

**THE BOARD OF REGENTS  
OF HIGHER EDUCATION  
Montana University System**

**MINUTES**

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**DATE:** SEPTEMBER 23-24, 1993

**LOCATION:** EASTERN MONTANA COLLEGE  
STUDENT UNION BUILDING  
LEWIS AND CLARK ROOM  
BILLINGS, MONTANA

**REGENTS PRESENT:** JIM KAZE (CHAIRMAN), CORDELL JOHNSON (VICE CHAIRMAN),  
PAUL BOYLAN, SHANE COLEMAN, COLLEEN CONROY, PAT  
DAVISON, AND KERMIT SCHWANKE; INTERIM COMMISSIONER OF  
HIGHER EDUCATION JEFF BAKER

**REGENTS ABSENT:** NONE

**PRESIDENTS PRESENT:** BRUCE CARPENTER (EMC), BILL DAEHLING (NMC), GEORGE  
DENNISON (UM), MIKE MALONE (MSU), AND LINDSAY NORMAN  
(TECH); PROVOST SHEILA STEARNS (WMCUM); JUD FLOWER  
(MCC), HOWARD FRYETT (FVCC), AND DON KETTNER (DCC)

**PRESIDENTS ABSENT:** NONE

**DIRECTORS PRESENT:** JANE BAKER (BUTTE VT), GEORGE BELL (BILLINGS VT), ALEX  
CAPDEVILLE (HELENA VT), DENNIS LERUM (MISSOULA VT), AND  
WILLARD WEAVER (GREAT FALLS VT)

**DIRECTORS ABSENT:** NONE

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**THURSDAY, SEPTEMBER 23**

Chairman Jim Kaze called the regular meeting of the Board of Regents to order at 2:00 p.m. Roll call showed that a quorum was present.

- ▶ **Regent Pat Davison moved that the Board approve minutes from the June 7, 1993 special meeting; the July 8-9 regular meeting; and the August 25 conference call meeting as mailed to the Board members. The motion passed unanimously.**

**CONSENT AGENDA****1. Staff Items**

- a. Item 81-100-R0993—Staff; The University of Montana
- b. Item 80-106-R0993—Resolution Concerning the Retirement of Richard D. Chandler, Professor and Director of Instructional Media Services, Maureen and Mike Mansfield Library; The University of Montana
- c. Item 80-107-R0993—Resolution Concerning the Retirement of Gary Nygaard, Professor of Health and Human Performance, School of Education; The University of Montana
- d. Item 80-200-R0993—Staff; Montana State University
- e. Item 80-201-R0993—Staff; Montana State University Retirement of F.D. "Denny" Lee, Professor of Physics
- f. Item 80-202-R0993—Staff; Montana State University Retirement of Robert L. Nickelson, Professor of Chemical Engineering
- g. Item 80-203-R0993—Staff; Montana State University
- h. Retirement of N.M. "Mac" Rugheimer, Professor of Physics
- i. Item 80-204-R0993—Staff; Montana State University Retirement of Robert L. Taylor, Professor of Geography
- j. Item 80-205-R0993—Staff; Montana State University Retirement of Edward L. Hanson, Associate Dean of Students
- k. Item 80-206-R0993—Staff; Montana State University Post-Retirement Employment Contract, Reed A. Howald, Professor, Department of Chemistry and Biochemistry
- l. Item 80-207-R0993—Staff; Montana State University Post-Retirement Employment Contract, James R. Schwartz, Associate Professor, College of Business
- m. Item 80-300-R0993—Staff; Agricultural Experiment Station
- n. Item 80-301-R0993—Staff; Agricultural Experiment Station Retirement of Jarvis H. Brown, Professor of Agronomy
- o. Item 80-400-R0993—Staff; Extension Service
- p. Item 80-500-R0993—Staff; Montana College of Mineral Science and Technology
- q. Item 80-600-R0993—Staff; Western Montana College of The University of Montana
- r. Item 80-700-R0993—Staff; Eastern Montana College
- s. Item 80-800-R0993—Staff; Northern Montana College
- t. Item 80-7500-R0993—Staff; Billings Technical Center
- u. Item 80-9000-R0993—Staff; Helena Technical Center
- v. Item 80-9500-R0993—Staff; Missoula Technical Center

**2. Capital Construction Items**

- a. Item 80-101-R0993—Construct Access Ramp, Mathematical Sciences: The

- b. University of Montana  
Item 80-102-R0993—Replace Field House Roof; The University of Montana
  - c. Item 80-103-R0993—Construct Rugby Field, South Campus; The University of Montana
  - d. Item 80-104-R0993—Construct Meeting and Locker Rooms, Washington Grizzly Stadium and Harry Adams Field House; The University of Montana
  - e. Item 80-105-R0993—Construct Access Ramps and Perform Necessary Renovations; The University of Montana
  - f. Item 80-208-R0993—Authorization to Renovate a Portion of the Fourth Floor of Linfield Hall; Montana State University
  - g. Item 80-213-R0993—Authorization to Construct and Improve Parking Lots; Montana State University
  - h. Item 80-214-R0993—Authorization to Install Landscaping Improvements in a Portion of the South Fieldhouse Parking Lot; Montana State University
3. Collective Bargaining—Approval of Tentative Agreements with:
- a. United Association of Plumbers and Pipefitters
  - b. AFSCME Local #441
  - c. Montana State Council of Carpenters and Joiners of America
  - d. Montana Public Employees Association
  - e. International Union of Operating Engineers/Vocational-Technical Center Employees
  - f. International Brotherhood of Painters and Allied Trades
4. Other
- a. Item 80-401-R0993—Appointment of George C. Winn, Ross Fitzgerald, William Perrin, and Gary Mahugh to the Fire Services Training Advisory Council; Montana State University
  - b. Correction of appointee to Western Montana College Local Executive Board approved at June 1993 meeting: Ms. Agnes Helle instead of Mr. Joe Womack

UM President George Dennison said he had some corrections to the staff items because they had been submitted before he received Commissioner Jeff Baker's September 4 memo asking that campuses not submit staff items requesting changes from classified to Regents' contract status until the Board approved a related policy. He asked that Item 81-100-R0993 be amended as follows:

On page 5, delete Gerry T. Baertsch, Susan Matule, and Stephen B. Smith.

President Dennison also asked that Item 80-600-R0993 be amended as follows:

- Add Sheila Stearns with a change from Interim Provost to Provost and Professor of Education, along with a salary change from \$71,500 to \$75,000 effective September 23, 1993.

President Dennison explained that last summer a search was conducted to fill the provost position on an interim basis, with a commitment to the campus that a national search would be made when appropriate. He said virtually all segments of the campus had recently requested that Sheila Stearns be appointed as permanent provost at Western Montana College and that a national search not be conducted.

- ▶ **Regent Davison moved that the Board approve all Consent Agenda items (staff items, capital construction, collective bargaining, and other) as amended. The motion passed unanimously.**

## COMMITTEE REPORTS

### ADMINISTRATIVE/BUDGET COMMITTEE

#### 1. Submission Agenda

Committee Chairman Regent Davison said the committee recommended that the following submission items be placed on the action agenda at the November 1993 Board meeting:

- a. Item 2-016-R1073—Use of Plant Funds, Including Student Building Fee Reserves, for Projects over \$10,000; Montana University System (Board Policy 940.9.2 REVISED)
- b. Item 19-004-R0178—Use of Plant Funds, Including Student Building Fee Reserves, for Projects under \$10,000; Montana University System (Board Policy 940.9.1 REVISED)
- c. Item 58-7008-R0388—Use of Plant Funds for Projects over \$10,000; Montana Vocational Technical Centers (Board Policy 971.7.3 REVISED)
- d. Item 58-7007-R0388—Use of Plant Funds for Projects under \$10,000; Montana Vocational Technical Centers (Board Policy 971.7.2 REVISED)
- e. Item 18-005-R1077—Fee Waivers; Montana University System (Board Policy 940.13 REVISED)

- f. Item 80-001-R0993—Repeal of Certain Board of Regents Policies from the Montana University System Policy and Procedures Manual (includes policies 201.4, 205.3, 505.3, 601, 801.7, 802.2.1, 802.2.2, and 1003.6)

2. Action Agenda

- a. Item 69-003-R0990—Vehicle Regulations and Parking; Montana University System (REVISED 1002.1)

Regent Davison said this item was on submission at the July meeting and proposed revising the Board's policy to comply with legislation passed to increase the fine from \$50 to \$100 for illegal parking in zones designated for persons with disabilities.

- **Regent Davison moved that the Board approve Item 69-003-R0990 with the amendment that the effective date be the same as that in related legislation. The motion passed unanimously.**

- b. Item 80-002-R0993—Operating Budgets 1993-94; Montana University System

Regent Davison said this item included budgets for the six units, the five technical centers, and the three community colleges. This was the result of the campuses and the Commissioner's Office working together on the appropriation set forth by the legislature. Regent Davison said the committee also wanted it noted that while it was recommending approval of the item, everyone should be reminded of a request on the horizon for higher education to work with a \$12 million deficiency as its share of the state's operating budget shortfall. He said that was predicated on changes coming forward perhaps from the special session. The committee heard briefly from Associate Commissioner for Fiscal Affairs Rod Sundsted on ways some of the cuts could be made. However, no formal list had been prepared.

Concerning the \$12 million figure suggested for higher education cuts, Regent Cordell Johnson asked which part of the biennium that involved.

Regent Davison said Amy Carlson from the Budget Office suggested \$2 million in FY 94 and \$10 million in FY 95.

- **Regent Davison moved that the Board approve Item 80-002-R0993. The motion passed unanimously.**

- c. Item 80-113-R0793—Resolution authorizing the Series 1993 Refunding and New Money Issue; The University of Montana, Missoula, and Western Montana College of The University of Montana, Dillon [Deferred from July 1993 meeting]

- d. Item 80-217-R0993—A resolution authorizing, approving, and providing for the issuance, sale, and delivery of \$26,000,000 aggregate principal amount of State of Montana, the Board of Regents of Higher Education, Montana State University, Facilities Improvement and Refunding Revenue Bonds, Series A 1993
- e. Item 80-218-R0993—A resolution authorizing, approving, and providing for the refunding and cash defeasance of certain bonds heretofore issued by the Board of Regents of Higher Education for the State of Montana and designated the Board of Regents of Higher Education for the State of Montana, Montana State University, Facilities Refunding Revenue Bonds, Series A 1986

In regard to these three items, Regent Davison said the Board had been presented with a proposal from UM at the July 1993 meeting to deal with auxiliary funds through a bond issue to do some renovation and construction within the residence halls and in parking areas on campus and for some refunding of bonds. He said MSU had also come forward with a bond proposal to deal with auxiliary funds. Since the July meeting, MSU staff visited with each of the Regents to explain their proposal, which would include refunding of certain bonds, some additional residence hall renovation, and some infrastructure work. He said the committee wanted to stress the fact that no taxpayer dollars or general fund money were involved in either of the bond issues. The monies involved came from user fees students pay for services, or auxiliary funds. The bond issues would make the best use of those funds. Given the current interest-rate environment, they could take on debt much cheaper than during the past 30 years. Regent Davison said it made good financial sense to manage those monies properly and put them to better use.

Regent Davison also pointed out that the bonds have been and are being put together through a negotiated rather than competitive deal. He said although competitive bids often bring in lower bids and better deals, both campuses have worked with their previous bond underwriters in the past, and those underwriters are familiar with the issues. As a result, it made better sense to go with a negotiated rather than competitive deal. Regent Davison said the underwriters had been asked to demonstrate that the bond costs would be similar to those under a competitive process, and he was satisfied they did that. Also stressed to the bond underwriters was the importance of the bonds being sold to people in Montana.

Chief Legal Counsel LeRoy Schramm said the Board was voting on three resolutions. One resolution for UM authorized issuance of new bonds and refunding of old bonds. Two resolutions for MSU did the same thing. The reason for two resolutions was simply a difference in drafting style. The resolutions said that the Board was approving the indenture—a pledge to the bond purchasers that money received from auxiliary sources would first be used to pay off the bonds. He said the resolutions essentially said that the Board approved all the documents in substance

and gave the campuses and the Commissioner the authority to make editorial, non-substantive changes as the date approached for the bond closing.

- ▶ **Regent Davison moved that the Board approve Items 80-113-R0793, 80-217-R0993, and 80-218-R0993. The motion passed unanimously.**

At 2:40 p.m., Chairman Kaze said the Board would recess and move to Petro Theater to participate in a two-hour public forum. He said the Board would reconvene the following morning and continue with the Administrative/Budget Committee's action agenda.

#### **FRIDAY, SEPTEMBER 24, 1993**

The Board reconvened at 9:15 a.m. with all Regents present. Chairman Kaze asked Regent Davison to continue the Administrative/Budget Committee's report.

#### **ADMINISTRATIVE/BUDGET COMMITTEE (CONT.)**

- f. **Item 80-108-R0993—Sale of a Portion of Fort Missoula Property by The University of Montana Foundation for Scholarship Purposes; The University of Montana**

Regent Davison said this item represented an ongoing plan initiated when property was conveyed over to the UM Foundation. They were now coming back to the Board to satisfy an agreement made between the Board and the Foundation when the transaction initially occurred.

Regent Schwanke asked whether the item included two parcels.

UM President Dennison said this item concerned only one. He said the process they follow in each instance is to ask for authority to proceed with negotiating the buy/sell agreement. When the buy/sell agreement is firm, it is brought back to the Board for final approval.

- ▶ **Regent Davison moved that the Board approve Item 80-108-R0993. The motion passed unanimously.**
- g. **Item 80-209-R0993—Authorization to Expend Equipment Fee Allocation for Instructional Purposes; Montana State University**
- h. **Item 80-216-R0993—Authorization to Expend Student Computer Fees; Montana State University**

Regent Davison suggested these two items be discussed together. The first one involved authorization for MSU to expend \$146,000 in equipment fees, and the second was to expend \$279,000 in computer fees. Regent Davison said a question was raised in the committee meeting as to whether these equipment purchases were for equipment that would be compatible with that of the entire system, rather than equipment unique to a particular campus. Regent Davison said the committee was assured that the equipment in question would be compatible for the entire system.

- ▶ **Regent Davison moved that the Board approve Items 80-209-R0993 and 80-216-R0993. The motion passed unanimously.**
- i. **Item 80-503-R0993—Authorization for Montana College of Mineral Science and Technology to Sell Real Property**
- j. **Item 80-504-R0993—Future Authorization for Montana College of Mineral Science and Technology to Sell Real Property**

Regent Davison suggested these two items also be discussed together. Montana Tech was requesting to dispose of and sell some unused property (four lots) in the Big Butte Addition. Tech had decided the best way to deal with the property was to sell it and put the cash to use within the college—primarily for plant maintenance. Regent Davison said the second item would give Tech authority to continue with that process for additional property in the Big Butte and Fairview additions, subject to final Board approval.

Montana Tech President Lindsay Norman said the 20 lots in questions had either been donated to the college or picked up during tax sales. Each parcel's fair market value was about \$500.

- ▶ **Regent Davison moved that the Board approve Items 80-503-R0993 and 80-504-R0993. The motion passed unanimously.**
- k. **Item 80-801-R0993—Long-Range Plan for Expenditure of Reverted Appropriations under MCA 17-7-304 and Board of Regents Policy 901.6; Northern Montana College**

Regent Davison said Northern Montana College planned to use unexpended appropriations for library acquisitions, classroom improvement, and deferred maintenance.

- ▶ **Regent Davison moved that the Board approve Items 80-801-R0993. The motion passed unanimously.**
- l. **Item 80-2001-R0993—Authorization to Increase Out-of-State Tuition at Dawson Community College Effective Fall Semester 1993**



- m. Item 80-4001-R0993—Authorization to Increase Tuition and Fees at Miles Community College Effective Fall Semester 1993

Regent Davison said he thought discussions on these items were particularly interesting. He said they were now seeing some of the effects of tuition changes and were beginning to understand how the pricing of tuition could do some tremendous things.

Chairman Kaze said he thought it was particularly pleasing to see how consumer-oriented the community colleges were. He said some of their services were available to people in the community from 6:00 a.m. until midnight.

- ▶ **Regent Davison moved that the Board approve Items 80-2001-R0993 and 80-4001-R0993. The motion passed unanimously.**

- n. Item 80-9501-R0993—Authorization to Expend Computer Fee Funds; Missoula Technical Center

Regent Davison said the committee's concern again was to make sure that new equipment purchases would be compatible within the system. The Missoula Technical Center had pointed out that it had already been working with UM to ensure that compatibility.

- ▶ **Regent Davison moved that the Board approve Item 80-9501-R0993. The motion passed unanimously.**

- o. Item 80-111-R0993—Request to change the name of the "Wood Chemistry Laboratory" to "The Shafizadeh Center for Wood and Carbohydrate Chemistry"; The University of Montana [Item not included with agenda mailing; number assigned after meeting]

UM President Dennison said this was a request (on file) to name the Wood Chemistry Laboratory in honor of its founder, Dr. Fred Shafizadeh. Professor Shafizadeh passed away several years ago, but many of his friends suggested his memory be honored by renaming the laboratory in his name. President Dennison said the change had no consequence other than recognizing Professor Shafizadeh's contributions to the university.

- ▶ **Regent Davison moved that the Board approve Item 80-111-R0993. The motion passed unanimously.**

Regent Davison said the committee also discussed a concern about a comment raised in the press that at some point a deal was struck with the Governor's Office and the university system in reference to the \$12 million recommendation coming out of the Budget Office. Commissioner Baker had stated that no deal had been struck,

no secret meetings had taken place, and no intent had been made to deceive anyone. He emphasized that the university system was working cooperatively with the legislative and executive branches.

Governor Racicot agreed. He said they had problems in the past because of different budgeting systems. He said the Regents were charged with running the system but that everyone needed to work together so they could go before the legislature in an informed, unified fashion.

## **ACADEMIC AND STUDENT AFFAIRS COMMITTEE**

### **1. Model Curricula Presentation**

Committee Chairman Cordell Johnson said the committee began its meeting with a presentation from Randy Poulsen, Director of the Human Resource Development Project, Mental Health Division, at the Department of Corrections and Human Services. Dr. Poulsen and his colleagues spoke on the "Model Curricula for the Preparation of Mental Health Workers for Montana's Public-Sector Mental Health System." The model curricula would define the minimal set of knowledge, experience, and the resulting competency required for graduates to be considered appropriately prepared to provide mental health services in Montana's public-sector mental health system. Regent Johnson said the presentation was informational and that any further action on the curricula would be brought before the Board through the submission/action process.

### **2. Announcements**

Regent Johnson reviewed the Level I changes that had been approved by the Commissioner's Office (listed on Academic and Student Affairs Committee agenda). One item not included on the agenda involved a name change by the School of Education at MSU. Two emphases in a particular program were Counseling and Mental Health. The approved request merged those into a single emphasis in the School of Mental Health Counseling.

### **3. Submission Agenda**

Regent Johnson briefly reviewed the submission items from the July 1993 meeting and said the committee recommended placing all of them on the action agenda at the November meeting.

Regent Johnson said the committee had lengthy discussions on the accountancy items and hoped everyone would work together before the November meeting to resolve the issues. The problem focused on the 150-hour requirement for people taking the CPA examination. Some felt that if a student was required to have

that many hours, a master's degree should be granted instead of a bachelor's degree. MSU and EMC were proposing master's degrees, and UM was proposing that it deliver that degree to the other campuses primarily through telecommunications and shared faculty. Also superimposed over this problem was the issue of restructuring the entire system.

## OLD BUSINESS

### 1. Item 80-003-R0993—Millage Distribution

Associate Commissioner for Fiscal Affairs Rod Sundsted reviewed the background for the excessive millage and explained how he used two different formulas to come up with the proposed allocation. First, each unit was allocated sufficient millage so its FY 94 appropriation would be at least equal to the systemwide average of 100.65 percent of the FY 93 actual expenditures. This allocated \$1,185,272 of the available millage of \$1,839,260. Second, the remaining \$653,988 of additional millage was distributed based on FY 92 FTE students in the same manner as the original millage was distributed in House Bill 2 for FY 94. The final allocations were MSU—\$660,855, UM—\$234,420, EMC—\$567,328, NMC—\$281,720, WMCUM—\$53,056, and Montana Tech—\$41,880.

- ▶ After a brief discussion, Regent Davison moved that the Board approve Item 80-003-R0993. The motion passed unanimously.

### 2. University System Restructuring Proposal

Commissioner Jeff Baker referred the Board to his September 21, 1993 memo and revised restructuring proposal (on file). He said he was making the following recommendations concerning the various parts:

Part I—Structure: Delay a Board decision until January 1994 meeting in order to solicit more public input.

Part II—Access/Tuition: Take immediate action on this section.

Part III—Athletic Funding: Address issue at January 1994 meeting.

#### a. Restructuring

- ▶ After lengthy discussion, Regent Davison moved that the Board delay a decision on Part I—Structure in the September 23, 1993 restructuring proposal presented to the Board by Commissioner Baker until the January 1994 meeting. The motion passed unanimously.

b. Access/Tuition

- ▶ After a brief discussion, Regent Davison moved that the Board approve the framework outlined in Part II—Access/Tuition of the September 21, 1993 restructuring proposal presented to the Board by Commissioner Baker. The motion passed—Regent Boylan voted no.

c. Athletics

Commissioner Baker said two committees—one representing the two universities and one representing the four colleges—would be formed to develop a plan for athletic funding. The committees wouldn't focus on previous studies but would instead move forward to come up with a workable plan.

- ▶ After brief discussion, Regent Davison moved that the Board instruct the Commissioner to proceed with the recommendation of two committees to develop a plan for athletic funding and to provide a report on the committees' progress to the Board not later than the January 1994 meeting. The motion passed unanimously.

## NEW BUSINESS

1. Appeals

Chief Legal Counsel LeRoy Schramm said one residency appeal was on the agenda, and the Board needed to decide whether to entertain the appeal, hold a hearing at the next meeting, or not entertain the appeal and thereby uphold the Commissioner's decision.

- ▶ Regent Johnson said he had reviewed all the documentation and moved that the Board not entertain the appeal, thereby upholding the Commissioner's decision. The motion passed unanimously; Regent Schwanke abstained.

2. Status of Referendum Lawsuit

Chief Counsel Schramm gave the Regents a brief status report of the lawsuit that had been brought against them, Lewis and Clark County Attorney Mike McGrath, and Superintendent of Public Instruction Nancy Keenan by the group headed by Professor Rob Natelson. He said much depended on whether the tax suspension issue was placed on the ballot. Chief Counsel Schramm said that MSU's student government had chosen to contribute some funds to support a lawsuit that may be filed to determine whether suspension of a tax act by a signature-gathering process was constitutional. Schramm said a 1974 Attorney General opinion said that

mandatory fees were public funds and that those funds had to be expended for public purposes. The issue to be resolved was whether supporting a lawsuit was a public purpose. Schramm said he would proceed on the premise that it was a public purpose. He said they had not been served with any notice of hearing at that time.

## STUDENT REPORTS

The Board heard reports from student representatives at Montana State University, Eastern Montana College, The University of Montana, Northern Montana College, and the Missoula Technical Center. Their reports focused on the lawsuit issue, appreciation of their authority to expend student dollars, delaying the restructuring decision, student input into the decision-making process on restructuring, long-term savings available from restructuring, the effect of the quality of education from restructuring, and concern about students' votes on the campuses being overridden by the Board.

## CAMPUS REPORTS

### 1. University of Montana

President Dennison distributed two handouts (on file) concerning an OCR (Office for Civil Rights) Title IX Review of UM to determine whether the university provided equal opportunity in its athletics program. The findings targeted 17 areas to which UM will respond.

### 2. Montana Tech

President Norman said that throughout 1992, Montana Tech had been subjected to a rigorous evaluation by ABET (Accrediting Board for Engineering Technology) and had received the longest, most affirmative action on accreditation that it has had during the past 20 years. President Norman thanked the Board for supporting efforts to correct past accreditation deficiencies. He pointed out that they were now seeing the fruits of those efforts and those of the campus.

### 3. Montana State University

President Malone distributed a handout (on file) concerning MSU accounting students. According to the National Association of State Boards of Accountancy (NASBA), MSU ranked #1 in the nation in 1991 with a CPA pass rate of 63.3 percent, and #4 on the 1992 exam. President Malone said the most recent NASBA report cited MSU as the only school in the nation with a perfect record of a "top ten" result for each of the past eight years.

President Malone also reported that Congress was considering land grant status for tribal colleges. In his capacity as chairman of NASULGAC (National Association of State Universities and Land Grant Colleges), President Malone said he would be working with the Commissioner and his staff on a recommendation for land grant status for the tribal colleges. He said the Montana congressional delegation also was committed to the project.

4. Northern Montana College

President Daehling reported on efforts underway to automate Northern's library system. The college had worked closely with Eastern over the past year to get on line with Eastern's system. About \$300,000 raised through the Foundation and a \$67,500 grant will make that possible. Northern hopes to be fully on line with Eastern within a year.

5. Eastern Montana College

President Carpenter expressed his appreciation to the Governor for his attendance and to the Regents for holding their meeting in Billings.

Regent Kaze thanked President Carpenter and his staff for all the hard work they put into hosting the Board meeting.

6. Great Falls Technical Center

Director Will Weaver announced that registration at the center was up by about 14 percent FTE in comparison to last fall.

7. Billings Technical Center

Director George Bell announced that Bob Carr had accepted a position as Vice President of Academic affairs at Northwest Technical College in Minnesota. He introduced Bill Barr, who will be serving as Acting Assistant Director for Academic Affairs.

Regent Kaze thanked Director Bell and his staff for providing a tour of the center and for hosting the Board at a breakfast that morning.

8. Helena Technical Center

Director Alex Capdeville noted that MSU President Mike Malone and Mark Emmert and Jim Isch from MSU had recently spent an entire day at the Helena Technical Center. Director Capdeville said the meeting had relieved some anxiety on the faculty's part, and they appreciated having the meeting.

9. Dawson Community College

President Don Kettner announced that Dawson had a 34 percent enrollment increase in first-time, full-time traditional students.

## COMMISSIONER'S REPORT

1. Restructuring

Commissioner Baker said he just wanted to emphasize that the real goal of restructuring was a change in thinking and a move toward unification. He said he believed that was now happening and that it would be good for the system regardless of the eventual form of restructuring.

2. Review of Board Policies

Commissioner Baker said his office was reviewing Board policies to see which should be revised or repealed. He also encouraged the campuses' participation in the process.

3. Role of indirect cost recovery

Commissioner Baker said he could not stress strongly enough the importance of this approach in terms of incentives for the system. He asked David Toppen to talk about a grant recently received by the system and the important role that indirect cost recovery made in that particular instance.

Associate Commissioner for Academic Affairs David Toppen said the Montana University System was the recipient of a \$4.5 million grant from the National Science Foundation in support of building its research infrastructure. He said the grant resulted from a cooperative effort involving the campuses—MSU and UM in particular. The seed money to make the grant a reality was the indirect cost money to which Commissioner Baker referred. Dr. Toppen said Montana was one of only five states awarded the EPSCoR grants.

4. Collective Bargaining

Commissioner Baker said that the University Teachers Union, bargaining agent for the faculty at UM, and the administration's bargaining team tentatively agreed to suspend formal negotiations while they explore a new, more collaborative means of problem resolution. Baker said the new process would involve open and frank communication, sharing of information and resources, an expanded scope of discussion topics, and some new participants. Pat Haffey from the Governor's Office and Regent Kermit Schwanke had agreed to participate in meetings with the

University Teachers Union. He said while there were risks involved, he hoped the potential for positive change and improved working conditions and relationships would justify any risks. He said the new process had his full endorsement, and he felt the time was right to explore innovations in cooperation. He said Director of Labor Relations & Personnel Sue Hill would keep everyone informed on the progress of this new approach toward negotiations.

Commissioner Baker said he also wanted to thank President Carpenter and his staff for hosting the Board of Regents meeting at Eastern Montana College, and Billings Technical Center Director George Bell and his staff for the tour and the breakfast.

Before adjourning, Chairman Kaze announced that the Regents met in executive session and had also consulted with the presidents individually. As a result of those meetings, the Board had decided, effectively immediately, to appoint Jeff Baker as Commissioner of Higher Education and remove the "interim" status from his title. Chairman Kaze said they would continue his contract until July 1, 1995. Kaze said they looked forward to Commissioner Baker's continued hard work and the cooperative, collaborative efforts he brought to the position.

With no other business to come before the Board, Chairman Kaze adjourned the meeting at 12:15 p.m.