

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

MINUTES

DATE: MAY 19-20, 1994

LOCATION: HERITAGE HALL
GREAT FALLS TECHNICAL CENTER
2100 16TH AVENUE SOUTH
GREAT FALLS, MONTANA

REGENTS PRESENT: JIM KAZE (CHAIRMAN), CORDELL JOHNSON (VICE CHAIRMAN), PAUL BOYLAN, SHANE COLEMAN, COLLEEN CONROY, PAT DAVISON (FRIDAY, MAY 20), AND KERMIT SCHWANKE: COMMISSIONER OF HIGHER EDUCATION JEFF BAKER

REGENTS ABSENT: PAT DAVISON (THURSDAY, MAY 19)

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, MAY 19

Chairman Jim Kaze called the regular meeting of the Board of Regents to order at 11:20 a.m. Roll call showed that a quorum was present. (Regent Pat Davison was not present for Thursday's session.)

- ▶ **Regent Shane Coleman moved that the Board approve the minutes from the March 24-25, 1994 regular meeting as mailed to the Board members. The motion passed unanimously.**

CONSENT AGENDA**1. Staff Items**

- a. Item 83-100-R0594—Staff; The University of Montana
- b. Item 83-107-R0594—Resolution Concerning the Retirement of Robert J. Connole, Professor of Management, School of Business Administration; The University of Montana
- c. Item 83-108-R0594—Resolution Concerning the Retirement of Ralph J. Fessenden, Professor of Chemistry, College of Arts and Sciences; The University of Montana
- d. Item 83-109-R0594—Resolution Concerning the Retirement of Stanley I. Grossman, Professor of Mathematics, College of Arts and Sciences; The University of Montana
- e. Item 83-111-R0594—Resolution Concerning the Retirement of Donald A. Jenni, Professor of Biological Sciences, College of Arts and Sciences; The University of Montana
- f. Item 83-112-R0594—Resolution Concerning the Retirement of Robert B. Johnstone, Associate Professor of English, College of Arts and Sciences; The University of Montana
- g. Item 83-113-R0594—Resolution Concerning the Retirement of Thomas O. Kirkpatrick, Professor of Management, School of Business Administration; The University of Montana
- h. Item 83-114-R0594—Resolution Concerning the Retirement of David K. Loughran, Professor of Foreign Languages and Literatures, College of Arts and Sciences; The University of Montana
- i. Item 83-115-R0594—Resolution Concerning the Retirement of John M. McQuiston, Professor of Sociology, College of Arts and Sciences; The University of Montana
- j. Item 83-116-R0594—Resolution Concerning the Retirement of Lee H. Metzgar, Professor of Biological Sciences, College of Arts and Sciences; The University of Montana
- k. Item 83-117-R0594—Resolution Concerning the Retirement of Douglas Purl, Associate Professor of English, College of Arts and Sciences; The University of Montana
- l. Item 83-118-R0594—Resolution Concerning the Retirement of Arnold J. Silverman, Professor of Geology, College of Arts and Sciences, The University of Montana
- m. Item 83-119-R0594—Resolution Concerning the Retirement of John F. Tibbs, Professor of Biological Sciences, College of Arts and Sciences; The University of Montana
- n. Item 83-120-R0594—Resolution Concerning the Retirement of James R. Ullrich, Professor of Computer Science, College of Arts and Sciences; The University of Montana
- o. Item 83-121-R0594—Resolution Concerning the Retirement of Maxine Van de

- Wetering, Professor of Philosophy, College of Arts and Sciences; The University of Montana
- p. Item 83-122-R0594—Resolution Concerning the Retirement of Richard P. Withycombe, Professor of Management, School of Business Administration; The University of Montana
- q. Item 83-123-R0594—Resolution Concerning the Retirement of Barbara E. Wright, Research Professor of Biological Sciences, College of Arts and Sciences; The University of Montana
- r. Item 83-200-R0594—Staff; Montana State University
- s. Item 83-201-R0594—Post-Retirement Employment Contract, Audrey Jean Haight, Assistant Professor, Reference Librarian; Montana State University
- t. Item 83-300-R0594—Staff; Agricultural Experiment Station
- u. Item 83-400-R0594—Staff; Extension Service
- v. Item 83-500-R0594—Staff; Montana College of Mineral Science and Technology
- w. Item 83-500A-R0594—Staff; Montana Bureau of Mines and Geology
- x. Item 83-600-R0594—Staff; Western Montana College of The University of Montana
- y. Item 83-601-R0594—Resolution Concerning the Retirement of George T. Marinkovich, Director of Intramurals, Assistant Professor of Physical Education; Western Montana College of The University of Montana
- z. Item 83-602-R0594—Post-Retirement Contract, George T. Marinkovich; Western Montana College of The University of Montana
- aa. Item 83-700-R0594—Staff; Eastern Montana College
- bb. Item 83-800-R0594—Staff; Northern Montana College
- cc. Item 83-900-R0594—Staff; Office of the Commissioner of Higher Education
- dd. Item 83-7500-R0594—Staff; Billings Technical Center
- ee. Item 83-8000-R0594—Staff; Butte Technical Center
- ff. Item 83-8500-R0594—Staff; Great Falls Technical Center
- gg. Item 83-9000-R0594—Staff; Helena Technical Center
- hh. Item 83-9500-R0594—Staff; Missoula Technical Center

2. Capital Construction Items

- a. Item 83-103-R0594—Renovation to Create Student Center, Helena College of Technology; The University of Montana
- b. Item 83-104-R0594—Renovation of River Bowl Playing Fields; The University of Montana
- c. Item 83-105-R0594—Construction of Soccer Playing Fields, South Campus; The University of Montana
- d. Item 83-203-R0594—Authorization to Construct and Improve Parking Lots at Montana State University
- e. Item 83-204-R0594—Authorization to Construct Renovations and Repairs to Correct Fire Code and Life Safety Deficiencies in the Residence Halls at Montana State University

3. Other

- a. Item 83-705-R0594—Deactivation of the Eastern Montana College Army Reserve Officer Training Corps (ROTC) Unit
 - ▶ **Regent Coleman moved that the Board approve the Consent Agenda items (staff items, capital construction, and other). The motion passed unanimously.**

COMMITTEE REPORTS**ACADEMIC AND STUDENT AFFAIRS COMMITTEE**

The Academic and Student Affairs Committee met at 9:00 a.m. in Rooms 106/107. Committee members present included Regents Cordell Johnson (chair), Shane Coleman, Colleen Conroy, and Kermit Schwanke. Chairman Kaze asked Regent Johnson to present the committee's report to the full Board.

1. Announcements

From The University of Montana:

- The committee heard a brief presentation from David Jackson on the Arnold Bolle Center for People and Forests, which was established through a gift from the Liz Claiborne/Art Ortenberg Foundation.
- The College of Arts and Sciences added (a) a teaching minor in English as a second language, and (b) a teaching minor in Computer Science.
- The Helena College of Technology changed the title "Data Processing" to "Computer Technology."

From Flathead Valley Community College:

- One-year certificates in existing programs: (a) Clerical and (b) Accounting.
- New options within existing AAS programs: (a) Museum/Gallery Operation, (b) Retail Management, and (c) Small Business Management within Business management; and (d) Wildlife, Forestry and Recreation within Natural Resource Management.

2. Action Agenda Items

A. **Item 75-001-R0592—Common Academic Calendar (REVISED 305.2)**

Regent Johnson said this item would

. . . establish an academic calendar which (a) maintains a semester system in which the fall session ends prior to the Christmas holiday, (b) complies with requirement of the Northwest Association of Schools and Colleges pertaining to minimum instructional hours and days, and (c) permits each campus of The University of Montana and Montana State University to identify breaks, starting and ending dates for each semester (including summer and interim terms) and the length of class periods.

- ▶ **Regent Johnson moved that the Board concur with the committee's recommendation to approve Item 75-001-R0592. The motion passed unanimously.**

B. **Item 82-101-R0394—Naming of the A.B. Guthrie, Jr. Journalism Library; The University of Montana**

Regent Johnson said UM was requesting to name the library in the School of Journalism after the late journalist and Montana author A.B. Guthrie, Jr.

- ▶ **Regent Johnson moved that the Board concur with the committee's recommendation to approve Item 82-101-R0394. The motion passed unanimously.**

C. **Item 82-102-R0394—Naming of the Ed Dugan Special Projects Room, School of Journalism; The University of Montana**

Regent Johnson said UM was requesting to name Room 303 in the School of Journalism after Professor Edward B. Dugan, a member of the journalism faculty for nearly six decades.

- ▶ **Regent Johnson moved that the Board concur with the committee's recommendation to approve Item 82-102-R0394. The motion passed unanimously.**

D. **Item 82-201-R0394—Authorization for Montana State University to Change the Name of Its Entomology Research Laboratory**

Regent Johnson explained that this name change would more clearly reflect and communicate to the academic community and others what the entomology unit at MSU was actually doing.

- ▶ **Regent Johnson moved that the Board concur with the committee's recommendation to approve Item 82-201-R0394. The motion passed unanimously.**

E. Item 82-202-R0394—Authorization for Montana State University's Department of Industrial & Management Engineering to Offer a Minor in Manufacturing Engineering (non-teaching)

Regent Johnson said Montana Tech had offered some comments on this proposal but did not oppose it (May 16, 1994 memo from Dr. Tom Waring on file).

- ▶ **Regent Johnson moved that the Board concur with the committee's recommendation to approve Item 82-202-R0394. The motion passed unanimously.**

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

Regent Johnson said this proposal resulted from a presentation made to the Board at its September 1993 meeting in Billings by the Department of Corrections and Human Services. He said the proposal was supported by the state's tribally controlled colleges. Regent Johnson said UM had raised some concerns about the proposal at previous meetings.

After reviewing MSU's proposal, the Department of Corrections and Human Services' recommendations, and UM's concerns, Commissioner of Higher Education Jeff Baker recommended the Board approve the proposal but also direct MSU to constrain further academic program development in the areas of mental health, chemical dependency counseling, and psychology until the university system undertakes a comprehensive review of its offerings and capabilities in these and other allied health disciplines (June 8, 1994 memo from Commissioner Baker to Board of Regents on file).

- ▶ **Regent Johnson moved that the Board concur with the committee's recommendation to approve Item 82-203-R0394 and incorporate Commissioner Baker's recommendations as outlined in his June 8, 1994 memo to the Board of Regents. The motion passed unanimously.**

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

Regent Johnson reviewed and explained the rationale behind these degree title changes and reorganization of options and curricula.

In response to a question from Chairman Kaze, MSU President Mike Malone said the university was consolidating and modernizing disciplines with fewer degrees, and paring or eliminating courses; no curricula were being proposed. He said these changes would be meaningful to the students.

- ▶ **Regent Johnson moved that the Board concur with the committee's recommendation to approve Item 82-204-R0394. The motion passed unanimously.**

H. Item 82-205-R0394—Authorization for Montana State University to Offer a Science Option within Its Elementary Education Program.

Regent Johnson said this option would help students who would be teaching at lower grade levels. He said the Board had passed a similar proposal for Northern Montana College several years ago.

- ▶ **Regent Johnson moved that the Board concur with the committee's recommendation to approve Item 82-205-R0394. The motion passed unanimously.**

At 11:55 a.m., Chairman Kaze said the Board would recess for lunch.

When the Board reconvened at 1:15 p.m., Chairman Kaze asked Regent Johnson to continue with the Academic and Student Affairs Committee's report.

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 this proposal had been endorsed by the legislature through a joint resolution during the 1993 session. He said a program to train persons to work as nurse practitioners primarily in rural areas was a demonstrated need in Montana, and the committee did not question the program's need. Much of the committee's discussion focused on the considerable cost of the new program—\$140,000 for the first year of operation, and \$200,000 for each of the next several years. Regent Johnson said MSU had succeeded in obtaining a \$700,000 grant for the first three years, and a program was underway to raise \$1.5 million to enhance and advance the university's work. Part of that has been earmarked and set aside to support the nursing program. The committee was also concerned about what would happen to the program after the grant funds were depleted—how it would continue to operate without having to rely on state money. Regent Johnson pointed out that the \$700,000 grant would revert back to the government if the Board did not approve the proposal. Although the committee had concerns, it did recommend approval.

Commissioner Baker said the committee had raised some important issues—reviewing

existing programs, freezing new programs when funding was unavailable, and continuing a regular review process. He said his office and the campuses would be working during the upcoming months to address those and other issues. For the MSU nurse practitioner proposal, however, Commissioner Baker recommended approval with the stipulation that the program be reviewed in two years to establish (1) progress toward obtaining carry-on funding, (2) progress toward development of statewide articulation of nursing education programs, and (3) accuracy of current projections (May 16, 1994 memo from Commissioner Baker to Board of Regents on file).

The discussion that followed focused on the program's high cost, fundraising efforts on behalf of the program, and the Board's reluctance to support future efforts to sustain the program through taxpayer contributions.

- ▶ **Regent Johnson moved that the Board concur with the committee's recommendation to approve Item 82-206-R0394 and incorporate Commissioner Baker's recommendations as outlined in his May 16, 1994 memo to the Board of Regents. The motion passed unanimously.**

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.

Regent Johnson said this item had elicited a lengthy, spirited discussion between Eastern and UM, which houses the Rural Institute on Disabilities on its campus. Eastern was requesting the name change because the term "handicapped" has become less acceptable in referring to persons with disabilities, and because the term "children" did not accurately reflect the full range of individuals the center was serving. This name change would also make the center more competitive in seeking funding and would help achieve consistency between purpose and mission. Regent Johnson said the center was established in Billings in 1947. Although it initially worked primarily with children, it soon extended services to other individuals. He said the center was not expanding to deal with new areas but only to make the name of the center consistent with the services it has offered throughout the years.

Regent Schwanke suggested deferring action on the item to the next meeting, but Regents Conroy and Coleman felt they should vote on it since the item had been on the agenda for three meetings.

The discussion that followed focused on the benefits to be gained by replacing the word "handicapped" with the word "disabilities"; taking into consideration that the center's services no longer focused solely on disabled children but had evolved over the years to include adolescents and adults; whether the two centers (one at UM and one at Eastern) were actually doing the same things and serving the same functions (were they warranted or unwarranted duplication?); and a suggestion to leave "children" in the name and change only the word "handicapped."

- ▶ **Regent Conroy moved that the Board concur with the committee's recommendation to approve Item 82-702-R0394. The motion passed; Regent Schwanke voted no.**

- 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.**

- ▶ **Regent Johnson moved that the Board concur with the committee's recommendation to approve Items 82-805-R0394 and 82-806-R0394. The motion passed unanimously.**

- 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 the committee had some concerns with this proposal and recommended the Board concur with Commissioner Baker's recommendation to defer a decision on the program until " . . . (1) we determine the outcome of pending grant proposals for external funding, and (2) we conclude discussions within the MUS concerning curriculum" (May 16, 1994 memo from Commissioner Baker to Board of Regents on file).

After further discussion, the Board agreed to defer action on Item 82-8501-R0394 until a future meeting. Chairman Kaze said the item would not have to be brought back through the usual notice of intent/submission/action process.

Before hearing the Administrative/Budget Committee's report, Chairman Kaze said Commissioner Baker would update the Board on the funding model approved in September 1993.

Commissioner Baker used the following overhead transparencies (on file) to augment his discussion on the funding model:

- "Montana University System Funding for Four-Year Campuses, Nominal Dollars"—1985 and 1994 tuition, state contributions, and percentages of change

- "Montana University System Funding for Four-Year Campuses, Inflation-Adjusted Dollars (HEPI, or Higher Education Price Index)"—1985 and 1994 tuition, state contributions, and percentages of change

- "Montana University System Expenditures for Four-Year Campuses, Nominal

Dollars"—1985 and 1994 total expenditures, numbers of students, expenditures per students, and percentages of change

- "Expenditures Per Student by Category, 1985-1994"—percentages of total expenditures per student by category: instructional, academic support, student services, institutional support, operation and maintenance, and scholarships and fellowships
- "Expenditures Per Student by Category, 1985-1994"—shown in (a) current dollars and (b) real dollars broken down into CPI and HEPI categories

Commissioner Baker said the following overheads illustrated the approach to funding higher education by working through the funding model passed in September 1993:

- "Legislature Appropriates - State-Assisted Funding"—determination of state funding for FY96/97
- "Regents Allocate"—allocation of state funding within the Montana University System
- "Regent Establish Tuition by Campus"—determination of tuition
- "Benefits of Funding Model"

Commissioner Baker said the final overheads he would discuss projected enrollments through the year 2000 so that the campuses could see where they were and where they were going. By doing so, they could plan for how they would grow and where they would put that growth.

- "Montana University System Enrollment Projections FY1995 through FY2000 - System Summary"
- "Montana University System Enrollment Projections FY1995 through FY2000 - Montana State University"
- "Montana University System Enrollment Projections FY1995 through FY2000 - The University of Montana."

Commissioner Baker said they had held many discussions on the model, including several with the budget office and legislators, and the discussions would continue. Because of the Board's responsibility for managing the university system, he said it was extremely important that everyone do their homework to show that responsibility and commitment to the people of Montana.

The discussion that followed focused on the tendency to forget to stress the amount

the state contributes toward a student's education, even though it has decreased; the system's need to be accountable to the Board and to the people of Montana; reminding students to realize they were receiving a sizable return on their investment; and the important role of financial aid.

Chairman Kaze thanked Commissioner Baker for his presentation.

ADMINISTRATIVE/BUDGET COMMITTEE

The Administrative/Budget Committee met at 9:00 a.m. in Heritage Hall. Committee members present included Chairman Kaze (acting as chairman in Regent Pat Davison's place) and Regent Boylan. Chairman Kaze said he would present the committee's report to the full Board.

1. Submission Agenda Items

A. ~~Item 7-004-R0175~~—Purchasing Requisitions; Computing Equipment (REVISED 920.1)

Chairman Kaze said this revision would require that requisitions for telecommunications equipment exceeding \$25,000 be reviewed by the commissioner or designee prior to submission to any vendor or to the Department of Administration's Purchasing Bureau. The purpose was to ensure coordination of efforts in areas of technological applications with statewide implications.

B. ~~Item 18-005-R1077~~—Fee Waivers; Montana University System (REVISED 940.13)

Chairman Kaze said this revision would affect only the "Faculty and Staff Fee Waiver" section of the policy.

C. ~~Item 43-002-R0484~~—Residency Policy; Montana University System (REVISED 940.1)

Chairman Kaze said this revision would affect only Section 11 of the policy; Sections 1 through 10 would remain unchanged. The committee discussed whether the proposed revision should be treated as a residency issue or a financial aid issue. Chairman Kaze said more clarification would be brought forward when the item was placed on the action agenda.

D. ~~Item 83-002-R0594~~—Criteria for Board of Regents Contracts; Non-faculty Personnel (NEW)

Chairman Kaze said this was a new policy that would present guidelines from the Board that were general enough to allow campuses flexibility in regard to employees on

Board of Regents contracts. Its goals were to ensure consistent treatment of employee appointments across campus lines; moderate the growth rate of the numbers of non-instructional contract employees; and allow the Board to more clearly identify administrative personnel.

E. Item 83-003-R0594—Student Payroll FICA Exemption (NEW) [Late agenda item]

Chairman Kaze said this item had been presented by Associate Commissioner for Fiscal Affairs Rod Sundsted and was being proposed to decide on the number of credit hours that should be used to determine FICA exemptions for students.

Chairman Kaze said the committee recommended that all five submission items be brought forward for action at the July 7-8 meeting in Butte; the Board concurred.

2. Action Agenda Items

A. Item 82-006-R0394—Campus Name Changes and Creation of Chancellors

Chairman Kaze said the committee recommended this item be amended to (1) include under Section (A) that The University of Montana's new name would be The University of Montana—Missoula, and that Montana State University's new name would be Montana State University—Bozeman; and (2) include clarification that "The University of Montana" and "Montana State University" referred to the two universities and all their respective affiliated campuses.

- ▶ **Regent Boylan moved that the Board concur with the committee's recommendation to approve Item 82-006-R0394 as amended. The motion passed unanimously.**

B. Item 82-005-R0394—Chancellors; Duties and Responsibilities (NEW 205.2.1)

C. Item 20-008-R0578—Presidents; Duties and Responsibilities (REVISED 205.2)

Chairman Kaze said the committee recommended deferring action on these two items until the July meeting; the Board concurred.

D. Item 82-007-R0394—Timetable for Restructuring

- ▶ **Regent Boylan moved that the Board concur with the committee's recommendation to approve Item 82-007-R0394. The motion passed unanimously.**

E. Item 82-802-R0394—Authorization to Expend Resource Indemnity Trust Funds; Northern Montana College [Replacement agenda item]

Chairman Kaze said Northern was presenting a replacement item for the one that had been mailed to Board members. He said the expenditure of the RIT funds would support operations of the Water Quality-Environmental Science instructional programs at Northern; the project cost had been reduced from \$900,000 to \$657,000.

- ▶ **Regent Boylan moved that the Board concur with the committee's recommendation to approve the replacement version of Item 82-802-R0394. The motion passed unanimously.**

F. Item 83-102-R0594—Preliminary Bond Resolution, Facilities Acquisition and Improvement Revenue Bonds, Series 1994; The University of Montana [Replacement agenda item]

Chairman Kaze said UM was presenting a replacement item for the one that had been mailed to Board members. This item would authorize UM to proceed with the Series 1994 bonds to undertake a number of improvement projects not only at the Missoula campus, but also at Montana Tech, Western Montana College, and the Helena Technical Center.

- ▶ **Regent Boylan moved that the Board concur with the committee's recommendation to approve the replacement version of Item 83-102-R0594. The motion passed unanimously.**

G. Item 83-106-R0594—Grant of Easement to U.S. West for Proposed Fiber Optic Cabinet Site; The University of Montana

- ▶ **Regent Boylan moved that the Board concur with the committee's recommendation to approve Item 83-106-R0594. The motion passed unanimously.**

H. Item 83-202-R0594—Authorization for Montana State University to Grant a Right of Way to the Montana Department of Transportation and Irrigation Easement to Middle Creek Farms, Inc. in Connection with Highway Construction on the Arthur H. Post Farm Located in Bozeman, Montana

- ▶ **Regent Boylan moved that the Board concur with the committee's recommendation to approve Item 83-202-R0594. The motion passed unanimously.**

I. Item 83-205-R0594—Approval of the Agreement to Sell and Purchase Pertaining to Property Located in Hill County and Authorization to Proceed with Closing of Sale; Montana State University

Chairman Kaze said he had a conflict of interest with this item and asked Regent Boylan to present it.

MSU President Malone reviewed the item for the Board.

- ▶ **Regent Boylan moved that the Board concur with the committee's recommendation to approve Item 83-205-R0594. The motion passed unanimously; Chairman Kaze abstained.**

J. Item 83-001-R0594—Inventory and Validation of Fees; Montana University System

Before the Board voted on Item 83-001-R0594, Chairman Kaze said the committee had heard a presentation from UM student Leif Haugen and attorney Mark Jones concerning a UM student petition on the student athletic fee. Chairman Kaze said the committee had explained to Mr. Haugen and Mr. Jones how the Board had reached its decision on the athletic fee. He said that he, Commissioner Baker, and Chief Legal Counsel LeRoy Schramm would be meeting with Mr. Haugen and Mr. Jones within the next few weeks to discuss in more detail the approach the Board used to reach its decision.

Regent Johnson pointed out that the Board did not impose the athletic fee. The Board simply changed its policy, which it has the right to do, to allow the campuses to decide whether they wanted to impose a fee; he said he thought it was now a campus issue.

Concerning Item 83-001-R0594, Chairman Kaze said a vote on this item also would include approval of the following:

Item 83-124-R0594—University Center Fee, The University of Montana (late agenda item)

Item 83-125-R0594—Health Service Fee, The University of Montana (late agenda item)

Item 83-126-R0594—Campus Recreation Fee & Student Activity Fee, The University of Montana (late agenda item)

Item 83-206-R0594—Health Fee, Montana State University (late agenda item)

Item 83-501-R0594—Building Maintenance and Use Fee, Montana Tech

Item 83-701-R0594—Semester Student Union Use Fee, Eastern Montana College

Item 83-702-R0594—Semester Building Fee, Eastern Montana College

Item 83-7501-R0594—Health Service Fee, Billings Technical Center

- ▶ **Regent Boylan moved that the Board concur with the committee's recommendation to approve Items 83-001-R0594, 83-124-R0594, 83-125-R0594, 83-126-R0594, 83-206-R0594, 83-501-R0594, 83-701-R0594, 83-702-R0594, and 83-7501-R0594. The motion passed; Regent Boylan voted no.**

K. Item 83-703-R0594—Authorization to Expend Computer Fees, Fiscal Year

1994; Eastern Montana College

- ▶ **Regent Boylan moved that the Board concur with the committee's recommendation to approve Item 83-703-R0594. The motion passed unanimously.**
- L. Item 83-704-R0594—Authorization to Expend Equipment Fee Allocation for Instructional Purposes; Eastern Montana College**
- ▶ **Regent Boylan moved that the Board concur with the committee's recommendation to approve Item 83-704-R0594. The motion passed unanimously.**
- M. Item 83-706-R0594—Lease between KEMC and Jubilee Radio; Eastern Montana College**

Chairman Kaze said that Chief Legal Counsel LeRoy Schramm had reviewed the lease agreement and found it satisfactory.

- ▶ **Regent Boylan moved that the Board concur with the committee's recommendation to approve Item 83-706-R0594. The motion passed unanimously.**
- N. Item 83-801-R0594—Authorization to Establish a Student Athletic Fee at Northern Montana College**

Chairman Kaze said approval of this item would authorize Northern to charge students an athletic fee of \$15 per semester.

President Bill Daehling said the students at Northern had held a general election, and the measure on the athletic fee had passed by a 2 to 1 margin. The fee would become effective with fall semester 1994.

- O. Item 83-9001-R0594—Student Union Building Fee; Helena College of Technology of The University of Montana [Late agenda item]**
- ▶ **Regent Boylan moved that the Board concur with the committee's recommendation to approve Items 83-801-R0594 and 83-9001-R0594. The motion passed unanimously.**
- P. Item 83-7503-R0594—Authorization to Expend Equipment Fee Funds; Billings Technical Center**

Chairman Kaze said the committee recommended approval of this item with a cautionary note. As a general rule, he said they did not approve using auxiliary fund balances

for purchases outside that auxiliary fund. He pointed out this would be a one-time transfer and that no future transfers would be made without Board approval.

- ▶ **After brief discussion, Regent Boylan moved that Chairman Kaze's comments be noted and that the Board concur with the committee's recommendation to approve Item 83-7503-R0594. The motion passed unanimously.**

- Q. Item 83-7504-R0594—Authorization to Expend Computer Fee Funds; Billings Technical Center**

- ▶ **Regent Boylan moved that the Board concur with the committee's recommendation to approve Item 83-7504-R0594. The motion passed unanimously.**

- R. Item 83-7502-R0594—Authorization to Transfer \$199,741 of FY95 Spending Authority to FY94 Billings Technical Center [Late agenda item]**

- ▶ **Regent Boylan moved that the Board concur with the committee's recommendation to approve Item 83-7502-R0594. The motion passed unanimously.**

- S. Item 83-901-R0594—Personal Services Contingency; Office of the Commissioner of Higher Education**

Chairman Kaze said this was a request from OCHE to use \$8,585 in personal services contingency funds. Although 3½ positions had been kept vacant for much of the year, OCHE had to absorb more than \$66,000 in termination payouts and incentives. The \$8,585 in personal services contingency funds would help balance the FY94 budget.

- ▶ **Regent Boylan moved that the Board concur with the committee's recommendation to approve Item 83-901-R0594. The motion passed unanimously.**

3. Other.

A. Long-Range Building Program

Commissioner Baker said that UM and MSU had done extensive work to prepare priorities for the long-range building program. He was now working with the campuses to integrate those lists. Because they had a July 1 deadline, a conference call may be needed before that time to seek Board approval.

B. Update on Contract for Pharmacy Services for Group Benefits Program

This program involves a contract between the Montana University System and Express Scripts and Buttrey Food and Drug for a Prescription Drug Card Program and a Mail Service Pharmacy Program. To respond to some concerns raised at the March 24-25 meeting in Havre, Director of Benefits Dave Evenson said he and the benefits staff had met at Eastern Montana College to receive additional input on the program. Although some pharmacists may not yet be satisfied, Mr. Evenson said they were given the opportunity for their input. He said unless the Board voted to stop the new program, it would automatically be implemented.

Eastern President Bruce Carpenter said he wanted to commend Mr. Evenson and his staff on their efforts to resolve the concerns voiced at the March meeting.

At 3:45 p.m., Chairman Kaze said the Board would recess for a tour of the Great Falls Technical Center, the College of Great Falls, and the McLaughlin Research Institute.

FRIDAY, MAY 19, 1994

The Board reconvened at 8:25 a.m. with all Board members present.

NEW BUSINESS

A. Appeals

Chief Legal Counsel LeRoy Schramm distributed copies of a May 13 letter (on file) sent to Commissioner Baker from one of the appellants. The letter was received after the agenda material was mailed to the Board.

Chief Counsel Schramm briefly reviewed the appeals, which involved eligibility for the voluntary termination incentive.

- ▶ **After brief discussion, Regent Johnson moved that the Board entertain the appeal and schedule a hearing at the July 1994 meeting in Butte. The motion passed unanimously.**

B. Tech Prep and School-to-Work Update

Dr. Jane Karas from the Commissioner's Office presented a brief update to the Board on the Tech Prep and School-to-Work programs. She said by the year 2000, 80 percent of the nation's jobs would require postsecondary but not necessarily four-year degrees. Tech Prep and School-to-Work were working to change the negative attitudes and stereotypes associated with students who did not receive four-year degrees. Dr. Karas said coordination was the key for the future, and the efforts of Tech Prep and School-to-Work programs were focusing on both coordination and cooperation. She said the Commissioner's Office, the

Office of Public Instruction, the Governor's Office, and the Department of Labor and Industry were only several of the groups working to ensure that services throughout the state were not duplicated.

Discussion followed that focused primarily on a concern raised by Regent Davison that new programs should not be needed if existing programs were doing their jobs effectively.

C. Governor's Task Force to Renew Montana Government

Chairman Kaze introduced Gary Buchanan, Chairman of the Governor's Task Force to Renew Montana Government.

Mr. Buchanan briefly reviewed the task force's background, saying it was a voluntary, privately funded group charged with reviewing all aspects of state government. He said a major reorganization had been undertaken 20 years ago, with only two minor reorganizations since that time. With the chances for new revenue unlikely, the state needed to find ways to function with less financial resources. He said the task force's objective was to find ways to convert some government administrative costs to direct services. To do that, the task force had begun an examination of the level of administration in state government.

Mr. Buchanan said he would like to see less administrative staff and more teachers and professors at both the K-12 and higher education levels. He said the educational system in Montana needed more control by the governor and cited the structure in Pennsylvania as one of several being examined. The task force had asked the Budget Office how much could be saved by combining the Commissioner's Office, the Office of Public Instruction, and the Board of Public Education. Mr. Buchanan said the task force was charged to see whether those offices' resources could be better used.

Chairman Kaze said both the Board and the Commissioner's Office wanted to be completely open and cooperative with the task force's efforts. He cautioned that efforts be made to ensure that any information released was accurate and that it was delivered in a form that could be easily understood. Chairman Kaze pointed out that Governor Racicot was the first governor to attend Board meetings, and the Board always listened to his comments.

Regent Davison said the Board members wanted to see more dollars in the classroom, also; they all had the same mission. He pointed out that a lot was involved, however, and they had to make sure they were dealing with the facts.

Regent Johnson stressed the need for a strong central office to oversee the universities, no matter what structure was in place. He said the questions being raised were good ones but pointed out that the jobs now being done would still have to be done by someone at some level.

After further discussion, Mr. Buchanan said he wanted to make sure the dialogue was

on the table. He said the task force would be making inquiries and questioning finances and stressed that they had to look at a new way of doing things.

Chairman Kaze thanked Mr. Buchanan for his presentation.

D. WICHE Report on Compact for Faculty Diversity

Dwayne Matthews from WICHE (Western Interstate Commission for Higher Education) in Boulder, Colorado, distributed a publication titled "The Compact for Faculty Diversity" (on file). The compact is an initiative to increase the number of African American, Native American, Asian, and Hispanic faculty. It has raised funds from national foundations that will be used as seed money to match new state and institutional funds to support doctoral studies by minority students. By the end of the century, the compact aims to support at least 200 minority Ph.D. students per year through financial and academic support programs. By then, states and universities are expected to fund the program and pledge their sustained commitment to the support of minority doctoral studies.

Mr. Matthews said the planning project also included an extensive analysis of minority graduate students' obstacles to success as well as factors that contribute to the success and failure of current programs. Based on this analysis, the compact identified five strategies to help solve the faculty diversity problem: (1) motivate states and universities to address the problem by increasing the base of financial support for minority doctoral study; (2) offer promising minority graduate students a support package of multi-year fellowships and research and teaching assistantships that promote success by integrating students more fully into the academic life of the department; (3) introduce incentives for academic departments to create supportive environments for minority students, especially through strong mentorship; (4) sponsor an annual institute providing opportunities to build support networks and promote teaching; and (5) develop a collaborative approach to student recruitment by drawing from undergraduate faculty and programs targeted to minority students.

After brief discussion, Chairman Kaze thanked Mr. Matthews for coming to Great Falls to speak to the Board and pledged the university system's cooperation.

After a 15-minute break, the Board reconvened at 10:15 a.m.

OLD BUSINESS

A. Discussion on Tuition Flat Spot

Rod Sundsted, Association Commissioner for Fiscal Affairs, used three overhead transparencies (on file) to provide a history and explanation of the current flat spot and credit distributions: (1) current tuition per credit hour, (2) credit hour distribution for FY94, and (3) tuition flat spots from peer institutions.

Commissioner Baker said the issue to be addressed was whether the Board had a reason to be involved in the decision on a flat spot on a particular campus, or whether it should allow those decisions to be made on the campuses.

The Board heard comments from UM President Dennison, MSU President Malone, EMC President Carpenter, NMC President Daehling, Montana Tech Administrative Vice President John Hintz, MAS President Justin Lee, ASEMC President Chato Hazelbaker, and ASMSU President E.J. Powell. The discussion concerned use of the flat spot as an enrollment management tool and its effect on throughput; making a decision based on a campus' mission and an examination of its student profile; ongoing monitoring to ensure a consistent policy was followed from year to year among the campuses; the revenue-neutral aspect of changing or eliminating the flat spot; the importance of campus flexibility in view of new changes underway; future financial aid considerations; and delaying until fall 1995 any implementation of a change to the flat spot.

Commissioner Baker suggested they continue discussions on moving toward greater flexibility on the campuses and what it would mean if the cost per credit hour differed among campuses. Because they were moving toward a different type of financial aid, the discussions would incorporate that issue, also. He said a policy could be developed well in advance of next year.

The Board agreed to proceed along those lines.

B. Fort Missoula

The Board heard a brief presentation from Gerard Berens from Missoula. Mr. Berens had distributed a document to the Board titled *Analysis of the Sale of Fort Missoula Lands by The University of Montana* dated May 16, 1994.

Mr. Berens said he wanted to state the case for reexamination of this sale of 83 historic acres in Missoula. He asked that the Board take the time to read the analysis and the questions it raised. Mr. Berens said the analysis showed that the process used by The University of Montana and The University of Montana Foundation to liquidate the property in question was flawed. Instead of the sale being open and highly publicized, he said the process used was questionable and did not follow normal, prudent practices used when attempting to market a property at the maximum price.

Mr. Berens continued to summarize the concerns raised in the analysis. He said the city had held a number of public meetings concerning the sale, and the citizens of Missoula had a lot of questions. He asked that the Board conduct a thorough investigation of all aspects of the matter—or ask for an investigation by the Attorney General if the Board felt it had a conflict—and withdraw its approval of the sale. He thanked the Board for its time and consideration of the matter.

Chairman Kaze thanked Mr. Berens for his time. He said the Board had listened to

Mr. Berens' comments, would review the analysis he provided, and would take the matter under advisement. Chairman Kaze said he would not assure Mr. Berens that the Board would change its mind, however.

STUDENT REPORTS

MAS President Justin Lee thanked the Board for meeting with the students that morning and said he was excited about the direction MAS was taking.

CAMPUS REPORTS

The University of Montana

After President Dennison reviewed several campus accreditation visits, he distributed a copy of a report (on file) concerning UM's second year of participation in benchmarking efforts. He said he would like to reserve some time at the June retreat to review the data.

Montana State University

President Malone announced that this Board meeting would be the last for Vice President for Administration Jim Is'ch. President Malone also said that Rolf Groseth, Dean of Student Affairs, would be assuming a different role. The MSU campuses agreed to finance part of his FTE for the coming year for Groseth to be their facilitator. In that role, he would be visiting all the campuses. President Malone said the Congressional Goldwater Scholars were announced for 1994, and three of MSU's nominees were accepted.

Northern Montana College

President Daehling announced that Cheryl Jenkins, one of Northern's business technology students, had received an award in a statewide competition at The University of Montana in the Montana Entrepreneurship Center for the best business plan submitted.

Montana Tech

Administrative Vice President John Hintz said the Montana Tech environmental engineering team placed second in a nationwide contest on problem-solving design.

The Board also heard brief reports from several of the community colleges and vo-tech centers.

COMMISSIONER'S REPORT

Commissioner Baker updated the Board on the MUS Higher Education Center in Great Falls and Helena. He said they had made good progress and wanted to thank Presidents Daehling, Dennison, Malone from the MUS; President Matt Quinn from Carroll College; President Fred Gilliard from the College of Great Falls; Great Falls Technical Center Will Weaver; and Helena Technical Center Director Alex Capdeville. Commissioner Baker said he would have a more formal report at the July meeting.

Chairman Kaze said that in order for Board members to be more prepared for meetings, he asked the Commissioner's Office to explore ways to mail the material earlier, which would mean the campuses and the Commissioner's Office would have to plan further ahead in order to submit items earlier than usual and eliminate the need for emergency items.

Regent Johnson said they should set a strict rule that if an item is not on the agenda or in the agenda materials, the Board will not consider it. He pointed out that everyone knows when the meetings are scheduled at least a year in advance.

Representative Dick Simpkins said when he began in the legislature in 1989, the legislature was unhappy with the university system. He said many improvements had been made since then and more would be on the way. He cited the Tech Prep program in particular for bridging the gap between K-12 and higher education. He said the vo-techs also should be commended for their efforts. Representative Simpkins said he did not see the proposed department of education referred to by Gary Buchanan as politically feasible. Instead, the board of education needed to function more effectively in order to carry out its constitutional mandate. He said they needed to develop a long-range plan for all education in Montana, review all education policies, and submit a unified budget. Representative Simpkins said he wanted to compliment the Board for taking the public's views seriously and said they were headed in the right direction.

Jane Bailey, Vice President and Chief Operating Officer at Montana Deaconess Hospital in Great Falls, spoke to the Board on behalf of the Physical Therapy Assistant Program proposed by the Great Falls Technical Center.

Chairman Kaze thanked Ms. Bailey for her comments. He asked Great Falls Technical Center Director Will Weaver to notify Ms. Bailey when the proposal is brought back before the Board so that she may attend the meeting.

Chairman Kaze and Commissioner Baker thanked Will Weaver and his staff for hosting the Board meeting at the Great Falls Technical Center.

Chairman Kaze said he also wanted to express the Board's heartfelt thanks to Bruce Carpenter, Howard Fryett, David Toppen, and Jim Isch for all their years of service to the Board and to the Montana University System; he wished them the best of luck in their future endeavors.

With no other business to come before the Board, the meeting adjourned at 11:45 a.m.

Mailed to the Board of Regents on

June 23, 1994

(Date)

Rose M. Bond

Rose M. Bond
Secretary to the Board of Regents

Approved by the Board of Regents on

July 7, 1994

(Date)

Jim Kaze

Jim Kaze, Chairman
Board of Regents of Higher Education

AGENDA
MAY 19-20, 1994

