

THE BOARD OF REGENTS
OF HIGHER EDUCATION
Montana University System

M I N U T E S

DATE:	SEPTEMBER 28-29, 1995
LOCATION:	STUDENT UNION BUILDING MONTANA STATE UNIVERSITY—BILLINGS 1500 NORTH 30TH STREET BILLINGS, MONTANA
REGENTS PRESENT:	JIM KAZE (CHAIRMAN), CORDELL JOHNSON (VICE CHAIRMAN), PAUL BOYLAN, COLLEEN CONROY, PAT DAVISON, MIKE GREEN, AND KERMIT SCHWANKE; COMMISSIONER OF HIGHER EDUCATION JEFF BAKER; GOVERNOR MARC RACICOT (THURSDAY SESSION)
REGENTS ABSENT:	NONE
PRESIDENTS & CHANCELLORS PRESENT:	PRESIDENTS GEORGE DENNISON AND MICHAEL MALONE; CHANCELLORS LINDSAY NORMAN, SHEILA STEARNS, WILLIAM DAEHLING, AND RONALD SEXTON

THURSDAY, SEPTEMBER 28, 1995

Chairman Jim Kaze called the regular meeting of the Board of Regents to order at 1:15 p.m. Roll call showed that a quorum was present.

- ▶ **Regent Pat Davison moved that the Board approve the minutes from the June 19, 1995 conference call meeting; July 6, 1995 regular meeting; and August 7, 1995 conference call meeting as mailed to Board members. The motion passed unanimously.**

Governor Marc Racicot announced that the Montana World Trade Center, based at The University of Montana—Missoula, would be established this fall to help expand Montana's export market. According to Governor Racicot, the center promises a major export promotion effort and an opportunity for Montana to respond to changes in the global marketplace resulting from GATT and NAFTA. He said exports could significantly increase profits and jobs for Montanans, and the Montana WTC would help the state capitalize on every opportunity to expand its export market. Governor Racicot will chair the Montana WTC Board.

The Montana WTC will be one of nearly 300 WTC offices operating in 85 countries. World trade centers offer a wide range of support services for business people, including an exclusive global electronic system for international trade transactions, meeting and exhibit facilities, educational programs, trade libraries, and translation services.

The center will be staffed almost entirely by student interns to provide invaluable hands-on experience for international business students. Plans call for the Montana WTC, which will be housed temporarily in Missoula's Milwaukee Station, to begin operations in November. The center, part of UM's School of Business Administration, will move to UM's new business building next fall when construction is complete.

Sam Courtney, UM's special adviser on government and international relations for the past year, said the Montana WTC would make a real contribution to state and regional economic development while significantly strengthening international business curricula and programs throughout the Montana University System. He pointed out that as a nonprofit institution, the center would be funded through contributions to the UM Foundation; the effort would not draw upon state resources.

Regent Cordell Johnson said he was concerned that the Regents had no prior knowledge of this center before hearing about it in a September 18, 1995 letter. Considering the magnitude of the effort, he felt the Regents should have at least been made aware of it before then.

UM President George Dennison noted that a new center was not being established on the Missoula campus. Instead the Montana WTC was a world trade center for the state of Montana. UM was simply providing an incubator function for a five-year period, at which time the center would be off campus and serving the state. He said it was not an academic program in that sense. If it were to become a permanent center for UM, a proposal would be brought to the Board.

CONSENT AGENDA

Staff Items

- a. **ITEM 88-100-R0995**—Staff; Office of the Commissioner of Higher Education [AMENDED]
- b. **ITEM 88-1000-R0995**—Staff; The University of Montana—Missoula [Amended]
- c. **ITEM 88-1500-R0995**—Staff; Montana Tech of The University of Montana
- d. **ITEM 88-1500A-R0995**—Staff; Montana Bureau of Mines & Geology
- e. **ITEM 88-1600-R0995**—Staff; Western Montana College of The University of Montana [AMENDED]
- f. **ITEM 88-1900-R0995**—Staff; Helena College of Technology of The University of Montana
- g. **ITEM 88-2000-R0995**—Staff; Montana State University—Bozeman [AMENDED]
- h. **ITEM 88-2300-R0995**—Staff; Agricultural Experiment Station
- i. **ITEM 88-2400-R0995**—Staff; Extension Service
- j. **ITEM 88-2700-R0995**—Staff; Montana State University—Billings
- k. **ITEM 88-2800-R0995**—Staff; Montana State University—Northern [AMENDED]
- l. **ITEM 88-2850-R0995**—Staff; MSU College of Technology—Great Falls

Capital Construction Items

- a. **ITEM 88-1001-R0995**—Miscellaneous Improvements and Renovations, Women's Intercollegiate Athletics Soccer Field; The University of Montana—Missoula
- b. **ITEM 88-1002-R0995**—Construct Shop Complex, Lubrecht Experimental Forest; The University of Montana—Missoula
- c. **ITEM 88-1003-R0995**—Expand Scoreboard, Washington-Grizzly Stadium; The University of Montana—Missoula
- d. **ITEM 88-2004-R0995**—Authorization to Renovate the Wood Chip Experiment Building; Montana State University—Bozeman

Collective Bargaining Agreements

- a. **ITEM 88-001-R0995**—Approval of the 1995-1997 Collective Bargaining Agreement with Butte Teamsters Union, Local No. 2
- b. **ITEM 88-002-R0995**—Approval of the 1995-1997 Collective Bargaining Agreement with Montana Public Employees Association
- c. **ITEM 88-003-R0995**—Approval of the 1995-1997 Collective Bargaining Agreement with International Association of Machinists and Aerospace Workers
- d. **ITEM 88-004-R0995**—Approval of the 1995-1997 Collective Bargaining Agreement with AFSCME Local 441, Livestock and Range Research Station at Miles City
- e. **ITEM 88-005-R0995**—Approval of the 1995-1997 Collective Bargaining Agreement with International Brotherhood of Electrical Workers
- f. **ITEM 88-006-R0995**—Approval of the 1995-1997 Collective Bargaining Agreement with International Union of Operating Engineers (Colleges/Division of Technology)
- g. **ITEM 88-007-R0995**—Approval of the 1995-1997 Collective Bargaining Agreement with United Association of Plumbers and Pipefitters
- h. **ITEM 88-011-R0995**—Approval of the 1995-1997 Collective Bargaining Agreement with International Union of Operating Engineers (Montana State University—Bozeman, The University of Montana—Missoula, Montana Tech of The UM, and Western Montana College of The UM)
- i. **ITEM 88-2805-R0995**—Approval of the 1995-1997 Collective Bargaining Agreement with AFSCME Local 2235 at MSU—Northern
- j. **ITEM 88-2702-R0995**—Approval of the MSU—Billings Four-Plus-Two-Year Plan, Statement of Intent, and 1993-1997 Collective Bargaining Agreement with MSU—Billings Faculty Association
- k. **ITEM 88-1601-R0995**—Approval of the Collaborative Negotiations at WMCUM Plan, Statement of Intent, and 1993-1997 Collective Bargaining Agreement with WMCUM Faculty Association
- l. **ITEM 88-2806-R0995**—Approval of the Quality, Productivity and Accountability at MSU—Northern Plan, Statement of Intent, and 1995-1997 Collective Bargaining Agreement with MSU—Northern Federation of Teachers

Other

- a. **ITEM 88-008-R0995—Executive Board Appointments: Mr. Dick Roehm, MSU—Bozeman (reappointment); Mr. Truxton Fisher, Montana Tech of The UM (reappointment); Ms. Carol Willis, MSU—Billings (new appointment, succeeds Bill Tierney); Ms. Pat Blade, Western Montana College of The UM (reappointment); Ms. Arlene Breum, The University of Montana—Missoula (reappointment)**
- b. **ITEM 88-2002-R0995—Appointment of Linda Williams, Scott Waldren, Timothy Stavnes, and Peter Bishop to the Fire Services Training Advisory Council; Montana State University—Bozeman**
- c. **ITEM 88-2007-R0995—Approval of the Productivity, Quality and Outcomes Agreement with Montana State University—Bozeman**
- d. **ITEM 88-1502-R0995—Approval of Project 2000: A Plan to Enhance Teaching & Learning; Montana Tech of The University of Montana [WITHDRAWN FROM AGENDA]**

Commissioner Jeff Baker noted the following amendments to the staff items:

1. **ITEM 88-1000-R0995—Staff; The University of Montana—Missoula**
On page 5, salary entries for Alex Capdeville were changed from \$64,583 FY and 67,300 FY to \$62,562 FY and \$65,200 FY, respectively.
2. **ITEM 88-1600-R0995—Staff; Western Montana College of The University of Montana**
On page 2, salary entries for Sheila Stearns were changed from \$75,000 FY and \$82,200 FY to \$76,125 FY and \$79,500 FY, respectively.
3. **ITEM 88-100-R0995—Staff; Office of the Commissioner of Higher Education**
On page 1, salary entries for Jane Karas were changed from \$49,500 FY and \$51,629 FY to \$50,242 FY and \$52,403 FY, respectively.
4. **ITEM 88-2800-R0995—Staff; Montana State University—Northern**
On page 1, the salary entry for Deanna Ross was changed from \$41,363 FY to \$35,000 FY.

Commissioner Baker noted that **ITEM 88-1502-R0995—Approval of Project 2000: A Plan to Enhance Teaching & Learning; Montana Tech of The University of Montana** was being withdrawn at that time. He said the agreement would be brought back to the Regents for approval within the next few weeks.

Chairman Kaze said the commissioner's salary needed to be added to ITEM 88-100-R0995 to indicate a 4.3% increase—identical to that proposed for the two university presidents by the commissioner.

Regent Davison asked that the Board vote on salary increases for the commissioner and the two presidents separate from the Consent Agenda.

- ▶ **Regent Mike Green moved that the Board approve all items on the consent agenda (staff, capital construction, collective bargaining agreements, and**

other), including the amendments to ITEMS 88-100-R0995, 88-1000-R0995, 88-1600-R0995, and 88-2800-R0995; the withdrawal of ITEM 88-1502-R0995; and the removal of salary entries for Commissioner Jeff Baker and Presidents George Dennison and Michael Malone for a separate vote. The motion passed unanimously.

Regent Davison moved that the salaries for the commissioner and the two presidents be increased by 2.3% instead of 4.3%.

Regent Davison noted that the subject was difficult, but he felt they were reaching a dollar level that required sensitivity to the people of Montana. He said Montanans feel that a level has been reached where higher salary increases were inappropriate. He emphasized that his motion was no reflection on the jobs done by the commissioner or the presidents, but he felt they had reached the point in Montana where people were saying that was enough in the current environment. Regent Davison said he would like to have an incentive-based, compensation package developed before next year for upper management positions. When raises were due, they could determine the amounts based on that perspective. He commended the presidents and the commissioner for their work but said they could not ignore the Montana environment.

Regent Johnson said he disagreed. He pointed out that average raises in the various faculty agreements were in the 4.3% range or higher. He said that raising the commissioner's and presidents' salaries at least to that level was not out of line. In light of the work performed by the commissioner and the presidents, they deserved the same pay consideration as the faculty. Though the salaries may be considered high by Montana's standards, Regent Johnson pointed out that they were competing in a national market and needed to pay commensurate salaries to get the best people. He also pointed out that these salaries were considerably lower than those paid to CEOs of corporations in Montana's private sector.

Regent Colleen Conroy agreed that the commissioner and the presidents should be rewarded for their work and felt the 4.3% increase was justified.

Regent Green said he agreed they needed to establish some policies to provide guidelines for rewarding merit pay, which they did not have at that time. He said he was inclined to go along with the 2.3% that all state employees were receiving and noted that faculty raises were tied to productivity measures outlined in the faculty agreements.

Regent Kermit Schwanke agreed they needed to be sensitive to taxpayer sentiment once salaries approach or exceed the \$100,000 figure.

Regent Paul Boylan said the decision was tough and acknowledged they had outstanding people working for them. However, he said they could not ignore public sentiment. He also pointed out that fringe benefits were a factor along with the salary amounts.

In reference to the presidents' salaries only, Commissioner Baker said that when comparing their salaries to markets by using the same criteria used for the faculty, the presidents' salaries were about 71% of their peers. Commissioner Baker emphasized that the presidents were not doing 71% of the job. While he realized that balancing the internal and

external equity was difficult in Montana, he gave a great deal of thought to his salary recommendations for the two presidents and said his position was to increase the salaries by 4.3%. He felt it was both market-based and deserved from a merit standpoint.

Chairman Kaze said he also had to consider the Montana factor but felt the increases should be some amount greater than 2.3% but less than 4.3%, noting that some recognition of merit ought to be acknowledged.

- ▶ **After further discussion, Regent Davison's motion to approve ITEM 88-013-R0995—Approval of 1995-96 Salary Increases of 2.3%, effective October 1, 1995, for Commissioner of Higher Education Jeff Baker, The University of Montana President George Dennison, and Montana State University President Michael Malone; Montana University System passed by a vote of 4 to 3. Regents Schwanke, Green, Davison, and Boylan voted in favor of the motion; Regents Johnson, Conroy, and Kaze voted against the motion [item number assigned after meeting].**

COMMITTEE REPORTS

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

The Academic and Student Affairs Committee met at 9:00 a.m. in the Russell Room at MSU—Billings. Committee members present included Regents Cordell Johnson (chairman), Kermit Schwanke, Colleen Conroy, and Mike Green. Chairman Kaze asked committee chairman Regent Johnson to present the committee's report to the full Board.

1. ANNOUNCEMENTS

The following Level I changes were approved by the Office of the Commissioner of Higher Education:

- a. Flathead Valley Community College
 - Certificate program in Office Technology
 - Certificate program in Business Management (Supervisory Management)
- b. Montana State University—Bozeman
 - Eliminate the rural generalist option in the master's program in rural nursing and replace it with an option in nursing administration.

2. CONSENT AGENDA — SUBMISSION

- a. **ITEM 88-1005-R0995—Proposal to Offer the Associate of Applied Science Degree in Medical Laboratory Technology; College of Technology, The University of Montana**
- b. **ITEM 88-1006-R0995—Proposal to Offer the Certificate of Completion in Pharmacy Technology; College of Technology, The University of Montana**

- c. **ITEM 88-1007-R0995**—Reorganize the Professional Master's Degree Program by Converting the Approved Master of Forestry Degree Program to a Master of Ecosystem Management Degree Program, School of Forestry; The University of Montana—Missoula
- d. **ITEM 88-1901-R0995**—Proposal to Offer a Two-Year Associate of Applied Science Degree in Agri-Diesel Technology; Helena College of Technology of The University of Montana
- e. **ITEM 88-1902-R0995**—Proposal to Offer a Two-Year Associate of Applied Science Degree in Truck-Diesel Technology; Helena College of Technology of The University of Montana
- f. **ITEM 88-2005-R0995**—Authorization for the Department of Civil Engineering to Offer a Master's Degree in Construction Engineering Management; Montana State University—Bozeman
- g. **ITEM 88-2802-R0995**—Approval of Proposal for Associate of Science Degree in Railroad Maintenance and Operations; Montana State University—Northern
- h. **ITEM 88-2803-R0995**—Approval of Proposal to Award a New Option for the Master of Science in Education: Learning Development; Montana State University—Northern
- i. **ITEM 88-2804-R0995**—Approval of Proposal to Offer the Applied Technology Extended (5-12) Major; Montana State University—Northern
- j. **ITEM 88-2851-R0995**—Approval to Convert the Approved Certificate Program in Emergency Medical Services to an Associate of Applied Science Degree Program in Emergency Services; MSU College of Technology—Great Falls

3. **SUBMISSION AGENDA**

- a. **ITEM 88-1008-R0995**—Approval of a Proposal to Initiate a Doctoral Degree in Pharmacology/Pharmaceutical Sciences, School of Pharmacy and Allied Health Sciences; The University of Montana—Missoula
- b. **ITEM 88-2006-R0995**—Authorization to Establish the Division of Health Sciences; Montana State University—Bozeman
- c. **ITEM 88-009-R0995**—Resolution to Approve WICHE "Principles of Good Practice for Electronically Offered Academic Degree and Certificate Programs"; Montana University System

Regent Johnson said the committee recommended moving all 13 submission items to the action agenda at the November 17 meeting in Bozeman. He asked that the Regents carefully read the information supplied for ITEM 88-1008-R0995. Though the document was

lengthy, he said it was important that the proposal be reviewed thoroughly before the November meeting. He also suggested the full Board hear the discussion rather than just the committee.

ITEM 88-012-R0995—Motion Regarding Canyon Ferry Institute and Bureau of Reclamation Property; Montana University System [not included with agenda mailing; item number assigned after meeting]

Regent Johnson said the Bureau of Reclamation had offered to transfer title to the state of Montana for government-owned houses at Canyon Ferry "Village," the location of the Canyon Ferry Limnological Institute. The title would be transferred at no cost, and the university system would have to enter into a ten-year lease agreement for the underlying lands. Regent Johnson said the committee had discussed this briefly at the July meeting but did not have time to address it during their meeting that morning. However, he said he would recommend not approving the request.

Chairman Kaze asked if someone wanted to make a motion for approval. Since no one did, the item was considered dead for lack of a motion to approve.

ADMINISTRATIVE/BUDGET COMMITTEE

The Administrative/Budget Committee met at 9:00 a.m. in the Remington Room at MSU—Billings. Committee members present included Regents Pat Davison (chairman), Jim Kaze, and Paul Boylan. Chairman Kaze asked committee chairman Regent Davison to present the committee's report to the full Board.

1. SUBMISSION AGENDA

- a. **ITEM 18-005-R1077—Fee Waivers; Montana University System (940.13 REVISED)**

Regent Davison said the committee recommended that ITEM 18-005-R1077 be moved to the action agenda at the November 1995 meeting.

2. CONSENT AGENDA — ACTION

- a. **ITEM 88-1501-R0995—Authorization to Expend Equipment Fee Allocation for Instructional Purposes; Montana Tech of The University of Montana**
- b. **ITEM 88-2001-R0995—Authorization to Expend Student Equipment Fees; Montana State University—Bozeman**
- c. **ITEM 88-2301-R0995—Authorization for Montana State University to Grant a Right of Way to the Montana Department of Transportation in Connection with Highway Construction in Section 15, Township 2 South and Range 5 East, Gallatin County, Montana; Agricultural Experiment Station**

- d. **ITEM 88-2801-R0995—Grant of Easement to the Montana Power Company for Installation of a Power Line on Campus; Montana State University—Northern**
- ▶ **Regent Davison moved that the Board concur with the committee's recommendation to approve ITEMS 88-1501-R0995, 88-2001-R0995, 88-2301-R0995, and 88-2801-R0995 on the Consent Agenda — Action. The motion passed unanimously.**

3. **ACTION AGENDA**

- a. **ITEM 21-003-R0778—Appeals; Montana University System (REVISED 203.5.2) [Action deferred from July 1995 meeting]**

Regent Davison said action on this item had been deferred several times. However, all parties had come to an agreement on the policy revisions. He noted the implementation date would be January 1, 1996.

Chairman Kaze pointed out that while he agreed with the policy, he was going to keep an eye on it because he did not want to see any roadblocks set up for students during the appeal process. If the length of the appeals processes began to exceed those of the past, he would raise the issue again.

- ▶ **Regent Davison moved that the Board concur with the committee's recommendation to approve ITEM 21-003-R0778. The motion passed unanimously.**
- b. **ITEM 88-010-R0995—Fiscal Year 1996 Operating Budgets; Montana University System**

Regent Davison referred the Regents to the item's summary information, noting that it was explained more in layman's terms. He said it broke a complex issue down into something more easily understood.

Regent Davison said the budgets were for the fiscal year beginning July 1, 1995, and approval was required of the Regents before October 1, 1995.

- ▶ **After brief discussion, Regent Davison moved that the Board concur with the committee's recommendation to approve ITEM 88-010-R0995. The motion passed unanimously.**
- c. **ITEM 88-1004-R0995—Authorization to Proceed, Series C 1995 Refunding and New Money Issue; The University of Montana—Missoula**

Regent Davison said UM was requesting preliminary authorization to proceed with the Series C 1995 Refunding and Facilities Improvement Bonds. Before seeking final approval from the Board, UM planned to seek the endorsement of the ASUM for the \$7,500,000 project for the recreation facility. In addition, they would provide evidence of the available \$2,500,000 in private support for remodeling of the Harry Adams Field House

before seeking final authority from the Regents.

Regent Davison said Marshall Crawford from Smith Barney had prepared a preliminary analysis of the debt capacity (on file) of UM, and the analysis showed the university had the capacity to carry the additional debt. He referred the Regents to handouts distributed by UM (on file) that explained each project's details more thoroughly.

Regent Davison said the committee recommended removing the following projects from the list: (1) University Recreation Facility, \$7,500,000 (UM—Missoula); (2) University Center Renovations, \$4,450,000 (UM—Missoula); and (3) Arena Floor, Physical Education Building, \$150,000 (WMCUM). [Remodeling and Expansion of Food Service, Matthews Hall project for \$650,000 at Western Montana College was removed from the list by that campus.] The two projects at UM—Missoula and the arena floor project at Western were removed by the committee so that more student input could be solicited, since these projects would require increases in student fees. Regent Davison noted this was a preliminary approval, and the item would be brought back for final approval.

- ▶ **After lengthy discussion, Regent Davison moved that the Board concur with the committee's recommendation to approve ITEM 88-1004-R0995 with the removal of four projects from the list: University Recreation Facility and University Center Renovations at UM—Missoula; and Arena Floor, Physical Education Building, and Remodeling and Expansion of Food Service, Matthews Hall, at Western Montana College of The UM. The motion passed unanimously.**
- d. **ITEM 88-1009-R0995—Authorization for Private Development of Student Housing; The University of Montana—Missoula**

Regent Davison said this item authorized UM to solicit competitive proposals for the construction and management of student housing facilities by private developers and managers at The UM—Missoula and Montana Tech, Western Montana College, and Helena College of Technology of The UM, and to award a contract upon approval of the UM president and the commissioner.

- ▶ **After brief discussion, Regent Davison moved that the Board concur with the committee's recommendation to approve ITEM 88-1009-R0995. The motion passed unanimously.**
- e. **ITEM 88-2003-R0995—Authorization to Spend Private Funds in Addition to Federal Funds for the Construction of the Agriculture/BioScience Facility; Montana State University—Bozeman**

Regent Davison said this item authorized MSU—Bozeman to spend private funds in addition to federal funds for construction of the Agriculture/BioScience facility at MSU—Bozeman. This item corrects an error made during the legislative session that eliminated the reference to private funds and grants; thus, the total spending authority of \$10,815,946 was issued for federal funds. The error is corrected by authorizing spending of \$3,090,946 in private funds and grants and \$7,725,000 in federal funds.

- ▶ **Regent Davison moved that the Board concur with the committee's recommendation to approve ITEM 88-2003-R0995. The motion passed unanimously.**
- f. **ITEM 88-2701-R0995—Authorization to Purchase Real Property; Montana State University—Billings**

Regent Davison said this item authorized MSU—Billings to purchase property commonly referred to as 2608 Normal Avenue. The property is within the area of purchase authorized by the Board in the 1972 Long Range Building Plan. Revenue generated by MSU—Billings' rental properties would be used for the purchase; no state funds would be expended. Three independent appraisals produced valuations of \$189,500, \$162,300, and \$143,500, and the Board was asked to approve the conditionally negotiated price of \$165,100.

- ▶ **After brief discussion, Regent Davison moved that the Board concur with the committee's recommendation to approve ITEM 88-2701-R0995. The motion passed unanimously.**

Regent Davison noted that Kris Johnson from Western Montana College of The UM had asked to be placed on the agenda to voice his and other students' opposition to the decision made by Chancellor Sheila Stearns to eliminate the wrestling program at Western. The committee listened to Mr. Johnson's comments and reviewed the material he distributed (on file). Regent Davison said the committee felt the Board should deal with policy issues and leave running the system to the commissioner, presidents, and chancellors. For that reason, the committee's discussion was limited.

Regent Davison said the students' primary concern was that of being left out of the process leading to the decision to eliminate the wrestling program. They were concerned that the decision was made after they left the campus in the spring, which denied them input. Regent Davison said the committee was not sure how to handle the issue so was deferring it to the full Board.

Chairman Kaze said they could not determine any violation of Board policy, so the question was whether the Board should intervene in a decision made on a campus.

Since the students were not asking for action at that time, Regent Davison suggested they refer the matter to the commissioner.

Commissioner Baker said the issue was whether they should be micromanaging a decision made at the Western campus. He said he would take the issue under advisement but did not feel he would change his position that it would be inappropriate for him to second-guess Chancellor Stearns' decision, which she had given a great deal of thought.

Chairman Kaze suggested focusing on the overall policy issue. He suggested Commissioner Baker review the policy issues involved as they related to student input on decisions of these types to see whether the policies needed to be changed.

Kris Johnson said the students would not be at the Board meeting voicing their opposition if they felt they had been involved in the decision process. He said he hoped the Board would recommend that Chancellor Stearns and UM President Dennison sit down with

the students to discuss the issue. Mr. Johnson said the students felt they had some potential solutions to the problem and some ideas to discuss.

Chairman Kaze said there was nothing the Board had done that would prevent them from doing that.

Montana State University President Michael Malone distributed information (on file) to the Board on benchmarking efforts underway on the MSU campuses. President Malone provided a brief overview of the document, noting that last fall was the first year of MSU—Bozeman's commitment to participate in NACUBO's benchmark data collection project. He said they would provide the Regents an update in January of the results from the pilot survey.

OLD BUSINESS

a. Restructuring—Phase Two Issues

Commissioner Baker said he and the Regents had discussed these issues with the students during the noon luncheon. Collectively and individually, many of the proposals and elements of phase two cut to the heart of public policy issues related to public higher education in Montana. He said he and Deputy Commissioner for Academic Affairs Richard Crofts had been meeting with various groups on the campuses, and the public policy issues were being taken seriously. He said they were focusing on issues that included access to higher education; the type and length of the access; state funding of higher education; how long that support should be extended to students and for what purposes; how quality should be measured; outcomes-based assessment; whether 120 credit hours or another number should be used as a serious measure of quality; no longer using state support for certain activities; and measures that would increase the price to students who go beyond a certain number of hours.

Commissioner Baker said they have tried to approach these issues through open dialogue. They came forth with the propositions and ideas, put them on the table for discussion, and encouraged widespread discussion of the issues. He said they ultimately would move forward with some definite measures to effect changes that will mean betterment for higher education. Commissioner Baker said these changes were not being proposed only for the sake of change. Instead, they would be substantive changes that made sense and would build on the base already established.

Commissioner Baker asked Deputy Commissioner Crofts to review the drafts of the five issues proposed for discussion. Commissioner Baker said these were the more controversial issues in phase two, and they wanted to allow ample time before March 1996 to discuss and refine the proposals.

Dr. Crofts said he would review the items individually, make some brief comments on some of the issues involved, and share some of what they were learning from the campus visits and through discussions with faculty and administrators.

1. Draft of General Education Transfer Policy

- This new policy would direct all campuses of the Montana University System to recognize the integrity of general education programs offered by the system's units, the three community colleges, and the seven tribal colleges. Undergraduate students who complete 45 lower-division credit hours of an approved general education program at one of these institutions and who transfer to a campus of the university system would be considered to have met the lower-division general education requirements of the campus to which the student has transferred. Students who had not completed 45 lower-division credit hours of an approved general education program would have their transcripts evaluated for transfer purposes using the *Statewide Core Curriculum and Community College Transfer Guide*.

2. Draft of Undergraduate Degree Requirements Policy

- According to this new policy, requirements for baccalaureate degrees offered by units of the university system would be limited to a maximum of 120 semester hours of credit. Exceptions to the policy would have to be recommended by the units and the Office of the Commissioner of Higher Education and approved by the Board of Regents. Exceptions would be limited and approved only for compelling reasons of academic quality or public policy.

3. Draft Revision of Board Policy 940.27 (Tuition)

- This policy revision would require that students who had attempted a total of 135 or more semester credits at units of the university system and the three community colleges be charged nonresident tuition for subsequent courses attempted. Not counted in the 135-credit limit would be courses attempted prior to the fall semester of 1991, credits earned in high school advanced placement programs or any program of challenge exams, or credits transferred from out-of-state or private institutions.

Following lengthy discussion of these three proposals among the Regents, the commissioner, campus representatives, and students, the Board recessed at 5:00 p.m.

FRIDAY, SEPTEMBER 29, 1995

The Board reconvened at 8:30 a.m. with a quorum present.

STUDENT REPORTS

MAS President Jennifer Obie said MSU—Northern was concerned about the proposal that would end subsidized classes in remedial education. She said many traditional and non-traditional students at MSU—Northern needed that education. Alternatives were being discussed, such as learning more about the adult education classes in Havre or maybe busing students to the tribal colleges. MAS also was concerned about the proposal in which the 170-

credit-hour subsidized limit would be lowered. Also, lowering credits required to graduate to 120 raised some concerns about quality, specifically at Montana Tech.

OLD BUSINESS (continued)

a. Fort Missoula

Chief Legal Counsel LeRoy Schramm reviewed his September 22, 1995 memorandum to the Board (on file) concerning reacquisition of the lands at Fort Missoula. He then asked the Regents to vote on two motions included in **ITEM 88-1010-R0995—Reacquisition of Land at Fort Missoula**, which essentially would return all the Fort Missoula land (approximately 298 acres) transferred to the University of Montana Foundation in 1990 back to public ownership.

Motion #1: The Board of Regents hereby approves the attached "Agreement for Sale and Purchase of Real Property" with The Greens at Fort Missoula and authorizes the Commissioner or University of Montana President or their designees to complete and sign any documents necessary to consummate the approved transaction. Any prior Board of Regents action, item, or policy inconsistent or in conflict with this item is hereby superseded and without standing.

Chief Counsel Schramm said Motion #1 would return to the Regents the 83 acres acquired by The Greens in 1994. The purchase price is \$790,000.

Motion #2: The Board of Regents hereby approves the attached "Agreement to Transfer Real Estate and Other Assets" with the University of Montana Foundation and authorizes the Commissioner or University of Montana President or their designees to complete and sign any documents necessary to consummate the approved transaction. In addition, the Board of Regents hereby repeals ITEM 62-102-R1288. Any prior Board of Regents action, item, or policy inconsistent or in conflict with this item is hereby superseded and without standing.

Chief Counsel Schramm said Motion #2 would return to the Regents the remaining 215 acres at Fort Missoula still held by the Foundation. It would also accept the transfer of the proceeds received by the Foundation when it sold the 83 acres to The Greens and the subsequent earnings on those proceeds. Motion #2 would also repeal the Regents' ITEM 62-102-R1288, which initially authorized the transfer of Fort Missoula land to the Foundation in 1988. Chief Counsel Schramm noted that both motions gave university system officials the authority to sign any necessary documents to complete the approved transactions.

Chairman Kaze entertained comments from the public.

Ross Best of Missoula said he had a prepared statement to read to the Board. Mr. Best noted he was not representing the Save the Fort Missoula group, although he was a member. He said he was one of three citizens who started the Fort Missoula petition drive in January of 1994. Mr. Best read his statement (on tape) that opposed Board approval of the proposed agreements with The Greens and the UM Foundation. Mr. Best then read a

September 26, 1995 letter (on file) addressed to the Board of Regents from Gerard Berens, treasurer of the Save the Fort Missoula group and its chief spokesperson.

Discussion followed among Chief Counsel Schramm, the Regents, President Dennison, Commissioner Baker, and Mr. Best.

Chairman Kaze called for roll call votes on the two motions included in ITEM 88-1010-R0995—Reacquisition of Land at Fort Missoula.

- ▶ **Regent Davison's motion to approve Motion #1 in ITEM 88-1010-R0995 was approved by a vote of 6 to 1; Regent Schwanke voted against the motion.**
- ▶ **Regent Johnson's motion to approve Motion #2 in ITEM 88-1010-R0995 was approved by a vote of 6 to 1; Regent Schwanke voted against the motion.**

At 10:00 a.m., Chairman Kaze called for a 20-minute break to visit with Dr. Cornel D. Pewewardy in recognition of Native American Day at MSU—Billings. Chairman Kaze said Dr. Pewewardy was a Visiting Scholar to the Department of Education at Cameron University in Lawton, Oklahoma. He was recently appointed to the Association for Teacher Educators Commission of Preparing Teachers for Diverse Student Populations; editorial board of the Journal of American Indian Education; and was a founding member of the National Association for Multicultural Education.

When the Board reconvened, Chairman Kaze asked Dr. Crofts to continue with the phase two restructuring issues.

Dr. Crofts introduced and lengthy discussion followed on the following two issues:

4. Proficiency Admission Requirements and Remedial/Developmental Education

Actions outlined in this discussion paper included the following:

- Elimination of remedial education from the Montana University System by the summer of 1996.
- During the 1995-96 academic year, each unit of the system would examine its current admission requirements and propose to the Board for its July 1996 meeting new entry requirements to better identify those students whose previous academic record suggested they would have a reasonable chance for success in their undergraduate education. Units believing their current admission standards were appropriate would have the opportunity to document that belief during the same time frame.
- The Commissioner should appoint a systemwide task force on proficiency-based admission standards. During the 1995-96 academic year, the task force would review what has been done in other states and make the following recommendations to the Board at its July 1996 meeting: what areas should be covered by proficiency standards, including areas beyond English and mathematics; how those proficiencies would be assessed or measured; and

what should the minimum level of achievement be in each proficiency for full admission to the units of the university system. Upon Board approval of the proficiency-based admission standards, each undergraduate program in the system during fall semester 1996 would review the selected means of assessment and determine whether higher levels of these proficiencies were required for student success. Special attention would be given in this process to proficiency in mathematics. These determinations would be reviewed by the university system's academic officers and implemented for admission decisions made beginning January 1997.

- The Commissioner would appoint the Deputy Commissioner of Academic Affairs as chair of a task force to monitor and provide oversight for developmental education programs. The task force would include the system's chief academic officers and representatives from other institutions, agencies, and organizations considered appropriate by the Commissioner. The task force would ensure that developmental education programs were in place by January 1997.

5. Role and Scope Statements and Academic Program Development

- Role and scope statements would not play the role they had in the past. The system would identify state educational and training needs through a variety of methods of statewide needs assessment. These methods would include institutional initiative in determining the need for academic programs. However, program responsibilities would no longer be awarded based on territorial determinations of role and scope. Rather, providers of educational services would be chosen based on price and quality. The preferred provider might come from the public or private sectors, or it might come from out-of-state agencies offering programs through distance-learning. Needs would be translated to Requests for Proposals (RFPs), and bids would be entertained by the Regents. Criteria would include responsiveness to state needs, fiscal viability of the provider, institutional capability and capacity, quality of program offering, and cost. The goal would be to create a competitive environment and receive the highest quality program at the best possible price for the state. In cooperation with the system's academic officers, the Office of the Commissioner of Higher Education would develop at least two pilot RFPs during the 1995-96 academic year.

COMMISSIONER'S REPORT

Commissioner Baker said the phase two policy issues would be revised and brought back to the Board at the November meeting, although they did not expect the Board to act on them at that time. In the meantime, the dialogue in the system would continue.

Commissioner Baker said the "Quality•Access•Cost" conference he attended in Missoula was extremely successful and beneficial, not only to people in higher education but to the legislators and others who attended.

Commissioner Baker expressed his thanks to everyone involved in the collaborative negotiations leading up to the various faculty agreements. As with the UTU agreement, he said the work was just beginning. However, they now had the foundation to continue the dialogue on a different basis. He said it would not have been possible without the hard work and help of many people in the system.

CAMPUS REPORTS

The University of Montana—Missoula

- a. UM President Dennison announced the accreditation site visit on Pharmacy. He said it was a follow-up visit, and they did not expect any problems.
- b. President Dennison said they had instituted the master's of education program in Helena through the higher education center, and 39 students were enrolled.

Montana State University

- a. MSU—Bozeman President Malone distributed a press release (on file) indicating that enrollment increases on the MSU campuses were 1.4%, or slightly over 256 students.
- b. President Malone also distributed the following (on file): articles from the September 22, 1995 *Chronicle of Higher Education* titled "Taking Pride in Healthy Potatoes" and "Networking to End Racism," both involving MSU—Bozeman; and an article from the September 7, 1995 *Bozeman Daily Chronicle* titled "New system student-friendly," referring to MSU's touch-tone registration system.

Montana Tech

Chancellor Lindsay Norman announced that WMCUM Chancellor Sheila Stearns had been elected by her colleagues at the annual meeting of the National Association of Intercollegiate Athletics (NAIA) as Vice Chairman of the NAIA. He said within a year she would become the national chairman of the NAIA, which represents almost 400 institutions in the United States.

Miles Community College

President Frank Williams said Miles Community College had received confirmation of grants from (1) the Department of Agriculture through the Rural Utility Systems program for \$324,827, and (2) the Department of Commerce via the NTIA group to the Southeast Montana Telecommunications Education Cooperative for \$360,000, plus an additional \$100,000 coming from the Coal Board to support that grant. He said these grants would enable Miles Community College to put together a 10-node telecommunications network, two-way interactive, at 10 sites in southeast Montana: seven at high schools, one at MSU—Billings, one at Dull Knife Memorial College, and one at MCC.

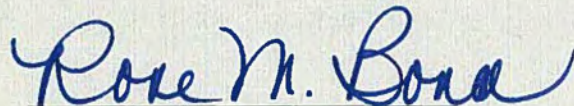
Chairman Kaze thanked MSU—Billings Chancellor Ron Sexton for hosting the meeting on the Billings campus and thanked him and his staff for all the events associated with the meeting.

With no other business to come before the Board, the meeting adjourned at 12:30 p.m.

Mailed to the Board of Regents on

11-3-95

(Date)

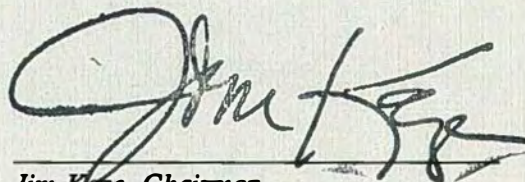


Rose M. Bond
Secretary to the Board of Regents

Approved by the Board of Regents on

11-17-95

(Date)



Jim Kaze, Chairman
Board of Regents of Higher Education