

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

MINUTES

DATE: MARCH 24-25, 1994

LOCATION: DONALDSON COMMONS
NORTHERN MONTANA COLLEGE
HAVRE, MONTANA

REGENTS PRESENT: JIM KAZE (CHAIRMAN), CORDELL JOHNSON (VICE CHAIRMAN), PAUL BOYLAN, SHANE COLEMAN, COLLEEN CONROY, PAT DAVISON, AND KERMIT SCHWANKE; 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

THURSDAY, MARCH 24

Chairman Jim Kaze called the regular meeting of the Board of Regents to order at 1:30 p.m. Roll call showed that a quorum was present.

- ▶ **Regent Pat Davison moved that the Board approve the minutes from the January 20-21, 1994 regular meeting as mailed to the Board members. The motion passed unanimously.**

CONSENT AGENDA**1. Staff Items**

- a. Item 82-100-R0394—Staff; The University of Montana
- b. Item 82-108-R0394—Resolution Concerning the Retirement of Richard T. Dunn, Professor of Library Science and Collection Development Librarian, Maureen and Mike Mansfield Library; The University of Montana
- c. Item 82-200-R0394—Staff; Montana State University
- d. Item 82-300-R0394—Staff; Agricultural Experiment Station
- e. Item 82-400-R0394—Staff; Extension Service
- f. Item 82-500-R0394—Staff; Montana College of Mineral Science and Technology
- g. Item 82-600-R0394—Staff; Western Montana College of The University of Montana
- h. Item 82-601-R0394—Resolution Concerning the Retirement of James D. Corr, Associate Professor of Art; Western Montana College of The University of Montana
- i. Item 82-700-R0394—Staff; Eastern Montana College
- j. Item 82-703-R0394—Dr. Bruce H. Carpenter, President Emeritus; Eastern Montana College
- k. Item 82-704-R0394—Mr. Charles E. Kittock, Administrator Emeritus; Eastern Montana College
- l. Item 82-705-R0394—Dr. Bruce H. Carpenter, Professor of Biological Sciences Emeritus; Eastern Montana College
- m. Item 82-706-R0394—Mr. Nels Christiansen, Associate Professor of Health and Physical Education Emeritus; Eastern Montana College
- n. Item 82-707-R0394—Dr. Norman D. Schoenthal, Professor of Biological Sciences Emeritus; Eastern Montana College
- o. Item 82-708-R0394—Dr. Kenyard E. Smith, Professor of Music Emeritus; Eastern Montana College
- p. Item 82-800-R0394—Staff; Northern Montana College
- q. Item 82-7500-R0394—Staff; Billings Vocational-Technical Center
- r. Item 82-9500-R0394—Staff; Missoula Vocational-Technical Center

2. Capital Construction Items

- a. Item 82-701-R0394—Proposal for Authorization to Replace Fluorescent Lamp Fixtures in the Physical Education Building; Eastern Montana College
- b. Item 82-801-R0394—Authorization to Construct a Storage Facility; Northern Montana College

3. Collective Bargaining

Approval of tentative agreement with:

- a. American Federation of State, County, and Municipal Employees, Local #2235

University of Montana President George Dennison said he wanted to withdraw Ralph Allen under "Post-Retirement Employment" on page 3 of Item 82-100-R0394.

- ▶ **Regent Shane Coleman moved that the Board approve the Consent Agenda items (staff items, capital construction, and collective bargaining) with the amendment to Item 82-100-R0394. The motion passed unanimously.**

COMMITTEE REPORTS

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

The Academic and Student Affairs Committee met at 9:30 a.m. in the library conference room. Committee members present included Regents Johnson (chair), Coleman, Conroy, and Schwanke. Chairman Kaze asked Regent Johnson to present the committee's report to the full Board.

1. Announcements

Regent Johnson said the announcements included the following items:

- The 1994 postsecondary directory prepared by the Commissioner's Office was now available. Dr. David Toppen academic affairs office would distribute the directory in hard copy form and on floppy disks so that campuses could print extra copies if needed.
- The committee heard a report on enrollment at the Butte Technical Center.
- The titles of several courses at Dawson Community College had been changed, including Secretarial Science to Office Technology; AAS degree in Executive Secretary to AAS degree in Administrative Assistant; and the Certificate for Office Secretary course to the Certificate for Office Assistant.
- Montana State University was offering a water resources minor; its bachelor's degree program in Speech Communication was placed in moratorium status; the Department of Speech Communication had been consolidated with the Department of Psychology; and the Department of Agricultural and Technology Education had been transferred to the College of Education, Health and Human Development.
- The committee heard an update on telecommunications activities.

2. Submission Agenda

Regent Johnson said the committee recommended that all the submission agenda items be moved to the action agenda at the May 1994 meeting in Great Falls unless any were withdrawn before that time. He briefly reviewed the following items:

- A. Item 75-001-R0592—Common Academic Calendar (REVISED 305.2)
- B. Item 82-101-R0394—Naming of the A.B. Guthrie, Jr. Journalism Library; The University of Montana
- C. Item 82-102-R0394—Naming of the Ed Dugan Special Projects Room, School of Journalism; The University of Montana
- D. Item 82-201-R0394—Authorization for Montana State University to Change the Name of Its Entomology Research Laboratory
- E. Item 82-202-R0394—Authorization for Montana State University's Department of Industrial and Management Engineering to Offer a Minor in Manufacturing Engineering (non-teaching)
- F. Item 82-203-R0394—Authorization for Montana State University to Offer a Mental Health Services Emphasis within Its Child Development and Family Science Major

President Dennison said UM had some concerns about Item 82-203-R0394. After MSU President Mike Malone and Provost Mark Emmert responded to those concerns, Chairman Kaze pointed out that the item was on submission. He said he expected any problems to be resolved before the item was placed on the action agenda at the May meeting. Chairman Kaze emphasized consideration of the duplication factor from a policy standpoint.

- G. Item 82-204-R0394—Authorization for Montana State University to Restructure and Rename Degrees and Options in the College of Education, Health and Human Development to Reflect the Results of the Reconceptualization of the College of Education in 1987 to the Present College of Education, Health and Human Development
- H. Item 82-205-R0394—Authorization for Montana State University to Offer a Science Option within Its Elementary Education Program
- I. Item 82-206-R0394—Authorization for Montana State University's College of Nursing to Offer a Family Nurse Practitioner Option within Its Rural Nursing Master's Degree Program

Regent Johnson said Item 82-206-R0394 involved a substantial sum of money in comparison to the other submission proposals. Although the need for the program was not the issue, questions focused on the non-general fund sources. President Malone said MSU would address the Board's concerns before the May meeting and would itemize each of the three non-general fund sources.

J. Item 82-702-R0394—Proposal for Authorization to Change the Name of the Montana Center for Handicapped Children to the Montana Center on Disabilities; Eastern Montana College

UM President Dennison questioned whether Item 82-702-R0394 represented a change in focus. He pointed out that UM housed a center that focused on disabilities. With the proposed change at Eastern Montana College, Montana would have two centers. He said he wanted the Board to be aware of that. Chairman Kaze asked EMC President Carpenter to address those concerns before the May meeting.

K. Item 82-805-R0394—Authorization for Northern Montana College to Change the Name of Its Civil Technology Program to Civil Engineering Technology

L. Item 82-806-R0394—Authorization for Northern Montana College to Change the Name of Its Electronics Technology Program to Electronics Engineering Technology

M. Item 82-8501-R0394—Proposal to Implement a New Educational Program: Associate of Applied Science Degree in Physical Therapist Assistant; Great Falls Technical Center

Regent Johnson said that UM had raised several concerns about Item 82-8501-R0394. He added that substantial cost was involved, and UM and the Great Falls Technical Center would continue discussions with Dr. Toppen before the May meeting.

3. Action Items

A. Item 82-004-R0194—Proposed Revision of Board Policy 802.5 on Compensation for Instructors in Continuing Education Courses

- ▶ **Regent Johnson moved that the Board concur with the committee's recommendation to approve Item 82-004-R0194. The motion passed unanimously.**

Chairman Kaze thanked Regent Johnson for his report.

ADMINISTRATIVE/BUDGET COMMITTEE

The Administrative/Budget Committee met at 9:30 a.m. in Donaldson Commons. Committee members present included Regents Davison (chair), Kaze, and Boylan. Chairman Kaze asked Regent Davison to present the committee's report to the full Board.

1. Submission Items

Regent Davison said the committee recommended that the submission agenda items be moved to the action agenda at the May meeting unless any were withdrawn before that time; the Board concurred. Regent Davison briefly reviewed the following items:

- A. **Item 20-008-R0578—Presidents; Duties and Responsibilities (REVISED 205.2)**
- B. **Item 82-005-R0394—Chancellors; Duties and Responsibilities (NEW 205.2.1)**
- C. **Item 82-006-R0394—Campus Name Changes and Creation of Chancellors**
- D. **Item 82-007-R0394—Timetable for Restructuring [Number assigned after agenda mailing]**

Regent Davison said the committee recommended moving the following item from the action agenda and placing it on the submission agenda, postponing action until the May meeting; the Board concurred.

- E. **Item 82-802-R0394—Authorization to Expend Resource Indemnity Trust Funds; Northern Montana College**

2. Action Items

- A. **Item 69-003-R0990—Vehicle Regulations and Parking; Montana University System (REVISED 1002.1)**
- B. **Item 82-002-R0194—Repeal of Certain Board of Regents Policies from the Montana University System Policy and Procedures Manual (includes policies 201.1, 201.5, 203.4, 203.3.1, 207.1, 305.2.1, 402, 502.2, 602, 802.1, 901.5, 910, 940.3, 961.6, 962, 971.1.1, 971.8, and 1301)**
 - ▶ Regent Davison moved that the Board concur with the committee's recommendation to approve **Items 69-003-R0990** and **82-002-R0194**. The motion passed unanimously.
- C. **Item 82-103-R0394—Student Equipment Fee Allocations, Mansfield Library, \$36,000; The University of Montana**

- ▶ **Regent Davison moved that the Board concur with the committee's recommendation to approve Item 82-103-R0394. The motion passed unanimously.**
- D. Item 82-104-R0394—Use of Bond Proceeds to Remove Houses to Re-route 6th Street, \$200,000; The University of Montana**
- ▶ **Regent Davison moved that the Board concur with the committee's recommendation to approve Item 82-104-R0394. The motion passed unanimously.**
- E. Item 82-105-R0394—Transfer of Bond Project Funds from Parking Renovations to Parking Facility, \$200,000; The University of Montana**
- ▶ **Regent Davison moved that the Board concur with the committee's recommendation to approve Item 82-105-R0394. The motion passed unanimously.**
- F. Item 82-106-R0394—Student Computer Fee Allocations; The University of Montana**
- ▶ **Regent Davison moved that the Board concur with the committee's recommendation to approve Item 82-106-R0394. The motion passed unanimously.**
- G. Item 82-107-R0394—REVISED - Funding the Voluntary Termination Incentive Program for TRS and ORP Members; The University of Montana**
- ▶ **Regent Davison moved that the Board concur with the committee's recommendation to approve Item 82-107-R0394. The motion passed unanimously.**
- H. Item 82-109-R0394—Planning for Pharmacy Building; The University of Montana**
- ▶ **Regent Davison moved that the Board concur with the committee's recommendation to approve Item 82-109-R0394. The motion passed unanimously.**
- I. Item 82-207-R0394—Budget Amendment - Montana Agricultural Experiment Station; Montana State University**
- ▶ **Regent Davison moved that the Board concur with the committee's recommendation to approve Item 82-207-R0394. The motion passed unanimously.**

J. Item 82-208-R0394—Approval of Agreement to Sell and Purchase Pertaining to Huidekoper Property Located in Sweet Grass County and Authorization to Proceed with Closing of Sale; Montana State University

Regent Davison said the committee recommended deferring action on Item 82-208-R0394 until the following day. He said the Board members had received a letter of complaint concerning the advertising of the availability of the properties for sale. Since no one at Montana State University had received a copy of the letter, President Malone requested additional time to address the concerns raised in the letter. The Board concurred with the committee's request to defer action on the item until Friday morning.

K. Item 82-209-R0394—Approval of Purchase and Sale Agreement Pertaining to "Gibson Ranch" Located in Sweet Grass County and Authorization to Proceed with Closing of Sale; Montana State University

- ▶ Regent Davison moved that the Board concur with the committee's recommendation to approve Item 82-209-R0394. The motion passed unanimously.

L. Item 82-210-R0394—Approval of U.S. West Easement through Post Farm, Agricultural Experiment Station; Montana State University

- ▶ Regent Davison moved that the Board concur with the committee's recommendation to approve Item 82-210-R0394. The motion passed unanimously.

M. Item 82-212-R0394—Preliminary Bond Resolution for \$14,500,000, State of Montana, The Board of Regents of Higher Education, Montana State University, Facilities Acquisition and Improvement Revenue Bonds, Series of 1994

Regent Davison noted that this item was a preliminary bond resolution, and the Board would be asked to vote on a final resolution at a later date to issue more bonds. He said this resolution represented one of the first attempts to approach the market as a system rather than as an individual campus. They were issuing bonds for projects not only at Bozeman, but also at the Billings and Havre campuses. Regent Davison said the restructuring had enabled a combined sharing of resources to benefit individual parts, which could not have been done before, and added that they were now seeing real benefits from the restructuring. He said the committee was also told that The University of Montana is doing the same thing with its campuses.

In response to a question from Regent Johnson concerning the administrative merger, Chief Legal Counsel LeRoy Schramm said that in bond counsel's opinion, what was allowing Eastern Montana College to now defease some of its bonds and refinance was the fact that it was viewed as a merger and acquisition under tax laws—a changed structure. Bond counsel's opinion was that the college was a new entity because of the restructuring.

Regent Davison pointed out that they had done this before with The University of Montana and Western Montana College.

President Dennison said UM anticipated scheduling a conference call within the next several weeks to have the Board approve a preliminary motion for UM to undertake a similar approach with its affiliated campuses.

- ▶ **After further discussion, Regent Davison moved that the Board concur with the committee's recommendation to approve Item 82-212-R0394. The motion passed unanimously.**

N. Item 82-803-R0394—Authorization to Increase Building Fee; Northern Montana College

NMC President Bill Daehling briefly reviewed the types of items that would be covered by the fee increase. Regent Paul Boylan said he would be interested in seeing a running total of fee increases approved by the Board to date. He said those increases should not reflect any tuition increases but should be costs separate to the students.

Chairman Kaze asked Associate Commissioner for Fiscal Affairs Rod Sundsted if he would provide that information to Regent Boylan.

- ▶ **After further discussion, Regent Davison moved that the Board concur with the committee's recommendation to approve Item 82-803-R0394. The motion passed unanimously.**

O. Item 82-901-R0394—Budget Amendment - School-to-Work Grant; Office of the Commissioner of Higher Education

Regent Davison said the Board had been given a summary of this program at the January 1994 meeting. Montana had been awarded a \$200,000 federal grant from the U.S. Departments of Labor and Education titled "School-to-Work Opportunities Program." This agenda item represented the spending request.

Dr. Jane Karas of the Commissioner's Office explained that the federal legislation was passed to create a statewide system that would integrate school-based and work-based learning, and K-12 and postsecondary education. The objective was not to begin a new system immediately but instead to examine what was happening in the state. They would try to integrate various programs in various schools and communities to achieve a more cohesive statewide system.

- ▶ **After brief discussion, Regent Davison moved that the Board concur with the committee's recommendation to approve Item 82-901-R0394. The motion passed unanimously.**

P. Item 82-001-R0394—FY95 Pay Plan Allocation - Tuition; Montana University System

Rod Sundsted said that House Bill 198 authorized an increase in employee insurance contributions from \$210 to \$230 for this fiscal year, and it also authorized a 1½ percent salary increase for all employees during the last six months of the fiscal year—beginning January 1995. Approximately 68 percent of that amount would be met with general fund money, but the legislature said the university system would have to fund the remaining 32 percent through tuition. Mr. Sundsted said Item 82-001-R0394 would allocate the general fund and also give authority to the units to increase tuition by 80 cents per semester credit hour to fund the unfunded portion of the pay plan.

In response to a question from EMC President Carpenter, Chairman Kaze said the units could choose to implement the increase either summer or fall semester.

Q. Item 82-002-R0394—FY94 and FY95 Millage Allocation - Special Session; Montana University System

Mr. Sundsted said Item 82-002-R0394 reflected the proposed allocation of millage appropriated by the November 1993 special session. House Bill 2 appropriated an additional \$4.4 million and \$1.3 million of millage for FY94 and FY95, respectively. A like amount of general fund was reduced from the university system budgets. As a result, the additional millage did not represent additional spending authority but rather an offset to state general fund. Mr. Sundsted said this allocation was based on the original millage allocation that was based on FY92 enrollments.

R. Item 82-004-R0394—Language Appropriation - FY94 Tuition; Montana University System

Mr. Sundsted said that according to language in House Bill 2 from the special session, any additional tuition revenue over the appropriated level was appropriated to the Board for allocation to the six university units and the five vo-techs. Mr. Sundsted said Item 82-004-R0394 reflected the projected collections of tuition and other revenue in excess of appropriated and the planned expenditures of those revenues by the university system campuses for FY 94.

- ▶ **Following discussion on the three preceding items, Regent Davison moved that the Board concur with the committee's recommendation to approve Items 82-001-R0394, 82-002-R0394, and 82-004-R0394. The motion passed—Regent Boylan voted no.**

3. Other

A. Notice of Intent to Award Contract for Pharmacy Services for Group Benefits Program

Regent Davison said this was an information item presented by Dave Evenson, Director of Benefits in the Commissioner's Office. Some questions had been raised during the committee meeting by a pharmacist from Cut Bank, who also serves as vice president of the Pharmacy Association. Regent Davison said Mr. Evenson would be working to respond to those questions and would update the Board at the May meeting.

B. Legislative Audit—Office of the Commissioner of Higher Education

Regent Davison said Mr. Sundsted had briefly reviewed this report for the committee, and the report was available in the Commissioner's Office for anyone who wanted to read it. He said the report, which covered a two-year period ending June 30, 1993, had been satisfactory.

C. FY94 Enrollment Updates

Regent Davison said Commissioner Baker had distributed enrollment updates (on file) for the committee's information. The figures were broken down by resident/non-resident and undergraduate/graduate within each campus in the system.

Chairman Kaze thanked Regent Davison for his report and announced that the appeal scheduled for closed session Friday morning would be continued to a later date. He said the Board would reconvene at 9:00 a.m. the following morning.

The Board recessed at 3:35 p.m. for a tour of the Northern Montana College campus.

FRIDAY, MARCH 25, 1994

The Board reconvened at 9:15 a.m. Chairman Kaze said the first order of business would be to revisit Item 82-208-R0394 from Montana State University, which had been deferred from Thursday.

Chief Legal Counsel LeRoy Schramm distributed the Board's policy on property management (1003.3) and referred specifically to Section 5b, which stated:

When property is being sold, the campus shall give public notice of such sale so as to assure interested parties a reasonable opportunity to respond. In no case may property be disposed of for less than full market value or its equivalent.

Chief Counsel Schramm said the letter sent to Board members had raised the question of whether adequate notice was given so that all buyers received equal chance. Schramm said he thought the sale in question had met the criteria outlined in the policy. He then provided a chronological summary of the sale process for the Board members.

- ▶ **Following discussion, Regent Davison moved that the Board approve Item 82-208-R0394. The motion passed unanimously.**

OLD BUSINESS

- A. Update on Funding Model for Higher Education**
- B. Item 82-003-R0394—Allocation of Special Session Reductions - FY95 Tuition; Montana University System**

Commissioner Jeff Baker updated the Board members on the status of the funding model they had approved in September 1993 that links in-state and out-of-state students to the cost of education at a particular institution. For example, the out-of-state student would pay not less than the full cost of education at an institution, and the in-state student would pay a percentage of the cost of education with the state paying the other part. He noted that discussions were ongoing and would continue.

Commissioner Baker explained how they had proceeded from the funding model to the recommendation for dealing with the results of November's special session. He said that higher education's general fund reduction was about \$45 million, or close to 17 percent from one biennium to the next. In deciding how to handle that reduction, he said that a more stable and predictable funding model was needed.

During his discussion, Commissioner Baker presented overheads that showed tuition and fees at 31 selected northwest private colleges for academic year 1992-93 (for comparison with Montana's public institutions); the ranking order of those institutions; the FY95 general fund reductions of \$6 million from House Bill 2; and the allocation of the \$6 million general fund reduction among the various units.

Commissioner Baker said he was recommending that action on Item 82-003-R0394 be delayed until the students had a chance to offer input. He suggested the Board schedule a conference call in two weeks to take action on the item. In the meantime, he would meet with students to listen to their comments and suggestions.

Governor Marc Racicot referred to a March 1994 LFA report that indicated the university system's general fund reduction was \$30 million instead of \$45 million, which was 12 percent instead of 13 percent.

Commissioner Baker said his figures covered the period beginning with the end of the regular session in 1991 through the November 1993 special session.

Governor Racicot said the LFA's figures focused on the period from the 1993 biennium through the 1995 biennium, which showed a 12 percent decrease. He said even with a \$30 million general fund decrease, the system was spending more this biennium

because of other increases. He cautioned the Board against using the word "cuts." He said although there was a general fund cut, there was no cut in spending.

Commissioner Baker said it was important to note the origin of the increases and also pointed out that inflation was not considered, nor were an additional 2,000 students. He said the cuts were real and had been felt by all the campuses.

The Board heard comments from MSU President Malone, UM President Dennison, EMC Bruce Carpenter, and NMC Bill Daehling, who explained how the cuts had affected their campuses.

After further discussion, Chairman Kaze said the Board would postpone action on Item 82-004-R0394 until a conference call meeting was held within the next several weeks.

NEW BUSINESS

A. Gender Equity Annual Report

Rebecca Bird, Gender Equity Coordinator in the Commissioner's Office, provided the Board with a summary of the "1993 Annual Report on Gender Equity in Vocational Education in Montana," which included recommendations and plans for program year 1995.

Ms. Bird responded to questions from Governor Racicot and several of the Regents. Chairman Kaze thanked her for her report.

B. Item 82-211-R0394—Approval of Long-Range Planning Document; Montana State University

MSU President Malone briefly reviewed this plan that was prepared by MSU's Long-Range Planning Committee. He said the document included nine program goals for the institution.

Chairman Kaze thanked President Malone for submitting the plan to the Board for its consideration. He said he would recommend that instead of the Board taking formal action on the plan, it would be included in future role and scope discussions; the Board concurred.

C. Item 82-008-R0394—Recommendation for GSL and MHESAC—Direct Lending [Number assigned after meeting]

Commissioner Baker referred the Board to his March 16, 1994 memo (on file) that outlined his recommendations for Board action on implementation of direct lending in the Montana University System. He said extensive discussions had been held with GSL Director Bill Lannan, MHESAC Director Jim Stipcich, university representatives, and others to try to decide the best course to pursue for developing a smooth transition to direct lending. Options

included moving to direct lending as soon as possible, delaying movement to direct lending as long as possible, or implementing a phased approach to direct lending. His memo to the Board recommended that:

- (1) Montana State University proceed in fall 1994 with implementation of direct lending for all new students. MSU will be designated as the test unit for direct lending.
- (2) Between May 1, 1994, and February 28, 1995, MSU will establish a program to inform all Montana institutions about lessons learned from implementation of direct lending.
- (3) By the end of February 1995, the system will have information available on the first experience with direct lending implementation, along with regulations published by the Department of Education to provide more accurate information about unknowns such as consolidation.
- (4) Not later than March 31, 1995, the Commissioner will report to the Board on the progress of direct lending, including MSU's experience. For planning purposes, the goal is to expedite the conversion beginning in fall 1996 with all units converting to direct lending. The final conversion timetable, however, will be specified not later than March 31, 1995, after more accurate information is available. In preparing recommendations for the Board of Regents, the Commissioner will continue to pay particular attention to student experiences in the direct lending program.

During the discussion that followed, the Board heard comments from GSL Director Bill Lannan, who explained the impact direct lending would have on the GSL program. UM President Dennison disagreed with delaying the university system's move to direct lending, stating inevitability and service to students as reasons to move ahead now. EMC President Carpenter, Montana Tech President Lindsay Norman, and WMCUM Provost Sheila Stearns added that their institutions also were ready to proceed with direct lending immediately.

In response to a question concerning the effect on GSL employees, Commissioner Baker stressed that his recommendation was not made for the sole benefit of keeping people at GSL employed; he added that the initial impact on the number of lost jobs was not that significant.

- ▶ **After further discussion, Regent Davison moved that the Board approve Item 82-008-R0394. The motion passed—Regent Boylan voted no.**

STUDENT REPORTS

The Board heard brief reports from student representatives David Andrzejek from MSU; Jolane Flanigan from UM; Todd Mitchell from EMC; and Kendra Smith from the Great Falls Technical Center.

CAMPUS REPORTS

MSU President Malone announced that the groundbreaking for the Engineering/Physical Sciences Building would be held April 29.

UM President Dennison announced that the groundbreaking for the Business Administration Building was scheduled for April 28. He also updated the Board on the progress of UM's transition team on restructuring that included him, Montana Tech President Lindsay Norman, WMCUM Provost Sheila Stearns, and Helena Technical Center Director Alex Capdeville, along with several task forces that were working on various areas.

WMCUM Provost Sheila Stearns announced that Western's wrestling team was the national co-champion with Southern Oregon State University, and the coach of the team, T.J. Nelson, had been named national coach of the year.

COMMISSIONER'S REPORT

Commissioner Baker asked Dr. David Toppen, Associate Commissioner for Academic Affairs, to make some brief comments about SummitNet.

Dr. Toppen distributed a handout (on file) to the Board that explained the SummitNet Data Network Expansion proposal. He also showed two overheads titled "SummitNet 94" and "SummitNet 96-97." Dr. Toppen said SummitNet was modeled after the Internet and would provide a portol to the Internet for the university system and state government. The modification would provide the foundation for extending access to the Internet to all state agencies and other appropriate users. He said the state currently had two major statewide data networks: the SNA network that provides communications with the state's mainframe installations; and SummitNet, which is a network that interlinks LAN environments and allows computers to communicate with each other on a peer level (as required by the client/server computing model). The proposal described by Dr. Toppen represented a shift in emphasis away from the SNA network and toward SummitNet.

Chairman Kaze thanked Dr. Toppen for his presentation.

Before adjourning, Chairman Kaze said that on behalf of the Board he wanted to thank NMC President Bill Daehling and his staff for hosting the Board of Regents meeting in Havre.

The Board adjourned at 12:45 p.m.