1) is provided to show how MSU has worked to continue to expand the economic base of MSU and its family through increased grants and contracts, increased endowment and other private giving, development of independent sources of revenue such as the Technology Transfer Program Guides, and patents issued or pending for University inventions.

President Tietz stressed what he considered to be a critical point in review of expansion of MSU's economic base. MSU's successes in a number of these areas including the almost \$12 million increase in grants and contracts is not accidental. When the new formula provided increased funds in the 1981 biennium, MSU was able to obtain some very talented people. What is occurring now is the payoff from that investment. It takes about eight to nine years to generate a major research program. President Tietz warned that what is happening now, in 1990, in terms of cutbacks and loss of talent to the state, will not manifest itself tomorrow. The real

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harvest of this drought will become obvious in about six or seven years. The successes in generating outside support at MSU are the results of investments in outstanding people made in 1981, 1982, and 1983. The harvest of the future from the seeds being sown now will not produce the same results at any of the institutions in the state.

President Tietz continued the review of the twenty goals set out the goals and objectives document. He elaborated at length on goal 3) containing a listing of the state and federal rules and regulations requiring compliance. All these requirements severely impact workloads with no additional funding supplied in any area.

In review of goal 4) regarding the Northwest Association Commission on Colleges 10-year accreditation visit scheduled for October 16-18, 1990, President Tietz urged any Regents able to do so to attend the dinner to be held with the accreditation team on October 15 at his home. The importance of Regent participation in this process cannot be overstated.

At the conclusion of the review of goal 7), improve recruiting and community college relationships, Chairman Mathers asked President Tietz to elaborate on the concerns expressed by presidents of Montana's community colleges with the model agreement signed by MSU with Powell Community College. President Tietz stated the issue of transfer agreements was discussed during his visits to Dawson, Flathead and Miles City in the last year. MSU was and is eager to develop those agreements. Powell requested extension of the same opportunity. Its admission requirements are the same as MSU's including the high school graduation requirements mandated by the Board. MSU is open to discussion of articulation agreements with Montana's community colleges. Development of a "transfer track" for community college

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students could be accomplished. It is extremely important, however, that the community colleges remain an open avenue to higher education for those students who do not meet entrance requirements at Montana's four year colleges and universities. Chairman Mathers urged MSU continue working towards articulation agreements with the community colleges.

After further discussion of the ever-present questions on transferability, Regent Kaze noted what the Board does need to do is educate the public very, very well on what can and can not be done in the area of transferability. That needs to be done soon. Public perception is very difficult to change.

President Tietz noted in review of goal 14), develop and implement financial plans, that the Regents are aware of steps MSU has taken in response to the recent financial audit. All accounting entities have been reviewed and the handling of negative balances is under review. MSU struggles with some of the requirements of the audit, particularly in the area of cost reimbursable contracts. Again, someone else is controlling MSU's destiny. It is difficult to deal with agencies that in themselves are trying to conserve their resources so MSU is paid at the last possible moment so the paying agency can draw interest on the funds as long as possible.

Concluding his review of goals for the last year, President Tietz noted it was disappointing not to meet goal 20), that of reaching equity with other units in faculty salary increases due to scarce resources. He hoped to continue to pursue that issue with the Board before completion of his term as President.

Copies of Montana State University Goals and Objectives for 1990-1991 were distributed (on file). President

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Tietz turned the evaluation report over to those senior staff accompanying him to speak to goals and objective for 1990-1991, noting these are the people who will be leading the institution in the coming year, and it is appropriate they report on these plans.

Vice President James Isch spoke to two issues: physical plant and computing. MSU intends to continue to direct its resources to preventative maintenance, moving away from the policy of deferred maintenance. This policy will allow the physical plant to avoid some of the major costs that arise when problems are left unaddressed for many years until they reach crisis. Approximately \$1.2 million in energy grants has been received by MSU and MSU is aggressively pursuing energy conservation measures. Substantial savings realized by energy management control systems will allow monies saved to be utilized in other areas. Vice President Isch elaborated on details of the various projects.

In the area of computing, Mr. Isch explained over the last year MSU was able to implement MUSENet, which allowed overall computer cost discounts to be extended to other units in the System as well. These discounts are possible because of MSU's connections with Digital Equipment Company, and are anticipated to save the System approximately \$2 million over the next three to five years. Software packages will also be available to other units under the MSU umbrella. Mr. Isch discussed various aspects of the future of shared computing resources in Montana under MSU's umbrella, including access to the super computer at Boeing in Seattle, vector processing, and financial aid processing.

Vice President Michael Malone reported on activities in the academic area at MSU, notably its proactive position on conversion to the semester system. The conversion and accompanying curricular review and revision is an

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incredibly complicated procedure. Libraries are still a major problem, with over 30% of buying power lost from last year from the inflation factor alone.

Dr. Malone discussed MSU's conversion in the next two years to the touch tone telephone registration system which will allow registration from any place in the world by long distance telephone. A fee payment by mail system is hoped to be made part of that registration system, and if the Board approves it, credit card payment could also be included. Computer assisted advising will allow much more personal interaction among faculty advisors and students by freeing faculty from "policing and counting" responsibilities. With some external funding, MSU hopes to develop an advising center in the next couple years. Dr. Malone urged Regents to visit MSU's computer labs when they are on campus. The labs are state of the art nationally, and in most disciplines lead the state of the art nationally. MSU's use of student computer fees has made these revolutionary changes possible, and has been accomplished with active student input. A portion of these fees (up to 25%) is now used for computer maintenance as the labs age.

By the middle of Fall Quarter MSU will have developed a workload/teaching load policy for faculty that strives to merge AAUP guidelines for maximum preferred workloads with the necessity to offer the kinds and numbers of course offerings students need.

Concluding, Dr. Malone stated the library is the area of most difficulty. No matter how ingenious one might be, books still have to be purchased in a national system where inflation rates are running about 15 - 20% per year. With a flat budget, MSU lost one-third of its buying power in two years. Electronic delivery methods and system consolidation

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options are being explored, but would provide limited relief at best. Dr. Malone noted the Regents have resisted library fees, and that is understandable, but System libraries are in extremely dire straights.

Dr. Malone concluded his report, noting MSU is doing pretty well, but it is entering the end of the cycle where sheer ingenuity and staying power starts to erode.

Dr. Robert Swenson, reporting on research and creative activities at MSU, stated it would be impossible to make such a report in the allowed three minutes, and suggested instead a common goal. Attending various Regents meetings, Dr. Swenson said he had never heard nor seen a mechanism for the Regents to hear about and discuss the creative activities of the faculties of the institutions. Probably the most important activities of a university are related to the creative activities of the faculty and students. He urged a mechanism for regular discussion of those activities by the Board be developed. They are exciting, and extremely important to the state as a whole.

Dr. Swenson explained his biggest goal is to assist in the development of one of Montana's most successful industries - the area of grants and contracts at Montana State University which has a profit of approximately \$17 million a year. Continued support and expansion of these activities is crucial to MSU and to the state. A goal for next year is to increase contract and grants activities to \$20 million. One of the biggest problems facing the System in the coming decade is going to be the ability to compete nationally for good faculty members. The salary situation is much discussed and deplorable; the ability to provide start up and matching funds for research projects is extremely limited. Recruitment of faculty in the next two years for the coming decade in an increasingly competitive national marketplace will be a number one goal of Dr. Swenson's office, and also of the institution.

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Dr. Swenson discussed the EPSCOR (Experimental Programs to Stimulate Competitive Research) program, and its importance to the scientific community in Montana. Concluding his report, Dr. Swenson reported on three new business soon to be announced that are technology transfer activities of faculty at MSU. Two of them have the potential to be very substantial and will remain in the Bozeman area.

Marilyn Wessel, Director of University Relations, explained she believed the work done in University Relations is some of the most exciting and challenging on campus because it deals with methods to communicate effectively with people. One of the issues identified is that people of the state do not know enough about the fact that Montana State University is a real resource for them. One of the programs that is most effective to address this issue is that called "MSU for a Day". MSU sponsors intense visits to five to six communities a year discussing the communities needs, bringing faculty, staff and appropriate students to try to demonstrate how those needs can be met. Ms. Wessel elaborated on details of the program, explaining the program tries to demonstrate in concrete terms that MSU is a resource that can help with the communities' needs, and people are being responsive to the program.

Public affairs is a major area of University Relations. Montana citizens have demonstrated clearly they wish to know more about what is occurring in the state and this information is provided through public television and cooperatively with other units through public radio. There are many good cooperative opportunities in public affairs, and MSU works with other units in the System to provide these services across the state.

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Another goal for the next year is to begin working on MSU's centennial year in 1993. Four campuses will be celebrating their centennial in 1993, and there are good cooperative efforts to be pursued. Another area of the office is support in legislative issues. A lot of support has already been provided for the presidents' tour, and lots more will be provided in the next two weeks to complete the tabloid to be distributed on the tour. This is one of the kinds of things the campuses can do for the System, not without cost, however, and help in that regard will be solicited. Training materials are provided by University Relations to extension faculty in the field in 49 locations. The information provided to those people allows them to be brought up to speed on System needs so they can be a resource for local legislators and candidates.

Ms. Wessel concluded her report noting she will be MSU's representative working with the Commissioner's office on legislative issues during the coming session. She is looking forward to that opportunity.

President Tietz concluded the state of the campus report calling attention to several publications including an article in Time magazine on the activities of Jack Horner and the dinosaur digs; profiles of MSU students and their success in obtaining employment; the Research journal for 1989; and the University Honors Program publication. Mission statements for the Experiment Station and Extension Service will also be provided to the Regents. These are prepared for submission to the federal government as part of the justification for their goals. President Tietz stated he believed both entities had been very successful in meeting their goals.

President Tietz stated MSU intends to continue to work to maintain its flexibility through increased efforts in

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contracts and grants, and development activities. There will be a program coming forward to coordinate all Native American programs in the northwest area. MSU has received a \$190,000 planning grant for development of that program, and it has tremendously exciting possibilities for Native American people of the northwest. Other outreach activities of particular interest to young people include the Young Scholars Project, the science math resource center for young people, and the science and engineering talent search.

President Tietz concluded, noting Montana State University is a remarkable institution. Since 1985-86 an estimated \$6 million has been cut from the institution. Executive cuts of 2%, 2.6%, and a legislative cut of 5% were made in 1985. The governor brought forward a budget down 2% in 1986, at the same time MSU experienced an enrollment decline of 1,250 students which translates into a \$4 million enrollment reduction. During the period 1985-86-87 MSU downsized in terms of expenditures in the amount of \$6 - \$8 million. Some was put back into the institution to maintain it, but the nursing program alone was reduced \$500,000 in one year. Those cuts were made at a time when the dollars could not be reallocated "back to ourselves" because of the salary freeze - they had to be reallocated in some other areas, and they were. Some programs were enhanced, and some repairs and equipment purchases were made. The institution took a tremendous "hit" in that period, and yet today MSU is world class in paleontology and in engineering; the surface physics program is certainly national class; the chemistry department continues to be a leader in contracts and grants; astro-physics is an emerging area with five or six of the brightest people in the program; the high elevation program and natural resource management operation is emerging and could well set the pace for the entire institution for the future.

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The administration at MSU believes there have been significant advances in a number of special education areas. President Tietz stated he believed the Regents would have to agree that Montana State University truly has had a remarkable history - a remarkable set of opportunities, and it has capitalized on those opportunities. He sincerely hoped the state will recognize some of those achievements and in the process of providing and developing allocations and appropriations for higher education in the coming session, realize what kinds of benefits the state can realize from the relatively small investment made in MSU.

President Tietz thanked the Board for the opportunity to provide these reports. MSU is looking forward to a truly creative future.

Chairman Mathers then asked if there were any questions or comments from the Board or the Commissioner.

Dr. Hutchinson stated he would like to take this opportunity to thank President Tietz for his leadership over the past thirteen years. In particular, he appreciated the support given to the Commissioner's office. Commissioner Hutchinson noted in the period of time he has been Acting Commissioner President Tietz has kept him fully informed of activities on the campus; he has sought counsel, and more importantly he has given counsel and exercised enormous leadership among the presidents. Commissioner Hutchinson thanked President Tietz for all he has done; it has been particularly helpful to him as a "green" Commissioner.

Chairman Mathers commented on the statements in each of the separate reports on the need to address the issue of faculty salaries. He assured the MSU administration the Board is well aware of the problem, and will strive during the next legislative session to address this problem on a

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Systemwide basis and make adjustments through legislative action. Chairman Mathers noted he and the Acting Commissioner will visit with legislative leaders prior to the session, and will maintain close contact with the Governor's office to be certain all are aware of the problem of faculty salaries throughout the System.

Hearing no further discussion, Chairman Mathers stated the Board is now going to deal with matters that relate to the individual privacy of Dr. Tietz. In the Chairman's opinion, the demands of President Tietz' individual privacy clearly exceed the merits of public disclosure and, in the absence of a waiver, the meeting will be closed.

President Tietz declined the waiver, and the remainder of the evaluation was conducted in executive session.

Regular Board Meeting

Chairman Mathers called the regular meeting of the Board of Regents to order at 9:30 a.m. Roll call was taken and it was determined a quorum was present.

Chairman Mathers called for additions or corrections to the minutes of the July 30-31, 1990 meeting. Hearing none, the minutes were ordered approved.

The minutes of the August 27, 1990 Conference Call Meeting were deferred for action at October 1990 meeting because not all Regents had received copies of the minutes.

Report of the Budget Committee

Regent Topel, Chairman of the Budget Committee, reported the Committee recommends the following items on the Submission Agenda be received for action at the October 1990 meeting:

1. Item 69-003-R0990, Handicap Parking Fine; Montana University System
2. Item 25-003-R0979, Non-resident summer session fee; Montana University System (REVISED)

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3. Item 25-003-R0979, Returned check fee; Montana University System (REVISED)
4. Item 5-002-R0774, Late registration fee; Montana University System (REVISED)

Moving to the Action Agenda, Regent Topel presented Item 69-101-R0990, Blue Cross/Blue Shield Supplemental Student Health Coverage Increase; University of Montana. The item requests authorization to increase the quarterly student health insurance premium from \$53 to \$63 per quarter, or \$94.50 per semester, effective Fall Quarter 1990. Summer coverage would be increased from \$82 to \$99 effective Summer Quarter 1991. The increases are requested because claims paid during the past 12 months have exceeded premiums. The ASUM Student Health Committee has investigated alternatives and acknowledges and accepts the need for the increases.

Chairman Mathers asked if other campuses are facing the same types of increases in student health fees. Jack Noble, Deputy Commissioner for Management and Fiscal Affairs, responded similar increases have been approved at previous meetings on other campuses' plans. Health costs are rising rapidly nationally. All campuses are facing increased costs in both student and employee health insurance plans.

Regent Topel moved the item be approved. The motion carried unanimously.

Regent Topel next presented Item 69-001-R0990, Inventory and Validation of Fees; Montana University System. He reported in Committee students from the University of Montana presented testimony in opposition of three of the fee increases contained in this item. After discussion with the Committee, Regent Topel reported he believed the issues were resolved based on the explanations given the students and improved communication. No adverse comments were received from students from any of the other campuses. The Committee recommends approval of the item. Regent Topel so moved. The motion carried unanimously.

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Regent Topel explained Item 69-7001-R0990, Inventory and Validation of Fees; Montana Vocational-Technical Centers is recommended for approval by the Committee. No objections to the item were brought forward by students, and the item contains no recommendations for increases. Regent Topel moved the item be approved. The motion carried unanimously.

Status of Separate Budgets - KUSM and Museum of the Rockies

Copies of the separate budget documents (on file) were presented to the Committee and reviewed by President Tietz and appropriate staff in some detail. Regent Topel reported the report was informational only; the Committee was satisfied with the information provided and recommends no action at this time.

Regent Redlin asked if there was information in the report that should be heard by the full Board. Will there be future actions required by the full Board that would be affected by the information provided to the Budget Committee? Regent Topel responded ultimately the decision that will have to be made is how the Board wishes to treat those two entities in the budgeting process. The issue then becomes a policy issue, and the full Board will be provided a detailed review and opportunity for discussion as part of the budget preparation process.

Brief discussion was held on the deficit balance in the KUSM budget. Information provided to the Committee indicated that it is being gradually reduced with the expectation that within the next few years it will be eliminated. State funds support television production work done for academic departments and student internship. President Tietz noted the time frame for the public television portion of the KUSM budget to break even is three years. This corresponds to the fund raising efforts, and the phasing out of KUED in Salt Lake City as a partner in the operation. Regent

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Topel noted also the MSU views its relatively small dollar contributions to KUSM and the Museum of the Rockies as part of its public support obligations to the people of the state of Montana. Those funds come from the approximately \$60,000 budgeted by MSU for these kinds of obligations.

Update on Budget

Regent Topel reported the Committee discussed the letter the Commissioner received from the Governor's budget office regarding the System's submission of program modifications. The letter indicated there would be no increases in the coming biennium for these items with two exceptions: An approximate \$337,502 increase will be recommended by the Governor for libraries, and \$400,000 matching funds for MSU's Engineering Research Center. Since that letter was received, the rather bleak economic outlook for the state has been revised to be somewhat more optimistic. It is hoped the Governor will reconsider the recommendation and provide some additional increases for the University System. Of particular concern to the Budget Committee is the enormous cost to the System of federal and state mandated obligations with no funds provided to meet these obligations. The Governor did indicate the possibility of some additional funds to implement the RERS project, and that will certainly be pursued.

Regent Topel concluded the report of the Budget Committee noting the Committee received copies of a publication on how other states are addressing the rising costs of college tuitions. Approximately 23 states have adopted some form of college tuition prepayment bonding program. The Committee believes such a program should be actively pursued to provide relief to Montana's parents and students, and efforts should be made to try to obtain administrative and legislative support for such a program in Montana.

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Introduction of Talent Search Staff

Acting Commissioner Hutchinson introduced Rene Dubay Church, Director of the Educational Talent Search Program. Ms. Church introduced those staff members of the program who work in the field and are seldom gathered together in one location with an opportunity to be introduced to the Board of Regents. Staff are placed on four of the reservations and in Great Falls. They work with Native Americans to encourage and assist their pursuit of higher education.

Report of the Administrative Committee

Capital Construction Items

Regent Redlin reported the Committee discussed and received testimony on and recommends approval of three capital construction items.

Item 69-701-R0990, Authorization to Raze Property; Eastern Montana College seeks authorization to demolish a residence at 2601 Norman Avenue, Billings, damaged by an explosion to such an extent that repair is not feasible. Cost of the demolition will be paid by Tort Claims Division from the insurance proceeds. The net loss is estimated to be \$47,358. The remainder of the funds may be used by EMC to apply to the purchase of another housing unit in accordance with the memorandum attached to the item dated August 3, 1990 from the Department of Administration Tort Claims Division. On motion of Regent Redlin, the item was approved.

Item 69-210-R0990, Authorization to Replace Hapner Hall Roof at Montana State University increases the previously approved amount to replace the roof on Hapner Hall by an additional increment of \$40,000 above the original \$158,000 estimate for cost of the project. The increased amount is requested because material costs and the construction bid were higher than originally anticipated. On motion of Regent Redlin, the item was approved.

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Item 69-211-R0990, Authorization to Perform an Energy Retrofit to the Hedges Food Service Complex; Montana State University was presented by Regent Redlin. The project will modify existing heating and ventilation system in the food service complex, and will result in approximately \$40,000 per year of energy savings. The State Department of Natural Resources and Conversation has provided a grant of \$68,800, and the Montana Power Company has also provided a grant of \$24,000 for this project. The remainder of the cost of the project will be financed with funds from auxiliary operations.

Regent Redlin noted the Committee felt it important that when such grants are received from private industry that the receiving institution acknowledge such grants with gratitude. Chairman Mathers, on behalf of the full Board, acknowledged the System's appreciation to Montana Power Company for this grant.

On motion of Regent Redlin, the item was approved.

Policy Submission Agenda:

Chairman Mathers spoke to Item 69-002-R0990, Internal Audit Report; Montana University System. He noted the item was discussed at length in the Committee meeting, adding he believed most people are aware of the importance he personally attributes to the audit procedure. Audits are an extremely important management tool. The System has to respond to the audit function of the legislature, and also to the audit function within the System. After considerable discussion it was the consensus of the Committee that this item be withdrawn so that it can be further reviewed by Chief Counsel Schramm. Chairman Mathers explained the problem arises because any information presented to the Board of Regents becomes public information. Audit findings are sensitive in nature; they sometimes require examination in a fashion that no one is

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damaged personally by questions raised. It is necessary to be very careful with the dissemination of that information. There is no intent to withhold information from the public, but there must also be no inadvertent damage to an individual or an institution through premature release.

For these reasons, the Committee is recommending the Board approve the request that Dr. Schramm examine the policy further to determine if the System can handle audit releases in the same fashion they are handled by the Legislative Auditor. Chairman Mathers noted it is also the Committee's belief that when an item on the agenda is believed to need further staff review that request should be endorsed by the full Board.

On motion of Chairman Mathers, Item 69-002-R0990 was removed from the submission agenda with the request that Chief Counsel Schramm review the item based on the recommendation of the Committee. The motion carried.

Item 21-003-R0778, Appeals; Montana University System (REVISED) was received for consideration at the October 1990 meeting.

Policy Action Agenda

Regent Redlin reported the Committee recommended Items 69-702-R0990, Holiday Exchanges; Eastern Montana College and Item 69901-R0990, Holiday Exchange; Office of Commissioner of Higher Education be approved. She so moved. The motion carried.

Regent Redlin reported Item 69-801-R0990, Holiday Exchange; Northern Montana College, was withdrawn at the request of the institution.

Regent Redlin reported the Committee discussed Item 67-001-R0690, Minority Achievement; Montana University System, and recommends one amendment, and that it then be approved as amended. On the last page of the item, under "Procedures"

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following "System goals for multi-cultural diversity." add "The Commissioner will establish a deadline for submission of campus action plans so that plans can be implemented effective September 1, 1991." The amendment simply provides a timeframe for a previously agreed-upon action.

Chairman Mathers called for discussion on the item. Hearing none, Regent Redlin moved the item be amended as recommended by the Committee. The motion carried.

Regent Redlin then moved Item 67-001-R0690 be approved as amended. The motion carried.

Other Matters

President Kettner reported the Board of Trustees of Dawson Community College has not yet acted on approval of the Inter-Governmental Agreement, awaiting approval by the Board of Regents. The agreement provides that persons employed by the Dawson Board of Trustees and their dependents shall be incorporated within the coverage of the group benefits plan established by the Regents under the terms and conditions set out in the agreement and the plan. Hearing no discussion, on motion of Regent Redlin and on recommendation of the Committee, the Agreement was approved.

Report of the Academic Affairs

Regent Kaze reported on announcements made in the Committee meeting, including recognition that summer stipends are available for faculty from the National Endowment for the Humanities. Recognition was also given to what is known as "New Tech for the Northern Rockies Environmental and Waste Technology Education Consortium." This is a preplanning process for reclamation and hazardous waste cleanup and involves the states of Idaho, Wyoming, Montana, a number of tribal colleges and universities located in those states, and a number of energy and environmental agencies and companies in those states.

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Submission Agenda

Regent Kaze reported a request was received and approved by the Committee to recommend Item 69-501-R0990, Abolishment of the Minerals Processing and Materials Engineering Degree Options; Montana College of Mineral Science and Technology be moved from submission to the action agenda. Montana Tech would like to remove those options as of commencement of this semester and before the ABET Accreditation team visits Montana Tech in late October or early November. The minerals processing degree was eliminated by Montana Tech in 1986. No other campus objected to moving the item to action.

Hearing no further discussion, Regent Kaze moved Regents' policy on the submission/ action procedure be waived and the item be moved to the action agenda. The motion carried.

President Norman, Montana Tech, was asked to comment. He noted that each degree option, as well as each degree offering, does require a minimum number of faculty in order to maintain accreditation. What is occurring here yet again is the influence of very restricted resources. Regent Schwanke asked if this action would affect the core program of metallurgical engineering, and was told it would not.

Regent Kaze then moved Item 69-501-R0990 be approved. The motion carried.

For the record, Regent Kaze noted that Item 68-701-R0790, Authorization to Reorganize the School of Education; Eastern Montana College was placed on the submission agenda at the April 1990 meeting, and will be on the action agenda at the October 1990 meeting. The item was listed on the submission agenda at this meeting once again to receive a report from Eastern Montana College on the manner in which the College of Education would be reorganized. That report is included with the agenda material, and was very helpful for

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Committee members to understand the changes proposed and what impact they had on the people involved. The Committee appreciates the extra efforts put forward by Dr. Sexton and others at EMC in providing this additional report.

President Carpenter added this reorganization is in response to the NCATE accreditation report and is the first of several steps EMC will be taking in an attempt to rearrange resources and become better organized to meet NCATE requirements.

The item was received for action at the October 1990 meeting.

Action Agenda

Regent Kaze reported Item 67-802-R0690, Approval of Offering Courses for the Bachelor of Nursing Program at Northern Montana College facilities in Great Falls; Northern Montana College was placed on the agenda for withdrawal and was not considered further. On motion of Regent Kaze, the item was withdrawn.

Item 67-119-R0690, Authorization for Name Change from the Montana University Affiliated Program Satellite for the Developmentally Disabled (MUAPS) to the Montana University Affiliated Rural Institute on Disabilities; University of Montana was briefly reviewed by Regent Kaze. The name change more accurately reflects the nature of the program, and is recommended for approval by the Committee. Hearing no discussion, Regent Kaze moved the item be approved as recommended by the Committee. The motion carried.

Regent Kaze explained Item 67-9001-R0690, Approval of Conversion of Two-Year Certificate in Data Processing to an Associate of Applied Science Degree in Data Processing; Helena Vocational-Technical Center is a request to move the certificate program to an associate of applied science degree program. The Committee was advised that the move does provide

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an employment credential and is a service to students. It is in fact little more than a name change with updating of some requirements in the degree offering, which were explained to the Committee. Regent Kaze stated the Committee felt the proposal was well presented and detailed, and recommended it be approved. Regent Kaze so moved. After brief discussion, the question was called. The motion to approve carried.

Discussion of New Program Moratorium - 6 Units

Speaking to some of the issues raised in discussion of Item 67-9001-R0690, Regent Kaze reported Deputy Commissioner Vardemann and staff are continuing to review issues related to associate degrees and transferability. That report will be made to the Board at the January 1991 meeting.

Moving to the Committee's discussion on the new program moratorium, Regent Kaze reported it was a wide-ranging discussion including both positives and negatives historically and presently relative to having a program moratorium in place for any period of time. Regent Kaze noted he had asked this topic be placed on the agenda for discussion, and he gained a reasonable degree of understanding which he had not had previously that moratorium can be "dangerous in some ways to our health." Not only does such action stifle creativity at the campus level, from a procedural standpoint it raises real questions of what happens when the moratorium is lifted. While new program development is placed in abeyance during such a moratorium, plans are made for the time the moratorium is lifted and when that occurs, the System is deluged with a large number of programmatic offerings. That certainly is reasonable in the interests of creativity.

Staff then presented an alternative to moratorium. Dr. Toppen, working with the Academic Vice Presidents, presented a "master calendar approach" which addresses

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presentation not only of curricular offerings, but provides scheduling for a great many other reoccurring activities within the System. A draft copy of the proposed Board of Regents Master Calendar - January 1991 through December 1992 was provided with the agenda material (on file). Regent Kaze cautioned the draft calendar is in its embryonic stage, but brief examination shows it provides a process twice each year at which time new program offerings would be brought forward to the Board of Regents. By doing this, unnecessary programmatic reviews would be avoided during critical periods such as during legislative sessions when other matters are more demanding of Regents' time.

Regent Kaze reviewed the proposed timeframes for new program offerings, noting such a plan would bring more order to the process by providing orderly presentation and adequate time for review. The calendar will be presented in detail to the full Board later in this meeting. However, Regent Kaze noted one tremendous advantage to the Academic Affairs Committee is that under this proposal the Board will act on academic programs in four meetings over the biennium, rather than at sixteen meetings as it does now.

Dr. Toppen noted another advantage to the Academic Affairs Committee and the full Board as well of having such a calendar would be that the Board would be able to cross compare all the programmatic submissions coming in from the campuses at the same time.

Regent Redlin stated her appreciation for the effort put forth in developing this concept. However, she asked if staff believed adequate time would be provided to consider all of the programmatic requests under such a restricted time frame. While the opportunity to "cross compare" by having all offerings before the Board at a limited number of meetings does

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exist, she believed it appropriate that the Board of Regents consider academic programs at every meeting. That is what the Board is here for, and her feelings at this juncture are ambivalent. Regent Redlin stated that in the vo-tech arena she remained dedicated to the concept that it ought to be a system with the curriculum played off one against the other. Speaking to the four year institutions, the role and scope documents guide appropriate curricular development.

Acting Commissioner Hutchinson noted there has been discussion in the Commissioner's office that it might be worthwhile to attempt to "gear" particular meetings to particular topics. Other topics would of course be presented and addressed, but focus would be given to cyclical topics such as budget issues, presidential evaluations, legislative issues, etc. The goal is to provide expansion of time for discussion of those topics. If there does emerge a need to discuss an academic program off-cycle, there would be nothing to prevent that occurring. Sometimes there is a perception that the vocational-technical programs are rapid start-up, rapid shut-down kinds of programs, and that never happens in the associate or baccalaureate arena. Dr. Hutchinson stated he did not believe that to be true. Quick action is frequently required also of colleges and universities. Alternatively there are a number of vo-tech programs that do not fit the rapid start-up/shut-down category and they too could be accommodated in this type of calendar in a more reasonable fashion. It would be very important to be sensitive to the importance of having adequate discussion of these items. If that fails, the calendar fails.

Regent Kaze responded also to Regent Redlin's concerns, noting he believed adoption of such a calendar would in fact provide more time for discussion of academic programs rather than less by having meetings with specific focus.

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Regent Johnson noted the original topic of discussion was program moratorium - he does not favor that. The calendar concept is considerably more attractive and he shares Regent Kaze's belief more time would be devoted to discussion of new program offerings. He also questioned if the Board was making as good use of Commissioner's staff as it should. New program offerings are extensively reviewed by extremely competent people on the campuses; then brought to the Commissioner's office for further review. By the time they reach the Board they are usually finely tuned against the units' role and scope documents and budget restrictions. A little more reliance on the expertise available and orderly presentation to the Board under some method such as that proposed by the master calendar should have very positive results.

Regent Musgrove seconded the comments made by Regent Johnson, endorsing the calendar concept but recognizing it is in the discussion stage.

President Flower, MCC, expressed concern on just how the community colleges would fit into the process. He hoped some flexibility would be allowed those colleges to respond to local needs.

Regent Kaze again reiterated the discussion of the master calendar is now aimed primarily at the six four-year units, but the Committee is aware of the needs of the other entities in the System and discussion can not stop at just six units. Deputy Commissioner Vardemann has indicated she will discuss this concept with the academic officers of the vo-techs, and perhaps a workable master calendar will be developed for their kinds of programmatic offerings that would provide advance notification under different time frames. The same consideration would certainly be given to the community colleges.

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Notice of Intent

Regent Kaze reported while it was hoped to bring something concrete on a notice of intent procedure to this meeting, there is not consensus on the Committee nor among the staff of the units on how this can be resolved. There is general consensus that notice of intent is appropriate, but for what purpose has not been completely decided. It is now hoped that at the next meeting of the Board a proposal will be brought forward for a standardized calendar identifying dates for curricular submissions and providing focus at other meetings, and Dr. Toppen and the Academic Vice Presidents will bring to closure a reasonable, short method of giving notice to the Commissioner's office on recommendations for a procedure to provide notice of intent to bring forward new programs that fits into the master calendar.

Preliminary form indicating intent to seek curricular changes in the area of Biological Sciences; University of Montana

Regent Kaze reported the University of Montana brought forward the first "Notice of Intent" documents to provide notice to seek curricular changes in the area of Biological Sciences. It was indeed discovered to be a very cumbersome process. The curricular changes are proposed as a result of the departmental reorganization authorized by the Board in the spring of 1988.

Provost Donald Habbe provided background, noting part of the approval of the departmental reorganization called for certain curricular reorganizations to be brought to the Board. The University is trying through the new process to inform the Board it is working on this issue. One of the problems in the University System is "who to tell first" - this was the University's attempt to be certain that was the Board of Regents. The review process on campus is far from complete and it will be some time before the proposal is ready for submission.

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Old Business

Approval of Presidential Salaries

Acting Commissioner Hutchinson reported the salaries of President Tietz, MSU; President Norman, Montana Tech; and President Carpenter, EMC have not been formally presented and acted on by the Board. The following salaries are proposed for Board approval:

President Tietz	\$89,00
President Carpenter	\$78,500
President Norman	\$78,500

On motion of Regent Schwanke, the above presidential salaries were approved.

Regental Appointment to TRACKS Task Force

Chairman Mathers stated that Regent Kermit Schwanke would be the appointed to the TRACKS Task Force to fill the vacancy created by the expiration of the Regental term of Beatrice McCarthy.

Regents' Fall Workshop

Acting Commissioner Hutchinson reported while arrangements are tentative, the Regents' Fall Workshop is scheduled to be held on November 8-9, 1990 at the Park Inn in Lewistown, Montana. Agenda items include discussion of tuition, fees and scholarships, committee structure, levels of communication, and legislative planning including budget issues. Regents are encouraged to submit other agenda items.

New Business

Open/Closed Meetings: Legal Considerations

Chief Counsel Schramm stated he was asked to present a report on the state of the law on open and closed meetings, and matters of individual privacy. Constitutional provisions on right of participation, right to know and right of privacy were distributed and reviewed. Section 10, Right of Privacy,

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is somewhat unique to the State of Montana. Sections of Montana Codes relevant to meetings of public agencies were also distributed. It must be noted that the right of privacy pertains to the individual; the Board as a governmental agency does not have such right. While the Constitution provides closure of public meetings because of an individual's right to privacy, the legislature expanded that to include closure to discuss strategy with respect to collective bargaining or litigation when an issue would have a detrimental effect on the position of the public agency. A suit has now been brought and is before the Supreme Court to test the legislative expansion of the closure of meetings. A decision will probably be reached by that body within the next few months.

Chief Counsel Schramm reviewed the decision in the landmark case testing right to privacy in Montana, Board of Regents vs. The Missoulian. Prior to that decision, evaluations of presidents had been conducted in closed session.

No court case exists that answers the question whether public agencies can assert the right to privacy for individuals who do not assert that right for themselves. This issue arises in cases involving multiple applicants for a position. Most Montana public employers assert that those names can be protected, as can personnel files of previous employees who are not available to assert the right for themselves.

Meetings of committees and subcommittees appointed by public bodies are also required to be open. This could be construed to prohibit conversations of any agenda items on the Regents' Budget Committee between Regents Topel and Schwanke because they constitute the entire membership of that committee. No case law exists on this at this time, but both common sense and prudence should be brought into play in guiding actions in this regard.

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Executive sessions are appropriate for discussion of personnel matters, but not salary discussions. Executive session agendas must be carefully guarded to avoid any perception of attempting to circumvent the law. One of the responsibilities of the Chairman is to ascertain when executive session discussions have moved beyond appropriate topics, and at that point the meetings should be opened.

Discussion and Approval of System Long Range Planning

Dr. Hutchinson referenced a letter sent to the Board outlining a proposal to begin System long range planning. While the process has begun prior to this meeting, this was believed to be necessary if any sort of progress was to be made prior to the 1991 legislative session. Formal Board approval is solicited and a proposed work plan was provided with the agenda materials. Dr. Hutchinson stated he felt it extremely important that the System let the legislature know the direction it intends to take over the next several years so they have a clear sense of Regents' goals. This is part of the effort to try to seize the agenda for the Montana University System and obtain some sort of control over the System's future destiny.

The purpose of the long range planning effort is development of a set of goals for the University System which simply put are at once ambitious and realistic. The System needs to be forward-looking, pro-active, robust if you will in sensing what can be done in the future. The goals must be realistic and sense that which is reasonable, but also provide an accurate assessment of the environment so the goals can be anchored in reality.

Dr. Hutchinson stressed that one of the big questions that emerges is if the Regents' move ahead and authorize such a long range planning effort for the System,

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what is the relationship of this effort to the work of the Education Commission of the Nineties and Beyond? In no way is the planning effort intended to replicate, replace, supplant, or supersede the work of the Commission. They are related, but are different processes. The Education Commission has a kind of macro-view in terms of time of what needs to be done, not only in the coming decade but a decade beyond that. The long range planning effort proposed here is much more short ranged, four to five years total. The System effort would build upon the work of the Education Commission. Their work is finished and their responsibilities to the Governor completed. Now someone else has to "take the ball and run with it," and it is appropriate one of those players should be the System of higher education in Montana.

Dr. Hutchinson noted the Education Commission was deliberately created as an external, principally lay group. The planning effort here proposed is an internal one, largely to be accomplished by professional educators. This provides a welcome dialectic between the work of the Education Commission of the 90's on the one hand the University System on the other. The long term planning goals are intended to be global and will enhance the work of individual campuses and centers as they develop long range planning on a more local level.

Dr. Hutchinson reviewed the documents outlining the two phases of the proposed long range effort leading to development of goals before the start of the legislative session. The second phase to be completed in the spring would develop strategies to accomplish those goals. The organizational meeting held by the group was enormously encouraging in establishing the purpose and coming to some sense of where the System is now.

Chairman Mathers called for questions or

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discussion. President Tietz saluted the effort to develop a planning process, but cautioned against feeling the solution is to produce planning documents. The process is extremely important if it could bring about a corporate memory - a feeling on the part of the Board that as new members come on they pick up a sense of continuity. The membership of the Board is constantly changing as does the leadership on the campuses. Particularly if the System obtains lump sum funding it will become increasingly important that the Board look both to the past and to the future in terms of priorities and continuity.

Hearing no further discussion, Regent Redlin moved approval of the long range planning process as outlined by the Commissioner. The motion carried unanimously.

Discussion of Regents Proposed Calendar of Future Meeting Dates

Commissioner Hutchinson made opening comments, referencing discussion of the master calendar concept in the report of the Academic Affairs Committee. There are two basic purposes of this type of calendar. One is to simply set dates and locations for future meetings. He asked that notice be taken that an increasing number of meetings will be scheduled outside of Helena, with one meeting each year scheduled at a vocational-technical center and one meeting at a community college. The second reason is to provide an anchoring of on-going things that occur in the System so adequate planning can occur for upcoming events regardless of changes in staffing.

A much broader calendar is anticipated to be developed than this one - which relates only to activities of the Board of Regents - which will govern activities in the Commissioner's office.

Dr. Toppen seconded the Commissioner's remark that the calendar before the Regents is only a subset of the master

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calendar that needs to be developed to provide guidance on the myriad of activities that occur each year within the System. As the many other columns emerge, the Regents will be provided an opportunity to direct their staff in the development and planning of on-going activities.

Proposed Plan for Presidential Evaluations

Commissioner Hutchinson reviewed the "Proposed Plan for Presidential Evaluations" document (on file) presented at the Regents' request to provide a fairly rigorous, routine, objective evaluation of campus presidents. The presidents feel the procedure now in use is deficient, as do a number of Board members. This procedure attempts to address those deficiencies.

Dr. Hutchinson reviewed the five objectives set out on the document and elaborated on each. In summary, the evaluation process should (1) accurately and objectively assess performance through a comprehensive process of information gathering; (2) permit annual establishment of professional and personal goals; (3) be strongly based on performance in relation to agreed-upon goals; (4) lead to constructive guidance by the Commissioner and Regents with an opportunity for correcting deficiencies; and (5) afford opportunity for public acknowledgement of accomplishments.

Dr. Hutchinson also reviewed the general outline and procedures for implementation with accompanying implementation calendar. The Commissioner noted in the main the procedure has the endorsement of the Council of Presidents.

The Regents discussed various aspects of the proposal, particularly the procedure calling for peer presidential evaluation.

Regent Kaze noted there are policies in effect providing for presidential evaluation. Those should be removed from the policy manual when the new procedure is adopted.

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Hearing no further discussion, the Chairman called for a motion. Regent Kaze moved the proposal presented by the Commissioner establishing an outline for development of a new presidential evaluation procedure be approved. The motion carried unanimously.

Commissioner Hutchinson was commended by the Board for the quality of the proposal.

Proposed Guidelines for Determining Presidential Salaries

(Addition to Agenda)

Commissioner Hutchinson reviewed the document he described as a "thought piece" to be viewed as a set of guidelines for determining presidential salaries prepared at the request of members of the Board. It is not to intended to be followed absolutely; there are other factors aside from quantification that are important in determining presidential salaries. Those include the political climate, availability of funds, and a host of other issues not addressed in this document. This proposal is provided to the Regents in the hope that it provides a procedure that is sensitive and reasonable in helping Regents set those salaries.

Dr. Hutchinson reviewed the four assumptions and suggested indices on which the procedure is based. He stressed the long term strategy of the process is designed primarily to achieve equity, and sets aside the issue of merit for a maximum period of three years. The final caveat cautions the process in this document clearly is intended as a guideline to assist in setting salaries. Despite the rather highly quantitative approach, Regents and the Commissioner should not abandon the good judgment that derives from consideration of important subjective factors. The document is provided at this time as a concept, and if after the Regents and presidents have an opportunity to review the guidelines the concept is believed to be a a satisfactory direction, additional data will be provided.

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Student Appeal

Chief Counsel Schramm stated under the Regents' appeal procedure the determination needs to be made by the Board whether this appeal will be heard. He referenced the memorandum sent to the Board with the agenda material dated September 13, 1990 (on file) which outlines the facts in the appeal. Summarizing, in light of her prior longstanding residency, the appellant is asking the Board to waive the 36 month requirement so she can be certified as a resident for the WICHE/WAMI programs as of the annual certification date. A similar appeal was made on the same issue to the Board in 1989. The Regents refused to waive the requirement at that time.

After discussion of the facts and the merits, Regent Johnson moved the appeal be granted based on the record before the Board and as an exception to existing policy.

Chairman Mathers reminded the Board such action would not be without precedent in that a similar decision was reversed and the student was allowed to apply for a WICHE slot to obtain a medical education. Regent Redlin asked in this instance if there were examples of misinformation having been provided to the student, and was told there was not.

Regent Kaze noted that action overturning a previous decision was taken by mail ballot and he voted no in that instance also. He believed either the policy should be changed, or it should be enforced.

The question was called on the motion. A roll call vote was taken. Regents Topel, Kaze, Redlin, Schwanke voted no. Regents Johnson, Musgrove and Chairman Mathers voted yes. The motion to grant the appeal failed.

Commissioner's Report

Commissioner Hutchinson reported on several

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activities within the System, including an update on the presidential tour scheduled in October. The brochure constituting the invitation was prepared by the University of Montana under the direction of Vice President Sheila Stearns. Dr. Hutchinson expressed his personal thanks, and that of all the presidents, to all those at the University who helped in putting the brochure together.

Dr. Hutchinson also thanked Marilyn Wessel and the staff at Montana State University who worked long hours to put together the tabloid that will be passed out at all the communities on the tour.

Commissioner Hutchinson informed the Regents the System will be looking at a couple of insurance possibilities as a result of discussions by the Council of Presidents. A request was made to investigate catastrophic accident insurance for presidents, administrators, and faculty who travel frequently by small plane. Dave Evenson, Director of Benefits for the System, will pursue this with the Inter-Unit Benefits Committee. The program would be a contained program, and would not increase the costs of other members of the plan.

The possibility of implementing a Systemwide student insurance program is also being explored. Mr. Evenson is exploring that possibility with the chief student services officers of the campuses. The Regents will be kept apprised as that goes forward.

Dr. Hutchinson reported on the status of the Science Board anticipated to be created by Executive Order within the next few weeks. Nominations were submitted from each of the campuses and a slate of candidates were sent to the Governor from which he is expected to select four members to represent the University System on the Science Board. Deputy

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Commissioner Toppen is involved in this process, and will give a more detailed report to the Board after the Executive Order is executed.

Commissioner Hutchinson reported most reluctantly that Sue Romney, Director of Labor Relations and Personnel in the Commissioner's Office, has resigned to take a position at Flathead Valley Community College. A surprise presentation to express the System's appreciation to Ms. Romney was planned at this point in the meeting, but Ms. Romney had to leave unexpectedly for Helena, and is not present.

Commissioner Hutchinson read the following resolution of appreciation to Ms. Romney into the record:

Comes now the Board of Regents of Higher Education and resolves as follows:

Whereas, Sue I. Romney has served the Board of Regents since November 7, 1983 as Director of Labor Relations and Personnel for the Montana University System; and

Whereas, Sue has during those years demonstrated her skill and knowledge in labor negotiations, grievance resolution and personnel management; and

Whereas, Sue has displayed an ability to sympathize and empathize with employees needing a shoulder to cry on; and

Whereas, Sue has on rare occasion been forced to display unyielding firmness in the face of unacceptable demands seeking to erode the authority of the Regents, thereby earning the short term displeasure and the long term respect of her labor peers across the bargaining table; and

Whereas, Sue has now chosen to exercise her talents on behalf of our cohorts in the land of the Flathead;

Now, Therefore, BE IT RESOLVED,

That the Board of Regents extends to Sue sincere thanks and appreciation for her untiring service, and

That the Board of Regents, on behalf of the entire higher education community of Montana, wishes Sue success and good fortune in her future endeavors,

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Adopted this 14th day of September 1990 by the Board of Regents sitting in regular session at Pablo, Montana.

Commissioner Hutchinson stated some institutions are still carrying negative fund balances, as reported earlier by the Budget Committee. It is very important that plans be in place on each campus to correct these deficiencies. Dr. Hutchinson asked that each campus submit its plan for repair of these negative fund balances to the Board of Regents through the Commissioner's office by November 5, 1990 so they may be reviewed by the Board at its retreat on November 8, 1990. The plans should include a timetable for the corrections.

Dr. Hutchinson noted Congressman Pat Williams is in the Pablo area and will be on campus between 2 - 3 p.m. He would like to have dialogue with anyone here any any issues related to education. Anyone wishing to meet with Congressman Williams is most cordially invited to do so.

Concluding the Commissioner's report, Dr. Hutchinson stated the following comments derive from comments made during the State Board of Education meeting held yesterday. The Regents and the Commissioner's office received a fair amount of criticism in that meeting relative to their handling of the Board of Public Education with regard to the new MHESAC building. Dr. Hutchinson stated he belived there were some inaccurate statements and distortions of the truth stated in yesterday's meeting. He felt in this public meeting the record should be set straight.

One of the things that needs to be fully understood by the public is that the lessee of the space in the MHESAC building that is devoted to the Commissioner's Office and the Board of Public Education is the Board of Regents and the Commissioner's Office. The Board of Public Education is not a lessee. It needs to be understood that the Board of Public

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Education pays not one cent of rent for any of its space. That is given to them gratis by the Commissioner's Office through the generosity of the Regents. In original appropriation bills in the past there was a requirement that the Commissioner's Office provide space for the Board of Public Education, but recent appropriation bills do not carry that language. However, the Regents and the Commissioner have continued that arrangement to provide office space for the Board of Public Education. It is fundamentally the responsibility of the Regents and the Commissioner's Office to deal with negotiations on the building and to do deal with matters relative to the structure and design of the building because they are the principal and fundamental lessee of that space.

Dr. Hutchinson added the other matter that is emerging is the misconception, and it is a very serious misconception, that loan funds that would otherwise be available for students are going to be used in the acquisition of the new MHESAC building. That is patently false. There is not one cent of loan money being diverted from student loan possibilities to construct the building. Dr. Hutchinson stated as the bonds are structured, and Deputy Commissioner Noble is present to answer any questions anyone might have on this because he has been involved in the planning of the new construction from its inception, have certain loan acquisition funds. That money is to be used to secure loans, to acquire loans if you will. No money from those loan acquisition funds are being used in any way to acquire the new building. To use those funds in that manner would violate the bond issue. Again, for the record, in no way is any money going towards acquisition of the new building that would otherwise be used for student loans. It is important this is clearly understood.

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Campus Reports

President Carpenter, EMC, reported a meeting of student leaders from Montana's four-year college and university campuses was held recently on Eastern's campus. He asked if Kirk Lacy, President of the Montana Association of Students, would provide a report to the Board of that meeting.

Mr. Lacy stated last week the six student body presidents from the four-year institutions and a total of 20 student government leaders met and in an unprecedented move, agreed to set aside demographic differences and unite to work toward improvement of the overall University System. Mr. Lacy noted the ultimate goal is to make a difference in the state legislature and to make an impact with the Board of Regents. Students will devote their energies to improve the System appearing as a cadre, uniting as a single force to promote all of higher education rather than supporting individual unit requests as has been the procedure in the past.

Mr. Lacy thanked Regents Musgrove and Redlin, and Dr. David Toppen, for attending the meeting and providing enlightenment on major issues facing the System. Their contributions helped make the conference a success.

Mr. Lacy briefly reviewed the issues identified for student action. They included inadequate funding, retention and recruitment of quality faculty, inadequate faculty salaries, maintenance and development of facilities, and keeping the System's educational programs technologically up to date in the area of equipment. Accreditation of programs and transfer of credits are also areas of grave student concern.

On a positive note, Mr. Lacy stated students strongly support a strong central effort to address the System's problems with the legislature and other constituencies coordinated through the Commissioner's Office. Students look

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forward to being part of that coordinated effort. Students also applaud the long range planning process being developed through the Commissioner's Office, and wish to be included in that process.

Mr. Lacy concluded his report, stating student leadership's platform is rooted in the theme "The Three C's for Success in 1990-91 - Communication, Coordination, Cooperation." Students look forward to working cooperatively with the Regents and the Commissioner's Office in the coming year.

Chairman Mathers expressed the Board's appreciation to Mr. Lacy and the student government leaders for their excellent conference and statements of support and unification. The Regents appreciate the many contributions student government leaders make to the System, and will be happy to supply any information or assistance they can to the students in the coming legislative session and beyond.

President Dennison, University of Montana, expressed his pleasure at being back in the state of Montana. He reported briefly on a tour taken by University representatives meeting with students in about one-third of the high schools in the state. The most important part of the tour was providing an opportunity for faculty members to talk to high school students. The thrust of all conversations was the importance to the young people that they take advantage of the opportunity to obtain a college education. President Dennison added it was an excellent reintroduction for him to the people of the eastern part of the state. President Dennison also reported that enrollments at the University for Fall Quarter are very positive due to the excellent efforts of faculty and staff. Approximately 10,000 students are expected to arrive at the University this fall.

President Dennison also asked the Regents and others to mark their calendars on November 16, 1990, and plan to

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attend his inauguration as President at the University of Montana.

Chairman Mathers welcomed President Dennison to his first Regents meeting as President of the University of Montana. The Board looks forward to working with him in the future.

President Daehling, Northern Montana College, reported NMC just completed the largest summer school session in the institution's history. Enrollments for Fall 1990 look very positive, with a small increase over last year anticipated. The NMC Development Fund will begin its campaign next week, and the response has been extremely positive. NMC looks forward to a successful and challenging year.

Dr. Michael Malone, MSU, reported a very exciting "coming event" at the Museum of the Rockies. In 1993, the Museum will host probably its greatest exhibit - called "Sacred Encounters." The exhibit is housed at Western State University, but its sponsors include not only Western State and Montana State, but also the National Endowment for the Humanities and the Vatican, and representatives from the Netherlands and Belgium. The exhibit tells the story from both the Indian and the missionary's point of view, and will be shown in Brussels, Montreal, Washington, D.C., St. Louis, Seattle, and Bozeman. It will be a major showing at the Museum of the Rockies, and all are invited to attend.

Montana Tech reported it has experienced the largest enrollment it has had in over five years - up 9% over last year. Enrollment in engineering programs is up 14%, led by environmental engineering.

President Carpenter noted EMC also just completed a record summer session, and fall enrollments appear positive.

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Regular Agenda

Chairman Mathers stated for the record that Regent Schwanke will abstain from voting on any motion made on Item 69-100-R0990 because to do so would be conflict of interest.

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

- Item 69-100-R0990, Staff; University of Montana
- Item 69-110-R0990, Degrees; 1989-1990; University of Montana
- Item 69-200-R0990, Staff; Montana State University
- Item 69-201-R0990, Post-Retirement Contract (Alan T. Jackson); Montana State University
- Item 69-202-R0990, Post-Retirement Contract (Richard L. Schwaller); Montana State University
- Item 69-203-R0990, Post-Retirement Contract (Gerald D. Sullivan); Montana State University
- Item 69-204-R0990, Post-Retirement Contract (Theodore T. Williams); Montana State University
- Item 69-205-R0990, Retirement of Thomas L. Hanson, Civil and Agricultural Engineering; Montana State University
- Item 69-206-R0990, Retirement of Willard O. Keightley, Professor, Civil and Agricultural Engineering; Montana State University
- Item 69-207-R0990, Retirement of Fred F. Videon, Professor, Civil and Agricultural Engineering; Montana State University
- Item 69-208-R0990, Retirement of Theodore E. Williams, Professor, Civil and Agricultural Engineering; Montana State University
- Item 69-209-R0990, Degrees; Montana State University
- Item 69-300-R0990, Staff; Agricultural Experiment Station
- Item 69-400-R0990, Staff; Cooperative Extension Service
- Item 69-500-R0990, Staff, Montana College of Mineral Science and Technology
- Item 69-500A-R0990, Staff; Montana Bureau of Mines and Geology
- Item 69-600-R0990, Staff; Western Montana College of the University of Montana
- Item 69-700-R0990, Staff; Eastern Montana College
- Item 69-800-R0990, Staff; Northern Montana College
- Item 68-801-R0790, Resolution on the retirement of Dr. Robert Kaftan, Professor of Education and Psychology; Northern Montana College
- Item 69-900-R0990, Staff; Office of Commissioner of Higher Education
- Item 69-7500-R0990, Staff; Billings Vocational-Technical Center

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Item 69-9000-R0990, Staff; Helena Vocational-Technical Center
Item 69-9500-R0990, Staff; Missoula Vocational-Technical Center

Chairman Mathers expressed the appreciation of the Board of Regents and all meeting participants to President Joe McDonald, President, Salish Kootenai College, and to all the staff of the College who worked so unselfishly to make the meeting such a success. The reception given to all meeting attendees could not have been more generous, and the complicated activities required to enable so many meetings to occur at one location were so well performed they were nearly invisible. Sincere thanks to all at Salish Kootenai involved in the myriad details!

The meeting adjourned at 1:45 p.m. The next regularly scheduled meeting of the Board of Regents will be held on October 25-26, 1990, in Missoula, Montana.